Human Resources Management - 3rd Edition

HUMAN RESOURCES MANAGEMENT - 3RD EDITION

DEBRA PATTERSON

Fanshawe College Pressbooks
London Ontario



Human Resources Management - 3rd Edition Copyright © 2023 by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

CONTENTS

About This Book xiii

Acknowledgments xvi

Changes From Adapted Resource xviii

Chapter 1: Human Resources Strategy

1.0 Learning Outcomes 3

1.1 Human Resource Management 4

1.2 Evolution and History of Human Resources Management 7

1.3 The Role of HRM in Organizations 10

1.4 The Human Resources Manager 16

1.5 Human Resources and Environmental Factors 20

1.6 HRM and Business Challenges 25

1.7 Key Terms 30

1.8 Summary 31

1.9 Knowledge Check 32

1.10 Exercises/Activities for Teachers and Students 33

1.11 Case Study: The Birth of a Marijuana Producer 35

Chapter 2: Human Resources Planning and Analytics

2.0 Learning Outcomes 41

2.1 Human Resources Planning and Strategy 42

2.2 The HR Planning Process 43

2.3 Forecasting Demand for Labour 45
2.4 HR Demand Forecasting Method 47
2.5 Human Resources Supply 49
2.6 HR Response and Plan for Supply and Demand 51
2.7 Human Resources Information Systems (HRIS) and HR Analytics 55
2.8 HR Analytics 58
2.9 HR Analytics Application 61
2.10 Key Terms 66
2.11 Summary 69
2.12 Knowledge Check 71
2.13 Exercises/Activities for Teachers and Students 72
2.14 Case Study: The Power of HR Analytics for ACME Inc. 74

Chapter 3: Diversity, Inclusion, Equity and the Law

3.0 Learning Outcomes 79
3.1 Chapter Introduction: Employment Legislation for Employers 80
3.2 Diversity, Rights, Ethics, Work-Life Balance 82
3.3 Federal Human Rights Laws 86
3.4 Provincial Human Rights Laws 90
3.5 Discrimination in Organizations 93
3.6 Employment Standards and Employment Equity 101
3.7 Key Terms 108
3.8 Summary 110
3.9 Knowledge Check 112
3.10 Exercises/Activities for Teachers and Students 113
3.11 Case Study: Visible Minorities 115

Chapter 4: Job Analysis and Job Design

4.0 Learning Outcomes 121
4.1 Strategy and Job Analysis 122
4.2 Job Analysis 124
4.3 Job Description 131
4.4 Job Design 137
4.5 Approaches to Job Design 140
4.6 Contemporary Issues in Job Design 143
4.7 Key Terms 147
4.8 Summary 149
4.9 Knowledge Check 151
4.10 Exercises/Activities for Teachers and Students 152
4.11 Case Study: Job Analysis at Matrix Agricultural Systems 154

Chapter 5: Talent Acquisition

5.0 Learning Outcomes 159
5.1 The Recruitment Process 160
5.2 Recruitment Plan - Internal and External 166
5.3 The Law and Recruitment and Selection 169
5.4 Application Forms 172
5.5 Recruitment Strategies 174
5.6 An Interview Story 181
5.7 The Selection Process 183
5.8 Criteria for Interviews 186
5.9 Application and Resume-Review 189
5.10 Interview Bias 190
5.11 Interview Structures 194
5.12 Interview Types 197

5.13 Test Administration 199
5.14 Combining The Test Results Information 204
5.15 Selection Offers and Errors 207
5.16 Key Terms 210
5.17 Summary 212
5.18 Knowledge Check 214
5.19 Exercises/Activities for Teachers and Students 215
5.20 Case Study: Great Mattress Company 218
5.21 Case Study: Zendesk Recruitment: A Fictional Example 222

Chapter 6: Training and Development

6.0 Learning Outcomes 227
6.1 Employee Training and Development 228
6.2 Onboarding Steps for New Employees 232
6.3 Training Delivery Methods 233
6.4 Methods of Delivery 240
6.5 Web-Based Learning 245
6.6 Employee Development 248
6.7 Career Development 252
6.8 Measuring Training Effectiveness 255
6.9 Key Terms 259
6.10 Summary 262
6.11 Knowledge Check 264
6.12 Exercises/Activities for Teachers and Students 265
6.13 Case Study: Training, Not Like It Used to Be 267

Chapter 7: Compensation and Benefits

7.0 Learning Outcomes 271
7.1 Developing a Compensation Package 272
7.2 Goals of a Compensation Package 276
7.3 Job Evaluation and Pay Systems 278
7.4 Compensation Strategies and Pay Theories 282
7.5 Laws Relating to Pay 288
7.6 Goals of Employee Benefits 290
7.7 Mandatory and Voluntary Benefits 291
7.8 Flexible Benefits 294
7.9 Key Terms 296
7.10 Summary 299
7.11 Knowledge Check 301
7.12 Exercises/Activities for Teachers and Students 302
7.13 Case Study: Matching Compensation with Core Values 304

Chapter 8: Performance Management

8.0 Learning Outcomes 309
8.1 Performance Management Systems 310
8.2 Managing Performance 312
8.3 Designing a Performance Management System 314
8.4 Steps in Performance Evaluation Process 319
8.5 Popular Performance Appraisal Models 321
8.6 Performance Appraisal Methods 325
8.7 Value of Performance Appraisals 328
8.8 Individual, Team, Manager Performance Reviews 330
8.9 Completing and Conducting the Appraisal 334
8.10 Managing Performance Issues 340

8.11 Disciplinary Processes for Performance Issues 344
8.12 Investigation of Performance Issues 349
8.13 Employee Separations and Terminations 355
8.14 Key Terms 360
8.15 Summary 363
8.16 Knowledge Check 366
8.17 Exercises/Activities for Teachers and Students 367
8.18 Case Study: A Tough Conversation 369

Chapter 9: Health and Safety

9.0 Learning Outcomes 373
9.1 Introduction to Occupational Health and Safety Legislation 374
9.2 Rights and Responsibilities 376
9.3 Record Keeping and Tracking Incidents 381
9.4 Joint Health and Safety Committee 384
9.5 Powers, Authority and Legal Implications 386
9.6 Related Legislation 387
9.7 WHMIS 392
9.8 Health Hazards at Work 395
9.9 Stress 398
9.10 Incident Investigation 405
9.11 Hazard Recognition, Assessment and Control 408
9.12 Investigation Steps 410
9.13 Promoting a Culture of Safety and Health 415
9.14 Key Terms 418
9.15 Summary 422
9.16 Knowledge Check 423
9.17 Exercises/Activities for Teachers and Students 424
9.18 Case Study: Workplace Safety - Commercial Hazards 426

Chapter 10: Labour Relations

10.0 Learning Outcomes 429
10.1 Definition and History of Unions 430
10.2 Reasons for Unionization 433
10.3 Union Objectives and Structures 435
10.4 Legislation and Unions 437
10.5 Organizing Unions and Collective Bargaining 439
10.6 Administration of the Collective Bargaining Agreement 448
10.7 The Future of Unions 452
10.8 Human Resources in Union Workplaces 455
10.9 Key Terms 457
10.10 Summary 459
10.11 Knowledge Check 461
10.12 Exercises/Activities for Teachers and Students 462
10.13 Case Study: Dissatisfied Employees and Unionization 464

Chapter 11: Global Human Resources

11.0 Learning Outcomes 469
11.1 International Environments 470
11.2 Types of Structures of Global Companies 473
11.3 Defining the Countries 475
11.4 Culture Shock and Coping 479
11.5 Selection of Employees (Expatriates) 482
11.6 A Look at Cross-Cultural Conditions and HR 484
11.7 Training International Project Teams 487
11.8 Key Terms 490
11.9 Summary 492
11.10 Knowledge Check 494

11.11 Exercises/Activities for Teachers and Students 495
11.12 Case Study: American Factory 497

Chapter 12: HR Professional Practices

12.0 Learning Outcomes 503
12.1 HR Professionalism and Certification 504
12.2 Very Competitive Field 506
12.3 How To Earn Certification 510
12.4 Key Terms 513
12.5 Summary 514
12.6 Knowledge Check 515
12.7 Exercises/Activities for Teachers and Students 516

Ancillary Resources 517
References 518
Versioning History 530

ABOUT THIS BOOK

About This Book

Human Resources Management (HRM) takes a strategic approach to recruit/hire, train, and retain the right people, for the right job, at the right time. The goal of HRM is to support the organization in achieving its strategies and goals. Companies understand "employees" are their biggest asset.

This text covers the foundational knowledge and skills required for HRM in all businesses, whether local, regional, or global. It outlines challenges faced by human resources (HR) departments, and offers solutions on how to overcome them. The text also offers technology, tools, and processes to improve the efficiency of the HR department in an organization. The important role HR plays is also stressed throughout the text. The principles and concepts learned can be applied to all functions within HR. The text includes engaging critical thinking and reflective activities for students, as well as, videos to enhance learning at an in-depth level; and offers teacher resources for lesson planning. This text is designed for all HR students to have a well-balanced learning experience

About the Author – Debra Patterson, MscD, BAdEd



Debra's background in Human Resources spans 20 years working in leadership, management, and consulting. Her expertise lies in strategic planning that relates to organizational performance, diversity and equity, recruitment and selection, organizational behaviour, training and development, environmental influences (the climate of the organization), international HR, labour relations, and the cultures of companies. As well, Debra has been a classroom and online professor for 15 years at 5 different Ontario colleges, including Fanshawe College, Georgian, Conestoga, Lambton, and Durham College. Debra holds a Master's Degree, a degree in Adult Education, diplomas in Business and Human Resources, a Master Online Teacher Certification, and a CHRL designation.

Debra's philosophy and role in teaching is simple. She acts as a teacher, guide, and facilitator. She works with students, as individuals and teams, to be the best they can be, and helps to ensure their success. Debra has written two other open textbooks in Human Resources.

This Human Resources Management textbook invites students to engage with a learning resource beyond what most texts offer. Her content writing skills are woven together with her teaching skills, and practical experience to create a unique instructional resource.

Accessibility Statement

We are actively committed to increasing the accessibility and usability of the textbooks we

produce. Every attempt has been made to make this OER accessible to all learners and is compatible with assistive and adaptive technologies. We have attempted to provide closed captions, alternative text, or multiple formats for on-screen and off-line access.

The web version of this resource has been designed to meet Web Content Accessibility Guidelines 2.0, level AA. In addition, it follows all guidelines in Appendix A: Checklist for Accessibility of the *Accessibility Toolkit – 2nd Edition*.

In addition to the web version, additional files are available in a number of file formats including PDF, EPUB (for eReaders), and MOBI (for Kindles).

If you are having problems accessing this resource, please contact us at oer@fanshawec.ca.

Please include the following information:

- The location of the problem by providing a web address or page description
- A description of the problem
- The computer, software, browser, and any assistive technology you are using that can help us diagnose and solve your issue (e.g., Windows 10, Google Chrome (Version 65.0.3325.181), NVDA screen reader)

Feedback

Please share your adoption, and any feedback you have about the book with us at oer@fanshawec.ca

ACKNOWLEDGMENTS

This open textbook has been adapted and developed by Debra Patterson, in partnership with the OER Design Studio and the Library Learning Commons at Fanshawe College in London, Ontario This work is part of the FanshaweOpen learning initiative and is made available through a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License unless otherwise noted.



Attribution

This book is an adaptation of Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

- *Note on previous versions*: Human Resources Management – 2nd Ontario Edition is an adaption of the book: Human Resources Management, Canadian Edition by Concordia University which was an adaptation of: Human Resource Management Online Educational Resource (OER) published by University of Minnesota Libraries Publishing.

Additional content was taken from:

- Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.
- Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

A list of more detailed changes can be found in Changes from Adapted Resource.

Cover image by fauxels Pexels License

Collaborators

Thank you to Lianne Gallie, course lead, for initiating and supporting the project.

This project was a collaboration between the author and the team in the OER Design Studio at Fanshawe. The following staff and students were involved in the creation of this project:

- Connor Betts, *Instructional Design Student*
- Catherine Steeves, *Quality Assurance*
- Robert Armstrong, *Graphic Designer*
- Shauna Roch, *Project Lead*
- Raghav Bali, *Project Coordinator*
- Andrew Stracuzzi, *Ancillary Resources*
- Wilson Poulter, *Copyright Officer*

Reviewers

Tammy Broer, Faculty, Lawrence Kinlin School of Business, Fanshawe College

CHANGES FROM ADAPTED RESOURCE

This book was adapted from Human Resources Management – 2nd Ontario Edition. The following content was revised, changed or added to create this version.

Overall	Updated all references and ensured APA compliance. Updated learning outcomes. Added chapter summaries. Added Key Terms. Added chapter exercises, case studies and questions. Added Think Boxes for student reflection throughout the chapters. Moved case studies to the end. Added new images and graphics throughout.
Chapter 1	Adapted from Chapter 1 from HR Management – 2nd edition Broke down content into smaller sub-sections. Expanded on definitions. Removed some figures. Added section on the pandemic. New sections on History of HRM, the Role of HRM, and the HR manager. Moved HRPA content to Chapter 12.
Chapter 2	**New Chapter** on HR planning. Added content on Human Resource Information Systems from HR Management – 2nd edition
Chapter 3	Adapted from Chapter 2 from HR Management – 2nd edition Renamed the chapter. Added in definitions. Expanded content on HR laws, and added examples. Added protected grounds, harassment and Tort Law. New page on provincial HR laws Expanded content on discrimination, and duty to accommodate, employment equity plan, and added examples. Moved pay equity content.
Chapter 4	Adapted from Chapter 3 from HR Management – 2nd edition Added in job description. Added in Industrial engineering, ergonomics. New page for: Contemporary Issues in Job Design, added flex time, and compressed work week. Added definitions for concepts/theories.
Chapter 5	Adapted from Chapter 4 and Chapter 5 from HR Management – 2nd edition – combined both chapters. Added importance of recruitment, job application forms, and links to sites. New section on recruitment plan Re-wrote section on the law and recruitment. Added more on errors and bias, as well as structured questions with examples.
Chapter 6	Adapted from Chapter 6 from HR Management – 2nd edition Changed title of the chapter. Added onboarding steps, Bloom's taxonomy, learning principles. Created a new section on employee orientation and onboarding. Changed section for on the job and off the job training and added in subsections. Expanded on synchronous, asynchronous, and hybrid learning. Created new section on web-based learning and employee and career development Added steps in career development, and steps to employment plans.
Chapter 7	Adapted from Chapter 8 from HR Management – 2nd edition Added introduction to responsibility of HR Expanded on total compensation packages, and pay systems. New pages: compensation strategies and Laws Relating to Pay, added Pay Equity, Employment Standards, Unions, and Goals of Benefits. Changed to Mandatory and Voluntary Benefits, expanded on definitions, added all the voluntary benefits with definition and some examples New page on flexible benefits.

Chapter 8	Adapted from Chapter 7 from HR Management – 2nd edition Added content on goals of employee benefits, and outlining the different types of benefits. Added content on wellness programs, and expanded on existing content. added new page on laws related to pay.
Chapter 9	**New chapter** on Health and Safety. Adapted from Chapter 10 from Human Resources for Operations Managers Added content from adapted text on health hazards. Created new content on record keeping and accident investigations.
Chapter 10	Adapted from Chapter 10 from HR Management – 2nd edition Updated content.
Chapter 11	**New chapter** Adapted from Chapter 10 from Strategic Project Management: Theory and Practice for Human Resource Professionals Added content on international environments and definitions of types of companies. New graphics
Chapter 12	Adapted from Chapter from Skills Needed for HRM from HR Management – 2nd edition

CHAPTER 1: HUMAN RESOURCES STRATEGY

Chapter Outline

1.0 Learning Outcomes
1.1 Human Resource Management
1.2 Evolution and History of Human Resources Management
1.3 The Role of HRM in Organizations
1.4 The Human Resources Manager
1.5 Human Resources and Environmental Factors
1.6 HRM and Business Challenges
1.7 Key Terms
1.8 Summary
1.9 Knowledge Check
1.10 Exercises/Activities for Teachers and Students
1.11 Case Study: The Birth of a Marijuana Producer

1.0 LEARNING OUTCOMES

Learning Outcomes

1. Define HRM and explain its evolution over the years.
2. Explain the role of HRM in organizations.
3. Define, discuss and explain the major HRM activities.
4. Explain the professional and personal skills needed to be successful in HRM.
5. Define how the business context influences HRM.
6. Discuss the external and internal factors that impact organizations and HR departments.

1.1 HUMAN RESOURCE MANAGEMENT

Every organization, large or small, uses a variety of capital to make the business work. Capital includes cash, valuables, or goods used to generate income for a business. For example, a retail store uses registers and inventory, while a consulting firm may have proprietary software or buildings. No matter the industry, all companies have one thing in common: they must view people as human capital. This will be the focus throughout the text as **human capital** is defined as achieving organizational effectiveness through the use of people's skills, education, knowledge, expertise and abilities.



Photo by Christina @ wocintechchat.com, Unsplash License

What Is Human Resources Management?

Human resources exists within **organizations** who are a group of people who have been given specific roles and responsibilities, who work together to successfully achieve the goals of the organization.

Human Resource Management (HRM) is an integrated set of processes, practices, programs, and systems in an organization that focuses on the effective deployment and development of its employees. These processes include employing people, training them, compensating them, developing policies relating to them, and developing strategies to retain them. It is, by most accounts, one of the most critical functions of an organization, because for an organization to be efficient, it needs employees and systems that support them. Simply stated, HRM is all about managing people. Human resources professionals ensure the right people are hired, trained and perform to customer and company standards. Also, they are responsible for managing the employees to ensure achievement of the organizational goals, or the motivating force that guides employees to success.



Think!

Think of an organization that you admire (you can use Fortune's ranking of the World's Most Admired companies and Canada's Top 100 employers, an annual ranking). If you look closely at these companies, you'll find that they are all built, without exception, around efficient, strong, and innovative HR processes.

Strategic Plans

A **strategic plan** is the organization's plan to align its internal strengths and weaknesses with its external opportunities and threats. Some companies perform this through a **SWOT Analysis** which is a planning tool and assessment of strengths, weaknesses, opportunities and threats (Kenton, 2022). The SWOT Analysis helps the company find facts and data within its industry. Once completed, the organization is armed with information to develop the strategic plan. From here, the company can "take action." Often the terms vision, mission, objectives and goals are used in referencing the strategic plan. Finally, the plan needs to be managed. This is called **strategic management.** The plan is executed through its strengths to achieve success.

Human resources professionals can play an important role in the strategic plan. They may facilitate the process, be involved in external and internal research, and/or manage the strategic plan as it relates to its people.

HRM as an Integrated Set of Processes

HRM relies upon a sophisticated set of integrated process to help the organization manage human capital. The effectiveness of HRM lies in how well integrated these processes are and how well aligned they are with the mission and strategy of the organization. For example, a new policy on workplace safety protocols will only be effective if employees are trained to understand and respect it. In addition, that policy has little chance of taking hold if it is not part of the performance appraisal process. Finally, in a unionized environment, any policy will have to be designed with the cooperation of the labour union so that it is integrated into the collective agreement.

"Human Resource Management: An Introduction" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

1.2 EVOLUTION AND HISTORY OF HUMAN RESOURCES MANAGEMENT

As a field, HRM has a long history. It takes root in the study of psychology, organizational behaviour, and industrial engineering. The field has undergone many changes over the last twenty years, giving it an even more important role in today's organizations. In the past, human resource management (HRM) was called the personnel department. This department was in charge of hiring people and dealing with the paperwork related to employment.

More recently, however, the personnel department has been divided into human resource management and human resource development, as these functions continue to evolve. More recently, HR departments often contain "people" and "culture" in their nomenclature in order to broaden the understanding of the organizational influence of HR. HRM is crucial to an organization's success and serves a key support role in a company's strategic planning because so many businesses today depend on people to support their vision and accomplish their mission.

Table 1.2.1. Examples of Differences between Personnel Management and HRM

Personnel Management Focus	HRM Focus
Administering policies	Helping to design, implement and administer talent management policies
Stand-alone programs, such as training	HRM training programs that are integrated with company's mission and values
Personnel department is responsible for people administration	Partner with management in all areas of hiring and management of people
Creates a cost within an organization	Contributes to the profit objectives of the organization

In the book *HR From the Outside In* (Ulrich et al., 2012), the authors describe the evolution of HR work in four "waves."

Wave 1 – Early 1900s

Focused on the administrative work of HR personnel, such as the terms and conditions of work, delivery of HR services, and regulatory compliance (e.g., payroll). This administrative side still exists in HR today, but it is often accomplished differently via technology and outsourcing solutions.

Wave 2 – 1970s

Focused on the design of innovative HR practice areas, such as, compensation, learning, and sourcing. The HR professionals in these practice areas began to interact and share with each other to build a consistent approach to human resource management. The HR credibility in Wave 2 came from the delivery of "best-practice" HR solutions.

Wave 3 – 2000s

HRM continues to be a partner to the business, but has also become a competitive practice for responding to external business conditions. Organizations get ahead of the competition with their HRM practices.

Wave 4 – 2020 and Beyond (pandemic):

The role of HRM has dramatically changed with the onset of COVID-19. The pandemic disrupted organizations across the world. To prevent spreading, employees became remote workers. Face-to-face collaboration changed to email and videoconferencing. Human resources were not only concerned for people's work health, but their well-being. Their role expanded to quasi-counsellors who provided support to the employees. As well, millions of employees were laid off. The workers who stayed on their jobs needed to be protected, stay motivated as a new normal emerged. Quickly, company management, along with human resources, needed to change their approaches to health care. Companies hired doctors, nurses and other health care professionals to provide care. Human resources needed to revise job descriptions and decide who could work in specific situations if other employees were absent. Human resources assisted the entire family, helped with child care, and elder care, distributed accurate information about the virus to keep people safe. Human resources dealt with employee's who were stressed and depressed, and presented with physical symptoms like fatigue and headaches. Organizations wanted people to know they cared. It was human resources who supported the organization's people.

The human resources role has changed forever. Where the focus was on salaries, employee engagement and motivation, it is now, also, about health and wellness. The coronavirus pandemic expanded the role of human resources in the work environment. Companies quickly shifted to remote work, videoconferencing, and the use of online tools. As well, the added workload due to lay-offs produced huge amounts of administrative tasks for HR professionals (Lewis, 2020). Human resources has played, and will continue to play an important role in the shifting culture of organizations in communication, and engaging employees in new ways, post pandemic.

Although each "wave" of HRM's evolution is important and must be managed effectively, it is the "outside in" perspective that allows the human resource management function to shine via the external reputation and successes of the organization.



Think!

With companies shutting down across the world, employees (as people) were frightened and there were a lot of unknowns about Covid19. People were getting sick, and the spread of the virus was a global concern. Remote work was the only way to continue to work for many people. Other people needed to continue to work to provide services for others. They were frightened too about going to work and staying safe.

Think about your own life during the beginning of the pandemic. How was your work impacted? How was your family impacted? How was your company/school impacted? Do you believe the world will return to the way it was? Or, will it continue to evolve in new ways? What ways do you think it will continue to evolve, if it does?

"Human Resource Management: An Introduction" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

1.3 THE ROLE OF HRM IN ORGANIZATIONS

Human Resources Management or HRM is an 'umbrella' term for many different and interrelated functions. A **manager** is responsible for achieving the organizations goals through the effort of its people. It is necessary to point out at the very beginning of this text, that every manager has a role relating to human resource management. Just because we do not have the title of HR manager, it does not mean we will not perform all or at least some of the HRM tasks. For example, most managers deal with the selection, compensation, and motivation of employees—making these aspects not only part of HRM but also part of management in general. Most experts agree on eight main roles that HRM plays in an organization. These roles are described in the following sections.

1. Legislation and Law

It is very important that human resource managers are aware of all the laws that affect the workplace and they ensure that the processes in place abide by them. An HRM manager will work under the following legal frameworks:

- Federal Government
- Provincial Government
- Health and Safety Requirements
- Labour Laws
- Employment Standards

The legal environment of HRM is always changing, therefore, HRM must always be aware of changes taking place and then communicate the changes to the entire management organization. In this textbook, we have decided to address these laws in each relevant chapter instead of presenting them in a single chapter.

2. Corporate Policies

In addition to having to comply with the requirements mandated by law, every organization may have their own set of unique policies. These policies can be set to ensure fairness (e.g., vacation policy above and beyond those legally mandated), to enhance effectiveness (e.g., internet usage policy), or simply to reinforce the culture (e.g., dress code). Some of the roles of HRM are to identify issues that can be addressed by implementing

a policy; these can range from chronic tardiness of employees to a lack of decorum in meetings. HRM, management and executives are all involved in the process of developing policies. For example, the HRM professional will likely recognize the need for a new policy or a change of policy, they will then seek opinions on the policy, write the policy, and then communicate that policy to employees. The range of policies that can be designed is endless; here are a few examples of innovative policies that can be found in some companies, including giving time-off to employees to volunteer in community organizations (to promote well-being and group work) and eliminating job titles.

3. Job Analysis and Design

Organizations rely on the execution of numerous and varied tasks. These tasks, which are often carried by employees, have to be structured in such a way to maximize efficiency. They should be clear and distinct from each other. They should also be performed by capable employees. HRM supports the definition, documentation and organization of these tasks through the processes of job analysis and job design..

4. Talent Acquisition

You need the right people to perform tasks and get work done in the organization. Even with the most sophisticated machines, humans are still needed, therefore, one of the major tasks in HRM is talent acquisition. Talent acquisition involves the entire hiring process from posting a job to negotiating a salary package. Within the talent acquisition function, there are four main steps:



"The Steps of Talent Acquisition" by Alyssa Giles, CC BY-NC-SA 4.0

5. TRAINING AND DEVELOPMENT

Once we have spent the time to hire new employees, we want to make sure they are trained to do the job and continue to grow and develop new skills. This results in higher productivity for the organization. Training is also a key component in employee motivation. Employees who feel they are developing their skills tend to be happier in their jobs, which results in an increase of employee performance, productivity and retention. Examples of training courses and programs might include the following:

- Job skills training, such as how to use a computer program
- Training on communication
- Team-building activities
- Policy and legal training, such as sexual harassment training, safety training and ethics training
- Time management skills

6. Performance Assessment and Management

Employee performance is a support role provided by HRM to the organization and management. HR has the responsibility of designing, maintaining and administering an organization's performance management policies and systems. Basically, people have to be good at what they do. In a coffee shop, baristas have to produce a great cup of coffee, within a certain amount of time, and serve it to the customer in a pleasant manner. Every job is different and quite complex when you think of the different ways in which performance is defined. It is the role of the HRM professional to devise systems to measure this performance with precision and use this information to help the employee and the organization. Performance appraisal systems may include:

- A *360 appraisal process*
- A behaviour checklist
- A graphic rating scale
- *MBO* or *management by objectives*
- Annual employee performance appraisals
- Performance Improvement Plan (PIP)

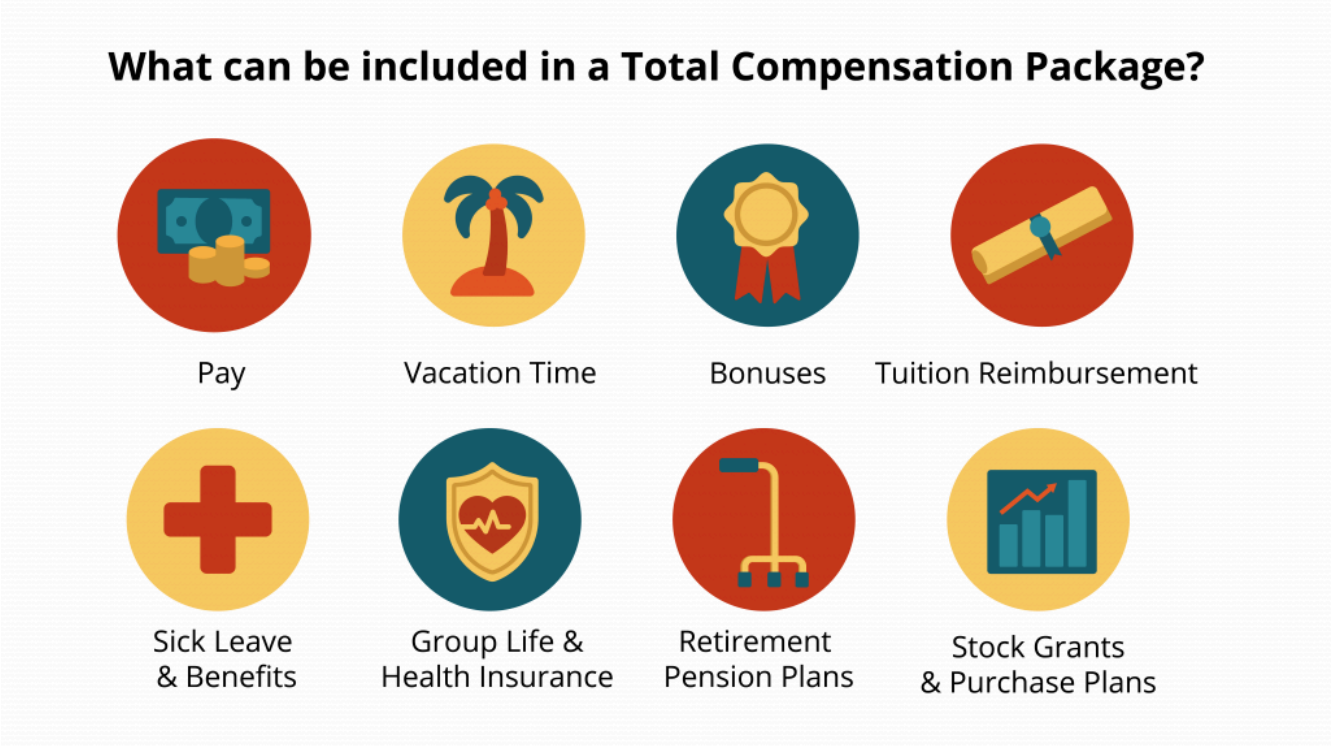
However, assessing performance is only the beginning. Once a measure of performance is obtained, the HRM professional uses it for multiple purposes, including:

- Providing feedback for employees
- Determining compensation (e.g., bonus, raise, etc.)
- Taking disciplinary measures
- Supporting career development

7. COMPENSATION AND BENEFITS ADMINISTRATION

HRM professionals need to determine that compensation is fair, meets industry standards, and is high enough to entice people to work for the organization. Compensation includes anything the employee receives for his or her work. In addition, HRM professionals need to make sure the pay is comparable to what other people performing similar jobs are being paid. This involves setting up pay systems that take into consideration the

number of years with the organization, years of experience, education, and also considers the results of external salary surveys. e.g. Hays Canada. Total compensation (package) may include the following:



"Compensation Package Contents" by Alyssa Giles, CC BY-NC-SA 4.0

Image Description

Compensation Package Contents, which include: pay, vacation time, bonuses, tuition reimbursement, sick leave and benefits, group life and health insurance, retirement pension plans, stock grants and purchase plans.

8. Labour Relations

A labour union, also called a trade union or worker's union, is an organization that represents the collective interests of employees. HRM professionals are involved in the negotiation (collective bargaining) and management of union contracts. These contracts typically cover compensation, work schedules, benefits, discipline, and other work-related processes. Unions are very prevalent throughout Canada. As such, an understanding of labour unions is very important to be effective.

9. Health and Safety

Safety is a major consideration in all organizations. Often times new laws are created with the goal of setting federal or provincial standards to ensure worker safety. Unions and union contracts can also impact the requirements regarding worker safety in the workplace. It is up to the Human Resource Manager to be aware of worker protection requirements and ensure the workplace is meeting federal, provincial, industry specific and union standards. Worker protection issues might include the following:



"Woman Wearing Protective Goggles And Mask" by Cedric Fauntleroy, Pexels License

- Chemical hazards
- Heating and ventilation requirements
- Use of "no fragrance" zones
- Protection of private employee information

10. HR Analytics

Like every function in organizations, HRM has been drastically affected by technology. Today, a vast amount of information is collected about employees via Human Resource Information Systems (HRIS). This information, in turn, can be used to support management decisions using sophisticated analytical tools. For example, a financial institution can implement quarterly employee satisfaction surveys (ESAT) and investigate predictors of 'dips' and 'jumps' in satisfaction. It could uncover that those employees working on the investment side of the business tend to be very stressed during the preparation of end-of-quarter fund performance reporting. Knowing this, they could implement special communication efforts and improved processes or training for those employees during critical business cycles of the year.

"Human Resource Management: An Introduction" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

1.4 THE HUMAN RESOURCES MANAGER

How to Become a Human Resource Manager

Video: "How to Become a Human Resource Manager" By Stéphane Brutus and Nora Baronian – Concordia University [1:31], CC BY-NC-SA

The Human Resources Manager Responsibilities

HR Managers have specific responsibilities to the HR department, to the executive groups, and to the employees of the organization. These responsibilities include:

Advisor

Offer direction to other managers, supervisors, and the executive group related to employment policy, unions, ethics, governance and the needs and wants of the employees. Offer advice from research outside the company on trends (data, legal, government legislation, economic trends) to help the organization make good decisions.

Policy maker

Create and implement policy to assist with solutions to problems within the organization. It is their job to ensure that the organization's needs are aligned with the employee's needs, and visa versa.

Service provider

Ensure the HR services are effective including hiring, testing, planning, performance, and training programs. They must ensure that the employees are engaged, productive and performing to meet the needs of the strategic plan.

HR Professional

Be an expert in the field of HR with the education, skills and experience needed to perform the job.

Advocate

Listen to and act in the best interests of the employees and the organization.

Human Resources Manager's Competencies

HR Leaders or sometimes called HR Business Leaders, need to show what they know through a combination of competencies. With a combination of technology and behaviours skills, they will set themselves up for success. One of the ways to accomplish this is to meet the needs of the strategic plan. To be a valued member of the organization, they need to provided HR expertise using the organization's resources to meet the business goals. They need to partner with executives and be involved in the strategic planning and drive the implementation related to the organization's people. They must have the ability to understand, guide, interpret and apply the information to make good business decisions. According to Strobel (2016), they need to be highly talented in several areas of competencies:

Leadership

Ensure employees are happy, have satisfaction with their jobs, perform to the expected outcomes, increase loyalty and trust, and decrease employee turnover.

Ethical

Strengthen the organization's cultural and ethical environment to protect the organization from adverse behaviours. The result is employee "buy-in" and higher employee performance.

Business Acumen

Understand the business and its operation and how the HR department contributes to the overall success of the organization. Be familiar with the internal and external environments and how they influence the success of the company. As well, have financial and technical skills as a key player in the organization.

Relationships

Build relationships and interact with customers, executives and employees. Help others to build meaningful relationships that result in improving feelings of belonging and inclusion. Employees who have strong relationships tend to have improved job satisfaction, team building, commitment, positive outlook, and are more involved with the organization.

Consultation

Be an expert in the field of human capital (people). They assist with problems and challenges offering solutions to staffing, training and development, performance and labour/employee relations. They provide guidance and knowledge to stakeholders to make decisive decisions.

Data

Provide data related to human capital metrics. Collect and monitor metrics that adds value to the HR department and the strategic partners.

Communication

Effectively communicate HR policy and practices to employees so they understand the purpose and value of the policy and practices. The result is employees perceiving the organization to be effective. The messages must be clear, concise and transparent.

Expertise

Well developed knowledge benefits the organization with reduced turnover, increased employee productivity and performance, and helps the organizational meet its goals.

Global and Cultural Knowledge

Effectively interact with other employees from varying backgrounds and cultures. They need to develop diversity initiatives and use inclusive hiring practices. They need to comply with the laws and regulations. Creating a diverse workforce is critical to developing a competitive and successful business.

Credible

Lay the foundation for credibility on a personal level, gain trust with employees/executives/customers, build relationships with departments, lead with integrity and an inclusive attitude, and show they are a valued leader within the organization.



Think!

Explore the National Occupational Classification (NOC) 2011

Think about the main duties of Human Resources Managers as outlined in the website that might interest you as an HR Manager.

- Name 3 duties that interest you.
- Discuss why these duties interest you.

1.5 HUMAN RESOURCES AND ENVIRONMENTAL FACTORS

External and internal influences affect how human resources develops its policies and practices. HR Managers have the responsibility to research and monitor these influences and how they impact the organization. This monitoring is a continual process as the world of work is ever changing. When there are issues, the HR Manager must respond and be proactive to ensure the organization is protected and moving forward with positive change.

External Factors

Labour Market

The world is a diverse place today. This includes demographics (gender, age, race, etc.) and values and norms of different societies. There are also differences in people such as gender identification and nationality. There are protected groups in Canada (visible minorities, women, Aboriginal peoples, persons with disabilities). HR departments need to recognize and respect the diverse groups within the workplace.

Economy

The economic conditions of the world affect supply and demand for products and services. This impacts employment supply and demand. When the economy is good, employers hire more people; when the economy is poor, employers lay off employees. If unemployment is low, competition for talented people becomes higher. Companies need to develop better strategies to hire and retain their workers by offering higher wages and benefits, and more perks for employees. When an employer needs to downsize they lay off workers, offer early retirement to mature workers, or early leave programs. HR departments are charged with the responsibility of hiring and laying off employees through longer term projections of the demand for employees.

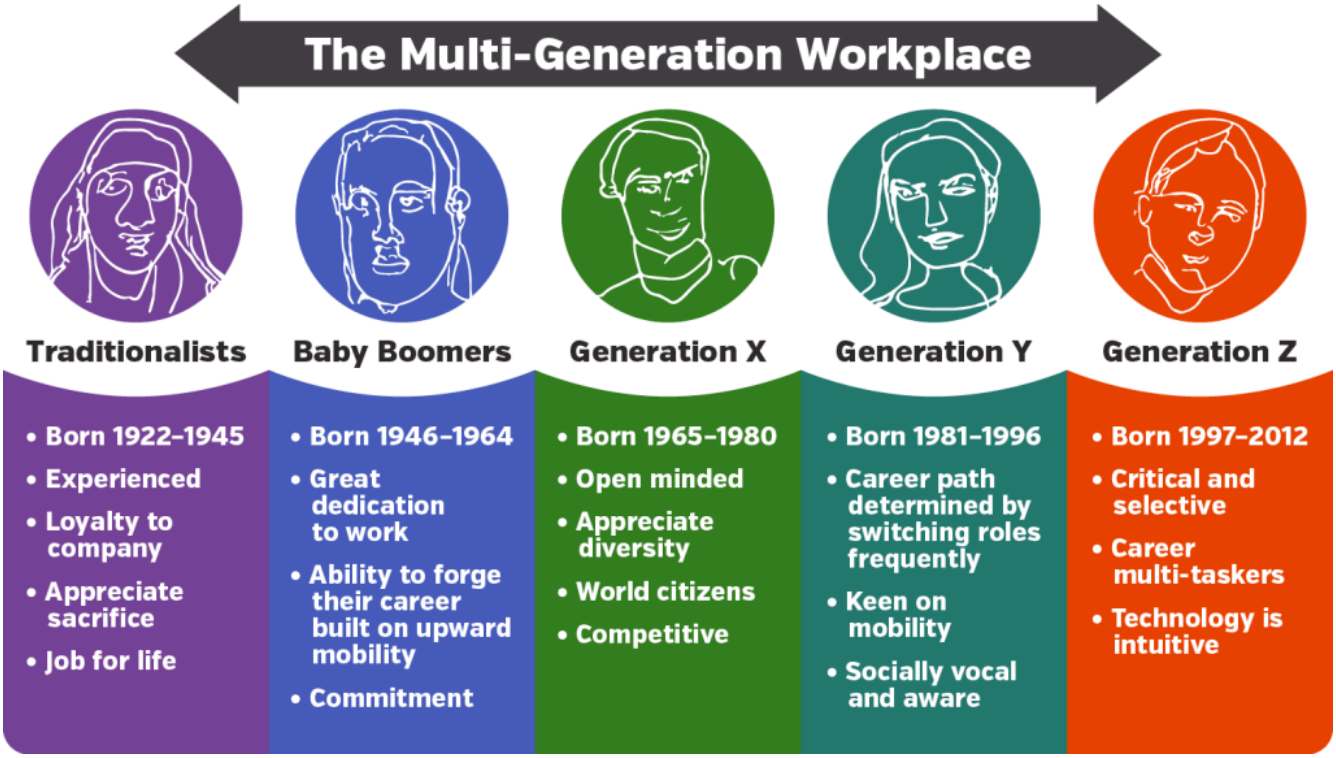
Production

Productivity is the outputs of goods and services in relation to inputs which is related to people, capital, materials, energy. Companies need to be aware of productivity and how it is impacted through competition

on the world markets. HR departments need to find ways to produce more products/services with fewer resources; yet provide employee job satisfaction. This is important for the long term survival of companies.

Generations of Workers

As an example of generational workers, never before in history, has there been four generations of workers in the workplace at the same time. They include traditionalists (1922-1945), baby boomers (1946-1964), generation X (1965-1980), and generation Y (1981-late 90's). HR needs to balance the needs and wants of four generations who are all different in the values, attitudes, and characteristics. As these generations collide, HR departments need to understand these groups different needs, and give each generation attention to ensure job satisfaction. As well, they need to ensure the different generations can communicate and collaborate together (Tanner, 2020).



"The Multi-Generational Workplace" by Fanshawe College CC BY-4.0 *Traditionalists are experienced, loyal, and stay in a job for life. Baby Boomers are dedicated, and committed. Generation X are open minded, celebrate diversity, and competitive. Generation Y may switch roles frequently and look for mobility. They are also socially aware and vocal. Generation Y are selective multi-taskers who are comfortable with technology.*

Education

There are higher expectations for education in the workplace today. This can include post secondary education

(colleges, universities). People are expected to have higher literacy skills (understand, write, read). HR departments are responsible at ensuring the talents of employees are put to good use and opportunities are provided for career advancement. At the same time, they may be responsible to provide literacy programs for employees.

Internal Factors

Organization Culture

Understood as the organization's shared values, beliefs and attitudes and how they impact the employee's behaviour. The culture of organizations is viewed by employees within the mission and vision statements (part of the strategic plan). It speaks to symbols, stories, and ceremonial events. As well, it helps employees gain a sense of purpose, describes the **norms** of the company (which are the beliefs, values and attitudes). The culture shapes the attitudes of the employees and defines employee's roles within the company. The result is loyal and committed employees. A bank with its bureaucratic structure and hierarchy has a different culture than Facebook which has less structure and a flattened hierarchy. HR departments are important to the organizational culture in creating and maintaining the proper culture. They may have employee of the month wall pictures to celebrate an employee's achievements. Companies plan parties, baseball games, family outings for employees. A logo for a company is distinct and viewed as a symbol for employees. All these culture efforts support recruiting employees and help to retain employees through loyalty.

Management Practice

Traditional hierarchical structures are built as pyramids. The CEO leads the organization, and everyone else is a subordinate. There are many levels of management with employees at the bottom of the pyramid. It serves for employees to work smart and find opportunity for advancement. Often employees become specialists in the field and narrow their focus on their own department. Communication across departments can be challenging. Sometimes, companies are slow to change as they are bogged down in bureaucracy. Management practices have shifted over the years from traditional hierarchical structures to **flat structures** that strive for better communication and relationship building between management and employees. The result is a simpler and more efficient chain of command. In turn, employees have more responsibility to make decisions. By eliminating middle managers budget costs are less. HR departments play an important role in creating and implementing management practices through performance management and through designing employee compensation, training and development for advancement, goal setting with employees, and helping the organization simplify its technology and analytics.

Organizational Climate

Refers to the atmosphere of the organization and the employee's perception of the organization (Jay, n.d.). It is much like a personality with each person being unique. Each company wants to be unique too. The climate of the company influences the behaviour of the employees in how they build relationships, their autonomy and the organizational structure. Some employee perception examples include whether employees are trusted to complete their jobs without micromanaging, whether they feel they are developing in the company, and are they rewarded for high performance. Employees who are happy employees are productive employees. HR can support the organizational climate by using surveys to measure the "temperature" of the organization and make suggestions to improve the climate for employee satisfaction and skill development that leads to higher productivity. This results in employee retention and more profits.

Technology

Technology has revolutionized how organizations function. They have the ability to automate all processes/products/services, overhead costs are reduced, employees are more productive, customers are served better, and remote work opens a wider pool of talent for companies. Digital innovation allows organizations to easily control work with more uniformity, opens up faster communication through email, instant messages and video conferencing. Through quicker communication, collaboration is increased that leads to more creativity. Employees and teams can respond to problems and change in minutes with solutions. Technology eliminates waste resulting in cost savings and increased revenue. It has and will continue to shape the workplace and innovation. HR departments use technology to hire employees, support administration, training and development, provide analytics, and much more. There are many technological tools that help HR Managers make decisions related to attendance, legal issues, track employee progress that assist in the strategic alignment of the business. Communication is enhanced between the company and employees with relevant and up-to-date data and reports.

Globalization

The world market is now responsible for most of the products and services provided today. This has lead to businesses becoming highly competitive. Many organizations have expanded around the world. The world is more connected and interdependent than any time in history. Another output in globalization is the movement of people throughout the world to work in different countries. It makes it easier with technology that leads to more innovation. There are lower costs to products, higher standards of living in some countries, offers access to new markets, and access to higher standards of talent. HR departments now recognize that employees may come from around the world, speak different languages and cultures. The skills and experiences

of global HR departments has changed. New and different policies are created, learn about cross-cultural differences, meet social responsibility requirements (lower wages in some countries, fair working conditions), and managing a diverse workforce. They rely on technology to communicate with employees in different countries, and deal with time zone differences.



Think!

Think about being an HR Manager in a large multinational company in Canada which has subsidiary companies in China, Hong Kong, Japan, Australia, India and Brazil. How would you go about setting up a virtual meeting with other HR Managers in these countries?

Government

There are many laws designed by the government that impact HRM. In Canada the primary laws include minimum wage standards, overtime pay, sick benefits, human rights, vacation pay, protected groups, diversity and equity, sexual harassment, health and safety and labour relations. The legal framework in Canada includes the Canadian Charter of Rights and Freedoms, The Canadian Human Rights Act/Quebec Human Rights Act, Pay Equity, Employment Equity to name a few. HR departments need to ensure employment and work practices demonstrate a good understanding of all the applicable laws and regulations. The laws are at the federal, provincial and territorial levels; and, in Canada, they may be different in different provinces and territories.

1.6 HRM AND BUSINESS CHALLENGES

HR processes are designed to improve the effectiveness of an organization through professional human resource management, for example, by ensuring that the right people are hired, trained, and fairly evaluated and compensated. While HR processes are internal to the organization, these same processes need to have an external focus and help organizations overcome the challenges that they face. The HR manager needs to consider the many external forces that may affect HR processes and the organization as a whole. In this section, we describe how HR management has to be in tune with changes in the environment.

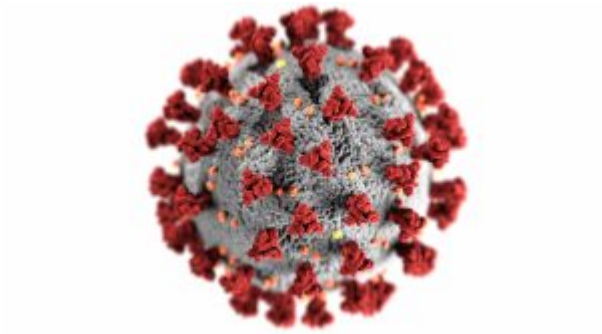
Business Challenges

Every organization must have the capacity to adjust to changes in its environment. Thus, it is important for organizations to be aware of outside factors, or external factors. These factors are beyond their control but could positively or negatively impact the organization and their human resources. External factors might include the following:

- Globalization
- Offshoring
- Changes to employment law
- Health, safety, and employee protection
- Employee expectations (eg. compensation, standard hours)
- Diversity of the workforce
- Changing demographics of the workforce
- Changes in education profile of workers
- Layoffs and downsizing
- Advanced technologies
- Evolving industry

Basically, HRM professionals have to be aware of external factors, so they can develop policies that meet not only the needs of the company but also the needs of the employees. Any manager operating without considering outside forces will likely be out-of-step with their company and industry and alienate employees, resulting in unmotivated and unhappy workers. Not understanding the external factors can also result in breaking the law, which has a concerning set of implications as well. In this section, we list four broad categories of external factors faced by organizations today.

Crisis Management



"Coronavirus" by CDC, Pexels License

Of course, organizations have had to deal with crises in the past, such as in 2008, where the economy was hit with a massive financial crisis. The relaxing of credit lending standards by investment banks and a significant increase in subprime lending was the cause of this crisis. This resulted in the collapse of the financial system. In just a few weeks, the S&P 500 lost half of its value and housing prices lost 20% of their value in the US. Companies, banks, and even countries, went bankrupt. The impact of this event on HRM was immediate: the economy slowed down considerably which led to massive layoffs (unemployment in the US shot up to 10%) (Kosakowski, 2021). This one is fresh off the press and took most of us by surprise. We now know that pandemics and the rapid spread of infectious diseases represents an external factor affecting organizations and HRM. It is an understatement to say that the COVID crisis that took us by storm in winter 2020 had an impact on organizations in a major way.

The COVID crisis made health and safety a priority for governments and organizations. It has brought to the fore a myriad of HR issues such as turnover, absenteeism, and burn-out. It has also accelerated the transformation of HR processes such as telework, remote training, and fair compensation (consider all of the controversy around the salaries of nursing home staff).

As we write this chapter, these changes are unfolding and it's hard to predict how they will evolve over time. This interesting article, All the Things COVID-19 Will Change Forever, summarizes the views of top HR executives on how the COVID pandemic has affected HRM.

Globalization

It would be almost impossible to find an organization that does not have some part of its activities outside of its national border. You can look at any local success story – Saputo, Groupe Dynamite, Lightspeed, CAE, Hopper, Cirque du Soleil, Couche Tard, and you will see how these organizations have deep international connections. The same is true of smaller businesses: your local coffee shop buys its coffee from an organic grower in Haiti and its paper cups from the US. For organizations, globalization is found in their supply chains, core activities, or customer base. Canada's economy is one of the world's top ten trading nations, with a highly globalized economy. In 2022, exports of goods from Canada was $777 billion, and imports of goods reached $757 billion, resulting in a significant trade surplus (Government of Canada, 2023). The recently signed North American Free Trade Agreement (NAFTA), now called the United States-Mexico-Canada Agreement,

updates the original NAFTA (1994). It has stronger protections for workers and the digital economy, expanded markets for American farmers and new rules to encourage auto manufacturing in North America.

The implication of globalization is significant for HRM. For HRM professionals, globalization means dealing with people from different cultures and adjusting to different employment laws and business practices. This video: Running a Global HR Team from LinkedIn Talent Solutions [6:46] discusses how globalization has affected HR practices.

Technology



"Man in Yellow Crew Neck T-shirt Using Vr Headset" by Julia M Cameron, Pexels License

Technology has greatly impacted human resources and will continue to do so as advanced technologies are developed. Technology impacts HRM in many ways.

From an employee perspective it eliminates jobs, changes job requirements, and alters the demands on the employee and employee expectations. It influences skills and competencies that employees need to perform their job. Technology also creates a workforce that expects to be mobile. Due to the ability to work from home or anywhere else, many employees may request and even demand a flexible schedule to meet their own family and personal needs. Productivity can be a concern for all managers in the area of flextime, and another challenge is the fairness to other workers when one person is offered a flexible schedule. Technology also creates the need for HR policies related to employee privacy and the protection of a company's data. The major challenge with technology is the rapid pace at which it evolves and the need to continuously up-date employees' knowledge. Technology also creates additional stress for workers. Increased job demands, constant change, constant e-mailing and texting, and the physical aspects of sitting in front of a computer can be not only stressful but also physically harmful to employees.

According to an article in Fast Company, the ability to manage your personal brand (because of the increasing importance of social media), digital fluency, and resilience are some of the 'super skills' that are needed for the new world of work (Vozza, 2018).

From an HRM perspective technology impacts how HRM is delivered. Increasingly, jobs are being replaced by robots or artificial intelligence. Most companies now use social media platforms for recruiting employees. Interviewing and training are being done on Zoom or other specialized platforms. More and more organizations now use virtual reality (VR) technology to onboard and train their employees. This is especially useful for jobs that are particularly dangerous or high-stress. Here is a short article on how VR can be used for onboarding employees. Payroll and benefits management are now fully automated. All of these processes

are centralized in Human Resource Information Systems (HRIS), and as a result, the large variety of databases available to perform HR tasks is mind boggling. These systems can be very useful to track recruiting and hiring processes, compensation, and training.

Cost Containment and Efficiency



Photo by PiggyBank on Unsplash

Factors such as global competition and increasing costs puts an enormous pressure on organizations to maximize their efficiency and productivity and remain viable. All departments of the organization must be focused on operational efficiencies and costs. For HRM, this means that the processes it manages contribute to the 'bottom line' in an objective and measurable way. For example, an HR manager who asks for $20,000 for a training budget will have to make their business case, and show that this investment will lead to better employee performance and productivity and, ultimately, more profits (or less costs). The role of HRM is complex and impactful when you consider that human capital typically represents 60% to 65% of an organizations total annual budget. Consider the implementation of a wellness program as an example. Investments in a company gym, a healthy menu at the cafeteria, or ergonomically-sound workstations can make a serious financial commitment, but if designed wisely, this investment can lead to a significant decrease in health-related issues. In early 2000's, Johnson & Johnson estimated that, for every dollar invested in their wellness program, they obtained a return of $2.71, for total savings of over $250 million in health care costs (Berry et al., 2014). Here is a short article how of HRM can help save costs for small businesses.

Talent Acquisition

The dynamics of today's business world and constant challenges ultimately equate to increasing demands on recruiting, selecting, training and retaining the necessary talent to compete. This is where HRM plays a critical role. There is no shortage of business challenges – these are forever changing and so to must the strategies, capabilities, processes and skills of HRM to keep pace.

The nature of work has changed dramatically in the past couple of decades. The 'full-time one employer career' of the past has given way to a 'gig' economy supported by a myriad of employment configurations – permanent part-time, fractional, contract, casual, on-call. As the business world and challenges evolve, so must HRM.

Hiring challenges persist in North America. Many employers continue to face a skills gap with a core focus on dependability and flexibility. It seems clear that employers need to focus both on attracting the right people

and then keeping them in the organization. The COVID-19 situation placed even more stress and focus on employers as they struggled to fill positions and retain employees. Lockdowns, wage subsidies, and vaccination mandates are some examples of the issues during the COVID-19 pandemic that made employment more challenging for organizations.

Indigenous Perspective

As an HR professional, it is very important to recognize and understand the rights of Indigenous Peoples, including First Nations, Inuit and Métis and that some policies might look different in Indigenous communities. Understanding the legislation and Land Claims Agreements affecting Indigenous Peoples and how these documents impact HRM and Indigenous Stakeholders is an important role in HR. For instance, Companies doing business in Iqaluit must abide by the Nunavut Land Claims Agreement (NLCA), specifically Article 23, which outlines specific responsibilities around hiring Inuit Peoples and investing in the training and development of Inuit employees. Additionally, a company doing business in a First Nations Community might have a duty to consult with that community.

Indigenous peoples, who are registered under the Indian Act, also have benefits and rights under Federal legislation that provides for no taxes to be income tax to be deducted from their employees when they work on a reserve.

"HRM and Business Challenges" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

1.7 KEY TERMS

Key Terms

Human capital is defined as achieving organizational effectiveness through the use of people's skills, education, knowledge, expertise and abilities (1.1)

Human Resource Management (HRM) is an integrated set of processes, practices, programs, and systems in an organization that focuses on the effective deployment and development of its employees. (1.1)

Manager is responsible for achieving the organizations goals through the effort of its people. (1.3)

Organizations are a group of people who have been given specific roles and responsibilities, who work together to successfully achieve the goals of the organization. (1.1)

Strategic management is the process of setting goals, procedures, and objectives in order to make a company or organization more competitive.(1.1)

Strategic plan is the organization's plan to align its internal strengths and weaknesses with its external opportunities and threats. (1.1)

SWOT Analysis is a planning tool and assessment of strengths, weaknesses, opportunities and threats. (1.1)

1.8 SUMMARY

Summary

Human Resources Management is an integrated set of process, practices, programs and systems in an organization that focuses on the effective deployment and development of its employees. Through the strategic plan HR departments facilitate the process, are involved in research, and manage the people of the organization.

The evolution of HRM began in the 1900s and continues to evolve today as a strategic partner within organizations. The role of HRM is vast including laws/legislation, policies, job analysis/design, acquiring talent, training and development, performance assessment, compensation and benefits, labour relations, health and safety and analytics.

The HR Manager's role has responsibilities to the HR department, the executive groups and the employees of organizations. They require specific competencies, skills, education and experiences. Many factors influence companies through external and internal factors that are driven by the strategic plan. In today's world of HRM, all HR employees need to be professionals that include qualifications to manage the complexities of the employees in businesses.

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/1-8-summary/

1.9 KNOWLEDGE CHECK



Knowledge Check

1.10 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Some people believe that the Covid19 pandemic changed organizations to being more people oriented? Would you agree? Disagree? Why or why not? Share with the **large group**.
2. Research a company that you would like to work for someday. What is their vision? Mission? Commitment to social responsibility? Share your answers with a **partner**.
3. Research Human Resources Manager positions on job search sites. Besides the skills and talents listed in the text related to responsibilities, what other roles do these managers need possess? Make a list. Share with **large group**.
4. HR departments work with other Supervisors ie. Operations Managers, Accounting Supervisors, etc. In relation to the following, what role would HR play and what role would other Supervisors play? Work in **small group** and share answers.
    a) Talent acquisition
    b) Training and development
    c) Compensation and Benefits
    d) Labour relations
    e) Performance assessment and management
    f) Health and Safety
5. Related to Q. 4. do you see any potentials problems? How could they be resolved. Work in **small group** and share answers with each other.
6. What are the pros and cons of having a diverse workforce made up of multi-generational employees? Work with a **small group**.
7. Research the HRPA website. Review three things that would make you want to complete your Certification. **Individual work**. Share with **large group**.

8. Review the business challenges in the text. Choose one of the external factors. Research the challenge. Write a **one-minute paper individually** on your topic. May be used as a graded assignment.

1.11 CASE STUDY: THE BIRTH OF A MARIJUANA PRODUCER

Case Study: The Birth of a Marijuana Producer

You have just been hired by High Growth Industries (HGI), a regionally accredited marijuana grower with a headquarters in St Jerome, Quebec. On your first day, you meet some of the employees and spend several hours with the company owner, Isidore Tremblay, hoping to get a handle on which human resource processes are already set up. HGI has established an excellent reputation as a tomato grower during more than 30 years of operation and has worked hard to achieve its motto of the "best tasting tomatoes in Quebec, all year long".

In 2015, HGI started a small operation of medical marijuana and a few years later it transformed all of its operations to marijuana culture. In 2019, it was awarded its largest contract from the Quebec Government. While the future of the industry is still uncertain, it does show promise: the Canadian market is estimated to be between $5 and $10 billion dollars annually (Crawley, 2017). HGI currently operates 3 greenhouses, which employ 55 employees, biologists, chemists, botanists, and manual workers. Here is one of the workers discussing her job.

Video: "Our Voices – Upeksha Nanayakkara – Full" By Cannabis Council of Canada [1:07]
Watch the Youtube Video in Chapter 1.11 of the Online Textbook

A majority of the workers have been with HGI for more than 10 years. With the new government contract, the owner has very ambitious expansion plans. HGI will be adding between 50 and 100 technical employees in the next year, and a commensurate number of non-skilled staff. In the next five years, Mr. Tremblay wants to have 10 new greenhouses.

In the past, it was Mr. Tremblay and each greenhouse manager who performed all of the organization's personnel functions...by the seat of their pants. Recruiting was done by word-of-mouth and performance appraisals rarely occurred. The company has been unionized for

the better part of 20 years and the most recent contract expires January 1 of next year; the president was the chief union negotiator in prior negotiations. While these processes were sufficient for a tomato-growing company, it is another story for a company that operates in a tightly regulated industry such as marijuana production.

After your first day on the job, you realize it will be your responsibility to educate Mr. Tremblay on the value of a Human Resource Manager. You look at it as a personal challenge—both to educate him and also to show him the value of this role in the organization. First, you tell him that HRM is a strategic process having to do with the staffing, compensation, retention, training, and employment law and policies of the business. In other words, your job as the Human Resources (HR) Manager will be to not only write policy and procedures and to hire people (the administrative role) but also to use strategic plans to ensure the right people are hired and trained for the right job at the right time.

For example, you ask him if he knows what the revenue will be in six months, and he answers, "Of course. We expect it to increase by 20 percent." You ask, "Have you thought about how many people you will need due to this increase?" Mr. Tremblay looks a bit sheepish and says, "No, I guess I haven't gotten that far." You then ask him about the risk of being infiltrated by organized crime and the type of background checks that are being done when hiring new employees, as per the Cannabis Act (see below). He finally says "Well, it looks like we have some work to do. I didn't know that human resources involved all of that." You smile at him and start discussing some of the specifics of the business, so you can get started right away by writing the human resource management plan, starting with the need to be very careful with who you select.

> Security clearances under the Cannabis Act and Regulations: Under the Cannabis Act and the Cannabis Regulations , key individuals associated with the holders of certain classes of licences must obtain a security clearance from Health Canada. Security clearances help minimize the risk to public health or public safety, including the risk of cannabis being diverted to an illicit market (Food and Drugs Act Controlled Drugs and Substances Act Cannabis Act, 2018).

Questions:

1. When you outline a strategic plan for HGI, what are the steps you would include?
2. How would you plan a recruiting strategy for the future of HGI given they want to expand?
3. Who would you involve in the strategic planning? Explain why.

"Chapter 1: Perspectives on Human Resources Management: Exploring Why HRM Matters" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

CHAPTER 2: HUMAN RESOURCES PLANNING AND ANALYTICS

Chapter Outline

2.0 Learning Outcomes
2.1 Human Resources Planning and Strategy
2.2 The HR Planning Process
2.3 Forecasting Demand for Labour
2.4 HR Demand Forecasting Method
2.5 Human Resources Supply
2.6 HR Response and Plan for Supply and Demand
2.7 Human Resources Information Systems (HRIS) and HR Analytics
2.8 HR Analytics
2.9 HR Analytics Application
2.10 Key Terms
2.11 Summary
2.12 Knowledge Check
2.13 Exercises/Activities-for Teachers and Students
2.14 Case Study: The Power of HR Analytics for ACME Inc.

2.0 LEARNING OUTCOMES

Learning Outcomes

1. Discuss the importance of HR planning as it relates to strategy.
2. Describe the HR planning process
3. Discuss the methods companies use to estimate supply and demand of human capital.
4. Explain the components of a human resources information system (HRIS)
5. Describe how HRIS data and HR analytics has increased effectiveness of delivering HR services to employees.

2.1 HUMAN RESOURCES PLANNING AND STRATEGY

HR Planning is a strategic process that helps companies plan for future human resources that are needed to support the growth, or downsizing of production demands. It allows companies to predict the future, analyze the needs of the company, decide the market availability of candidates for specific jobs, and make decisions when and how to adapt and use human resources (people.)

In today's rapidly changing workplace, companies need to respond quickly to the market trends and changes. The HR Plan helps them to respond efficiently. It is often coined that companies need to have "the right people in the right place at the right time." To compliment this saying, it is also important for companies to have a plan, practices and policies.

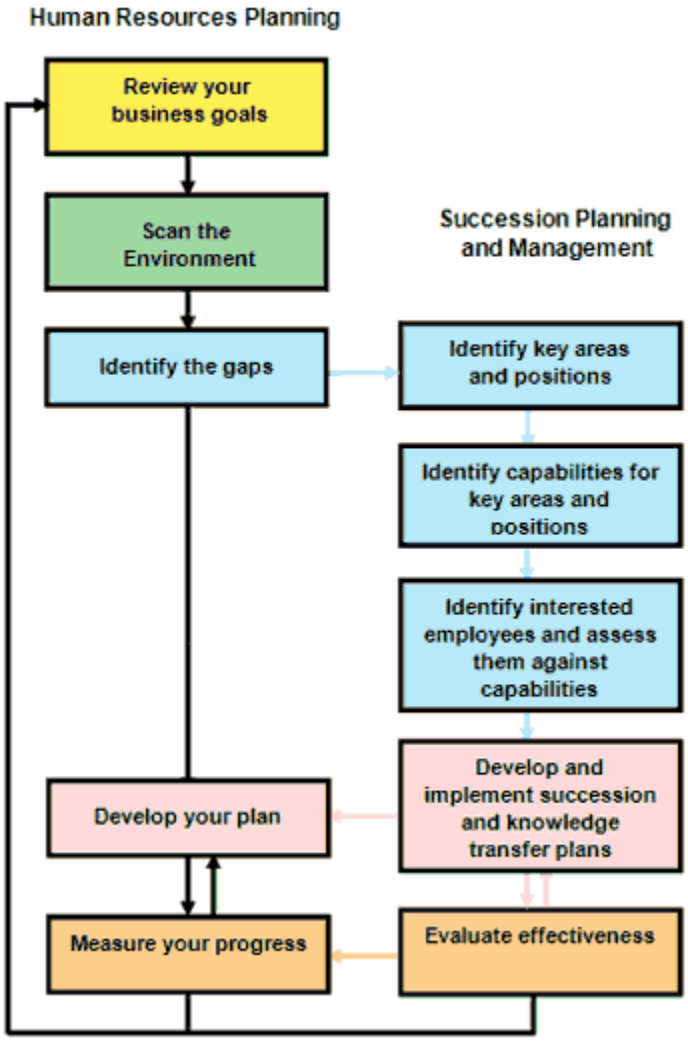
An example is a company that needs to update its technology, and is growing in the field of visual imaging. The employees do not want change, have not had upgrading in their skills in visual imaging for 3 years, and do not trust that the company will be able to expand and survive. It is the HR department's responsibility to develop a plan that attracts and hires skilled new employees, and at the same time upgrades the existing employee's skills. As well, there needs to be a plan to build trust and loyalty with the existing employees so they feel secure in their jobs.

The strategic plan is developed by internal and external forces that help with success. When developing the HR Plan it is important that it aligns with the strategic plan, and bring the two together with a focus on the longer term success of the company.

HR departments begin an HR Plan by predicting or anticipating the number of employees they will need with the expansion, and what skills the new employees will need to possess.

2.2 THE HR PLANNING PROCESS

HR planning is a process of identifying the company's current and future "people" needs. It involves hiring the right people, creating an environment that supports employee's work, and develop the capacity to ensure the company's success.



"The Five Steps of the HR Planning Process" by the Treasury Board of Canada is used in accordance with the Government of Canada Terms and Conditions.

There are five main activities involved in HR Planning to ensure the strategic goals of the company are met. The five steps are as follows:

1. Review your business goals
2. Scan the environment
3. Identify the gaps
4. Develop your plan
5. Measure your progress

Step 1: the organization should review its business goals and develop governance structures, systems, and processes to support human resources and business planning.

Step 2: the business should scan the environment for internal and external factors that may influence the organization's capacity to achieve its goals.

Step 3: involves identifying gaps by analyzing the current situation and comparing it with the desired state.

Step 4: the organization must develop a plan that prioritizes human resources to achieve business goals and implement strategies to close the gaps identified in step three.

Step 5: involves measuring progress and periodically reviewing and updating the human resources plan. The article also provides questions to consider for each step.

To learn more about the steps and the questions HR managers should consider see The Human Resources Planning Guide for Executives by the Treasury Board of Canada.

"Human Resources Planning Guide for Executives" by the Treasury Board of Canada is used in accordance with the Government of Canada Terms and Conditions.

2.3 FORECASTING DEMAND FOR LABOUR

Companies and people are constantly changing. It is a challenge to identify future labour demands. However, an HR Plan can reduce the risk of companies being caught with a labour shortage or an excess supply of labour. HR departments need to forecast the need of people for its company. A **forecast** is an estimate of future human resources that a company needs to be successful. How companies forecast is weighted on several factors.

Strategic Plan

This plan determines the long term objectives of the company related to growth, products/services, markets, and how many employees it needs to meet these objectives.

Legal Issues

The political, legal and social changes within an economy help companies predict the future. The Human Rights Act has impacted how employers hire and treat employees. Major lawsuits against employers can change how companies conduct business. Demographics change, and so do the attitudes of employees ie. Baby boomer's needs are very difference than Gen Y's employment needs. Federal and provincial laws impact HR planning ie. Equity programs.

Competition

In today's workplace, the global market is expanding. What a domestic company could expect to produce is now impacted by international competition. Some industries change more than others. Car manufacturing remains stable, while high tech companies need to be changing and adapting prices, markets and human resources continually.

Technology

Technological changes affect supply and demand. While technology has reduced the need for some jobs, it has created more jobs in other fields of work. It was predicted the creation of computers would eliminate masses of employees. Automation has changed how employees perform their jobs and have higher skill levels. Yet, there

has been little change in the demand for employees. In fact, high tech jobs are one of the highest demands fields in the world of work. Artificial intelligence is another growing field of work.

Turnover of Employees

Turnover is when an employee leaves the company through resignation, layoff or firing. Sometimes the employee makes the decision to leave, while other times it is the employer who decides if the employee will leave. In some cases, temporary layoffs, or other leaves of absence only create a temporary gap for the employer. Regardless, companies need to be prepared for turnover.

Demographics

Most companies have a demographic profile. Think about Facebook. It tends to hire younger employers. In the field of women's fashion, these companies would tend to hire females. The Baby Boomers, generally, now reaching retirement age, are going to continue to leave gaps in the workplace. Companies need to use data to predict who will retire and when they will retire to ensure they have enough replacement employees.

Budgets

Company budgets may increase or decrease. Companies plan their human resources based on profits and profit margins. If sales or production are down in the company, they may need to lay off employees.

HR departments are charged with the responsibility to develop HR Plans keeping all these factors in mind. With the changing world of work, HR managers have a challenging task to predict future company demands. They use several different methods to estimate demand.

2.4 HR DEMAND FORECASTING METHOD

Forecasting Methods:

- **Nominal Group Method:** a focus group of experts work face-to-face or virtually. They are presented with a problem such as "What will change our demand for employees?" They write down all their ideas and share them with each other. All the ideas are recorded. They rank the ideas by priority and vote for the top 3-5 ideas.
- **Delphi Method:** a group of experts predict specific future events through surveys and opinions (Ramachandran, 2023). Usually, HR summarizes the results and creates a report. The experts continue to use surveys until they start to see where there is agreement on the responses. The process continues until there is agreement on future trends.
- **Trend Projections:** Two methods are used with trend projections. **Extrapolation** uses past information related to change. Example: We hired 10 carpenters last year, so we likely will need 10 more carpenters this year with the growth of the company. **Indexation** matches employment growth with specific indices (such as the ratio of sales to the number of pieces of production). Example: With 30 sales people, the company earned $1 million in sales. If the company's profit margin increases by 20% next year, the company will need 36 sales people.

