

Chapter 7

STAFFING THE ORGANIZATION

What is Staffing

- *Staffing* may be defined as the management function that determines human resource needs, recruits, selects, trains, and develops human resource for jobs created by an organization.

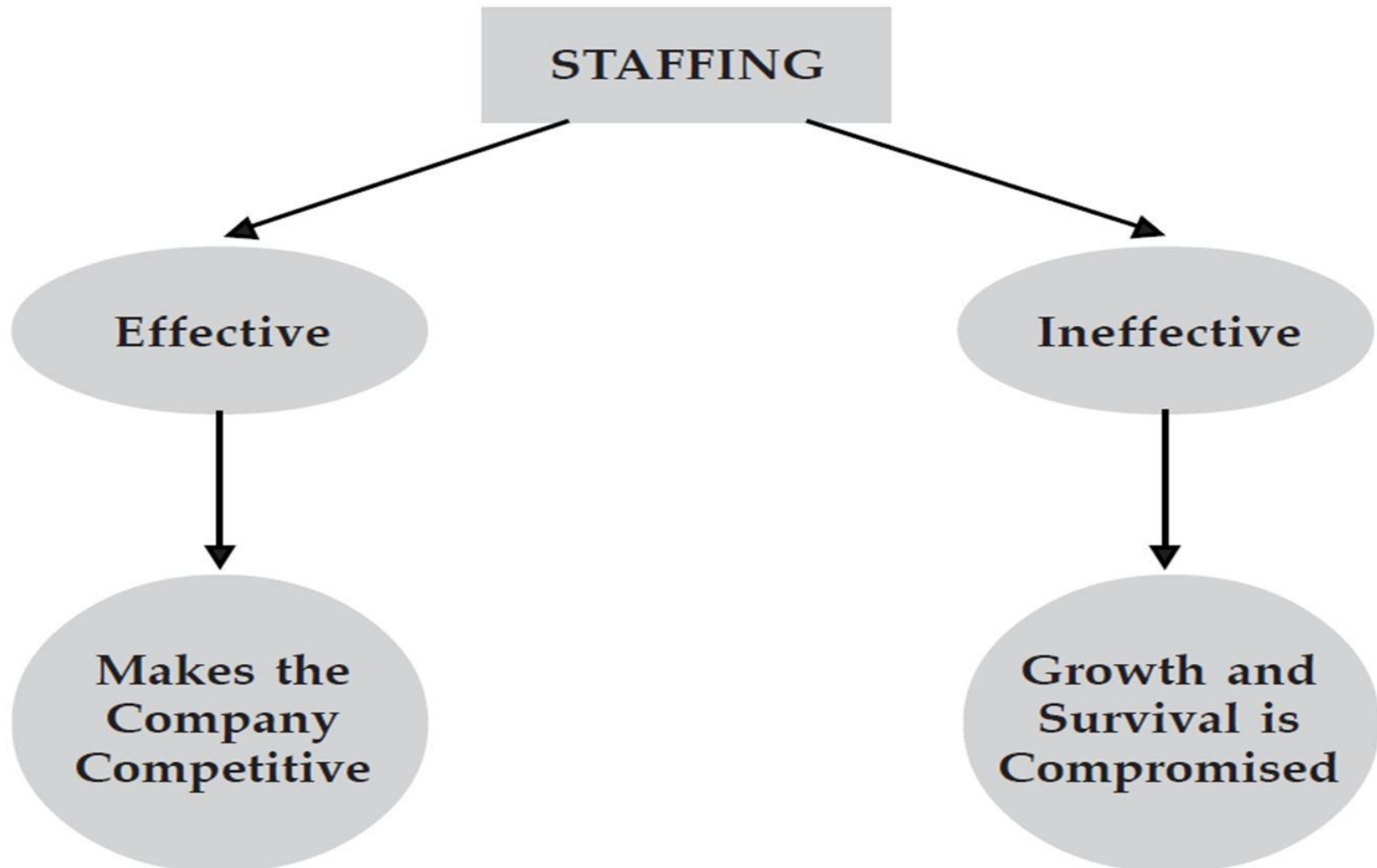


Figure 35. Staffing, Competition, and Survival

The Staffing Procedure

- The staffing process consists of the following series of steps:
 1. human resource planning;
 2. recruitment;
 3. selection;
 4. induction and orientation;
 5. training and development;
 6. performance appraisal;
 7. employment decisions (monetary rewards, transfers, promotions and demotions); and
 8. separation.

Human Resource Planning

- 1. *Forecasting.*** This is an assessment of future human resource needs of the organization in relation to its current capabilities.
- 2. *Programming.*** This means translating the forecasted human resource needs to personnel objectives and goals.
- 3. *Evaluation and control.*** This refers to monitoring human resource action plans and evaluating their success.

Methods of Forecasting

- 1. *Time series methods*** – use historical data to develop forecasts of the future.
- 2. *Explanatory, or casual models*** – attempts to identify the major variables that are related to or have caused particular past conditions and then use current measures of these variables to predict future conditions.

The three major types of explanatory models are as follows:

- a. Regression models
- b. Econometric models – this is a system of regression equations estimated from past time-series data and used to show the effect of various independent variables on various dependent variables.
- a. Leading indicators – this refers to time series that anticipate business cycle turns.

- 3. *Monitoring methods*** – are those that provide early warning signals of significant changes in established patterns and relationships so that the manager can assess the likely impact and plan responses if required.

Recruitment

- *Recruitment* refers to attracting qualified persons to apply for vacant positions in the company so that those who are best suited to serve the company may be selected.

Sources of Applicants

The organization's
current
employees

Newspaper
advertising

Schools

Referrals from
employees

Recruitment firms

Competitors

- For entry-level personnel, the manager will likely rely on newspaper advertising, schools, and referrals. When recruiting managers, the reliable sources are current employees, recruitment firms, and competitors.