HR departments are responsible for ensuring the right and most appropriate methods are used for reliability and validity. In some cases, software programs can be purchases to gather the data using these methods. Other times, companies hire outside experts to gather the data and report the findings to the company.

Once the information is gathered, the results need to be converted to **staffing tables.** These tables are lists of project employees for each type of position in the company. Companies can then review the tables and make short and long term plans related to human resources demand. They also help HR departments to develop objectives.

Table 2.4.1. Examples of Partial Staff Table

Level	Position	Number	Quit	Attrition	Retiring	New Stores
1	President	1	0	0	0	0
0	Vice President	3	0	1	0	0
3	Regional Manager	20	3	3	1	6
4	Manager	200	25	15	6	40
5	Assistant Manager	600	98	13	27	82

2.5 HUMAN RESOURCES SUPPLY

Once HR departments have established the future predictions related to HR demands and developed the staffing tables, the next problem that needs solved is: how do we fill the need for the demand? There are two ways to solve this need internally and externally.

1. **Internal supply** are the existing employees who can be promoted to new positions, transferred to other departments or satellite offices, and could be demoted.
2. **External supply** is hiring from outside the company.

Estimating Internal Supply

HR needs to determine the talents of the existing employees. This allows them to plan how many people can fill gaps with these employees. Employees transition throughout companies all the time. Keeping track of these transitions is important. There are several methods HR departments use to track the supply of employees.

- **Markov analysis:** is often used which is the company's future human resources needs that uses transitional probability matrices based on past data. (It defines the future based on the current state of numbers. It follows the internal movement of employees. With a population of 50-60 year olds and history suggests 5 retired last year, the company could predict 5 employees will retire this year. Therefore, there would be a need to replace 5 employees.
- **Human Resources Inventories:** This is completed through HR audits of summaries of employees' knowledge, skills and abilities (KSAs). This allows HR to make decisions about replacing employees through **replacement summaries.** The information collected could include years of experience, education, training, successes and accomplishments. They track the employee's history with the company and HR departments can decide if these employees can fill gaps in the company. These inventories need constant updating to ensure the employee information is up to date.
- **Leadership and Management Inventories:** These inventories are similar to employee Human Resources Inventories. The KSAs are recorded. In addition, the employee's potential for promotion to management is monitored. These inventories need constant updating to ensure the employee information is up to date.
- **Replacement Charts:** are charts that are like a "picture" that help to determine who can replace who when the need arises through a job opening. It is similar to an organizational, hierarchical chart which shows different jobs in the company, status of the employee. As well, it shows if the employee is

promotable or has the potential to be promoted. HR may help with promotion decisions by offering employees leadership and management tests, or psychological tests. As well, employees may be interviewed to gather information about their interest in promotions. These charts act as a quick source to make decisions.

Estimating External Supply: Labour Market

- **Labour market analysis** studies the companies labour market to assess the present and future availability of employees. In Canada, the unemployment rates are a quick way to determine how many people are actively seeking work, and what types of work they are looking for in their careers. Other ways to find employees is to target those employed in other companies.
- **Community Attitudes:** The attitude of the local, national and international community affects the labour market. Employers are fickle in the global market. They can move their business to another region or country because of attitudes. Other examples include the social justice shifts of minority groups in hiring practices.
- **Demographics:** Demographics affect the labour market in planning and trends for the future. Often, the government tracks trends in the labour market years in advance. This is helpful information for HR departments to access. Some of these data sources include Statistics Canada and Employment and Social Development Canada (ESDC) and Conference Board of Canada. These sources publish ongoing reports related to the labour market specifically demographics, occupational variables, income, results of Canada Census, population statistics, and geographic labour market trends.



Think!

Since the pandemic there has been a labour shortage in many industries. Research this topic and find out what the top 5 labour shortages are in Canada.

2.6 HR RESPONSE AND PLAN FOR SUPPLY AND DEMAND

HR departments should be prepared and have strategies in place to meet workforce supply and demand needs. They can either: reduce the workforce due to over-supply, or increase the workforce in response to labour shortages.

Plan for Reducing Employees

Leaves Without Pay

Employee is offered a temporary leave of absence to save wages. The employee would not be paid during the temporary leave. Other leaves may be a sabbatical where the employee is offered time without pay for personal leave or to return to school.

Incentives to Leave

Employers may offer employees an incentive to leave the company. This is often called a **buyout.** There is a cash incentive offered to the employee ie. A year's extra wages.

Termination

This is a permanent separation from the company due to a turndown in the economy. The company has no intention of re-hiring the employee.

Layoff

This is a temporary separation from the company because of a short term surplus of employees. The separation could last only a few weeks, or several months depending on the need of the company. Employees are generally on a **recall list** and when there is a job available, the employees are called back to work based on seniority or need.

Attrition

This is when an employee resigns, retires or dies. It is initiated by the employee. A position is created at the company and needs filled by a new hire.

Hiring Freeze

This process stops all hiring until further notice by the company.

Job Sharing

The number of hours is reduced by employees, however, the job is split, generally, two people. The job responsibilities are divided up between the employees. This helps to avoid layoffs, and keeps employees working, even if part time.

Early Retirement

The employee separates from the company through retirement. If the regular retirement age is 65 years old, the employer may offer the employee an incentive to retire before this age. Other employers offer a **phased retirement** which allows them to work fewer hours for a period of time, and then finally retire completely from the company.

Part-time Employment

Sometimes employers reduce the work force by eliminating full time jobs and replacing them with part time employees. This is a cost savings for the employer. Often, part time employees are paid less wages and receive fewer or no benefits. This is not always good for part time workers as it limits not only their pay cheques and high costs of health services, it also may reduce their entitlements to government sponsored programs ie. Employment insurance, disability insurance.

Plan for Labour Shortages

A **labour shortage** is not enough supply of employees to meet the demand for the company, and/or people do not have specific skills that company needs to operate the business. Good HR Planning through methods of tracking employees can avoid these situations.

Hiring New Employees

This approach is straight forward in that HR department attracts and retains new employees with the skills required for the job. The employer either hires full time or part time employees.

Contract Work

The employer does not want to hire full time or part time workers. Rather, they hire a contract worker for a specific amount of time at a specific rate of pay. They perform a specific job while employed. Sometimes they are called **contingent workers.** Contract workers are not considered employers. When the contract end date is reached, the contract worker no longer works for the company.

Outsourcing

Sometimes employers choose to or need skilled workers that are not employed by the company to perform specific work. A formal agreement is decided upon by the worker and the employer. Often these jobs required special knowledge or skills. The employer saves costs by not having long term employees, nor do they pay benefits. With international companies they may outsource work to a different country called **Offshoring.**

Crowdsourcing

This is when a company decides to take a function of the organization and send out an open call to help the organization solve some type of problem or provide a service to the company. It is generally advertised through social media and can attract a wide pool of people. If there are good results, the company may pay the people for their efforts. Or, the work might be volunteer. Often, through crowdsourcing many innovative ideas are shared at a reduced cost to the company. Ie. Waze subscribers report on traffic accidents.



Think!

Research on the internet and find two crowdsourcing examples to share with the class.

Overtime

This is a method where existing employees are asked to work beyond their regular hours of work. Overtime pay is paid out to the employees. The employer does not have to hire new employees, and employees enjoy a higher level pay cheque. Too much overtime can lead to stress, burnout and accidents on the job as consequences for both the employee and employer.

2.7 HUMAN RESOURCES INFORMATION SYSTEMS (HRIS) AND HR ANALYTICS

As we have seen throughout this book, technology is increasingly influencing HR processes. The advent of relational Database Management Systems and database management/programming in the mid-1980s, has helped HRM evolve from manual, transaction-based bookkeeping to semi-automating HR processes.

> A good example is the onboarding process, which can now be individually tailored and automatically triggered by the data points obtained in the recruitment process. For example, new recruits with experience with a specific POS (point of sales software) will not be included in the software orientation session. Because they have never worked in a team environment before, they will be included in the session on teamwork. Twenty years ago, such precise customization was unthinkable.

Today, every HR process has a technological element that enables it. Take a simple recruitment scenario, for example. A job posting can generate hundreds of applications. All of the resumes received are housed on a server somewhere, and recruiters spend countless hours screening these resumes to decide which applicants should be interviewed. This scenario is representative of a typical HR process: information is used to make decisions. Now imagine there was a way for you to dig into the database and look at the decisions of each recruiter to see whether they are consistent in their evaluation of the resumes. Imagine being able to detect that one specific recruiter tends to become more lenient as the day goes by, as they get tired. Or that another recruiter has a slight bias against applicants who graduated from a particular university, or is less favourable to applicants with Asian-sounding names.

If you think of this scenario, all of the information used to draw these conclusions is available: Content of the resumes, the decisions of the recruiters, who made these decisions and when, etc. A very motivated HR manager could input all of this information into an Excel sheet and manually extract meaning out of this data. However, to do this efficiently, there needs to be a way to have the data already collected and organized. This is what a Human Resource Management System (HRIS) does.

Basically, a **Human Resources Information System (HRIS)** helps companies organize and manage people-related data. Because all this information is housed in one location, it serves as a single source of accurate data and often allows users to create reports that can be used to identify trends and make business decisions. Using an HRIS, HR Managers can, in just a few clicks, find out the average salary of junior sales associates

in a particular store, identify the last employee promoted in the Saskatoon plant, determine how many times employees consulted their performance feedback reports, or confirm how much was invested in leadership training company-wide in 2020.

An HRIS system is an expensive and time-intensive commitment for any organization. Therefore, organizations should do their due diligence and involve the appropriate stakeholders in the evaluation and selection process of the best possible HRIS. Many HRIS choices are available at different price points and provide different levels of functionality. The cost for HRIS is based on various pricing models. Some are based on the number of employees, and the price varies between $1 $20 per employee each month. Other systems are based on 'users', which are defined as the employees who actually use the system, mostly HR Managers.

Given the importance of the employer's choice, the package selected should meet its current needs and have the flexibility to grow and expand with the organization into the foreseeable future. However, constraints from budgets, hardware and time will affect the choice made.

Review the article: The Best HRIS Systems of 2023 by Lauren Hansen of Technology Advice.

Benefits of HRIS

There are many advantages to adopting an HRIS system. Here are the main ones:

Organization	An HRIS allows for information to be easily collected, tracked, updated, and searched.
Compliance	An HRIS will stay current on regulations impacting HR and adapt the software to make it easy for organizations to meet compliance requirements, if, for example, the government were to change.
Time Savings	Many HR processes are made quick and simple with an HRIS. For instance, employees can ask for time off using the mobile application, and the manager can approve it in seconds the same way.
Employee Experience	A HRIS can help improve employees' perceptions of their organizations. Whether through a smooth and quick onboarding process, an app that allows employees to look up a coworker's contact information, or the ability to update and request time off, a good HRIS can help employees have a better experience.
Convenience	Most HRIS now are multi-platform, and managers have the ability to pull together a report in only a few clicks on their phone.
HR Strategy	With fewer operational tasks to manage, HR Managers can spend their valuable skills and time on strategic HR initiatives that improve business outcomes. Improving retention, increasing productivity, and monitoring the company culture are just a few ways HR can better inform their HR strategy when they have an HRIS.

"Human Resource Information Systems" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

2.8 HR ANALYTICS

While the HRIS is responsible for collecting and organizing HR data, HR analytics is the process of analyzing this data in order to improve an organization's workforce performance. The process can also be referred to as talent analytics, people analytics, or even workforce analytics.

- **HR analytics:** HR analytics specifically deals with the metrics of the HR function, such as time to hire, training expense per employee, and time until promotion. All these metrics are managed exclusively by HR for HR.
- **People analytics:** People analytics, though often used as a synonym for HR analytics, is technically applicable to "people" in general. It can encompass any group of individuals even outside the organization. For instance, the term "people analytics" may be applied to analytics about the customers of an organization and not necessarily only employees.

Data

At the base of HR analytics is data. The wealth of data currently available to HR managers has increased exponentially in the past few years. As a result of high-performance HRIS and new technology such as employee tracking, HR managers now have a great deal of information at their disposal. Here is a list of the type of data that is commonly collected in organizations:

- **Revenue per employee:** Obtained by dividing a company's revenue by the total number of employees in the company. This indicates the average revenue each employee generates. It is a measure of how efficient an organization is at enabling revenue generation through employees.
- **Offer acceptance rate:** The number of accepted formal job offers (not verbal) divided by the total number of job offers given in a certain period. A higher rate (above 85%) indicates a good ratio. If it is lower, this data can be used to redefine the company's talent acquisition strategy.
- **Training expenses per employee:** Obtained by dividing the total training expense by the total number of employees who received training. The value of this expense can be determined by measuring the training efficiency. Poor efficiency may lead you to re-evaluate the training expense per employee.
- **Training efficiency:** Obtained from the analysis of multiple data points, such as performance improvement, test scores, and upward transition in employees' roles in the organization after training. Measuring training efficiency can be crucial to evaluating the effectiveness of a training program.
- **Voluntary turnover rate:** Voluntary turnover occurs when employees voluntarily choose to leave their

jobs. It is calculated by dividing the number of employees who left voluntarily by the total number of employees in the organization. This metric can lead to the identifying gaps in the employee experience that are contributing to voluntary attrition.

- **Involuntary turnover rate:** When an employee is terminated from their position, it is termed "involuntary." The rate of involuntary turnover is calculated by dividing the number of employees who left involuntarily by the total number of employees in the organization. This metric can be tied back to the recruitment strategy and used to develop a plan to improve the quality of hires to avoid involuntary turnover.
- **Time to fill:** The number of days between advertising a job opening and hiring someone to fill that position. By measuring the time to fill, recruiters can alter their recruitment strategy to identify areas where the most time is being spent.
- **Time to hire:** The number of days between approaching a candidate and the candidate's acceptance of the job offer. Just like time to fill, data-driven analysis of time to hire can benefit recruiters and help them improve the candidate experience to reduce this time.
- **Absenteeism:** Absenteeism is a productivity metric, which is measured by dividing the number of days missed by the total number of scheduled workdays. Absenteeism can offer insights into overall employee health and can also serve as an indicator of employee happiness.

Analytics and the Law

The sort of data collection that HR analytics uses is governed heavily by compliance laws. Some legal considerations to keep in mind when implementing an HR analytics solution are:

1. Employee privacy and anonymity
2. Consent from employees about the amount and type of data collected
3. Establishing the goal of data collection and informing employees accordingly
4. IT security when using third-party software to run HR analytics
5. Location of the HR analytics vendor – with whom the data will be stored – and their compliance with local laws

The people analytics company *Sociometric Solutions* offers electronic badges that capture information from employee conversations as they go about their day, including the length of the conversation, the tone of voice involved, how often people interrupt, how well they show empathy, and so on. Using this technology, a major bank noticed that its top-performing call centre workers were those who took breaks together and let off steam collectively. Based on this knowledge, the bank implemented group break policies. The result? Performance improved by 23% and stress levels dropped by 19% (Kuchler, 2014).

While it is easy to see the benefits of using this type of data which can lead to fantastic insights, there is

also a legal and ethical angle to consider. How would you feel if your organization used these badges? What could the company do to make you comfortable with the technology? These are important issues to consider as technology is becoming more intrusive.

"What is HR Analytics?" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

2.9 HR ANALYTICS APPLICATION

We have discussed the exponential increase of HR data in organizations. In this section, we will tackle what to do with this data. Basically, **HR analytics** is the process of analyzing and using data to make informed business decisions. For example, talent acquisition managers will tell you that the most challenging part of the recruitment process is determining which applicants will make the best hires.

Analytics can help you determine which qualities are most important for a certain position, then sift through applications and find the candidates that best match those qualities. Analytics can also tell you when a certain quality or data point actually has little to do with an employee's success. For example, imagine if your company found out, after analyzing the profile of your top salespeople, that college grade point average is not a strong indicator of future sales performance. You can now expand your recruitment pool to anyone with a university degree instead of restricting it to those with high GPA's!

Job Design

Job design helps to structure jobs to make them more motivating and to increase the performance of employees. Data, and more specifically data analytics, can allow HR Managers to pinpoint areas that facilitate or impede motivation or performance.

For example, during the pandemic, organizations such as Rabobank, Merck, and National Australia Bank used quick surveys to understand how their employees were coping with remote work, how their needs for support were changing, and what their preferences were for returning to work. Using text analytics on free text comments (software that decodes words and word frequency into emotional sentiment or different psychological traits) and discussion boards, companies can gain valuable insights into what's important to their employees in a rapidly changing environment while avoiding survey fatigue and preserving anonymity at an individual level. Using this information, they can develop initiatives that directly impact their employees; instead of guessing, they can be very precise in the nature and timing of their interventions. They can even custom-tailor these solutions to individual employees.

Recruitment

The objective of recruitment is to generate the maximum number of quality applications possible; recruitment analytics borrows heavily from marketing science. Recruiters that use analytical tools rely on segmentation, statistical analysis, and the development of optimal people models (i.e., ideal candidates). Since an increasing majority of recruitment occurs electronically, there is a vast amount of data available to recruiters to seek to optimize their processes.

An example of this is the segmentation in job advertising and the deployment of programmatic advertisement. In programmatic advertisements, target groups for a job opening are defined and then targeted through multiple online sources. In this case, the ad spent (per click or per thousand impressions) is closely monitored, and when needed, adjusted. Because of the segmentation, different advertisements can be tested against different job-seeker segments in an effort to optimize conversion and lower cost.

The virtual nature of recruitment also allows for very innovative and 'out-of-the-box' recruiting techniques. For example, in the world of motorsport, for example, Nissan is recruiting through an unusual channel: racing video games! Nissan joined forces with Sony to create the GT Academy, a global annual contest designed to find the best gaming racers and turn them into real-life racing drivers (Richards, 2014). Hundreds of thousands of hopefuls now enter the contest each year. And all of the winners selected in the past few years are still racing, proving what a useful recruitment channel this has been for Nissan.

Talent Acquisition

The objective of talent acquisition is to find the best employee for a specific job. This can be a daunting task. People are complex and evaluating them is fraught with obstacles such as biases. HR analytics allows the HR department to cut through this complexity. For example, HR managers can analyze the profiles of their top performers, identify their characteristics (e.g., they have MBA's, were involved in high-level athletics, or are introverts) and align their staffing processes accordingly.

Training

With the rise of online learning, corporate learning and development is becoming increasingly personalized to individual learners. Fuelled by data and analytics, **'adaptive' learning technology** allows courses, course

segments, activities, and test questions to be personalized to suit the learner's preference, in terms of pace and method of learning. Individual, self-paced online learning is also arguably more cost effective than pulling employees out of their job for a day or week to send them on expensive training courses. Importantly, self-directed learning helps integrate ongoing development into employees' everyday routines.

Danone's online Danone Campus 2.0 is one example of this in action. The food giant has created a user-friendly online platform where employees can boost their development and share best practices and knowledge with other staff (van Dam & Otto, 2016).

Compensation

Whether it is managing job candidate salary expectations or looking for evidence of pay equity, data allows HR managers to make decisions based on facts. For example, when an employee receives a competing offer, their manager's first instinct may be to match it. The key word here is *instinct*, which can lead to costly mistakes: intuition can cause even the best managers and HR professionals to make poor judgment calls. The way to mitigate this risk is to look to the data: to find out how the employee compares to the rest of their team and what the market is paying for a similar role.

Performance Management

UPS has taken the use of data and analytics in performance management to an entirely new level. For example, the handheld computer that drivers have been carrying for years (those electronic boxes you sign to say you received your parcel) is actually a sophisticated device that helps drivers make better decisions, such as which order to deliver parcels in for the most efficient route. In addition, UPS trucks are fitted with more than 200 sensors that gather data on everything from whether the driver is wearing a seatbelt to how many times the driver has to reverse or make a U-turn.

By monitoring their drivers and providing feedback and training where needed, UPS has achieved a reduction of 8.5 million gallons of fuel and 85 million miles per year (Dix, 2014). Plus, drivers now make an average of 120 stops a day. That number used to be less than 100 –

meaning the same drivers with the same trucks are now able to deliver more packages than before. One might think that monitoring employees so closely might cause a backlash among staff. But enhanced performance means the company can pay its drivers some of the highest wages in the industry, which no doubt helps support employee buy-in for data-driven performance. The company has also taken other steps to ensure they don't face a driver backlash; for example, under the terms of drivers' contracts, UPS cannot collect data without informing drivers of what they're gathering. Nor can they discipline a driver based only on what the data has told them.

Health and Safety

Safety-oriented companies rely on analysis of historical safety incidents to identify potential trends. They rely on lagging information and is limited to data related to the incident. It can tell what happened, but not why it happened. Companies need information that helps them predict future incidents, and predict the likelihood of the incident happening. This information is not captured in individual incident reporting. Through advanced analytics, companies can use predictive modelling techniques to identify the factors of incidents. The goal is effective prevention. Analytics makes it easy to sift through the data to find clues. Companies can analysis things like the weather, the job site, maintenance scheduling, and production measurements that affect workers. This allows them to take prevention action to reduce risk. An example is adjusting equipment maintenance scheduling, where machines are place, or scheduling of different tasks at different times.

In another example, the Australian company Seeing Machines has developed technology for mining trucks that tracks the driver's eyes in order to spot driver fatigue (Nothling, 2018). The system uses a camera, GPS and accelerometer to track eye and eyelid movement, such as how often a driver blinks, how long those blinks last, and how slowly the eyelids are moving – and it can do all this even if the driver is wearing sunglasses. When a driver closes their eyes for longer than 1.6 seconds, an alarm is triggered inside the truck – both a noise and a vibration within the seat. Then, if the alarm is triggered for a second time, a dispatcher or supervisor is alerted so that they can make contact with the driver via radio.

"HR Analytics Applications" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

2.10 KEY TERMS

Key Terms

Absenteeism: Absenteeism is a productivity metric, which is measured by dividing the number of days missed by the total number of scheduled workdays. Absenteeism can offer insights into overall employee health and can also serve as an indicator of employee happiness. (2.8)

Buyout: Employers may offer employees an incentive to leave the company. (2.6)

Contingent workers are hired as a contract worker for a specific amount of time at a specific rate of pay. They perform a specific job while employed. (2.6)

Delphi Method: a group of experts predict specific future events through surveys and opinions. (2.4)

External supply is hiring from outside the company. (2.5)

Extrapolation uses past information related to change. (2.4)

Forecast: an estimate of future human resources that a company needs to be successful. (2.3)

HR Analytics: HR analytics specifically deals with the metrics of the HR function, such as time to hire, training expense per employee, and time until promotion. (2.8)

HR Planning is a strategic process that helps companies plan for future human resources that are needed to support the growth, or downsizing of production demands. (2.1)

Human Resources Information System (HRIS) helps companies organize and manage people-related data. (2.7)

Human Resources Inventories: This is completed through HR audits of summaries of employees' knowledge, skills, and abilities (KSAs). (2.5)

Indexation matches employment growth with specific indices (such as the ratio of sales to the number of pieces of production). (2.4)

Internal supply are the existing employees who can be promoted to new positions, transferred to other departments or satellite offices, and could be demoted. (2.5)

Involuntary turnover rate: When an employee is terminated from their position, it is termed

"involuntary." The rate of involuntary turnover is calculated by dividing the number of employees who left involuntarily by the total number of employees in the organization. This metric can be tied back to the recruitment strategy and used to develop a plan to improve the quality of hires to avoid involuntary turnover. (2.8)

Labour market analysis studies the companies labour market to assess the present and future availability of employees. In Canada, the unemployment rates are a quick way to determine how many people are actively seeking work, and what types of work they are looking for in their careers. Other ways to find employees is to target those employed in other companies. (2.5)

Labour shortage is not enough supply of employees to meet the demand for the company, and/or people do not have specific skills that company needs to operate the business. (2.6)

Leadership and Management Inventories: The KSAs are recorded in addition to the employee's potential for promotion to management is monitored. (2.5)

Markov analysis: is often used which is the company's future human resources needs that use transitional probability matrices based on past data. (2.5)

Nominal Group Method: a focus group of experts work face-to-face or virtually. (2.4)

Offshoring: when companies may outsource work to a different country. (2.6)

Offer acceptance rate: The number of accepted formal job offers (not verbal) divided by the total number of job offers given in a certain period. A higher rate (above 85%) indicates a good ratio. If it is lower, this data can be used to redefine the company's talent acquisition strategy. (2.8)

Phased retirement which allows them to work fewer hours for a period of time, and then finally retire completely from the company. (2.6)

People analytics: People analytics, though often used as a synonym for HR analytics, is technically applicable to "people" in general. (2.8)

Recall list: a list that tracks employees who are laid off so that when there is a job available, the employees are called back to work based on seniority or need. (2.6)

Replacement Charts: are charts that are like a "picture" that help to determine who can replace who when the need arises through a job opening. (2.5)

Replacement summaries track the employee's history with the company and HR departments can decide if these employees can fill gaps in the company. (2.5)

Revenue per employee: Obtained by dividing a company's revenue by the total number of employees in the company. This indicates the average revenue each employee generates. It is a

measure of how efficient an organization is at enabling revenue generation through employees. (2.8)

Staffing tables. These tables are lists of project employees for each type of position in the company. (2.4)

Time to fill: The number of days between advertising a job opening and hiring someone to fill that position. By measuring the time to fill, recruiters can alter their recruitment strategy to identify areas where the most time is being spent. (2.8)

Time to hire: The number of days between approaching a candidate and the candidate's acceptance of the job offer. Just like time to fill, data-driven analysis of time to hire can benefit recruiters and help them improve the candidate experience to reduce this time. (2.8)

Training efficiency: Obtained from the analysis of multiple data points, such as performance improvement, test scores, and upward transition in employees' roles in the organization after training. Measuring training efficiency can be crucial to evaluating the effectiveness of a training program. (2.8)

Training expenses per employee: Obtained by dividing the total training expense by the total number of employees who received training. The value of this expense can be determined by measuring the training efficiency. Poor efficiency may lead you to re-evaluate the training expense per employee. (2.8)

Voluntary turnover rate: Voluntary turnover occurs when employees voluntarily choose to leave their jobs. It is calculated by dividing the number of employees who left voluntarily by the total number of employees in the organization. (2.8)

2.11 SUMMARY

Summary

HR Planning is a strategic process that helps companies plan for future human resources. HR can predict or anticipate numbers of employees needed with a good HR plan. The HR plan involves reviewing business goals, scanning the environment, identifying gaps, developing the plan and measuring the progress.

Forecasting is the estimate of future human resources needs. Several methods are used in forecasting that include nominal group method, delphi method and trend projections. The next step is to convert results into staffing tables. Companies need to understand the supply and demand of employees. HR departments can estimate internal supply to fill in the gaps. Companies need to respond to supply and demand by developing strategies to either reduce the workforce or increase their workforce.

Human Resources Information Systems (HRIS) allow companies to track data and use the information to plan for human resources. The HRIS can be tailored to the needs of the company. Human Resources uses the information for recruitment, selection, training, performance management, and health and safety. The HRIS helps to organize and manage the people-related data. HR analytics allows HR departments to deal with the metrics of the HR function to analyze data to improve work performance. It deals with things such as timing of hiring, training expenses, and time until promotions. The analytics helps companies make decisions about quality of employees, matches candidates to job descriptions, and can measure an employee's success.

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/2-11-summary/

2.12 KNOWLEDGE CHECK

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/2-12-knowledge-check/

2.13 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Review the HR Planning Process and the steps, **individually**. Discuss how you would create an HR plan for a company with 100 employees. Discuss how you would create an HR plan for a company of 2000 employees. What are the similarities? What are the differences? Discuss in a **small group**.
2. You are the HR Manager of a large company that is expanding. Presenting there are 5000 employees. The strategic plan mission is to expand to 8000 people over the next 3 years into difference markets, provide new products, and diversify into another country. It is your responsibility to create the HR Plan. Who do you speak to? Who do you get involved, and why? What is the first step you would take to create the HR Plan? Discuss in a **small group**.
3. Why do companies align the HR Plan with the Strategic Plan? Discuss with a **partner**.
4. You work for a Canadian retail chain that has stores in Western Canada. The company wants to expand to Ontario and Nova Scotia. The goals is to open 10 new stores in each province within a year. The CEO asks you to complete an external and internal review. What factors would you consider and include in your review? Discuss in a **small group**.
5. You work for a digital music and 3-D company that sells it's services to the movie industry. The job descriptions and the move customer's needs are in constant flux, upgrading technology and developing new digital software. You need to complete some forecasting. Which ones would you consider? Why? Discuss with a **partner**.
6. Review nominal group method and delphi method of forecasting, individually. What are the similarities? What are the differences? Do you have a preference you would use for a large electrical company that has 300 employees across Ontario? (The company is downsizing due to the slump in housing construction and sales). They expect to lay off about 100 employees.

Discuss in a **small group**.

7. Why are staffing tables important to Human Resources? President? Brainstorm in **large group**.
8. Discuss an approach you would use if your company had "too many employees" and needed to cut back on staff by 30%? Why is this approach the most beneficial? Discussion in **small group**.
9. Discuss an approach you would use if your company was expanding by 40% over the next year. You now have 1000 employees and it is expected you will have 1400 employees within a year. Why is this approach the most beneficial? Discuss in **small group**.
10. What is the purpose of replacement charts? And, who would use them in the company? What would they use them for? Discuss with a **partner**.
11. Review the Conference Board of Canada website, **individually**. Share with a **partner** something that you learned that could b useful to an HR Manager.
12. Do you believe crowdsourcing is a good idea? Why? Why not? Brainstorm with the **large group**.
13. Have you ever had to complete an application online through a database? What are the advantages for HR? Did you think the process was a good experience, as an applicant? A bad experience, as an applicant? Discuss with a **partner**.
14. Think about security as it relates to HR analytics. Do so research on security online, **individually**. What are the risks? Discuss with a **partner**.
15. What are the challenges facing companies that want to invest in an HRIS? Brainstorm in **large group**.
16. In your own words, describe HR analytics. Write a **one-minute paper**. Share with a **partner**.
17. Research "analytics and the law", **individually**. Find something interesting about the search. Share with a **partner**.
18. How do HR analytics impact job design? Recruitment? Training? Compensation? Discuss in a **small group**.

2.14 CASE STUDY: THE POWER OF HR ANALYTICS FOR ACME INC.

Case Study: The Power of HR Analytics for ACME Inc.

ACME Inc. has a problem, a big problem. It is losing employees at a rate of 18% per year. Benchmarks in their industry are at 9%. For the past few years, new government regulations have been making the industry more competitive and profits are on a steady decline. The CEO has identified curbing the high turnover rate as a primary objective for the HR department.

The VP of Human Resources has hired a team of data analysts to look at the issue. The team performed advanced analysis on the anonymous corporate employee data integrated from several HR information systems. The dataset contains common and specific HR-oriented features for approximately 1,560 individual employees. Topics include demographics, satisfaction with the job and the company, absences, salary, and even travelling schedule. For each individual record, there is also information determining whether the corresponding employee left the company at the end of analyzed period. This information is used to identify key features connected to attrition. By identifying data patterns that can predict current employee behaviour in terms of attrition, the company can develop strategies to address the issue(s).

For the purpose of the case-study, the dataset was inspected and using the logistic regression method, two different questions were answered:

- Which specific factors increase or decrease the probability of attrition?
- Which individual employees across different jobs are at high risk of attrition?

Regarding the first question, advanced modelling techniques like neural networks were able to identify “drivers” that influence the target variable: risk of attrition. See the article: What Drives Employee Turnover? Part 2 for a list of the drivers of employee turnover. This kind of information provides seemingly straightforward insight. However, to deliver more thorough and usable conclusions, it is necessary to go a little deeper. One possible way to do that is to perform a separate analysis for different job types and roles. The next figure (2.13.1)

shows the importance of various factors for three different job categories: technician, scientist and salesman.

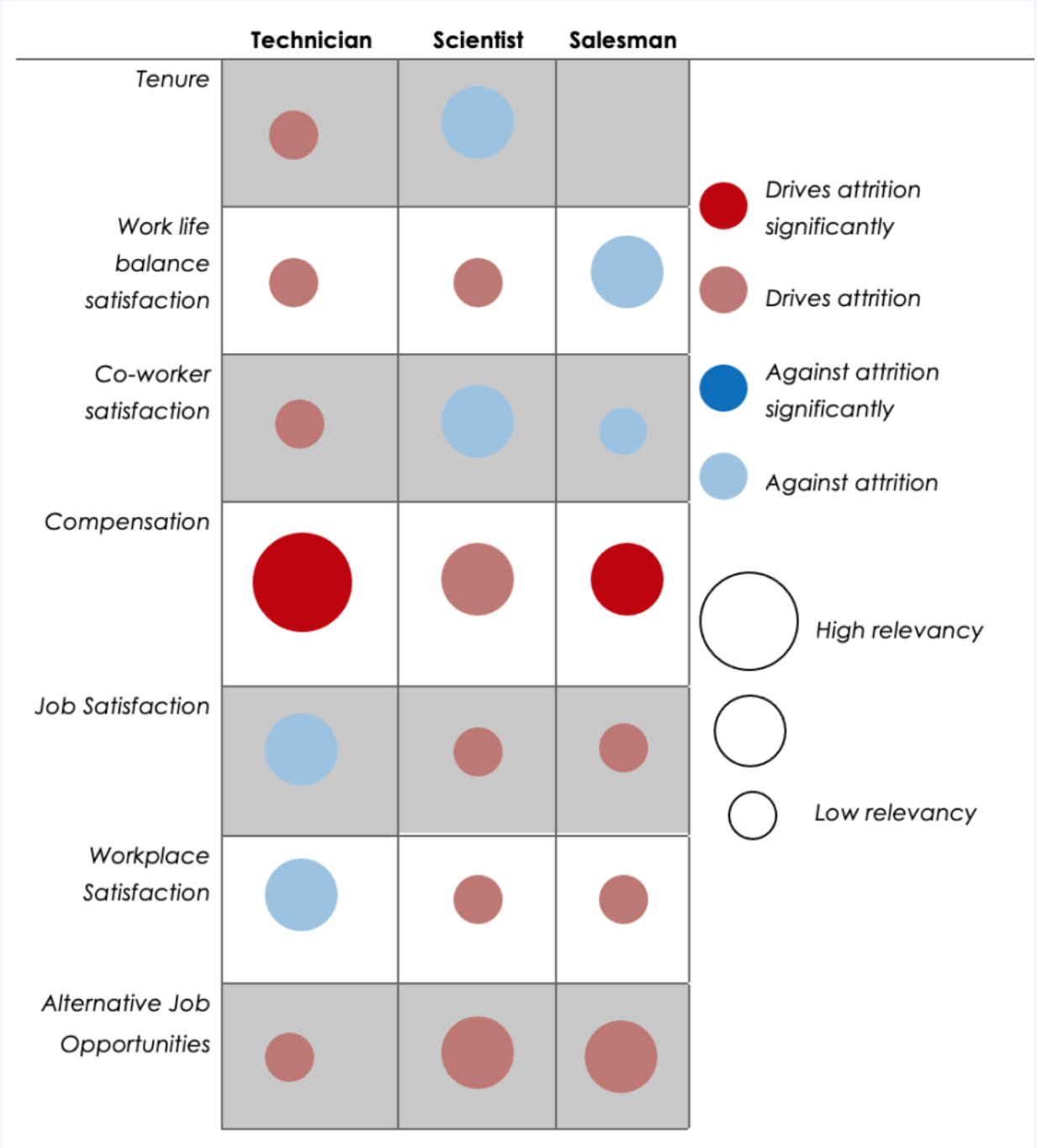


Figure 2.13.1. Factors of attribution for different job categories

In order to answer the second question -who are the employees most at risk of leaving, a

prediction model was developed and applied. For validation purposes, one-third of the dataset was separated to test the model accuracy. The rest was used to train the model and perform previous analysis. The newly-developed model is able to predict 88.9% of employees with "left-the-company" flags.



Now equipped with this information, the VP of Human Resources is working at addressing the issues with a concrete and aggressive plan of action to curb turnover.

Questions:

1. What are the factors that made this advanced analysis successful?
2. Research prediction model and discuss what makes is a successful model to predict risk of employees leaving. Why was this step important to ACME Inc.
3. Following the data analysis, what are the first action steps (name 5 steps) that the VP of Human Resources can take to address the issues in a concrete manner?

"Chapter 11: HR Analytics" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

CHAPTER 3: DIVERSITY, INCLUSION, EQUITY AND THE LAW

Chapter Outline

3.0 Learning Outcomes
3.1 Chapter Introduction: Employment Legislation for Employers
3.2 Diversity, Rights, Ethics, Work-Life Balance
3.3 Federal Human Rights Laws
3.4 Provincial Human Rights Laws
3.5 Discrimination in Organizations
3.6 Employment Standards and Employment Equity
3.7 Key Terms
3.8 Summary
3.9 Knowledge Check
3.10 Exercises/Activities for Teachers and Students
3.11 Case Study: Visible Minorities

3.0 LEARNING OUTCOMES

Learning Outcomes

1. Interpret some of the key social factors that influence the evolution of the workforce.
2. Explain the distinct, common and integrated Canadian Federal and Provincial legal systems with respect to employment legislation.
3. Describe the distinction between direct and indirect discrimination.
4. Define the concepts of job relatedness, Bona Fide Occupational requirements, duty to accommodate and undue hardship.
5. Apply the steps needed to ensure employment equity in organizations.

3.1 CHAPTER INTRODUCTION: EMPLOYMENT LEGISLATION FOR EMPLOYERS

Operating a workplace in Canada requires employers to navigate a comprehensive framework of federal and provincial legislation designed to protect employees, support fair business practices, and promote safe, equitable working environments. This chapter provides an overview of the key legal obligations that govern employment relationships both federally and in Ontario and outlines the legislative responsibilities that every employer—regardless of industry or size—must understand and follow.

Employment laws establish minimum standards for wages, working hours, leaves of absence, workplace safety, human rights, accessibility, privacy, and employee well-being. These laws form the foundation for ethical and lawful employment practices. They also play a crucial role in reducing organizational risk, strengthening organizational culture, and ensuring consistency in how employers treat employees across the province.

Central to these obligations, in Ontario, is the **Employment Standards Act, 2000 (ESA)**, which sets minimum standards for pay, scheduling, vacation, public holidays, termination, and other essential employment conditions. In parallel, the **Occupational Health and Safety Act (OHSA)** places responsibility on employers to provide a safe and healthy workplace, emphasizing hazard prevention, training, and joint health and safety responsibilities. The **Ontario Human Rights Code** establishes protections against discrimination and harassment, ensuring equal treatment and dignity in employment. Additional legislation—such as the **Labour Relations Act**, **Pay Equity Act**, **Workplace Safety and Insurance Act**, and **Accessibility for Ontarians with Disabilities Act**—further clarifies employer duties related to unionization, pay fairness, workplace injuries, and accessible workplaces.

Together, these laws form a robust regulatory framework that shapes every stage of the employment relationship, from recruitment and onboarding to day-to-day operations, performance management, and termination. Understanding this framework helps employers foster compliant, respectful, and effective workplaces while reducing the legal and reputational risks associated with non-compliance. As a Human Resources practitioner, it is your responsibility to ensure that the business you work for follows the regulatory framework.

This chapter introduces these core legislative requirements, explains how they apply in practice, and highlights the employer's role in supporting both legal compliance and positive organizational outcomes. As workplaces evolve—through technological advances, demographic changes, and shifts in employment practices—Ontario's legal landscape continues to adapt. Employers and Human Resources practitioners must therefore remain informed, proactive, and committed to meeting their responsibilities under the law.

This chapter does not address the Occupational Health and Safety Act, which is covered in Chapter 9, the Workplace Safety and Insurance Act, which is covered in Chapter 9, the Accessibility for Ontarians with Disabilities Act, which is covered in Chapter 9 and the Labour Relations Act, which is covered in Chapter 10.

Microsoft. (2026, January). Microsoft365 Copilot. [Large Language Model]. Prompt: Provide me with a chapter introduction about the Ontario legislation that is to be followed by employers. *Reviewed by faculty, edited*.

3.2 DIVERSITY, RIGHTS, ETHICS, WORK-LIFE BALANCE

The focus of HRM is people. People bring with them feelings, emotions, perceptions, values, prejudices and are often unpredictable. Thus, HR processes have to adapt and be particularly sensitive to how people and society change and evolve over time. Workers, like the society in which they live, are subject to constant change. Some of these changes have been slow and steady while others are very sudden (COVID-19). We discuss these changes, and their implications for HRM in this section.

Diversity



Photo by Claudio Schwarz, Unsplash License

The makeup of the Canadian workforce has changed dramatically over the past 70 years. In the 1950s, more than 70 percent of the workforce was composed of males (Usalcas & Kinack, 2017). **Diversity** is the practice of involving people from a wide range of various ethnic and social backgrounds. Today's workforce reflects the broad range of differences (diversity) in the population—differences in gender, race, ethnicity, age, physical ability, religion, education, and lifestyle. Most companies strive for diverse workforces and HR managers work hard to recruit, hire, develop, and retain employees from different backgrounds. Canada is a multicultural country and diversity of it's people is legally protected. As we will see later in this chapter, these efforts are motivated in part by legal concerns: mismanagement in recruiting, hiring, advancement, disciplining and firing has legal consequences under applicable law.

However, reasons for building a diverse workforce go well beyond mere compliance with legal standards. It even goes beyond commitment to ethical standards. Diversity is simply good business! In a competitive market, an organization cannot afford to limit their talent pools arbitrarily. Imagine a hockey team that would only hire players who love Death Metal music (let's assume that 20% of the population falls into that category).

This means that this team would exclude 80% of all available players from the draft. The likelihood of that team ever winning the Stanley Cup with such a restricted pool of players is very, very slim! The point is that organizations cannot afford to exclude workers based on frivolous characteristics. When they do exclude

workers, as it is their prerogative, it should be based on characteristics that are proven to be related to performance. In the case of a hockey team: skating, puck handling, vision, etc.

Does Diversity Pay? (Herring, 2009) reveals that diversity does in fact pay. The study found that the businesses with greater racial diversity reported higher sales revenues, more customers, larger market shares, and greater relative profits than those with more homogeneous workforces. Other research on the topic by Scott Page, the author of *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies* (Page, 2007) suggested similar results. Page found that people from varied backgrounds are more effective at working together than those who are from similar backgrounds, because they offer different approaches and perspectives in the development of solutions.

Eric Foss, chairperson and CEO of Pepsi Beverages Company opined, "It's not a fad. It's not an idea of the month. It's central and it's linked very directly to business strategy" (Holstein, 2009). A study by the late Roy Adler of Pepperdine University shows similar results. His 19-year study of 215 *Fortune* 500 companies shows a strong correlation between female executives and high profitability (Adler, 2001). Another study, conducted by Project Equality, found that companies that rated low on equal opportunity earned 7.9 percent profit, while those who rated highest with more equal opportunities resulted in 18.3 percent profit (Lauber, 2011). These numbers show that diversity and multiculturalism are certainly not a fad, but a way of doing business that better serves customers and results in higher profits.

The following article offers a prediction about the future Canadian labour force demographic:
Diversity Trends In Canada

Rights and Ethics

Employees are more demanding than ever when it comes to their rights and the behaviour of their employers. **Rights** are legal, social or ethical principles of freedoms and entitlement. **Ethics** looks at justifications for people's moral judgments, and what is considered right or wrong, just or unjust. Regarding their rights, employees are more informed than ever. With the rise of social media, a new phenomenon is also taking place in organizations: employee militancy. People are willing to commit their time and energy to an organization, but if that organization fails to meet their expectations in terms of values or ethics, they will no longer remain silent.

- *Employee militancy* has moved from advocating for workers right (e.g., better pay, gender equity) to pushing for a better society. A good example of this is how Facebook employees staged a virtual protest, pressing Facebook executives to take a tougher stand on Donald Trump's inflammatory posts. Some of

the issues that have become very important for employees are listed below, with a relevant example demonstrating it:

- *Sustainability:* At Amazon, employees organized an 'online walk out' to protest the company's stance on climate change.
- *Privacy:* Humanyze, a Boston-based start-up makes wearable badges equipped with sensors, an accelerometer, microphones and Bluetooth. The devices — just slightly thicker than a standard corporate ID badge — can gather audio data such as tone of voice and volume, an accelerometer to determine whether an employee is sitting or standing, and Bluetooth and infrared sensors to track where employees are and whether they are having face-to-face interactions (see video below). The privacy of workers is increasingly threatened by such technological advances and many employees are taking their opposition to this technology to court.

Video: "High-Tech ID Badge Tracks Workers' Entire Day On The Job" By CBS Boston [2:17] (URL: https://www.youtube.com/watch?v=nzch8_u77T4)

Work Life Balance

Work-life balance is increasingly important aspect of life for people who are seeking a balance between their professional and personal lives. There is a great deal of research that suggests work-life balance is an important aspect of healthy work environment. More and more employees are working towards creating this balance in their lives in order to support the mental and physical health as well as their personnel relationships. Many employers are also recognizing the importance of this issue and its impact on the well-being of their employees and are developing programs in order to support the work-life balance of their employees. Examples of employer supported programs include flexible working hours, onsite gyms and daycares, and time off.

Maintaining work-life balance helps reduce stress and helps prevent burnout in the workplace. To satisfy the assumed desires of employees, many employers overcompensate by adding game rooms and beanbag chairs to spice up the work environment. An entire industry has popped up surrounding making workspaces more "millennial-friendly." WeWork, one of the most well-known of this new breed of property managers, is known for designing such work environments. However, these environments tend to blur the boundaries between work and life, and many employees report that they do not care for these types of perks. One of the answers for employers is to create a flexible work environment, one that satisfies the work-life balance needs of most employees.

Are you in Balance? Take the Work-Life Balance Quiz – CMHA National

---

"The Changing Workforce" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

3.3 FEDERAL HUMAN RIGHTS LAWS

As described in the previous section, the society in which we live is constantly evolving. As the values that we share collectively change, so do the rules and regulations that we impose on ourselves. The legislative framework that is adopted by governments is a reflection of our values. For the HR Manager, a clear understanding of the legal framework is absolutely necessary.

HR role in the legal framework includes understanding business law, employment law, having a good knowledge of legislative law, and understanding and attracting and retaining quality employees.

Employers and employees have expectations of each other. Some of these expectations are formal. An example of employer expectations include showing up for work for a specific number of hours during the week. Employees expect employers to provide them with proper training, getting paid and on time, a safe workplace. As well, there are informal expectations. Employers expect employees to have a positive attitude, be professional and loyal. While employees expect recognition for work well done, respect and trust.

The legal framework (a formal expectation) is established to ensure employees not exploited and that employers are protected from bad business practices from employees. This is where the government plays a role to balance the employee and employer relationship.

Federal Human Rights Laws

The Canadian Charter of Rights and Freedoms

The Constitution Act of 1982 is the highest law of Canada and is a landmark document in Canadian history. It achieved full independence for Canada by allowing the country to change its Constitution without approval from Britain. It also enshrined the *Charter of Rights and Freedoms* in Canada's Constitution which guarantees fundamental rights to every human, including: rights of freedom of speech, press, assembly, association, and religion. This video: *The Charter of Rights and Freedoms* from tvo [2:12] explains the various aspects of the Charter.

The Canadian Human Rights Act (CHRA)

All people who live in Canada are protected by **human rights legislation**. This law protects intentional and unintentional discrimination in the workplace. People have access to the federal government is they have experienced harassment or discrimination when it is based on grounds of discrimination such as race, age and sexual orientation.

Protected Grounds

According to the Canadian Human Rights Act, (R.S.C. 1985, cH-6) **protected grounds** means

> race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability or conviction for an offence for which a pardon has been ordered. Idem: where the ground of discrimination is pregnancy or child-birth, the discrimination shall be deemed to be on the ground of sex. Idem: Where the ground of discrimination is refusal/request to take a genetic tests, disclose or authorize disclosure of results, the discrimination shall be deemed to be on the group of genetic characteristics. (s. 3).

An example of protected grounds is a student who is studying to complete a diploma program and needs accommodation to complete the coursework.

Harassment

Harassment is behaviour that annoys or troubles another employee. This may include verbal abuse, bullying, jokes, making faces or comments about another employee either verbally or through social media. The types of harassment are physical harassment, verbal, sexual and emotional harassment. An example is an English speaking employee mocks an employee's accent from another country.

The CHRA became effective in March 1978. It proclaims that

> all individuals should have an opportunity equal with other individuals to make for themselves the lives that they are able and wish to have and to have their needs accommodated, consistent with their duties and obligations as members of society, without being hindered in or prevented from doing so by discriminatory practices based on race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability or conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered (Canadian Human Rights Act, R.S.C., 1985, cH-6, s.2).

Let's examine this statement in order to fully understand its significance for HRM.

1. "All individuals should have opportunity equal with other individuals to make for themselves the lives that they are able and wish to have": this means that, considering their desires and abilities, the opportunity to earn a living, which implies the 'opportunity to work', should be equal for all.
2. These opportunities should not be hindered by discriminatory practices based on "race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability or conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered": the CHRA is very specific as to the categories that are deemed discriminatory. These categories have changed over time, following

changes in our society. Currently, the issues raised by genetic testing are at the forefront of these societal changes. Is it legal to deny insurance for people known to have gene mutation that causes or increases the risk of an inherited disorder? These issues are currently being debated (see Canadian Supreme Court decision) and as genetic testing becomes more common, we as a society, will have to decide the extent to which it is OK to use this information to make decisions about people.

Enforcement of CHRA

The CHRA only applies to federal government departments and agencies, to Crown corporations, and to businesses under federal jurisdictions such as banks, airlines, and communication companies. Employees of these organizations who feel discriminated against can file complaints directly to the Canadian Human Rights Commission (CHRC). There is a systematic process in place to handle these complaints. After a complaint is filed, a mediation process is attempted to try to resolve the issue between the parties. If the mediation fails, the dossier is handed over to the Human Rights Commissioner who can decide to:

- dismiss the complaint;
- send the complaint to conciliation;
- defer the decision and request more information and further analysis; or
- refer the complaint to the Canadian Human Rights Tribunal (Canadian Human Rights Commission, n.d.)



Think!

From experience or just as an example, think of 2 examples of discrimination in the workplace.

- What would be the more appropriate situation for the employee?
- How would this person go about bringing this discrimination to management?
- How do you think HR would be involved to help solve the issue for the employee?

Tort Law

Tort law is from Canada's British heritage. It is the foundation of the Canadian legal system. This law provides compensation for people who are injured, or has had their property damaged by others. It is considered private law. It acts as a punishment to provide damages.

Tort law is divided into two areas: **Intentional Torts** are serious, deliberate acts that harm people, or someone has interfered with another person's rights. An example is one person assaulting another person intentionally. **Torts of Negligence or Unintentional Torts** are injuries incurred because of carelessness on the part of another person. An example of someone finding a mouse inside their cereal box due to carelessness of an employee is considered unintentional tort (Klar, 2020).

Either tort breach that is legitimate would need to be compensated for their losses. It includes money for pain and suffering.

These laws evolve over time. An example is "no fault" insurance for car accidents. Other examples recently are invasion of privacy, and negligence with such groups as lawyers and engineers working on projects.

"HRM and the Law" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

3.4 PROVINCIAL HUMAN RIGHTS LAWS

Organizations that do not fall under the Canadian Human Rights Acts (CHRA) are subject to provincial human rights laws. Overall, there are 14 jurisdictions in Canada (10 provinces, 3 territories and the federal jurisdiction which covers crown corporations, civil service, banking, and communication). Approximately 90% of the enforcement of the equity laws are done by the provinces and 10% by the federal government. While provincial laws are very similar to the federal one, there are some variations across provinces. A good example of one of these variations is the inclusion of 'sexual orientation' as a protected category. Quebec was the first province to include it in 1977, while the last province was Alberta in 2009.

Guide to your rights and responsibilities under the Human Rights Code (ohrc.on.ca)
[PDF Download]

The Ontario Human Rights Code (2013) provides protection from discrimination. The Code states that every person has a right to freedom from discrimination in five **social areas:**

Social Areas
Services, Goods and Facilities
Housing
Contracts
Employment
Membership in Vocational Associations and Trade Unions

The Code also specifies the prohibited grounds of discrimination:

Prohibited Grounds of Discrimination:
Age
Ancestry
Citizenship
Colour
Creed
Disability: – disability as a medical condition that a person has. – barriers that prevent every member of society from participating fully
Ethnic origin
Family status
Gender expression
Gender identity
Marital status
Place of origin
Race
Receipt of public assistance
Record of offences
Sex
Sexual orientation

It is important to stress the fact that these protections are not universal and that they reflect the society that they are intended to influence. In the US for example, many protections that are considered basic in Canada have been challenged in court. For example, the Supreme Court recently upheld a decision that protects LGBTQ workers from discrimination by a 6-3 margin.

Enforcement of Provincial human rights laws

Employees of those organizations that fall under the Ontario Human Rights Code who feel discriminated against can file complaints directly to the Human Rights Tribunal of Ontario (HRTO). The complaint can be handled either by mediation or a hearing.

Videos:

Video: "Mediation at the Human Rights Tribunal of Ontario" By Human Rights Tribunal of Ontario [5:22] or read the transcript. (URL: https://youtu.be/cny7DCFdNLc)

Video: "Hearings at the Human Rights Tribunal of Ontario" By Human Rights Tribunal of Ontario [5:50] or read the transcript (URL: https://youtu.be/OGEocD7t1zI)

Legislation Affecting Indigenous Persons

- The Constitution Act, Section 35 – Duty to Consult
- The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- The Employment Equity Act

"HRM and the Law" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

3.5 DISCRIMINATION IN ORGANIZATIONS

In the previous section we covered the general legislative framework overseeing HRM. In each chapter of this book, we will come back to some of these legal principles, as they apply to specific HRM practices. In this section, we go beyond the general legal principles of discrimination and delve deeper in the concept.

Discrimination and the Law

As stated earlier, discrimination laws have evolved over the years; they attempt to be in step with the values of the society that they oversee. In essence, these laws do not prohibit discrimination at large, they only prohibit discrimination along certain characteristics. The Canadian Human Rights Commission (2021) defines discrimination as "an action or a decision that treats a person or a group badly for reasons such as their race, age or disability." An interesting manner to view discrimination laws is to flip the concept around and consider all of the characteristics or dimensions that one can use to distinguish between people.



Think!

Think about it: Individual workers differ in thousands of ways: height, eye colour, personality, favourite ice cream flavour, and ability to take care for plants (i.e., green thumb). Thus, the law specifies that one can make decisions based on all of these differences, except for a handful of them: those that are deemed unacceptable by society. In other words, you can 'discriminate' based on personality or favourite ice cream flavour but you cannot do so based on gender or race. It sounds straightforward enough but it is not.

- Think about discriminating based on height, weight, or postal code. In the context of the law, these are not 'protected' categories, so can one assume that they are OK to use as basis of "discrimination"?

The next section answers these questions in more detail. This is important because HR managers are

responsible for making decisions about employees (e.g., hiring, evaluating, promoting, terminating, etc.) and thus, they require a sophisticated understanding of how discrimination can occur in the workplace. We explain the two basic mechanisms by which discrimination can manifest itself: direct and indirect (systemic) and additional nuances regarding discrimination.

Direct Discrimination

Direct discrimination or intentional discrimination occurs when a decision is made based on one of the categories protected by the legislation. This form of discrimination is blatant and clearly illegal. An employer cannot discriminate hiring a person based on any of the prohibited grounds. It is often hard to prove. An example might be a person who uses a wheelchair and is told they were not qualified for the job. This is a difficult situation to prove. Employers are also not allowed to treat people unequal. This applies to individuals and groups. An example is a woman who is pregnant and applies for a promotion. Her boss suggests they are looking for someone who will be more dedicated to the job.

A truck company cannot have hiring ads stating 'male drivers wanted' or a car dealership cannot favour Catholics in the promotion to managers. This is pretty obvious. It is important to note that this applies both ways and the law is blind as to how the categories are used: it is illegal to make decisions based on them even if the decision is in favour of the 'minority' group. See an example in the article: court dies with bank staffer who says he was denied promotion because he's not gay. While it is clearly illegal to use these categories explicitly in making organizational decisions, you will be surprised how many 'waitress wanted' job postings you can find (versus 'waiter/waitress').

Indirect (Systemic) Discrimination

Indirect discrimination or unintentional discrimination is a rule that singles out a group of people that results in unequal treatment. It is often within organization's policies. These rules have a negative impact on the group and are not job related. An example is asking women to only wear skirts and dresses to work. It is when a provision, criterion, or practice has the effect of disproportionally impacting individuals in one of the above-mentioned protected categories.

The important distinction here is that a practice or criterion that appears neutral may have different impact on people (disparate impact). In other words, indirect discrimination is when you treat someone the same as everyone else, but your treatment of the person has a negative effect on them because of their protected characteristic. This form of discrimination is much more subtle than direct discrimination; it is often not even purposeful. The best way to understand how indirect discrimination occurs is though examples:

Discrimination Examples

Example 1: A shop manager introduces a rule that all employees must work at least two Saturdays each month in the shop.

Consequence: This rule would negatively affect employees who are practicing Jews, since Saturday is a religious day in Judaism.

Example 2: A truck company banning cornrows or dreadlocks for its drivers.

Consequence: This rule would affect certain groups of people because they are more likely to have this hairstyle.

Example 3: A factory that includes a minimum height requirement for its workers.

Consequence: This rule would have an adverse impact on women, given that women are, on average, shorter than men.

The practices in these three examples have the *appearance* of being neutral; however, their *consequences* are harmful, and they disproportionately affect individuals among protected categories. This is how indirect discrimination works, indirectly. At this point, you may ask yourself: how can businesses function if they cannot use some of the 'illegal' selection criteria listed above? Are height requirements and Saturday shifts really that unreasonable? How do we, as a society, balance the rights of individuals with those of managers trying to run a business efficiently?

There are some subtleties in how the legislation operates in order to balance the rights of individuals and those of organizations, and, in some cases, workplace discrimination is not unlawful. If organizations can objectively justify the use of a criteria by showing business necessity, job relatedness or by claiming bona fide occupational qualification (BFOQ) than the criteria can be used, even if it leads to discrimination. We explain how these concepts work in the next section.

The Concept of Job Relatedness

The concept of **job relatedness** refers to the requirement that employment decisions be based on the requirements of a position. The criteria used in hiring, evaluating, promoting, and rewarding people must be directly tied to the jobs performed. For example, a policy that all warehouse workers be at least 175 cm tall would be legal if the employer can prove that physical height is important to perform the job, even if this requirement would lead to lower proportion of women being hired than men (indirect discrimination).

While making a demonstration of job-relatedness may sound straightforward, it is often quite complicated and subjective. A legal case that occurred in 1988 demonstrated this. A young Sikh, Baltej Singh Dillon, wanted to become an RCMP officer. Though he met all the entrance requirements, there was one significant problem: the dress code forbade beards and wearing a turban in place of the uniform hat. Basically, the outcome of this case rests on the fact that the rule prohibiting beards and turbans is discriminatory but cannot be linked to performance as an RCMP officer. The rule would have been acceptable if the RCMP had been able to prove job-relatedness, which they were not (Canada: The story of us, 2017).

Bona Fide Occupational Qualification

A **Bona fide occupational qualification (BFOQ)** is a justifiable reason for direct discrimination. The term 'bona fide' is a Latin word that means 'in good faith' or 'genuine'. This clause is unique and interesting because it allows organizations to overtly use the prohibited categories to make decisions (Engaged HR, 2018).

Employers want to avoid discrimination written in their policies and practices. There is a discrimination that is permitted by employers. BFOR is a standard that allows employers, if there is a legitimate reason, to discriminate if the job is connected to the employee's ability to perform the job. An example would be a blind person cannot drive a taxi for a transportation business. This is an obvious example. Another example might be a television commercial for women's hygiene products. This could be justified in hiring only women for the acting parts. HR Managers want to avoid discrimination in the workplace.

However, there are grey areas. The three criteria assist HR Managers in making decisions related to legitimate BFOR. There are three criteria established by the Supreme Court of Canada to decide whether a standard or policy is considered BFOR and not considered discrimination.

1. *Connected to performance of the job:* The standard has been established for the safety and a person's ability to perform the job, i.e. A construction worker needs to be able to lift 40 pounds
2. *Honesty and good faith:* The employer set the standard with honesty and good faith as a legitimate reason to complete the work, i.e. an employer terminates an employee and abuses their power within the employment contract.
3. *Accommodation is not reasonable:* The employer needs to establish that the work cannot be completed without undue hardship, i.e., an extraordinary financial burden, or health and safety.

*Undue hardship: When considering many factors, an action that requires significant difficulty or expense for accommodation.

For example, requiring Catholic school teachers to be Catholic is deemed acceptable (discrimination based on religion). Also, airlines are allowed to have a mandatory retirement age for pilots, for safety reasons (age discrimination), or a manufacturer of men's clothing may lawfully advertise for male models (gender discrimination). Examples of legitimate BFOQ's are relatively rare and relate to unique situations, they also raise many questions as to what are 'genuine' aspects of the job. Think of whether male guards should be allowed to work in female prisons or whether a French restaurant can insist in hiring only French chefs! In these situations, is gender and nationality a BFOQ? Questions such as these often end up debated in court because they are not black and white.



Think!

Can you think of any examples of why an employer could use BFOR where accommodation is not reasonable? Explain.

Duty to Accommodate

The courts place an additional responsibility on organizations when it comes to discrimination: the duty to accommodate. Employers and service providers have an obligation to adjust rules, policies or practices to enable individuals to fully participate. The duty to accommodate means that sometimes it is necessary to treat someone differently in order to prevent or reduce discrimination; this is especially true when it comes to physical disabilities.

For example, if an employee has a speech impairment, it is not absolutely necessary that they answer the phone. An employer can eliminate this as a duty for the individual, and instead, they can file for their coworkers. Another example: an employee may have to be absent for a day or two during the week to receive dialysis. An employer can accommodate him by agreeing to a weekly 3-day work contract, or the employee

could agree to recuperate the hours on weekends or work from home. In most cases, the duty to accommodate may require that the employer change or adjust the way things are usually done in order to attend to the needs of individuals with disabilities.

At this point, it is important to note that there are limits to the duty to accommodate for employers. Basically, the law stipulates that an employer has to accommodate employees up to the point of **undue hardship**. Undue hardship is the point where the accommodation either (a) costs too much, or (b) creates health or safety risks for employees. Thus, undue hardship is a relative concept that varies based on the context.

For example, a large organization like Saputo has the financial means to accommodate an employee who is hearing impaired by investing in assistive listening devices such as a microphone, an amplifier, and an earpiece or headphone jack. This would be more difficult to do for your local dépanneur. Another example would be of an employee who develops macular degeneration (a vision impairment). The employee could easily be accommodated if he's an office worker, but such accommodation would not be required for a truck driver because of obvious security implications.

Sexual and Psychological Harassment

The law set out that all employees have a right to a workplace environment free from **psychological harassment.** The employer has to take reasonable action to prevent psychological harassment in the workplace and to put a stop to such behaviour whenever they become aware of it. The law places an obligation on employers to adopt a psychological harassment prevention and complaint processing policy, and to make such policy available to their employees. It is important to note that the law specifies that "psychological harassment includes such behaviour in the form of such verbal comments, actions or gestures of a sexual nature." (CNESST, 2021, para. 1).



Photo by Q000024 , CCO 1.0

The definition of psychological or sexual harassment is specific and requires the presence of **all** of these elements:

Vexatious behaviour: This behaviour is humiliating, offensive or abusive for the person on the receiving end. It injures the person's self-esteem and causes him anguish. It exceeds what a reasonable person considers appropriate within the context of his work.

Repetitive in nature: Considered on its own, a verbal comment, a gesture or a behaviour may seem innocent, but the accumulation of these behaviours is considered harassment. Note, however, that a pattern is not necessary to establish harassment: an isolated act of a more serious nature is sufficient.

Verbal comments, gestures or behaviours that are hostile or unwanted: The comments, gestures or

behaviours in question must be considered hostile or unwanted. If they are sexual in nature, they could be considered harassment even if the victim did not clearly express his or her refusal.

Affect the person's dignity or integrity: Psychological or sexual harassment has a negative effect on the person. The victim may feel put down, belittled, and denigrated at both the personal and professional levels. The physical health of the harassed person may also suffer.

Harmful (toxic) work environment: Psychological or sexual harassment makes the work environment harmful for the victim. The harassed person may, for example, be isolated from his colleagues due to the hostile verbal comments, gestures or behaviours towards him or concerning him.

Today, all employers must comply with:

1. *Policies:* create and maintain anti-harassment policies or revise existing ones to ensure that they specifically address not only psychological harassment in the workplace, but sexual harassment as well;
2. *Complaints:* create and maintain clear and consistent internal processes to address harassment complaints, are set out therein, and implement such processes if they do not already exist;
3. *Implement:* Implement their new or revised anti-harassment policies as soon as possible; and
4. **C***ommunicate:* Make their new or revised policies available to all of their employees.

Once again, the laws that our governments choose to implement are a reflection of the evolution of society, and recently, there has been a significant change in our attitudes towards harassment, especially when it comes to sexual harassment. The #metoo movement has been the source of a massive wave of denunciation where people publicize their allegations of sex crimes committed by powerful and prominent men. This societal movement has had significant implications for organizations that have not adjusted their practices and culture accordingly. Recently, Ubisoft, a gaming company with a large studio in Montreal, was rocked by a sexual harassment scandal that led to the firing of the head of the Montreal studio, their top producers, and their VP HR. Several employees complained about a range of aggressions that included sexual, emotional and professional abuse from top managers.

The male-dominated culture of the gaming industry, at Ubisoft especially, and its excesses is described in the article Ubisoft's toxic culture problems allegedly span more than a decade of abuse. The scandals can be ruinous for organizations and it is the role of HR managers to instill processes that prevent them from happening. The evolution of new social networking platforms has given employees a public platform for exposing injustices – and the lack of appropriate policies.

Company-Specific Code of Ethics

In addition to the federal and provincial legal obligations that organizations are subject to, many organizations choose to go above and beyond what they are required to do by designing codes of ethics and policies specific to their organization. A **code of ethics** is a policy that guides the business and its employees to act with integrity and honesty in all its daily operations and to create and support actions that promote some benefit to society as a whole. Some organizations even hire ethics officers to specifically focus on this area of the business. Today, many organizations have an ethics officer who reports either directly to the CEO or the HR executive. A good example of a company that takes ethics seriously is CAE, a Montreal-based company that manufactures simulation technologies, modelling technologies and training services to airlines, aircraft manufacturers, and healthcare specialists. CAE has adopted a code of ethics that holds employees "accountable to the highest standards of integrity, honesty and ethics. It also means having the wisdom and courage to do the right thing". (CAE, n.d., p. 4)

"Discrimination in Organizations" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

3.6 EMPLOYMENT STANDARDS AND EMPLOYMENT EQUITY

HR managers pay a central role in making sure that organizations meet different legal requirements. The actions of HR managers, and company managers, can often be reactive rather than focused on education and prevention. Effective HRM practices require a proactive approach to employment standards and employment equity and the law.

Employment Standards Legislation

Employment standards are the rights of employees and the responsibilities of employers. The employment standards legislation sets the minimum rights that employers must provide employees. All employees in Canada are covered under employment legislation. The law includes minimum wages, paid holidays and vacation time. The legislation also covers maternity, adoption and parenting; bereavement, compassionate care; termination of employees; and employee overtime worked, as well as other terms and conditions in which employers must follow.

In Ontario, you will be required to follow one of two pieces of legislation that govern employment rights: The Canada Labour Code (CLC) or The Employment Standards Act, 2000 (ESA). The CLC is federal legislation, and the ESA is provincial legislation. For employers who are employed by the Federal Government (Banks, Canada Post, etc.) [List of Federally Regulated Industries], they will follow the rules set out by the CLC. Employers who are not federally regulated will follow the rules set out by the ESA. The majority of businesses will be regulated under the ESA (retail stores, manufacturing, and private companies).

Both the CLC and the ESA will outline things like minimum wage, hours of work, overtime, vacation, etc., but they vary slightly in the language and rules. Each province has their own version of employment standards (sometimes called a Code, an Act or Labour Standard), so depending on which province you work in or have employees working in, you will need to follow the employment standards legislation of the province.

The important thing for HR Professionals to note is "what legislation governs this employer", once you know this, you will be able to follow the correct legislation.

Here is a complete list of the employment standards federally and by province: Mapping Canada's Employment Standards.

Ontario Employment Standards Act 2000:

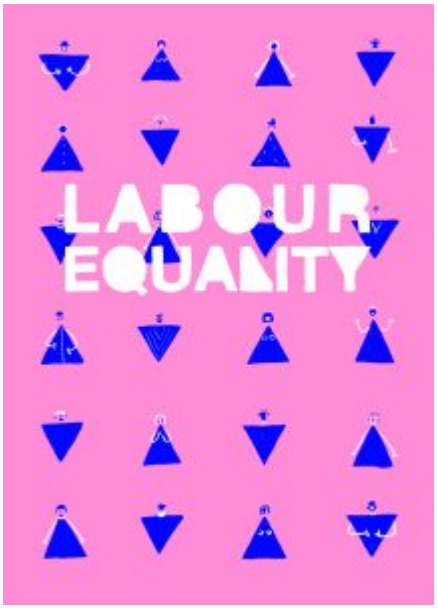
Employment Standards Act, 2000, S.O. 2000, c. 41" – Ontario.ca

For guidance on the interpretation of the Ontario Employment Standards Act, many Human Resources practitioners and business owners will refer to the website: Your Guide to the Employment Standards Act.

All provinces and territories in Canada have legislation related to equal pay for equal work. Mostly, this legislation is included in the employment standards legislation. If not, it would be considered part of human rights legislation. Equal pay for equal work ensures that employees receive the same wage for the same work completed, or equal value. Employment equity is about "equal pay for work of equal value (Canadian Human Rights Commission, n.d.)."

Employment Equity Act

The Charter of Rights and Freedoms requires employment equity programs. These programs go beyond human rights laws by protecting employees from discrimination and developing programs to prevent any discrimination in the future. Everyone deserves to be treated equally and not discriminated against in their place work. However, there were certain groups identified who were treated differently. Some of the identifiers were lower wages, employment segregation, higher unemployment, were not being promoted and underemployed.



"Labour Equality" by Milena Filipova, CC BY-NC-SA-4.0

The Employment Equity Act is federal legislation that serves to enable equality in the workplace by addressing the barriers to employment as faced by members of the four designated groups:

- Women
- Aboriginal peoples: persons who are Indians, Inuit, or Métis
- Persons with disabilities: persons who have long term physical, mental, sensory, psychiatric, or learning disabilities
- Visible minorities: persons who are non-Canadian in race or non-white colour (Government of Canada, 2007).

HR and the Employment Equity Plan

The Employment Equity Act requires companies to create equity plans. HR departments play a major role in designing employment equity plans. The four designated groups are identified to find out if there is underrepresentation. Policies and practices need to be developed or reviewed, and employers must implement the plan to remove barriers for the four groups. The plan includes:

1. Ensure a strong commitment from senior officials
2. Conducting an analysis of the workplace to determine who the employees are who are under represented in the four designated groups. Only employees who self-identify are counted in the numbers.
3. Conduct a review of current policies and practices to identify any employment barriers
4. Employment Equity Plan is created with positive practices in short term (1-3 years) for hiring, training, retaining and promoting employees of the designated groups to eliminate barriers. Timetables are included to implement the practices. The plan also includes longer term goals to improve representation of the four designated groups. (operational, implementation, monitoring, evaluation, revisions)

Below is an in-depth look at how to implement an Employment Equity Plan

The Implementation of Employment Equity in Organizations

Informed and proactive employment equity policies and practices for any organization requires ongoing support and maintenance at all levels. HR departments are responsible to ensure the Employment Equity Plan is created and implemented. Six steps are critical to a success plan.

1. Senior Management and Engagement
2. Demographic Data and Analysis
3. Employment Practices
4. Operational Plan
5. Implementation
6. Monitoring, Evaluation and Revision

Senior Management Commitment and Engagement

As is the case with most HRM initiatives, obtaining senior management commitment is essential. A written policy describing equity that is widely communicated, visible to everyone and discussed frequently, as it fosters

a more supportive culture. For example, Lightspeed is a very successful Montreal-based company whose CEO has fully embraced diversity and inclusivity (Bay Street Bull Staff, 2020). From top management, employment equity should be put in the hands of a senior manager, joint-labour management committees, and employment equity advisory committees.

Demographic Data and Analysis

Under the employment equity act, employers may gather data on members of designated groups as long as employees voluntarily agree to be identified or identify themselves as members of designated groups, and the data must only be used for employment equity and reporting purposes.

Two types of information can be used to provide an internal assessment of diversity in an organization.

1. *Stock data* shows the status of designated groups in occupational categories and compensation levels.
2. *Flow data*, is more dynamic and provides a profile of the employment decisions affecting designated groups (i.e., interview results broken down by gender of applicants). To obtain this information a voluntary self-identification questionnaire is distributed to employees.

Employment Practices

Employment systems or "employment practices" are those processes by which employers carry out personnel activities such as recruitment, hiring, training and development, promotion, job classification, discipline, and termination. These activities are scrutinized to ensure that they are fair and do not exclude members of certain groups. At the core of this review is to ensure that employment policies or practices are based on criteria that are job related. Also, as specified earlier, it is important that the principle of reasonable accommodations be respected and that the organization attempts to adjust the working conditions or schedules of employees, such as redesign job duties, adjust schedules, and upgrade facilities to accommodate them.

Operational Plan

The workforce analysis and the review of the employment system provides the employer with a useful base from which to develop a diversity work plan with realistic goals and timetables. This work plan is a document that describes how proposed actions are to be achieved. For example, the city of Montreal is trying to diversify its police force members, the objective being to increase the proportion of visible minorities so that it mirrors the diversity of Montreal's population (Visible minorities make up 34 percent of Montreal's population, according to the 2016 census (Statistics Canada, 2016). There were only 359 visible minority officers of the 4,456-member force in 2019 (8%), compared to 310 (7%) in 2014. For many, this mere one percent increase in

five years is not sufficient and the city has engaged in a series of recruiting events in specific neighbourhoods to try to increase the number of minority applicants (Maratta, 2020).

Implementation

Each plan is unique to each organization. Some may target specific occupations or designated groups while others may be more general. The success of these plans depends on top management's commitment to the process, how the roles are defined, the resources available, and the effectiveness of communication strategies.

Evaluation, Monitoring, and Revision

Using hard data (stock and flow) is important to monitor progress of diversity initiatives. With careful monitoring, the employer can evaluate overall success of the initiatives and also respond to organizational and environmental changes.

Annual progress reports should be provided to all employees to communicate initiatives and achievements. Take the 2019 RBC Diversity Report [PDF], for example, which details the efforts made by RBC to increase the diversity of its workforce.

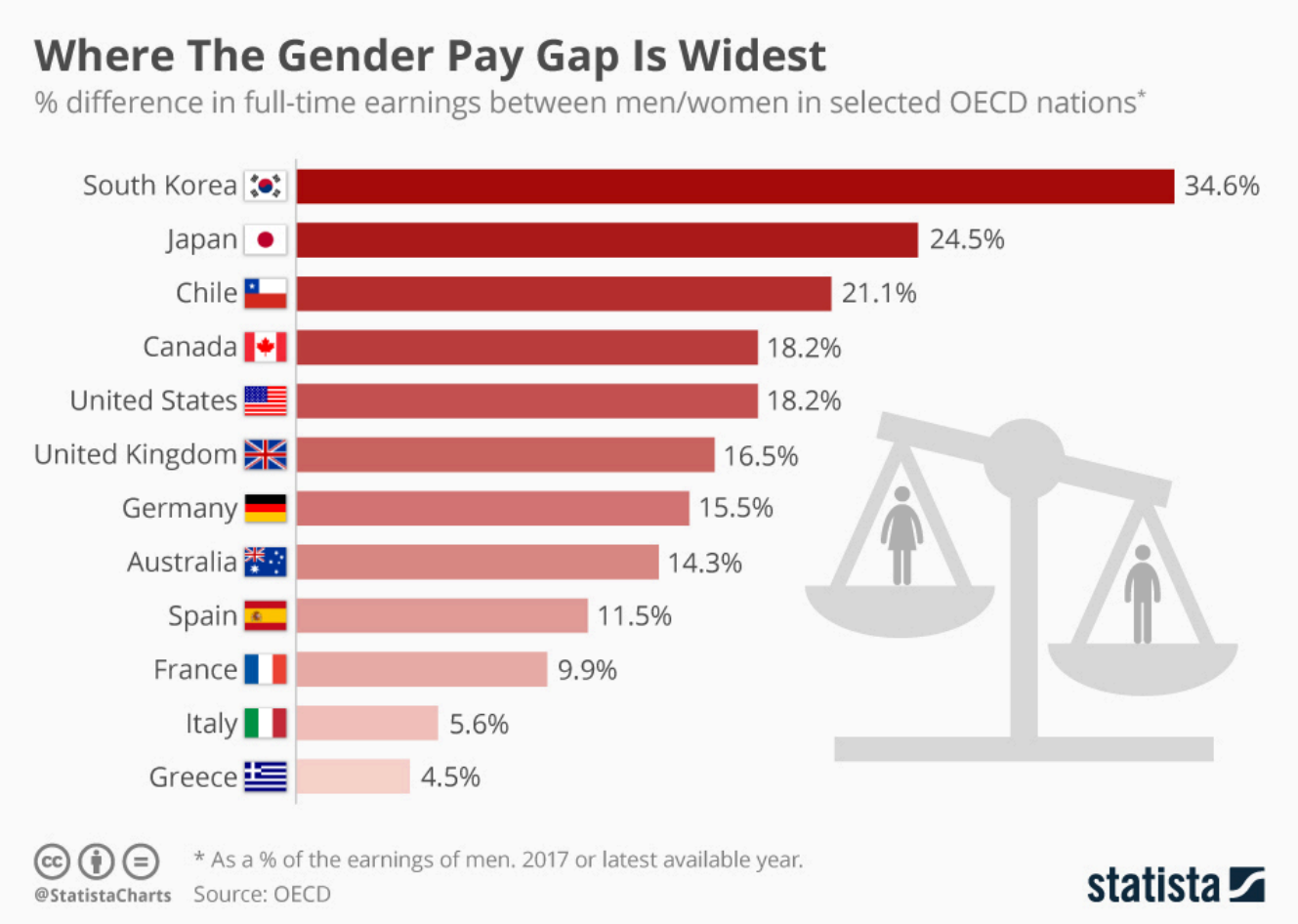
Examples of Specifics in Employment Equity Plans

- *Women:* how to reduce the gap between wages between men and women, mentoring for women, how to retain top talented women,
- *Indigenous Peoples*: awareness training, partnering with aboriginal non profit organizations, outreach programs
- *Persons with disabilities*: accommodation and awareness training, technical assistance training, sensitivity training, developing and promoting employees
- *Visible minorities*: language training, development programs

Pay Equity for Women

Over the years, the Canadian (Federal) and Provincial governments have enacted various forms of legislation and statutory mechanisms to specifically address the issue of gender wage discrimination (see graph).

According to Forbes, Canada had a 18.2% pay disparity between men and women (McCarthy, 2018).



"Where The Gender Pay Gap Is Widest", Statista, CC BY-ND 4.0

Video: "Pay Equity in Canada" By Canadian Human Rights Commission – CHRC [2:11] (URL: https://www.youtube.com/watch?v=LRJ8AyKL_8M)

The Federal Pay Equity Act came into force on 31 August 2021. As of this date, all employers with 10 or more employees must proactively address pay equity issues within their organizations. The goal is to ensure that there is pay equity between employees that are in position commonly held by women with those that commonly held by men.

The Canadian Government reported that in 2020 that women in Canada, on average, earn 89 cents for every dollar earned by men (Statistics Canada, n.d.).

Read more about pay equity: Home | Pay Equity (payequitychrc.ca)

Employer Accommodations

Examples of how an employer can implement accommodation for persons with disabilities are:

1. Providing interpreters for deaf and hearing impaired employees
2. Offering telecommunication teletype (TTY) for hearing-impaired employees
3. Changing print materials to alternative media i.e. braille, large print
4. Providing a workspace appropriate to the employee's disability



Think!

What do you think employers can do to retain talented women in their workplace? Offer 3 examples.

"Managing Employment Equity in Organizations" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

"HRM and The Law" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

3.7 KEY TERMS

Key Terms

Bona fide occupational qualification (BFOQ) is a justifiable reason for direct discrimination. (3.4)

Code of ethics is a policy that guides the business and its employees to act with integrity and honesty in all its daily operations and to create and support actions that promote some benefit to society as a whole. (3.4)

Direct discrimination or intentional discrimination occurs when a decision is made based on one of the categories protected by the legislation. (3.4)

Diversity is the practice of involving people from a wide range of various ethnic and social backgrounds. (3.1)

Duty to Accommodate is when the courts place an additional responsibility on organizations when it comes to discrimination. (3.4)

Ethics looks at justifications for people's moral judgments, and what is considered right or wrong, just or unjust (3.1)

Harassment is behaviour that annoys or troubles another employee. (3.2)

Human rights legislation includes This law protects intentional and unintentional discrimination in the workplace (3.2)

Indirect discrimination or unintentional discrimination is a rule that singles out a group of people that results in unequal treatment. (3.4)

Intentional Torts are serious, deliberate acts that harm people, or someone has interfered with another person's rights. (3.2)

Job relatedness refers to the requirement that employment decisions be based on the requirements of a position. (3.4)

Protected grounds means race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics,

disability or conviction for an offence for which a pardon has been ordered. Idem: where the ground of discrimination is pregnancy or child-birth, the discrimination shall be deemed to be on the ground of sex. Idem: Where the ground of discrimination is refusal/request to take a genetic tests, disclose or authorize disclosure of results, the discrimination shall be deemed to be on the group of genetic characteristics. (3.2)

Rights are legal, social or ethical principles of freedoms and entitlement. (3.1)

Tort Law provides compensation for people who are injured, or has had their property damaged by others. It is considered private law. It acts as a punishment to provide damages. (3.2)

Torts of Negligence or Unintentional Torts are injuries incurred because of carelessness on the part of another person. (3.2)

Undue hardship is the point where the accommodation either (a) costs too much, or (b) creates health or safety risks for employees. Thus, undue hardship is a relative concept that varies based on the context. (3.4)

Work-life balance is increasingly important aspect of life for people who are seeking a balance between their professional and personal lives. (3.1)

3.8 SUMMARY

Summary

The chapter discusses how HR processes must adapt to the changing workforce, which is diverse in terms of gender, race, ethnicity, age, physical ability, religion, education, and lifestyle. HR managers work hard to recruit, hire, develop, and retain employees from different backgrounds to comply with legal standards. Also, because diversity is good for business. Studies show that businesses with greater diversity report higher sales revenues, more customers, larger market shares, and greater relative profits than those with more homogeneous workforces. People from varied backgrounds are more effective at working together than those who are from similar backgrounds, as they offer different approaches and perspectives in the development of solutions.

Employee rights and ethics in the workplace are important. Employees are becoming more informed and willing to advocate for their value rights and ethics bring to their companies. Some of the issues that have become important for employees include sustainability, privacy, and work-life balance. Employers are recognizing the importance of these issues and developing programs to support their employees. HR managers need to have a clear understanding of the legal framework to navigate these issues effectively. Diversity and multiculturalism are becoming essential for businesses to better serve customers and increase profits.

The HR Manager must understand business law, employment law, legislative law, and the expectations of employers and employees. The government balances the relationship between employees and employers by implementing the legal frameworks. The Canadian Charter of Rights and Freedoms and the Canadian Human Rights Act are significant laws that guarantee fundamental human rights and protect employees against discrimination. Protected grounds are defined under the Canadian Human Rights Act and include race, religion, age, sex, sexual orientation, gender identity, and expression. The law also defines harassment and provides a systematic process to handle complaints related to discrimination.

The text discusses the concept of “bona fide occupational requirement” (BFOR) and its use in situations where discrimination may be acceptable. Examples of acceptable discrimination include hiring only Catholic school teachers who are Catholic, mandating a retirement age for airline pilots,

and a men's clothing company hiring only male models. The text also introduces the concept of the duty to accommodate, which requires employers to adjust rules, policies, or practices to enable individuals to fully participate, especially those with physical disabilities. The text emphasizes that there are limits to this duty to accommodate, and employers must stop accommodating if it creates an undue hardship. The text concludes with an overview of sexual and psychological harassment, and employers' obligations to prevent and address such behaviour in the workplace.



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/3-7-summary/

3.9 KNOWLEDGE CHECK



Exercises

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/3-8-knowledge-check/

3.10 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS



Exercises

1. Several myths exist about employment diversity and equity. An example is: It is the end of hiring for white males. As an HR professional, how would you deal with an employee who held this belief? **Share responses with a partne**r.
2. After watching High-Tech ID Badge video, discuss your opinions about employee tracking. What are the advantages? Disadvantages? Do you believe this is ethical? Review video as **large group** in class. Work in **small group** to answer questions.
3. Read the following statement: Employment equity means everyone should be treated as equals. Offer your opinions. Do you agree? Disagree? Why or why not? Share your responses in **small group**.
4. Work-life balance has become important to employees. What do you believe is the reason for this? Discuss in **large group**.
5. Scenario: An employee comes to you, as an HR Specialist, and suggests that their colleague is being harassed by another employee for having tattoos. What is your response to the employee? What steps would you take, if any, to eliminate this harassment? Work with a **partner** to discuss and solve.
6. Review the First Nations legislation in the internet (The United Nations Declaration on the Rights of Indigenous Peoples. Write a **one-minute paper** on what you learned, **individually**. Share with **large group**.
7. Read the legal case for Baltej Singh Dillon in the text. What was wrong with this situation? Discuss your feelings toward the entrance team for the RCMP. Work with a **partner**.
8. Discuss why a code of ethics is important in companies. What do you believe are some

challenges companies face in implementing an ethics policy? Work in **small group**.

3.11 CASE STUDY: VISIBLE MINORITIES

Case Study: Visible Minorities in Canada

In the Spring of 2020, while the pandemic raged on, people from around the world rallied around a common cause: Black Lives Matter. This social movement has focused on a quest for liberty, justice, and freedom for African-Americans, and more specifically, the need to address police brutality against minorities. Without a doubt, this issue is especially acute in the US, where the use of force by police has reached alarming rates.

However, in Canada, the situation is also concerning. According to Hui Wang and Moreau (2022) with the Canadian Centre for Justice and Community Safety Statistics, "In 2022, Canadian police reported 2,669 criminal incidents that were motivated by hate. This was the largest number recorded since comparable data became available in 2009. The first year of the pandemic saw the number of police-reported hate crimes increase by 37% or 718 more incidents, compared with the previous year." (para. 1)

In Canada, we recognize certain groups as underrepresented, including Indigenous Persons and visible minorities or racialized groups. Some of the racialized groups in Canada include Muslim, Jewish, Black, Inuit Hindu, Sikh, Buddhist, Asian, Arab, West Asian, Chinese, Korean, Latin American, and Southeast Asian. Canada is a diverse country. The number of designated groups within Canada is expected to rise. Statistics Canada (Martel, 2019) suggests that by 2036, those in the working population will be 1 in 3 visible minorities. Canada has many social equality policies. However, not everyone is treated equally.

The situation in Canada is different than that of the US, as two groups are overwhelmingly over-represented in deadly encounters with the police: blacks and Indigenous people. In Winnipeg, for example, Indigenous people represent an average of 10.6 percent of the population, but account for nearly two thirds (over 60%) of deadly encounters with the police (Marcoux & Nicholson, 2018). These statistics are troublesome and elected officials are being asked to find solutions. To do so, governments, police forces, and scientists have started to look at the problem in more depth. One of their conclusions, is that as an organization, the police has not kept up with the evolution of the role of its members.

For example, as a result of budget cuts to long-term psychiatric care, improvements in treatment, and the philosophy of integration, an increasing number of people with a mental illness live in the community. As a result, police officers are becoming, by default, the informal 'first responders' of our mental health system. A comprehensive database assembled by the CBC shows that 70 percent of the people who died at the hands of police struggled with mental health issues or substance abuse, or a combination of both (Marcoux & Nicholson, 2018). On a day-to-day basis, police officers are much more likely to have to calm down a homeless schizophrenic individual screaming in the middle of St Catherine Street, than to go on a high speed chase with bank robbers. The need to fill these very different roles puts enormous pressure on police officers: it is important to remember that it is the profession with the highest level of suicide. All of this evidence points to a serious issue and begs the question: How to transform the police force to help it fulfill its new role in society? While the answer to this question is very complex, two HRM processes have been at the centre of possible solutions.

Recruitment and Selection

It makes sense that, as the job evolves, the competencies required by police officers also need to evolve. This evolution can be summarized by a shift from physical attributes to psychological ones. For one, emotional intelligence and the capacity to de-escalate situations is key, more so than physical strength. More and more, interviews and selection tests for police officers focus on abilities such as communication, problem-solving and cooperation. Secondly, an emphasis is put on hiring officers who 'understand' the population they serve. In the US, research has shown that white officers dispatched to Black neighbourhoods fired their guns five times as often as Black officers dispatched for similar calls to the same neighbourhoods (Peeples, 2020).

The impetus is then on efforts to diversify the force by recruiting officers from every community, and also hiring officers with non-traditional backgrounds (i.e., with psychology, sociology, or social work degrees). The Montreal Police force has been trying to diversify its ranks, with limited success: approximately 33% of people living in the City of Montreal identify as a visible minority, yet just 7.7 percent of Montreal police officers are visible minorities (CBC News, 2019).

Training

Training has always been a very important HRM process for police organizations. Increasingly, this training has focused on the competencies listed above (i.e., communication, problem-solving and cooperation). An example of a very interesting initiative can be found on the south shore of Montreal, in the Longueuil police department. Led by an innovative police chief, the police force is

piloting a program in which officers spend time in the community to bridge the gap between police and the people they serve.

- Check out the New Immersive Training Program by Longueuil Police Deemed a Success – Montreal | Globalnews.ca.

Leaving the gun and uniform at home, officers have the chance to bond and interact with different cultures, community groups and families in their jurisdictions. The objective of the police chief is to cut in half the number of his police officers who respond to calls and replace them by officers who would be assigned to a specific neighbourhood. These officers would always be the same, in order for them to establish relationships with people. "We want to focus on prevention, rather than repression", (Stevenson, 2021, para. 6) says the chief.

Questions:

1. Research Black Lives Matter. What do you think the top priorities are for this movement?
2. What type of training is necessary in Canadian companies to change attitudes that lead to inclusion and diversity in the work place?
3. Review the immersive program by Longueuil (articles and videos). Explain why this program is a success.

"Chapter 2: HRM, Society and The Law" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

CHAPTER 4: JOB ANALYSIS AND JOB DESIGN

Chapter Outline

4.0 Learning Outcomes
4.1 Strategy and Job Analysis
4.2 Job Analysis
4.3 Job Description
4.4 Job Design
4.5 Approaches to Job Design
4.6 Contemporary Issues in Job Design
4.7 Key Terms
4.8 Summary
4.9 Knowledge Check
4.10 Exercises/Activities for Teachers and Students
4.11 Case Study: Job Analysis at Matrix Agricultural Systems

4.0 LEARNING OUTCOMES

Learning Outcomes

1. Explain the strategic value and impact of job analysis to an organization
2. Describe uses of job analysis information for HRM
3. Explain the categories of task-based and skill-based analysis
4. Describe the content of job descriptions and job specifications
5. Discuss examples of various factors considered in job design

4.1 STRATEGY AND JOB ANALYSIS

A **job** is a paid position to complete a task or a piece of work. Generally, the tasks are related or similar in nature. There are different jobs that require different skills, knowledge and experiences. Companies may have several similar jobs that many people complete, and it is the same job.

A **position** is paid and is a group of responsibilities assigned to one person, and this person has specific duties. Some positions may be similar, yet grouped together called a **job family.**



"We Are Hiring Sign" by Eric Prouzet, Unsplash License

HR managers collect information about jobs, positions, and job families for HR planning, hiring, training and development, performance appraisals, compensation and following the laws and legislation.

Job	Customer Service Representative
Position	Office Manager
Job Family	Senior Accountant, Accounts Payable Clerk, Bookkeeper, Junior Accountant, Financial Controller

Strategic Impact of Job Analysis

- *Recruitment:* Job specifications are needed before a job can be advertised including knowledge, skills, abilities (KSA). Job Specifications outline the qualifications required to complete the job.
- *Selection:* A job description is necessary to help HR, managers and the employees to become familiar with their job.
- *Training and Development:* HR managers need to stay current on trends and future skills requirements; and provide or offer training to ensure employees skills and talents are up-to-date. This ensures the

company remains competitive in the economy.

- *Performance Appraisals*: Employees are evaluated on their work performance.
- *Compensation:* Employees are assigned a rate of pay that is determined by their worth to the company. Worth is decided based on skills, knowledge and abilities (KSA), responsibilities, and experience.
- *Laws and Legislation:* HRM has a collection of data that ensures job descriptions and specifications match the rate of pay. This could present an issue if a person was paid less for the skills they bring to the company. It might be considered discrimination (van Vulpen, n.d.)

All these uses impact job analysis. It is one of the most important activities in HRM. Job Analysis shapes employee hiring, motivation and happiness of the employees. For the company, it separates the progressive and innovative companies from those who do not hire good talent, offer training and development, or may pay employees less than their market worth.

4.2 JOB ANALYSIS

Job Analysis is a systematic process used to identify and determine, in detail, the particular job duties and requirements and the relative importance of these duties for a given job. It allows HR managers to understand what tasks people actually perform in their jobs and the human abilities required to perform these tasks. It is often called the "bedrock" of HRM practices. Job analysis aims to answer questions such as:

- What are the specific elements of the job?
- What physical and mental activities does the worker undertake?
- When is the job to be performed?
- Where is the job to be performed?
- Under what conditions is it to be performed?

A major aspect of job analysis includes research, which may mean reviewing job responsibilities of current employees, researching job descriptions for similar jobs with competitors, and analyzing any new responsibilities that need to be accomplished by the person with the position.

For HRM professionals, the job analysis process results lead to job design, work structure and process engineering, as well as team and department structure. The data collected informs a multitude of HR policies and processes. For this reason, job analysis is often referred to as the 'building block' of HRM.



How HRM Uses Job Analysis

Here are some examples of how the results of job analysis can be used in HRM:

- Production of accurate job postings to attract strong candidates;
- Identification of critical knowledge, skills, and abilities required for success to include as hiring criteria;
- Identification of risks associated with the job responsibilities to prevent accidents;
- Design of performance appraisal systems that measure actual job elements;
- Development of equitable compensation plans;
- Design training programs that address specific and relevant knowledge, skills, and abilities.

The Job as Unit of Analysis

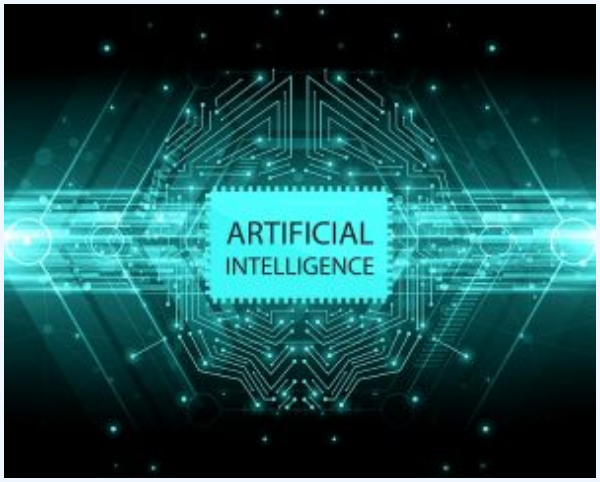
Any job, at some point, needs to be looked at in detail in order to understand its important tasks, how they are carried out, and the necessary human qualities needed to complete them. As organizations mature and evolve, it is important that HR managers also capture aspects of jobs in a systematic matter because so much relies on them. If HRM cannot capture the job elements that are new and those that are no longer relevant, it simply cannot build efficient HRM processes.

Take the job of university or college professor, for example. Think of how that job has changed recently, especially in terms of how professors use technology. Ten years ago, technology-wise, a basic understanding of PowerPoint was pretty much all that was required to be effective in the classroom. Today, professors have to rely on Zoom, Moodle, and countless other pedagogical platforms when they deliver their courses.

These changes point to a profound change in the job. It is critical that this change be captured by the organization's HR department in order for the organization to achieve their educational mission. With this information, departments can now select professors based on their level of technological savvy, develop training programs on various platforms, and evaluate/reward those professors who are embracing the technological shift, etc.

While job analysis seeks to determine the specific elements of each job, there are many studies that have looked at how jobs are evolving *in general*. These mega trends are interesting because they not only point towards new characteristics of jobs but also towards an acceleration in the rate of change.

For example, Artificial Intelligence (AI) has just begun to make its impact on the world of work. In the next decade, many tasks will be replaced and even enhanced by algorithms. Project yourself, if you can, 50 years from now. Do you think that transportation companies will rely on truck drivers? Autonomous vehicles are already a reality, this promises to be incredibly efficient. Do you think that customer service representatives will be required? We are already having conversations with voice-recognition automated systems without realizing it. Let's push this to more sophisticated jobs: medical doctors. The diagnosis of illness requires a vast amount of knowledge and, in the end, judgment. Who would bet



"AI" by mikemacmarketing, CC BY-2.0

against the ability of computers able to process billions of bits of information per second not to outperform the average doctor? Bottom line: the AI revolution is not coming, it is already here.

Determine Information Needed

The information gathered from the job analysis falls into two categories: the task demands of a job and the human attributes necessary to perform these tasks. Thus, two types of job analyses can be performed: a task-based analysis or a skills-based analysis.

Task-based job analysis

This type of job analysis is the most common and seeks to identify elements of the jobs. Tasks are to be expressed in the format of a task statement. The task statement is considered the single most important element of the task analysis process. It provides a standardized, concise format to describe worker actions. If done correctly, task statements can eliminate the need for the personnel analyst to make subjective interpretations of worker actions. Task statements should provide a clear, complete picture of what is being done, how it is being done and why it is being done. A complete task statement will answer four questions:

1. Performs what action? (action verb)
2. To whom or what? (object of the verb)
3. To produce what? or Why is it necessary? (expected output)
4. Using what tools, equipment, work aids, processes?

When writing task statements, always begin each task statement with a verb to show the action you are taking. Also, do not use abbreviations and rely on common and easily understood terms. Be sure to make statements very clear so that a person with no knowledge of the department or the job will understand what is actually done. Here are some examples of appropriate task statements:

- Analyze and define architecture baselines for the Program Office
- Analyze and support Process Improvements for XYZ System
- Analyze, scan, test, and audit the network for the Computer Lab
- Assess emerging technology and capabilities for the Computer Lab
- Assist in and develop Information Assurance (IA) policy and procedure documents for the Program Office

- Automate and generate online reports for the Program Office using XYZ System
- Capture, collate, and report installation safety issues for XYZ System
- Conduct periodic facility requirements analysis for the Program Office
- Copy, collate, print, and bind technical publications and presentation materials for the Program Office

Competency-based job analysis

A competency-based analysis focuses on the specific knowledge and abilities an employee must have to perform the job. This method is less precise and more subjective. Competency-based analysis is more appropriate for specific, high-level positions.

Identify the Source(s) of Data

For job analysis, a number of human and non-human data sources are available besides the jobholder themselves. The following can be sources of data available for a job analysis.

Type of Source	Possible Sources
Non-Human Sources	• Previous job analysis reports • Existing job descriptions and specifications • Equipment maintenance records • Equipment design blueprints • Architectural blueprints of work area • Recordings of employee working • Training manuals and materials • Magazines, newspapers, other literature
Human Sources	• Job Incumbents • Supervisors • Job Experts • Professional Associations & Governing Bodies

Determine Methods of Data Collection

Determining which tasks employees perform is not easy. The most effective technique when collecting information for a job analysis is to obtain information through direct observation as well as from the most qualified incumbent(s) via questionnaires or interviews. The following describes the most common job analysis methods.

Open-ended questionnaire

Job incumbents and/or managers fill out questionnaires about the Knowledge, Skills, and Abilities (KSA's) necessary for the job. HR compiles the answers and publishes a composite statement of job requirements. This method produces reasonable job requirements with input from employees and managers and helps analyze many jobs with limited resources.

Structured questionnaire

These questionnaires only allow specific responses aimed at determining the nature of the tasks that are performed, their relative importance, frequencies, and, at times, the skills required to perform them. The structured questionnaire is helpful to define a job objectively, which also enables analysis with computer models. This questionnaire shows how an HR professional might gather data for a job analysis. These questionnaires can be completed on paper or online, many are available for free.

Interview

In a face-to-face interview, the interviewer obtains the necessary information from the employee about the KSAs needed to perform the job. The interviewer uses predetermined questions, with additional follow-up questions based on the employee's response. This method works well for professional jobs.

Observation

Employees are directly observed performing job tasks, and observations are translated into the necessary KSAs for the job. Observation provides a realistic view of the job's daily tasks and activities and works best for short-cycle production jobs.

Work diary or log

A work diary or log is a record maintained by the employee and includes the frequency and timing of tasks. The employee keeps logs over a period of days or weeks. HR analyzes the logs, identifies patterns and translates them into duties and responsibilities. This method provides an enormous amount of data, but much of it is difficult to interpret, may not be job-related and is difficult to keep up-to-date. See*:* Job Analysis: Time and Motion Study Form (Account Creation Required).

Evaluate and Verify the Data

Once obtained, job analysis information needs to be validated. This can be done with workers performing the

job or with the immediate supervisor, for accuracy purposes. This corroboration of the data will ensure the information's accuracy, and can also help the employees' acceptance of the job analysis data.

Using the Data to Yield a Job Analysis Report

Once the job analysis has been completed, it is time to write the job description. These are technical documents that can be very detailed. For example, here is a job analysis report conducted in the US by the Federal Aviation Administration (FAA) within strategic initiatives focusing on four occupations with primary responsibilities for safety and risk data collection, analysis, and presentation: Operations Research Analyst, Engineer, Economist, and Mathematician. In a totally different category of work, here is another one describing the job of Amusement and Recreation Attendant.

Think!

Job Analysis is a great deal of work. Are there any situations where a company would not want to complete Job Analysis? Do you think that all companies should complete Job Analysis? Why? Why not?

Job Analysis: The Process that Defines Job Relatedness

In the chapter on discrimination, we emphasized the importance of the concept of job relatedness. Jobs contain many elements, some of which are essential to doing the job, and others that are ideal or preferable, but not essential. A job analysis will distinguish between essential and non-essential duties. The essential requirements must be determined objectively and employers should be able to show why a certain task is either essential or non-essential to a job.



Photo by Romain Dancre, Unsplash License

Finding out the essential characteristics of a job is fundamental in determining whether some employment

decisions are discriminatory or not. For example, a hiring requirement that states 'frequent travel' will disproportionately impact women with major caregiving responsibilities. When travel is included in a job description, it must be an essential duty otherwise its disparate impact on women will make it illegal. Moreover, even if travel is found to be an essential job duty, the employer would be expected to accommodate the family-status needs of employees. The purpose of a job analysis is to objectively establish the 'job relatedness' of employment procedures such as training, selection, compensation, and performance appraisal.

In order to comply with the law, an employer may consider the following questions:

1. Is the job analysis current or does it need to be updated?
2. Does the job analysis accurately reflect the needs and expectations of the employer?
3. Which are essential requirements and which are non-essential?

"Job Analysis" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

4.3 JOB DESCRIPTION

The **job description** is a document that includes job tasks and duties. It is essentially a standardized summary of a job analysis. Job descriptions are usually very concise documents but they should always include the following components:

1. Date
2. Job title
3. National Occupation Classification (NOC) code
4. Job functions (the tasks the employee performs)
5. KSA (Knowledge, Skills and Abilities) – what an employee is expected to know and be able to do, as well as personal attributes
6. Education and experience required
7. Physical requirements of the job (ability to lift, see, or hear, for example)

Once the job description has been written, it can be modified to use for recruiting or filed in the HR department records. Most importantly it also serves to inform the employee and respective manager regarding the job (role) and setting respective expectations. Before we discuss specific recruitment strategies, we should address the law and how it relates to hiring. This is the topic of Section 5.3 -The Law and Recruitment.

The National Occupation Classification (NOC) Code

The NOC provides a standardized nomenclature for describing the work performed by Canadians. It serves as a framework to:

- define and collect statistics related to work and jobs in Canada
- analyze labour market trends in Canada
- extract practical career planning information



Think!

Research the two jobs below. What information could you glean from these job profiles to develop a job description?

For example, statistics gathered for Human Resources Manager (NOC 0112) shows the following trends:

Human Resources Managers

> Human resources managers plan, organize, direct, control and evaluate the operations of human resources and personnel departments, and develop and implement policies, programs and procedures regarding human resource planning, recruitment, collective bargaining, training and development, occupation classification and pay and benefit administration.

These are the statistics for pet-sitter (NOC 6163):

Pet-sitter in Canada | Labour Market Facts and Figures

> Find key facts and figures about working as a pet-sitter in Canada: available jobs, wages, career prospects, skills, job requirements and more. Visit Job Bank to learn about this occupation or for more information about the Canadian labour market.

TIPS TO WRITING A GOOD JOB DESCRIPTION

- Be sure to include the pertinent information:
    - Title
    - Department
    - Job Summary
    - Reports to
    - Duties and responsibilities
    - Working Conditions
- Think of the job description as a snapshot of the job.
- Communicate clearly and concisely.
- Make sure the job description is interesting to the right candidate applying for the job.
- Avoid acronyms.
- Don't try to fit all job aspects into the job description.
- Proofread the job description.

Cashiers Job Description

Job Title	Cashier
Reports to	Manager
Department	Customer Service Department
Job Summary	Knowledge of customer and personal services. This includes customer needs, assessment, meeting quality standards for services and evaluation of customer satisfaction. Knowledge of business principles, mathematics, and office systems such as word processing, filing and record keeping. Courteous, active listening, polite with customers.
Duties and Responsibilities	• Answer customer questions, and provide information on procedures and policies • Receive payments by cash, cheque, credit cards, vouchers, and automatic debit • Help customers find location of products • Issue receipts, refunds, credits, or change due to customers • Greet customers entering business • Work with business operating system software • Communicate effectively with peers, supervisor and subordinates; Establish good working relationships with all employees • Reconcile records of sales and other transactions • Process sales or other transactions
Working Conditions	Safe and well-ventilated retail store workspace. Must be able to work shifts and some weekends.

Job Specifications

Job Specifications includes the knowledge, skills and abilities (KSA) and other characteristics required to complete the job. These can include experience, education requirements, physical and/or mental demands of the job, and training.

Example of Job Specifications

Job Title	Cashier
Reports to	Manager
Department	Customer Service Department
Education	High School
Experience	Some prior knowledge and experience of consumer goods and services

Knowledge:

Customer and Personal Service	Knowledge of principles and process for providing customer and personal services. This includes customer needs, assessment, meeting quality standards, and evaluation of customer satisfaction.
Administration and Management	Knowledge of business and management principles, resource allocation, production methods.
Mathematics	Arithmetic, calculus
Administrative	Knowledge of office procedures and systems such as word processing, managing files and records

Technology Skills:

Data base and query software	Database software, SMARTware
Office suite software	Microsoft Office software
Operating system software	Computer, portable payment terminal, POSs machine

Skills:

Service orientation	Seek active ways to help people
Active listening	Give full attention to other people, take time to understand points being made, ask questions
Speaking	Talking to others to convey information
Mathematics	Use mathematics to solve problems
Social Perceptiveness	Be aware of others' reactions and understand why they react as they do

---

"Cashiers Job Description" by O*NET OnLine is licensed under a Creative Commons Attribution 4.0 License unless otherwise noted.

"Job Description" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

4.4 JOB DESIGN

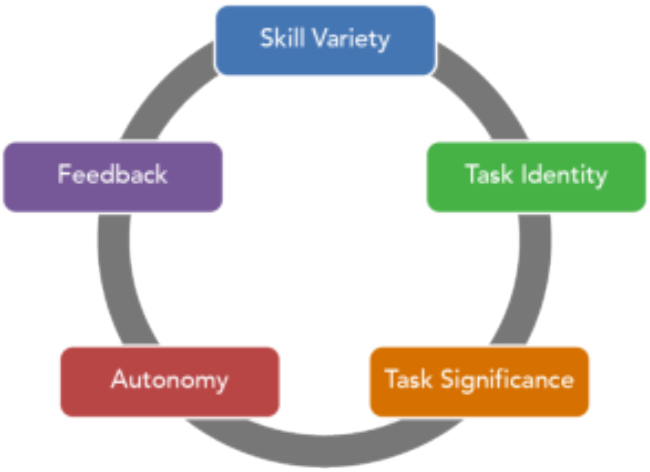
Job design pertains to the specification of contents, methods, and relationship of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder. Through job design, organizations can raise productivity levels of employees and employee satisfaction. Although job analysis, as just described, is important for an understanding of existing jobs, organizations must also adapt to changes in workflow and organizational demands and consider whether jobs need to be redesigned. When an organization is changing or expanding, human resource professionals must also help plan for new jobs and shape them accordingly.

These situations call for job design and business process re-engineering (BPE / BPR), the process of defining the way work will be performed and the tasks that a given job requires. Job redesign is a similar process that involves changing an existing job design. To design jobs effectively, a person must thoroughly understand the job itself (through job analysis) and its place in the larger work unit's work flow process. Having a detailed knowledge of the tasks performed in the work unit and in the job gives the manager many alternative ways to design a job.

Designing Efficient Jobs: Job Characteristics Model

The job characteristics model is one of the most influential attempts to design jobs with increased motivational properties (Hackman & Oldham, 1975). The model describes five core job characteristics leading to critical psychological states, resulting in work-related outcomes.

Skill Variety refers to the extent to which the job requires a person to utilize multiple skills. A car wash employee whose job consists of directing customers into the automated car wash demonstrates low levels of skill variety, whereas a car wash employee who acts as a cashier, maintains car wash equipment, and manages the inventory of chemicals demonstrates high skill variety.



"Job Design Model" by Freedom Learning Group. Provided by: Lumen Learning, CC BY-4.0

Task Identity refers to the degree to which a person is in charge of completing an identifiable piece of work from start to finish. A web designer who designs parts of a website will have low task identity, because the work blends in with other Web designers' work; in the end it will be hard for any one person to claim responsibility for the final output. The webmaster who designs an entire web site will have high task identity.

Task Significance refers to whether a person's job substantially affects other people's work, health, or well-being. A janitor who cleans the floors at an office building may find the job low in significance, thinking it is not a very important job. However, janitors cleaning the floors at a hospital may see their role as essential in helping patients get better. When they feel that their tasks are significant, employees tend to feel that they have an impact on their environment, and their feelings of self-worth are boosted (Grant, 2008).

Autonomy is the degree to which a person has the freedom to decide how to perform his or her tasks. For example, an instructor who is required to follow a predetermined textbook, covering a given list of topics using a specified list of classroom activities, has low autonomy. On the other hand, an instructor who is free to choose the textbook, design the course content, and use any relevant materials when delivering lectures has higher levels of autonomy. Autonomy increases motivation at work, and it also has other benefits. Giving employees autonomy at work is a key to individual and company success, because autonomous employees are free to choose how to do their jobs and therefore can be more effective. They are also less likely to adopt a "this is not my job" approach to their work environment and instead be proactive (do what needs to be done without waiting to be told what to do) and creative (Morgeson et al., 2005). The consequence of this resourcefulness can be higher company performance.

Feedback refers to the degree to which people learn how effective they are being at work. Feedback at work may come from other people, such as supervisors, peers, subordinates, and customers, or it may come from the job itself. A salesperson who gives presentations to potential clients but is not informed of the clients' decisions, has low feedback at work. If this person receives notification that a sale was made based on the presentation, feedback will be high. The relationship between feedback and job performance is more controversial. In other words, the mere presence of feedback is not sufficient for employees to feel motivated

to perform better. In fact, a review of this literature shows that in about one-third of the cases, feedback was detrimental to performance (Kluger & DeNisi, 1996). In addition to whether feedback is present, the sign of feedback (positive or negative), whether the person is ready to receive the feedback, and the manner in which feedback is given will all determine whether employees feel motivated or demotivated as a result of feedback.

According to the job characteristics model, the presence of these five core job dimensions leads employees to experience three psychological states: They view their work as meaningful, they feel responsible for the outcomes, and they acquire knowledge of results. These three psychological states in turn are related to positive outcomes such as overall job satisfaction, internal motivation, higher performance, and lower absenteeism and turnover (Humphrey et al., 2007; Johns et al., 1992).

Note that the five job characteristics are not objective features of a job. Two employees working in the same job may have very different perceptions regarding how much skill variety, task identity, task significance, autonomy, or feedback the job affords. In other words, motivating potential is in the eye of the beholder. This is both good and bad news. The bad news is that even though a manager may design a job that is supposed to motivate employees, some employees may not find the job to be motivational. The good news is that sometimes it is possible to increase employee motivation by helping employees change their perspectives about the job. For example, employees laying bricks at a construction site may feel their jobs are low in significance, but by pointing out that they are building a home for others, their perceptions about their job may be changed.

"Job Design" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

4.5 APPROACHES TO JOB DESIGN

Industrial Engineering Approach

If workers perform tasks as efficiently as possible, not only does the organization benefit from lower costs and greater output per worker, but workers should be less fatigued, physically, and mentally. This point of view has for years formed the basis of classical industrial engineering, which looks for the simplest way to structure work in order to maximize efficiency. Typically, applying **industrial engineering** to a job reduces the complexity of the work, making it so simple that almost anyone can be trained quickly and easily to perform the job. Such jobs tend to be highly specialized and repetitive. It analyzes the work methods and sets time standards to see what can be changed, improved and modified.

In practice, the scientific method traditionally seeks the "one best way" to perform a job by performing time-and-motion studies to identify the most efficient movements for workers to make. Once the engineers have identified the most efficient sequence of motions, the organization should select workers based on their ability to do the job, then train them in the details of the "one best way" to perform that job. The company should also offer pay structures to motivate workers to do their best.

Video: "Industrial Engineers Career Video" By CareerOneStop [1:37] (URL: https://www.youtube.com/watch?v=kNXMJBQ6oL4)

Despite the logical benefits of industrial engineering, a focus on efficiency alone can create jobs that are so simple and repetitive that workers get bored. Workers performing these jobs may feel their work is meaningless. Hence, most organizations combine industrial engineering with other approaches to job design.

Job Enlargement

Job enlargement is a job design approach in which the scope of a job is increased through extending and enhancing the range of its job duties and responsibilities. It involves combining various activities at the same level in the organization and adding them to the existing job.

Job enlargement, also called the horizontal expansion of job activities, can be explained with the help of the following example. If Mr. A is working as an executive with a company and is currently performing three

activities in his job, and after job enlargement or through job enlargement we add four more activities to the existing job, so now Mr. A performs seven activities on the job.

It must be noted that the new activities which have been added should belong to the same hierarchy level in the organization. By job enlargement we provide a greater variety of activities to the individual so that we are in a position to increase the interest of the job and make maximum use of an employee's skills. Setting the stage for considering the next level of job design – job enrichment.

There is some evidence that job enlargement is beneficial, because it is positively related to employee satisfaction and higher quality customer services, and it increases the chances of catching mistakes (Campion & McClelland, 1991). At the same time, the effects of job enlargement may depend on the *type* of enlargement. For example, job enlargement consisting of adding tasks that are very simple in nature had negative consequences on employee satisfaction with the job and resulted in fewer errors being caught. Alternatively, giving employees more tasks that require them to be knowledgeable in different areas seemed to have more positive effects (Campion & McClelland, 1993).

Job Enrichment

Job enrichment is a job design approach aimed at making work more interesting and challenging for the employees. It mainly consists of giving more responsibility and opportunities for impact than what originally applied to the job, creating opportunities for professional growth and recognition.

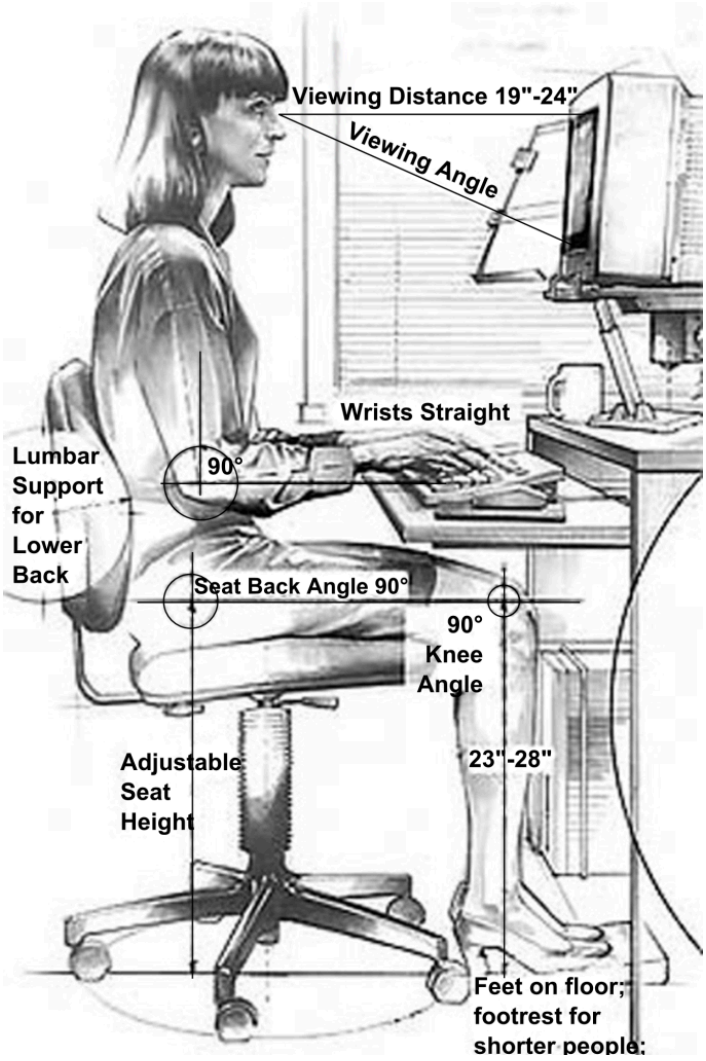
As an alternative to job specialization, companies using job enrichment may experience positive outcomes, such as reduced turnover, increased productivity, and reduced absences (McEvoy & Cascio, 1985; Locke et. al., 1976). This may be because employees who have the authority and responsibility over their work can be more efficient, eliminate unnecessary tasks, take shortcuts, and increase their overall performance.

At the same time, there is evidence that job enrichment may sometimes cause dissatisfaction among certain employees (Locke et. al., 1976). The reason may be that employees who are given additional autonomy and responsibility may expect greater levels of pay or other types of compensation, and if this expectation is not met they may feel frustrated. One more thing to remember is that job enrichment is not suitable for everyone (Cherrington & Lynn, 1980; Hulin & Blood, 1968). Not all employees desire to have control over how they work, and if they do not have this desire, they may become frustrated with an enriched job.

Ergonomics

There are many injuries on the job. This can happen through slips, falls, moving machinery, accidents with/on/in vehicles, fires, repetitive stress, or overexertion. Any injury costs an employer money through lost productivity and medical costs. **Ergonomics** is defined by the Government of Canada as "the science of matching the job to the worker and the product to the user" (Government of Canada, 2023). Simply stated, humans have certain capabilities and preferences, as well as limitations when performing their job. Ergonomics

ensures the job is safe and effective. As well, it is anchored in improving safety for all employees and ensuring employees are comfortable. The idea is that job is a good fit for the person.



"Computer Workstation Set-up" by Yamavu, CCO 1.0

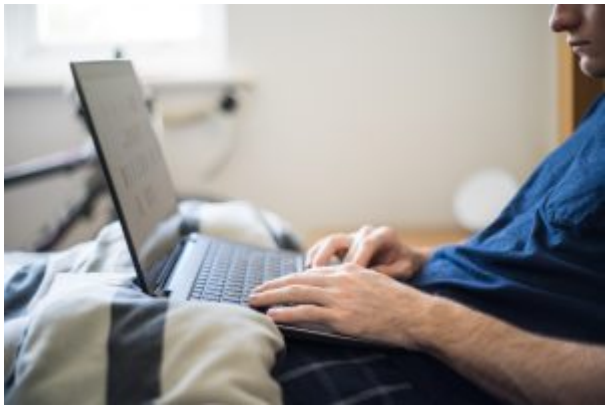
"Job Design" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

4.6 CONTEMPORARY ISSUES IN JOB DESIGN

In this section we look at certain trends that have emerged in the design of jobs in organizations. These trends are:

1. Telecommuting
2. Team-based work
3. Flexible working hours
4. Alternative work patterns
5. Artificial intelligence

Telecommuting



"working from bed" by Microbiz Mag, CC BY 2.0

Almost overnight, the COVID-19 pandemic has made **telecommuting,** or working from home, the normal way of working. While the concept of a virtual office was slowly becoming more and more popular in the years before this crisis, there was still much resistance from organizations and workers because of the perceived lack of control and supervision that this mode of work entails. However, this resistance has now mostly disappeared and organizations will now consider telecommuting as a normal alternative for many jobs. In the near future, the rise of telecommuting will have enormous effects on organizations and society in general.

Team-Based Work

Due to the complexity of tasks, the need to integrate multiple perspectives and disciplines into work products and services, or the sheer volume of work, organizations are increasingly structuring work around teams. **Teamwork** involves a set of tasks and activities performed by individuals who collaborate with each other to achieve a common objective. That objective can be creating a product, delivering a service, writing a report, or

making a decision. Teamwork differs from individual work in that it involves shared responsibility for a final outcome.

Teamwork requires certain conditions to be in place that will increase the likelihood that each member's contributions—and the effort of the group as a whole—will lead to success. Effective teams share five characteristics:

- *Shared values*: a common set of beliefs and principles about how and why the team members will work together
- *Mutual trust*: confidence between team members that each puts the best interest of the team ahead of individual priorities
- *Inspiring vision*: a clear direction that motivates commitment to a collective effort
- *Skill/talent*: the combined abilities and expertise to accomplish the required tasks and work productively with others
- *Rewards*: recognition of achievement toward objectives and reinforcement of behaviour that supports the team's work

Effective teamwork requires that people work as a cohesive unit. These five characteristics can help individuals collaborate with others by focusing their efforts in a common direction and achieving an outcome that can only be reached by working together. There are many enabling collaborative technologies that support and enhance team-based work models – regardless of the physical locations of team members..



Think!

Think about a group or team you have belonged to in the past either in work or at school. Was it a success? Was it a failure? Review the 5 characteristics above. What characteristics did your group/team have to be successful? Or, what was lacking in your group/team that would have been useful?

Flex Time

Flex time allows employees to choose when they will start their work day, and when it will end. They need to work a required number of hours per day or for the week. Employees there is likely a standard of time

when all employees need to be at the workplace. This would generally be later in the morning or early in the afternoon. The advantages for the employee allows them to be flexible in scheduling their work around life activities. Some employees function better early morning, or later in the afternoon. Therefore, they would be more productive at work. Advantages for the employer is a longer working day for production. An example might be the company is open from 8:30am-4:30pm or eight hours. It adopts a flexible work day and opens at 6:30am and closes at 6:30pm or a twelve hour day of operation. This increases the company production by four hours or a 1/3 longer day of operation. Employees would be allowed to come to work anywhere from 6:30am-8:30am and leave anytime from 2:30pm-6:30pm. The core hours would be 8:30am-2:30pm when all employees are expected to be at work.

Compressed Work Week

An employee's work week is shortened by the number of days worked per week, and maintains the same hours. This trend has become popular within organizations. Employees have a set schedule when they work. Other employees may need a day off during the week. In this case, they may work longer hours on other days in the week. Examples might include working 4 days a week at 10 hours per day to equal a 40 hour work week. Another example is working a nine hour day, and having an extra day off every other week. This is often called Happy Fridays as people take the Friday off after working their 40 hours in nine days. A **compressed work week** allows employees a better work-life balance.



Think!

Do some research related to the pros and cons of compressed work week. Do you think companies should design the work force around compressed work weeks? How would employees be held accountable for their hours worked? Do you think employees take advantage of compressed work weeks? How would you as the HR manager ensure everyone was accountable for their hours worked?

Artificial Intelligence (AI)

The rise of artificial intelligence (AI) is having major implications in how work is performed. Just like the

advent of robotics has allowed for the replacement of physical tasks by machines, AI can be used to support or even replace mental tasks. For instance, a call centre employee could get instant intelligence about what the caller needs in order to do their work faster and better. Voice prompted questions of the caller and corresponding answers can be analyzed to determine the reason for the call, selection of the appropriate service area and representative, including synthesized data converted to text, and made available to the service representative. AI can easily perform the heavy lifting of these reports – and associated steps – could be generated in a fraction of the time, allowing the accountants to focus on more value-added tasks such as client management and validation.

You can hear Kai-Fu Lee, CEO of Sinovation Ventures, describe how AI will influence jobs in the future. According to him, "accountants, factory workers, truckers, paralegals, and radiologists — just to name a few — will be confronted by a disruption akin to that faced by farmers during the Industrial Revolution". "As research suggests, the pace in which AI will replace jobs will only accelerate, impacting the highly trained and poorly educated alike."

Video: "Kai-Fu Lee: Jobs Will Be Replaced...And That's Okay" By World Economic Forum [2:37]
(URL: https://www.youtube.com/watch?v=gX2DrPBQEpk)

"Job Design" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

4.7 KEY TERMS

Key Terms

Autonomy is the degree to which a person has the freedom to decide how to perform his or her tasks. (4.4)

Compressed work week An employee's work week is shortened by the number of days worked per week, and maintains the same hours. (4.6)

Ergonomics is defined by the Government of Canada as "the science of matching the job to the worker and the product to the user". (4.5)

Feedback refers to the degree to which people learn how effective they are being at work. (4.4)

Flex time allows employees to choose when they will start their work day, and when it will end. (4.6)

Industrial engineering is a process that reduces the complexity of the work, making it so simple that almost anyone can be trained quickly and easily to perform the job. (4.5)

Job is a paid position to complete a task or a piece of work. (4.1)

Job Analysis is a systematic process used to identify and determine, in detail, the particular job duties and requirements and the relative importance of these duties for a given job. (4.2)

Job description is a document that includes job tasks and duties. (4.3)

Job design pertains to the specification of contents, methods and relationship of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder. (4.4)

Job enlargement is a job design approach in which the scope of a job is increased through extending and enhancing the range of its job duties and responsibilities. (4.5)

Job enrichment is a job design approach aimed at making work more interesting and challenging for the employees. (4.5)

Job family is when similar positions are grouped together. (4.1)

Position is paid and is a group of responsibilities assigned to one person, and this person has specific duties. (4.1)

Skill Variety refers to the extent to which the job requires a person to utilize multiple skills. (4.4)

Task Identity refers to the degree to which a person is in charge of completing an identifiable piece of work from start to finish. (4.4)

Task Significance refers to whether a person's job substantially affects other people's work, health, or well-being. (4.4)

Telecommuting is working from home. (4.6)

Teamwork involves a set of tasks and activities performed by individuals who collaborate with each other to achieve a common objective. (4.6)

The National Occupation Classification (NOC) Code provides a standardized nomenclature for describing the work performed by Canadians. (4.3)

4.8 SUMMARY

Summary

Job analysis is a systematic process used by HR managers to understand the responsibilities and requirements of a particular job. It is used for HR planning, recruitment, selection, training and development, performance appraisals, compensation, and ensuring compliance with laws and legislation. The results of job analysis inform job design, work structure, process engineering, and department structure. HR managers use job analysis to produce accurate job postings, identify critical knowledge and skills, identify risks, design performance appraisal systems, and develop equitable compensation plans and training programs. As jobs evolve, HR managers need to capture the new elements of the job in a systematic manner. This is important for the organization's HR processes to remain efficient. The evolution of jobs is accelerating, with trends like artificial intelligence (AI) beginning to impact the world of work.

The text covers three topics: discrimination, job description, and job design. Discrimination is discussed in relation to job analysis and the determination of essential and non-essential duties. The job description is explained as a document that includes job tasks, duties, and requirements such as education and experience. Job design is defined as the specification of contents, methods, and relationships of jobs. The job characteristics model is described as an attempt to design jobs with increased motivational properties, which includes skill variety, task identity, task significance, autonomy, and feedback. The importance of job analysis in job design is emphasized, and the process of job redesign is briefly explained.

The chapter discusses different approaches to job design. The industrial engineering approach focuses on maximizing efficiency by simplifying work methods and setting time standards. But this can create jobs that are too simple and repetitive. Job enlargement involves adding more tasks to a job at the same level in the organization, which can increase employee satisfaction and quality of service. Job enrichment makes work more interesting and challenging by giving employees more responsibility and opportunities for impact. It may not be suitable for everyone and can cause dissatisfaction if compensation expectations are not met. Ergonomics is focused on ensuring the job is safe, effective, and a good fit for the employee. Some issues in job design include:

telecommuting, team-based work, flexible working hours, alternative work patterns and artificial intelligence.



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/4-8-summary/

4.9 KNOWLEDGE CHECK



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/4-9-knowledge-check/

4.10 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Why is job analysis called the "bedrock" of HRM practices? Discuss with a **partner**.
2. Discuss how job analysis helps with 1. Recruitment and selection 2. Compensation 3. Performance assessment. Work with a **partner**. Share with **large group**.
3. Since Covid19, work has been dramatically reorganized. Discuss the ways in which jobs have changed. Brainstorm with **large group**.
4. What might be some challenges with task-based job analysis? Discuss in **small group**.
5. Research the NOC (National Occupation Classification Code) on the internet. Find 2 different HR jobs. How would you use this information to design a job description for yourself? Discuss with a **partner**.
6. Job Characteristics Model have 5 characteristics that include 1. Skill variety 2. Task identity 3. Task significance 4. Autonomy 5. Feedback. For each characteristic, offer an example of how it could be used to improve the company, and the employee's job. Work in **small group**.
7. Some might argue that job enlargement is just trying to "get more work out of the employee." Discuss this statement. Could this be true? Why? Why not? Work in a **small group**.
8. At what point does a company decide that they want to shift to flexible work hours? Do you believe flexible work hours are good for the company? Employee? Why? Why not? Discuss in **small group**.
9. What challenges might a company experience by offering telecommuting? As the HR Specialist, what can you do to ensure this is in the company's best interests? Discuss in **small**

group.

4.11 CASE STUDY: JOB ANALYSIS AT MATRIX AGRICULTURAL SYSTEMS

Case Study: Job Analysis at Matrix Agricultural Systems



Photo by David Thielen, Unsplash License

Matrix Agricultural Systems (MAS) is a large producer of agricultural technology products. With 25 offices in Canada and a plan for an additional 5 more in the next two years, MAS is the leader in its field within the country. It manufactures innovative web-based technologies and sensors to help farmers improve their agricultural productivity. For example, it has developed sensors, that when placed strategically around fields along with image recognition technologies, it allows farmers to view their crops from anywhere in the world. The company's most important strategic objective is to keep up with technological advances and find ways to drive the price of their product down.

In recent years, MAS has had difficulty recruiting engineers. The problem appears to have worsened because of an increase in the turnover rate. This rate is now higher than the market average for the agricultural business sector despite the highly competitive remuneration packages that MAS pays. The company has traditionally recruited engineers with a mechanical engineering background. Recently however, the shortage of engineers has become a more acute problem, especially in industrial areas where there is an abundance of technology companies and an increasing demand for engineers. Nathalie Lebrun, the Vice President of Human Resources is very worried that this

situation may lead the company to lose its competitive edge. She has a pair of very specific mandates for Marcel Tremblay, her Talent Acquisition manager:

> First, the criteria for entry-level engineer positions have to be looked at. They specify (a) an undergraduate degree in mechanical or industrial engineering and (b) at least three years' experience. Nathalie wants Marcel to devise a method for evaluating the appropriateness and value of these as job specifications. Are these criteria really necessary to perform the job? Aren't they unnecessarily restricting the labour pool from which MAS finds its employees?
>
> Second, Nathalie wants Marcel to develop training modules for new technical employees to be included in "Matrix Agricultural Systems University". Consequently, Marcel needs to determine what knowledge, skills, competencies and abilities are essential or critical for the job and integrate them into a training module.

Questions:

1. When you read this article, what do you think they need to consider for job analysis. Make a list.
2. What do you think the priority is for MAS? Explain why you believe this would be the priority.
3. Research, and provide a list of reasons for high turnover. What strategy could MAS use to reduce turnover?

"Chapter 3: Analyzing and Designing Work" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

CHAPTER 5: TALENT ACQUISITION

Chapter Outline

5.0 Learning Outcomes
5.1 The Recruitment Process
5.2 Recruitment Plan – Internal and External
5.3 The Law and Recruitment and Selection
5.4 Application Forms
5.5 Recruitment Strategies
5.6 An Interview Story
5.7 The Selection Process
5.8 Criteria For Interviews
5.9 Application and Resume Review
5.10 Interview Bias
5.11 Interview Structures
5.12 Interview Types
5.13 Test Administration
5.14 Combining The Test Results Information
5.15 Selection Offers and Errors
5.16 Key Terms
5.17 Summary
5.18 Knowledge Check
5.19 Exercises/Activities for Teachers and Students
5.20 Case Study: Great Mattress Company
5.21 Case Study: Zendesk Recruitment: A Fictional Example

5.0 LEARNING OUTCOMES

Learning Outcomes

1. Discuss the need and techniques for forecasting human resource needs.
2. Explain the steps to an effective recruitment strategy.
3. Develop a job analysis and job description.
4. Explain the various strategies that can be used in recruitment.
5. Name and discuss the steps in the selection process.
6. Explain why criteria development is an important part of the selection process.
7. Apply examples of the types of criteria that can be developed.
8. Describe the advantages and disadvantages of internal and external candidates.
9. Explain the various types of interviews and interview questions.
10. Explain the types of tests that can be administered as part of the selection process.
11. Discuss the types of selection models and errors in selection.

5.1 THE RECRUITMENT PROCESS

Introduction: Design of Chapter 5

Recruitment and Selection involves attracting, screening, and selection qualified people for jobs. They both are related to the hiring process. While recruitment is the process of searching for the right candidate, selection is the process of choosing the right candidate from a short list of applicants.

Chapter 5 includes both Recruitment and Selection as a continuum of processes.

Recruitment

The recruitment process is an important part of human resource management (HRM). **Recruitment** is defined as a process that provides the organization with a pool of qualified job candidates from which to choose. As a process, recruitment involves an element of marketing and sales, as its objective is to raise the level of interest of customers (i.e., prospective employees) in what the company has to offer (i.e., jobs).



Photo by Clem Onojeghuo, Unsplash License

Recruitment Importance

In today's workplace, recruitment has an impact on an organization's competitive success. Hiring the wrong person for a job can be costly to organizations. Therefore, highly talented and motivated employees offers a **competitive advantage** which is a firm's ability to add value to the company through it's assets (one being its human resources); and is able to lower its costs. When poorly hired employees with the wrong skills and/or experience success for companies is at risk.

Employers also recognize a diverse workforce leads to success. Some companies introduce employment

equity programs to correct an imbalance of a diversified employee workforce. Human Resources departments monitor their recruitment plans to proactively ensure they are increasing their employee pool with workers from varied cultures, religions, gender, different abilities, etc. By choosing a pool of applicants from various backgrounds, expands the pool of talent and employers have a great choice of applicants. It also can improve the image of the employer as a credible and diversified employer.

Attracting employees is an ongoing challenge for employers. It is important that HR departments are part of the planning process to ensure a diverse employee pool is secured. This is created through the strategic or capital plan.

HUMAN RESOURCE (CAPITAL) PLAN

Although it might seem straightforward, obtaining the right talent, at the right place and at the right time, is not easy and requires extensive planning. A human resource plan comprises six main steps:

1. *Evaluate the goals of the organization*. What is the organization's plan for growth? Does it need personnel to staff a new office or retail location? Is it hoping to multiply the size of its sales force to support a significant sales push? Does it intend to offer additional customer service or internal support to boost customer satisfaction?
2. *Identify the factors that might affect the Human Resource (Capital) Plan*. This is where the NOC and O*Net Online can be helpful. Large and small companies alike should examine information from local chambers of commerce, business publications, and industry associations to predict possible developments in the market. That can include new businesses or other larger employers increasing their hiring or laying off employees.
3. *Establish the current talent landscape.* Keeping the organization's objectives in mind, there is a need for a complete picture of the current workforce. A detailed company organizational chart can illustrate the jobs, skills, and competencies of each member of the organization.
4. *Trend Analysis.* Many factors need to be accounted for when looking ahead for future needs: turnover rate, investments in new technology, the economy, the unemployment rate, and the competition (poaching) can all influence the ability to achieve one's staffing goals. Performing a trend analysis based on historical data is an effective way to forecast labour needs.
5. *Conduct a gap analysis***.** The difference between your future needs and the current landscape becomes the target to meet for your recruitment process.
6. *Develop a Recruitment Plan.* Considerations for a recruitment plan are considered in the following

sections.

Trend Analysis

Trend analysis examines past employment levels against selected business variables to predict future staffing requirements. To perform this analysis, an HR manager will select the factor(s) that influence labour levels the most and chart them for a four-to-five-year period. The headcount for the current time period is used with the historic data to arrive at a ratio to calculate future staffing needs. The usefulness of a trend analysis depends on the operational factor selected.

For example, a moving company wants to determine how many employees it will need for the upcoming moving season. It uses *sales,* an operational factor and, according to historical records, it needs 3 movers for every $5,000 in sales. When the strategic plan calls for average weekly sales of $50,000 during the holiday shopping season, HR can predict a 30-employee staffing requirement.

Another more complex example would be how hospitals prepared for the pandemic. The *number of nurses needed for each COVID patient in intensive care* would be an appropriate operational factor for hospital staff projections. A hospital may determine that it normally needs, on average, 0.2 nurses per intensive care patient per day. However, that ratio would rise significantly, to 0.8, from all of the protection measures required. Using projections of public health officials, a hospital predicted that when the pandemic was to hit, it would treat approximately 50 COVID patients. Thus, it determined that it would need 40 nurses as opposed to the normal 10.



Think!

Why do you think most companies would NOT use Trend Analysis? Should more companies consider using it?

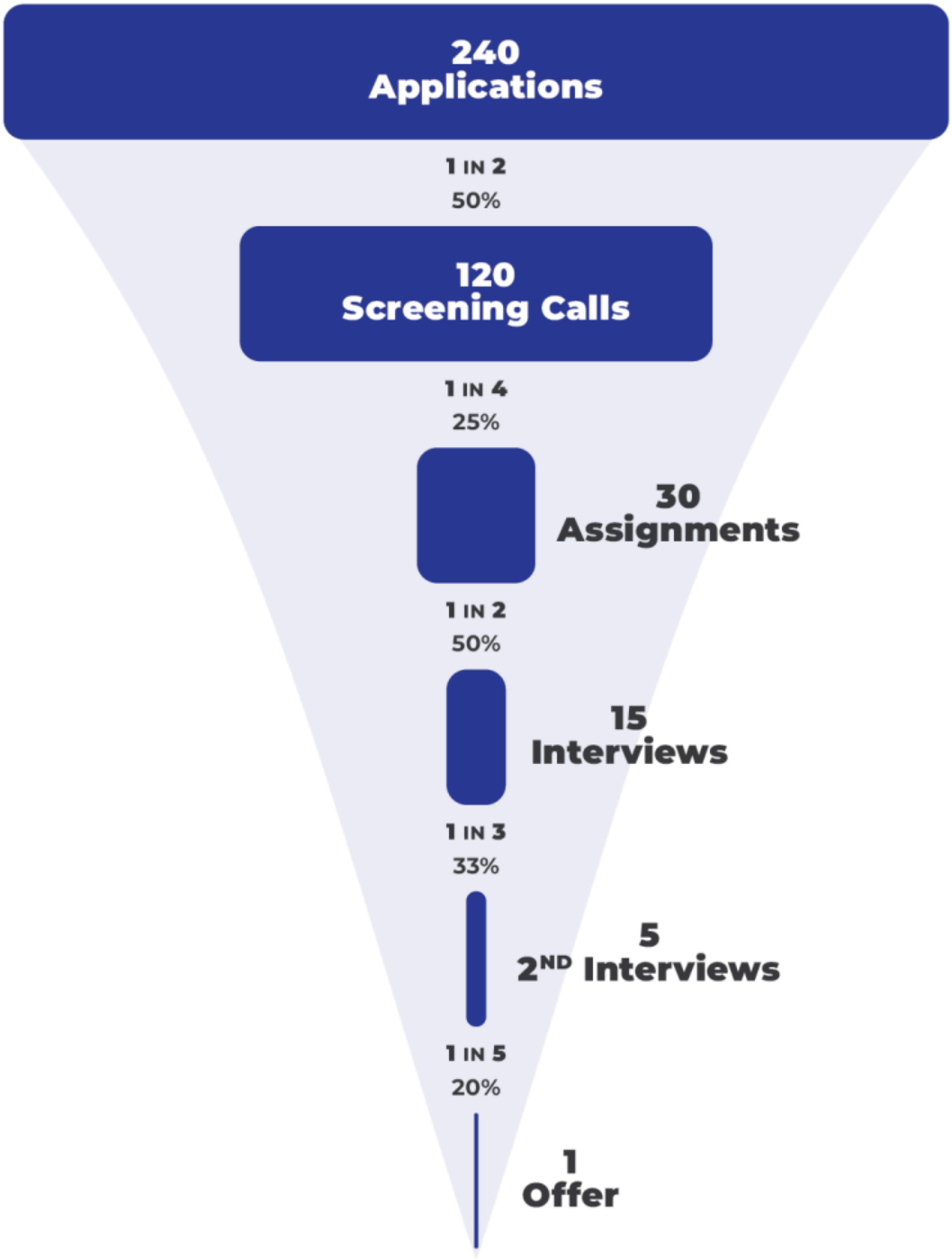
Recruitment Pipeline

When drafting a recruitment plan, it is easy to underestimate the resources and time required for the process to unfold. On average, the time between the posting of an employment ad on a company's website and actually having an employee sign an employment contract is around 40 days. If you change the end-point to the time at which the new employee meets minimal performance requirements, the timeline is more like six months. Given this delay, HRM managers need to be proactive and one step ahead of future vacancies. The objective is not simply hiring for open positions but hiring for positions that *are likely* to be open in the future. Tracking recruiting pipelines using analytical tools helps create a more efficient recruitment process.