Selection

- *Selection* refers to the act of choosing from those that are available the individuals most likely to succeed on the job.
- A requisite for effective selection is the preparation of a list indicating that an adequate pool of candidates is available.

Ways of Determining the Qualifications of a Job Candidate

<p>1. Application blanks</p>	<p>The application blank provides information about a person's characteristics such as age, marital status, address, educational background, experience, and special interests.</p>
<p>2. References</p>	<p>Those written by previous employers, co-workers, teachers, club officers, and the like about a person.</p>
<p>3. Interviews</p>	<p>Information may be gathered in an interview by asking a series of relevant questions to the job candidate.</p>
<p>4. Testing</p>	<p>This involves an evaluation of the future behavior or performance of an individual.</p>

Types of Tests

1. **Psychological test.** This is an objective, standard measure of a sample behavior of the individual. It is further classified as follows:

a. Aptitude test	This is used to measure a person's capacity or potential ability to learn.
b. Performance test	This test is used to measure a person's current knowledge of a subject.
c. Personality test	This is used to measure personality traits as dominance, sociability, and conformity.
d. Interest test	This is a test used to measure a person's interest in various fields of work.

2. *Physical examination.* This is a type of test given to assess the physical health of an applicant. It is administered to assure that the health of the applicant is adequate to meet the job requirements.

Induction and Orientation

- In *induction*, the new employee is provided with the necessary information about the company.
- In *orientation*, the new employee is introduced to the immediate working environment and co-workers.

Training and Development

- Training refers to the learning that is provided in order to improve performance on the present job.
- Training programs may be classified into the following:
 1. training programs for non-managers; and
 2. training and educational programs for executives.

Training Program for Non-managers

- This type of training is directed to non-managers for specific increases in skill and knowledge to perform a particular job.