Read: Applicant Pipeline Metrics: Key Indicators for Effective Talent Acquisition provides examples of different applicant pipeline metrics that can be analyzed. (URL: https://hirebee.ai/blog/recruitment-metrics-and-analytics/applicant-pipeline-metrics-key-indicators-for-effective-talent-acquisition/)

Yield Ratio

Yield ratio is a performance indicator that pertains to thepercentage of candidates from a specific source that made it from one stage to the next. For example, if 100 applicants sent resumes and 30 of them were convened for interviews, the yield of that step would be 30%. Essentially, the yield ratio shows the efficiency of the selected recruiting method. An HR manager could compare the yield of different recruitment sources to determine which one he or she should invest in for the future. For example, LinkedIn could have a yield of 25% of interviewees compared to Indeed with a yield of 20%. If the cost of posting is equal, posting on LinkedIn could be more beneficial. The image below shows the recruitment yield pyramid for "a company that received 240 applications, where only 120 passed the resume screening. Then, 30 were given an assignment. Only 15 were invited to an interview. Five went through to an executive interview. One received an offer" (Bika, n.d.).



"The Recruitment Process" by Fanshawe College CC BY-4.0 based on content from Bika (n.d.).

"The Recruitment Process" from Human Resources Management – 2nd Ontario Edition by Elizabeth

Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.2 RECRUITMENT PLAN - INTERNAL AND EXTERNAL

Recruitment Plan

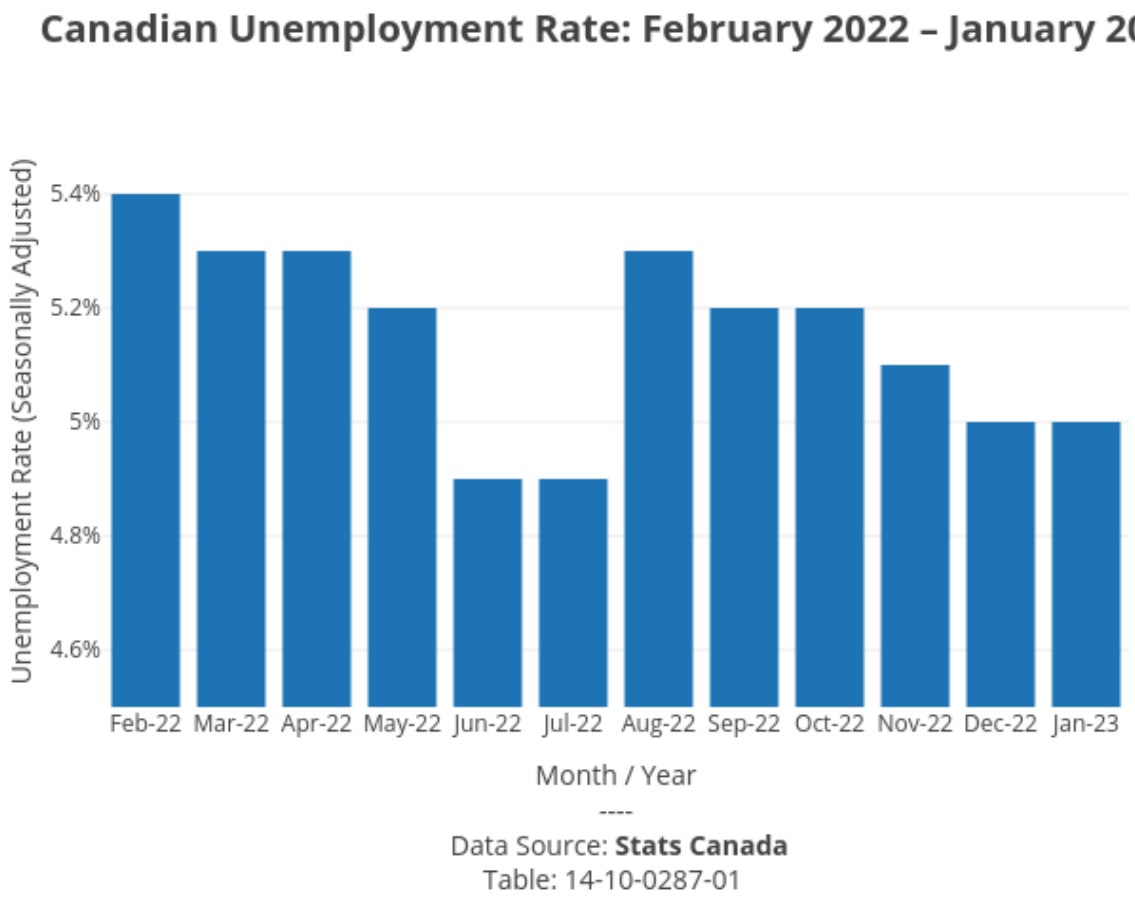
When devising a recruiting plan, an important element to consider is whether the pool of candidates will be sourced internally, externally, or both. Each of these options have consequences for how recruiting will be conducted. Note that, for some organizations, there is really no choice but to go internal (e.g., military) or external (e.g., small business).

Internal Recruitment

Assuming the job analysis and job description are ready, an organization may decide to look at internal candidates' qualifications first. **Internal candidates** are people who are already working for the company. If an internal candidate meets the qualifications, this person might be encouraged to apply for the job, and the job opening may not be published. Many organizations have formal job posting procedures and job bidding systems in place for internal candidates. For example, job postings may be sent to an internal email distribution list or posted on a website so all current employees have access to them.

External Recruitment

The alternative to internal recruitment is external recruitment. For example, for a high-level executive position, it may be decided to hire an outside head-hunting firm to help recruit the right person. For an entry-level position, advertising on social networking websites might be the best strategy. When recruiting externally, an understanding of the labour market is essential. For example, the pandemic had a drastic effect on unemployment rates in Canada in just a few months (see graph below). From a general recruiting perspective, this means that the available talent doubled in that period. Of course, the need for talent also shifted dramatically and, in general, most companies were not hiring as many employees (which causes the high unemployment numbers). However, recruiting strategy requires a finer-grained analysis of general unemployment numbers because there are vast variations in the availability of specific talent in the labour market. For example, the pandemic has led to an important shortage of workers in healthcare and agricultural industries but an abundance of workers in other areas (e.g., hospitality).



"Canadian Unemployment Rates" by Fanshawe College CC BY 4.0

Advantages and Disadvantages of Each Approach

In sum, both approaches to recruitment are valid, each one providing distinct advantages to the organization. The selection of one or both approaches depends on the situation (e.g., labour market, availability of internal talent, budget, etc.) and the objectives of the company. Here is a summary of advantages and disadvantages of each approach.

Possible Advantages and Disadvantages of Hiring an Internal versus an External Candidate

Type of Recruitment	Advantages	Disadvantages
Internal recruitment	• Rewards contributions of current staff • Can be more cost effective, as opposed to using a traditional recruitment strategy • Can improve morale • Knowing the past performance of the candidate can assist in knowing if they meet the criteria	• Can produce "employee inbreeding," which may reduce diversity and different perspectives • May influence office politics as employees compete for promotions or opportunities • Can create bad feelings if an internal candidate applies for a job and doesn't get it
External recruitment	• Brings new talent into the company • Can help an organization obtain diversity goals • New ideas and insight brought into the company	• Implementation of a recruitment strategy can be expensive • Can cause morale problems for internal candidates • Can take longer for training and orientation

---

"The Recruitment Process" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.3 THE LAW AND RECRUITMENT AND SELECTION

Recruiting employees can be considered a passive process, one that does not directly involve making decisions about people. A job is posted and applicants apply. Seems simple but your 'ad' needs to accurately reflect the requirements of the job and candidate. The process of specifying the desired knowledge, skills, abilities, others (KSAO's) implicitly can exclude potential applicants. In the event that some criteria may affect some of the protected categories disproportionately, it is important that these criteria be proven to be job related. It is important as well that HR departments follow the law.



"Law" by Nick Youngson, CC BY-SA 3.0

Wages, working conditions, diversity, employment equity, labour relations and human rights are all intertwined in recruitment and selection of employees.

Employment Standards Act

This Act ensures the recruitment and selection of applicants ensures employees and the employer have the right person in the right job and at the right time. The act helps employers plan their workforce, attract and select the right employees, and achieve goals of the company. It provides advice on taking proactive approaches to recruitment, helps with guidance on strengthening collaboration and planning for promotions and succession of employees, and that planning follows a plan that is inclusive and diverse (LawTeacher, 2019).

Pay Equity Act

Pay Equity was established to narrow the gap in wages between men and women. This law covers both public and private sectors with more than 10 employees. It does not cover federal government issues such as chartered banks or private sector companies with less than 10 employees (Government of Canada, 2023). It requires that employers pay equal wages between males and females when the job has been compared and the job is comparatively equal. Employers group jobs into male dominated, female dominated or neutral. They make job comparisons and evaluate the women and men's jobs. In the recruitment and selection, the law ensures

gender neutrality or no favouring for work done by men. It must be based on skills, efforts, responsibility and the work conditions (LawTeacher, 2019).

Labour Relations Act

According to LawTeacher (2019):

> This act has the following obligations;
>
> It provides the labor relations strategies in order to support the optimal employee and the labor relations in a responsible manner.
>
> It develops and maintains a positive labor relation coupled with the bargaining agents and also manages the existing processes with the aim of improving the overall working relations between the employees.
>
> The act provides the employment advice in addition to the legislative rights and the compliance especially with the matters relating to unionized and the non-unionized workplaces.
>
> It addresses the unique employee and the labor relations in line with departmental and the Ontario provincial strategies for recruitment and selection of the employees. (para. 15)

Human Rights Code

This law ensures that employers are compliant with legislative requirements under the Employment Standards Act. It ensures recruitment and selection is fair for people with a disability under the Occupational Health and Safety Act. The essence of the Human Rights Code is to ensure diversity and equity are built into an employer's policies, protocols, codes of ethics, and procedures (LawTeacher, 2019).

Health and Safety Act

This Act ensures the safety and wellness of all employees. It ensures health and safety programs are delivered to prevent injury and to be compliant with the legislation. All employees, and those being recruited and selected would be protected with the above legislation. This includes both unionized and non-unionized places of employment. These legislations regulate the recruitment and selection of employees (LawTeacher, 2019).

For more information, review the Ontario Human Rights Commission Website. (URL: https://www.ohrc.on.ca/en/social_areas/employment#sthash.n7cYyKwl.dpuf)

"The Law and Recruitment" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.4 APPLICATION FORMS

Usually, an applicant will submit a **resume** which is a summary of the person's experience, background, personal information and education to employers. The HR department reviews the resume to determine if the person is deserving of an interview, if jobs are available. Larger companies use **tracking systems** that scan the resumes electronically. The software filters through the information and scores the resume based on the key factors of the job descriptions and job specifications requirements.



Photo by Cytonn Photography, Pexels License

Another way employers determined suitability of people applying for jobs is the job application form. This may seem like a duplication of work when a person has already submitted a resume. However, employers collect information that is consistent with their employability needs. It also serves to fill in gaps where an employee may have missed information. Finally, it serves as document that may require more detailed information than the resume provides. These application forms are customized to each employer.

Think!

Electronic application forms are popular with companies today. Anyone applying for a job online, has likely completed an online application form. Do you think these online applications are redundant when you submit your resume? Do you find them time consuming to fill in?

Job Application Information

- *Personal Information*: Employer may contact the person with a full name, address, telephone number, email address. Employers cannot ask people for information related to marital status, birth place, place of origin, sex, race, religion. These would be considered discrimination.
- *Employment Status*: Employer may ask the intention or employment goals of the applicant. Other

questions might include a willingness to work shift work, weekends, salary expectations, full time/part time. The HR department can match the person's preferences with available jobs. The employer may wish to ask current employment status, and the employer name. Often there is a box to check whether or not, the employer may contact the current employer.

- *Education:* Employer asks about the education levels of the applicant, both formal and informal. Other skills certifications, diplomas may be included.
- *Work History:* Employers ask for a list of employers that includes dates, worked reason for leaving, and duties fulfilled at past jobs. Included may be the applicant's job title, starting and ending pay, and a supervisor's name; as well, as address and telephone number of past employers.
- *References:* Employers may ask for references from past employers, or personal references such as friends.
- *Other Information:* Sometimes application forms include criminal record, credit history, other family/ friends who may work for the employer currently.
- *Applicant Signature:* The application must sign the application that the information is true and accurate. A date is included. The signature also allows the employer to check references, or other records as deemed important to the employer i.e. working in a bank may required checking criminal record (Smith, 2021).

5.5 RECRUITMENT STRATEGIES

Now that we have discussed the development of the job analysis, job description, and job specifications, and you are aware of the laws relating to recruitment, it is time to begin the recruiting process. In many ways, recruiting borrows from the field of marketing. The objective of any recruitment strategy and campaign is to generate as many quality applications as possible; this objective is very similar to a marketing campaign that aims to attract customers. As such, with some exceptions, many core principles of marketing apply to recruiting. A recruiting campaign must establish a clearly defined audience (future employees), create high-quality, creative, and easy-to-share content (job posting, company videos, etc.), rely on multiple content channels (company website, LinkedIn), and be followed with rigorous analysis and reporting.

The concept of company **branding** is relatively new in HRM. This marketing concept focuses on the way that organizations differentiate themselves from each other. This can be in logo design, name selection or messaging. These marketing efforts tell a story to attract and retain customers. Today, branding is also very important for companies in their competition for talent. The rise of social media platforms has accentuated the importance of HR to manage the public image of companies. For example, Glassdoor is a site that allows current and former employees to anonymously review companies and provide salary information. In fact, a majority of job seekers aged 18-44 look at Glassdoor reviews when deciding to accept a job offer and sign at a new company. Review sites and social pages that collect ratings (like Facebook) are more important than one would think.

Here is a creative recruitment video from Canadian Tire:

Video: "Canadian Tire Corporation – We are boldly shaping retail in Canada" By Canadian Tire Corporation [1:50](URL: https://www.youtube.com/watch?v=PwFCAis1LmE)

Recruiting Strategies

Professional Recruiters

Many organizations have specific employees who focus solely on the recruiting function of HR. Recruiters have to be strong networkers and they usually attend many events where possible candidates will be present. Recruiting agencies and individual professional recruiters ('head-hunters') have a constant pipeline of possible candidates in case a position should arise that would be a good match. There are three main types of recruiters:

1. *Corporate recruiter.* A corporate recruiter is an employee within a company who focuses entirely on recruiting for his or her company. Corporate recruiters are contracted by the company for which they are recruiting. This type of recruiter may be focused on a specific area, such as technical recruiting.
2. *Temporary recruitment or staffing firm.* Suppose your receptionist is going on medical leave and you need to hire somebody to replace him or her, but you do not want a long-term hire. You can utilize the services of a temporary recruitment firm to send you qualified candidates who are willing to work shorter contracts. Usually, the firm pays the salary of the employee and the company pays the recruitment firm, so you don't have to add this person to your payroll. If the person does a good job, there may be opportunities for you to offer him or her a full-time permanent position.
3. *Executive search firm.* These firms are focused on high-level management positions, such as director, VP, and CEO roles. They typically charge 10–20 percent of the first year salary, so they can be quite expensive. However, they do an extensive amount of the upfront work, presenting candidates who been pre-screened and interviewed, and effectively a 'short-list' candidate.

Job Websites

Job Bank

The government Job Bank includes 1000s of jobs in the database. Employers notify Employment Social Development Canada (ESDC) with the job requirements. The job requirements are posted on the ESDC website. In turn, 1000s of applicants can scan the Job Bank for openings in their field of work.

Internet Job Sites

The internet is proliferated with job posting websites hosted by different providers and available to any company wanting to post their available jobs. From an HR perspective, there are many options to place an ad, most of which are inexpensive. The downside to this method is the immense number of resumes you may receive from these websites, all of which may or may not be qualified. To overcome this, many organizations have implemented software that searches for keywords in resumes. Some examples of websites might include the following:

- Monster
- Indeed
- Workopolis

Company Job Sites

Company specific websites now include a career page and are a source of pride for many businesses. The effort

put into the page layout, design, and messaging, demonstrates how many organizations rely on their career page to attract the right talent. Here are some examples of high-quality career pages:

- Verizon media
- Spotify
- Square

Social Media

Facebook, Twitter, LinkedIn, and YouTube offer interesting opportunities to gain a media presence to attract a variety of employees. The goal of using social media as a recruiting tool is to create a buzz about your organization, share stories of successful employees, and tout an interesting culture. Even smaller companies can utilize this technology by posting job openings as their status updates. This strategy is relatively inexpensive, but there are some things to consider. For example, tweeting about a job opening might spark interest in some candidates, but the trick is to show your personality as an employer early on – and you maybe casting a too wide a net for applications.

Campus Recruiting and Events

Colleges and universities can be excellent sources of new candidates, usually at entry-level positions. Consider technical colleges focused on culinary expertise, aerospace technology, or adult correctional interventions. These can be great sources of talent with specialized training in a specific area. In turn, universities can provide talent who have formal training in a specific field. Many organizations use their campus recruiting programs to onboard new talent, who will eventually develop into managers.

For this type of program to work, it requires the establishment of relationships with campus communities, such as campus career services departments. It can also require time to attend campus events, such as job fairs. Fanshawe College holds job fairs and works with employers to connect students with jobs. Fanshawe College Career Services

Professional Associations

Professional associations are usually nonprofit organizations whose goal is to further a particular profession. Almost every profession has its own professional organization. For example, the Ontario Association of Social Workers posts both jobs as well as career resources for its members. Find your next social work job | Social Work Jobs. Usually, there is a fee involved, and membership in this association may be required to post jobs.

Referrals

Many recruiting plans include asking current employees for referrals. The quality of referred applicants is usually high, since most people would not recommend someone they thought was incapable of doing the job. E-mailing a job opening to current employees and offering incentives to refer a friend can be a quick way of recruiting individuals. For example, Groupe Dynamite, is a very successful fashion retailer based in Montreal. It is recognized as one of the city's best employers and offers referral bonuses as an incentive for employees to recruit candidates from their personal networks (up to $2,500 for a successful referral).

Advantages and Disadvantages of Recruiting Strategies

Recruitment Strategy	Advantages	Disadvantages
Outside recruiters, executive search firms, and temporary employment agencies	• Can be time saving • Reduce demands on internal resources	• Expensive • Less control over final candidates to be interviewed
Campus recruiting/educational institutions	• Can hire people to grow with the organization • Plentiful source of talent	• Time consuming • Only appropriate for certain types of experience levels
Professional organizations and associations	• Industry specific • Networking	• May be a fee to place an ad • May be time-consuming to network
Websites/Internet recruiting	• Diversity friendly • Low cost • Quick	• Could be too broad • Be prepared to deal with hundreds of resumes
Social media	• Inexpensive	• Time consuming • Overwhelming response
Events	• Access to specific target markets of candidates	• Can be expensive • May get too many non-committed candidates
Referrals	• Higher quality people • Potential for longer retention	• Concern for lack of diversity • Nepotism

Recruitment Strategy	Advantages	Disadvantages
Unsolicited resumes and applications	• Inexpensive, especially with time-saving resume keyword search software	• Undefined targets or objectives.
Internet and/or traditional advertisements	• Can target a specific audience	• Can be expensive

At the beginning of this section, a comparison was made between recruiting and marketing. It is true that there are many similarities between generating quality applications and attracting customers. However, these two processes differ in one specific area: the communication of less favourable characteristics of the job. In a marketing campaign, negative elements of the product will be minimized or non existent. When advertising pick-up trucks, a manufacturer may not stress the less positive characteristics such as gas consumption or comfort. The focus will instead be on the more favourable characteristics such as horsepower, suspension, and the large capacity of the cargo area.

When advertising for a job, HRM managers must take a much more balanced and transparent approach, called realistic job preview (RJP). The RJP is the presentation of realistic, often quite negative information about an organization to a job candidate. This information is given to job candidates during the selection process to help them make an informed job choice, should a job offer be made. If a company is looking for recruiters, it should mention that the job entails a lot of travel and atypical work hours. Research by Jean Phillips (1998) found a positive impact of the RJP on job performance and retention of new hires.

Costs of Recruitment

Recruitment strategies, planning and execution require careful consideration of costs and budgeting.

For example, let's say you have three positions you need to fill, with one being a temporary hire. You have determined your advertising costs will be $400, and your temporary agency costs will be approximately $700 for the month. You expect at least one of the two positions will be recruited as a referral, so you will pay a referral bonus of $500. Here is how you can calculate the cost of recruitment for the month:

Cost per hire

$$= \text{advertising costs} + \text{recruiter costs} + \text{referral costs} + \text{social media costs} + \text{event costs}$$

$$= \$400 + \$700 + \$500$$

$$= \frac{\$1600}{3}$$

$$= \$533 \text{ recruitment cost per hire}$$

Recruitment costs should also factor in the estimated time of internal resources required, this includes the time of all those involved through to making the offer. Considering the likely total cost per hire may influence your recruitment strategy choices. Combining our cost projections and analysis with yield ratio experience will provide a better basis for making these choices.

In addition, when we look at how effective our recruiting methods are, we can look at a figure called the yield ratio. As discussed earlier, **yield ratio** is the percentage of applicants from one source who make it to the next stage in the selection process (e.g., they get an interview). For example, if you received two hundred resumes from an ad you placed within a professional organization, and fifty-two of those make it to the interview stage, this means a 26 percent yield (52/200). By using these calculations, we can determine the best place to recruit for a particular position. Note, that some yield ratios may vary for particular jobs, and a higher yield ratio must also consider the cost of that method. For an entry-level job, corporate recruiters may yield a better ratio than using social media, but it likely has a much higher cost per hire.

After we have finished the recruiting process, we can begin the selection process.

"Recruitment Strategies" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.6 AN INTERVIEW STORY

THE INTERVIEW

Many of us have or will sit in a waiting room with our best clothes on awaiting a job (or school) interview. You can feel your palms sweat and thoughts race as you wait for your name to be called. You look around at the office environment and imagine yourself walking through those doors every day. People walk by and smile, and overall, you have a really good first impression of the organization. You hope they like you. You tell yourself to remember to smile while recalling all of your experience that makes you the perfect person for this job. A moment of self-doubt may occur, as you wonder about the abilities of the other people being interviewed and hope you have more experience and make a better impression than they do. You hear your name, stand up, and give a firm handshake to the HR manager. The interview has begun.

As she walks you back to a conference room, you think you see encouraging smiles as you pass by people. She asks you to take a seat and then tells you what the interview process will be like. She then asks the first question, "Tell me about yourself." As you start discussing your experience, you feel yourself start to relax, just a little bit. After the interview is finished, she asks you to take a cognitive test. After which, you feel pretty good about your results. She tells you she will be doing reference checks and will let you know by early next week.

Leading up to this interview, the hiring manager may have reviewed hundreds of resumes and developed the criteria she would use for the selection of the right person for the job. She has probably planned a time-line for hiring, developed hiring criteria, determined a compensation package for the job, and enlisted the help of other managers to interview candidates. She may have even performed several phone interviews before bringing only a few of the best candidates in for interviews. She likely had certain qualities in mind that she is hoping you or another candidate would possess. As you can see, a significant amount of work goes into the process of hiring someone, with selection being an important step in that process. A hiring process done correctly is time-consuming and precise. The interviewer should already have questions determined and should be ready to sell the organization to the candidate as well. This chapter will discuss the main components of the selection process.

Here is how Dwight, from The Office, chooses to tackle his interviews:

Video: "Dwight Interviews Himself – The Office" By The Office [2:13](URL: https://www.youtube.com/watch?v=LU0uvKy7gn8)

"Chapter 5: Talent Acquisition" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

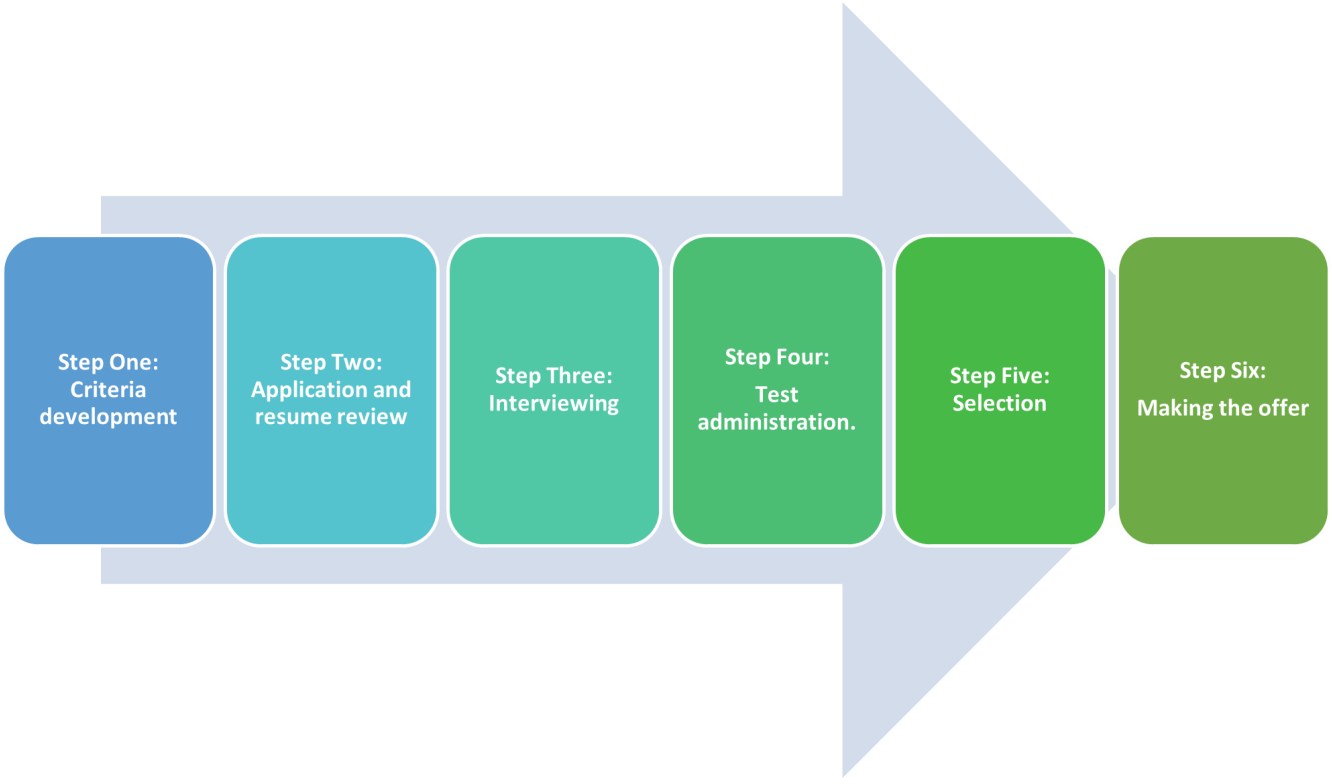
5.7 THE SELECTION PROCESS

After recruitment has yielded a sufficient number of quality applications, the selection of candidates can begin. The **selection process** refers to the multiple steps involved in choosing people who have the right qualifications to fill a current or future job opening. Usually, managers and supervisors will have the ultimate decision as to who gets hired, but the role of HRM is to create a funnel, narrowing down the list of candidates and guiding managers in this process.

Similar to the recruitment process, the selection process can be expensive. The time involved in the hiring process to review resumes, weigh the applications, and conduct interviews can be extensive and takes time (and money) away from other priority activities within the organization. In addition, there are financial implications of conducting testing of candidates and potential travel for in-person interviews.

How to Select Employees

The selection process consists of six distinct aspects:



1. ***Step One: Criteria development.*** The first aspect of selection is planning the interview process, which

includes criteria development. Criteria development means determining which characteristics are sought for the position and how those characteristics will be assessed during the selection process. As previously mentioned, the criteria should be related directly to the job analysis and the job specifications. By developing the criteria before reviewing resumes, the HR manager can be sure they are being fair in the selection of candidates to interview as they have not been influenced by information in the candidate's application or resume. Some organizations may need to develop an application or a biographical information sheet. Most of these are completed online and should include information about the candidate, education, and previous job experience. Finally, identification of the selection criteria and weighting of the criteria should be determined at this stage, again to prevent influence from the information contained in the candidates' resumes.

2. ***Step Two: Application and resume review.*** Once the criteria have been developed, applications can be reviewed. Increasingly, HR managers use automated software to screen applications and resumes. These are based on keywords searches that narrow down the number of candidates' resumes for review.

3. ***Step Three: Interviewing.*** After the HR manager and hiring manager have determined which applications meet the minimum criteria, they must select those people to be interviewed. Most people do not have time to interview twenty or thirty candidates, so the list of candidates is reduced to a 'short-list' – typically to 3 to 5 candidates for a final round of screening.

4. ***Step Four: Test administration.*** After the interview stage, a company may administer a test or series of tests before a hiring decision is made. These could include drug tests, physical fitness tests, personality tests, and/or cognitive tests (IHD Corporation, n.d.). Increasingly, at this stage, companies also perform social media checks to confirm that the information in their resume is the same as posted online, or to see how applicants present themselves to the public.

5. ***Step Five: Selection.*** At this point in the process, hiring manager(s) should have the information they need to select the best suitable candidate for the position. All of the information gathered throughout the process is reviewed and a decision is made. Once the ideal candidate is selected, some organizations also perform reference checks and credit report checks to confirm final suitability.

6. ***Step Six: Making the offer.*** The last step in the selection process is to offer a position to the chosen candidate. The development of an offer via e-mail or letter is a formal part of the process and requires careful articulation of all elements and conditions of the offer. Compensation and benefits will be defined in an offer, as will any unique legal considerations.

The Selection Process at a Glance

Step	Objectives
Criteria Development	• Understand KSAs • Determine sources of KSA information such as testing, interviews • Develop scoring system for each of the sources of information • Create an interview plan
Application and Resume Review	• Should be based on criteria developed in step one • Consider internal versus external candidates
Interview	• Determine types of interview(s) • Write interview questions • Be aware of interview bias
Test Administration	• Perform testing as outlined in criteria development; could include reviewing work samples, drug testing or written cognitive and personality tests
Selection	• Gather selection information ◦ Apply selection criteria ◦ Evaluate final candidates and select
Making the Offer	• Complete negotiations • Write the offer letter or employment agreement

We will discuss each of these aspects in detail in the following section.

"The Selection Process" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.8 CRITERIA FOR INTERVIEWS

Principles of Selection

Before reviewing resumes and applications, a company must have a clear idea of the education, skills, and abilities they want to hire for the position. While the job specifications derived from the job analysis will help to understand which qualifications are required, it is also important to decide how these will be assessed. HR managers have access to a wide variety of tools to assess candidates' KSAOs, and when structuring the selection process, there are a few principles to keep in mind.

Sequencing Based on Cost

Some KSAO's are objective and very easy to measure. For example, whether someone has a bachelor's degree in Biology or a truck driver's license is easy to determine by looking at the resumes. Whether someone is a team player or can handle stress is not as straightforward to assess. This KSAO could be measured with an interview or a simulation, two relatively costly processes. In order to efficiently narrow down a list of applicants, HR managers will begin by screening for those more objective, easy-to-assess KSAOs and leave the expensive tests and checks for later in the process.

VALIDITY AND RELIABILITY

The validity and reliability of assessment methods are considered the two most important characteristics of the assessment procedure. Validity is arguably the most important criterion for the quality of a test. The term validity refers to whether or not the test measures what it claims to measure. On a test with high validity, the items will be closely linked to the test's intended focus. For example, if you are interested in measuring intelligence, the test that you are using must demonstrate that those who score high are more intelligent than those who score low.

Reliability, on the other hand, refers to whether an assessment instrument gives the same results each time it is used in the same setting, with the same type of subjects. Reliability essentially means *consistent* or *dependable*

results. Reliability is a part of the assessment of validity. For example, if you ask the same interview question for every applicant for the project management position, and the "right" answer always yields similar, positive results, such as the hiring of a successful employee every time, the question would be considered reliable. An example of an unreliable test might occur with reference checks. Most candidates would not include a reference on their resume who might give them a poor review, making this a less reliable method for determining the skills and abilities of applicants. To compensate for this potential bias, most organizations request 3 to 5 references and stipulate references must include at least one direct report, one or two immediate supervisor, and colleague.

ORGANIZATIONAL FIT

Fit includes not only the right technical expertise, education, and experience or the KSAO's derived from the job analysis, but also fit in the company culture and team culture. This means that companies can select based on criteria that go above and beyond the specific elements of the job. For example, at Facebook headquarters in Palo Alto, California, engineers are selected based on their willingness to take risks, as risk taking is nurtured at Facebook (McGirt, 2010). In addition to this component of their company culture, the company looks for the "hacker" personality, because a hacker is someone who finds ways around the constraints placed upon a system.



Image by Mohamed Hassan, CCO 1.0

At Amazon, a core value in their company culture is a focus on developing leaders to grow with the organization. If a potential candidate is not interested in long-term career growth, he or she might not be deemed an appropriate strategic fit with the organization. In today's organizations, most people are required to work within teams. As a result, fit within a team is as important as the fit with company culture. Microsoft, for example, does an immense amount of teamwork. The company is structured so that there are marketers, accountants, developers, and many others working on one product at the same time. As a result, Microsoft looks for not only company culture fit, but also fit with other team members.

"Criteria Development" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.9 APPLICATION AND RESUME-REVIEW

The selection of employees is a complex process, involving many important steps. As a result of technological advances and research in psychology, this process has also evolved dramatically over the years. Interestingly, there are two elements of the selection process that have remained very stable over the years: the use of the resume (or CV) and the use of the interview, as was discussed early. A quick review of the two primary selection documents.

Applications

In years past it was generally accepted practice to require a job candidate to complete a job application – with or without the added requirement of supplying a resume (resume is French for 'summary') or cv (curriculum vitae (CV) is Latin for 'course of life'). In more recent history, the resume has displaced the need for a formal job application with many organizations.

Resumes

Resumes are the key piece of information used to select candidates. This document is a summary of a candidate's education, work experience, and skill set. A quick web search will yield hundreds of articles on how to write the perfect resume. Given the prevalence of the resume in the selection process, it is very important to have one on file, ready to go if an interesting opportunity arises.

As a student, you can obtain invaluable career planning assistance at Career Services at Fanshawe College. To access support and resources and to learn more, go to their website, Fanshawe Career Services

Video: "Career Services at Fanshawe College" by Fanshawe College [1:30] (URL: https://www.youtube.com/watch?v=1o9MRUw80NQ&t=13s)

"Application and Resume Review" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.10 INTERVIEW BIAS

Interviewing, like the use of resumes, has been a staple of employee selection for many years. Human resource managers and hiring managers appreciate the first-hand contact with the candidate that the interviews provide. Compared to other selection tools available to companies, interviewing is relatively expensive. The time of the interviewer is the major factor for this cost, thus, in the sequencing of the process, interviews are often placed towards the end of the selection process.

One major downside of interviews is that they can be very subjective and fraught with biases, conscious and unconscious. For example, it is common to have different interviewers come up with diverging assessments of a candidate. All this to say that the interview can potentially be problematic. However, scientific advances in HRM have provided some solutions to help make the interview a reliable and valid selection tool. These advances lie in the use of interviewer training and structuring of the interview. We discuss these two solutions in this section.

Interviewer Training

Unconscious biases and subjectivity tend to drastically reduce the usefulness of the interview. One effective way to counter this is to train those conducting the interviews. Research has shown that interviewer training is a very effective way to reduce biases (Posthuma et al., 2002). Here is a short video from the Royal Society that explains how they seek to reduce biases in their selection process.

Video: "The Most Common Cognitive Bias" By Veritasium [4:43] (URL: https://www.youtube.com/watch?v=vKA4w2O61Xo)

The interesting aspect of unconscious biases is that they are greatly reduced by simply raising awareness of their existence. Thus, knowing that they exist and what form they take, helps eliminate them. Here is a list of some common biases that can cloud an interviewer's judgment.



"Interview bias" by Fanshawe College CC BY-SA 4.0

1. ***Confirmation Bias:*** This is the tendency to search for, interpret, favour, and recall information that confirms or supports one's personal beliefs or values. People display this bias when they gather or remember information selectively, or when they interpret it in a biased way. For example, an interviewer who meets an extremely well-dressed candidate may be biased towards empirical data that supports one's belief that this candidate is meticulous, ignoring the remainder of the data that is not supportive. This is a great video that demonstrates the strength of confirmation bias; it shows how we are deeply conditioned to look for information that confirms what we know versus seeking information that actually tests our beliefs, creating a very narrow mindset.

Example of Confirmation Bias: An applicant applying for an Art Director may be viewed as more artistic because they are left-handed because it is believed that left-handed people are more creative.

2. ***Anchoring Bias:*** A tendency to depend too heavily on an initial piece of information offered (considered to be the "anchor") to make subsequent judgments during decision making – it becomes the primary reference

point for judgments. Once the value of this anchor is set, all future negotiations, arguments, estimates, etc. are considered in relation to the anchor. Information that aligns with the anchor tends to be assimilated toward it, while information that is more dissonant gets discarded. For example, research has shown that we form opinions about others very quickly, in just a few seconds (Willis & Todorov, 2006), partly because of the effect of anchoring.

Example of Anchoring Bias: An interviewer reads a group of resumes and the education level requirement is a college diploma. The first resume indicates the person has a Masters Degree. This may lead to the interviewer comparing the rest of the resumes to the first one with the Masters degree, even though that is not the requirements.

3. ***Stereotyping:*** This is forming an opinion about how people of a given race, gender, religion, or other characteristics will think, act or respond or whether the interviewee is animated or reserved. For example, a women with children will miss a lot of work; a veteran won't be able to adjust to working in an office; a male candidate will make a more assertive leader than a female candidate.

Example of Stereotyping: An interviewer who thinks/says, "I prefer women to work in our make-up department."

4. ***Halo Effect:*** The halo effect occurs when a positive characteristic or strong point, held by the interviewer as a positive, and demonstrated by the candidate influences the entire interview. For instance, a candidate has a degree from a prestigious University so you think he or she must be highly competent and is therefore looked upon favourably. The opposite of this is known as the pitchfork effect, when one negative characteristic or point overshadows the interview. For example, a candidate answers the first two questions of the interview poorly which leads you to believe he or she is not qualified for the job.

Example of Halo Effect: An applicant who is dressed in a suit and tie is considered a better applicant that a person who is dressed in a sports shirt and trousers.

5. ***Leading Questions:*** Leading questions by the interviewer means they are seeking a desired outcome. The interview may frame questions in a certain way to elicit answers that may be their own preconceived notions. It implies there is a correct answer. For the interviewee they can be challenging to answer, as the interviewee may not know whether to answer yes or no; or whether they ought to agree or disagree with the interviewee. This would be considered a bias and could lead to poor decision making on the interviewer's part.

Example of Leading Question: "Our company is the best IT company in Canada, isn't it?"

6. ***Interviewer Domination:*** When the interviewer spends more time talking and asking questions of the applicant. The interviewer talks about their job, the company or the actual job the applicant is applying for at the company. Or, they may carry on conversations of a personal and social nature. The interviewer dominates the interview.

Example of Interview Domination: "My job here at the company is one of the most important jobs because.....(and talks about their job for 10 minutes.)

7. ***Similar-to-me Bias:*** The interviewer believes the candidate is similar to them in some way i.e. education,

characteristics, experience; and the applicant is more favourable compared to other applicants who the interview does not have common ground.

Example of Similar-to-me Bias: "I see you have 10 years experience working specifically with GIA software, and graduated from the Western University. I have the same experience with GIA software, and also graduated from Western."



Think!

Have you ever had an interviewer bias while you were in an interview. Tell your story. How did it make you feel? How could the interviewer have handled the interview differently?

"Interviewing" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.11 INTERVIEW STRUCTURES

Interview Structures

Having a trained interviewer is one way in which to reduce biases in the interview and increase the chances of selecting the right candidate. The other is to structure the interview and treat it less like a free flowing conversation but rather, like a standardized test.

- **Unstructured interviews** are when the interview does not have a plan for the interview or the interview questions. The interviewer makes up the questions as they interview the applicant. There are no guidelines or rating scales to rate applicants. Each interview may vary with different questions asked of the candidates. The interviewer does not make a reliable and valid decision, can be time-consuming, and lead to hiring mistakes. Some interviewers may argue that unstructured interviews allow for creativity and free flowing ideas to be shared. Most HR managers would agree that unstructured interviews lead to poor quality results.
- **Structured Interviews** are when candidates are asked a set of standardized, pre-determined questions based on the job analysis. The expected or desired answers to these questions are determined ahead of time, which allows the interviewer to rate responses as the candidate provides answers. This allows for a fair interview process (everyone is treated the same way) and one that is up to twice as effective at predicting job performance than an unstructured interview (Wiesner & Cronshaw, 1988). Structured interviews reduce any selection bias, it is easy to compare the candidates; and leads to better hiring decisions. Keeping in mind the necessity of structuring the interview, there are many forms of structured interviews that an HR manager can choose.



Think!

Do you think that structure interviews are the only way to conduct interviews? How could you design an interview to include structured and unstructured questions? Design 2 questions for each interview structure.

Types of Structured Questions

Situational Questions: Questions focus on situations that may arise in the actual job that the applicant is applying for in the company. They are job-specific questions that test the applicant's cognitive ability as it relates to the job. They are being evaluated on judgment in practice situations that resemble the real work experience at the company.

- Example: "If you were managing the team of Accountants, how would you deal with their work load on a daily basis?
  Here are some examples of situational questions with possible answers.

Behavioural Questions: The interview asks questions from the applicant's past work experiences to evaluate how they have dealt with challenging situations in the past. The idea of behavioural questions is that the best predictor of future performance is past performance. It helps the interviewer to get to know the applicant from the work experience. As well, the answers are concrete, and shows how an applicant has used their skills and experience to solve problems in the past.

- Example: "Tell me about a time when you made a risky decision in your past job, and it worked out well."
  Here are some of the most common behavioural interview questions and answers.

Personality Based Questions: The interviewer may want to get to you on a more personal level. They might ask questions about your hobbies and interests outside of work. Also, they may want to know what excites you, motivates you; or what your passions are professional or personally. The applicant wants to attempt to align interests, passions or motivators with their work.

- Example: "Tell me about the most exciting experience you have had in a past job that motivated you, and was a success for you and/or the company."

(Dept of Psych EDI committee McGill, n.d.)

"Interviewing" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is

licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.12 INTERVIEW TYPES

1. ***Traditional interview.:*** This type of interview normally takes place in the office. It consists of the interviewer and the candidate, and a series of questions are asked and answered.

2. ***Telephone/video interview:*** A telephone interview is a relatively quick and inexpensive prescreening to narrow the list of people before a traditional interview. It can be used to determine salary requirements or other data that might automatically rule out giving someone a traditional interview. It is an opportunity for candidates to disqualify themselves from the selection process. For example, if you receive two hundred resumes and narrow these down to twenty-five, it is still unrealistic to interview twenty-five people in person. At this point, you may decide to conduct phone interviews of those twenty-five candidates, which could narrow the in-person interviews to a more manageable ten or so people.

3. ***Panel interview:*** A panel interview occurs when several people are interviewing one candidate at the same time. While this type of interview can be nerve racking for the candidate, it can also be a more effective use of time. Consider some companies who require three to four people to interview candidates for a job. It would be unrealistic to ask the candidate to come in for three or four interviews, so it makes sense for them to be interviewed by everyone at once.

4. ***Group interview:*** In a group interview, two or more candidates interview at the same time. This type of interview can be an excellent source of information if you need to know how they may relate to other people in their job. This method can be useful if you expect to hire more than one candidate of the group and want to observe 'team' dynamics – or who might best work well together.

5. ***Company tour/meal or cocktail interviews:*** Many organizations offer to take the candidate to lunch or dinner for the interview. Others may offer a tour of the workplace. This can allow for a more casual meeting where, as the interviewer, you might be able to gather more information about the person, such as their manners, social skills, and treatment of waitstaff. This type of interview is common in certain domains (e.g. finance, accounting, client relations). While this interview may resemble an unstructured interview, organizations do try to structure them as much as possible with detailed assessment sheets to be completed after the event.

Most organizations include multiple interviews in their selection process. These processes may include one or more of the above types of interviews. For example, they may conduct preliminary phone interviews, then do a meal interview, and follow up with a traditional interview, depending on the type of job.

"Interviewing" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.13 TEST ADMINISTRATION

A vast number of KSAs can be measured by a well-designed structured interview. However, as mentioned earlier, interviewing can be time-consuming and usually involves some costs. In addition, even in the best of cases, it remains a subjective process and biases can influence the interviewers. A common complement to interviewing that is relatively inexpensive and much more objective, is standardized testing. In this section, we will cover the most common tests used for employment decisions. These range of tests explore the candidates psychological profile, personality traits, intellect, knowledge and experience – all culminating with the final checks before selection.

Psychological Tests

HRM managers can draw from a wide variety of psychological tests to assess KSA's.

Cognitive Ability Tests

A **cognitive ability test** measures intelligence. The most common types are IQ tests which measure general mental ability. Other tests can specifically focus on verbal ability, math skills, spatial perception, or inductive and deductive reasoning. The GMAT, a test often required for admission in MBA programs, is an example of a cognitive ability test. An example of a cognitive Cognitive Ability Test can be found here: Verbal Reasoning: Example Questions

Aptitude Tests

Aptitude tests can measure abilities such as mechanical aptitude and clerical aptitude (e.g., speed of typing or ability to use a particular computer program). Usually, an aptitude test asks specific questions related to the requirements of the job. For example, to become a Royal Canadian Mounted Police officer, you need to pass the RCMP Police Aptitude Test, which is an aptitude test. The test measures memory, spatial abilities, prioritization, ability to multitask, decision-making, and listening capabilities. An example of the test can be found here: RCMP Entrance Exam

Personality Tests

Personality is a major psychological construct that is defined as patterns of individual differences in thinking,

feeling, and behaving. These patterns are relatively stable across situations and over time. For that reason, they can be useful to make employment decisions because we can be confident that personality traits will manifest themselves in the workplace. Of the many personality theories that exist in psychology, the "Big Five" personality model is the most commonly used for employment decisions. It categorizes personalities into five broad dimensions: extroversion, agreeableness, conscientiousness, emotional stability, and openness to experience.

Extroversion focuses on how well people get along with others. Extroversion concerns sources of energy and the pursuit of interactions with others. In general, extroverts draw energy or recharge by interacting with others, while introverts get tired from interacting with others and replenish their energy with solitude. Someone who scores high on this trait is generally seen as being more assertive, outgoing, and generally talkative. Others see a person who scores high on this trait as being sociable — who actually thrives in social situations.

Agreeableness is a trait that describes a person's overall kindness, affection levels, trust, and sense of altruism. A person who scores high on this trait is someone who is comfortable with being kind and friendly to others. Others see such people as being helpful and cooperative, and someone who is trustworthy and altruistic.

Conscientiousness can be described as the tendency to engage in goal-directed behaviours, exert control over one's impulses, and overall thoughtfulness. Conscientious people have the ability to delay gratification, work within the rules, and plan and organize effectively.

Emotional stability, as the name implies, relates to the overall emotional stability of an individual. A person who scores low on this trait may be seen by others as being moody, irritable, and anxious. A person who scores high on this trait is seen as being more emotionally stable and resilient.

Openness to experience is a trait that describes a person's preference for imagination, artistic, and intellectual activities. People who score high on this trait are seen by others as being intellectual, creative, or artistic. They tend to be forever curious about the world around them and are interested in learning new things. A person who scores high on this trait typically has a broad range of interests and may enjoy travelling, learning about other cultures, and trying out new experiences.

If you are curious about your own personality profile, there are a lot of free tests available on the internet. Here is one example: The Big Five Project – Personality Test (outofservice.com). You may also explore the Meyers-Briggs test, widely used in identifying and understanding personality types.

Think!

Do you think personality tests are ethical? Why? Why not?

Honesty and Integrity Tests

The increasing emphasis on corporate ethics and guarding against reputational damage has led to the use of honesty and integrity test.

Honesty and integrity tests measure an applicant's propensity toward undesirable behaviours such as lying, stealing, taking illegal drugs, or abusing alcohol. Two types of tests assess honesty and integrity. Overt integrity tests ask explicit questions about honesty, including attitudes and behaviour regarding theft. Personality-oriented (covert) integrity tests use psychological concepts such as dependability and respect for authority. Critics have said these tools may invade privacy and generate self-incrimination. They also claim that candidates can interpret the questions' intent and provide politically correct answers. However, many organizations are motivated to use them because the behaviours that these tests attempt to capture can have disastrous impact for their bottom line. For example, employee theft is an issue that can have a significant impact on a retailer. Thus, there is tremendous motivation from retail companies to prevent these behaviours in employees.

Physical Ability Test

For certain jobs, some organizations rely on physical ability tests. For example, to earn a position in a fire department, you may have to be able to carry one hundred pounds up three flights of stairs. If you use physical ability tests in your hiring processes, the key to making them useful is to determine a minimum standard or expectation, specifically related to the requirements of the job. An HR manager should also consider the legality of such tests because they run the risk of discriminating against women applicants or those with physical disabilities. Thus, physical ability tests need to show direct correlation with the job duties. Below is an example of the physical test used by the Alberta Wildfire department for assessing firefighter applicants.

https://youtube.com/watch?v=cDJ0nAtvM4I

Video: "WFX-FIT Fitness Test – Alberta Wildfire" By Alberta Wildfire [1:30] (URL: https://www.youtube.com/watch?v=cDJ0nAtvM4I&feature=emb_title)

Job Knowledge Test

A **job knowledge test** measures the candidate's level of understanding about a particular job. For example, a job knowledge test may require a software engineer to write or debug a section of code in a given period of time or may ask candidates to solve a case study or specific business problem related to the job.

Work Sample Test

Work sample tests ask candidates to show examples of work they have already done or to produce a new work (product) sample. In the advertising business, this may include a portfolio of designs, or for a project manager, this can include past project plans or budgets. When applying for a pharmaceutical representative position, a "brag book" might be required. A brag book is a list of recommendation letters, awards, and achievements that the candidate shares with the interviewer. Work sample tests can be a useful way to test for KSAs. These work samples can often be a good indicator of someone's abilities in a specific area. As always, before looking at samples, the interviewer should have specific criteria or expectations developed so each candidate can be measured fairly.

Final Steps in Test Administration

Once the interview is completed and testing occurs, there are a few final checks that can be performed, for example, checking references, criminal records, and social media presence.

Reference checking is essential to verify a candidate's background. It is an added assurance that the candidate's abilities are parallel with what you were told in the interview. While employment dates and job titles can be verified with previous employers, many employers will not verify more than what can be found in the employment record because of privacy laws. Written consent is obtained before contacting a reference.

Criminal background checks may be used for employees who will be working in positions of trust or dealing with vulnerable populations such as the young, old, or disabled. Since criminal background checks can easily breach human rights law and privacy issues, it is best that employers demonstrate that there is a bona fide occupational requirement for conducting one. Employers must receive written consent from their prospective employee before performing any sort of criminal background check.

Social media checks are now performed by a majority of organizations. According to a recent survey by

Career Builder (n.d.) 70 percent of employers screen candidates' profiles on Facebook, Twitter, Instagram, or LinkedIn before hiring. Employers are searching for the following when researching candidates via these social networking sites:

- Information that supports their qualifications for the job (61 percent)
- If the candidate has a professional online persona at all (50 percent)
- What other people are posting about the candidates (37 percent)
- Any reason at all not to hire a candidate (24 percent)

Here are some tips from Monster.com as to how to ensure that your social media profile does not impede your chances of obtaining your dream job.

"Test Administration" from from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.14 COMBINING THE TEST RESULTS INFORMATION

So far, we have seen that HR managers have access to many tools, data sources and tests will be used to help select new employees. In the vast majority of cases, multiple tools and the HR manager and hiring manager will have to decide how to combine the results of these different tools in order to make a decision. In this section, we discuss three methods that can be used to arrive at that final decision.

Clinical Approach

A **clinical selection approach** involves reviewing the information, and based on what has been learned from the candidate and the information available to them, the best candidate is selected. Since interviewers have a different perception about the strengths of a candidate, this method leaves room for error. One consideration is the risk of **disparate treatment**, in which one's biases may result in not hiring candidates based on their age, race, or gender.

Statistical Approach

In this approach, a selection model is developed that assigns scores and gives more weight to specific factors if necessary. For example, for certain jobs, the ability to work in a team might be more important, while in others, knowledge of a specific computer program is more important. In this case, a weight can be assigned to each of the job criteria listed. With the statistical approach, there is more objectivity than with the clinical approach. Statistical approaches include the compensatory model, multiple cutoff model, and the multiple hurdle model.

Compensatory Approach

This approach allows a high score in an important area to make up for a lower score in another area. For example, if the job is a project manager, ability to work with the client might be more important than how someone dresses for the interview. This method allows for a fairer process and can limit disparate treatment, although it may not limit disparate impact. A compensatory approach may work like this: you and the hiring team review the job analysis and job description and then determine the criteria for the job. You assign a weight for each area and score ranges for each aspect of the criteria, rate candidates on each area as they interview, and

then score tests or examine work samples. Once each hiring manager has scored each candidate, the hiring team can compare scores in each area and hopefully hire the best person in the best way.

Table 5.14.1. Sample Selection Model, with Sample Scores and Weighting Filled In

Job Criteria	Rating*	Weight**	Total	Comments
Dress	4	1	4	*Candidate dressed appropriately.*
Personality	2	5	10	*Did not seem excited about the job.*
Interview questions				
Give an example of a time you showed leadership.	3	3	9	*Descriptive but didn't seem to have experience required.*
Give an example of when you had to give bad news to a client.	0	5	0	*Has never had to do this.*
Tell us how you have worked well in a team	5	4	20	*Great example of teamwork given.*
Score on cognitive ability test.	78	5	390	*Meets minimum required score of 70*
			458	

*** Rating system of 1-5, with 5 being the highest**

**** Weighting of 1-5, with 5 being the most important**

Multiple Cutoff Approach

This approach requires that a candidate must achieve / receive a minimum score level on all selection criteria. For example, a candidate for a firefighter position may be required to have a score of at least 3 out of 5 on each criterion. If the candidate scored low on a "physical ability" test he or she wouldn't get the job in a multiple cutoff approach regardless of how well they did in the other tests.

Multiple Hurdle Approach

This approach is similar to the multiple cutoff approach, but instead of having all of the candidates complete all of the tests, you only have candidates complete one test and if they achieve or exceed a preset score, they move on to the next test. This reduces the number of candidates as the process progresses – toward the finish line..

Combining the information culminates in a discussion and selection, typically involving HR and the hiring manager.

"Test Administration" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.15 SELECTION OFFERS AND ERRORS

Making The Offer

'Making the Offer' step is by no means the easiest or least important. Constructing a formal written offer is often preceded by one or more discussions between the HR professional and/or the hiring manager, and the selected candidate. These discussions involve confirmation of the total compensation and specifics, start date, probationary period (if applicable), vacation, any special accommodations required, incentives (eg. signing bonus and claw-backs), relocations expenses, and legal considerations or agreements (eg. non-compete, confidentiality agreements, parachute clause).

It is also important to establish and document, in the offer, the timeframe for the candidate to accept the offer. It is customary practice to a establish a reasonable timeframe while not notifying other short-listed candidates not selected in order to provide a backup plan in the event your selected candidate does not accept the offer. It is not unusual to engage in negotiations of the final terms and conditions of employment and therefore, the final offer. Much of this can be avoided early in the selection process by setting expectations and discussing with each candidate interviewed, e.g. if the candidate expects a salary or total compensation package that is significantly outside the bounds of the job. You do not want to invest a lot of time and resources to get the offer stage only to find out that there was a gap or misunderstanding that eliminates the candidate and stops the offer.

Finally, the offer step is one that you want to ensure is a positive and efficient process for the selected candidate – making a good impression on behalf of the company is essential. You do not want to lose your top candidate or have them begin the job with a bad taste in their mouth and doubting their decision.



Think!

Is a verbal offer legal? Research verbal offers and discuss the legalities.

Errors

The principle of employee selection is relatively simple: HR managers collect and combine current information on candidates. Despite the best process, information and analysis, the selection is like predicting the future (i.e., how well they will perform a job). Predicting future performance and human behaviour is known to be very difficult. People are complex and their behaviour is not as predictable as what we would like to think. Errors in our assessment and selection of candidates do happen. The mistakes, or errors, that occur can be put in two separate categories, Type I or Type II.

- ***Type I error:*** This error occurs when you select someone who turns out to be a poor performer. Type 1 errors, or 'false positive' errors, are relatively easy to detect and we all have examples of people who obtain jobs for which they were ill-suited. These errors are costly for organizations: production or profit losses, damaged public relations or company reputation, accidents due to ineptitude or negligence, absenteeism, etc. in addition to the costs associated with training, transfer, or terminating the employee. Costs of replacing the employee, the third type of cost, includes costs of recruiting, selecting, and training a replacement. Generally, the more important the job, the greater the costs of Type I errors. A spectacular example of a Type I error occurred in the US Space Program and NASA. The incredible story of astronaut Lisa Nowak is an example of the fact that even the most rigorous selection system can lead to Type I errors.
- ***Type II error:*** This error takes place when a selection process fails to detect a potentially good performer. Type II errors are different than the first type in that they are harder to detect (i.e., the person is never given a chance to perform) – and predicting the future was difficult. As a result, costs associated with 'false negative' errors, as they are also referred to, are generally difficult to estimate. A context in which the impact of a false negative can be detected and measured is in professional sports. In the 1984 National Hockey League draft, Patrick Roy, one of the greatest goaltenders of all time and quite possibly the best clutch goaltender in NHL playoff history, was not taken until the third round. For all of the NHL teams that passed him over (twice, some three times!), he was definitely a Type II error!



"Terraforming of Mars" by D Mitriy, CC BY-SA 3.0

It is clear that organizations would want to minimize these selection errors as much as possible. However, doing so can be quite tricky because the two types of errors are negatively related to each other. Think of the NASA example. NASA, to make sure that all astronauts have the 'right stuff', relies on one of the most rigorous selection system ever designed (for those interested, check out the selection process for Mars One, aimed to establish a permanent human settlement on Mars). While this process will be effective in minimizing Type I errors (false positive), it will inevitably lead to many Type II (false negatives) and screen out potentially strong candidates. Conversely, an organization that wants to minimize Type II (i.e., make sure that it does not let 'diamonds in the rough' slip away), will inevitably suffer from a higher rate of Type I errors. Thus, Type I and Type II errors are related and one or the other is inevitable for organizations. The objective is to simply minimize them or even better, make less of these errors than your competitor.

"Selection" from from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.16 KEY TERMS

Key Terms

Branding is a marketing concept that focuses on the way that organizations differentiate themselves from each other. (5.5)

Competitive advantage is a firm's ability to add value to the company through it's assets (one being its human resources); and is able to lower its costs. (5.1)

Internal candidates are people who are already working for the company. (5.2)

Organizational Fit includes not only the right technical expertise, education, and experience or the KSAO's derived from the job analysis, but also fit in the company culture and team culture. (5.8)

Recruitment is defined as a process that provides the organization with a pool of qualified job candidates from which to choose. (5.1)

Resume is a summary of the person's experience, background, personal information and education to employers. (5.4 & 5.9)

Selection process refers to the multiple steps involved in choosing people who have the right qualifications to fill a current or future job opening. (5.7)

Structured Interviews are when candidates are asked a set of standardized, pre-determined questions based on the job analysis. (5.11)

Tracking systems are software that scan resumes electronically. The software filters through the information and scores the resume based on the key factors of the job descriptions and job specifications requirements. (5.4)

Traditional interview is a type of interview normally takes place in the office. It consists of the interviewer and the candidate, and a series of questions are asked and answered. (5.11)

Trend analysis examines past employment levels against selected business variables to predict future staffing requirements. (5.1)

Unstructured interviews are when the interview does not have a plan for the interview or the interview questions. (5.11)

Yield ratio is a performance indicator that pertains to the percentage of candidates from a specific source that made it from one stage to the next. (5.1)

5.17 SUMMARY

Summary

HR professionals must have a recruiting strategy before posting any job description. The plan should outline where the job announcements will be posted and how the management of candidate materials, such as resumes, will occur. Part of the plan should also include the expected cost of recruitment. Many organizations use use external recruiters, which means an outside firm performs the search. Recruiters can be executive recruiters, which focus on executive and senior management roles. For temporary positions, a temporary or staffing firm might be used. Corporate recruiters work for the organization and function as a part of the HR team. Campus recruiting can be an effective way of recruiting for entry-level positions. This type of recruiting may require considerable effort in developing relationships with college campuses. Almost every profession has at least one professional association. Posting announcements on their websites can be an effective way of targeting for a specific job.

Most companies will also use their website and career webpage for job postings, as well as other websites such as Monster and CareerBuilder. Social media is also a popular way to recruit. Usage of websites such as Twitter and Facebook can get the word out about a specific job opening, or give information about the company, which can result in more traffic being directed to the company's website. Recruiting at special events such as job fairs is another option. Some organizations have specific job fairs for their company, depending on the size. Others may attend industry or job-specific fairs to recruit specific individuals. Employee referrals can be a great way to get interest for a posted position. Usually, incentives are offered to the employee for referring people they know. Our last consideration in the recruitment process is recruitment costs and experience (e.g.. yield ratio). We can determine this by looking at the total amount we have spent on all recruiting efforts compared to the number of hires.

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/5-17-summary/

5.18 KNOWLEDGE CHECK



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/5-18-knowledge-check/

5.19 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS



Exercises

Recruitment

1. Think about a company you have work for in the past. How did they brand their company to attract you to come work with them? Would you work for them again? Brainstorm in **large group**.
2. Many companies, today, use social media to find/screen potential employees ie. LinkedIn. Do you think this is ethical, prior to see a resume from the person? Or, before you interview the person? Why? Why not? Discuss in **small group**.
3. Some companies have Employee Referral programs that offer some type of bonus for a successful referral i.e. $50.00 gift certificate. What are the advantages of an Employee Referral program? What are the disadvantages of an Employee Referral program? Would you as an HR Specialist initiate such a program? Discuss in **small group**.
4. Form a team of 4 students. Each student will write down their career goals, **individually**. Share with the **small group**. In a "round robin" each student will be asked: Has your career goal changed over the years? What happened over the years (the events) that changed your career path/goals? What would you do differently if you could related to your career path? Students share their answers in **small group**.
5. Research details about Trend Analysis on the internet. What are the challenges of this model? Work with a **partner**.
6. Pay Equity is narrowing the gap between men and women's wages. Research the wage gap between men and women. What did you discover? Why do you think there still is a wage gap between men and women? Discuss with a **partner**.

7. Why would a company hire a professional recruiter if they already have an HR Specialist? Brainstorm in **large group**.
8. Research on the internet professional associations that you might want to utilize as an HR Specialist for 1. Engineering position 2. Teaching position 3. Accounting position 4. Crane operator 5. Mining manager. List the Association names on the whiteboard **individually**.
9. Recruitment is expensive. Think of all the costs that are incurred in the recruitment process, including time and wages. Share in **small group**.

Selection

1. Think about an interview you participated in as the interviewee. Read the An Interview Story in the text, **individually**. Is this story similar to your story? Different, and how? Share with a **partner**.
2. Go back and review job analysis, **individually**. What is the connection between job analysis and selection? With a **partner**, describe job analysis and selection to each other, as you understand the terms. Decide, with your **partner**, how these two processes are connected.
3. Validity and reliability are important in selecting employees. Why? Share with a **partner**.
4. Research the NOC (National Occupational Codes) and find any job. Read the job description and specifications, **individually**. Design a behavioural question you would ask a person applying for this job? Design a situational question you would as the person. With a **partner**, share the job description highlights, and the questions you have designed. Ask your **partner** to critique your questions.
5. Do you believe it is ethical to complete a social media search on an applicant prior to interviewing them? Why? Why not? Work in **small group**.
6. When an employer suggests to an interviewee, they are looking for the “right fit” for the company, what do you think they are really saying? Do you think, in some cases, this could be seen as discrimination, and if so, in what situations? Share with a **partner**.
7. What is most important to an HR Specialist when decided whether to interview an applicant, the resume or the application? Why? Share with a **partner**.
8. An an HR Specialist with a strict upbringing about values, beliefs and attitudes that women

are as smart as men in the world of work related to trades i.e. Plumbers, electricians, etc., how would you deal with a male Supervisor who thinks women ought to remain in domestic type jobs? This is an obvious bias called stereotyping. Share with a **partner** your answer.

9. You, as the Customer Service Manager, are hiring for a customer service rep who has the same education, length of experience, and has characteristics similar to you such as eager, polite, outgoing. How do you avoid similar-to-me bias in hiring? Share with a **partner**.
10. Do you believe that Personality Based Questions are ethical in making hiring decisions? Why? Why not? Share with a **partner**.
11. Group interviews are becoming more popular. What are the advantages? Disadvantages to group interviews? As an HR Specialist, what would the steps be to set up a group interview? How would you ensure it was fair to all candidates? Share in a **small group**.
12. Personality tests have been debated for years. Some companies believe in them, while others do not think they are good "deciders" in hiring. What might the challenges be in offering personality tests for a new Canadian? Brainstorm with **larger group**.
13. In what situation might you use the multiple cutoff approach? And, the multiple hurdle approach? Share with a **partner**.
14. To minimize hiring errors, as the HR Manager, what type of process would you put in place? Share with a **partner**.

5.20 CASE STUDY: GREAT MATTRESS COMPANY

Mini Case: Recruiting at the Great Mattress Company

Objectives

- Describe how to use low data for HR planning.
- Articulate how an HR problem can be solved efficiently by using data.

Part A. Individual Analysis

Read the following background data on the *Great Mattress Company*. Using the information provided, think about the implications of this information for future recruitment at the company.

The *Great Mattress Company* is a leading bed-in-a-box mattress company in Canada. The concept of mattress-in-a-box has revolutionized the industry by allowing customers to go online to research, select, and buy a mattress. With no showrooms and in-home 120+ night sleep trials, Canadians are waking up to the reality that it is possible to buy a better mattress at a better price.

The company is very successful and sales have risen sharply in the past few years. This has generated a need for more customer service representatives. The advertisement for a customer service representative contains the following qualification:

- Ability to type 40 words per minute
- Must be available to work occasional nights, holidays, and weekends
- Experience in customer contact

The job involves answering the telephone, referring customer calls to a supervisor, and some selling of additional services. The salary is $14.50 an hour for a 30-hour workweek. Customer service "reps", as they are called, work 4 days of 7-hour shifts per week. They do not receive any fringe benefits.

The majority of the workday is spent talking with customers on the telephone regarding account or delivery problems with their mattresses. Billing errors consume about 50 percent of the reps' time. Most of the remaining time is spent responding to customer complaints such as late or improper delivery, or non-delivery. Examples of these complaints are: "my mattress was supposed to be delivered today, but it did not arrive", "I want to return my mattress but the box is no longer usable", "my mattress is the wrong colour". Most of the subscribers who call to register complaints are not friendly.

While the company has been able to successfully recruit new customer service reps, turnover in the position is very high. The Director of Human Resources has prepared recruitment data (below). The data shows that 200 applicants from all recruiting sources had to be screened to produce 40 who accepted a job offer. Within 6 months of hiring, over half of the new hires had resigned from the company. Exit interviews with departing customer service reps revealed many reasons for their dissatisfaction with the job:

- All customer service reps are required to work one Saturday and one Sunday a month.
- Seventy-five percent of calling customers are irate about things for which the customer service reps have no control.
- Customer service reps must sit for long periods of time, talking with customers on the phone. Physical movement is restricted.
- Customer service reps have little contact with other people in the company.
- The work environment is hectic and noisy.
- Customer service reps have not been trained to respond to billing complaints.
- Supervisors monitor a sample of calls taken each day and often contradict what the customers service rep say to customers.

The director of Human Resources has asked you to analyze the recruitment and selection process and the related data, and to make specific recommendations. Enter the yield ratios (i.e., percentage of people from the previous step who made it to the subsequent one) for each step in the recruitment and selection process based on the data presented. Think about the implications of these data for future recruitment at the company, and answer the questions on the form.

Part B. Group analysis

In groups, members should review each other's forms and then attempt to reach a consensus on the questions. Analyze the recommendations in the context of the turnover problem, the potential effects on other HR programs, and the cost of implementation. Justify specific recommendations with relevant research.

Data Collected by the HR Department

Recruitment Source	Number of applicants	Potentially qualified	Interviewed	Qualified and offered the job	Accepted job	6-month survival	Recruitment cost per offer
Newspaper ads	120	100	50	38	23	5	$500
Walk-in applicants	40	20	19	8	7	5	$250
Public employment agency	40	30	19	13	10	5	$300
Total	200a	150b	88c	59d	40e	15f	

a. 95 males, 105 females

b. 72 males, 78 females

c. 42 males, 46 females

d. 39 males, 20 females

e. 25 males, 15 females

f. 14 males, 1 females

Questions

1. What conclusions can you draw from the recruiting data?
2. What strategies should the *Great Mattress Company* consider to reduce the high turnover rate?
3. What additional studies should be done based on this data?

"Chapter Mini Case" from from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

5.21 CASE STUDY: ZENDESK RECRUITMENT: A FICTIONAL EXAMPLE



Case Study: Recruiting at Zendesk

Over the last few years, Zendesk, the company where Melinda works as an HR manager, has seen plenty of growth. Zendesk builds software designed to improve customer relationships. The company has a strong culture that encourages employees to grow and innovate. At the beginning, Zendesk recruited simply on the basis of the applications they received, rather than actively searching for the right person for the job. The first thing Melinda did when arriving at the company was to develop a job analysis questionnaire, which she had all employees fill out.

The goal was to complete a job analysis for each position that existed at the company. This happened to be at the point where the organization started seeing rapid growth, as a result of increased demand from their client base of small and medium businesses. Luckily, since Melinda followed the industry closely and worked closely with management, part of her strategic outline planned for the hiring of several new positions. Keeping in mind the employment laws and the company's position on a diverse workforce, Melinda set out to write new job descriptions from the job analysis she had performed. She also used a significant part of her budget to produce a slick recruiting video that emphasized the strong culture of Zendesk.

Video: "This is Zendesk" By Zendesk [1:40] (URL: https://www.youtube.com/watch?v=hd5LRkjGK84)

She aggressively pushed this video through Twitter and Instagram. After a three-week period, Melinda had 345 applications for the different positions, a 146% increase from last year. Pleased with the way recruiting had gone, she started reviewing the resumes to continue with the selection process.

Questions:

1. Do you think Melinda's approach was the best one? Why? Why not?
2. What other social media advertising could the company have included?

"Chapter 4: Recruitment- Recruiting or the search for talent at Zendesk" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

CHAPTER 6: TRAINING AND DEVELOPMENT

Chapter Outline

6.0 Learning Outcomes
6.1 Employee Training and Development
6.2 Onboarding Steps for New Employees
6.3 Training Delivery Methods
6.4 Methods of Delivery
6.5 Web-Based Learning
6.6 Employee Development
6.7 Career Development
6.8 Measuring Training Effectiveness
6.9 Key Terms
6.10 Summary
6.11 Knowledge Check
6.12 Exercises/Activities for Teachers and Students
6.13 Case Study: Training: Not Like It Used to Be

6.0 LEARNING OUTCOMES

Learning Outcomes

1. Describe basic legislation related to training in organizations
2. Describe employee orientation
3. Summarize the differences between in-house training and external training
4. Describe the steps in developing training programs
5. Define the principles of employee development
6. Explain how to assess training effectiveness

6.1 EMPLOYEE TRAINING AND DEVELOPMENT

Training is the act of increasing the knowledge, skills, and abilities of an employee for doing a particular job. Organizations invest in training to make sure employees can perform their jobs effectively. A vast amount of research supports the fact that training is positively and directly related to organizational performance (Garavan, et al., 2020).

Even when the right person has been selected, they may need training in how your company does things. Lack of training can result in loss of productivity, loss of customers, and poor relationships between employees and managers. It can also result in dissatisfaction, which means retention problems and high turnover. All of these consequences can have an impact on direct costs to the organization. In fact, a study performed by the American Society for Training and Development (ASTD) found that 41 percent of employees at companies with poor training, planned to leave within the year, but in companies with excellent training, only 12 percent planned to leave (Branham, 2005). Thus, training can be considered as an investment in employees that is central to an organization's health.

Effective employee training can take several different approaches. A well-designed orientation program is often key to an employee's transition into a new workplace by giving them an overview of the company's policies and culture. They may receive specific in-house training on important workplace issues or job-specific areas at these sessions. In some organizations, new employees are assigned a mentor or coach to help with their transition. Depending on the organization, employees will continue to be offered in-house training specific to their jobs or enhance their knowledge of company policies and workplace initiatives. Finally, companies may send employees to external training events or bring external service providers into a company to deliver specialized training.

TRAINING AND DEVELOPMENT

Training and development is a key Human Resources function.

Training refers to formal and planned efforts to help employees acquire knowledge, skills, and abilities to improve performance in their current job. Training can also be described as an endeavour aimed to improve

or develop additional competency or skills in an employee on the job one currently holds in order to increase performance or productivity. Training involves a change in attitude, skills, or knowledge of a person with the result being an improvement in behaviour. For training to be effective it has to be a planned activity conducted after a thorough needs analysis and targeted at certain competencies.

Development on the other hand refers to formal and planned efforts to help employees acquire the knowledge, skills, and abilities required to perform future job responsibilities and for the long-term achievement of individual goals and/or organizational objectives.

Is There a Difference?

The terms education and training are often used interchangeably. However, **education** is the process of acquiring knowledge and information, usually in a formal manner while **training** is the mastery of a skill or skill set.

What Training Can and Cannot Do

All organizations should be aware that training will not solve all problems. At times, organizations attempt to use training to solve a problem when a lack of skill is not the issue. Training is not an intervention to a situation that is caused by poor performance or other root causes that are not skill-related.

Let's think about it this way, if we are working with employees who are having difficulty with job execution, missing tasks, or not following through, training might not be the best intervention. Instead, we could correct the deficiency by providing more objective feedback, or by adding or removing behavioural consequences. For example, if an individual is not performing the job but could do so if his or her life depended on it retraining is not the answer.

EMPLOYEE ORIENTATION OR ONBOARDING

Probably the most basic and common training that organizations invest in is an employee orientation program. **Employee orientation** is the process used for welcoming a new employee into the organization. The objectives of employee orientation are as follows:

1. *To reduce start-up costs*. If an orientation is done right, it can help get the employee up to speed on various policies and procedures, so the employee can start working right away. It can also be a way to ensure all hiring paperwork is filled out correctly, so the employee is paid on time.
2. *To reduce anxiety*. Starting a new job can be stressful. One goal of an orientation is to reduce the stress and anxiety people feel when going into an unknown situation.
3. *To reduce employee turnover*. Employee turnover tends to be higher when employees don't feel valued or are not given the tools to perform. Employee orientation can show that the organization values the employee and provides the tools necessary for a successful entry.
4. *To save time for the supervisor and coworkers*. A well-done orientation makes for a better prepared employee, which means less time having to teach the employee.
5. *To set expectations and attitudes*. If employees know from the start what the expectations are, they tend to perform better. Likewise, if employees learn the values and attitudes of the organization from the beginning, there is a higher chance of a successful tenure at the company (Dessavre, 2023).

Some companies use employee orientation as a way to introduce employees not only to the company policies and procedures but also to the staff (Dessavre, 2023).



Think!

Offer a story about a time you started a job. Explain how you were oriented to the company. Was it useful? Was it not useful?

IN-HOUSE TRAINING

In-house training programs are learning opportunities developed by the organization in which they are used. This is usually the second step in the training process and often is ongoing. In-house training programs

can be training related to a specific job, such as how to use a particular kind of software. In a manufacturing setting, in-house training might include an employee learning how to use a particular kind of machinery.

Many companies provide in-house training on various HR topics as well, meaning it doesn't always have to relate to a specific job. Some examples of in-house training include the following:

- Ethics training
- Sexual harassment training
- Multicultural training
- Communication training
- Management training
- Customer service training
- Operation of special equipment
- Basic skills training

In the 1980's, the fast-food chain Wendy's had gained a reputation for its training videos. Below is a classic one on how to pour drinks (trigger warning: it's from another era!).

Video: "Wendy's Training Video Cold Drinks" By Chuck Drake [1:54] (URL: https://www.youtube.com/watch?v=PJ-JBFXh2IU)

EXTERNAL TRAINING

External training includes any type of training that is not performed internally by the organization. It can include sending an employee to a seminar to help further develop leadership skills or helping pay tuition for an employee who wants to take a marketing class.

"Employee Training" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.2 ONBOARDING STEPS FOR NEW EMPLOYEES

Tour: Ensure new employees have had a tour of the company and met some of the staff.

***Have clear goals and expectations*:** By setting clear goals and expectations for new employees, it helps them to understand the company, the staff, the policies, procedures; and what their job will be. Managers are able to help the new employees if they are having problems meeting the goals and expectations.



"Employee training" by Nestlé, CC BY-NC-ND 2.0

***Be realistic about goals*:** Employees can feel overwhelmed when they start a new job. It is important to design a program that is simple and the employee is able to retain all the information. This way employees will feel comfortable and confident. Let them achieve small goals initially, and then build on more complex goals.

Create a schedule: Create a schedule that shows new employees what they will be spending time on each day of their orientation and to review the materials with them. If there is information that is required reading ahead of orientation, ensure it is forwarded to the new employee prior to the training. Ensure you build in some fun activities!

Use digital documents: When an employee starts a job there is a lot to learn i.e., policies, safety, products/services, rules and so on. This can create a great deal of paperwork. To lessen the paperwork, use digital documents. Employees can use devices in the training, and in their daily work when they need to find an important document. Having the documents at their finger tips also adds to reassurances for new employees.

***Match new employees with a coach or mentor*:** The onboarding will help new employees learn about the job and the company. However, working with a coach or mentor in a real life experience integrates the learning. Ensuring that the new employee has someone they can reach out to for help or guidance can reduce stress, reduce errors on the job, and help the employee to become productive quicker.

After onboarding training: Some ideas to help employees blend into the company are to schedule informal events, speak to them about any challenges they are experiencing and solve them, and regularly review their progress.

6.3 TRAINING DELIVERY METHODS

A very important step in the training process is to create a training framework that will help guide the training program. Information on how to use the framework is included in this section.

Training Program Development Framework

When developing a training plan, there are a number of considerations to keep in mind. Training is a process that should be planned and developed in advance.

The framework for developing a training program are as follows:

1. ***Needs assessment and learning objectives.*** Articulating specific and measurable learning objectives will in turn guide you in determining the learnings required – and specific areas for training.
2. ***Learning Strategies*.** Determine the right learning strategies best suited to the learning styles of your employee audience to ensure the training is successful.
3. ***Delivery mode*.** What is the best way to get your message across? Is web-based training more appropriate, or should mentoring be used? Can simulation training be used for a portion of the training while job shadowing be used for another part of the training? Most training programs will include a variety of delivery methods.
4. ***Budget.*** How much money do you have to spend on this training?
5. ***Content*.** What needs to be taught? How will you organize and sequence the information and course materials?
6. ***Timelines*.** How much time is required for the training – is it one-time only, are there multiple segments, is it repeated annually (eg. safety training)? Is there a deadline for training to be completed?

Needs Assessment

The first step in developing a training program is to determine exactly what the organization needs in terms of training. There are three levels of training needs assessment: **organizational assessment, occupational (task) assessment,** and **individual assessment.**

1. **Organizational assessment.** In this type of needs assessment, we can determine the skills, knowledge, and abilities a company needs to meet its strategic objectives. This type of assessment considers things such as changing demographics and technological trends, and is forward-looking. To perform an

organizational assessment, one can look at future trends and the overall company's strategic plan. HR managers can also see how jobs and industries are changing. For example, the COVID-19 pandemic has made the use of technology much more important for educational institutions. It is likely that many of the technological tools that schools now rely on will remain, and as a whole, schools must take a closer look at exactly how technology will affect teaching in the future. Overall, this type of assessment looks at the types of KSA's that will be needed for the success of the organizations and whether training can help in developing them.

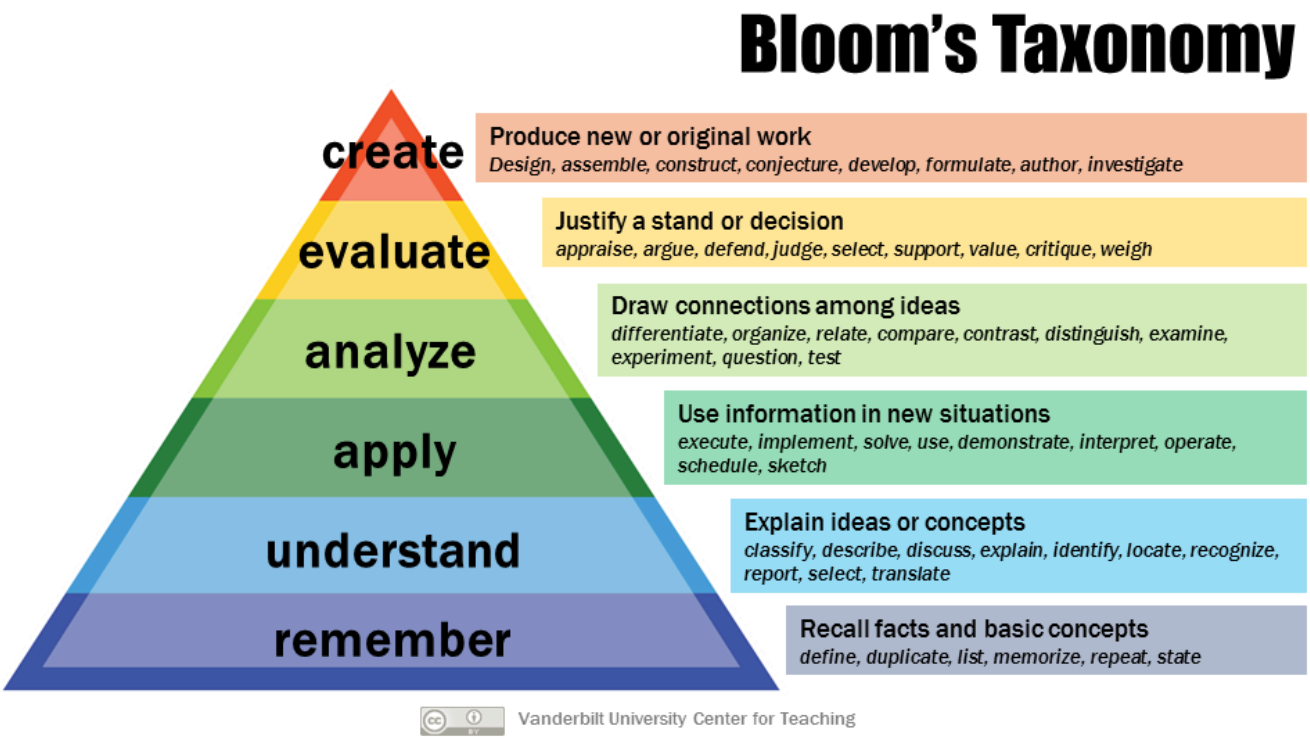
2. **Occupational (task) assessment.** This type of assessment looks at the specific tasks, skills knowledge, and abilities required to do the different jobs within the organization. Data for this step can come from a review of performance evaluations that can uncover a pattern where employees in specific jobs are not meeting expectations. As a result, this may provide data as to where your training is lacking. In the example of schools and teaching, the impact of new technology may be the greatest for the teaching staff and less so for the support staff.
3. **Individual assessment.** An individual assessment looks at the performance of an individual employee and determines what training should be provided for that individual. Continuing with the example of teaching, the analysis would focus on the individual teachers and their level of comfort with the new technology. As a result of this analysis, it may be decided that only teachers with technological fluency below a certain level need to be trained.

Learning Objectives

After you have determined what type of training should occur, learning objectives for the training should be set. A **learning objective** is what you want the learner to be able to do, explain, or demonstrate at the end of the training period. Good learning objectives are performance-based and clear, and the result of the learning objective can be observable or measured in some way.

Bloom's Taxonomy is a framework for developing action verbs to skills and knowledge that trainers want their trainees to be "able to do" upon completion of the training program. Within the framework there are a six categories: Knowledge, Comprehension, Application, Synthesis and Evaluation. Within each category are sub-categories that are similar (simple to complex) expectations of the trainee. Most trainers use Bloom's Taxonomy to design Learning Objectives, or sometimes called Outcomes (Armstrong, 2010).

Trainers use Bloom's Taxonomy to deliver effective training, ensure their design is valid, help to create assessments, and ensure the objectives are aligned with the assessment. To learn more about Bloom's Taxonomy review the Vanderbilt University's Teaching webpage.



"Blooms Taxonomy" by Vanderbilt University Center for Teaching, CC BY 2.0

Examples of learning objectives might include the following:

1. Explain the company policy on sexual harassment and give examples of sexual harassment.
2. Show the proper way to take a customer's order.
3. Perform a variety of customer needs analyses using company software.
4. Utilize the new expense-tracking software.
5. Explain the safety procedure in handling chemicals.
6. Explain the types of communication styles and strategies to effectively deal with each style.
7. Demonstrate ethics when handling customer complaints.
8. Delegate to employees.



Think!

Go to the Learning Outcomes of this chapter. Read them. Do you believe they are aligned with Bloom's Taxonomy? Why do you believe this? Or, not believe this?

Once we have set our learning objectives, we can utilize information on learning styles to then determine the best delivery mode for our training.

Learning Principles

Learning Principles are a guideline for trainers to follow to ensure their learners are learning effectively. These include ensuring the training is designed to include:

- ***Repetition*:** Learners repeat information and possible memorize it, and practice it in sequences until they can recall the information. *Example:* Addition tables in primary school
- ***Relevance*:** Learners will learn best when the information is relevant to their own lives and gives them some type of meaning. *Example:* Teaching international students about traffic rules in Canada by showing videos of traffic, or going on a driving field trip in traffic.
- ***Participation:*** Learners learn quickly when they actively participate in the learning. *Example:* A trainer can show you how to bake a pizza; however, you will learn quicker if you bake your own pizza.
- ***Feedback:*** Learners like to get feedback on "how well they are doing." If they make mistakes, they can correct them with feedback. Positive feedback to learners also provides motivation and builds confidence. *Example:* "You completed the presentation with ease and professionalism. Well done."
- ***Transfer of Learning:*** Learners will learn more quickly after they learn the theory if they can apply the skills to the job immediately. As well, they will become more productive, and there are fewer errors in their work. *Example:* Teach learners how to use a digital cash register. Following the training, the learner is placed at the counter, with a seasoned employee, and waits on customers using the digital cash register.

Content Development

The content that HR managers want to deliver is perhaps one of the most important parts of training and one of the most time-consuming to develop. Development of learning objectives and content development go hand-in-hand. The things you want your learners to know after the training makes for more focused training. Think of learning objectives as goals—what should someone know after completing this training? Here are some samples of learning objectives:

1. Be able to define and explain the handling of hazardous materials in the workplace.
2. Be able to utilize the team decision process model.
3. State the definition of sexual harassment and be able to recognize sexual harassment in the workplace.
4. Explain the company policies and structure.

After the objectives and goals have been developed, HR managers can begin to develop the content of the training. Consideration of the learning methods you will use, such as discussion and role-playing, will be outlined in the content area.

Learning Strategies or the Psychology of Learning

Learning styles refer to individual preferences in how people learn new material. The concept of learning styles has gained much popularity in training circles and a whole industry has been built around this concept. Unfortunately, the research evidence supporting the concept is very weak (Pashler, et al., 2008). However, this is not to say that psychological principles do not play a role in the effectiveness of training. Learning strategies refer to techniques that have been proven to facilitate learning and increase the effectiveness of training programs. These strategies are based on known psychological processes to enhance the retention of learned material.

- ***Retrieval Practice, or practice testing,*** is a form of low-stakes or no-stakes quizzing that attempts to force retrieval of material from one's memory.
- ***Distributed Practice, or spaced practice***, refers to distributing the practice of material over time. This spacing of practice aids in the retention of material much better than cramming. The amount of spacing depends on the complexity of the task and can range from hours to months.
- ***Interleaved Practice*** involves shifting the focus of one's studies among differing topics. This is in contrast to studying and practicing all of one topic before moving on to the next topic of study. While this does make studying more difficult, studies have shown far greater retention of material on summative evaluations with the interleaving of material.

Budget

Training programs can be very expensive and HR managers are often required to have a detailed budget before implementing them. According to the 2017 State of the Industry report from the Association for Talent Development (2017), organizations spend an average of $1,273 per employee for direct learning expenditures. If we extrapolate this figure for a large company like CAE, which is headquartered in Montreal (10,000 employees), you get an approximate training budget of $13 million! Thus, tight budgeting is important for organizations to obtain the maximum value from their investment in training. Budgeting for training programs should include direct costs such as travel, trainers'/programmers' fee, training material, and catering. It should also consider the time of employees. If employees are in training for two hours, the cost to the organization of them not performing their job is an indirect cost of training.

Timelines

For some types of training, timelines may be required to ensure the training is completed within a specified period of time. This is often the case for safety training. In other words, in what time frame should an employee complete the training?

Another consideration regarding timelines is how much time you think you need to complete the training. Perhaps one hour will be enough, but sometimes, training may take a day or even a week – it may also have to be repeated annually with refreshed content, eg. safety regulations. After you have developed your training content, you will likely have a better idea as to how long it will take to deliver. The time demands of any training must be integrated with the employee(s) work schedule to ensure the least amount of disruption to production and job demands.

From a long-term approach, it may not be cost-effective to offer an orientation each time someone new is hired. One consideration might be to offer orientation training once per month so that all employees hired within that month are trained at the same time. Developing a standard training schedule allows for better better planning and scheduling for employees and managers.

Communicating Training Opportunities

Communication. Many companies have email distribution lists that can relay the message to only certain groups of employees who require training. Communicating training opportunities through email, supervisors, bulletin boards are all important ways to ensure awareness and participation.

"Training Development Methods" from Human Resources Management – 2nd Ontario Edition by Elizabeth

Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.4 METHODS OF DELIVERY

Depending on the type of training that needs to be delivered, you will likely choose a different method to deliver the training. An orientation might lend itself best to vestibule training, while sexual harassment training may be better for web-based training. When choosing a delivery mode, it is important to consider learning objectives, the audience, and any budget constraints. The primary training methods are on-the-training and off-the-job training.

1. ON-THE-JOB TRAINING

On-the-job training is training that is performed on the job to teach the employee their job. A supervisor or another employee may teach the employee the skills and knowledge of the job. There are a series of steps involved in on-the-job training that include:

1. Employee is given an overview of the training presented.
2. The supervisor or trainer will demonstrate the skills to make sure the employee has a good understanding of the task/skill expected
3. The employee "mirrors" the demonstration.
4. This process is repeated over and over (demonstration and "mirroring") as practice until the employee is confident in completing the task/skill.
5. At each repetition, the supervisor or trainer will offer feedback to the employee on their progress.

On-the-job Coaching (another term for on-the-job training)

On-the-job coaching is one way to facilitate employee skills training. **On-the-job coaching** refers to an approved person training another employee on the skills necessary to complete tasks. A manager or someone with experience shows the employee how to perform the actual job. The selection of an on-the-job coach can be done in a variety of ways, but usually, the coach is selected based on personality, skills, and knowledge. This type of skill training is normally facilitated in-house. The disadvantage of

this training is that success revolves around the person delivering the training. If he or she is not a good communicator, the training may not work.

JOB SHADOWING

Job shadowing is a training delivery method that places an employee who already has the skills with another employee who wants to develop those skills. Apprenticeships use job shadowing as one type of training method. For example, an apprentice electrician would shadow and watch the journeyman electrician perform the skills and tasks and learn by watching. Eventually, the apprentice would be able to learn the skills to do the job alone. The downside to this type of training is the possibility that the person job shadowing may learn "bad habits" or shortcuts to perform tasks that may not be beneficial to the organization.

Job Rotation

Job rotation or cross-training is when employees move from one job to another job. It may be used to teach the employee many different jobs within the company, to enhance the employee's career and avoid burnout. It may also serve the company as a way to cover jobs during illnesses, vacation, or when an employee leaves the company.

Apprenticeships

Many of us are familiar with apprenticeships such as electrical, plumbing, and hair stylist. The employee learns on the job through various experiences. Some of the apprenticeship is spent in the classroom, and other learning takes place on the job. The employee is paid while on the job.

Internships

The person is offered practical work experience in their chosen field of study at school. This offers the student an opportunity to explore careers and learn new skills. Some internships are paid, while others are unpaid.

MENTORING

Mentoring is a type of training delivery that has gained popularity in organizations. A mentor is a trusted, experienced advisor who has direct interest or investment in the development of an employee. **Mentoring** is a process by which an employee is coached, supported, and developed by an experienced person. Normally, mentoring is used as a ongoing method to train and develop an employee. While mentoring may occur informally, a formal mentorship program can help ensure the new employee not only feels welcome, but is paired up with someone who already knows the ropes and can help guide them through any on-the-job challenges.

Formal mentorship programs are common practice in most mid-size to large organization providing a very structured framework. Typically, the mentor and mentee relationship is established when an employee demonstrates high performance and high potential. For example, Mila is a research institute in artificial intelligence which rallies 500 researchers specializing in the field of deep learning. Based in Montreal, Mila's mission is to become a global pole for scientific advances in Artificial Intelligence. Recently, Mila launched a mentoring program for its researchers. The program, which unfolds over nine-months, aims to help researchers achieve their personal and professional development objectives. The program used very clear criteria for mentors and mentees and a very detailed schedule with mandatory monthly meetings to ensure its success.

2. Off-the-Job Training

Off-the-job training is another way of saying classroom training. The training may be in a physical classroom, online classroom, or self-directed training (online). Employees are generally paid to leave their jobs and participate on the training to learn new skills/knowledge. Training is delivered through various techniques that include:

Lectures

Lectures are when an expert in the field of study delivers oral prepared lectures to the learners. Lectures generally present new information about a product or service. They convey important information, background, theories and concepts. To ensure the participants are learning the materials, it is important that the trainer not lecture for long periods of time. The trainer may break the lecture up into **lecturettes** or small bits of information. Then, the trainer would ask the learners questions and engage them in learning. Learning is improved when the participants discussions are prompted by the trainer.

Videos

Videos accompanied by other teaching methods enhances learning. They inspire and engage the participants, helps them to problem solve, and apply learning through real examples. Videos integrate the new knowledge or skills being taught and can bring new ideas to the classroom for discussion.

Simulations

Simulations are models used to teach participants how to "do" something. A simulation mimics a real-life experience and allows the participants to practice. An area within the company or a simulation lab is set up similar to the work station of the employees. They participants can practice learning without fear of making mistakes, or costing the company lost revenue. The participants tend to be more engaged when actively learning. Emergency workers use simulated learning to help them prepare for emergencies.

Role Plays

The participants are actively learning by taking on a role in a scenario. Often role plays are used to change attitudes and help to develop communication skills. The learners imitate one of the characters in the role play. Participants are encouraged to think on a critical level with complex situations. Job search applicants may be asked to role play an interview in a mock interview with a trainer to develop skills in answering common questions asked in interviews.

Case Studies

A **case study** is an in-depth and detailed case where participants examine a situation. The case study is hypothetical; however, may mimic a real life situation. It tells a story with specific characters. Students will apply knowledge learned from theory to have a better understanding of the topic. The case study will include key concepts that the participants will analyze, and often need to find solutions to problems. Students in college will often complete case studies as assignments after learning their materials about specific topics.

Self-Study

When participants are on their own to learn, rather than being taught by a trainer is considered **self-study**. The participants are in charge of their own learning, with no supervision. Participants can learn at their own pace and speed. They may wish to explore certain topics that interest them that would not

be as in-depth in a classroom training. Self-study is popular in organizations related to health and safety topics such as WHMIS (Workplace Hazardous Materials Information System.)



Think!

Do you think you could manage a self-study program? Why? Why not? How would self-study make your life easier or more challenging?

"Training Delivery Methods" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.5 WEB-BASED LEARNING

Web-based training delivery has several labels: e-learning, Internet-based, computer-based, or technology-based learning. Regardless of the terminology used, any **web-based training** involves the use of technology to facilitate training. There are two types of web-based learning.

- **Synchronous** learning uses instructor-led facilitation. The participants are in the same place at the same time. The trainer and participants are in the same place, together. It could be in a physical classroom or an online classroom. It is in "real time." Immediate feedback is offered, and is engaging for participants. There could be a sense of belonging and community among the learners. Yet, it requires a space, and scheduling if across time zones can be problematic.
- **Asynchronous** learning is self-directed and no instructor facilitating the course. The participant learns at their own place and on their own time. It is more flexible than synchronous trainer, learners can spend more time researching and integrating the materials. Asynchronous training allows for more participants to be enrolled in the training (Stanford Graduate School of Education, n.d.)

Link: Fanshawe Course Delivery Formats Explained

(URL: https://www.fanshawec.ca/programs-and-courses/delivery-formats-explained)

Hybrid learning is a blend of both synchronous and asynchronous training. Some would suggest this is the best way to train offering participants the best of both training methods.



"Web based learning" by Fanshawe College, CC BY 4.0

Think!

Which delivery method do you prefer? Why? If you were designing a training program, would your choice be the same? Or different? Why?

There are several advantages to web-based training. First, it is available on-demand, does not require travel, and can be cost-efficient. However, disadvantages might include an impersonal aspect to the training and limited bandwidth or technology capabilities.

Web-based training delivery lends itself well to certain training topics. For example, this might be an appropriate delivery method for safety training, technical training, quality training, and professional training. However, for some training, such as soft-skills training, job skills training, managerial training, and team training, more personalized methods may be better for delivery.

However, there are many different platforms that lend themselves to an interactive approach to training, such as Sun Microsystems' Social Learning eXchange (SLX) training system, which has real-time video and recording capabilities. Hundreds of platforms are available to facilitate web-based training. Some companies use SharePoint, an intranet platform, to store training videos and materials (Microsoft SharePoint, n.d.). Moodle, Blackboard, and Angel (used primarily by higher education institutions) allows human resources managers to create training modules, which can be moderated by a facilitator or managed in a self-paced format.

In terms of web-based delivery, advances in virtual reality have the potential to transform how training is done. Virtual reality allows the training to take place in a simulated environment, reducing costs, and in some cases, reducing the risks associated with learning on the job. Here are two great examples of how virtual reality is used to support training.

This training was designed by a hospital to train emergency room doctors for pediatric emergencies:

Video: "Using Virtual Reality to Train Physicians for Pediatric Emergencies" By Children's Hospital Los Angeles [1:34] (URL: https://www.youtube.com/watch?v=LGzzdlAP_S0)

Web-Based Tools

Web-based tools help with learning, and others provide opportunities for participants to add to knowledge or helps them to engage in learning.

- **Blogs:** is a webpage that is updated regularly with commentary. Blogs are interactive and people can add their own message. A blog is owned by one person.
- **Wikis:** can be used by students, employees, and trainers to work collaboratively while working on assignments or work projects. They are simple to use, edit and to build content. A wiki can be owned by several people.
- **Webcasts:** are a live streamed presentation that is hosted by a presenter to online participants. There is little interaction between the presenter and the participants.
- **MOOC:** Massive Open Online Courses are free online courses that are available to everyone to use. They are affordable and flexible learning. There is no limit on attendance. Example: LinkedIn Learning.

Other modern day tools include Google Classroom, Pear Deck, Edmodo, Canva, Zoom, Blackboard, Microsoft Teams, and Nearpod. You may wish to explore them!

"Training Delivery Methods" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.6 EMPLOYEE DEVELOPMENT

Companies take a strategic approach to identifying skills and knowledge needed for their employees. HR creates a pool of employees that meet these skills and knowledge, or have the potential to meet these skills and knowledge in the future. Employee development should be considered a natural extension of training. Like training, this process is concerned with the growth of employees. However, unlike training which occurs in a short period and is targeted at specific KSAs, employee development unfolds over a longer period of time and targets a more general set of competencies. Thus, career development focuses on programs and systems that manage and track employees' broad progress over many years – ensuring long term personal development.

EMPLOYEE DEVELOPMENT

An employee **development program** is a process developed to help people manage their careers, learn new things, and take steps to improve personally and professionally. Employee development is vital for the long term viability of any organization. Most organizations will pursue employee development on at least two fronts – succession planning and employee personal development.

Succession planning identifies key positions within a company and develops action plans for certain employees to be placed in these positions. It is key to the success of organizations. An organization should always be concerned with the growth and development of its next generation of leaders. Because this development unfolds over many years, succession planning has to be a constant priority for HR managers and Senior Management. It usually takes 20 years to develop the CEO of a large organization, so one must start early and be very proactive to ensure that the pipeline of leadership talent for top positions is healthy.

Remember how the success of Apple was so closely tied to its charismatic CEO, Steve Jobs, and how his untimely death in 2011 created much speculation as to the future of the company. It turns out that Apple did not miss a beat with its successor, Tim Cook, and is now one of the

most profitable companies in the world with a market capitalization of $2 trillion! The development of Tim Cook as a successor of Steve Jobs did not occur overnight. Cook was carefully groomed, along with many others, to succeed Jobs just like the potential successor of Cook is currently being groomed at Apple.

Employee development helps people to manage their own careers within a company. They take steps through action planning with HR employees to learn new knowledge and skills to improve themselves. It helps with employee motivation and retention. There are few things more motivating for employees than knowing that the company that they work for is committed to their professional development. Conversely, an employer who does not focus on employee learning is going to suffer from low performance, engagement and retention. According to LinkedIn's (2018) Workforce Learning Report, a whopping 93% of employees say that they would stay at a company longer if it invested in their careers. People want to know how their goals and aspirations fit with the plans of the company that they work for.

Some industry leading organizations put a lot of effort into employee development and even invest in what is classified as 'corporate universities'. These in-house learning institutions are modelled after universities with programs, courses, and credits. CGI, for example, at the CGI Leadership Institute which offers courses such as CGI 101 and CGI 201 as well as courses on leadership and project management. Another famous example is McDonald's Hamburger University which was founded in 1961 and has more than 275,000 graduates. This video describes the role that McDonald's Hamburger University plays in developing leaders of the company.

Video: "McDonald's Hamburger U: What It Takes to Graduate" By Bloomberg Quicktake: Originals [2:14] (URL: https://www.youtube.com/watch?v=g9nehPueARc)

Steps for Employment Development Plans

1. ***Needs Analysis*:** A development plan begins with a training needs analysis. HR departments identify the gaps between the company's needs and the employee's skills. It assists the HR department in

outlining developmental needs, and ensures that training addresses these needs.

2. ***Identify skills development goals*:** HR departments look at short and long term training needs to ensure these skills are a priority. They build a long term road map of potential employees that meet the company's goals. This creates a clear picture of future training needs.
3. ***Identify training solutions:*** HR departments need to determine the expectations of learners to help them learn in the most effective manner. These include the employees learning styles, their interests, and current skill sets. The trainers identify how to break down the training into sessions and lessons. They use a mix of materials, methods and resources to adapt to the various learning styles. Some employees may require leadership training, while other employees need to develop technical skills. Some training may be shorter, while other training may be over a longer period of time. The trainers need to decide what delivery method is best for each training program to ensure the learning experience is of interest and is a satisfactory experience for the learners.
4. ***Stakeholder support:*** Without the key stakeholders commitment and support, training may be a failure. When the leadership of the company buys-into the training programs, employees are more eager to participate. The leadership team must be a champion of the training program, and support the benefits of the training to the employee and to the organization.
5. ***Check in with the employees*:** This is a time to go back to employees and discuss the new learning and goals. HR departments want to include the employees through prioritizing employee goals, discussing the gaps, re-enforcing the need for the training and explaining how the training aligns with the strategic training goals of the organization.
6. ***Monitor progress:*** HR departments need to monitor the progress of the employee and the training programs. They can do this through metrics and measurements of success. A continual assessment will ensure effective training and ensure continued alignment with the company training goals.
7. ***Culture of Learning*:** Ongoing learning is part of the process of a learning culture. A Learning Culture is a workplace that encourages individual, group and organizational learning, and everyone learns and gains knowledge, they share knowledge and are rewarded for learning. An organizations learning culture is customized to the specific needs and goals of that company. Learning opportunities are offered to everyone, and is inclusive
(edX for Business, 2022).

High Potential Programs

High potential (hi-po) programs are concerned with the early identification and the development of employees who have the potential to assume leadership positions in the future. If we would transpose such a program in the hockey world, it would be a system that identifies pee-wee players with the most potential and make sure that they get the coaching and the team environment needed to develop into elite NHL players.

Keys to these programs are (a) the identification of talent and (b) the development of this talent. First,

potential has to be identified early. Large organizations often flag hi-po's in their very first years in the company. This early identification is difficult to do and often leads to false positives (or employees identified as hi-po's who do not develop into superior executives). This is the reason why companies tend to cast a wide net and identify as many hi-po's as possible. After talent has been identified, it needs to be groomed. Over time, the careers of hi-po's are carefully managed to make sure that they reach their full potential. For example, HR managers often use developmental experiences such as international assignments to make sure that hi-po's are put in situations where they can grow.

"Employee Development" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.7 CAREER DEVELOPMENT

A **career development plan** usually includes a list of short- and long-term goals that employees have pertaining to their current and future jobs, and a planned sequence of formal and informal training and experiences needed to help them reach their goals. As this chapter has discussed, the organization can and should be instrumental in defining what types of training. Both in-house and external that can be used to help develop employees.

The difference between career development and employment development is employment development focuses on the individual's skills, potential skills, and needs within the organization. Career development focuses on the employee's goals, whether or not they align with the organization's goals. Career development puts the employee's needs first. It is a personalized plan that supports the employee's growth for their own career path.



Think!

If an employee is invested in their own career path and may leave the company in the future, what do you think is the advantage of creating a Career Plan with this employee? Are there disadvantages?

Career Counselling

HR employees create a personalized career plan to meet the needs of the employee, and recognize some employees may work for another company in the future. The employee may move up in a promotion, or move laterally within the organization to experience different departments or work experiences. The HR staff and the employee sit down together to create a career plan. Personal development can include high performance on the job assigned, networking opportunities may be created to be a high profile employee, or mentors and coaches may be assigned to the employee to offer support, guidance and advice. Together, the HR staff and the employee develop a plan that includes:

1. Identifying all the career options by looking at interests, skills, values, beliefs (perhaps through a self-

assessment test)
2. Prioritize the list of options
3. Compare all the options (look for the best fit for the employee)
4. Make a choice
5. Set SMART Goals (Specific, Measurable, Achievable, Relevant, Time-Bound) as agreed to between the HR staff and the employee
6. Take into consideration the employee's work-life balance needs, their personality, "fit" within the company, and other important factors that are a priority for the employee
7. Estimate costs of the Career Plan
8. Monitor the Career Plan by checking in with the employee regularly, scheduling training to close gaps in skills, and provide feedback on progress
9. Review the Career Plan at least annually

Figure 6.7.1. Sample Career Development Plan Developed by an Employee and Commented on by Her Manager

Today's Date	February 15, 2020
Employee	Sammie Smith
Current job title	Clerk, Accounts Payable
Goals	• Develop management skills • Learn accounting standards • Promoted to Accounts Payable Manager
Estimated Costs	• Management training • Peachtree accounting software Advanced training • Earn AAAS online degree in accounting • Take tax certification course • Communications training
Completion Date	Spring of 2020
Manager Notes: • In-house training offered yearly: "Reading Body Language," and "Writing Development," and "Running an Effective Meeting" • External Training needed: Peachtree software, AAAS Degree, Tax Certification Training Course • Assign Sammie to Dorothy Redgur, the CFO for mentorship • Next steps: Sammie should develop a timeline for when she plans to complete the seminars. The budget allows us to pay up to $1,000 per year for external training for all employees. Talk with Sammie about how to receive reimbursement.	

As you can see, the employee developed goals and made suggestions on the types of training that could help her meet her goals. Based on this data, the manager suggested in-house training and external training for her to reach her goals within the organization

---

"Employee Development" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.8 MEASURING TRAINING EFFECTIVENESS

After we have completed training, It is important to make sure the training objectives were met and that the training was effective. Given the resources required to train employees, HR managers are increasingly required to justify their budget and show the return on investment (ROI) of their activities. For training, this involves demonstrating that the investment in training has led to increased effectiveness of the employee and, ultimately, of the organization. There are many training and development tools. A model that is "tried and true" is the **Kirkpatrick Model**. It is globally recognized, assesses formal and informal training, and is theoretically valid. It assesses the application of training learned through four levels (reaction, learning, behaviour and results).

MEASURING EFFECTIVENESS

The classic model to measure the effectiveness of training is the Kirkpatrick model (Kirkpatrick, 2006). His model has four levels:

1. ***Reaction*:** How did the participants react to the training program?
2. ***Learning:*** To what extent did participants improve knowledge and skills?
3. ***Behaviour*:** Did behaviour change as a result of the training?
4. ***Results*:** What benefits to the organization resulted from the training?
5. ***Return on Investment*:** What cost benefits/profit increases have resulted from the training?

Each of Kirkpatrick's levels can be assessed using a variety of methods. We will discuss those next.



Figure 6.8.1. Kirkpatrick's Four Levels of Training Evaluation

Level 1: Reaction

The first level, reaction, assesses whether people feel that the training was valuable. By measuring how engaged participants were, how actively they contributed, and their reaction to the training, this will help understand how well they received the training. In addition, it guides improvements to future programs. Questions to ask trainees include:

- Did you feel that the training was worth your time?
- Did you think that it was successful?
- What were the biggest strengths and weaknesses of the training?

- Did you like the venue and presentation style?
- Were the training activities engaging?
- What are the three most important things that you learned from this training?
- From what you learned, what do you plan to apply in your job?
- What support might you need to apply what you learned?

Level 2: Learning

Level 2 focuses on measuring what the trainees have and have not learned. This demonstrates how training has developed their skills, attitudes, and knowledge, as well as their confidence and commitment.

To measure how much your trainees have learned, start by identifying what you want to evaluate. Training sessions should have specific learning objectives, so those should be the starting point. You can measure learning in different ways, depending on the objectives but it's helpful to measure it before and after training. Before the training begins, trainees can be tested to determine their initial knowledge, skill levels, and attitudes. Then, when the training is finished, a second test can measure what has been learned.

Level 3: Behaviour

This level asks HR managers to assess whether people apply what they have learned in the training. This level is also called 'transfer of learning' because it is the stage where the knowledge imparted in the training is 'transferred' to behaviours, from 'knowing' to 'doing'.

This step can reveal where people might need help because behaviour can only change when conditions are favourable. Imagine that you're assessing your team members after a training session. You see little change, and you conclude that they learned nothing and that the training was ineffective. However, it is possible that they actually learned a lot, but that the organizational or team culture obstructs behavioural change. Perhaps existing processes restricts the application of new thinking. As a result, employees do not feel confident in applying the new knowledge or see few opportunities to do so. In addition, they may not have had enough time to put it into practice. Transfer of learning is difficult to achieve.

Level 4: Results

At this level, HR managers analyze the final results of the training. This includes outcomes that the organization has decided are good for business and good for employees, and which demonstrate a good return on investment (ROI). This level is the most costly and time-consuming. The biggest challenge is to identify which outcomes, benefits, or final results are most closely linked to the training, and to come up with an effective way to measure these outcomes in the long term. For example, a retailer that trained its salespeople on various customer service elements. It would be sensible for this organization to expect that the training had

an impact on the average weekly sales of these salespeople, or that the customer's reviews of the overall store experience have improved.

Level 5: Return on Investment (ROI)

Human Resources has become responsible for spending money for training and development in recent years. An additional level is Return On Investment (ROI). There will be a positive ROI if the gain from the training goes beyond the cost to create and deliver the training (Pandey, 2018). Human Resources is responsible to evaluate the gain the training has had on the company. This includes design, development facilitation and evaluation of the training. The cost is measured in dollars. Sometimes, Human Resources is viewed as a liability to a company. By effectively measuring ROI, they can justify the expense of the training and the value it brings to the employees and the company. This value can be measured in reducing costs and/or increasing profits. ROI is not always easy to measure. However, some example include how long an employee becomes productive after orientation training, or what behaviours changed related to productivity and safety following safety training. Human Resources needs to continually prove that training and development is not a liability (cost), rather an investment in the company's success.

"Measuring Training Effectiveness" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

6.9 KEY TERMS

Key Terms

Apprenticeships: A type of on-the-job training where the employee learns through various experiences. (6.4)

Asynchronous learning is self-directed, and no instructor facilitating the course. (6.5)

Blogs: A webpage that is updated regularly with commentary, owned by one person and interactive. (6.5)

Bloom's Taxonomy is a framework for developing action verbs to skills and knowledge that trainers want their trainees to be "able to do" upon completion of the training program. (6.3)

Career development plan: A list of short- and long-term goals that employees have pertaining to their current and future jobs, and a planned sequence of formal and informal training and experiences needed to help them reach their goals. (6.7)

Case study: An in-depth and detailed case where participants examine a situation. (6.4)

Development refers to formal and planned efforts to help employees acquire the knowledge, skills, and abilities required to perform future job responsibilities and for the long-term achievement of individual goals and/or organizational objectives. (6.1)

Development program: A process developed to help people manage their careers, learn new things, and take steps to improve personally and professionally. (6.6)

Education: The process of acquiring knowledge and information, usually in a formal manner. (6.1)

Employee development: Helping people manage their own careers within a company. (6.6)

Employee orientation: The process used for welcoming a new employee into the organization. (6.1)

External training: Any type of training that is not performed internally by the organization. (6.1)

High potential (hi-po) programs: Concerned with the early identification and the development of employees who have the potential to assume leadership positions in the future. (6.6)

In-house training programs: Learning opportunities developed by the organization in which they are used. (6.1)

Individual assessment: Looking at the performance of an individual employee and determining what training should be provided for that individual. (6.3)

Internships a person is offered practical work experience in their chosen field of study at school. (6.4)

Job rotation or cross-training: When employees move from one job to another job. (6.4)

Job shadowing: A training delivery method that places an employee who already has the skills with another employee who wants to develop those skills. (6.4)

Kirkpatrick Model: A globally recognized model that assesses formal and informal training and is theoretically valid. (6.8)

Learning objective: What you want the learner to be able to do, explain, or demonstrate at the end of the training period. (6.3)

Learning principles: Guidelines for trainers to follow to ensure their learners are learning effectively. (6.3)

Lectures: When an expert in the field of study delivers oral prepared lectures to the learners. (6.4)

Mentoring: A process by which an employee is coached, supported, and developed by an experienced person. (6.4)

MOOC: Massive Open Online Courses are free online courses that are available to everyone to use. They are affordable and flexible learning. There is no limit on attendance. Example: LinkedIn Learning. (6.5)

Occupational (task) assessment: Looks at the specific tasks, skills knowledge, and abilities required to do the different jobs within the organization. (6.3)

On-the-job coaching: Refers to an approved person training another employee on the skills necessary to complete tasks. (6.4)

On-the-job training: Training that is performed on the job to teach the employee their job. (6.4)

Organizational assessment: Determines the skills, knowledge, and abilities a company needs to meet its strategic objectives. (6.3)

Role Play: Participants actively learn by taking on a role in a scenario. (6.4)

Self-study: Participants are on their own to learn, rather than being taught by a trainer. (6.4)

Simulations: Models used to teach participants how to “do” something. (6.4)

Succession planning: Identifies key positions within a company and develops action plans for certain employees to to be placed in these positions. (6.6)

Synchronous learning uses instructor-led facilitation. (6.5)

Training is the act of increasing the knowledge, skills, and abilities of an employee for doing a particular job. (6.1)

Web-based training involves the use of technology to facilitate training. There are two types of web-based learning. (6.5)

Webcasts are a live streamed presentation that is hosted by a presenter to online participants. There is little interaction between the presenter and the participants. (6.5)

Wikis can be used by students, employees, and trainers to work collaboratively while working on assignments or work projects. They are simple to use, edit and to build content. A wiki can be owned by several people. (6.5)

6.10 SUMMARY

Summary

Training is the process of improving employee knowledge, skills, and abilities to perform a specific job effectively. Research indicates that training has a direct relationship with organizational performance,. Companies invest in training to avoid negative consequences like low productivity, loss of customers, poor relationships between managers and employees, dissatisfaction, and high turnover. Organizations can conduct different types of training like employee orientation or in-house training programs. These can be job-specific or can focus on enhancing knowledge of company policies and workplace initiatives. Training and development are vital HR functions, with training focusing on improving current job performance and development aimed at preparing employees for future job responsibilities. However, training is not a solution for all problems and may not help if there is no lack of skills involved. Companies must conduct a thorough needs analysis before implementing any training program.

This text discusses the framework for developing a training program, which includes needs assessment and learning objectives, learning strategies, delivery mode, budget, content, and timelines. There are three levels of needs assessment: organizational assessment, occupational (task) assessment, and individual assessment. After determining the type of training required, learning objectives should be set using Bloom's Taxonomy. Learning principles such as repetition, relevance, participation, feedback, and transfer of learning should be incorporated into the training program to ensure effective learning.

The article discusses different methods of delivering training, including on-the-job training and web-based learning. On-the-job training involves an employee being taught by a supervisor or another employee, while web-based learning can be either synchronous or asynchronous. The advantages of web-based training include availability and cost-efficiency, while disadvantages include limited interaction and technology capabilities. The article also mentions different web-based tools that can be used for learning, including blogs, wikis, webcasts, and MOOCs. The article concludes with a brief discussion of on-the-job coaching.

Employee development programs are important for managing careers, learning new things, and

improving professionally and personally. Such programs help companies with succession planning and personal development of employees. They assist in identifying key positions within the company and developing action plans for employees to be placed in these positions. The development of Tim Cook as the successor of Steve Jobs, for example, did not occur overnight; Cook was carefully groomed, along with many others, to succeed Jobs. To develop an effective employee development program, HR departments must carry out a training needs analysis, identify skills development goals, identify training solutions, obtain stakeholder support, check in with employees, monitor progress, and create a culture of learning. High-potential programs are also important for early identification and development of employees who have the potential to assume leadership positions in the future.



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/6-10-summary/

6.11 KNOWLEDGE CHECK



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/6-11-knowledge-check/

6.12 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS



Exercises

1. Review the differences between training and development. In your own words explain the difference to a **partner**.
2. Read the following statement. "I a person is hired for a position in the most effective way possible, there is no need for them to complete an Onboarding training. Agree? Disagree? Why or why not? Discuss in a **small group**.
3. Offer examples of external training that could be offered by an employer in the manufacturing industry. Rationalize why this training is not/could not be offered in-house. Make a list with a **small group** and discuss.
4. What are the benefits of offering an Onboarding Program to employees? To the employer? Brainstorm in **large group**.
5. Only recently has the cost of training become an important element in Training & Development. Discuss reasons why it is important in designing a training program. Discuss in a **small group**.
6. Research Bloom's Taxonomy on the internet. Design a learning objective for a training of 20 customer service reps to learn customer service skills related to communication with customers. Ensure you use Bloom's action verbs. **Individual**. Share with **large group**. Write it on the whiteboard for **critique by other students**.
7. Some methods of training are better for some types of training. What method(s) of training would you use for the following jobs? And, discuss why? 1. Carpenter 2. Inventory clerk in a warehouse 3. A newly hired Manager 4. A nurse who has moved from general hospital duties to the emergency department. Discuss with a **partner**. Share in **large group**.

8. There are benefits to synchronous learning and asynchronous learning. As a student, which type of learning do you prefer? Why? As a Training Manager who designs training, which type of training would you prefer? Is it different? The same? Why, if there is a difference? Discuss with a **partner**.

9. Why, as an HR Manager, would you be concerned about succession planning? Brainstorm in **large group**.

10. As an HR Manager of a small domestic company, you are responsible to ensure employees have a Career Plan. One of your employees has stated they have no intention of staying with the company longer than 3 years. They want to move on to an international company and travel the world. However, your company does offer $1000.00/year for employees to take Certification Programs at the local college. This employee is eligible for these dollars. What decision do you make about this employee's future with your company related to the Certification Program they have requested as part of the Career Plan? Discuss in **small group**.

11. Suppose you are working for a company in the HR department as a payroll clerk. Your desire is to become an HR Manager someday in the future. Your Career Planning meeting is come up soon with your Supervisor. What information would you need to prepare before you go to the meeting? Discuss with a **partner**.

12. Training evaluation is critical to future planning for training and development. At Level 1, after completing a training for Supervisors on Leadership & Development, you receive low scores on most of the answers related to satisfaction, training methods, and learning. What is your next step? Discuss with a **partner**.

6.13 CASE STUDY: TRAINING, NOT LIKE IT USED TO BE

Case Study: Training, Not Like It Used to Be

Imagine this scenario, you have a pile of work on your desk and as you get started, your Microsoft Outlook calendar reminds you about a sexual harassment training session in ten minutes. You groan to yourself, as you are not looking forward to sitting in a conference room and seeing PowerPoint slide after PowerPoint slide. As you walk to the conference room, you run into a colleague who is taking the same training that day and commiserate on how boring this training is probably going to be. However, when you step into the conference room you see something very different.



Photo by Diva Plavalaguna, Pexels License

Computers are set up at every chair with a video ready to start on the computer. The HR manager greets you and asks you to take a seat. When the training starts, you are introduced to "It takes all of us", a web-based training developed at Concordia University that introduces the concepts of consent, bystander interventions, and how to deal with sexual harassment using realistic scenarios. The videos stop, and there is a recorded discussion about what the videos portrayed.

Your colleagues in the Vancouver office can see the same training, and via video conferencing, they are able to participate in the discussions. It is highly interactive and interesting. Once the training is finished, there are assignments to be completed via specific channels that have been set up for this training. You communicate about the material and complete the assignments in teams with members of your Vancouver office. If you want to review the material, you simply click on 'review' and the entire session or parts of the training can be reviewed.

In fact, on your bus ride home from work, you access the channels on your iPhone, chatting with a colleague in your other office about the sexual harassment training assignment you have due next week. You receive an e-mail from your HR manager asking you to complete a training assessment located in a specific channel in the software, and you happily comply because you have an entirely new perspective on what training can be.

This is the training of today. No longer do people sit in hot, stuffy rooms to get training on boring content. Training has become highly interactive, technical, and interesting owing to the number of multimedia we can use—just think of the possibilities offered by Virtual Reality! According to a joint survey from the Business Council of Canada and Morneau Shepell Ltd. (2018) slightly more than half of respondents (51 percent) said their companies spend over $1,000 per employee annually for training. With such a large amount of funds at stake, HR managers must develop the right training programs to meet the needs; otherwise, these funds are virtually wasted.

Questions:

1. Describe an online training/academic study you have participated in for yourself. What did you like about it? What did you not like about it?
2. Do you believe that pandemic has changed how companies view online training? Why? Why not?
3. If you were to design a training program, would you design a synchronous training? Asynchronous training? Why make this choice?

"Chapter 6: Training and Development" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

CHAPTER 7: COMPENSATION AND BENEFITS

Chapter Outline

7.0 Learning Outcomes
7.1 Developing a Compensation Package
7.2 Goals of a Compensation Package
7.3 Job Evaluation and Pay Systems
7.4 Compensation Strategies and Pay Theories
7.5 Laws Relating to Pay
7.6 Goals of Benefits
7.7 Mandatory and Voluntary Benefits
7.8 Flexible Benefits
7.9 Key Terms
7.10 Summary
7.11 Knowledge Check
7.12 Exercises/Activities for Teachers and Students
7.13 Case Study: Matching Compensation with Core Values

7.0 LEARNING OUTCOMES

Learning Outcomes

1. Describe a compensation philosophy.
2. Explain the goals of a compensation plan.
3. Describe types of job evaluation systems and their uses.
4. Define and discuss the types of pay systems and factors determining the type of pay system used.
5. Interpret the laws relating to compensation.
6. Describe goals of employee benefits.
7. Discuss types of benefits provided for employees
8. Describe types of pensions plans, flexible benefits, employee assistance programs.

7.1 DEVELOPING A COMPENSATION PACKAGE

Human Resources departments are responsible for developing compensation packages. These packages align with the goals and rewards of the organization. **Compensation pays** workers for work completed and provides incentives to motivate employees that results in loyalty and happiness on the job.

There are basic aspects of compensation packages to discuss before moving into the specific aspects of compensation. These foundations can assist in the development of a compensation strategy that meets the goals of your organization and is in line with your strategic plan.

Before beginning to work on compensation packages, some analysis should be done to determine the organization's philosophy in regard to compensation. Before developing compensation philosophies, there are some basic questions to address:

1. From the employee's perspective, what is a fair wage?
2. Are wages too high to achieve financial health in your organization?
3. Do managers and employees know and buy into your compensation philosophy?
4. Does the pay scale reflect the importance of various job titles within the organization?
5. Is your compensation competitive enough to attract and retain employees?
6. Are you abiding by the laws with your compensation package?
7. Is your compensation philosophy keeping in line with labour market changes, industry changes, and organizational changes?

Once these basic questions are addressed, there might be "holes" in the compensation package and the company may want to begin to develop new philosophies in line with our strategic plan, which benefits the organization. Some possible compensation policies might include the following:

1. Are salaries higher or lower depending on the location of the business? When looking at what to pay in a given country or area of a province different facets come into play...these could include cost of living in the area and fewer qualified people in a given area.
2. Are salaries lower or higher than the average in your region or area? If the salary is lower, what other benefits will the employee receive to make up for this difference? For example, wages might not be as high, but offering flextime or free day care might offset the lower salary.
3. Should there be a specific pay scale for each position in the organization, or should salaries be negotiated on an individual basis? If there is no set pay scale, how can you ensure individual salary offers are fair and

nondiscriminatory?

4. What balance of salary and other rewards, such as bonuses, should be part of your compensation package? For example, some organizations prefer to offer a lower salary, but through bonuses and profit-sharing, the employee has the potential to earn more.
5. When giving raises, will the employee's tenure be a factor, or will pay increases be merit-based only, or a combination of both?

COMPENSATION POLICY

Some organizations choose a market compensation policy, market plus, or market minus philosophy. A **market compensation policy** is to pay the going rate for a particular job, within a particular market based on research and salary studies. The organization that uses a **market plus philosophy** will determine the going rate and add a percentage to that rate, such as 5 percent. So if a particular job category median pays $57,000, the organization with a market plus of 5 percent philosophy will pay $59,850. **A market minus philosophy** pays a particular percentage less than the market; so in our example, if a company pays 5 percent less, the same job would pay $54,150.

Market Plus Philosophy

An example of an organization with a market plus philosophy is Cisco Systems, listed as one of the top-paying companies on *Fortune*'s annual list. For example, they pay $131,716 for software engineers, while at Yahoo! software engineers are paid an average of $101,669, using a market philosophy. The pay at Cisco reflects its compensation philosophy and objectives:

Cisco operates in the extremely competitive and rapidly changing high-technology industry. The Board's Compensation Committee believes that the compensation programs for the executive officers should be designed to attract, motivate, and retain talented executives responsible for the success of Cisco and should be determined within a framework based on the achievement of designated financial targets, individual contribution, customer satisfaction, and financial performance relative to that of Cisco's competitors. Within this overall philosophy, the Compensation Committee's objectives are to do the following:

1. Offer a total compensation program that is flexible and takes into consideration the compensation practices of a group of specifically identified peer companies and other selected companies with which Cisco competes for executive talent.
2. Provide annual variable cash incentive awards that take into account Cisco's overall financial performance in terms of designated corporate objectives, as well as individual contributions and a measure of customer satisfaction.
3. Align the financial interests of executive officers with those of shareholders by providing appropriate long-term, equity-based incentives.

Market Minus Philosophy

An example of an organization with a market minus philosophy is Whole Foods. The executive compensation for Whole Foods is a maximum of nineteen times the average store worker (or $608,000), very low by *Fortune* 500 executive pay standards, which average 343 times (Allen, 2011). According to John Mackey, Whole Foods CEO, paying on a market minus philosophy makes good business sense: "Fewer things harm an organization's morale more than great disparities in compensation. When a workplace is perceived as unfair and greedy, it begins to destroy the social fabric of the organization" (Hamner & McNichol, 2011). Another example of an organization with a market minus philosophy is Southwest Airlines. Despite the lower pay (and more hours), the organization boasts just a 1.4 percent turnover rate, which can be attributed not to pay but to the workplace culture and, as a result, loyalty to the company (Eggers, 2011).

There are many reasons why an organization would choose one philosophy over another. A market minus philosophy may tie into the company's core values, as in Whole Foods, or it may be because the types of jobs require an unskilled workforce that may be easier and less expensive to replace. A company may use a market plus philosophy because the industry's cutting-edge nature requires the best and the brightest.

Other internal pay factors might include the employer's ability to pay, the type of industry, and the value of the employee and the particular job to the organization. In addition, the presence of a union can lead to mandated pay scales.

External pay factors can include the current economic state. Unemployment rates are a factor in this assessment. As a result of surplus workers, compensation may be reduced within organizations because of the oversupply of workers. Inflation and the cost of living in a given area can also determine compensation in a given market. Finally, government legislation such as the Employment Standards Act determines the minimum amount that can be paid to certain workers in Ontario.

Once an organization has looked at the internal and external forces affecting pay, it can begin to develop a pay system within the organization.



Think!

Think of your current organization or a past organization. What do you think their pay policy is/was? Describe and analyze whether you think it was or is effective. If you haven't worked before, perform an Internet search on pay policies and describe/analyze the pay policy of an organization.

Human Resources departments need to design a compensation management plan to decide pay for all employees. There are four major steps to creating the company's model.

1. ***Guiding Principles:*** An organization needs to decide how they will manage pay. The compensation decisions are aligned with the mission, vision and values of the organization. Organizations may lead, match, lag in pay. **Lead** means to pay higher than that the market value. **Match** means to match other companies who have similar products and services. **Lag** means to pay less than market value. This is often called the organizational compensation philosophy. Other definitions are describes above with market plus and market minus philosophy.
2. ***Job Analysis Assessment*:** As discussed in Chapter 4, job analysis leads to designing job descriptions and job specifications, standards related to the tasks, skills, education, experience for each job within a company. Human Resources reviews the job analysis results and compares jobs using internal and external equity.
3. ***Job Value:*** Companies actually put a price on jobs similar to products. There are several job evaluation approaches to job pricing which are discussed in detail later in the chapter.
4. ***Pay matching:*** All the data collected from steps 1,2, and 3 to match each employee to pay. Pay levels and pay groupings are created for each job in the company.

"Developing a Compensation Package" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.2 GOALS OF A COMPENSATION PACKAGE

Most of us, no matter how much we like our jobs, would not do them without a compensation package. When we think of compensation, often we think of only our pay cheque, but compensation in terms of HRM is much broader.

This is the concept of **Total Compensation Package** or sometimes known as **Total Rewards.** A compensation package can include wages or salary, perks, amenities, health-care benefits, and other benefits such as retirement plans that is offered by the company in exchange for work performed.

When Human Resources departments determine compensation for its employees, it wants to meet internal and external equity.

Internal equity is a perceived equity among different jobs within a company. In other words, jobs that are similar should have similar value, and receive similar pay. Jobs that are paid more are based on higher skills, knowledge, abilities, experience, and education. In turn, jobs that are paid less, have less value to the company because they are lower skilled, require less education and experience.

External equity relies on paying employees that is perceived to be fair based on what they market is paying. The company compares their own pay to what other similar companies are paying their employees.



Think!

Think of an example of internal equity and an example of external equity. Research online various jobs that are similar and different within an organization, and between companies. What did you discover?

A compensation package should be positive enough to attract the best people for the job. An organization that does not pay as well as others within the same industry will likely not be able to attract the best candidates, resulting in poorer overall company performance. Once the best employees and talent come to work for your organization, companies want the compensation to be competitive enough to motivate people to stay with the organization. Although compensation packages are not the only thing that motivates people, compensation is a key component. Compensation can be used to improve morale, motivation, and satisfaction among employees. If employees are not satisfied, this can result not only in higher turnover but also in poor quality of work for those employees who do stay. A proper compensation plan can also increase loyalty in the

organization. Compensation packages must adhere to the laws that applies to federal, provincial, and territorial governments. Some of these include paying minimum wage, pay for overtime worked, and vacation pay.

Pay systems can also be used to reward individual or team performance and encourage employees to work at their own peak performance. With an appropriate pay system, companies find that customer service is better because employees are happier. In addition, having fairly compensated, motivated employees not only adds to the bottom line of the organization but also facilitates organizational growth and expansion. Motivated employees can also save the company money indirectly, by not taking sick days when the employee is not really sick, and companies with good pay packages find fewer disability claims as well. Websites such as Glassdoor or Indeed give you easy access to salary information of companies.

So far, the focus on HRM has been a strategic focus, and the same should be true for the development of compensation packages. Before the package is developed for employees, it's key to understand the role compensation plays in the bottom line of the organization. The next few sections will detail the aspects of creating the right compensation packages for an organization, including legal considerations.



Think!

Given your lifestyle and situation, if you work, what benefits do you enjoy, and are there any benefits you pay for that are redundant? If you do not wok, explore 2 company websites and research their benefit packages. What benefits would interest you?

"Goals of a Compensation Package" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.3 JOB EVALUATION AND PAY SYSTEMS

JOB EVALUATION SYSTEMS

As mentioned when we discussed internal and external factors (internal and external equity), the value of the job is a major factor when determining pay. There are several ways to determine the value of a job through job evaluation. **Job evaluation** is defined as the process of determining the relative worth of jobs to determine pay structure. Job evaluation can help us determine if pay is equitable and fair among our employees. There are several ways to perform a job evaluation.

1. Job Ranking System

One of the simplest methods, used by smaller companies or within individual departments, is a job ranking system – to assist in attributing a pay grade to each job.

In this type of evaluation, job titles are listed and ranked in order of importance to the organization. A **paired comparison** can also occur, in which individual jobs are compared with every other job, based on a ranking system, and an overall score is given for each job, determining the highest-valued job to the lowest-valued job.

For example, in *Table 7.3.1 Example of a Paired Comparison for a Job Evaluation*, four jobs are compared based on a ranking of 0, 1, or 2. Zero indicates the job is less important than the one being compared, 1 means the job is about the same, and 2 means the job is more important. When the scores are added up, it is a quick way to see which jobs are of more importance to the organization. Of course, any person creating these rankings should be familiar with the duties of all the jobs. While this method may provide reasonably good results because of its simplicity, it doesn't compare differences between jobs, which may have received the same rank of importance.

Table 7.3.1. Example of a Paired Comparison for a Job Evaluation

Job	Receptionist	Project Manager	Account Manager	Sales Director	Total
Receptionist	X	0	0	0	0 = 4th
Project Administrative Assistant	1	X	0	0	1 = 3rd
Account Manager	2	1	X	0	3 = 2nd
Sales Director	2	2	2	X	6 = 1st
Based on the paired ranking system, the sales director should have a higher salary than the project administrative assistant, because the ranking for that job is higher. Likewise, a receptionist should be paid less than the project administrative assistant because this job ranks lower.					

2. Job Classification System

In a **job classification system**, every job is classified and grouped based on the knowledge and skills required for the job, years of experience, and amount of authority for that job. Tied to each job are the basic function, characteristics, and typical work of that job classification, along with pay range data.

3. Point Factor System

Another type of job evaluation system is the **point-factor system**, which determines the value of a job by calculating the total points assigned to it. The points given to a specific job are called **compensable factors**. These can range from leadership ability to specific responsibilities and skills required for the job. Once the compensable factors are determined, each is given a weight compared to the importance of this skill or ability to the organization. When this system is applied to every job in the organization, expected compensable factors for each job are listed, along with corresponding points to determine which jobs have the most relative importance within the organization. Some organizations use a point-factor system. Examples of some compensable factors include the following:

1. Knowledge
2. Autonomy
3. Supervision
4. Psychological demands
5. Interpersonal skills
6. Internal and external contacts

Each of the compensable factors has a narrative that explains how points should be distributed for each factor.

The points are then multiplied by the weight to give a final score on that compensable factor. After a score is developed for each, the employee is placed on the appropriate pay level for his or her score.

Another option for job evaluation is called the **Hay profile method**. This proprietary job evaluation method focuses on three factors called know-how, problem solving, and accountability. Within these factors are specific statements such as "procedural proficiency." Each of these statements is given a point value in each category of know-how, problem solving, and accountability. Then job descriptions are reviewed and assigned a set of statements that most accurately reflect the job. The point values for each of the statements are added for each job description, providing a quantitative basis for job evaluation and eventually, compensation. An advantage of this method is its quantitative nature, but a disadvantage is the expense of performing an elaborate job evaluation.

PAY SYSTEMS

Once the job evaluation as been performed, Human Resources can move on to **pay grading**. This is the process of setting the pay scale for specific jobs or types of jobs.

The first method to pay grade is to develop a variety of pay grade levels. Then once the levels are developed, each job is assigned a pay grade. When employees receive raises, their raises stay within the range of their individual pay grade, until they receive a promotion that may result in a higher pay grade. The advantage of this type of system is fairness. Everyone performing the same job is within a given range and there is little room for pay discrimination to occur. However, since the system is rigid, it may not be appropriate for some organizations in hiring the best people. Organizations that operate in several cities might use a pay grade scale, but they may add percentages based on where someone lives. For example, the cost of living in rural Ontario is much lower than in Toronto. If an organization has offices in both places, it may choose to add a percentage pay adjustment for people living within a geographic area—for example, 10 percent higher in Toronto.

One of the downsides to pay grading is the possible lack of motivation for employees to work harder. They know even if they perform tasks outside their job description, their pay level or pay grade will be the same. This can incubate a stagnant environment. Sometimes this system can also create too many levels of hierarchy. For large companies, this may work fine, but smaller, more agile organizations may use other methods to determine pay structure.

For example, some organizations have moved to a **delayering and banding process**, which cuts down the number of pay levels within the organization. General Electric delayered pay grades in the mid-1990s because it found that employees were less likely to take a reassignment that was at a lower pay grade, even though the assignment might have been a good development opportunity (Ferris, 1995). So, delayering enables a broader range of pay and more flexibility within each level. Sometimes this type of process also occurs when a company downsizes. Let's assume a company with five hundred employees has traditionally used a pay grade model but decided to move to a more flexible model. Rather than have, thirty pay levels, it may reduce this to five or six levels, with greater salary differentials within the grades themselves. This allows organizations to better reward performance, while still having a basic model for hiring managers to follow.

Rather than use a pay grade scale, some organizations use a **going rate model**. In this model, analysis of the going rate for a particular job at a particular time is considered when creating the compensation package. This model can work well if market pressures or labour supply-and-demand pressures greatly impact your particular business. For example, if you need to attract the best project managers, but more are already employed (lack of supply)—and most companies are paying $75,000 for this position—you will likely need to pay the same or more, because of labour supply and demand.

"Types of Pay Systems" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.4 COMPENSATION STRATEGIES AND PAY THEORIES

COMPENSATION STRATEGIES

In addition to the pay level models we just looked at, other considerations might include the following:

1. **Skill-based pay.** With a skill-based pay system, salary levels are based on an employee's skills, as opposed to job title. This method is implemented similarly to the pay grade model, but rather than job title, a set of skills is assigned a particular pay grade.
2. **Competency-based pay.** Rather than looking at specific skills, the competency-based approach looks at the employee's traits or characteristics as opposed to a specific skill set. This model focuses more on what the employee can become as opposed to the skills he or she already has.
3. **Broadbanding.** Broadbanding is similar to a pay grade system, except all jobs in a particular category are assigned a specific pay category. For example, everyone working in customer service, or all administrative assistants (regardless of department), are paid within the same general band. McDonald's uses this compensation philosophy in their corporate offices, stating that it allows for flexibility in terms of pay, movement, and growth of employees (McDonald's Corporation, 2011).
4. **Variable pay system.** This type of system provides employees with a pay basis but then links the attainment of certain goals or achievements directly to their pay. For example, a salesperson may receive a certain base pay but earn more if he or she meets the sales quota.

PAY THEORIES

Video: "Know your worth, and then ask for it" By Casey Brown – TED [8:13] (URL: https://www.ted.com/talks/casey_brown_know_your_worth_and_then_ask_for_it)

Now that we have discussed pay systems, it is important to look at some theories on pay that can be helpful to know when choosing the type of pay system your organization will use.