- The four methods under this type are:

1. <i>On-the-job training</i>	where the trainee is placed in an actual work situation under the direction of his immediate supervisor, who acts as trainer.
2. <i>Vestibule school</i>	where the trainee is placed in a situation almost exactly the same as the workplace where machines, materials, and time constraints are present.
3. <i>Apprenticeship program</i>	where a combination of on-the-job training and experiences with classroom instruction in particular subjects are provided to trainees.
4. <i>Special courses</i>	are those which provide more emphasis on education rather than training.

Training Programs for Managers

- The training needs of managers may be classified into four areas: decision-making skills, interpersonal skills, job knowledge, and organizational knowledge.

- The decision-making skills of the manager may be enhanced through:

1. In-basket

where the trainee is provided with a set of notes, messages, telephone calls, letters, and reports, all pertaining to a given company situation.

2. Management games

is a training method where trainees are placed in a simulated situation and are required to make an on-going series of decisions about the situation.

3. Case studies

method that presents actual situations in organizations and enables one to examine successful and unsuccessful operations.

- The interpersonal competence of the manager may be developed through:

1. Role playing	This is a method by which the trainees are assigned roles to play in a given case incident.
2. Behavior modeling	This method attempts to influence the trainee by showing model persons behaving effectively in a problem situation.
3. Sensitivity training	Under this method, awareness and sensitivity to behavioral patterns of oneself and others are developed.
4. Transactional analysis	This is a training method intended to help individuals not only understand themselves and others but also improve their interpersonal communication skills.

- In acquiring knowledge about the actual job the manager is currently holding, the following methods are useful:

<p>1. <i>On-the-job experience</i></p>	<p>This method provides valuable opportunities for the trainee to learn various skills while actually engaged in the performance of a job.</p>
<p>2. <i>Coaching</i></p>	<p>This method requires a senior manager to assist a lower-level manager by teaching him the needed skills and generally providing direction, advice, and helpful criticism.</p>
<p>3. <i>Understudy</i></p>	<p>Under this method, a manager works as assistant to a higher-level manager and participates in planning and other managerial functions until he is ready to assume such position himself.</p>

- In the attempt to increase the trainee's knowledge of the total organization, exposure to information and events outside of his immediate job is made.

1. <i>Position rotation</i>	Manager is given assignments in a variety of departments. The purpose is to expose him to different functions of the organization.
2. <i>Multiple management</i>	This method is premised on the idea that junior executives must be provided with means to prepare them for higher management positions.

Performance Appraisal

- *Performance appraisal* is the measurement of employee performance.
- The purposes for which performance appraisal is made are as follows:
 1. to influence, in a positive manner, employee performance
 2. and development;
 3. to determine merit pay increases;
 4. to plan for future performance goals;
 5. to determine training and development needs; and
 6. to assess the promotion potential of employees.

Ways of Appraising Performance

<p>1. Rating scale method</p>	<p>This is the method where each trait or characteristics to be rated is represented by a line on which the rater indicates the degree to which the individual possesses the trait or characteristics.</p>
<p>2. Essay method</p>	<p>The evaluator in this method composes statements that best describes the person evaluated.</p>
<p>3. Management by objectives method</p>	<p>This method is one where specific goals are set collaboratively for the organization as a whole, for various subunits, and for each individual member.</p>
<p>4. Assessment center method</p>	<p>This is the method where one is evaluated by persons other than the immediate superior. This method is used for evaluating managers.</p>

5. Checklist method	This method is one where the evaluator checks statement on a list that are deemed to characterize an employee's behavior or performance.
6. Work standards method	Under this method, standards are set for a realistic worker output and later on used in evaluating the performance of non managerial employees.
7. Ranking method	This is the method where each evaluator arranges employee's names in rank order from the best to the poorest.
8. Critical-incident method	This method is one where the evaluator recalls and writes down specific (but critical) incidents that indicate the employee's performance.

Employment Decisions

1. Monetary rewards

These are given to employees whose performance is at par or above standard requirements.