Equity Theory

Video: "Employee Motivation: Equity Theory" By Ben Baran – TED [8:16] (URL: https://www.youtube.com/watch?v=2p_4C0Mzne4&t=2s)

This theory was discussed briefly earlier in the chapter. A more in-depth look at the theory is discussed here. **The Equity Theory** is concerned with the relational satisfaction employees get from pay and inputs they provide to the organization. It says that people will evaluate their own compensation by comparing their compensation to others' compensation and their inputs to others' inputs. In other words, people will look at their own compensation packages and at their own inputs (the work performed) and compare that with others.

If they perceive this to be unfair, in that another person is paid more, but they believe that person is doing less work, motivational issues can occur. For example, people may reduce their own inputs and not work as hard. Employees may also decide to leave the organization as a result of the perceived inequity. In HR, this is an important theory to understand because even if someone is being paid fairly, they will always compare their own pay to that of others in the organization.

The key here is perception, in that fairness is based entirely on what the employee sees, not what may be the actual reality. Even though HR or management may feel employees are being paid fairly, this may not be the employee's belief. In HR, we need to look at two factors related to pay equity: external pay equity and internal pay equity. **External pay equity** refers to what other people in similar organizations are being paid for a similar job. **Internal pay equity** focuses on employees within the same organization. Within the same organization, employees may look at higher level jobs, lower level jobs, and years with the organization to make their decision on pay equity.

Consider Walmart, for example. In 2010, Michael Duke, CEO of Walmart, earned roughly $35 million in salary and other compensation (Gomstyne, 2010), while employees earned the minimum wage or slightly higher in their respective states. While Walmart contends that its wages are competitive in local markets, the retail giant makes no apologies for the pay difference, citing the need for a specialized skill set to be able to be the CEO of a *Fortune* 500 company. There are hundreds of articles addressing the issue of pay equity between upper level managers and employees of an organization. To make a compensation strategy work, the perceived inputs (the work) and outputs (the pay) need to match fairly.

Expectancy Theory

The **Expectancy Theory** is another key theory in relation to pay. The expectancy theory says that employees will put in as much work as what they expect to receive in return for it. In other words, if the employee perceives they are going to be paid favourably, they will work to achieve the outcomes. If they believe the rewards do not equal the amount of effort, they may not work as hard.

Reinforcement Theory

The **Reinforcement Theory**, developed by Edward L. Thorndike (Indiana University, 2011), says that if high performance is followed by some reward, that desired behaviour will likely occur in the future. Likewise, if high performance is not followed by a reward, it is less likely the high performance will occur in the future. Consider an extreme example of the reinforcement theory in the world of finance.

On Wall Street, bonuses for traders and bankers are a major part of their salary. The average bonus in 2010 was $128,530 (Smith, 2011), which does not take into account specific commissions on trades, which can greatly increase total compensation. One interesting consideration is the ethical implications of certain pay structures, particularly commission and bonus plans. Traditionally, a bonus structure is designed to reward performance, rather than be a guaranteed part of the compensation plan. Bonus and commission plans should be utilized to drive the desired behaviour and act as a reward for the desired behaviour, as the reinforcement theory states.

All these theories provide us with information to make better decisions when developing our own pay systems.

Think!

Research: Reinforcement Theory suggests that behaviour will increase with rewards. Some argue this is not the case with all employees. Money is not always a motivator! Conduct some research and explore reasons why rewards do not always work. As an HR Consultant, how would you go about motivating your employees if you did not offer them money?

Video: "Why you should know how much your coworkers get paid" By David Burkus – TED [7:21] (URL: https://www.ted.com/talks/david_burkus_why_you_should_know_how_much_your_coworkers_get_paid)

VARIABLE PAY

After a pay system has been developed, we can begin to look at specific methods of paying our employees. Remember that when we talk about compensation, we are referring to not only an actual paycheque, but **variable pay** or additional types of compensation, such as incentive plans that include bonuses and profit sharing. We can divide our total pay system into three categories: pay, incentives, and other types of compensation.

Pay is the hourly, weekly, or monthly salary an employee earns. An **incentive,** often called a pay-for-performance incentive, is given for meeting certain performance standards, such as meeting sales targets. The advantage to incentive pay is that company goals can be linked directly to employee goals, resulting in higher pay for the employee and goal achievement by the organization. The following are desirable traits of incentive plans:

- Clearly communicated

- Attainable but challenging
- Easily understandable
- Tied to company goals

Variable pay helps employees improve their behaviour on the job, keeps the company competitive, and helps to attract and retain employers. Variable pay is linked to employee performance. The variable pay is earned, generally on a yearly basis, and does not impact the base pay.

Table 7.4.1 Types of Pay

Pay	**Attributes**
Salary	Fixed compensation calculated on a weekly, biweekly, or monthly basis. May/may not be paid overtime work.
Hourly Wage	Employees are paid on the basis of number of hours worked.
Piecework System	Employees are paid based on the number of items that are produced.
Types of Incentive Plans	**Attributes**
Commission Plans	An employee may or may not receive a salary but will be paid extra (e.g., a percentage for every sale made).
Bonus Plans	Extra pay for meeting or beating some goal previously determined. Bonus plans can consist of monetary compensation, but also other forms such as time off or gift certificates.
Profit-Sharing Plans	Annual bonuses paid to employees based on the amount of profit the organization earned.
Stock Options	When an employee is given the right to purchase company stock at a particular rate in time. Please note that a stock "option" is different from the actual giving of stock, since the option infers the employee will buy the stock at a set rate, obviously, usually cheaper than the going rate.
Other Types of Compensation	**Attributes**
Fringe Benefits	This can include a variety of options. Sick leave, paid vacation time, health club memberships, daycare services.
Health Benefits	Most organizations provide health and dental care benefits for employees. In addition, disability and life insurance benefits are offered.
Retirement Savings Plans	Some organizations provide a retirement plan for employees. The company would work with a financial organization to set up the plan so employees can save money, and often, companies will "match" a percentage of what the employee contributes to the plan.

Pay Decision Considerations

Besides the motivational aspect of creating a pay structure, there are some other considerations. First, the size of the organization and the expected expansion of the organization will be a factor. For example, if you are the HR manager for a ten-person company, you likely use a going rate or management fit model. While this is appropriate for your company today, as your organization grows, it may be prudent to develop a more formal pay structure.

If your organization also operates overseas, a consideration is how domestic workers will be paid in comparison to the global market. One strategy is to develop a centralized compensation system, which would be one pay system for all employees, regardless of where they live. The downside to this is that the cost of living may be much less in some countries, making the centralized system possibly unfair to employees who live and work in more expensive countries. Another consideration is in what currency employees will be paid. Most US companies pay even their overseas workers in dollars, not in the local currency where the employee is working. Currency valuation fluctuations could cause challenges in this regard (Watson, 2005).

How Human Resources communicate the pay system is extremely important to enhance the motivation that can be created by fair and equitable wages. In addition, where possible, asking for participation from your employees through the use of pay attitude surveys, for example, can create a transparent compensation process, resulting in higher performing employees.

Organizations should develop market pay surveys and review their wages constantly to ensure the organization is within expected ranges for the industry.

"Types of Pay Systems" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.5 LAWS RELATING TO PAY

People cannot be discriminated against when it comes to the development of pay systems. One issue hotly debated is the issue of comparable worth. **Comparable worth** states that people should be given similar pay if they are performing the same type of job. Evidence over the years shows this isn't the case, with women earning less than men in many industries. The average annual earnings for a woman 75 cents for every $1.00 a man earns (Pay Equity Office, 2023). Remember that gender is one of the protected categories in the Canadian Human Rights Act and thus gender should not be a factor in pay determination. Refer to Pay Equity in Chapter 3.

Pay Equity

Compensation must adhere to pay equity. **Pay equity** refers to *equal pay for equal work* when similar jobs are performed, and where men and women are completing the same work. **Equal pay for work of equal value** refers to jobs that are comparable in worth to the company, and the employees should be paid the same. Human Resources needs to ensure the company's pay systems are aligned with the federal and provincial laws.



Image by Kayan Cheung-Miaw, CC BY-NC-SA 4.0

Employment Standards Acts

Each province and territory in Canada has legislation that must be abided by for all employees. The employment standards regulate employee rights and responsibilities of non-unionized employees, and employers. The legislation includes minimum wage, vacations, other leaves of absences, statutory holidays, the number of hours of work, overtime, and record keeping.

Unionized Workers and Labour Laws

Unions are regulated by federal and provincial legislation. They are registered with government labour boards. Unions have the power to negotiate with their employers, often for higher wages than competitors. Employers must abide by the union collective agreements that are negotiated with the unionized employees. The labour

codes offer a guide for unions and employers to negotiate contracts, strikes and lockouts, health and safety, and labour standards. Some unions control jobs such as unionized carpenters which allows the union to raise rates of these specific jobs.

"Types of Pay Systems" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.6 GOALS OF EMPLOYEE BENEFITS

Pay is not the only incentive offered to employees. Compensation comes in the form of employee benefits. It is the combination of pay and benefits that makes up Total Rewards. Benefits include insurances, security through income, time off, educational supports, financial rewards, and employee assistance. Employee benefits are a valuable asset to employers to attract and retain top talent.

Employee benefits have goals that meet the organization, society, and employee goals.

- ***Society:*** Modern society provides security for employees through many different tax supports, and many employee benefits are tax free to employees. As well, the employer has the right to deduct the cost of benefits as business expenses. Employee benefits offer employees financial security that may be due to illness, death, or disability.
- ***Organization:*** Employers can attract and retain employees by offering benefit packages such as vacations, sick time, and retirement plans. Often employees, who may not even be satisfied with their jobs, stay because of the benefits. Productivity may increase because of breaks in the day, lunch hours, vacations, and holidays granted by the employer. Stress and burnout are reduced by employees who have reduced work days.
- ***Employees:*** Employees who do not have to pay out-of-pocket for health and other expenses lower their personal costs. Employers can purchase group insurance plans much cheaper than an individual, and pay for a portion of the health care plan. Some employees will only work for companies that provide benefits. For those companies who do not pay for benefits, they are losing out on highly talented employees.

7.7 MANDATORY AND VOLUNTARY BENEFITS

Mandatory Benefits

Some of the benefits are **mandatory,** and they are provided by the employer due to the laws and the provincial regulations. These include Canada and Quebec pension plans, Employment Insurance, leaves without pay (Compassion leave or other) as well as those that are governed by the Employment Standards (ex. holidays and vacation). Other benefits are Workers' Compensation that compensates employees who have been injured on the job. These can be seen by direct deductions on your paycheque. Every pay has a deduction that is taken for the pension plans and for employment insurance. These deductions are there to protect the employee in the future during retirement or any loss income due to loss of job. By contributing to Employment Insurance if the employee would unfortunately lose their job, they would be entitled to unemployment benefits.

Voluntary Benefits

Other benefits are **voluntary** and are at the discretion of the employer. Many different benefits can be offered by the employer. The most common ones will be highlighted here. Most employers will offer health benefits, such as extended medical plans life insurance, health-related insurance (provincial health care programs), employment income security laid off and employment insurance is supplemented up to 100% of regular wages), retirement plans, Registered Retirement Plans, paid time off, and more. Other plans can include private medical consultations, eye doctor examinations, private professional consultations, dental consultations and procedures, etc. A more in-depth look at these benefits is below.

- ***Life Insurance:*** Most companies offer some type of life insurance to employers in a lump sum upon the employee's death. Other employee's may offer a survivor's pension payable upon death of the employee. It is generally offered based on the employee's annual pay.
- ***Extended Health Insurance:*** This insurance helps pay for expenses that are not covered by any government plans. These may be costs for dental care or paramedical services. A premium is charged and shared by the employee and the employer.
- ***Employment Income*:** When employees are laid off from their work, it is a financial burden for themselves and their families. Employees are entitled to severance pay or 2 days pay for every year worked according to the Canada Labour Code and with a minimum benefit of five days wages (Government of

Canada, 2002).

- ***Disability Insurance:*** When an employee is injured on the job and must be off work for a period of time, the employee is paid their wage, or a portion of their wage while off work. Some employers offer short term disability where an employee remains off work for a period of time deemed by the employment contract. If an employee needs to be off work for an extended period of time, they are awarded long term disability.
- ***Retirement Benefits:*** Retirement benefits are offered to employees who have been employed with the company for long-time service. **Defined Benefits (DB) Plans** are traditional in nature. They provide a specific and predictable benefit when a person retires. It is guaranteed income for life. They include an employee's salary, years of service, and the employee's age of retirement. Projections are made into the future on how much money the employee will need to retire at a certain age. They are often offered in the public sector as the private sector finds them expensive. **Defined Contribution (DC) Plans** is when the employer and the employee make contributions toward the retirement plan. These contributions are invested over a period of time and the employee receives a pay out when they retire. They amount is unknown as it is in the future, and depends on the amount of contribution and the growth of the investment (Smith, 2021).
- ***RRSP:*** Group Registered Retirement Plans (RRSP) serve as a different option to a pension plan. The company and employee contribute to an RRSP as a means of providing the employee a retirement plan. The plan is administered by an investment company.
- ***Tax-Free Savings Accounts*:** Tax-Free Savings Accounts can be set up by the employee and the employer gives them money to contribute to the plan. The money is tax free until the employee decides to withdraw the money.
- ***Paid Time Off:*** These include breaks from work, meal breaks, and rest periods.
- ***Sick Leave:*** Most employers pay their employees is they are sick and away from work. The employee is paid their regular wage.
- ***Holidays and Vacations:*** Most employers offer vacation days based on years served within the company. This is in addition to the mandatory federal and provincial paid holidays. There are various methods applied for vacations. Some employers want employees to take all their holidays within a year, while others will allow employees to accumulate their vacation time over time. Some employers close for a period of time and require their employees to take their vacations during this period of time.
- ***Employee Assistance Plans:*** Some employers provide educational, financial and social programs for employees. Educational opportunities are offered to the employee and a portion or the entire education fees are paid by the company upon completion of the program. **Financial Services** allow employees to buy services or products from the company at a discount. Other financial services may be paying for monthly expenses on cell phones, or buying a laptop for the employee. **Social services** are called employee assistance programs that may help with elder care or child care, counselling services, providing mental health services, and help with substance abuse. Other programs may be sponsoring a baseball

team or golf events.

- ***Relocation:*** Some companies who transfer their employees provide relocation services to the employee and family. The employee's costs are covered to move such as moving expenses, help with finding a new home, family counselling, and helping out with new mortgages.
- ***Caregiving:*** Some companies provide supports for child care and elder care allowing employees to take time away from work to care for children or elders. Other companies provide onsite child care programs for free or a nominal fee.

"Other Types of Compensation" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.8 FLEXIBLE BENEFITS

Given the world is highly competitive in today's society, employers need to be creative and flexible with benefit packages to attract and retain employees. **Flexible benefits** allows the employees to choose their own benefits from a "menu of choices" according to their individual needs and family needs. Some employees are offered credits to use to buy their benefit package. Other employees have benefit accounts.

The employee and employer contribute to the account or the fund. This meets the specific needs of each employee within the company. The employee has full control over what benefits to purchase, and can prioritize according to their lifestyle and situation. The employee is offered the price of each benefit and detailed information about the benefit coverage.

Employee Assistance Programs are popular with employees and employers. Employees are offered credits in an account through an extended health coverage plan. Some of these expenses include vision care, dental care, optional life insurance, massage, and physiotherapy.

Flexible benefits is a complex task for Human Resources. It is time consuming and costly. With advanced technology, some of the burden is lifted through databases that can handle the large volume of individual requests. Another complex issue for Human Resources is communicating all the choices to the employees. Employees need to take responsibility for their own education about the available benefits, and Human Resources needs to make the information readily available, in simple language. Human Resources also needs to be knowledgeable about all the products available to interpret the information to the employees.



Think!

How has society changed that employees do not want the "same size fits all" benefit package? What has shifted in our culture that employees want more flexibility?

A Final Note on Compensation and Benefits Strategy

When creating your compensation plan, of course the ability to recruit and retain should be an important factor. But also, consideration of your workforce needs is crucial to any successful compensation plan. The first step in development of a plan is to ask the employees what they care about. Some employees would rather receive more pay with fewer benefits or better benefits with fewer days off. Surveying the employees allows you,

as the HR professional, to better understand the needs of your specific workforce. Once you have developed your plan, understand that it may change to best meet the needs of your business as it changes over time.

Once the plan is developed, communicating the plan with your employees is also essential. Inform your employees via an HR blog, e-mails, and traditional methods such as face to face. Your employees might not always be aware of the cost of the benefits to the company, so making sure they know is your responsibility. For example, if you pay for 80 percent of the medical insurance premiums, let your employees know this. This type of communication can go a long way to allowing the employees to see their value within the organization.

"Other Types of Compensation" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

7.9 KEY TERMS

Key Terms

Broadbanding: similar to a pay grade system, except all jobs in a particular category are assigned a specific pay category. (7.4)

Comparable worth: states that people should be given similar pay if they are performing the same type of job. (7.5)

Compensation: pays workers for work completed and provides incentives to motivate employees that results in loyalty and happiness on the job. (7.1)

Competency-based pay: salary levels are based on the employee's traits or characteristics as opposed to a specific skill set. (7.4)

Defined Benefits (DB) Plans: provide a specific and predictable benefit when a person retires. It is guaranteed income for life. (7.7)

Defined Contribution (DC) Plans: when the employer and the employee make contributions toward the retirement plan. (7.7)

Delayering and banding process: cuts down the number of pay levels within the organization. (7.3)

Equity Theory: concerned with the relational satisfaction employees get from pay and inputs they provide to the organization. (7.4)

Equal pay for work of equal value: refers to jobs that are comparable in worth to the company, and the employees should be paid the same. (7.5)

Expectancy theory: says that employees will put in as much work as what they expect to receive in return for it. (7.4)

External equity: relies on paying employees that is perceived to be fair based on what they market is paying. The company compares their own pay to what other similar companies are paying their employees. (7.2)

Financial Services: allow employees to buy services or products from the company at a discount. (7.7)

Going rate model: analysis of the going rate for a particular job at a particular time is considered when creating the compensation package. (7.3)

Hay profile method: proprietary job evaluation method focuses on three factors called know-how, problem solving, and accountability. (7.3)

Incentive: often called a pay-for-performance incentive, is given for meeting certain performance standards, such as meeting sales targets. (7.4)

Internal equity: a perceived equity among different jobs within a company. In other words, jobs that are similar should have similar value, and receive similar pay. (7.2)

Internal pay equity: focuses on employees within the same organization. Within the same organization, employees may look at higher level jobs, lower level jobs, and years with the organization to make their decision on pay equity. (7.4)

Job classification system: every job is classified and grouped based on the knowledge and skills required for the job, years of experience, and amount of authority for that job. (7.3)

Job evaluation: the process of determining the relative worth of jobs to determine pay structure. (7.3)

Lag: means to pay less than market value. This is often called the organizational compensation philosophy. Other definitions are describes above with market plus and market minus philosophy. (7.1)

Lead: means to pay higher than that the market value. Match means to match other companies who have similar products and services. This is often called the organizational compensation philosophy. Other definitions are describes above with market plus and market minus philosophy. (7.1)

Mandatory benefits: are provided by the employer due to the laws and the provincial regulations. (7.7)

Market compensation policy: to pay the going rate for a particular job, within a particular market based on research and salary studies. (7.1)

Market minus philosophy: a company will pay a particular percentage less than the market. (7.1)

Market plus philosophy: a company will determine the going rate and add a percentage to that rate. (7.1)

Paired comparison: individual jobs are compared with every other job, based on a ranking system,

and an overall score is given for each job, determining the highest-valued job to the lowest-valued job. (7.3)

Pay: is the hourly, weekly, or monthly salary an employee earns. (7.4)

Pay equity refers to equal pay for equal work when similar jobs are performed, and where men and women are completing the same work. (7.5)

Pay grading: this is the process of setting the pay scale for specific jobs or types of jobs. (7.3)

Reinforcement Theory: developed by Edward L. Thorndike (Indiana University, 2011), says that if high performance is followed by some reward, that desired behaviour will likely occur in the future. (7.4)

Skill-based pay: salary levels are based on an employee's skills, as opposed to job title. (7.4)

Social services: are called employee assistance programs that may help with elder care or child care, counselling services, providing mental health services, and help with substance abuse. (7.7)

Total Compensation Package: or sometimes known as Total Rewards. A compensation package can include wages or salary, perks, amenities, health-care benefits, and other benefits such as retirement plans that is offered by the company in exchange for work performed. (7.2)

Variable pay system: This type of system provides employees with a pay basis but then links the attainment of certain goals or achievements directly to their pay. (7.4)

Voluntary benefits: are benefits that are at the discretion of the employer. (7.7)

7.10 SUMMARY

Summary

Human Resources departments develop compensation packages that align with the goals and rewards of an organization, paying workers for completed work, and providing incentives to motivate employees. Before developing compensation philosophies, there are basic aspects of compensation packages that need to be addressed. These include determining an organization's compensation philosophy and analyzing whether the pay scale reflects the importance of various job titles. It also includes, within the organization, is it competitive enough to attract and retain employees, abides by laws, and keeps in line with labour market changes. There are different compensation policies that organizations can choose from, including market, market plus, and market minus philosophies, and each organization's philosophy depends on its core values and objectives.

Job evaluation is the process of determining the relative worth of jobs to establish a pay structure. It helps to determine if pay is fair among employees and can be done through different methods, such as job ranking systems, job classification systems, and point-factor systems. After a job evaluation is completed, pay grading is performed to set the pay scale for specific jobs or types of jobs. This can be done by developing a variety of pay grade levels and assigning each job a pay grade. It it may have downsides such as a lack of motivation for employees to work harder.

This text discusses different compensation strategies that organizations can use, including skill-based pay, competency-based pay, broad banding, and variable pay systems. The text also highlights three theories related to pay: equity theory, expectancy theory, and reinforcement theory. The equity theory focuses on employees' perception of pay fairness compared to others. The expectancy theory suggests that employees will work harder if they expect a favourable outcome. Finally, the reinforcement theory explains how rewards can motivate employees to continue with desired behaviours in the future. The text concludes that understanding these theories can help organizations make better decisions when developing pay systems.

Canadian laws related to pay prohibit discrimination in pay systems, and require adherence to pay equity and employment standards acts. Pay equity means equal pay for equal work, and equal pay

for work of equal value. Employment standards acts regulate employee rights and responsibilities, including minimum wage, vacations, leaves of absence, and record keeping. Unions are regulated by federal and provincial legislation, and negotiate with employers for higher wages. Labour codes provide guidance for unions and employers in negotiating contracts, strikes and lockouts, health and safety, and labour standards.

Employee benefits are a valuable asset to employers to attract and retain top talent. Benefits include insurances, security through income, time off, educational supports, financial rewards, and employee assistance. Employee benefits have goals that meet the organization, society and employee goals. Some of the benefits are mandatory, and they are provided by the employer due to the laws and the provincial regulations. These include Canada and Quebec pension plans, Employment Insurance, leaves without pay, and those that are governed by the Employment Standards. Other benefits are voluntary and are at the discretion of the employer. Many different benefits can be offered by the employer, such as health benefits, life insurance, extended health insurance, employment income, disability insurance, retirement benefits, RRSP, Tax-Free Savings Accounts, and paid time off.



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/7-10-summary/

7.11 KNOWLEDGE CHECK

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/7-11-knowledge-check/

7.12 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Review Chapter related to Job Analysis. Why is it important to complete job analysis before establishing a compensation package? Discuss with a **partner**.
2. How would you decide, as an HR Manager, what a "fair wage" is for employees? Discuss with a **partner**.
3. Following an interview for hiring for a position, the candidate has asked for a specific wage of $20.00/hour. You decide you will pay the person this amount. Do you think you may have problems with this later? And, if so, what problems could arise? Discuss with a **partner**.
4. You work for an electrical company in a small, rural town in Ontario. The wage established for a new employee is $50,000.00. An employee you are considering hiring lived in Toronto, and has moved to your small town. They explain that for the same job, with the same qualifications they earned $65,000.00. Could you justify the lower wage to the candidate? What would your rationalization be? Discuss with a **partner**.
5. What is the difference between compensation and total rewards? Discuss with a **partner**.
6. There are several job evaluation systems available to employers. Review the textbook examples of job evaluation systems. As an HR Manager which system do you believe would work best for your company? (the company is a retail store in clothing for children, you have 50 employees). Discuss in **small group**. Rationalize your choice.
7. Review the four compensation strategies in the text. What would be the best strategy for the following companies? 1. Plumbing company 2. Convenience store 3. Manufacturing plant that builds mobile homes 4. Private online school who hires online teachers. Discuss in a **small group**. Rationalize why you made your choice.

8. Review the Pay Theories in the text. Choose one. Complete an online search for more information about the theory of choice. **Individually**, write a one-minute pager about the theory. Review with a **partner**.
9. Explain the difference between "equal pay for equal work" and "equal pay for work of equal value". Discuss with a **partner**.
10. Why have benefits become so popular with companies in modern society? Why has the government taken an interest in benefits through the laws of Canada? Discuss with a **partner**.
11. As an HR Manager, how would you go about creating a benefit package for a multi-generational work force? Discuss in a **small group**.
12. Your employees have completed a survey related to the benefits they believe to be the most important. The number one benefit is financial security. What benefits would you offer the employees? Brainstorm in **large group**.
13. Research the Employment Insurance program offered by Canada. You have an employee who was burned at work and must be off work for up to one year. What would you share with this employee about income sources that would be available to them short term? And longer term? Discuss with a **partner**.

7.13 CASE STUDY: MATCHING COMPENSATION WITH CORE VALUES

Case Study: Matching Compensation with Core Values

As you review the compensation package your company offers, one thing that stands out is that it no longer matches the core values of your organization. When your organization merged five years ago with a similar firm that specializes in online shoe retailing, your company had to hire hundreds of people to keep up with growth. As a result—and what happens with many companies—the compensation plans are not revised and revisited as often as they should be. The core values your company adopted from the merging company focused on customer service, freedom to work where employees felt they could be most productive, and continuing education of employees. It was not dependent on whether or not the education was related to the organization. The compensation package, providing the basic salary, health benefits, and retirement plan, seems a bit old-fashioned for the type of company yours has become.

After reviewing your company's strategic plan and your human resource management (HRM) strategic plan, you begin to develop a compensation strategy that includes salary, health benefits, and retirement plan. You decide a good place to start would be with a better understanding of what is important to your employees.

For example, you are considering implementing a team bonus program for high customer service ratings and coverage for alternative forms of medicine, such as acupuncture and massage. Instead of guessing what employees would like to see in their compensation packages, you decide to develop a compensation survey to assess what benefits are most important to your employees. As you begin this task, you know it will be a lot of work, but it's important to the continued recruitment, retention, and motivation of your current employees.

Questions

1. Define how compensation is determined.
2. How would you involve the employees in re-designing the compensation plan other than a survey?
3. Design 5 key questions that you would ask the employees in the compensation survey?

"Chapter 8: Compensation" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

CHAPTER 8: PERFORMANCE MANAGEMENT

Chapter Outline

8.0 Learning Outcomes
8.1 Performance Management Systems
8.2 Managing Performance
8.3 Designing a Performance Management System
8.4 Steps in Performance Management System
8.5 Popular Performance Appraisal Models
8.6 Performance Appraisal Methods
8.7 Value of Performance Appraisals
8.8 Individual, Team, Manager Performance Reviews
8.9 Completing and Conducting The Appraisal
8.10 Managing Performance Issues
8.11 Disciplinary Processes for Performance Issues
8.12 Investigation of Performance Issues
8.13 Employee Separations and Terminations
8.14 Key Terms
8.15 Summary
8.16 Knowledge Check
8.17 Exercises/Activities for Teachers and Students
8.18 Case Study: A Tough Conversation

8.0 LEARNING OUTCOMES

Learning Outcomes

1. Define the reasons for a formal performance evaluation system.
2. Explain the process to develop a performance review system.
3. Explain various performance management models and methods.
4. Discuss value and best practices in performance review planning.
5. Explain the types of performance issues in the workplace and the internal and external reasons for poor performance.
6. Develop a process for handling employee performance issues.
7. Discuss considerations for initiating layoffs or downsizing.

8.1 PERFORMANCE MANAGEMENT SYSTEMS

A **performance management system** is an integrated set of processes aimed at helping employees contribute to organizational effectiveness. At their core, these systems involve the assessment of individual performance. A good plan aligns the company goals with the employee goals. To 'manage performance,' the first thing to do is find out who does what and how well they do it. After this information is collected, HR managers can feed the data in various systems to help the employee and improve the organization in general. Some of these processes include compensation, employee development, and employee records.

Performance management is an important HR process because it goes to the essence of HR (employee performance) and relates to every other HR process. For example, to understand whether or not the design of a job is efficient you use the performance of employees as data. If you want to see whether your new interview protocol is suitable you look at whether candidates who score well on it also become superior employees. For training, you can base your needs analysis on performance appraisal data to target who requires training. Performance data is essentially the bloodline of HR—it flows through every HR system.

Some researchers suggest that the performance appraisal system is perhaps one of the most important parts of the organization (Lawrie, 1990), while others suggest that performance appraisal systems are doomed and should be abolished (Derven, 1990), making them worthless. One of the most interesting (and thorny) facets of performance management systems is that, while very important, they are also very much disliked by employees and managers. The reality is that not everyone likes to be evaluated and 'judged'. As a result, managers are often not comfortable evaluating (and judging) their employees because it can strain relationships. This makes performance management difficult for HR managers to manage: it is very important, and the organization needs the information, but people hate it! In a survey of the Society of Human Resource Management (2014), *HR Professionals' Perceptions About Performance Management Effectiveness*, HR professionals were asked their opinions on their organizations' performance management systems. These professionals almost unanimously agreed that this process was a top priority for their organizations, but at the same time, more than half rated their own system 'C+ to B.'

This is not to say that successful performance management is not possible, just that it requires careful consideration, design and implementation. In this chapter we will explain how to design such a system in order to maximize the contributions of employees and raise the effectiveness of the organization.

"Performance Management Systems" from Human Resources Management – 2nd Ontario

Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.2 MANAGING PERFORMANCE

Performance Management and Compensation

How will salaries and bonuses be determined if not by employee performance? You should not reward poor performance? How do you define performance for the employee/job, i.e. quantity, quality, sales volume, team work, client satisfaction, team objectives, company objectives?



Garage, a fashion retailer in Montreal "Garage Clothing Store" by Mike Mozart, CC BY 2.0

The answer to these questions might seem obvious but HR managers have to consider it carefully when developing a performance evaluation process. There is research that shows employees have a greater acceptance of performance reviews if the review is linked to rewards (Bannister & Balkin, 1990). The linking of performance to compensation requires some careful analysis. Think of determining bonuses for salespeople: what should be the bonus for a salesperson working at Garage, a fashion retailer based in Montreal? What should be the objective? Should it be set monthly (a bonus level for every $20,000 in sales) or weekly ($5,000)? Should the bonus be adjusted to store location: the store on St Catherine has higher volume than the store in St Jerome, but it also has more sales employees! All this to say, that this can be a delicate exercise.

It is even more delicate when the data is subjective (i.e., supervisor ratings instead of hard sales). Are supervisors fair in their evaluations or do they play favourites? Are they confident enough in their assessment to distinguish between good and poor performers or will they 'play it safe' and rate everyone the same? Basically, this process involves the translation of 'soft data' (i.e., performance) into 'hard data' (i.e., dollars) and when this translation takes place, employees pay attention so it must be done well!

One indirect impact of linking performance evaluations with compensation is that it takes away employee's focus from another purpose: their use for development.

Performance Management and Employee Development

Performance management is important for employee development. In order for this development to occur, employees need to know what is expected of them and where they stand: what aspect of their work they need to work on (weaknesses) and what aspects they can capitalize on (strengths). Performance management provides the feedback essential for this awareness and change to take place.

However, for most people, receiving feedback is not an easy thing. One often becomes defensive and finds ways to discredit the feedback, especially if it is negative. Conversely, giving feedback is also difficult. Managers tend to shy away from these difficult conversations by either avoiding them or by simply 'sugar coating' the message. HR managers play an important role in structuring the process so that both employees and managers are equipped and supported when they have these conversations.

Performance Management and Employee Records

A third and final use for performance management is to document HRM decisions and actions – maintaining a full employee history. Basically, this data provides a record of performance ratings and discussions that took place over the years and the actions agreed upon by employees and supervisors. These records are important in the case of employee discipline and termination, or further development and advancement. It is important to note that employee records, and 'paper trails', are a legal requirement when taking legal action against an employee for non-performance and termination.

One approach to evaluate performance at the organizational level is the **balanced scoreboard** which a management system that aligns the company goals into a set of performance objectives and is measured, monitored and changed as needed to ensure all the goals are met. HR departments play an important role in designing and monitoring balanced scoreboards.

"Performance Management Systems" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.3 DESIGNING A PERFORMANCE MANAGEMENT SYSTEM

As stated prior, there are a number of factors to consider before designing or revising an existing performance management system. For the purposes of this chapter, let us assume we can create a system that will provide value to the organization and the employee. When designing this system, we should recognize that any process has its limitations, but if we plan it correctly, we can minimize some of these.

Defining Performance

The first step in the process of designing a performance management system is to define the performance that is to be measured. By now, it is probably obvious to you that this definition will stem from a job analysis.

Performance Appraisal

Feedback Frequency

The first step in the process is to determine how often performance appraisals should be given. Please keep in mind that managers should constantly be giving feedback to employees. The performance appraisal is a formal process for managing performance on a scheduled basis. Some organizations choose to give performance evaluations once per year, while others give them twice per year or more. The advantages to giving an evaluation twice per year, of course, are more feedback and more opportunity for employee development. The downside is the time it takes for the manager to write the evaluation and discuss it with the employee. If done well, it could take several hours for just one employee. Depending on your organization's structure, you may choose one or the other.

For example, if most of your managers have five or ten people to manage (this is called span of control), it might be worthwhile to give performance evaluations more than once per year since the time cost is not high. If most of your managers have twenty or more employees, it may not be feasible to perform this process more than once per year. This does not preclude the manager or supervisor from providing ongoing continuous feedback throughout the year.

Evaluators

The person evaluating (evaluator) an employee's performance is most often their direct manager. However, performance input may also be provided by subordinates, clients, other managers, and those who having regular work related dealings with. The employee is also encouraged to conduct a self-evaluation or appraisal. Figure 7.3.1 "Advantages and Disadvantages of Each Source for Performance Evaluations" shows some of the advantages and disadvantages of each source of information for performance evaluations. Ultimately, using a variety of sources might garner the best results.

Figure 7.3.1. Advantages and Disadvantages of Each Source for Performance Evaluations

Source	Advantages	Disadvantages
Manager/ Supervisor	• Usually has extensive knowledge of the employee's performance and abilities	• Bias • Favouritism
Self	• Self-analysis can help with employee growth • Works well when the supervisor does not always directly observe the employee	• In the employee's interest to inflate his or her own ratings • Relationships can create bias in the review
Peer	• Can bring different perspectives, since peers know the job well	• If evaluations are tied to pay, this can put both the employee and the peer in an awkward situation • If confidential, may create mistrust within the organization • Personal relationships may introduce bias
Customer/Client	• Customers often have the best view of employee behaviour • Can enhance long-term relationships with the customer by asking for feedback	• Can be expensive to obtain this feedback • Possible bias
Subordinate	• Data garnered can include how well the manager treats employees • Can determine if employees feel there is favouritism within their department • Can be used as self-development tool for managers	• Possible retaliation if results are not favourable • Subordinates may not understand the "big picture" and rate low as a result • Rating inflation • If confidential, may create mistrust within the organization • If nothing changes despite the evaluation, could create motivational issues among employees

Reliability and Validity

As seen earlier in the book, any measurement has to be reliable and valid. **Reliability** refers to how consistent the same measuring tool works throughout the organization (or job title). When we look at reliability in

performance appraisals, we ask ourselves if two raters were to rate an employee, how close would the ratings be? If the ratings are far apart from one another, the method may have reliability issues. To prevent this kind of issue, we can make sure that performance standards are written in a way that will make them measurable. For example, instead of "increase sales" as a performance standard, we may want to say, "increase sales by 10 percent from last year." This performance standard is easily measured and allows us to ensure the accuracy of our performance methods.

A common practice is developing SMART goals – specific, measurable, achievable, relevant, and time bound. Also, HRM often performs calibration meetings to ensure that evaluators understand the performance standards being assessed. During these meetings, supervisors, and an HR representative openly discuss their evaluations and, most importantly, the rationale behind them. This allows the supervisors (the raters) to establish a common, more uniform perspective on the process so that their evaluations are more reliable.

Validity is the extent to which the tool measures the relevant aspects of performance. The aspects of performance should be based on the essential skills and responsibilities of the job, and these should be reviewed often to make sure they are still applicable to the job analysis and description. There are two common issues that compromise the validity of performance appraisals – contamination and deficiency.

1. First, **contamination** occurs when extraneous elements (i.e., factors that are unrelated to performance) influence the evaluation. For example, think of a retail company that uses 'weekly sales' as a performance measure for its salespeople and applies this standard equally for its store in DIX-30 (a large and busy commercial centre) and its store in Magog (a small municipality). The location would contaminate this measure (i.e., sales will naturally be higher in the high-traffic store). There are many ways to contaminate a performance appraisal. A supervisor liking one employee more than another (or disliking an employee) is another classic example.
2. **Deficiency** occurs when the measure fails to capture the entire range of performance. Sales revenue can also be an example of a deficient measure if it is the only criteria used because it fails to capture other areas that may be important such as customer service, collaboration, etc.

Essentially an effective performance assessment process is one that captures the whole spectrum of an employees' performance. This level of precision is only an ideal because it is very hard to achieve in organizations. The role of HRM is to try, as much as possible, to minimize the presence of contamination and deficiency in the performance appraisal system. This can be done through various means such as a good design of the appraisal tool and proper training on how to use it.

"Performance Management Systems" from Human Resources Management – 2nd Ontario

Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.4 STEPS IN PERFORMANCE EVALUATION PROCESS

Step 1. Development of an Evaluation Form:

The form needs to be fair and objective (standardized) that includes KSA (knowledge, skills, abilities), quality of work, work habits, work behaviours, quantity of work, .

Step 2. Identification of the Performance Measures:

Standard performance measures that allows HR Specialists to evaluate performance objectively. Sometimes a job description allows as a measurement tool.

Step 3. Define the Guidelines for Feedback:

The is the opportunity for a discussion about the strengths and weaknesses of the project member. As well, offering support for improvement is important. This is a time to acknowledge pride in the success and the contribution made by the team member. It is critical to the team member's esteem and confidence in moving forward in their traditional job or a new project. It is also a time for the team member to provide feedback on their performance. The Human Resources Specialist wants to ensure they encourage open dialogue, there is an exchange of information, and an opportunity to better understand each other's perspective of the work completed.

Step 4. Create Reward and Disciplinary Steps:

Often at closure of projects, there are bonuses for team members. This is the time to explain the bonus, and how and when it will be given. As well, Human Resources Specialists need to be prepared for handling team members who performed poorly. The discipline action would be discussed prior to the project beginning–a verbal warning, a written warning, if no improvement, termination. At the end of the project, if there were any disciplinary actions, they would be discussed with the team member, consequences that had been implemented, and any action that had been taken. Plans for improving performance would be reviewed too.

Step 5. Establish a Schedule:

It is a best practice to establish a performance schedule at the beginning of a project. Human Resources would establish the evaluation form, performance measurement, and guidelines for feedback prior to the team beginning the project. The performance evaluation would be explained to the team to allow them a reference point at the beginning to monitor their own performance. It is highly suggested that Human Resources schedule regular "check in" performance evaluations throughout the project. This may dependent on the duration of the project. Short projects may only have a post performance evaluation. Longer projects may have 2-3 scheduled performance evaluations. The post evaluation then is a follow up that brings closure to the project. The critical point is that the entire process needs to be a structured, formal, and fair approach that promotes growth and development, and acknowledges the contribution of the team members to the project.

"Performance Evaluation" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.5 POPULAR PERFORMANCE APPRAISAL MODELS



360 Feedback

The 360º Feedback model seeks to create unity in the workplace through multi-source assessments. The model achieves this through offering different perspectives on a person's skills, behaviours, abilities, and performance, as well as alleviating the biases often found with single-source assessments. The model also provides the opportunity for individuals to rate themselves as well as others.

The 360º Feedback model has evolved significantly over the years, as employment trends and standards have changed. Empowerment in the workforce, a desire to offer employees evaluations beyond annual reporting, and an increasingly competitive job market have forced the 360º Feedback model to evolve to become even more frequently adapted by companies seeking to improve their assessment and Human Resources systems (Fleenor & Prince, 1997). While the 360º Feedback model is a relatively malleable theory and can therefore be changed to suit each business's needs, there may be more changes in the future. Digital workforces, where all assessments and feedback would be provided virtually, would need to be implemented most likely via specific software built to support the 360º Feedback model.

The 360º Feedback model is based on the principle that feedback on a situation is different depending on people's specific perspectives. All perspectives must be evaluated to have a well-rounded assessment. It is a form

of multi-rater feedback where feedback is collected from multiple sources to understand how people within an organization are functioning (Tee & Ahmed, 2014). This feedback model is also based on data and data-based feedback principles. Specifically, David Nadler wrote a book about data-based methods of feedback and how it contributed to the development of the organization, and the concept of using data to conduct assessments in the workplace emerged (Hedge et al., 2001).

There are several benefits that this model provides to both workers and employers.

1. It demonstrates the differences between how workers see themselves and how others see them, which increases workers' self-awareness and allows them to make improvements to their performance (McCarthy & Garavan, 2001).
2. It helps motivate employees as an appraisal tool. Workers and employers can meet to discuss the goals or objectives that are being evaluated. Workers may become more motivated to increase their productivity and performance as they are not only being evaluated by their employers, but also by themselves and their peers (McCarthy & Garavan, 2001).
3. It focuses on methods over outcomes, which allows workers to focus on improving the quality of their work rather than the result.
4. The 360º Feedback model offers insights to the productivity and the methods that workers use to conduct their work.
5. It gives managers insights into how the employee views themselves and their work.

The 360º model makes contributions in all sectors when running results to generate information. For example, when running a report building on workplace sustainability, the results can contribute to facilitating organizational culture and generate outstanding feedback to excel company needs.

Management by Objectives (MBO)

Peter Drucker developed **Management by Objectives** (MBO) whereby executive management discussed organizational goals and set objectives for employees based on those goals to be evaluated upon completed of the goals and objectives.

The theory behind MBO is basic. The theory states that employees who participate and have input into designing their objectives will feel more valued by an organization. In turn, they will be more adept to fulfill the objectives and contribute to the success of the organization. The theory hypothesizes that allowing employees to participate in goal setting enhances participation, commitment, and loyalty among employees (Gordon, 2022). The process of Management by Objectives can be described in five steps.

1. Senior management discusses their business goals for a particular time and then lists several objectives based on their goals.

2. Senior management announces company objectives to their employees. Employees review the company objectives, discuss and recommend amendments, and determine a plan that will nurture their ability to reach their objectives.
3. Management monitors employee progression toward the agreed upon objectives and assists where needed.
4. When the business cycle is complete, management and employees talk about how well the objectives were met through an evaluation process. During this process, management will compare what the employee completed and compares it to the initial agreement performance agreement.
5. Employees are recognized and rewarded with raises, bonuses, promotions, or new responsibilities based on how they performed.

The focus of this theory is centred around rewards, rather than punishment. Therefore, it requires management to provide unwavering support to their employees (Gordon, 2022). If results are not met after evaluation, managers attempt to take corrective action to motivate employees and modify objectives as needed. For this theory and management style to be successful, objectives need to be specific, measurable, achievable, relevant, and time-bounce, otherwise known as "SMART" (Miller, 2021).

Advantages and Disadvantages

Management by Objectives has several advantages. Some of the advantages include an enhanced understanding of tasks and duties by employees, a reduction in ambiguity around task responsibility, increased communication within the organization, increased employee focus, motivation, and job satisfaction, individualized results expectations, and alignment of effort toward company goals.

However, MBO has been the subject of criticism for a few reasons. Some of the disadvantages of MBO include poor stimulation to innovate, ignorance of the environment and the resources available to complete the goals, polarization between people and departments who are not motivated to assist beyond their own goals, misplaced importance given to goal setting rather than the completion of those goals, the time consuming nature of implementation and maintenance, and the inability to identify and quantify all objectives necessary for organizational success (Communication Theory, n.d.).

Project Management

Despite its criticisms, MBO has been a key foundation to Project Management today and challenges some of the more traditional planning processes (D'Entremont, 2012). MBO helps Project Managers move away from decisions being made strictly by management. Instead, it promotes including the entire organization in the planning process. Also, MBO helps Project Managers focus on the larger picture, instead of getting

lost in the small details. Ultimately, MBO improves organizational communication and allows management and employees to collaborate on obtainable objectives to maximize resources and obtain optimal results (D'Entremont, 2012).

Human Resources

Human Resources could be responsible for establishing the company objectives and strategies through facilitation with management and employees. They would be responsible for conveying the strategy to the organization to ensure a clear understanding and idea of what success is to the organization, and how it will be measured. Human Resources would play a major role in supporting the organization to identify the company culture.

Human Resources may be involved in training management and then the employees in the MBO approach. They would design the forms used to design the goals and the evaluation forms. Human Resources may assist the management team in setting up the goals with the employees. An important step in MBO is the monitoring and evaluation of the performance and the progress of the employees. Human Resources, along with management, or perhaps independently, may provide the monitoring and evaluation processes.

Human Resources would follow through with the same processes and steps for projects within the organization by training the Project Manager and team in the MBO approach, providing the forms to set up the goals and objectives, assisting with monitoring progress throughout the project, and completing evaluations upon completion of the project.

"In-Depth Look: 360-Degree Review" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

"In-Depth Look: Management by Objectives as an Evaluation Tool" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.6 PERFORMANCE APPRAISAL METHODS

In this section, we will discuss some of the main methods used to assess performance. However, before discussing these methods, we must discuss how they approach the assessment of individual performance. Some methods focus on the employee's specific traits in relation to the job. For these methods, the objective is to capture whether or not the employees possess the KSAO's required for the job. An example would be to assess whether a salesperson is outgoing or whether the accounts payable clerks are conscientious and pay attention to detail.

Another way to approach the assessment of performance is to look at individual actions within a specific job. This focus on behaviour, for example, would try to measure whether the salesperson uses a certain protocol when approaching customers or whether the accounts payable clerk follows up on her phone calls. The focus is on 'what employees actually do' as opposed to 'who the employee is' (for the trait methods). **Comparative methods** compare one employee with other employees. Finally, **results methods** are focused on objective employee accomplishments. Note that many organizations will use these methods in combination.

Graphic Rating Scale

The **graphic rating scale**, a trait method, is perhaps the most popular choice for performance evaluations. This type of evaluation lists the traits required for the job and asks the source to rate the individual on each attribute such as dependability and creativity. For example, the ratings can include a scale of 1–10; excellent, average, or poor; or exceeds, meets, or does not meet expectations.

Poor	—	—	—	—	—	—	—	—	—	Exceptional
0	1	2	3	4	5	6	7	8	9	10

The disadvantage of this type of scale is that it is quite subjective. Thus, many organizations use a graphic rating scale in conjunction with other appraisal methods to further solidify the tool's validity. For example, some organizations use a **mixed standard scale,** which is similar to a graphic rating scale. This scale includes a series of mixed statements representing excellent, average, and poor performance, and the manager is asked to rate a "+" (performance is better than stated), "0" (performance is at stated level), or "–" (performance is below stated level). Mixed standard statements might include the following:

- The employee gets along with most coworkers and has had only a few interpersonal issues.
- This employee takes initiative.

- The employee consistently turns in below-average work.
- The employee always meets established deadlines.

Essay Appraisal

In an **essay appraisal**, the evaluator answers a series of questions about the employee's performance in essay form. This can be a trait method and/or a behavioural method, depending on how the manager writes the essay. These statements may include strengths and weaknesses about the employee or statements about past performance. They can also include specific examples of past performance. The disadvantage of this type of method (when not combined with other rating systems) is that the manager's writing ability can contribute to the effectiveness of the evaluation. Also, managers may write less or more, which means less consistency between performance appraisals by various managers.

Checklist Scale

A checklist method for performance evaluations lessens the subjectivity, although subjectivity will still be present in this type of rating system. With a **checklist scale,** a series of questions are being asked and the manager simply responds yes or no to the questions, which can fall into either the behavioural or the trait method, or both. Another variation to this scale is a check mark in the criteria the employee meets and a blank in the areas the employee does not meet. The challenge with this format is that it does not allow for more detailed answers and analysis of the performance criteria unless combined with another method, such as essay ratings.

Critical Incident Appraisals

While Critical Incident Appraisals are more time-consuming to develop, they can be effective because they provide specific examples of behaviour to anchor the ratings. With a **critical incident appraisal**, the manager records examples of the employee's effective and ineffective behaviour during the time period between evaluations, which is in the behavioural category. When it is time for the employee to be reviewed, the manager will pull out this file and formally record the incidents that occurred over the time period. The disadvantage of this method is the tendency to record only adverse incidents instead of positive ones. However, this method can work well if the manager has the proper training to record incidents (perhaps by keeping a weekly diary) in a fair manner. This approach can also work well when specific jobs vary greatly from week to week, unlike, for example, a factory worker who routinely performs the same weekly tasks.

Work Standards Approach

A **work standards approach** could be the more effective way of evaluating employees for certain specific jobs in which productivity is essential. With this results-focused approach, a minimum level is set and the employee's performance evaluation is based on this level. For example, if a salesperson does not meet a quota of $1 million, this would be recorded as nonperforming. The downside is that this method does not allow for reasonable deviations. For example, if the quota is not met, perhaps the employee just had a bad month but normally performs well. This approach works best in long-term situations, in which a reasonable measure of performance can be over a certain period. For example, in an automotive assembly line, the focus is on how many cars are built in a specified period, and therefore, employee performance is measured this way. Since this approach is centred on production, it does not allow for rating of other factors, such as ability to work on a team or communication skills, which can be important parts of the job.

Ranking Methods

In a **ranking method system** (also called relative method), employees in a particular department are ranked based on their performance. This system is a comparative method for performance evaluations. This method is stack ranking of employees based upon individual performance appraisal ratings (numeric or classification). A performance distribution chart is developed to show what percentage are rated as poor, marginal, meets, and exceeds with respect to performance. Senior management of larger organizations sometimes conduct this method of ranking to determine if a company wide action is warranted – to cull poor performers and/or increase emphasis on performance improvement plans.

"Appraisal Methods" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.7 VALUE OF PERFORMANCE APPRAISALS

Evaluation of the team including each member and the Project Manager post project is an important step in encouraging modifications in conduct of members, support the team member's career growth, and continue their benefit to the organization through continuous learning. Each member is measured, using specific criteria, that measures the goals of the projects against the criteria. Prior to the project, all the criteria, expectations, and standards are developed. The supports from the organization are put in place for success.

Performance Appraisals Can Fail

There is evidence to support that performance evaluation is not effective in many organizations. Mackenzie, Wehner, and Correll's study (2019) in the Harvard Business Review reveals, " ...while we may strive to be as meritocratic as possible, our assessments are imperfect and all too often biased. As innocuous as the typical form [appraisal form] may seem, our research has found that it often allows for our implicit biases to creep in" (para. 2-3). The failures are attributed to ambiguous standards, bias of the raters, time consuming and wrong selection of the criteria. Sometimes, the performance appraisals are confusing as well as the process itself. Other reasons for failure are:

- The performance evaluation is left only to the Project Manager who lacks skills in evaluation,
- The evaluation may be carried out by the team member's direct supervisor who had nothing to do with the project,
- Projects are only measured on scope, costs, times and deliverables, and there is no focus on the performance of the team.

Performance Appraisal Functions

Performance appraisals focus on the team member's strengths and weaknesses, and developing strategies for improvement. Also, the evaluation appraisal includes assessment of how well the team members performed on the project. Some projects attach performance appraisal to salary increases, promotions and bonuses. An accurate performance appraisal helps Human Resources determine a wage increase or decrease in wages, often referred to as pay for performance. Training and development can be identified during a post evaluation to further the team member's opportunities within the organization, or for future projects. The documentation from the appraisal supports future work assignments, any disciplinary action required, and promotions or

terminations. They serve as recognition of work performed. This helps esteem and empower team members for future work.

Overall, performance reviews fulfill several purposes and help bring the team together and align with the organization. Human Resources wants to ensure a strong culture of working together for the good of the entire organization, and performance appraisals are one way to provide positive results of this strategic goal.

"Performance Appraisals" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.8 INDIVIDUAL, TEAM, MANAGER PERFORMANCE REVIEWS

Individual Performance Reviews

The Human Resources Specialist and team member need to be prepared. It is the role of the HR Specialist to assist the team member with preparation. The Human Resources Specialist needs to gather all the information related to the employee while working on the project. As well, prepare any notes, set the agenda, schedule the time that is convenient for both parties, and set expectations for the review with the team member. The Human Resources Specialist may meet with the Project Manager prior to the individual appraisal. This may serve helpful in gathering information unknown to the HR Specialist. This meeting may also be a hindrance and set the tone for rater bias (positive or negative). The HR Specialist needs to consider the advantages and the disadvantages of meeting with the Project Manager prior to the team member appraisal. Then, make an informed decision on how to proceed.

Human Resources Specialists are trained in asking the right questions. Some of these may include:

1. What accomplishments are you personally proud of while completing the project?
2. What obstacles stood in your way?
3. What impact did your contributions have on the team as a whole? On the project as a whole? On the organization?
4. How do you feel HR supported you throughout the project?
5. What development goals do you see for yourself going forward?
6. How can the organization support you with these goals? How can HR support you with these goals?

These types of questions are not judgmental. They do not make the team member feel uncomfortable. Rather, they are offered in a coaching manner to encourage the employee to answer. The team member feels they are having a conversation, contributing to the performance appraisal, and you are working together with them.

Some Human Resources offer the specific questions ahead of the performance appraisal so the team member has time to contemplate the answers in advance. It may also make the team member feel more comfortable, and it speeds up the performance appraisal process.

However, it is important to write out the specific questions prior to the meeting. As well, they need to ensure they are being a good listener. The performance appraisal needs to end with an agreed upon next steps between the raters and the team member.

Along with providing the questions in advance to the team member, the Human Resources Specialist may ask the team member to complete a self-evaluation using a structured approach. This eliminates any surprises for the team member, allows for discussion if the HR Specialist and the team member have difference conclusions about the work performed, and the team member may feel it is more fair when they have input into the process.

During and at the end of the performance appraisal it is important that the HR Specialist offers praise as a motivator, tell the team member they are valued, and be supportive (show they care). A good technique for engaging the employee is to ask, "What can I do to help?" This shows the team member the organization wants to help them get what they want out of the next project, or the next role within the organization.

Team Performance Reviews

A team performance review is an extension of the individual performance review. In a team review, it is not always possible to separate an individual's contribution. However, a Human Resources Specialist may set up the review where individuals can offer their personal achievements and how it contributed to the success of the project as a whole. Team performance reviews assist in breaking down barriers between individual team members, and encourages a joint effort of the evaluation of work performed.

The Human Resources Specialist would set up a group workshop/meeting. Questions could be forwarded to all the team members prior to the meeting. These questions may be similar to the questions asked in an Individual Performance Review. Along with individual goals that were established prior to the project, the team may have established team goals. The HR Specialist would establish a direct correlation between the work individuals completed, and the outcome; as well, as the team goals. They must also be careful to ensure there is equal participation. Some team members tend to contribute more than others. Recognition of the team goals provides an equal playing field for those who may have contributed less. And, at the same time, the individual goals are recognized in the workshop for the extra effort.

Some typical team performance questions could include:

1. Where the deadlines met or exceeded?
2. Was the budget met? Increased? Reduced?
3. Was the customer satisfied with the product/service?
4. What did you enjoy most about working with your team?
5. Was there anything you did not enjoy working with your team?
6. Did the team communicate effectively? How? Or what were the issues?
7. How did you help each assist each other?
8. Were you able to ask your team for help when needed? What did you ask for?
9. How did you motivate each other?
10. Did you share ideas with each other? How were you valued and respected for your ideas?

Project Managers would be involved in the team performance review as a participant. This is sometimes difficult for team members as they may not "speak up" when the project manager is present. However, the HR Specialist needs to ensure to create a safe space for exchange of information. The important consideration by Human Resources is the design of the team performance review. It must be specific to the team goals, and the individual goals. High performing team members need to be recognized, yet not at the expense of those who contributed less. All the moving parts need to work together to ensure all team members are recognized.

Project Manager Performance Review

Project Managers are often involved in performance reviews of the team members. When a Project Manager receives a traditional performance review other stakeholders may be involved. They may include a Regional Project Manager (someone who manages many projects at the senior level), executives of the organization who have a vested interest in the project, the customer, and Human Resources. The same best practices apply to a Project Manager's performance review. Human Resources would design the criteria and questions, set up the meeting, and invite all the participants. They usually would facilitate the meeting.

The differences between the team members' performance review and that of the Project Manager is leadership and management of the project. They are evaluated based on budgets, deadlines, process improvements, relationships and communication, risk management, and customer satisfaction. They could be asked all the same questions as the individual team members, plus questions related to leadership and management of the project.

"Performance Appraisals" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.9 COMPLETING AND CONDUCTING THE APPRAISAL

So far, we have discussed the necessity of providing formal feedback to employees through a systematic performance evaluation system. We have stressed the importance of ensuring the HR professional understands how often performance evaluations should be given and whether they should be tied to pay increases.

The next step is to make sure you know the goals of the performance evaluation; for example, are the goals to improve performance and also identify people for succession planning? You will then determine the source for the performance evaluation data and then create criteria and rating scales that relate directly to the employee's job description. Once this is done, the successful functioning of the performance evaluation system largely depends on the HR professional to implement and communicate the system to managers and employees. This will be the primary focus of our next section.

Best Practices in Performance Appraisals

The most important aspects to remember when developing a performance evaluation system include the following:

- Make sure the evaluation has a direct relationship to the job. Consider developing specific criteria for each job based on the individual job specifications and description.
- Involve managers when developing the process. Garner their feedback to obtain "buy-in" for the process.
- Consider involving the employee in the process by asking the employee to fill out a self-evaluation.
- Use a variety of methods to rate and evaluate the employee.
- Avoid bias by standardizing performance evaluations systems for each job.
- Give feedback on performance throughout the year, not just during performance review times.
- Make sure the goals of the performance evaluation tie into the organizational and department goals.
- Ensure the performance appraisal criteria also ties into the goals of the organization for a strategic HRM approach.
- Often review the evaluation for each job title since jobs and expectations change.

As you can see from Figure 8.9.1. "Performance Review System", the performance appraisal aspect is just one part of the entire process. We can call this a performance review system. The first step of the process is goal setting with the employee. Building out the performance appraisal criteria with the employee in advance of the

appraisal time frame is a very effective way to communicate and set expectations – get on the same page. This could mean showing the employee his or her performance appraisal criteria or sitting down with the employee to develop MBOs. The basic idea is that the employee should know the expectations and how his or her job performance will be rated.

Constant monitoring, feedback, and coaching are the next steps. Ensuring the employee knows what he or she is doing well and what is not being done well in a more informal manner will allow for a more productive employee.

Next, is the formal performance evaluation process. Choosing the criteria, rating scale, and source of the evaluation are steps we have already discussed. The next step is to work with the employee to develop improvement plans (if necessary) and offer any rewards as a result of excellent performance. The process then begins again, setting new goals with the employee.

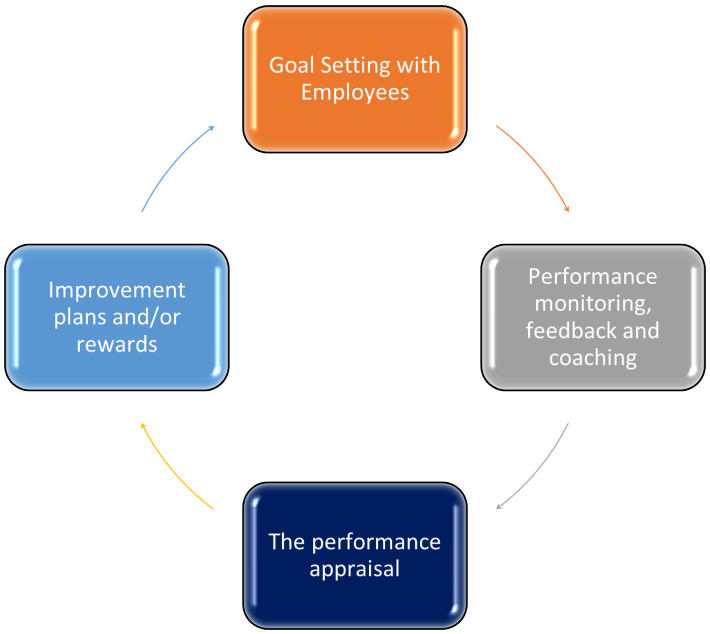


Figure 8.9.1. Performance Review System

Training Managers and Employees

As HR professionals, we know the importance of performance evaluation systems in developing employees, but this may not always be apparent to the managers we work with daily. It is the job of the HR professional to help educate managers and employees on the standards for completing performance evaluation forms, as well as train them on how to complete the necessary documents (criteria and ratings), how to develop improvement plans when necessary, and how to deliver the performance appraisal interview.

Employee Feedback

Video: "Giving Feedback for Strong Performance" By Shari Harley [9:41] (URL: https://www.youtube.com/watch?v=tnSE-Cuxp40)

This video gives excellent tips on providing feedback to employees during the performance appraisal process.

First, after you have developed the new performance appraisal system (or adjusted an old one), consider offering training on how to effectively use it. The training, if required, can later save time and make the process more valuable. What we want to avoid is making it seem as if the performance appraisal process is "just one more thing" for managers to do. Show the value of the system in your training or, better yet, involve managers in developing the process to begin with.

Set standards should be developed for managers filling out the performance ratings and criteria. The advantage of this is the accuracy of data and limiting possible bias. Consider these "ground rules" to ensure that information is similar no matter which manager is writing the evaluation:

- Use only factual information and avoid opinion or perception.
- For each section, comments should be at least two sentences in length, and examples of employee behaviour should be provided.
- Reviews must be complete and shared with the employee before the deadline.
- Make messages clear and direct.
- Focus on observable behaviours.

Once your managers are trained, understand how to fill out the forms, and are comfortable with the ground rules associated with the process, we can coach them on how to prepare for performance evaluations. For example, here are the steps you may want to discuss with your managers who provide performance evaluations:

1. Review the employee's last performance evaluation. Note goals from the previous evaluation period.
2. Review the employee's file and speak with other managers who interface with this person. In other words, gather data about performance.
3. Fill out the necessary forms for this employee's appraisal. Note which areas you want to address with the employee in the appraisal interview.
4. If your organization bases pay increases on the performance evaluation, know the pay increase you are able to offer the employee.
5. Write any improvement plans as necessary.
6. Schedule a time and date with the employee.

Most people feel nervous about giving and receiving performance evaluations. One way to limit this is to show the employee the written evaluation before the interview so the employee knows what to expect. To keep it a two-way conversation, many organizations have the employee fill out the same evaluation, and answers from the employee and manager are compared and discussed in the interview. When the manager meets with the employee to discuss the performance evaluation, the manager should be clear, direct, and to the point about strengths and weaknesses. The manager should also discuss goals for the upcoming period, as well as any pay increases or improvement plans as a result of the evaluation. The manager should also be prepared for questions, concerns, and reasons for the employee not being able to meet performance standards.

Improvement plans should not be punitive, rather the goal of an improvement plan should be to help the employee succeed. Coaching and development should occur throughout the employee's tenure. The employee should know before the performance evaluation whether expectations are or are not being met. This way, the introduction of an improvement plan is not a surprise. There are six main components to an employee improvement plan:

1. Define the problem
2. Discuss the behaviours that should be modified, based on the problem.
3. List specific strategies to modify the behaviour.
4. Develop long- and short-term goals.
5. Define a reasonable time line for improvements.
6. Schedule "check-in" dates to discuss the improvement plan.

An employee improvement plan works best if it is written with the employee to obtain maximum buy-in. Once you have developed the process and your managers are comfortable with it, the process must be managed.

Organizing the Performance Appraisal Process

While it will be up to the individual manager to give performance appraisals to employees, it will be up to the HR professional to develop the process and to manage the process. Here are some aspects to consider to manage the process effectively:

- Provide each manager with a job description for each employee. The job description should highlight the expectations of each job title and provide a sound basis for review.
- Provide each manager with necessary documents, such as the criteria and rating sheets for each job description.
- Give the manager instructions and ground rules for filling out the documents.
- Work with the manager on pay increases for each employee, if your organization has decided to tie performance evaluations with pay increases. Provide the employee's manager with their pay increase

budget (total) and target percentage increase for each range of performance ratings.
- If necessary, provide coaching assistance on the development of objectives and improvement plans.
- Give time lines to the manager for each performance review he or she is responsible for writing.

Most HR professionals will keep a spreadsheet or other documents that lists all employees, their manager, and time-lines for completion of performance evaluations. This makes it easier to keep track of when performance evaluations should be given.

Of course, the above process assumes the organization is not using software to manage performance evaluations. Numerous types of software are available that allow the HR professional to manage key job responsibilities and goals for every employee in the organization. This software tracks progress on those goals and allows the manager to enter notes (critical incidents files) online. The software can track 360 reviews and send e-mail reminders when it is time for an employee or manager to complete evaluations. This type of software can allow for a smoother, more streamlined process. Of course, as with any new system, it can be time-consuming to set up and to train managers and employees on how to use the system. However, many organizations find the initial time to set up software or web-based performance evaluation systems well worth the easier recording and tracking of performance goals.

No matter how the system is managed, it must be managed and continually developed to meet the ultimate goal—continuing development of employees.

Performance Appraisal Interviews

Once a good understanding of the process is developed, it is time to think about the actual meeting with the employee. A performance review process could be intricately detailed and organized, but if the meeting with the employee does not go well, the overall strategic objective of performance reviews may not be met. There are three types of appraisal interview styles. The first is the **tell and sell interview**. In this type of interview, the manager does most of the talking and passes his or her view to the employee. In the **tell and listen** type of interview, the manager communicates feedback and then addresses the employee's thoughts about the interview. In the **problem-solving interview,** the employee and the manager discuss the things that are going well and those that are not going well, which can make for a more productive discussion. To provide the best feedback to the employee, consider the following:

1. ***Be direct and specific.*** Use examples to show where the employee has room for improvement and where the employee exceeds expectations, such as, "The expectation is zero accidents, and you have not had any accidents this year."
2. ***Do not be personal; always compare the performance to the standard.*** For example, instead of saying, "You are too slow on the production line," say, the "expectations are ten units per hour, and currently, you are at eight units."

3. ***Remember, it is a development opportunity.*** As a result, encourage the employee to talk. Understand what the employee feels he does well and what he thinks he needs to improve.
4. ***Thank the employee and avoid criticism*.** Instead of the interview being a list of things the employee does not do well (which may give the feeling of criticizing), thank the employee for what the employee does well, and work on action plans together to fix anything the employee is not doing well. Think of it as a team effort to get the performance to the standard it needs to be.

The result of a completed performance evaluation usually means there are a variety of ramifications that can occur after evaluating employee performance:

1. The employee now has written, documented feedback on his or her performance.
2. The organization has documented information on low performance, in case the employee needs to be dismissed.
3. The employee has performed well and is eligible for a raise.
4. The employee has performed well and could be promoted.
5. Performance is not up to expectations, so an improvement plan should be put into place.
6. The employee has not done well, improvement plans have not worked (the employee has been warned before), and the employee should be dismissed.

In each of these cases, planning in advance of the performance appraisal interview is important, so all information is available to communicate to the employee. Consider Robin, an employee at Blewett Gravel who was told she was doing an excellent job. Robin was happy with the performance appraisal, and when asked about promotion opportunities, the manager said none were available. This can devalue a positive review and impact employee motivation. The point is to use performance evaluations as a development tool, which will positively impact employee motivation.

"Completing and Conducting the Appraisal" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.10 MANAGING PERFORMANCE ISSUES

As you know from reading this book so far, the time and money investment in a new employee is significant. The cost to select, hire, and train a new employee is staggering. But what if that new employee is not working out? This next section will provide some examples of performance issues and examples of processes to handle these types of employee problems.

One of the most difficult parts of managing others is not when they are doing a great job—it is when they are not doing a good job. In this section, we will address some examples of performance issues and how to handle them.

Constantly Late or Leaves Early

While we know that flexible schedules can provide a work-life balance, managing this flexible schedule is key. Some employees may take advantage, and instead of working at home, perform nonwork-related tasks instead.

Too Much Time Spent Doing Personal Things at Work

Most companies have a policy about using a computer or phone for personal use. For most companies, some personal use is acceptable, but it can become a problem if someone does not know where to draw the line.

Inability to Handle Proprietary Information

Many companies handle important client and patient information. The ability to keep this information private for the protection of others is important to the success of the company.

Family Issues

Child-care issues, divorce, or other family challenges can cause absenteeism, but also poor work quality. Absenteeism is defined as a habitual pattern of not being at work.

Drug and Alcohol Abuse

The US Department of Labor says that 40 percent of industrial fatalities and 47 percent of industrial injury can be linked to alcohol consumption. The US Department of Labor estimates that employees who use substances are 25–30 percent less productive and miss work three times more often than non-abusing employees (US Department of Labor, 2011). Please keep in mind that when we talk about substance abuse, we are talking about not only illegal drugs but prescription drug abuse as well. In fact, the National Institute on Drug Abuse says that 15.2 million Americans have taken a prescription pain reliever, tranquilizer, or sedative for non-medical purposes at least once (Fisher, 2011). Substance abuse can cause obvious problems, such as tardiness, absenteeism, and nonperformance, but it can also result in accidents or other more serious issues.

Non-performing

Sometimes employees are just not performing at their peak. Some causes may include family or personal issues, but frequently it can mean motivational issues or lack of tools and/or ability to do their current job.

Conflicts with Management or Other Employees

While it is normal to have the occasional conflict at work, some employees seem to have more than the average owing to personality issues. Of course, this affects an organization's productivity.

Theft

Theft is a common problem in companies and rising. According to Insights for Professionals (2023), "..the percentage of cases involving corruption continues to rise, having increased from 33% in 2012 to 50% in 2022. Last year, at least $3.6 billion was caused in total losses, with organizations estimated to lose 5% of revenue to fraud each year." The types of theft may include money, payroll, data, time, and inventory. Theft is a criminal offence. Police may become involved. Human Resources needs to investigate and, if necessary, disciplinary action needs to be taken.

Ethical Breaches

The most commonly reported ethical breaches by employees include lying, withholding information, abusive behaviour, and misreporting time or hours worked, according to a National Business Ethics study. Sharing certain proprietary information when it is against company policy and violating non-compete agreements are

also considered ethical violations. Many companies also have a fraternization policy that restricts managers from socializing with non-management employees.

Harassment

Engagement of sexual harassment, bullying, or other types of harassment would be considered an issue to be dealt with immediately and, depending on the severity, may result in immediate termination.

Employee Conduct Outside the Workplace

Speaking poorly of the organization on blogs or Facebook is an example of conduct occurring outside the workplace that could violate company policy. Violating specific company policies outside work could also result in termination. For example, in 2010, thirteen Virgin Atlantic employees were fired after posting criticisms about customers and joking about the lack of safety on Virgin airplanes in a public Facebook group (Smith, 2010).

While certainly not exhaustive, this list provides some insight into the types of problems that may be experienced. As you can see, some of these problems are more serious than others. Some issues may only require a warning, while some may require immediate dismissal. As an HR professional, it is your job to develop policies and procedures for dealing with such problems. Let's discuss these next.

What Influences Performance Issues?

When an employee is not performing as expected, it can be very disappointing. When you consider the amount of time it takes to recruit, hire, and train someone, it can be disappointing to find that a person has performance issues. Sometimes performance issues can be related to something personal, such as drug or alcohol abuse, but often it is a combination of factors. Some of these factors can be internal while others may be external. Internal factors may include the following:

1. Career goals are not being met with the job.
2. There is conflict with other employees or the manager.
3. The goals or expectations are not in line with the employee's abilities.
4. The employee views unfairness in the workplace.
5. The employee manages time poorly.
6. The employee is dissatisfied with the job.

Some of the external factors may include the following:

1. The employee does not have the correct equipment or tools to perform the job.
2. The job design is incorrect.
3. External motivation factors are absent.
4. There is a lack of management support.
5. The employee's skills and job are mismatched.

All the internal reasons speak to the importance once again of hiring the right person from the start. The external reasons may be something that can be easily addressed and fixed. Whether the reason is internal or external, performance issues must be handled promptly.

"Managing Performance Issues" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.11 DISCIPLINARY PROCESSES FOR PERFORMANCE ISSUES

Defining Discipline

If an employee is not meeting the expectations, discipline might need to occur. **Discipline** is defined as the process that corrects undesirable behaviour. The goal of a discipline process shouldn't necessarily be to punish but to help the employee meet performance expectations. Often supervisors choose not to apply discipline procedures because they have not documented past employee actions or did not want to take the time to handle the situation. When this occurs, the organization lacks consistency among managers, possibly resulting in motivational issues for other employees and loss of productivity.

To have an effective discipline process, rules, and policies need to be in place and communicated so all employees know the expectations. Here are some guidelines on the creation of rules and organizational policies:

1. All rules or procedures should be in a written document.
2. Rules should be related to the safety and productivity of the organization.
3. Rules should be written clearly, so no ambiguity occurs between different managers.
4. Supervisors, managers, and human resources should communicate rules clearly in orientation, training, and via other methods.
5. Rules should be revised periodically as the organization's needs change.

Of course, there is a balance between too many "rules" and giving employees the freedom to do their work. However, the point of written rules is to maintain consistency. Suppose, for example, you have a manager in operations and a manager in marketing. They both lead with a different style; the operations manager has a more rigid management style, while the marketing manager uses more of a laissez-faire approach. Suppose one employee in each of the areas is constantly late to work. The marketing manager may not do anything about it, while the operations manager may decide each tardy day merits a "write-up," and after three write-ups, the employee is let go. See how lack of consistency might be a problem? If this employee is let go, he or she might be able to successfully file a lawsuit for wrongful termination, since another employee with the same performance issue was not let go. **Wrongful termination** means an employer has fired or laid off an employee for illegal reasons, such as violation of discrimination laws or violation of oral and/or written employee agreements. To avoid such situations, a consistent approach to managing employee performance is a crucial part of the human resources job.

The Role of the Performance Appraisal in Discipline

Besides the written rules, each individual job analysis should have rules and policies that apply to that specific job. The performance appraisal is a systematic process to evaluate employees on (at least) an annual basis. The organization's performance appraisal and general rules and policies should be the tools that measure the employee's overall performance. If an employee breaks the rules or does not meet the expectations of the performance appraisal, the performance issue model, which we will discuss next, can be used to correct the behaviour.

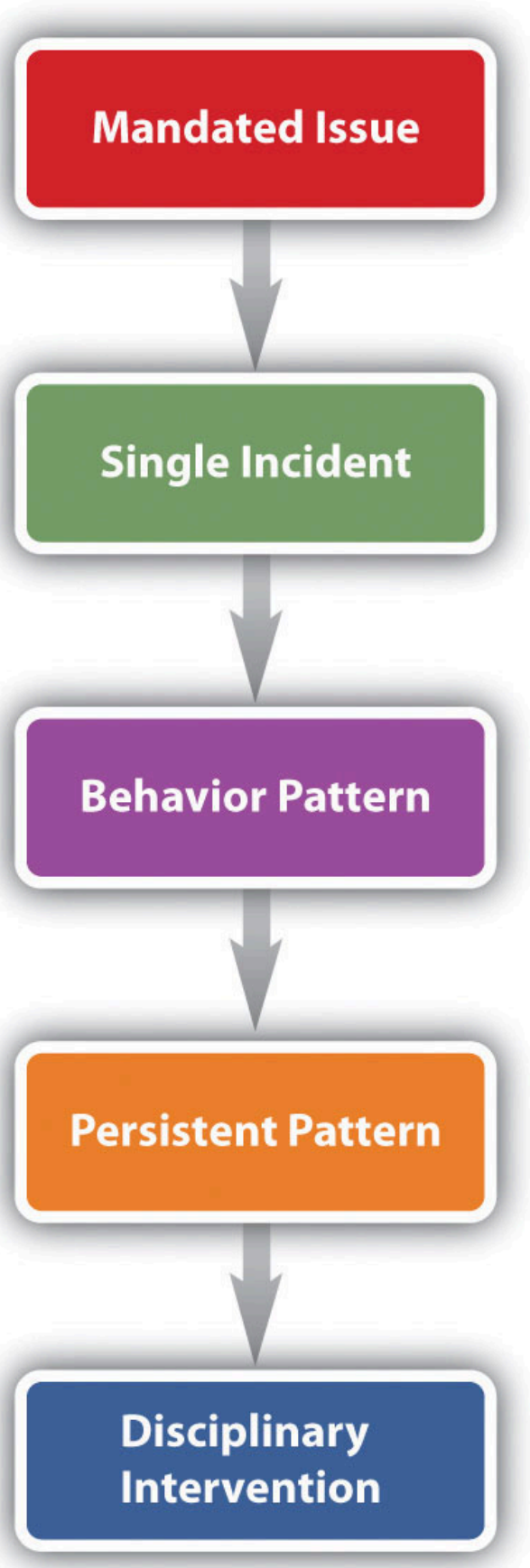
Performance Issue Model

Because of the variety of performance issues, we will not discuss how to handle each type in detail here. Instead, we present a model that can be used to develop policies around performance, for fairness and consistency.

We can view performance issues in one of five areas. First, the **mandated issue** is serious and must be addressed immediately. Usually, the mandated issue is one that goes beyond the company and could be a law. Examples of mandated issues might include an employee sharing information that violates privacy laws, not following safety procedures, or engaging in sexual harassment. For example, let's say a hospital employee posts something on his Facebook page that violates patient privacy. This would be considered a mandated issue (to not violate privacy laws) and could put the hospital in serious trouble. These types of issues need to be handled swiftly.

A written policy detailing how this type of issue would be handled is crucial. In the example above, the policy may state that the employee is immediately fired for this type of violation. The policy may also state that this employee is required to go through privacy training again and is given a written warning. Whatever the result, developing a policy on how mandated issues will be handled is important for consistency.

The second performance issue can be called a **single incident**. Perhaps the employee misspeaks and insults some colleagues or perhaps he or she was over budget or late on a project. These types of incidents are usually best solved with a casual conversation to let the employee know what he or she did was not appropriate. Consider this type of misstep a development opportunity for your employee. Coaching and working with the employee on the



issue can be the best way to eliminate the problem before it gets worse.

Figure 8.11.1. The Process for Handling Performance Issues

Often when single incidents are not immediately corrected, they can evolve into a **behaviour pattern**, which is our third type of performance issue. This can occur when the employee does not think the incident is a big deal because he has not been corrected before or may not even realize he is doing something wrong. In this case, it is important to talk with the employee and let him know what is expected.

If the employee has been corrected for a behaviour pattern but continues to exhibit the same behaviour, we call this a **persistent pattern**. Often you see employees correct the problem after an initial discussion but then fall back into old habits. If they do not self-correct, it could be that they do not have the training or the skills to perform the job. In this phase of handling performance issues, it is important to let the employee know that the problem is serious and further action will be taken if it continues. If you believe the employee just does not have the skills or knowledge to perform the job, asking him or her about this could be helpful to getting to the root of the problem as well. If the employee continues to be non-performing, you may consider utilizing the progressive discipline process before initiating an employee separation. However, investigating the performance issue should occur before implementing any sort of discipline. Addressing drug and alcohol issues in the workplace must be managed with care as a drug or alcohol dependency can be considered a disability.

"Managing Performance Issues" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.12 INVESTIGATION OF PERFORMANCE ISSUES

When an employee is having a performance issue, it is often the responsibility of the HR professional to investigate the situation. Training managers on how to document performance issues is the first step in this process. Proper documentation is necessary should the employee need to be terminated later for that performance issue. The documentation should include the following information:

1. Date of incident
2. Time of incident
3. Location (if applicable) of the incident
4. A description of the performance issue
5. Notes on the discussion with the employee on the performance issue
6. An improvement plan, if necessary
7. Next steps, should the employee commit the same infraction
8. Signatures from both the manager and the employee

With this proper documentation, the employee and the manager will clearly know the next steps that will be taken should the employee commit the same infraction in the future. Once the issue has been documented, the manager and employee should meet about the infraction. This type of meeting is called an **investigative interview** and is used to make sure the employee is fully aware of the discipline issue. This also allows the employee the opportunity to explain his or her side of the story. These types of meetings should always be conducted in private, never in the presence of other employees.

However, in unionized organizations, the employee is entitled to union representation at the investigative interview. This union representation is normally called **interest based bargaining,** referring to a National Labor Relations Board case that went to the United States Supreme Court in 1975. Recently, Weingarten rights continued to be protected when Alonso and Carus Ironworks were ordered to cease and desist from threatening union representatives who attempted to represent an employee during an investigative interview (National Labor Relations Board, 2011).

Options for Handling Performance Issues

Our last phase of dealing with employee problems would be a disciplinary intervention. Often, this is called the

progressive discipline process. It refers to a series of steps that take corrective action on non-performance issues. The progressive discipline process is useful if the offence is not serious and does not demand immediate dismissal, such as employee theft. The progressive discipline process should be documented and applied to all employees committing the same offence. The steps in progressive discipline are normally the following:

1. First offence: Unofficial verbal warning. Counselling and restatement of expectations.
2. Second offence: Official written warning, documented in employee file.
3. Third offence: Second official warning. An improvement plan (discussed later) may be developed. Documented in employee file.
4. Fourth offence: Possible suspension or other punishment, documented in employee file.
5. Fifth offence: Termination and/or alternative dispute resolution.

Performance Improvement Plan

A Performance Improvement Plan (PIP) is a written document identifying how an employee is falling short of expectations in the job and identifies what needs to be done to improve and succeed (Organ & Main, 2022).

Following the first and second offence, along with a second official warning, an employee is required to participate in a Performance Improvement Plan. This is generally handled through Human Resources, and may involve a Supervisor. At this stage, the employee's performance is not up to standard, which needs to be identified. There are often three causes that affect an employee's performance: ability, motivation and environment.

- *Ability:* can include physical or psychological limitations, communication skills, problem-solving skills, technical skills, interpersonal skills, and analytical skills.
- *Motivation:* can include lack of ambition, relationships with co-workers, job dissatisfaction, lack of goals, feeling treated unfairly
- *Environment:* can include (external) issues in the family, community, or personal; (internal) poor job design, economic conditions, rules, unions, lack of management support

Once a discussion has been completed and the source of the problem has been assessed, action can be taken. Some options might be training, a change in job or department, help in defining goals and expectations of the job, or other supports through Employment Assistance Plans that the company may offer.

A Performance Improvement is not punitive. Rather is a step in a progressive discipline policy. According to Timothy Ford, an attorney, a PIP is used primarily to facilitate improved performance by identifying deficiencies and providing opportunities for improvement and success. The goal is to help the employee succeed. The employee should be made aware, ahead of time, that the expectations of performance are not being met. This way, there is no surprise. There are six main components to a Performance Improvement Plan:

1. Define the problem
2. Discuss the behaviours that should be modified, based on the problem.
3. List specific strategies to modify the behaviour
4. Develop long and short-term goals
5. Define a reasonable timeline for improvements.
6. Schedule "check-in" dates to discuss the improvement plan.

This plan is developed with the employee, the Human Resources Specialist, and perhaps a Supervisor. Once everyone is comfortable with the plan, it is agreed to and signed by everyone. Ongoing feedback and "check-in" dates will be honoured to ensure the employee is following the PIP. Corrective action is taken as necessary. As well, praise for improvement is offered. At the end of the PIP, the employee, Human Resources Specialist, and Supervisor review the PIP and decide of the goals were met. If they were met, the PIP is complete. If the goals were not met, other actions may need to be taken.



Example: Employee Performance Improvement Plan (PIP)

The following is an example of a typical PIP:

Employee Performance Improvement Plan (PIP)

Employee Information

- Name: [Employee Name]
- Position: [Employee Position]
- Department: [Employee Department]
- Supervisor: [Supervisor Name]
- PIP Start Date: [Start Date]
- PIP End Date: [End Date, typically 30, 60, or 90 days after the start date]

Performance Issues

The following performance issues have been identified:

1. Sales Performance: The employee has not met the monthly sales target for the last three months.
2. Client Feedback: There have been repeated instances of negative client feedback regarding follow-up and communication.
3. Report Accuracy: Sales reports submitted have contained errors, leading to discrepancies in sales data.

Performance Objectives

To address the issues listed above, the employee is expected to achieve the following objectives:

1. Achieve monthly sales targets as outlined by the department's objectives.
2. Receive consistently positive feedback from clients, with no more than one negative report per month.
3. Submit accurate sales reports with no errors, requiring no further corrections.

Action Plan

To meet these objectives, the employee should take the following actions:

1. Attend weekly sales strategy meetings with the supervisor to align on goals and tactics.
2. Complete a customer service training program by [insert date] to improve client communication and satisfaction.
3. Review all sales reports with a colleague prior to submission to ensure accuracy.

Support Provided

The employer will provide the following support to assist the employee in meeting the PIP objectives:

1. Weekly one-on-one coaching sessions with the supervisor.
2. Access to an online course for improving customer service skills.
3. Pairing with a peer mentor for report preparation and review.

Monitoring Performance

Progress will be evaluated on a weekly basis through:

1. Review of sales figures against monthly targets.
2. Feedback solicited from clients after interactions.
3. Accuracy checks of submitted reports by the supervisor.

Consequences of Not Meeting PIP Objectives

Failure to meet the objectives outlined in this PIP may result in further disciplinary action up to and including termination of employment.

Employee Acknowledgement

I, [Employee Name], acknowledge that I have read and understand the contents of this Performance Improvement Plan. I agree to work towards the improvement goals set and understand the consequences if I do not meet the objectives.

Employee Signature: _____ Date: _____

Supervisor Signature: _____ Date: _____

This PIP example was adapted from OpenAI. (2023). *ChatGPT4* [Large language model]. https://chat.openai.com/chat *prompt: generate a generic example of an employee Performance Improvement Plan?*

Benefits of Performance Improvement Plans (PIP)

A Performance Improvement Plan benefits not only the employee, but the organization, too. They include:

- *Promotion of a Positive Company Culture:* Reinforce a positive company culture because employees feel supported when they need guidance and help with job expectations
- *Feeling Cared For:* Employees feel supported, and appreciate that the company, their Supervisor and Human Resources take the time to offer feedback and help them improve.
- *Saving Time and Resources:* Hiring and onboarding cost time and money. When employees are offered opportunities to improve performance rather than being terminated, it is a win-win for the employee

and the company (Organ & Main, 2022).

Alternative Dispute Resolution (ADR)

Another option in handling disputes, performance issues, and terminations is **alternative dispute resolution (ADR)**. This method can be effective in getting two parties to come to a resolution. In ADR, an unbiased third party looks at the facts in the case and tries to help the parties come to an agreement. In **mediation**, the third party facilitates the resolution process, but the results of the process are not binding for either party. This is different from **arbitration**, in which a person reviews the case and makes a resolution or a decision on the situation. The benefits of ADR are lower cost and flexibility, as opposed to taking the issue to court.



Alternative dispute resolution means coming to a resolution. Photo by rawpixel.com, CCO 1.0

Some organizations use a **step-review system.** In this type of system, the performance issue is reviewed by consecutively higher levels of management, should there be disagreement by the employee in a disciplinary procedure. Some organizations also implement a **peer resolution system**. In this type of system, a committee of management and employees is formed to review employee complaints or discipline issues. In this situation, the peer review system normally involves the peer group reviewing the documentation and rendering a decision. Another type of ADR is called the **ombudsman system**. In this system, a person is selected (or elected) to be the designated individual for employees to go to should they have a complaint or an issue with a discipline procedure. In this situation, the ombudsman utilizes problem-solving approaches to resolve the issue. For example, at *National Geographic Traveler Magazine* an ombudsman handles employee complaints and issues and also customer complaints about travel companies.

"Managing Performance Issues" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

"11.3 Completing and Conducting the Appraisal" from Human Resource Management by University of Minnesota is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.13 EMPLOYEE SEPARATIONS AND TERMINATIONS

Employee separation can occur in any of these scenarios:

1. The employee **resigns** and decides to leave the organization.
2. The employee is **terminated** for one or more of the performance issues listed previously.
3. **Absconding** is when the employee leaves the organization without resigning and following the normal process. For example, if an employee simply stops showing up to work without notifying anyone of their departure, this would be considered absconding. Employee separation costs can be expensive.

RESIGNATION

Resignation means the employee chooses to leave the organization. First, if an employee resigns, they will normally provide the manager with a formal resignation written notification, such as a letter or email. Then the HR professional usually schedules an exit interview, which can consist of an informal, confidential discussion as to why the employee is leaving the organization. If HR thinks the issue or reasons for leaving can be fixed, they may discuss with the manager whether the resignation will be accepted. Assuming the resignation is accepted, the employee will work with the manager to determine a plan for his or her workload. Some managers may prefer the employee leave right away and will redistribute the workload. For some jobs, it may make sense for the employee to finish the current project and then depart. This will vary from job to job, but two weeks' notice is normally the standard time for resignations.

TERMINATION

If it is determined that an employee should be terminated, different steps would be taken than in a resignation situation. First, documentation is necessary, which should have occurred in the progressive discipline process. Performance appraisals, performance improvement plans, and any other performance warnings the employee received should be readily available before meeting with the employee. It should be noted that the reliability and validity of performance appraisals should be checked before dismissing an employee based on them. Questionable performance appraisals come from the real-world conditions common to rating situations, particularly because of limitations in the abilities of the raters (Weekley & Gier, 1989).

Remember that if the discipline process is followed as previously outlined, a termination for nonperformance should never be a surprise to an employee. Normally, the manager and HR manager would meet with the employee to deliver the news. It should be delivered with compassion, but be direct and to the point. Depending on previous contracts, the employee may be entitled to a severance package. A **severance package** can include pay, benefits, or other compensation for which an employee is entitled when they leave the organization. The purpose of a severance plan is to assist the employee while they seek other employment. The HR professional normally develops this type of package in conjunction with the manager. Some considerations in developing a severance package (preferably before anyone is terminated) might include the following:

1. How the severance will be paid (i.e., lump sum or in x equal increments)
2. Which situations will pay a severance package and which will not? For example, if an employee is terminated for violation of a sexual harassment policy, is a severance still paid?
3. A formula for how severance will be paid, based on work group, years with the organization, etc.
4. Legal documents, such as legal releases and noncompete agreements
5. How accrued vacation and/or sick leave will be paid, if at all

ABSCONDMENT

The last topic that we should discuss in this section is the case of an absconded employee. If an employee stops showing up to work, a good effort to contact this person should be the first priority. If, after three days, this person has not been reachable and has not contacted the company, it would be prudent to cease payment and seek legal assistance to recover any company property they may have, such as laptops or parking passes.

Sometimes, rather than dealing with individual performance issues and/or terminations, we find ourselves having to perform layoffs of several to hundreds of employees. Let us address your role in this process next.

RIGHTSIZING AND LAYOFFS

Rightsizing refers to the process of reducing the total size of employees to ultimately save on costs. Downsizing ultimately means the same thing as rightsizing, but the usage of the word has changed, in that rightsizing seems to better define the organization's goals, which would be to reduce staff to save money, or rightsize. When a company decides to rightsize and, ultimately, engage in layoffs, some aspects should be considered.



Termination meeting. Photo by KDOC, CCO 1.0

First, is the downturn temporary? There is nothing worse than laying people off, only to find that as business increases, you need to hire again. Second, has the organization looked at other ways to cut expenses? Perhaps cutting expenses in other areas would be advisable before choosing to lay people off. Finally, consideration should be given to offering temporary sabbaticals, voluntary retirement, or changing from a full-time to a part-time position. Some employees may even be willing to take a temporary pay cut to reduce costs. Organizations find they can still keep good people by looking at some alternatives that may work for the employee and the organization, even on a temporary basis.

If the company has decided the only way to reduce costs is to cut full-time employees, this is often where HR should be directly involved to ensure legal and ethical guidelines are met. Articulating the reasons for layoffs and establishing a formalized approach to layoffs is the first consideration. Before it is decided who should get cut, criteria should be developed on how these decisions will be made. Similar to how selection criteria might be developed, the development of criteria that determine which jobs will be cut makes the process of cutting more fair, albeit still difficult. Establishing the criteria ahead of time can also help avoid managers' trying to "save" certain people from their own departments. After the development of criteria, the next phase would be to sit down with management and decide who does or does not meet the criteria and who will be laid off. At this point, before the layoffs happen, it makes sense to discuss severance packages. Typically, when an employee accepts a severance package, they should also sign a form (the legal department can assist with this) that releases the organization from all future claims made by the employee.

After the criteria have been developed, people have been selected, and severance packages determined, it is

key to have a solid communication plan as to how the layoffs will be announced. Usually, this involves an initial email to all employees, letting them know of impending layoffs. Speak with each employee separately, then announce which positions were eliminated. The important thing to remember during layoffs is to keep your employees' dignity; they did not do anything wrong to lose their jobs—it was just a result of circumstances.

Steps in Processing Employee Separations

We have covered the various ways in which an employee leaves a company, including performance issues managed through the progressive discipline process, separations resulting from employee resignations, terminations, rightsizing, and layoffs. In all cases of employee separation, it is essential to follow a standardized process to ensure that employees are treated with respect and dignity.

When an employee resigns their employment voluntarily, the process of the last day of work is fairly straightforward. In most cases, employees finish their workday and leave the workplace without incident. The company may choose to accept the resignation with the notice period provided or ask the employee to leave earlier than their notice period.

There is no legislation in Ontario governing the amount of notice an employee is required to give; however, the best practice and standard is two weeks. Some companies may decide to ask an employee to leave prior to the end of their notice period due to the nature of their position, or the access they have to confidential information, or any number of other relevant reasons. In these cases, the employer is required to pay the notice period to the employee. In other words, if the employee gives the employer two weeks' notice of resignation, and the employer determines that they want the employee to leave earlier than the end of the notice period, the balance of the notice period must be paid to the employee in full, including any outstanding monies such as vacation time, commissions, etc. It should be noted here that legislation requires employers to continue any extended health care benefits for the balance of the notice period, even if the employee is not working the notice period.

The recommended process that HR Professionals should consider when dismissing an employee for any reason other than resignation is:

1. *Review employment contracts and legal requirements*; it must be ensured that the dismissal follows the employment contract and complies with the Ontario Employment Standards Act (ESA). If unsure if there are legal grounds to terminate an employee, an employment lawyer should be consulted.
2. *Review and prepare documentation* to ensure and demonstrate that all opportunities to support the employee to improve their performance issues have been taken. This documentation should include previous formal warnings, the Performance Improvement Plan (PIP), and/or the Supervisor's documentation related to the issues.
3. *Develop a plan* that includes the location and time of the meeting. This should include an exit plan that avoids an audience when the employee leaves the facility. There should also be a plan to deactivate any

access or confidential information they have (computer network access, email accounts, company phones, etc.). This plan may also include any supports available to the employee after the termination has taken place (i.e. the Employee Assistance Program or community resources).

4. *Prepare the necessary documents* that the employee will need to leave the meeting with. This would include a termination letter. The letter describes the reason for termination or separation, the effective date, and details about any payouts of vacation and/or other benefits they will receive.
5. *Schedule the in-person meeting* in a private location at the end of the day or first thing in the morning. Do not dismiss an employee partway through the day when colleagues are most likely to be around.
6. *Keep the meeting short.* Be compassionate and professional. Explain the reason for the termination and the effective date. Essentially, review what is in the termination letter that will be given to the employee at the end of the meeting.
7. *Thank the employee* for their contribution to the company.
8. *Allow them to leave with dignity*. If appropriate (i.e. in a layoff situation), this can be done by allowing them to personally pack up their belongings and say goodbye to coworkers. If it is not appropriate for the employee to return to their desk to collect their personal belongings, ensure that someone gathers these items and brings them to the employee before they exit.
9. *Disconnect employee access* immediately after the meeting to any electronic security doors, computers, etc.
10. *Communicate*. After the employee has left the facility, management should inform colleagues that the employee is no longer employed by the company. This is typically done via a company-wide email message. Remember, maintaining the confidentiality of the reason why the employee has left the company is of the utmost importance.
11. *File the Record of Employment (ROE)* with Service Canada within the legally required timelines, and ensure that the employee is paid their outstanding wages, vacation pay, commissions and any severance in compliance with the Employment Standards Act obligations.

It is important to recognize that terminating an employee can be an emotionally draining experience for the deliverers of the bad news and for the employee. Human Resources professionals are often involved in these meetings; it is important to schedule time following the termination meeting to take space for themselves. The same should be offered to anyone else who was a part of the dismissal meeting.

"8.12 Investigation of Performance Issues" from Human Resources Management – 3rd Edition by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

8.14 KEY TERMS

Key Terms

360º Feedback model seeks to create unity in the workplace through multi-source assessments. The model achieves this through offering different perspectives on a person's skills, behaviours, abilities, and performance, as well as alleviating the biases often found with single-source assessments. The model also provides the opportunity for individuals to rate themselves as well as others. (8.5)

Absconding is when the employee leaves the organization without resigning and following the normal process. (8.13)

Alternative dispute resolution (ADR) is when an unbiased third party looks at the facts in the case and tries to help the parties come to an agreement. (8.12)

Arbitration is when a person reviews the case and makes a resolution or a decision on the situation. (8.12)

A **balanced scoreboard** is a management system that aligns the company goals into a set of performance objectives and is measured, monitored, and changed as needed to ensure all the goals are met. (8.3)

Behaviour pattern can occur when the employee does not think the incident is a big deal because he has not been corrected before or may not even realize he is doing something wrong. (8.11)

Checklist scale is a series of questions being asked, and the manager simply responds yes or no to the questions, which can fall into either the behavioural or the trait method, or both. (8.6)

Comparative methods compare one employee with other employees. Finally, results methods are focused on objective employee accomplishments. Note that many organizations will use these methods in combination. (8.6)

Contamination occurs when extraneous elements (i.e., factors that are unrelated to performance) influence the evaluation. (8.3)

Critical incident appraisal is when the manager records examples of the employee's effective and

ineffective behaviour during the time period between evaluations, which is in the behavioural category. (8.6)

Deficiency occurs when the measure fails to capture the entire range of performance. (8.3)

Discipline is defined as the process that corrects undesirable behaviour. (8.11)

Essay appraisal is when the evaluator answers a series of questions about the employee's performance in essay form. (8.6)

Graphic rating scale, a trait method, is perhaps the most popular choice for performance evaluations. (8.6)

Interest-based bargaining union representation at the investigative interview. (8.12)

Investigative interview is a meeting where the employee is made aware of the discipline issue. (8.12)

Management by Objectives (MBO) whereby executive management discussed organizational goals and set objectives for employees based on those goals to be evaluated upon completed of the goals and objectives. (8.5)

Mandated issue is a serious performance issue and must be addressed immediately. (8.11)

Mediation is when a third party facilitates the resolution process, but the results of the process are not binding for either party. (8.12)

Mixed standard scale, which is similar to a graphic rating scale. This scale includes a series of mixed statements representing excellent, average, and poor performance, and the manager is asked to rate a "+" (performance is better than stated), "0" (performance is at stated level), or "–" (performance is below stated level). (8.6)

Ombudsman system is when a person is selected (or elected) to be the designated individual for employees to go to should they have a complaint or an issue with a discipline procedure. (8.12)

Peer resolution system is when a committee of management and employees is formed to review employee complaints or discipline issues. (8.12)

Performance management system is an integrated set of processes aimed at helping employees contribute to organizational effectiveness. (8.1)

Persistent pattern is when an employee has been corrected for a behaviour pattern but continues to exhibit the same behaviour. (8.11)

Problem-solving interview: the employee and the manager discuss the things that are going well and those that are not going well, which can make for a more productive discussion. (8.9)

Progressive discipline process is a series of steps that take corrective action on non-performance issues. (8.12)

Reliability refers to how consistent the same measuring tool works throughout the organization (or job title). (8.3)

Resignation means the employee chooses to leave the organization. (8.13)

Rightsizing refers to the process of reducing the total size of employees to ultimately save on costs. (8.13)

Severance package can include pay, benefits, or other compensation for which an employee is entitled when they leave the organization. (8.13)

Single incident this type of misstep a development opportunity for your employee. (8.11)

Step-review system is when the performance issue is reviewed by consecutively higher levels of management, should there be disagreement by the employee in a discipline procedure. (8.12)

Tell and listen interview is when the manager communicates feedback and then addresses the employee's thoughts about the interview. (8.9)

Tell and sell interview. Is when the manager does most of the talking and passes his or her view to the employee. (8.9)

Validity is the extent to which the tool measures the relevant aspects of performance. (8.3)

Work standards approach could be the more effective way of evaluating employees for certain specific jobs in which productivity is essential. With this results-focused approach, a minimum level is set and the employee's performance evaluation is based on this level. (8.9)

Wrongful termination means an employer has fired or laid off an employee for illegal reasons, such as violation of discrimination laws or violation of oral and/or written employee agreements. (8.11)

8.15 SUMMARY

Summary

Performance management systems aim to help employees contribute to organizational effectiveness through the assessment of individual performance. The system aligns company goals with employee goals and feeds the data into various HR systems, including compensation, employee development, and employee records. The performance appraisal system is a crucial part of the organization. It is also disliked by employees and managers as it is time consuming. Successful performance management requires careful consideration, design, and implementation. Linking performance evaluations with compensation can impact employee focus on development. Performance management provides feedback for employee development and documents HRM decisions and actions. The balanced scoreboard is one approach to evaluate performance at the organizational level. HR departments play an important role in designing and monitoring balanced scoreboards. Before designing or revising an existing performance management system, there are many factors to consider.

The performance evaluation process involves several steps, including the development of a fair and objective evaluation form, identification of performance measures, defining guidelines for feedback, creating reward and disciplinary steps, and establishing a schedule for performance evaluations. Regular check-ins are recommended, with short projects requiring only a post-performance evaluation and longer projects requiring 2-3 scheduled evaluations. The process should be structured, formal, and fair, promoting growth and development while acknowledging the contributions of team members.

The 360 Feedback model is a multi-source assessment that provides different perspectives on a person's skills, behaviours, abilities, and performance, offering opportunities for individuals to rate themselves and others. The Management by Objectives (MBO) theory focuses on setting goals for employees based on organizational objectives to improve their motivation and contribution to the success of the company. MBO is criticized for its lack of innovation stimulation and the inability to identify all necessary objectives for organizational success. Despite its criticisms, MBO is a key foundation for Project Management today.

This chapter discusses different methods used for employee performance evaluations, including trait methods, behavioural methods, comparative methods, and results methods. Their advantages and disadvantages are subjectivity and lack of consistency. Specific methods discussed include the graphic rating scale, essay appraisal, checklist scale, critical incident appraisals, work standards approach, and ranking methods.

The chapter also discusses individual, team, and manager performance reviews. For individual reviews, Human Resources Specialists need to gather information, set agendas, ask non-judgmental questions, and provide feedback. Self-evaluations, group workshops, and establishing goals are also helpful. In team reviews, questions may be sent out ahead of time to ensure equal participation and to assess team goals. The manager's performance review may involve stakeholders, and the same best practices apply, including gathering information, providing feedback, and setting goals. The article emphasizes the importance of recognizing high performers without neglecting those who contributed less.

This section discusses the process of completing and conducting a performance appraisal, highlighting the importance of making sure the evaluation has a direct relationship to the job and involving managers and employees in the process. The performance appraisal is just one part of the performance review system, which also includes goal setting, monitoring, feedback, coaching, and development of improvement plans. The HR professional should also train managers and employees on the standards for completing performance evaluation forms and provide tips on how to provide feedback to employees during the appraisal process.

It is important to have clear rules and policies in place, as well as the need for consistency in enforcing these rules when disciplining employees for performance issues. The performance appraisal is seen as a tool to evaluate employees' overall performance. The Performance Issue Model is used to develop policies for handling different types of performance issues. The model includes five areas of performance issues: mandated issue, single incident, behaviour pattern, persistent pattern, and disciplinary intervention. The article also highlights the importance of addressing performance issues in a timely manner to prevent further problems.

This text discusses how to handle employee performance issues, which can be investigated by HR professionals. Proper documentation is necessary to terminate an employee later if performance issues continue. The documentation should include the date, time, location of the incident, description of the issue, notes from the discussion with the employee, an improvement plan, next steps, and signatures from the manager and employee. Investigative interviews should be conducted in private, and unionized organizations are entitled to union representation. The progressive discipline process is useful for non-performance issues. It involves a series of steps, including unofficial verbal warnings, official written warnings, improvement plans, suspension or

punishment, and termination. Alternative dispute resolution (ADR) can help resolve disputes, performance issues, and terminations. Employee separation can occur through resignation, termination, or absconding, and costs can be high. Resignations involve a formal notification, an exit interview, and a plan for the workload. The termination process involves different steps, and layoffs can also occur.



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/8-14-summary/

8.16 KNOWLEDGE CHECK

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/8-15-knowledge-check/

8.17 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS



Exercises

1. Some people suggest that the performance appraisal system is one of the most important parts of an organization. Others suggest they are not useful and should be abolished. Complete some online research on benefits and disadvantages of performance appraisal systems. **Argue your position**. Work with a **partner**. Each student takes a position, completes research, and argues that position.
2. One way to evaluate performance is the balanced scoreboard. Research online other ways companies evaluate performance. Share your research with a **partner**.
3. The formal performance appraisal process is reviewed with employees. As an HR Manager, you need to decide the scheduling of each employee's appraisal. What do you believe is a good time to review the appraisals with employees? 6 months? Once a year? Every two years? Justify you decision. Discuss with a **partner**.
4. Who all should be involved in a performance appraisal? Why? Brainstorm in a **large group**.
5. Review "reliability" and "validity. Why are these two measurements important to the performance appraisal system? Discuss with a **partner**.
6. Describe how you would go about training. Supervisors in your company to complete performance appraisals. Discuss with a **partner**.
7. 360 Feedback is a popular workplace performance evaluation system. What are the disadvantages of 360 feedback? How could you overcome these disadvantages as the HR Manager? Share with a **partner**.
8. Your company has been using the Graphic Rating Scale as a method of performance evaluation for years. You believe there is a better method. You want to introduce a new

method. Which one would you choose? Why? Discuss in **small group**.

9. Under what circumstances in a company would a Team Performance Review be a better choice than an Individual Performance Review? Share with a **partner**.
10. A Supervisor comes to you with a concern about an employee who is constantly late for work. The Supervisor has spoken to the employee a couple of times about lateness. It has continued. What is your advice to the Supervisor? What steps would you take, if any, as the HR Manager, to support the Supervisor? Support the employee? Share with a **partner**.
11. What are the legal elements of a performance appraisal, if any? Share with a **partner**.

8.18 CASE STUDY: A TOUGH CONVERSATION



Case Study: A Tough Conversation

As you wake up this morning, you think about the performance evaluation or appraisal you will give later this morning to one of your employees, Sean. Sean has been with your company for two years, and over the last six months his performance has begun to decline. As their manager, it is your responsibility to talk with him about his performance, which you have done on several occasions. However, the performance evaluation will make his nonperformance more formalized. You know that Sean has had some personal troubles that can account for some of the performance issues, but despite this, you really need to get his performance up to par. Your goal in the performance evaluation interview today is to create a performance improvement plan (PIP) for Sean while documenting his non-performance.

When you arrive at work, you look over the essay rating part of Sean's evaluation. It details two client project deadlines that were missed and the over-budget amounts of the two client projects. It was Sean's responsibility to oversee both aspects of this project. When Sean arrives at your office, you greet him, ask him to take a seat, and begin to discuss the evaluation with him.

"Sean, while you have always been a high performer, these last few months have been lacklustre. On two of your projects, you were over budget and late. The client commented on both of these aspects when they filled out the client evaluation. As a result, you can see this is documented in your performance evaluation."

Using defensive nonverbal language, Sean says, "Missing the project deadlines and budget was not my fault. Emily said everything was under control, and I trusted her. She is the one who should have a bad performance review."

You respond, "Ultimately, as the account director, you are responsible, as outlined in your job description. As you know, it is important to manage the accountability within your team, and in this

case, you did not perform. In fact, in your 360 reviews, several of your colleagues suggested you were not putting in enough time on the projects and seemed distracted."

"I really dislike those 360 reviews. It really is just a popularity contest, anyway," Sean says. "So, am I fired for these two mistakes?" You have worked with people who exhibited this type of defensive behaviour before, and you know it is natural for people to feel like they need to defend themselves when having this type of conversation. You decide to move the conversation ahead and focus on future behaviour rather than past behaviour.

You say, "Sean, you normally add a lot of value to the organization. Although these issues will be documented in your performance evaluation, I believe you can produce high-quality work. As a result, let's work together to develop an improvement plan so you can continue to add value to the organization. The improvement plan addresses project deadlines and budgets, and I think you will find it helpful for your career development."

Sean agrees begrudgingly and you begin to show him the improvement plan document the company uses, so you can fill it out together.

When you head home after work, you think about the day's events and Sean. As you had suspected, he was defensive at first but seemed enthusiastic to work on the improvement plan after you showed him the document. You feel confident that this performance evaluation was a step in the right direction to ensure Sean continues to be a high producer in the company, despite these mistakes.

Questions:

1. Research ideas on how to deal with defensive employees. What did you learn?
2. Review 360 reviews. Write a short description how a 360 review is conducted. What would make Sean suggest they are popularity contests?
3. Design an improvement plan for Sean.

"Chapter 7: Performance Management – A Tough Conversation" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

CHAPTER 9: HEALTH AND SAFETY

Chapter Outline

9.0 Learning Outcomes
9.1 Introduction to Occupational Health and Safety Legislation
9.2 Rights and Responsibilities
9.3 Record Keeping and Tracking Incidents
9.4 Joint Health and Safety Committee
9.5 Powers, Authority and Legal Implications
9.6 Related Legislation
9.7 WHMIS
9.8 Health Hazards at Work
9.9 Stress
9.10 Incident Investigation
9.11 Hazard Recognition, Assessment and Control
9.12 Investigation Steps
9.13 Promoting a Culture of Safety and Health
9.14 Key Terms
9.15 Summary
9.16 Knowledge Check
9.17 Exercises/Activities for Teachers and Students
9.18 Case Study: Workplace Safety – Commercial Hazards

9.0 LEARNING OUTCOMES

Learning Outcomes

1. Describe employer and employee obligations in regards to Occupational Health and Safety.
2. Explain the impact of non compliance.
3. Explain health concerns that can affect employees at work.
4. List the three rights of workers.
5. Explain the elements that make up WHMIS 2015.
6. Identify the pictograms associated with product labels.
7. Explain how to identify a hazard at work.
8. Explain the steps and reporting requirements in an incident investigation.

9.1 INTRODUCTION TO OCCUPATIONAL HEALTH AND SAFETY LEGISLATION

All 14 of Canada's jurisdictions, have occupational health and safety legislation—laws that grant rights to and impose duties upon workers and employers in order to reduce the level of workplace injury. In this chapter, we will review the responsibilities and the rights of workers, the legal implication of the legislation, and the relationship between safety laws and other pieces of legislation.



Image by Craig Clark, Pixabay License

Beginning in the 1970s, the federal, provincial, and territorial governments all enacted legislation—laws—that regulate occupational health and safety (OHS). The distribution of powers under the Canadian constitution means Canada has 14 **jurisdictions** (federal, 10 provincial, and 3 territorial) when it comes to health and safety laws. Most employers and workers are covered by the occupational health and safety law of the province or territory in which they work. About 10% of the workforce is, however, covered by the occupational health and safety provisions in the federal government's Canada Labour Code. The Canada Labour Code covers employees of the federal government. It also covers workers in industries that are, by their nature, interprovincial, such as banking, telecommunications, interprovincial transport, and uranium mining. Each jurisdiction has its own amalgam of acts, regulations, policies, and guidelines.

An **act** is a federal, provincial, or territorial law that sets out the broad legal framework around occupational health and safety in each jurisdiction.

A **regulation** typically sets out how the general principles of the Act will be applied in specific circumstances and is enforceable. **Guidelines and policies** are more specific rules about occupational health and safety. Other supporting guidance can be found in standards and codes. These documents provide employers with direction on health and safety implementation in the workplace. An example would be CSA Z795-03 which refers to the Coding of Work Injury or Disease Information and is published by the Canadian Standard Association (CSA) (Employment and Social Development Canada, 2016).

What Does the Law Say?

In Canada, the Canadian Labour Code, in particular, the Canadian Occupational Health and Safety Regulations, describe the provisions regarding employer and employee responsibilities.

Health and Safety is both a federal and provincial responsibility in Canada. In essence, Health Canada contributes to OHS issues by coordinating the Workplace Hazardous Materials Information System and by monitoring workplace radiation exposure. Health Canada also provides employee assistance services and occupational health services to federal employees.

Approximately 6% of the Canadian workforce falls under the OH&S jurisdiction of the federal government. The remaining 94% of Canadian workers fall under the legislation of the province or territory where they work.

In Ontario, the Occupational Health and Safety Act, dictates the best practices and steps to follow for both management and employees.

While each has its own role, the Ministry of Labour, Training and Skills Development, the Workplace Safety and Insurance Board (WSIB) and other Health partners all work together to support occupational health and safety in Ontario.

In matters of prevention, the Ministry of Labour, Training and Skills Development is responsible for monitoring compliance with the OHSA in ensuring that workplaces meet occupational health and safety requirements.

"10.1 Introduction to Occupational Health and Safety Legislation" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.2 RIGHTS AND RESPONSIBILITIES

While workplace safety is the responsibility of everyone in the organization, HR professionals play a key role in developing standards, ensuring Occupational Healthy and Safety (OHS) laws are followed, and tracking workplace accidents. Health and safety is an important component of any Human Resource Management (HRM) strategic plan.

Rules and Regulations

Occupational health and safety legislation consists of rights and responsibilities. Let us look at the foundation of health and safety, the internal responsibility system, and explore the topic of due diligence. In addition, we will take a closer look at the rights and responsibilities of employers, employees, supervisors and joint health and safety committees.

The Internal Responsibility System (IRS)

Canadian OHS is based upon the **internal responsibility system** (IRS). The IRS assumes that workers and employers have a shared responsibility for workplace health and safety. Employers are obligated to take steps to ensure that workplaces are as safe as reasonably practicable.[1] Employers are also required to advise workers of hazards and to require workers to use mandated safety equipment. The decision by governments to give employers the power to determine how to address workplace hazards bolsters employers' broader **management rights** to control and direct work.

It can be difficult for employers to know when they have met their duty to make work as safe as reasonably practicable. Meeting the **reasonably practicable** standard means taking precautions "that are not only possible but that are also suitable or rational, given the particular situation" (Government of Canada, Labour Program, 1993). The generally accepted test is that of due diligence.

1. For example, Section 3-8(a) of the Saskatchewan Employment Act (2013) states: "3-8 Every employer shall: (a) ensure, insofar as is reasonably practicable, the health, safety and welfare at work of all of the employer's workers;"

Due Diligence

Due diligence is taking reasonable precautions and steps to prevent injury, given the circumstances. It is assessed using a three-part test:

1. ***Foreseeability*:** Reasonable employers are expected to know about the hazards of their business. Injuries that arise from events that other operators in the industry expect might occur are foreseeable events.
2. ***Preventability:*** Reasonable employers are expected to take steps to prevent injury. The normal steps include identifying hazards, preparing and enforcing safe working procedures, training and monitoring worker safety, and ensuring compliance with safety procedures. Injuries that arise because an employer did not take these steps are preventable injuries.
3. ***Control:*** Reasonable employers are expected to take action on hazards that they can control. Injuries that arise from such hazards suggest the employer failed to control these hazards (LeBlanc, n.d.).

Employers who have taken the steps to address the hazards within their control to prevent foreseeable injuries have exercised their due diligence. This matters for two reasons. First, due diligence prevents injuries by controlling hazards. Second, if an injury occurs, employers who have completed the steps can use this due diligence as a defence to avoid penalties under OHS legislation.

Three Rights of the Worker

To offset the power of employers under the IRS, governments have granted workers three safety rights:

1. ***Right to know:*** Workers have a right to know about the hazards they face in their workplace. While many hazards are readily apparent, chemical and biological hazards may not be. The right to know has given rise to systems such as the Workplace Hazardous Materials Information System discussed below, which provides workers with information about hazards materials and their safe handling.
2. ***Right to participate:*** Workers have the right to participate in workplace health and safety activities. Participation most often occurs through joint health and safety committees (JHSCs) but can be through other means.
3. ***Right to refuse:*** Workers have the right to refuse unsafe work. The right to refuse represents one of the few instances where workers can disobey their employer. A refusal requires employers to investigate and remedy unsafe work. Although the right to refuse sounds like a powerful right, it is one workers rarely use.



Think!

Think about a past job you have worded at for an employer. Were all the safety regulations up to date? If not, what were some of the issues? Did anyone address the issues with supervisors? What were the results?

Employer Responsibilities

Employers have specific responsibilities when it comes to health and safety legislation. In Ontario, for example, some of the employer responsibilities include:

- Establish and maintain a health and safety committee , or cause workers to select at least one health and safety representative.
- Take every reasonable precaution to ensure the workplace is safe.
- Train employees about any potential hazards and in how to safely use, handle, store and dispose of hazardous substances and how to handle emergencies.
- Make sure workers know how to use and handle the equipment safely and properly.
- Make sure workers use any necessary personal protective equipment.
- Immediately report all critical injuries to the government department responsible for OH&S.
- Appoint a competent supervisor who sets the standards for performance, and who ensures safe working conditions are always observed.

Employee Responsibilities

There exists a misperception that only the employer has responsibilities under occupational health and safety legislation. Employees, however, have specific responsibilities under the law. Some of the employee responsibilities under the *Occupational Health and Safety Act* include:

- Work in compliance with OH&S acts and regulations.
- Use personal protective equipment and clothing as directed by the employer.
- Report workplace hazards and dangers to the supervisor or employer.
- Work in a safe manner as required by the employer and use the prescribed safety equipment.

- Tell the supervisor or employer about any missing or defective equipment or protective device that may be dangerous.

Supervisor/Manager Responsibilities

Individuals with titles such as supervisor or manager have specific responsibilities under occupational health and safety legislation. In Ontario, for example, supervisors and managers are to:

- Make sure workers work in compliance with OH&S acts and regulations.
- Make sure that workers use prescribed protective equipment and/or devices.
- Advise workers of potential and actual hazards.
- Provide workers with written instructions as to the measures and procedures to be taken for protection of the worker.
- Take every reasonable precaution in the circumstances for the protection of workers.

(Canadian Centre for Occupational Health and Safety, n.d.)

COVID-19 and its Implications on Occupational Health and Safety

In the beginning of the COVID-19 pandemic it became clear that there was a lack of awareness of the safety measures necessary to protect individuals. The situation at a Quebec nursing home demonstrated the importance of understanding the risks in order to keep the workplace safe.

Video: "Military reports staffing, PPE issues in Quebec long-term care homes" By CBC News: The National [1:59] (URL: https://www.youtube.com/watch?v=NXAcT2hG32A)

To help workplaces implement adequate occupational health and safety measures during COVID, the Government of Ontario worked with health agencies at the federal and provincial levels in order to develop plans, and build awareness and information tools. (Ontario COVID-19 communication resources)

"10.2 Rights and Responsibilities" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.3 RECORD KEEPING AND TRACKING INCIDENTS

The purpose of record keeping does not imply that the employee or the company is at fault for an illness or injury. In addition, just because a record is kept doesn't mean the employee will be eligible for worker's compensation. The record-keeping aspect normally refers to the keeping of incidence rates, or the number of illnesses or injuries per one hundred full-time employees per year, as calculated by the following formula:

$$\text{incidence rate} = \frac{\text{number of injuries and illness} \times 200,000}{\text{total hours worked by all employees in the period}}$$

Two hundred thousand is the standard figure used, as it represents one hundred full-time employees who work forty hours per week for fifty weeks per year. An HR professional can then use this data and compare it to other companies in the same industry to see how its business is meeting safety standards compared with other businesses. This calculation provides comparable information, no matter the size of the company. If the incidence rate is higher than the average, the HR professional might consider developing training surrounding safety in the workplace.

Liabilities

Can a company ever be legally responsible for H&S violations? Yes it can, due to the Westray Law or Bill C-45.

Westray Law or Former Bill C-45

The *Westray Law*, former Bill C-45, *An Act to amend the Criminal Code (criminal liability of organizations)*, came into force on March 31, 2004. It modernized the criminal law's approach for

establishing the criminal liability of corporations for workplace deaths and injuries. Specifically, it:

- established rules for attributing criminal liability to organizations, including corporations, for the acts of their representatives
- established a legal duty for all persons directing the work of others to take reasonable steps to ensure the safety of workers and the public
- set out factors that a court must consider when sentencing an organization
- provided conditions of probation that a court may impose on an organization

An organization can be held criminally liable if:

1. a representative or representatives of the organization acting within the scope of their authority were a party to the offence; and,
2. a senior officer responsible for the aspect of the organization's activities relevant to the offence, departed markedly from the standard of care that could reasonably be expected to prevent the representative from being a party to the offence.
3. a senior officer acting within the scope of authority was a party to the offence; or,
4. the senior officer had the *mens rea* for the offence, was acting within the scope of authority and directed the work of other representatives to perform the act element of the offence; or,
5. the senior officer did not take reasonable measures to stop the commission of the offence by a representative.

Section 217.1 of the *Criminal Code* creates an occupational health and safety duty for all organizations and individuals who direct the work of others in Canada. It requires all organizations and individuals who undertake or have the authority to direct how others work or perform a task, to take all reasonable steps to prevent bodily harm to the person performing the work or task, and to any other person.

(Government of Canada, D. of J., 2019)

Examples of Westray Law

In the video Westray, there is an account of a coal min disaster. This event killed 26 men in Nova Scotia in 1992. The video is focused on the widows of miners who were killed and other miners who where not in the mine the day of the disaster.

Video: "Westray" By Paul Cowan – National Film Board of Canada [1:19:40] (Link to Video)

On March 17, 2008 a paving company (Transpave) was charged and convicted of criminal negligence and fined $100,000 in the death of an employee, plus a $10,000 victim surcharge.

On May 17, 2007, Mark Hritchuk, a Service Manager at a LaSalle, Quebec auto dealership was charged with criminal negligence after one of his employees caught on fire while using a makeshift fuel pump that had gone unrepaired and broken for several years. Mr. Daoust, a 22 year employee with the company, was engulfed in flames after a spark ignited fuel which had spilled on him, while he attempted to fill the gas tank of a vehicle whose fuel gage had broken and needed repairing. The employee survived but received third degree burns to 35% of his body. The case was brought before a court of inquiry on March 10, 2009. The case went to court in March 2012. Mr Hritchuk pleaded guilty of unlawfully causing bodily harm. (Government of Canada, C.C.O.H.S., 2023)

For more details see Westray Bill (Bill C-45) – Overview – Canadian Centre for Occupational Health and Safety

Purpose of Worker Compensation

It is important to note that the main intent of the worker's compensation is to ensure that the employee return to his/her original job.

However, if the employee cannot return to his job due to permanent injuries, there are four options available:

- Cash payouts (for permanent disability)
- Wage loss payments (if worker can no longer earn as much)
- Medical aid
- Vocational rehabilitation

9.4 JOINT HEALTH AND SAFETY COMMITTEE

Joint health and safety committees are an important mechanism by which workers exercise their right to participate in occupational health and safety matters. Joint health and safety committees comprise employer and worker representatives who regularly meet to discuss health and safety issues. The "logic" of these committees is that they marry the job-specific knowledge of workers with the broader perspective of managers to identify and resolve OHS issues. The legislative requirements for JHSCs vary by jurisdiction and organization size. Unions may also negotiate mandatory JHSCs into their collective agreements.

In smaller workplaces, a joint health and safety committee may not be required. Be certain to refer to your federal, provincial or territorial legislation to determine if your workplace needs a safety committee or a safety representative. Here is a quick reference from the Canadian Centre for Occupational Health and Safety:

CCOHS: Joint Health and Safety Committee – What is a Joint Health and Safety Committee?

Among the tasks joint health and safety committees perform are conducting hazard assessments, providing education and training, and investigating incidents. While a joint health and safety committees can propose hazard mitigation strategies, occupational health and safety legislation empowers the employer to determine how to control such hazards. In this way, joint health and safety committees are advisory committees rather than decision-making committees. Research suggests that worker participation in occupational health and safety tends to be more effective in larger workplaces and in the presence of trade unions (Nichols & Walters, 2009). Workers in smaller firms and in workplaces reliant upon various subcontracting and outsourcing arrangements are less likely to have access to joint health and safety committees (Johnstone, 2006).

How workers behave on joint health and safety committees can influence the effectiveness of worker participation. Worker representatives who collect their own information about occupational health and safety assert their knowledge about hazardous conditions, mobilize their co-workers to support demands for improvements, and propose alternative solutions appear to be more effective than more passive representatives (Hall et al., 2006). The effectiveness of this more activist orientation suggests employer occupational health

and safety behaviours can be shaped by workers' behaviour in the workplace, as well as by external enforcement by the state.



Think!

As an HR Specialist, how would you go about recruiting a Joint Health and Safety Committee (JH&SC) if you were starting one at your company? Who would you approach? What would your approach be to motivate people to join? Do you think JH&SC should be voluntary? mandatory (take your turn)?

"10.2 Rights and Responsibilities" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.5 POWERS, AUTHORITY AND LEGAL IMPLICATIONS

The role of the state in the Internal Responsibility System is primarily one of education and enforcement. Governments often run safety awareness campaigns aimed at workers. Governments also employ OHS officers who perform **worksite inspections** in order to identify health and safety violations and ensure their remediation. Inspections may be random or targeted (e.g., focusing on high-injury industries, such as residential construction). Inspections may also be triggered by worker complaints.



"A Day in the Life of an Inspector" by Bureau of Safety and Environmental Enforcement, Public Domain

Inspectors will also investigate serious workplace injuries and fatalities. Where inspectors find violations of OHS rules, they may order employers to remedy the situation. This is the most common response of OHS inspectors and can sometimes include issuing a **stop-work order**, which halts operations at the worksite until an unsafe situation is resolved. Some jurisdictions also give OHS inspectors the power to issue tickets or other financial penalties to workers and employers who are in contravention of OHS rules. The government can also seek to **prosecute** those who violate the law. This most often occurs when there has been a serious injury or fatality or a pattern of non-compliance with the law. Conviction can result in fines, jail time, or other penalties. Prosecutions are relatively rare in Canada.

Canada's Criminal Codewas amended in 2004 to allow for the criminal prosecution of individuals and organizations that direct the work of others when a worker is injured and the employer failed to meet its due diligence requirements. Criminal prosecution is designed to address cases of profound moral failings, such as the wanton disregard for safety that cost 26 workers their lives in 1992 at the Westray Mine in Nova Scotia. Only a handful of prosecutions under the Criminal Code have occurred, with few resulting in convictions (Bittle, 2012).

"10.3 Powers, Authority and Legal Implications" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.6 RELATED LEGISLATION

Occupational health and safety laws are part of a broader **web of rules** that regulate employment. Other laws passed by legislatures that impact OHS include fire and building codes, occupational-specific regulations, laws regulating hazardous materials (both in the workplace and the broader environment), employment (or labour) standards, human rights, and workers' compensation schemes.

Hazardous Products

The federal *Hazardous Products Act* established the **Workplace Hazardous Materials Information System** (WHMIS). WHMIS protects workers by requiring employers to label hazardous materials and provide **safety data sheets** (SDS) which outline the hazards of the substance. This information assists workers in exercising their right to know about workplace hazards. Each of Canada's 14 jurisdictions have included aspects of WHMIS in their own OHS systems [1]

Governments also regulate aspects of certain occupations. For example, workers whose job requires them to handle or use explosives may be required to undertake specific training and hold a permit. Governments have also enacted environmental laws that regulate air, water, and soil pollution, waste management, and climate change. While environmental regulations are not normally considered a part of occupational health and safety, there is no clear boundary between environmental hazards and workplace hazards.

Employment Standards

All Canadian jurisdictions have enacted laws setting out the minimum terms and conditions of work. These **employment standards** (or labour standards) acts often outline maximum hours of work and required rest breaks. These requirements prevent workers from becoming overly tired, which increases the risk of injury. Employment standards legislation also usually contains limits on the employment of minors, reflecting their greater vulnerability to occupational injury due to their physical and intellectual immaturity. Such laws preclude employers from recovering the cost of customer theft from workers' wages. As the vignette at the beginning of this chapter suggests, though, employment standards laws are unevenly enforced, thereby reducing their contribution to injury prevention.

1. Learn more about WHMIS at http://whmis.org

Human Rights

It is important to consider the impact of **human rights legislation** on OHS. Human rights acts preclude discrimination on various grounds, such as gender, family status, age, sexual orientation, and disability. The **duty to accommodate** injured workers that flows from human rights legislation. In short, employers are expected to modify work and workplaces, up to the point of undue hardship for the employer, so as not to discriminate against workers with temporary or permanent disabilities.

Workers' Compensation

Being injured on the job affects workers in many ways. Historically, injury has often meant poverty, because injured workers frequently can't work. At the beginning of the 20th century, provincial governments enacted **workers' compensation** systems to provide injured workers with wage-loss benefits, medical treatment, and vocational rehabilitation. Prior to the creation of workers' compensation, workers injured on the job were forced to sue their employers for compensation. Workers often could not afford to sue, and if they did sue they rarely won, which meant injured workers often ended up financially dependent upon their families or charity. The unfairness of this system was a source of significant social instability, and governments enacted workers' compensation laws to partly address workers' needs and thereby stave off industrial and social conflict (Risk, 1983). In exchange for immediate, predictable, and stable compensation, injured workers gave up their right to sue their employer for workplace injury. This exchange is often called the historic compromise.

The Ontario workers' compensation system, which was Canada's first, was based upon the recommendations of a 1913 Royal Commission on Workers' Compensation headed by William Meredith.[2]The Meredith principles underlying workers' compensation remain the basis for workers' compensation in Canada:

1. **No fault**: How the injury occurred is irrelevant. Compensation is paid on a no-fault basis and workers cannot sue their employer.
2. **Accident fund**: The WCB maintains an accident fund to guarantee the availability of benefits over time.

2. View the Meredith Report at http://awcbc.org/wp-content/uploads/2013/12/meredith_report.pdf

3. **Collective liability**: All employers pay premiums and thereby share the cost of injuries collectively.
4. Independent administration: The WCB—which operates independently of employers, workers, and the state—administers the workers' compensation system.
5. **Exclusivity**: The WCB is the only provider of workers' compensation. This differs from arrangements in some US states where multiple private insurers offer compensation. The WCB is also the final arbiter of all claims.

Every province and territory has established a WCB that operates under these principles. When workers experience a serious work-related injury (e.g., the worker requires medical aid or can't go to work the next day), the worker, employer, and doctor are all required to report the injury to the WCB. In assessing whether an injured worker is eligible for benefits, the WCB uses the two-part "arises-and-occurs" test. To be compensable, an injury must be caused by an event arising out of, and occurring during the course of, employment.

Where it is not possible to determine if an injury arose or occurred, workers' compensation legislation generally gives the benefit of the doubt to the injured worker. Some workers' compensation systems also grant **presumptive status** to certain types of injury. Certain diseases, for example, are so closely linked with certain kinds of work (e.g., farming and farmer's lung) that claims are presumed to have arisen and occurred unless there is evidence otherwise.

Once an injury has been found to be compensable, workers are eligible to receive wage-loss, medical, and vocational rehabilitation benefits. **Wage-loss benefits** provide financial compensation to workers whose income is reduced by an injury. The level of wage-loss benefit and when wage-loss benefits commence varies by jurisdiction, although rates are set so that workers ordinarily receive less than their regular wage. Injured workers can also receive medical and vocational rehabilitation benefits. **Medical benefits** cover the costs of treating an injury, thereby relieving workers and the taxpayer-funded health care system of these costs. **Vocational rehabilitation benefits** include programs designed to increase the probability of a worker returning to employment. When a worker dies as the result of a workplace injury, the worker's dependents are eligible to receive **fatality benefits**, including funeral costs and wage-loss benefits.

While workers' compensation entails significant benefits to injured workers, the administration of these benefits has come under heavy criticism. Injured workers often report that their interactions with the WCB—wherein workers' claims are often met with skepticism and workers are sometimes surveilled—can be psychologically damaging (Lippel, 2007). Injured workers are also more likely to live in poverty. (Ballantyne et al., 2016) In some jurisdictions, workers face having their wage-loss benefits reduced because the WCB deems them to be employable, even though they have been unable to find a job (Barnetson, 2010). These concerns

are often related to the way workers' compensation is funded and, in particular, to the operation of experience-rating systems.

Employers fund workers' compensation by paying premiums. Premiums are based upon an employer's payroll multiplied by the assessment rate the WCB has set for the industry in which the employer operates. Typically premiums are expressed in the form of X dollars per $100 of payroll. Some provinces further modify individual employer's premiums based upon the employer's claims record. These experience-rating systems reward employers that have low claim costs and penalize employers that have high claim costs. As we saw in Chapter 1, experience rating is a controversial system. Linking claim costs to premium rebates does reduce the number and duration of claims, but it is unclear if this means an actual reduction in the number or severity of injuries or reflects employer **gaming** of the experience-rating system (Tompa et al, 2013). Gaming may include suppressing claims as well as disputing worker claims, thereby undermining the no-fault basis of workers' compensation.

Many injured workers are able to perform productive work while they are recovering from injuries. Providing workers with an opportunity to **return to work** (RTW) by, for example, modifying their duties may help workers recover. The idea that return-to-work is rehabilitative is hotly contested. Less controversial is that RTW programs help employers minimize their claims costs (Tompa et al, 2013). Such programs also ensure that employers meet the duty to accommodate workers found in human rights legislation.

Accessibility for Ontarians with Disabilities Act (AODA)

The **Accessibility for Ontarians with Disabilities Act (AODA)** is a provincial law enacted in Ontario, Canada in 2005, designed to create a fully accessible and barrier-free society for people with disabilities by January 1, 2025. Its core purpose is to develop, implement, and enforce accessibility standards across public, private, and non-profit sectors to ensure equitable access to goods, services, employment, facilities, accommodation, and public spaces (AODA, n.d.; *Accessibility for Ontarians with Disabilities Act*, 2005).

The Act defines a barrier broadly to include physical, architectural, informational, communicational, attitudinal, technological, and policy-based obstacles that prevent full participation by individuals with disabilities. It applies to all organizations under provincial jurisdiction, including government ministries, municipalities, non-profits, and businesses with at least one employee. Requirements vary by organization size, but all "obligated organizations" must comply with the relevant standards (ARCH Disability Law Centre, 2025; LegalClarity, 2025).

AODA establishes five major accessibility standards, collectively housed in the **Integrated Accessibility Standards Regulation (IASR)**:

1. Customer Service Standard – Ensures accessible delivery of goods and services, including accommodations such as service animals and individualized support.
2. Information and Communications Standard – Requires accessible formats, communication supports,

and accessible website design.

3. Employment Standard – Mandates equitable hiring, retention, accommodation, and return to work processes.
4. Transportation Standard – Ensures accessible public transit through equipment, vehicles, and communication supports.
5. Design of Public Spaces Standard – Requires accessibility in new and significantly redeveloped outdoor areas, such as sidewalks, trails, parking spaces, and public amenities.
   (ARCH Disability Law Centre, 2025; LegalClarity, 2025; Accessibility Services Canada, n.d.).

Compliance with these standards includes developing accessibility policies, providing accessibility training, and creating multi-year accessibility plans that are reviewed and updated regularly. Organizations may also be required to submit accessibility compliance reports to the provincial government. The Act empowers inspectors, establishes penalties for non-compliance, and mandates periodic reviews of the legislation to ensure continued progress toward accessibility goals (AODA, n.d.; Accessibility Services Canada, n.d.).

Overall, the AODA represents a comprehensive legislative framework aimed at removing and preventing barriers, promoting inclusion, and ensuring that people with disabilities have full and equal opportunity to participate in all aspects of Ontario society.

"10.4 Related Legislation" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

AODA section: Microsoft. (2026, January). Microsoft365 Copilot. [Large Language Model]. Prompt: Provide me with a summary of what the Accessibility for Ontarians with Disabilities Act is. I want to put this into a college-level textbook.. *Reviewed by faculty, edited*.

9.7 WHMIS

As part of the workplace safety program, employers are responsible for ensuring their workers are protected from hazardous products, previously referred to as controlled products. WHMIS, or the Workplace Hazardous Materials Information System, is designed to protect workers from the health effects of exposure to hazardous products.

Globally, there has been a move to align all hazardous product legislation to create uniformity. As such, the GHS, or the Globally Harmonized System of Classification and Labelling of Chemicals, was created to support such uniformity. In 2015, Canada updated its WHMIS legislation to what is known as WHMIS 2015 to align with GHS. Throughout this chapter, we will review the three elements of WHMIS 2015, look at hazard classification and the transportation of dangerous goods. Take the time to complete this activity that highlights the transition to WHMIS 2015.

There are three essential elements that make up WHMIS 2015.

(a) Labels
(b) Safety Data Sheets
(c) Education and Training

Let's explore each of these elements individually to fully understand their importance for your workplace safety program.

Labels

The first element of WHMIS 2015 focuses on the label attached to a hazardous product. There are two types of labels in WHMIS 2015. The supplier label is affixed to the hazardous product by the supplier prior to the product arriving at the workplace. The workplace label is affixed to the hazardous product if the original supplier label falls off, or if a worker decants the product into a new container.

See the poster by the Canadian Centre for Occupational Health and Safety to review the required content of a supplier label and a workplace label. In addition, below you will find a WHMIS label activity you can complete to assist with your understanding of hazardous product labels.

Pictograms are graphics that help the worker to instantly recognize the type of hazardous product they are working with and the immediate hazard, such as a corrosive material. Pictograms can be found on the safety data sheet, or on the supplier label attached to the hazardous product.

WHMIS 2015 consists of 10 pictograms. Review the pictogram poster from the Canadian Centre for Occupational Health and Safety as it highlights all 10 pictograms every worker needs to be familiar with.

Video: "WHMIS Pictograms and Symbols | OnlineWHMIS.ca™Our Voices – Upeksha Nanayakkara – Full" By OnlineWHMIS.ca™ [5:38] (URL: https://www.youtube.com/watch?v=SefU59z5EX4)

Signal Words

Every label is to contain a Signal Word.

- "Danger " and "Warning" are the two signal words used to emphasize hazards.
- The appropriate signal word, "Warning" or "Danger", is determined based on the hazard classification of the product" (Health Canada, 2016)

Safety Data Sheets (SDS)

The second element of WHMIS 2015 focuses on Safety Data Sheets. Before a supplier ships a hazardous product to a workplace, they are responsible for attaching a Safety Data Sheet. Once received by the workplace, the employer must make the new data sheet available to all workers 24 hours a day, 7 days a week, in an accessible area. This might include a hard copy of the data sheet in a binder and/or an electronic copy of the data sheet on an accessible computer.

Each safety data sheet consists of 16 sections, and in Canada, the safety data sheet must be available to workers in both English and French. Review the handout from the Canadian Centre for Occupational Health and Safety which details the 16 sections of the safety data sheet.

Education and Training

The third element of WHMIS 2015 is education and training. Whether it is an existing employee or a new hire, everyone must have WHMIS 2015 training. Equally important is the training record. Every employer must ensure they can quickly and easily access training records for all safety training programs, including WHMIS 2015. These records may be required by a court, a government agency, workers compensation, an inspector, or the joint health and safety committee to name a few.



Photo by rawpixel.com, CC0

During the WHMIS 2015 training session, it is important to instruct workers on the location of the

Safety Data Sheets (SDS), and how to read the data sheet as it contains important first aid, usage and storage instructions. In addition, workers need to know how to read a workplace and a supplier label. Should an employee decant a hazardous product from a labelled container into a new container, the individual must immediately advise their supervisor so a workplace label can be created and attached to the new container. Lastly, every worker must understand the WHMIS 2015 pictograms so they can recognize the type of risk they are handling.

Within WHMIS 2015, there are two types of hazard groups; physical and health hazards. Additionally, these two hazard groups are further broken down into hazard classes and hazard categories.

Hazard Classes	Within each group, there are classes which are essentially groupings of like chemicals. There are 19 classes of chemicals within the physical hazards group and 12 classes of chemicals within the health hazard group. Review the Hazard Class provided by the Canadian Centre of Occupational Health and Safety.
Hazard Categories	Each hazard class contains a hazard category. A **hazard category** identifies the severity of hazard and tells us just how hazardous the product is. Although each hazard class contains a minimum of one hazard category, it is possible for a hazard class to contain numerous hazard categories.

To learn more about WHMIS Online Certification Training see Canada Safety Training Centre's website.

"11.1 An Introduction to WHMIS 2015" & "11.2 Hazards Groups, Classes and Categories" & "11.3 The Three Elements of WHMIS 2015" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.8 HEALTH HAZARDS AT WORK

Often when we think of hazards in the workplace we tend to think of the harm that can be done by equipment and tools. However, workplace hazards are much more extensive and can, for example, be comprised of illness, psychological health, and issues relating to the the type of work being performed. In the following section, we will review various types of workplace hazards.