2. Promotion

This refers to the movement by a person into a position of higher pay and greater responsibilities and which is given as a reward for competence and ambition.

3. Transfer

This is the movement of a person to a different job at the same or similar level of responsibility in the organization.

4. Demotion

This is a movement from one position to another which has less pay or responsibility attached to it.

Separation

- Separation is either a voluntary or involuntary termination of an employee's services.
- When made voluntarily, the organization's management must find out the real reason.
- If the presence of a defect in the organization is determined, corrective action is necessary.

- Involuntary separation (or termination) is the last option that the management exercises when an employee's performance is poor.
- This is usually made after training efforts fail to produce positive results.

Compensating Employees

- Certain factors determine the salary or wages paid to employees.
- These are the following:
 1. performance;
 2. the relative worth of each job within the firm;
 3. labor market conditions and prevailing wage rates; and
 4. type of pay system used.

Performance

- The achievement of the objectives of the organization will depend on the individual and collective performance of its employees.
- Hence, it is only right to compensate them according to their ability to contribute to the attainment of goals.
- When an individual's output is better than the others, this should be recognized and he should be provided a higher pay rate.

The Relative Worth of Each Job

- The compensation of the individual employee may also be determined according to the relative worth of each job.
- To determine a job's relative worth, job evaluation is undertaken. This activity allows the organization to rank jobs and determine their hierarchy of importance across all jobs in the organization.
- Up-to-date job descriptions and job specifications are useful tools of job evaluation.

- *Job description* represents the written summary of a job as an identifiable organizational unit.
- *Job specification* is a written explanation of the knowledge, skills, abilities, traits, and other characteristics necessary for effective performance on a given job.

Methods of Job Evaluation

- There are several methods used in evaluating jobs. These are the following:
 1. the point method;
 2. the comparison method;
 3. the classification method; and
 4. the ranking method.

<i>Point method</i>	is one that requires the evaluators to quantify the value of the elements of a job.
<i>Comparison method</i>	is one that uses a factor-by-factor comparison and as a result, a factor comparison scale is used.
<i>Classification or grading method</i>	is one where jobs are grouped together in sets of grades or classification such as clerical or managerial.
<i>Ranking method</i>	is one where the evaluator assigns ranks to jobs from the simplest to the most challenging.

Labor Market Conditions and Prevailing Wage Rates

- Some jobs may be similar with other jobs in terms of difficulty, responsibility, and other factors.
- Some of them, however, will be paid higher rates because of bigger demand for them.
- Companies in dire need of certain skills will pay premium rates if these skills are not readily available.

Type of Pay System Used

- Wages may vary because of seniority, company productivity, and profit-sharing considerations.
- Seniority reflects loyalty to the company as well as experience.
- Improvements in company productivity makes production more efficient and, therefore, less expensive.
- When the company makes profits, employees are sometimes provided opportunities for sharing.

Employee Health and Safety

- A requisite to organizational productivity is the maintenance of employee health and safety.
- Employees who are healthy and who feel safe in their places of work can contribute immensely in the achievement of the organization's objectives.

- This is made possible when management is concerned with the following:
 1. organizational work environment, including air, water, and noise pollution;
 2. other health hazards like poor diet, alcohol, and drugs;
 3. the safety of the work area; and
 4. the safety of the equipment used.

- To address such concerns, the following are usually undertaken:
 1. installation of accident prevention programs; and
 2. elimination of health hazards in the work areas.

Employee Relation

- Peace and harmony in the workplace is a requisite for efficiency in production.
- This happens when employees consider relationship with the organization as worthwhile.
- The organization must be able to manage employee relations which is sometimes made in cooperation with unions.

- This is not to downgrade the importance of managing employee relations in a non-unionized situation.
- Employee relations are characterized by concerns on managing and administering the union contract (in unionized organizations), grievances, compensation, work rules, and other issues.