Health Incidents

The main different types of health incidents that can occur are:

1. ***Occupational injury:*** Cut, fracture, sprain, or amputation resulting from a workplace accident or from an exposure involving an accident in the work environment
2. ***Occupational illness:*** Abnormal condition or disorder caused by exposure to environmental factors associated with employment
3. ***Industrial disease*:** Disease resulting from exposure relating to a particular process, trade, or occupation in industry

Occupational illness

One such illness that has received wide attention in the media is that of the consequences of working with Asbestos. Think about all of the workers who were affected by working with Asbestos, whether it be the construction workers or the miners.

Video: "Asbestos" By WorkSafeBC [2:16] (URL: https://www.youtube.com/watch?v=jifoNSXvTuQ)

Other Safety Concerns

Stress management, office-related injuries such as carpal tunnel syndrome, and no-fragrance areas are all contemporary issues surrounding employee health and safety. In addition, given our new reality, employer's

need to also have provisions in place for communicable diseases such as COVID-19. Let's have a closer look at the most common issues experienced at work.

Cumulative Trauma Disorders

Cumulative trauma disorders (CTDs) are injuries to the fingers, hands, arms, or shoulders that result from repetitive motions such as typing.

Carpal tunnel syndrome, or CTS, is a common cumulative disorder in which the hand and wrist is particularly affected. According to one study of CTS (Matias, et. al., 1998), the percentage of a workday at a computer, posture while at the workstation, and the individual's body features all contribute to this workplace issue. More recently, CTD can be found in people who text a lot or use their smartphones to type or surf the Internet. There are a number of keyboards, chairs, and other devices that can help limit or prevent CTD issues.

> Microsoft is attempting to relieve CTD by developing "surface" technology. First introduced in 2007, the system is controlled through intuitive touch rather than the traditional mouse and keyboard. Microsoft and Samsung in early 2011 introduced the newest consumer-ready product, which looks like a large tablet (or iPad) used to perform the same functions as one normally would on her computer (Microsoft News Center, 2011).

Chemical and Fragrance Sensitivities

Some people have **multiple chemical sensitivity (MCS) or environmental illness (EI)**. MCS or EI is the inability to tolerate an environmental chemical or class of foreign chemicals. Symptoms can include headache, dizziness, inability to breathe, muscle pain, and many more depending on the person. As a result, implementing policies surrounding MCS may be not only a legal requirement but a best practice to keep employees safe and healthy in the workplace. Some examples of such policies might include the following:

- Institute a fragrance-free workplace policy (e.g., no scented lotions, hair products, or perfumes).
- Limit use of restroom air fresheners, cleaning agents, and candles.
- Ensure the ventilation system is in good working order.
- Provide a workspace with windows where possible.
- Consider providing an alternate workspace.
- Be cautious of remodels, renovations, and other projects that may cause excessive dust and odours.

If an organization is going to implement a fragrance-free work policy, this is normally addressed under the

dress code area of the organization's employee manual. However, many employers are reluctant to require employees to refrain from wearing or using scented products. In this case, rather than creating a policy, it might be worthwhile to simply request a fragrance-free zone from employees through e-mail and other means of communication. An example of such a policy is used by Kaiser Permanente:

Chemicals

Video: "Working safely with chemicals" By Safe Work Australia [7:21] (URL: https://www.youtube.com/watch?v=jQ0e39NCxy4)

Chemicals should be labelled in English, and employees must be able to cross-reference the chemicals to the materials safety data sheet, which describes how the chemicals should be handled.

In Canada, the Workplace Hazardous Materials Information System (WHMIS) gives directives on how to properly label, use, manage, store and dispose of chemical substances. WHMIS.org

It is estimated that 1,200 new chemicals are developed in North America alone every year (International Labour Organization, 2011). For many of these chemicals, little is known about their immediate or long-term effects on the health of workers who come into contact with them. As a result, policies should be developed on how chemicals should be handled, and proper warnings should be given as to the harmful effects of any chemicals found in a job site.

"Health Hazards at Work" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.9 STRESS

Another concern of Health and Safety is mental health and the stress that employees experience.

Video: "How burnout makes us less creative | The Way We Work, a TED series" By Rahaf Harfoush – TED [5:04] (URL: https://www.youtube.com/watch?v=Dvhu2OK7ffg)

Job insecurity is a concern related to stress. Higher education levels lends itself to more job security that includes higher wages, benefits and pension plans. However, lower waged jobs have less job security. These workers are often contract workers, part time workers, seasonal workers or freelance workers. More than half of these groups reported "....their income varied significantly, and 60 percent said they don't have pension plans or sick pay." (Mojtehedzadeh, 2018, para. 2). However, professional careers are also facing job insecurity. These jobs require special skills and higher education. Yet, face challenging situations with less pay, fewer benefits, and no pensions. Job insecurity causes stress about uncertainty and has affects on people's health.

Before we discuss what HR professionals can do, let's discuss some basic information about stress. As it is currently used, the term *stress* was coined by Hans Selye in 1936, who defined it as "the nonspecific response of the body to any demand for change" (The American Institute of Stress, 2011).

In other words, we can say that **stress** is the reaction we have to a stressor. A **stressor** is some activity, event, or other stimulus that causes either a positive or negative reaction in the body. Despite what people may think, some stress is actually good. For example, receiving a promotion at work may cause stress, but this kind of stress is considered to be positive. Stress is very much a personal thing, and depending on individual personalities, people may have different opinions about what is a stressor and what is not.

For example, a professor does not normally find public speaking to be a stressor, while someone who does not do it on a daily basis may be very stressed about having to speak in public.



Think!

What elements or causes of stress at work are in today's workplace that did not exist 20 years ago? 30 years ago? Do some research on stress in workplace 20 years ago, and 30 years ago? What has changed? Or, what has not changed? Do you believe the workplace is "more" or "less" stressful than it was 20 and 30 years ago? Why?

Stress Management

Selye recognized that not all stress is negative. Positive stress is called **eustress**. This type of stress is healthy and gives a feeling of fulfillment and other positive feelings. Eustress can cause us to push ourselves harder to meet an end goal. On the other hand, **distress** is the term used for negative stress. While eustress can push us, distress does not produce positive feelings and can go on for a long time without relief. We can further classify distress into **chronic stress**, is prolonged exposure to stress, and **acute stress**, which is short-term high stress. For example, someone who receives little or no positive result from stress and is continuously stressed may experience chronic stress. Acute stress occurs in shorter bursts and may be experienced while someone is on a tight deadline for a project.

Two other terms related to stress are **hyperstress** and **hypostress**. **Hyperstress** is a type of stress in which there are extremes with little or no relief for a long period of time. This type of stress often results in burnout. **Hypostress** is the lack of eustress or distress in someone's life. Remember, some stress can be good and pushes us to work harder. We see this type of stress with people who may work in a factory or other type of repetitive job. The effect of this type of stress is usually feelings of restlessness.

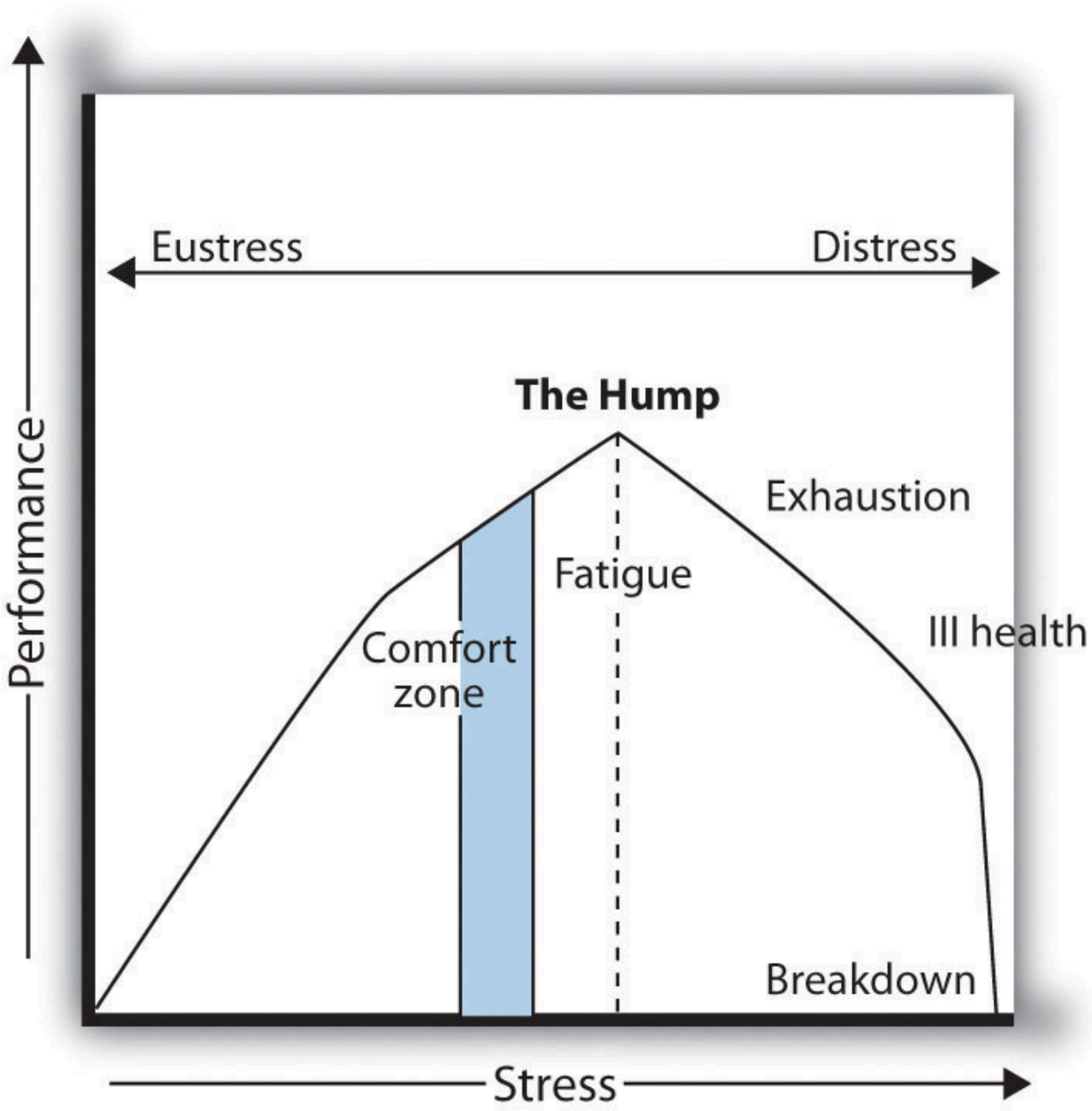


Figure 9.9.1 The Stress Curve. Adapted from Nixon, Murray, & Bryant, 1979

One last important thing to note is how a person goes through the cycle of stress. **Figure 9.9.1 "The Stress Curve"** shows an example of how stress is good up to a point, but beyond that point, the person is fatigued and negatively affected by the stress. Bear in mind, this varies from person to person based on personality type and stress-coping mechanisms.

As you have already guessed, stress on the job creates productivity issues, which is why it concerns HR professionals. We know that stress can cause headaches, stomach issues, and other negative effects that can

result in lost productivity but also result in less creative work. Stress can raise health insurance costs and cause employee turnover. With this information, steps can be taken to reduce or eliminate such stress.

The organization also requires employees to take vacation time and even promotes it with posters throughout the office. In fact, even weekends are precious at Price Waterhouse Coopers. If an employee sends an e-mail on the weekend, a popup screen reminds her or him it is the weekend and it is time to disconnect.

Offering flex-time is also a way to reduce employee stress. It allows employees to arrange their work and family schedule to one that reduces stress for them. Other creative ways to reduce stress might be to offer concierge services, on-site child care, wellness initiatives, and massage therapy. All these options can garner loyalty and higher productivity from employees.

Being a Student Can Be Very Stressful

Here are the most common stressors for college students:

- Death of a loved one; Relocating to a new city or province; Divorce of parents; Encounter with the legal system; Transfer to a new school; Marriage; Lost job; Elected to leadership position; New romantic relationship; Serious argument with close friend; Increase in course load or difficulty of courses; Change in health of family member; First semester in college; Failed important course; Major personal injury or illness; Change in living conditions; Argument with instructor; Change in social life; Change in sleeping habits; Lower grades than expected; Breakup of relationship; New job; Financial problems; Change in eating habits; Chronic car trouble; Pregnancy; Too many missed classes; Long commute to work/school; Working more than one job; Impending graduation; Argument with family member; Sexual concerns; Changes in alcohol and/or drug use; Roommate problems; Raising children

Workplace Violence and Bullying

Approximately 2 million American workers are victims of workplace violence every year (Occupational Safety and Health Administration, n.d.).

Workplace bullying is defined as a tendency of individuals or groups to use persistent or repeated aggressive or unreasonable behaviour against a coworker or subordinate. The Workplace Bullying Institute found that 35 percent of workers have reported being bullied at work. This number is worth considering, given

that workplace bullying reduces productivity with missed work days and turnover. Examples of workplace bullying include the following:

1. Unwarranted or invalid criticism
2. Blame without factual information
3. Being treated differently than the rest of your work group
4. Humiliation
5. Unrealistic work deadlines
6. Spreading rumours
7. Undermining or deliberately impeding a person's work

There is a term that called *Lateral Violence* which is prominent in First Nation communities. This is often seen in small communities where everyone knows each other. To review an scenario see the website by Indigenous Corporate Training on Lateral Violence in the Workplace. The Native Women's Association of Canada also has a resource on Lateral Violence.

Closer to home, according to the Canadian Centre for Occupational Health and Safety (2016):

- 1 in 5 Canadians experience a psychological health problem or illness in any given year.
- Psychological health problems and illnesses are the number one cause of disability in Canada.
- Psychological health problems cost the Canadian economy ~$51 billion per year, $20 billion of which results from work-related causes.
- 47% of working Canadians consider their work to be the most stressful part of daily life.
- Psychological health problems affect mid-career workers the most, lowering the productivity of the Canadian workforce.
- Only 23% of Canadian workers would feel comfortable talking to their employer about a psychological health issue.

It is up to the organization and human resources to implement policies to ensure the safety of workers and provide a safe working environment. Prevention of workplace bullying means creating a culture in which employees are comfortable speaking with HR professionals and managers (assuming they are not the ones bullying) about these types of situations.

Similar to traditional bullying, **cyberbullying** is defined as use of the Internet or technology used to send text that is intended to hurt or embarrass another person. Examples include using Facebook to post negative comments or setting up a fake e-mail account to send out fake e-mails from that person. Comments or blogs and posts that show the victim in a bad light are other examples of cyberbullying. Similar to workplace bullying, cyberbullying is about power and control in workplace relationships. Elizabeth Carll's research on cyberbullying shows that people who experience this type of harassment are more likely to experience heightened anxiety, fear, shock, and helplessness, which can result in lost productivity at work and retention issues (White, 2011), a major concern for the HR professional.

Employee Privacy

In today's world of identity theft, it is important that HR professionals work to achieve maximum security and privacy for employees. When private information is exposed, it can be costly.

Employee privacy is governed by the Personal Information Protection and Electronics Documents Act (PIPEDA) in Canada.

Some of the things to combat employee identity theft include the following:

1. Conduct background and criminal checks on employees who will have access to sensitive data.
2. Restrict access to areas where data is stored, including computers.
3. Provide training to staff who will have access to private employee information.
4. Keep information in locked files or in password-protected files.
5. Use numbers other than social security numbers to identify employees.

Another privacy issue that comes up often is the monitoring of employee activities on devices that are provided to them by the organization. Case law, for the most part, has decided that employees do not have privacy rights if they are using the organization's equipment, with a few exceptions. As a result, more than half of all companies engage in some kind of monitoring. According to an American Management Association (2007) survey, 73 percent of employers monitor e-mail messages and 66 percent monitor web surfing. If your organization finds it necessary to implement monitoring policies, ensuring the following is important to employee buy-in of the monitoring:

1. Develop a policy for monitoring.
2. Communicate what will be monitored.
3. Provide business reasons for why e-mail and Internet must be monitored.

Working with your IT department to implement standards and protect employee data kept on computers is a must in today's connected world. Communication of a privacy policy is an important step as well.

"Health Hazards at Work" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.10 INCIDENT INVESTIGATION

Employers are responsible for investigating workplace incidents. Before the formal incident investigation begins, the employer needs to take the necessary steps to meet both internal and external reporting requirements.

Pre-Investigation

- Has the employer provided the injured parties with the necessary level of first aid and called 9-1-1 if required? Don't forget that witnesses may need support as well.
- Has the employer notified internal stakeholders of the recent incident? These stakeholders may include human resources, health and safety representatives or committee members, union representatives, and the leadership team.
- Has the employer notified the external stakeholders of the recent incident? These stakeholders may include family members of the injured parties, third party contractors/employers, temporary agencies, legal counsel, head-office personnel, law enforcement, workers compensation and necessary government agencies.

Workers Compensation

Regardless of an employer's location, there are reporting requirements following a known workplace injury or illness. In Ontario, for example, the Workplace Safety and Insurance Board (WSIB) requires an employer to submit a Form 7 within three days of being notified of an individuals work related illness or injury. Review the "Injured at Work" brochure to become familiar with the injured worker reporting expectations of WSIB.

Additional Resources

Injured at Work? A Guide to Reporting Injured Workers and Employers [PDF]

Government Agencies

When preparing the emergency contact sheet at work, employers need to ensure they include information relating to government agencies that need to be contacted in the event of a workplace incident or death. In Ontario, for example, employers must submit a written report to the Ministry of Labour (MOL) within 48 hours of a critical injury. Refer to the Ministry of Labour's website to become familiar with their definition of a critical injury.

Incident investigations are intended to uncover all of the key facts about how and why an incident occurred so that action can be taken to prevent it happening again. Not conducting the investigation in a careful and thorough manner can undermine the results and create the risk of a repeat incident. Any incident where significant injury occurs should be thoroughly investigated, but there is value in investigating minor injury and near miss events as well, as they can reveal important insights that might prevent a future injury. Let's look at the incident at a Canadian sawmill to learn more about the impact of workplace incidents.

Story: Incident at a Canadian Sawmill

On January 20, 2012, a massive explosion at the Babine sawmill in Burns Lake in northern British Columbia killed two workers and injured 20 others. The explosion, powerful enough to blow off the mill's roof and send a giant fireball into the sky, was caused by a buildup of wood dust in the mill's atmosphere. Ryan Clay, a worker at the mill, said the dust had built up to dangerous levels. "You couldn't see across the mill, that's how bad the dust levels were. Even with the fans going full blast, the dust was just horrendous" (Adams & Rowney, 2014). It was the largest sawmill explosion in BC history until the Lakeland sawmill in Prince George exploded three months later.

In incidents this serious, the investigation becomes the responsibility of the provincial government, in this case WorkSafeBC. It took 19 days for WorkSafe investigators to gain access to the site, first because of RCMP investigations of criminal acts and then because of unsafe conditions. The investigation was finally completed on November 29, 2012, with a recommendation to lay charges against the employer under BC's health and safety legislation. Nevertheless, the Criminal Justice Branch (which makes all final decisions about prosecutions) decided it could not proceed with charges due to significant flaws in the investigation procedure. A review of the investigation found it had failed to collect all pertinent information, interview certain key witnesses, and follow due process in interviews with managers. It also came to light that WorkSafe inspectors had been to the mill a month before the incident and,

while they issued citations for violation of safety rules, they did not highlight a risk of explosion from the wood dust (Dyble, 2014).

Government investigations serve a different purpose than incident investigations conducted by employers, as government investigators have a legal mandate to determine if penalties under the Act are warranted. Nevertheless, the failures of the Babine investigation show what can go wrong if an investigation is not conducted properly.

"13.1 Introduction to Incident Investigations" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.11 HAZARD RECOGNITION, ASSESSMENT AND CONTROL

The key to preventing workplace injuries and fatalities is to identify hazards and control them, otherwise known as **Hazard Recognition, Assessment and Control *(HRAC)***. A workplace hazard is anything that might harm, damage, or adversely affect any person or thing under certain conditions at work. It can be an object, process, context, person, or set of circumstances which has the potential to create injury or ill health. While this definition may seem vague, it is intentionally vague in order to ensure that anything that could potentially harm a worker is included.

1. **Hazard recognition** (which is sometimes called hazard identification) is the systematic task of identifying all hazards present, or potentially present, in a workplace. It is the first step of any HRAC process.
2. The second step is **hazard assessment** (which is sometimes called hazard analysis). In a hazard assessment, workers and employers determine which of the hazards needs to be addressed most urgently.
3. Finally, the **hazard control** process sees preventive and corrective measures implemented to eliminate or mitigate the effect of the hazard(s). Let's review a mobile workplace incident to see how hazard recognition, assessment and control measures may have prevented such a tragedy.



"Extension Cord" by russellstreet, CC-BY-SA 2.0

The core purpose of HRAC is to methodically identify and control workplace hazards. Some hazards are easier to identify than others. For example, it is easy to see that an extension cord lying across a busy hallway may cause someone to trip. It is more difficult to determine if a cleaning agent is toxic or if a machine is producing too much noise. Even more challenging is identifying factors that are increasing stress among workers or are the precursors of harassment. Similarly, some hazards are also easier to control than others. Eliminating the hazard posed by the extension cord is a quick and easy fix. Other hazards may be much more expensive to control or may reflect a core aspect of the production process. Some controls may be complex, requiring multi-faceted solutions. Further complicating the HRAC process are the conflicting interests between workers and employers around hazards. Employers and workers might disagree over what constitutes a hazard, how serious the hazard is, and what the most appropriate control should be.

A near miss is an unwanted, unplanned event that did not cause an injury or property damage but may have done so if conditions had been slightly different (Infrastructure Health & Safety Association, n.d.).

"12.1: Introduction to Hazard Recognition, Assessment and Control" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.12 INVESTIGATION STEPS

A successful incident investigation begins with a consistent process designed to uncover what happened so future incidents can be avoided. Investigations need to be performed as soon after the incident as possible and be completed as quickly as possible. Witnesses' recall may deteriorate over time and important evidence may disappear if there is a delay. The sooner an investigation is completed, the sooner changes can be made to make the worksite safer. Employers may also be required to report incidents and investigation results within a specified time period.

Step 1. Scene Security

Securing the scene entails two actions. First, any uncontrolled hazard (e.g., leaking gas) needs to be eliminated to ensure the safety of the investigators and others. Second, the scene needs to be protected so that no evidence can be destroyed or altered (intentionally or unintentionally) until the completion of the investigation. Protection normally includes restricting access to the scene. In some circumstances, it may also require protecting the scene from inclement weather.

Step 2. Identify and Interview Witnesses

Investigators normally prioritize interviewing witnesses, including the injured worker(s). Witnesses should be interviewed as soon as possible after the incident while their memories are fresh and uncontaminated by discussing the event with others. A few principles should be followed in interviewing to ensure accurate information and the well-being of the witness:

- Ensure the witness is physically and emotionally well. Witnessing an incident can traumatize people and assistance, such as counselling, may be necessary before an interview takes place.
- Be clear about the purpose of the interview and the investigation, highlighting that it is not about laying blame.
- Interview witnesses separately and in a neutral location. A worker representative should be provided if the witness requests it or if the union agreement requires it.
- Allow witnesses to describe what happened in their own words. Do not lead or put words in their mouths.
- Ask only questions that elicit more information or clarify answers. Do not ask the witness "why" they

think something happened.

- Be an active listener. Ensure the investigator has correctly heard them by repeating or summarizing what they said.
- Record the interview in some fashion—either with detailed notes or (if appropriate) audio recording.
- Be aware of power relations. Interviews can be distorted by unrecognized power imbalances, such as the interviewer being the supervisor of the worker, or the worker who was injured being under the witness's supervision. These dynamics can be a barrier to accurate reporting of the incident.

Step 3. Complete the Investigation

The next step in an investigation is to gather evidence. There are a number of techniques for collecting the relevant information. They will be used in various combinations depending on the nature of the incident and the workplace. Gathering might begin with a **walk-through**, which is an inspection of the incident scene to get an overall picture of the environment. A walk-through may also clarify which additional evidence-gathering techniques are appropriate. These further techniques should include recording the scene through photos or video or drawings (if photos or video are not practical) to create a visual record of the scene.

Another investigative technique is a **re-enactment** of the incident, which is a simulation designed to recreate the circumstances that led to the incident. A re-enactment might entail asking witnesses to act out the events that took place before the incident, or re-establishing a set of conditions relevant to what occurred. The value of the re-enactment is that it can identify how circumstances, events, or behaviours interacted to cause the incident. These interactions can be difficult to identify solely through witness testimony because of the limited perspective any one witness will have on an incident. Other investigative techniques might include inspecting machinery and tools, checking logs and records, collecting debris, materials and other relevant items, or conducting air sampling or noise testing. Investigators should also gather any relevant company policies, government regulations, or operator's manuals and guides.

Step 4. Root Cause Analysis

Once all the information has been gathered, the next step is to analyze the data to determine the causes. This is a crucial step, and is often where investigations go wrong. The immediate reasons for the incident will be the first to appear. These causes will usually be worker error or some factor that may appear to be uncontrollable. Stopping the investigation at this point will lead to an incomplete analysis and the investigation will likely fail at one of its key goals—preventing future incidents. Additional analysis of the data will reveal underlying reasons for (the "root cause" of) the incident. A simple way to think about probing data for root causes is to keep asking "why?" Asking why something happened allows the investigators to get past their initial understanding of the incident.

In an attempt to help investigators get to root cause, a variety of analysis models have been developed. The **domino theory** dates back to 1936 and remains popular due to its ease of illustration. It envisions cause as a series of five dominos lined up together (Heinrich, 1936). Each domino represents factors reaching back from an incident. The first (closest) domino is labelled Injury, followed by Incident, Unsafe Acts and Conditions, Personal Defects (e.g., equipment failure, personal factors), and finally Background (e.g., lack of management control). The theory contends that injury results from failure at all five levels. If any of the failures does not happen (i.e., one of the dominoes is removed from the chain), an injury will not occur. For example, if a worker is taught to work safely, an injury might be prevented even though failures in background decisions still occurred.

A more recent revision to domino theory is the **Swiss cheese model** (Reason, 1990). This model retains the five factors giving rise to injuries that are outlined in domino theory. Each of these dominoes is then given "holes" that represent various subfactors that influence whether an incident occurs or not, such as organizational influences, local working conditions, unsafe acts, and defences, barriers, and safeguards. In the Swiss cheese model, an incident requires that the holes in the dominoes line up—in other words, a failure must occur in each domino. This model emphasizes that injuries are the result of multiple failures. If one of the subfactors is functioning properly, then weakness in the other four may still not lead to an incident. For example, bad organizational culture (an organizational influence) around safety may not lead to injury if there are appropriate guards (a defence, barrier, or safeguard) to prevent injury. The domino theory and Swiss cheese models are popular because of their simplicity in articulating a core principle that an investigator must look beyond immediate actions and explore underlying factors that contributed to the incident.

Step 5. Reporting and Recommendations

The next step in the investigation process is to write a formal report outlining the findings and making recommendations. In some respects this can be considered the most crucial phase, as a careful investigation is without value if the recommendations fail to improve the situation. The **incident report** will be the permanent record of the incident and its causes and thus should clearly outline what happened and why it happened. It may even have future legal ramifications, as its recommendations may be used by government inspectors to determine if an employer met the standard of due diligence in controlling hazards after the incident.

Incident reports can take different forms depending on context, organization, and situation. All incident reports should include the following elements:

- Who performed the investigation
- Details of the incident, including date, time, persons involved, outcomes
- Details of the investigation and how it was conducted, timelines, etc.
- An outline of the factors that led up to the incident

- Clear identification of the root causes of the incident
- Specific recommendations designed to prevent future incidents

In designing a report template, a report that requires investigators to answer open-ended questions is preferable to a report that provides a checklist of options. To elicit action, recommendations need to be specific and directed to the identified causes. Nevertheless, if they are too specific, they risk not addressing systemic issues adequately. The recommended action also needs to be within the control of the employer. This can be difficult when environmental conditions played an important role in the incident. For example, bad weather may have been a factor in an incident. While the employer cannot control weather, the employer can implement controls that neutralize the effect of weather on workers. There is also the issue of how to report on the role of human error in the incident. Should human error be identified during the incident investigation, it should be identified without assigning blame.

The investigator(s) should ensure all affected parties receive a copy of the investigation report, including involved workers, the joint committee (if applicable), and responsible managers. It is the responsibility of the employer to implement recommendations. Often employers will delay implementation, seek out other solutions, or respond that the recommendation is too expensive or not practicable. Lack of follow-through on recommendations is a reality of in practice and it can undermine both workplace safety and how carefully investigators examine future incidents. An action plan should accompany the report in order to assign timelines and resources to implement the recommendations.

Step 6. Follow up

The final step in the incident investigation process is follow up. During the reporting stage, specific recommendations were put forward which most often include corrective and preventative measures. The goal is to eliminate or minimize the risk of a similar incident happening in the future. One question to ask is "have the recommendations been implemented?" If the employer discovers the recommendations have not been fully implemented as yet, review the action plan to determine if the appropriate timelines and resources have been assigned to this phase, and revise if necessary.

Finally, the employer needs to determine if the recommendations are effective? As everyone in the workplace is part of the IRS (Internal Responsibility System), it is important to include stakeholders such as the health and safety representative or committee, the area supervisor and union representation (if applicable) to determine the effectiveness of the corrective and preventative measures.



Think!

When you review the steps and complexity of the investigation steps, who do you believe is ultimately responsible for the investigation to ensure all the steps are followed, monitoring and reported? Why do you believe this person/group is ultimately responsible?

"13.5 Essential Incident Investigation Steps" from Human Resources for Operations Managers by Connie Palmer is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.13 PROMOTING A CULTURE OF SAFETY AND HEALTH

Employee health and safety is a must in today's high-stress work environments. Although some may see employee health as something that shouldn't concern HR, the increasing cost of health benefits makes it in the best interest of the company to hire and maintain healthy employees. In fact, during the recession of the late 2000s, when cutbacks were common, 50 percent of all workplaces increased or planned to increase investments in wellness and health at their organization (Sears, 2009).

A safe culture doesn't happen by requiring training sessions every year; it occurs by creating an environment in which people can recognize hazards and have the authority and ability to fix them. Instead of safety being a management focus only, every employee should take interest by being alert to the safety issues that can exist. If an employee is unable to handle the situation on his or her own, the manager should then take suggestions from employees seriously; making the change and then communicating the change to the employee can be an important component of a safe and healthy workplace. A culture that promotes safety is one that never puts cost or production numbers ahead of safety. You do not want to create a culture in which health and safety priorities compete with production speedup, which can lead to a dangerous situation.

Possible techniques you can implement to have a safe and healthy work environment include the following:

1. Know safety laws.
2. Provide training to employees on safety laws.
3. Have a written policy for how violations will be handled.
4. Commit the resources (time and money) necessary to ensure a healthy work environment.
5. Involve employees in safety and health discussions, as they may have good ideas as to how the organization can improve.
6. Make safety part of an employee's job description; in other words, hold employees accountable for always practising safety at work.
7. Understand how the health (or lack of health) of your employees contributes to or takes away from the bottom line and implement policies and programs to assist in this effort.

Health and Safety Policy

A health and safety policy can be effective in communicating the importance of health and safety for the organization. See an example below.

Health and Safety Policy Example

Cordis (A Johnson & Johnson Company) Environmental, Health, and Safety Policy

Cordis Corporation is committed to global Environmental, Health, and Safety (EHS) performance and leadership with respect to its associates, customers, suppliers, contractors, visitors, and communities. To fulfill this commitment, Cordis Corporation conducts its business emphasizing regulatory compliance and collaboration.

We strive for:

- Comprehensive risk management
- Pollution prevention
- Healthy lifestyle culture
- Continuous improvement and sustainability
- Engaging partnerships
- Possession of outstanding EHS capabilities and skill sets

We affirm that EHS is:

- A core business value and a key indicator of organizational excellence
- Considered in every task we perform and in every decision we make

We believe that:

- All incidents and injuries are preventable
- Process Excellence is the driver for continuous improvement and sustainable results in all aspects of EHS
- Every associate is responsible and accountable for complying with all aspects of EHS, creating a safe and healthy work environment while leaving the smallest environmental footprint

Employee Assistance Program (EAP)

Another option to ensure health and safety is to implement an **employee assistance program (EAP)**. This benefit is intended to help employees with personal problems that could affect their performance at work. The EAP usually includes covered counselling and referral services. This type of program can assist employees with

drug or alcohol addictions, emotional issues such as depression, stress management, or other personal issues. Sometimes these programs are outsourced to organizations that can provide in-house training and referral services to employees.



Think!

As an HR Manager, how would you go about creating a safe culture for employees who have not paid too much attention to safety on the job? How would you start? Who would you speak to? What steps could you take? How would you market it to employees as important?

"Health Hazards at Work" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

9.14 KEY TERMS

Key Terms

Act is a federal, provincial, or territorial law that sets out the broad legal framework around occupational health and safety in each jurisdiction. (9.1)

Acute stress, which is short-term high stress. (9.9)

Collective liability: One of the Meredith principles underlying workers' compensation, stating that the cost of injury is shared among all employers in an industry. (9.6)

Carpal tunnel syndrome, or CTS, is a common cumulative disorder in which the hand and wrist is particularly affected. (9.8)

Chronic stress, is prolonged exposure to stress. (9.9)

Cyberbullying is defined as the use of the Internet or technology used to send text that is intended to hurt or embarrass another person. (9.9)

Cumulative trauma disorders (CTDs) are injuries to the fingers, hands, arms, or shoulders that result from repetitive motions such as typing. (9.8)

Distress is the term used for negative stress. (9.9)

Domino theory: An accident analysis model premised on five factors (background, personal defects, unsafe acts and conditions, incident, and injury), the elimination of any one resulting in the prevention of an incident. (9.12)

Due diligence is taking reasonable precautions and steps to prevent injury, given the circumstances. (9.2)

Duty to accommodate: Employers' legal obligation to alter work, work practices, or the workplace to the point of undue hardship in order to allow workers with disabilities to perform meaningful work. (9.6)

Employee assistance program: Employer-funded access to short-term psychological counselling to help employees to cope with personal problems. (9.13)

Employment standards: An act that sets out minimum terms and conditions of employment for

a jurisdiction, such as maximum hours of work and required rest breaks. Sometimes called labour standards. (9.6)

Eustress is positive stress. (9.9)

Fatality benefits: Benefits paid by a workers' compensation board to the dependents of a worker who has died. These can include funeral costs and wage-loss benefits. (9.6)

Gaming: Behaviour whereby an employer maximizes the return it receives from the experience-rating system by means other than improving safety. (9.6)

Guidelines and policies are more specific rules about occupational health and safety. (9.1)

Hazard category identifies the severity of hazard and tells us just how hazardous the product is. (9.7)

Hazard control: Implementing corrective measures to eliminate or mitigate the effect of a hazard. (9.11)

Hazard recognition: The systematic act of identifying all hazards present, or potentially present, in a workplace. (9.11)

Hazard recognition, assessment, and control: The process of identifying, prioritizing, and eliminating or mitigating workplace hazards. (9.11)

Human rights legislation: An act prohibiting discrimination on the basis of protected grounds (e.g., disability, age, gender, race). (9.6)

Hyperstress is a type of stress in which there are extremes with little or no relief for a long period of time. (9.9)

Hypostress is the lack of eustress or distress in someone's life. (9.9)

Incident report: A written document outlining the findings of an incident investigation, including recommendations for preventing future incidents. (9.12)

Internal responsibility system (IRS). The IRS assumes that workers and employers have a shared responsibility for workplace health and safety. (9.2)

Joint health and safety committees (JHSCs): Committees comprising both worker and management representatives responsible for enhancing workplace health and safety. (9.4)

Jurisdiction: Geographic district or industry sector which is subject to the authority of the federal Parliament or a provincial or territorial legislature. (9.1)

Management rights: The right of an employer to manage and direct the operation of a business bound only by limits set out in law and contract. (9.2)

Material safety data sheets (MSDSs): Information about hazardous material handling that employers must provide under the Workplace Hazardous Materials Information System. (9.6)

Medical benefits: Benefits paid by a workers' compensation board to cover the costs of treating an injury, thereby relieving workers and the taxpayer-funded health care system of these costs. (9.6)

Multiple chemical sensitivity (MCS) or environmental illness (EI). MCS or EI is the inability to tolerate an environmental chemical or class of foreign chemicals. (9.8)

Near miss is an unwanted, unplanned event that did not cause an injury or property damage but may have done so if conditions had been slightly different. (9.11)

No fault: One of the Meredith principles underlying workers' compensation, stating that who caused the injury is not a factor in the awarding of compensation. (9.6)

Presumptive status: Instances where a workers' injury is assumed to have arisen and occurred in the course of work unless proven otherwise. (9.6)

Prosecute: Court proceedings regarding the violation. (9.5)

Re-enactment: Recreating the events of an incident to provide a deeper understanding of what happened and why it happened. (9.12)

Reasonably practicable: Precautions that are not only possible but are also suitable or rational, given the particular situation. (9.2)

Return to work (RTW): Programs designed to reintegrate injured workers into the workplace via practices such as modified work. (9.6)

Regulation typically sets out how the general principles of the Act will be applied in specific circumstances and is enforceable. (9.1)

Stop-work order: An order made by a government occupational health and safety inspector that requires work to stop until a workplace hazard is remediated. (9.5)

Stress is the reaction we have to a stressor. (9.9)

Stressor is some activity, event, or other stimulus that causes either a positive or negative reaction in the body. (9.9)

Swiss cheese model: A variation of the domino theory of accident analysis which identifies four subfactors (organizational influences, local working conditions, unsafe acts, and defences, barriers, and safeguards) that influence whether an incident occurs or not. (9.12)

Wage-loss benefits: Benefits paid by a workers' compensation board to workers whose income is reduced by an injury. (9.6)

Walk-through: A preliminary step in an incident investigation designed to provide a basic overview of the incident and assist investigators to determine what future investigative steps are appropriate. (9.12)

Web of rules: The interlocking set of laws that limit employers' right to manage. (9.6)

Workers' compensation: The system within a jurisdiction providing injured workers with wage-loss, vocational rehabilitation, medical, and fatality benefits. (9.6)

Workplace bullying is defined as a tendency of individuals or groups to use persistent or repeated aggressive or unreasonable behaviour against a coworker or subordinate. (9.9)

Workplace Hazardous Materials Information System (WHMIS): A national system that requires the labelling of hazardous materials. (9.6)

Worksite inspections: An examination of a worksite by a government inspector to ensure compliance with occupational health and safety requirements. (9.5)

Vocational rehabilitation benefits: Programs and other benefits provided by a workers' compensation board to increase the probability of an injured worker returning to employment. (9.6)

9.15 SUMMARY

Summary

This chapter outlined the legal framework the state has enacted to prevent and compensate work-related injuries. To fully appreciate how injury prevention and compensation laws operate we have to be prepared to understand both the technical requirements of the laws and the political economy of their enforcement.

Canadian governments have made employers and workers jointly responsible for OHS. In addition to OHS laws, governments have passed other legislation that makes workplaces safer, including fire and building codes and hazardous materials and environment protection regulations. It is essential that every employer understand the occupational health and safety legislation that applies to their workplace(s) and implements the essential components of a safety program. These include training, hazard identification, incident investigation and controls

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/9-15-summary/

9.16 KNOWLEDGE CHECK



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/9-16-knowledge-check/

9.17 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Review the Canadian Occupational Health and Safety Regulations. Share something you did not know that was a law related to health and safety. Brainstorm in **large group**.
2. Explain the role due diligence plays in designing a health and safety plan for your company, as the HR Manager. Discuss with a **partner**.
3. Some management employees believe that employees "have all the rights." Do you support this statement? If so, why? If not, why? Share with a **partner**.
4. Research online the Westray Law or former Bill C-45. What significance has it played in today's companies? Discuss with a **partner**.
5. As the HR Manager, you have one Supervisor, who never completes a Worker's Compensation form when an employee has a small injury on the job. What would you tell this Supervisor about the importance and consequences of not filling in the form has for the Supervisor? The company? Share with a **partner**.
6. Your company has a Joint Health & Safety Committee. However, they have not met in a year. How would approach the committee about the importance of their role, as the HR Manager? What could you do as the HR Manager to support the committee? Discuss in a **small group**.
7. You, as the HR Manager, are aware that an Ontario Health & Safety officer is scheduled for an inspection next week of your company. What steps do you take once you aware of the inspection date? Share with a **partner**.
8. Review online the WHMIS course materials. **Individually**. Discuss the requirements of Workplace hazardous Materials Information System (WHMIS) with a **partner**.

9. An employee has been off work due to an injury for 6 months. They are returning in 2 weeks. You, as the HR Manager, need to prepare a Return To Work Plan. What steps would you take to prepare this plan? Discuss in a **small group**.
10. You work as the HR Manager is a large car manufacturing company (2000 employees). What type of illness could fall under the category for 1. Occupational illness 2. Industrial disease. Brainstorm in **large group**.
11. As the HR Manager, you have reviewed your illness data over the last year. You discover that several employees have taken short-term leaves of absences due to stress. What can you do to support employees to reduce stress levels? Brainstorm in **large group**.
12. Workplace bullying is common in today's workplace, even though there are laws prohibiting it, and to eliminate it. You need to create a campaign and training to educate and make employees aware that bullying is not tolerated in your company. How would you, as the HR Manager, go about this? Discussion in a **small group**.
13. Read the Incident at a Canadian Sawmill in your text. Do you believe this explosion could have been avoided? How? Discuss in a **small group**.
14. As the HR Manager, you need to train the Joint Health & Safety Committee in the investigation steps of an incident. How would you design the Lesson Plan? What would you include in the training? Discuss in **small group**.
15. You have returned from a conference related to creating a safe culture. You want to ensure your company develops a safe culture for all employees. How would you, as the HR Manager, design a safe culture program? Discuss in a **small group**.

9.18 CASE STUDY: WORKPLACE SAFETY - COMMERCIAL HAZARDS

Case Study: Workplace Safety

Video: "Commercial Hazards: Slips, Trips, Falls and Other Hazards" By ONgov [4:00] (URL: https://www.youtube.com/watch?v=WFtU301LOTk)

The Canadian Centre for Occupational Health and Safety (2023) reported that in 2021, there were 1,081 workplace fatalities in Canada. There were further 277,217 injury-related claims for lost time due to a work-related injury or disease. Workplace safety is a critical topic that has life and death consequences. The safety of young workers is important.

Questions:

1. Research the Ministry of Labour's site related to Occupational Health & Safety. What are 5 rules for manufacturing? Are they similar or different than the video?
2. Who is involved in a safety inspection?
3. Name five health safety rules offered in the video.

CHAPTER 10: LABOUR RELATIONS

Chapter Outline

10.0 Learning Outcomes
10.1 Definition and History of Unions
10.2 Reasons for Unionization
10.3 Union Objectives and Structures
10.4 Legislation and Unions
10.5 Organizing Unions and Collective Bargaining
10.6 Administration of the Collective Bargaining Agreement
10.7 The Future of Unions
10.8 Human Resources in Union Workplaces
10.9 Key Terms
10.10 Summary
10.11 Knowledge Check
10.12 Exercises/Activities for Teachers and Students
10.13 Case Study: Dissatisfied Employees and Unionization

10.0 LEARNING OUTCOMES

Learning Outcomes

1. Discuss the history of labour unions.
2. Explain reasons for a decline in union membership over the past four decades.
3. Explain the process of unionization and laws that relate to unionization.
4. Describe the process of collective bargaining.
5. Explain the types of bargaining issues and the rights of management.
6. Discuss how to manage the grievance process.
7. Explain HR role working with unions.

10.1 DEFINITION AND HISTORY OF UNIONS

A **labour union** or union, can be defined as employees banding together to meet common goals, such as better pay, benefits, or promotion rules. It has a legal obligation to the employees to:

1. represent them,
2. negotiate on their behalf with management and
3. monitor the collective agreement.

In Canada, the unionization rate is approximately 32% which remains more than twice that of the United States (14%) (Clemens et al, 2005). In this section, we will discuss the history of unions, reasons for the decline in union membership, union labour laws, and the process employees go through to form a union. First, however, we should discuss some of the reasons why people join unions.

History of Unions in Canada

Celebrated across the country, Labour Day is often thought of as the last hurrah before the long, hot days of summer give way to the crisp, fading days of autumn. Labour Day, however, is more than just the unofficial end to summer — a fact many Canadians tend to forget. The Labour Day holiday was established to recognize the contribution that ordinary working people have made to the Canadian way of life, said Ken Georgetti, president of the Canadian Labour Congress. This includes the right to fair wages, safe working conditions and injury compensation, and equitable labour relations. “Lots of people lost their lives in order to establish the right to refuse unsafe work and the right to be treated fairly and without discrimination,” said Georgetti (Phillips, 2009).

Trade unions developed in Europe during the Industrial Revolution when employees had little skill, and thus the entirety of power was shifted to the employer. When this power shifted, many employees were mistreated and underpaid. In the United States, unionization increased with the building of railroads in the late 1860s. Wages in the railroad industry were low, and the threat of injury or death was high, as was the case in many manufacturing facilities with little or no safety laws and regulations in place. As a result, the Brotherhood of Locomotive Engineers and several other brotherhoods (focused on specific tasks only, such as conductors and brakemen) were formed to protect workers’ rights. The following video describes the Canadian experience of the Sleeping Car Porters who entered in collective bargaining in 1945 to improve working conditions.

Video: "Canada History Week 2019: Brotherhood of Sleeping Car Porters" By Historica Canada [0:55] (URL: https://www.youtube.com/watch?v=LkYJKL5yd0U)

The **Canadian Museum of History** offers an interactive timeline of the history of unionization in Canada.

Canadian Labour History, 1850-1999 (historymuseum.ca)

Craft unions first arose in Canada in the 1820s; they were made up of a specific trade or skilled workers (e.g. printers, shoemakers, masons, bakers and tailors). The first union action in Canada occurred when the Toronto Typographical Union went out on strike in 1872 when its demands for standardized shorter working days were ignored. The rapid industrialization associated with the first World War led to a rapid growth of the labour movement in the country. The failure and violence of the Winnipeg General Strike (1919) combined with the Depression of the 1930s hurt Canadian unionization until World War II. The post-war era saw union membership soar to four million members in the 1990's. Part of this growth is related to the unionization of government employees that grew rapidly from 1965 to the present. Today, Canada has a relatively high unionization rate at 31.3 percent in 2020 (Statistics Canada, 2022).

Walmart's Failed Attempt to Unionize

Perhaps no organization is better known for its antiunion stance than Walmart. Walmart has over 3,800 stores in the United States and over 4,800 internationally with $419 billion in sales (Walmart, 2011). Walmart employs more than 2 million associates worldwide(Walmart, 2011). The billions of dollars Walmart earns do not immunize the company to trouble. In 2005, the company's vice president, Tom Coughlin, was forced to resign after admitting that between $100,000 and $500,000 was spent for undeclared purposes, but it was eventually found that the money was spent to keep the United Food and Commercial Workers union (UFCW) out of Walmart (Los Angeles Times, 2005) (he was found guilty and sentenced to two years of house arrest).

Other claims surrounding union-busting are the closing of stores, such as the Walmart Tire and Lube Express in Gatineau, Quebec (UFCW Canada, 2011), when discussions of unionization occurred. Other reports of union busting include the accusation that company policy requires store managers to report rumours of unionizing to corporate headquarters. Once the report is made, all labour decisions for that store are handled by the corporate offices instead of the store managers. According to labour unions in the United States, Walmart is willing to work with international labour unions but continues to fiercely oppose unionization in the United States. In one example, after butchers at a Jacksonville, Texas, Walmart voted to unionize, Walmart eliminated all US meat-cutting departments.

A group called OUR Walmart (Organization United for Respect), financed by the United Food and Commercial Workers* (UFCW) union, has stemmed from the accusations of union busting. Walmart spokesperson David Tovar says he sees the group as a Trojan horse assembled by labour organizations to lay the groundwork for full-fledged unionization and seek media attention to fulfill their agenda. While the organization's activities may walk a fine line between legal and illegal union practices under the Taft-Hartley Act, this new group will certainly affect the future of unionization at Walmart in its US stores.

*Note: UFCW was part of the AFL-CIO until 2005 and now is an independent national union.

"The Nature of Unions" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

10.2 REASONS FOR UNIONIZATION

People may feel their economic needs are not being met by management. There is no one reason why employees feel a need for a union. It can be a personal choice by individuals. There is a perception that some people are coerced into joining unions by other employees, or the unions themselves, or peer pressure. Employees join unions to represented by a large entity to increase wages, benefits, to establish a seniority list, job security and have a mechanism in place for grievances against the company/management.

There is a difference between a desire to join a union to be represented, and opportunity to join a union. When employees are making decisions whether to join a union or not, they generally take into consideration:

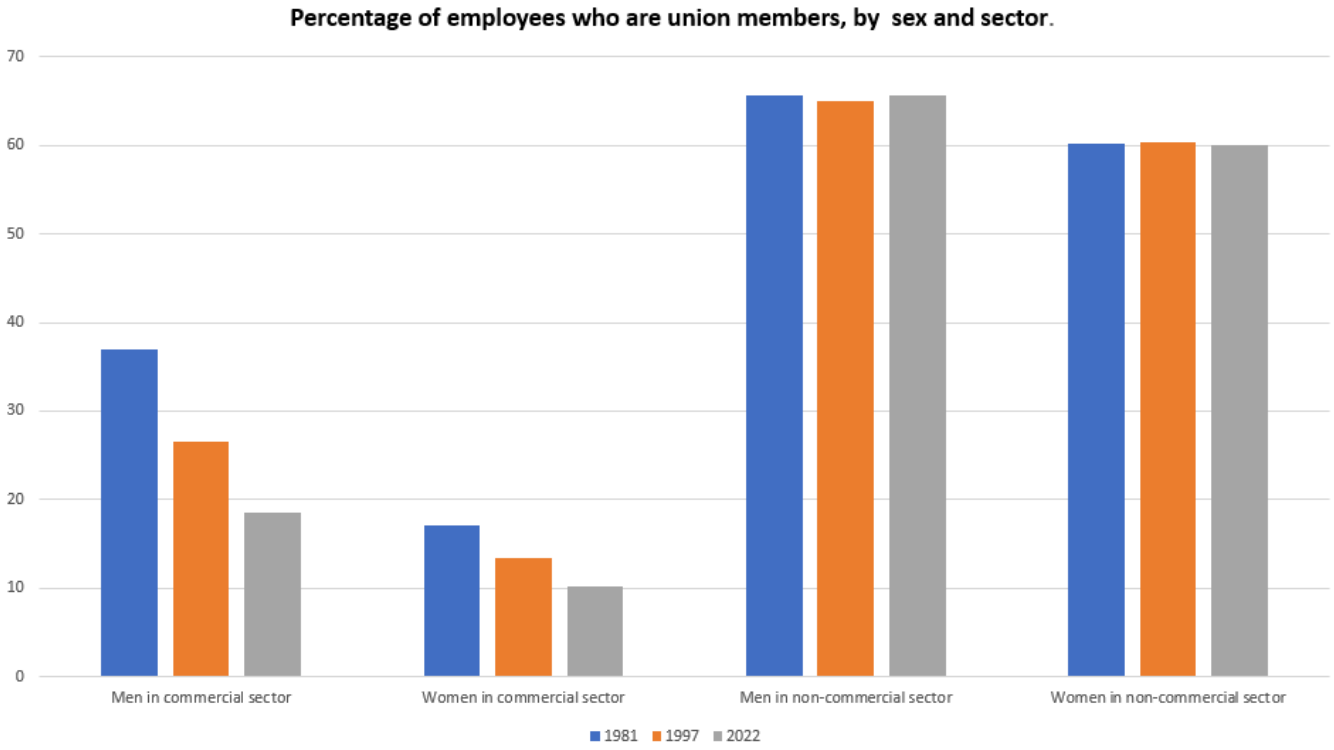
1. Satisfaction versus dissatisfaction with the employer and/or their job
2. Personal attitudes related to unions from media, other employees, past history with unions, parental upbringing (a "for" or "against" unions attitude)
3. A belief about what a union can "do" for employees to improve working conditions
4. Some employees may not have a desire to join unions, or see it as a great opportunity. Some of these considerations include:
5. An employee who has had a former poor experience with unions
6. Employees may feel the employer is doing a good job of treating them fairly and equally
7. Some employees feel it is just another layer of "management" as an authority
8. Some employees may fear repercussions from unionization from management ie. looking to be promoted in the future to management
9. Employees do not want to go on strike, if needed, and lose their pay cheques, or pay union dues

Canadian Union Stability

Since the beginning of unionization in Canada, it has seen many changes. As the economy shifts from manufacturing to the service sector over 40 years, and technology has impacted the world of work, so have unions been impacted. Unions impact wages and increases in wages, and retirement pensions. They can affect how companies hire employees, and how many employees (more or less employees). Most recently during the pandemic unions were actively involved in negotiating working from home. Unionized has dropped mostly because of the shift from manufacturing to the service sector.

For both men and women, unionization fell in the commercial sector (industries outside educational services, health care and social assistance, and public administration) but remained stable in the non-commercial sector. For example, the percentage of men who are union members in the commercial sector fell

from 31% in 1981 to 19% in 2022. However, the percentage of men who are union members in the non-commercial sector remained stable at about 66%.[Note]



Adapted from Statistics Canada – Percentage of employees who are union members in their main job, 1981 to 2022. This does not constitute an endorsement by Statistics Canada of this product.

Not all employee groups experienced a drop in unionization. While there was a decline among men in unionization, there was an increase for women. Some of the reasons for the increase are simply a higher number of women in the workplace than in prior decades. As well, women have shifted into male dominated jobs what pay more money. Many women choose to work part time and are the primary care givers. In recent years, more part time workers are seeking unionization for better working conditions.

Think!

Complete some research to explain why unionization for men has declined in recent years.

10.3 UNION OBJECTIVES AND STRUCTURES

Unions change the face of the work place, the relationships between management and employees, and the role of HR departments. What does not change is how profits or how policies and procedures are implemented within the company. The unions role is sometimes called **business unionism** which means to improve working conditions for unions, protect the employee's interests, improve wages and benefits, and improve working conditions. Essentially, they promote equal economic opportunities. Simply stated, the union sells labour. Other unions address broader social issues which are in the best interests of their memberships.



"Unions Make Us Strong" by Isaac Rosenberg, CC BY 3.0

Politics and economics play a factor in this type of union called **social unionism** or reform unionism. Some of these issues include influencing social policies at all levels of government (municipal, provincial, federal). Union leaders speak out to improve social programs. Examples could include abuse and harassment on the job or a woman's need to have time off at the job to care for children.

The HR department is impacted by both business and social unionism. Many policy and procedure changes have been made to improve working conditions and social conditions due to union influences. As well, non-unionized employees have benefited from unionism in the work place.

Think!

Research a specific union, a Canadian National union. What is their mission and vision statement?

Structures of Unions

Unions have a pyramidal structure much like that of large corporations. At the bottom are **locals** that serve workers in a particular geographical area. Certain members are designated as **stewards** to serve as go-betweens in disputes between workers and supervisors. Locals are usually organized into national or regional unions that assist with local contract negotiations, organize new locals, help negotiate contracts, and lobby government bodies on issues of importance to organized labour. In turn, national or regional unions may be linked by a labour federation that provides assistance to member unions and serves as a principal political structure for organized labour. Here are the basic units that compose unions:

- ***Local*** represents workers in their own workplace or town (e.g., Quebec Crane Operator, Local 791G)
- ***Parent union*** decides on union policy for all locals across the province, country or world (e.g., CSN, FTQ)
- ***National unions*** represent union members across the country (e.g. PSA, Unifor).
- ***International unions*** represent union members in more than one country (e.g. UAW, Teamsters).
- ***Central labour organizations*** do not negotiate union contracts but lobby government to pass laws favourable to unions (e.g. Canadian Labour Congress).

"The Nature of Unions" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

10.4 LEGISLATION AND UNIONS

Employees, as separate individuals, have very little power when it comes to their relationship with companies' management. However, when organized as a group, employees gain some power and can start leveraging that power to negotiate with their employer. This section discusses the process that a group of employees must undertake to become an official union. Unions call this a collective voice.

Legislation in Canada

The government in Canada sets the framework for unions and management through laws and role as an employer. The federal government and provincial governments have their own regulations. Jurisdiction over labour relations has impacts for HR departments. Canadian government has jurisdiction over airlines, railways, banks and federal agencies. All other companies fall under provincial regulations. Recently, unions have been critical of government interference in the collective bargaining process. The Green Party of Canada has criticized the federal government by stating, "Many times the government has used its legislative power to undermine collective bargaining and interfere with the free nature of collective bargaining. The Post Office, Air Canada, and the railways are examples. When a government uses its political agenda to control working conditions and wages, to its own benefit, it essentially is using its workers as political pawns" (Green Party of Canada, n.d., para. 9).

Core Elements of Labour Law

Because the federal and provincial regulations may differ, it makes it challenging for employers and HR departments to deal with unions, especially if they are a national company with satellite offices across Canada. However, there are core elements of labour law that include:

- ***Right to join a union:*** all employees have the right to join and participate in a union
- ***Must bargain in good faith:*** each party must negotiate "in good faith" which means to make a reasonable effort to reach and agree to a collective agreement through meeting each other and exchanging proposals that are sincere in reaching an agreement
- ***No strikes or lockouts during the time of the collective agreement:*** it is considered illegal for employees to strike and for the employer to lock out the employees during the time of the contract
- *No* ***unfair labour practices:*** all jurisdictions have laws prohibiting any unfair labour practices by the union or the employer i.e. false advertising of goods and services, deceptive pricing, noncompliance with

set standards, no coercing of employer or employees in exercising their right

- ***Conciliation:*** the union and the employer must participate in conciliation processes before a lock out or a strike.

Legislation and Unionization

The path to unionization and the process of maintaining a union is heavily regulated. These regulations can vary from one legislation to another. In Canada, collective bargaining is embodied in federal and provincial labour relations acts and labour codes. Canadian workers have the right to join trade unions, which may be certified to collectively bargain conditions of employment with their employers on their behalf.

The Federal *Public Service Labour Relations Act* (*PSLRA*) is the law that regulates the collective bargaining and grievance adjudication systems in the federal public service. Provincial legislation, such as the *Labour Relations Code* in British Columbia, the *Labour Act* of Prince Edward Island, and the Quebec *Labour Code*, regulate various aspects of labour relations for most workplaces. In North America, the legislation with the most pro-union legislation is found in the province of Quebec [PDF]. Coincidentally, it is also the jurisdiction with the highest unionization rates.

Labour Relations Boards (LRBs)

To ensure the labour relations between management and unions is enforced, labour boards are created at federal and provincial levels to administer the legislation. The government legislators investigate any violations of the laws either by the union or management. They have significant powers to decide if a person is an employee, if a person is an employee of a trade union, where a company is an appropriate bargaining agent, whether collective agreements are in force, and whether management or union is bound by a collective agreement. They rely on expert's advice to resolve complaints. The board's decision is final and binding.

If there is a complaint, HR departments would assist in preparing the case, along with the company's lawyer. They may need to supply performance appraisals, job descriptions, or payroll records.

"Unionization Process" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

10.5 ORGANIZING UNIONS AND COLLECTIVE BARGAINING

When employees of an organization receive their accreditation from the Labour Relations Board and are officially recognized as a union, the process for collective bargaining begins. **Collective bargaining** is the process of negotiations between the company and representatives of the union. The objective of this process is for management and the union to reach a contract agreement (also known as a 'collective agreement'), which is put into place for a specified period of time. Once this time is up, a new contract is negotiated. In this section, we will discuss the components of the collective bargaining agreement. However, prior to collective bargaining, the employees need to organize a union drive to create interest in forming a union.

Organizing the Union

Unions are created only when employees want to create them. An organizing drive is set up by employees interested in forming a union. For those interested, they must influence other employees of the benefits of unionizing. Employees are not allowed to discuss union activity during working hours. Often, employees will ask employees to sign an **authorization card** which is authorizing the union to certify the group of employees as a union. Employees may also have meetings (after work hours), hand out union materials, have one-to-conversations, and meet with employees in their homes. Many unions today use social media to attract members. The idea is to educate the employees how the union will improve the working conditions. A group of employees form the leadership of the union activities, and they make application to the Labour Relations Board, once a majority of signatures have been completed. The Labour Board certifies the signatures as a legal entity, and the new union is a position to start contract negotiations.

Figure 10.5.1 The Unionization Process

Union and employees make contact	As a result of employee dissatisfaction, union and employees make contact and discuss the possibility of joining forces.
Initial Organization Meeting	An initial meeting with the union is scheduled to gather employee support.
Formation of organizing committee	Local union leadership is identified. Its objectives are to organize a campaign to obtain the signature of a majority of workers willing to join the union.
Application to Labour Relations Board	Once a majority of these signatures are gathered, the workers can apply for official recognition to the Labour Relations Board.
Certificate is issued by the Board	After checking the process and the signatures, the Board certifies the union.
Election of the bargaining committee and contract negotiation	After having been certified, the first step for the newly formed union is to elect a bargaining team that will be tasked with negotiating a contract with the employer.

Once an organizing drive has begun, management's responses are limited. It is illegal to interfere with organizing a union. However, the employer may resist the union efforts as it may increase their costs. The only options for employers might be, through HR, provide incentives for higher wages and benefits, design more fair and equitable policies, be transparent with communication, and set up a way for employees to make suggestions and complaints. However, after the Labour Relations Board certifies the union, the employer has only one choice–to negotiate a contract agreement.

Employees have legal protection to organize. The employer, through Human Resources, ought to be educated in the legalities of union organizing. This way the employer is aware of what they legally can do through the organizing campaign. They cannot threaten employees or their jobs and benefits; threaten to shut down the business; prevent the employees from campaigning outside of work hours; or speak to the employees about their voting position. The figure below summarizes what should not be said to employees if they are considering unionization.



Figure 10.5.2 Things That Shouldn't Be Said to Employees during a Unionization Process

Despite all of the above, some organizations will go to great lengths to prevent the unionization of their workforce. In Quebec, there has been some illustrious examples of how motivated some organizations are to keep unions out. Most notably, the Wal-Mart in Jonquière became the first store in North America to be unionized in 2004. A few months later, Wal-Mart closed its store and put approximately 190 employees out of work, claiming that the store was not profitable. The laid-off employees took Walmart to court, and the case made it to the Supreme Court of Canada. The court found that Wal-Mart did not adequately prove the four-year-old store was in financial difficulty and violated a provision of the Quebec labour code by changing the workers' conditions of employment without consent while the terms of the collective agreement were being negotiated (QMI Agency, 2014).

Once the employees have voted whether or not to be certified as a union, only then, can the collective bargaining begin. To have the rights to bargain, there are three ways to be recognized as a union:

1. ***Voluntary recognition:*** the majority of the employees and employer are satisfied the union did no apply pressure to organize. The employer accepts the union as the legal bargaining agent.
2. ***Regular certification*****:** a substantial number of employees (as determined by the provincial legislation) sign union cards to certify as a union, or employees have an election with a majority of ballots cast in favour of the union.

3. ***Prehearing votes:*** where an employer has been accused of unfair labour practices to prevent the employees from unionizing. At this point, the Labour Relations Board would conduct a pre-hearing vote.

The Process of Collective Bargaining

Negotiations start when each side states its position and presents its demands. As in most negotiations, these opening demands simply stake out starting positions. Both parties usually expect some give-and-take and realize that the final agreement will fall somewhere between the two positions. If everything goes smoothly, a tentative agreement can be reached and then voted on by union members. If they accept the agreement, the process is complete and a contract is put into place to govern labour-management relations for a stated period. If workers reject the agreement, negotiators from both sides must go back to the bargaining table.

In a collective bargaining process, both parties are legally bound to bargain in good faith. This means they have a mutual obligation to participate actively in the deliberations and indicate a desire to find a basis for agreement. A wide variety of elements can be included as bargaining material. Here are some examples of these elements:

Examples of Bargaining Topics

- Pay rate and structure
- Health benefits
- Incentive programs
- Job classification
- Performance assessment procedure
- Vacation time and sick leave
- Health plans
- Layoff procedures
- Weight of seniority in personnel decisions
- Training process
- Severance pay
- Tools provided to employees

The collective bargaining process has five main steps as seen in the figure below.

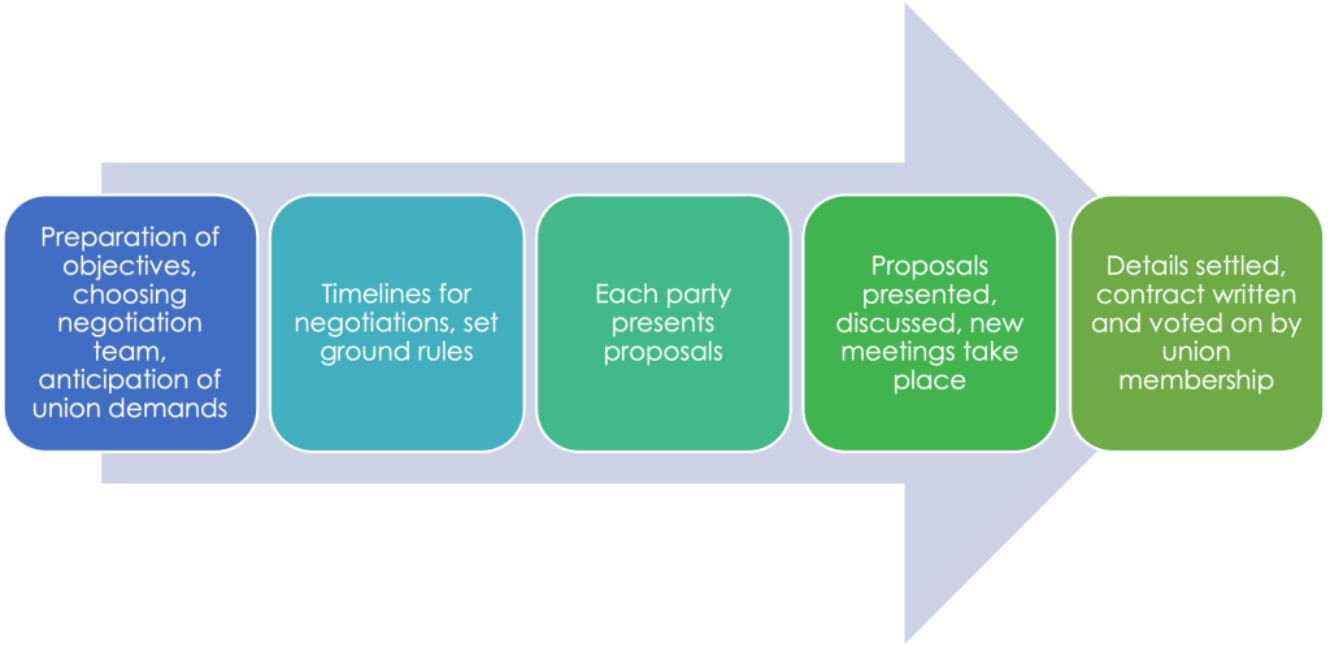


Figure 10.5.3 Steps in Collective Bargaining

Step 1:

Preparation of both parties. The negotiation team should consist of individuals with knowledge of the organization and the skills to be an effective negotiator. An understanding of the working conditions and dissatisfaction with working conditions is an important part of this preparation step. Establishing objectives for the negotiation and reviewing the old contract (if there is one) are key components to this step. The management team should also prepare and anticipate union demands, to better prepare for compromises.

One issue is **management rights** which allows the company to operate with complete freedom such as reassigning employees to different jobs, make independent hiring decisions, and any other matters that pertain to management.

Step 2:

Parties agree on the timelines and ground rules for the negotiations such as the frequency of meetings and the order with which elements will be discussed. For example, both parties may decide that the compensation issues, often the most contentious, will be dealt with last or first.

Step 3:

Each party presents initial proposals face-to-face. These meetings may start 60 to 90 days ahead of existing contract termination dates. It will likely involve initial opening statements and options to resolve any situations that exist. The key to a successful proposal is to come to the table with a "let's make this work" attitude. An

initial discussion is had, and then each party generally goes back to determine which requests it can honour and which it can not.

At this point, another meeting is generally set up to continue the discussion. A number of issues related to terms and conditions are discussed including wages, working conditions, hours of work, vacations, sick time, pension plans, benefits and other services. Easy issues are generally discussed first as they are easier to give-and-take. The negotiations are always private.

Step 4:

A series of meetings are always necessary for both parties to agree on a collective agreement. This can be a very lengthy process, and it often takes hundreds of meetings to come to an agreement. Compromises are offered and counterproposals are presented on both sides until an agreement is reached. Experienced negotiators know they must "give" or compromise on some issues. If there is any reason to believe there is unfair practices, not bargaining in good faith, the union can file an unfair charge against the employer.

Some employers are moving away from adversarial practices in negotiating and using **mutual gains bargaining.** This model is not about "us and them" or 'win and lose" approach, rather a win-win approach. The employer and the union work together to solve problems and issues. This does not mean either party takes a lesser assertive approach, rather they sit at the table as equals to discuss problem-solving together. Some unions and employers are skeptics of this approach. It requires both sides to be training in conflict resolution, to change their mind set about each other, and the relationship between the employer and employees has to be well established.

Step 5:

Once the two negotiating teams agree on a collective agreement, it needs to be ratified and voted on by the union membership. If the membership does not agree, then the process continues. Often the agreement must be reviewed by top management and the employees as a whole need to vote to ratify the agreement. If top management approves the agreement, and the employees, as a majority, vote in favour of the agreement, it replaces the old agreement (or in the case of a new union, their first agreement begins).

If either side rejects the agreement, management and union bargaining agents return to bargaining. Administration begins when both parties have signed the agreement.



Think!

If you were preparing to negotiate a contract with a union, what information would you gather before attending the meeting?

Bargaining Impasse and Pressure Tactics

When the two parties are unable to reach consensus on the collective bargaining agreement, this is called a **bargaining impasse.** This situation is quite common as the interests and objectives of labour and management are often very different. Take the case of the Federal prison chaplains who were negotiating their first collective agreement to secure better wages and working conditions. The 180 chaplains, from a variety of faiths and spiritual practices, were represented by the United Steelworkers union, and negotiations between both parties had stalled. Each party had access to tactics that could force the hand of the other side (The Canadian Press, 2020).

These 'pressure tactics', as they are often referred to, are allowed by the law but they must respect certain parameters. They also need to be used judiciously because they can backfire. Labour negotiations are like a chess match, and the repercussion of every move has to be considered. In this section, we describe the various tactical moves available to labour and management.

Union Tactics

Unions have several options at their disposal to pressure company management into accepting the terms and conditions union members are demanding. The tactics available to the union include **striking, picketing, and boycotting.** During a **strike,** workers walk away from their jobs and refuse to return until the issue at hand has been resolved. Note that due to the impact of a strike, an employer may wish to hire replacement workers and continue partial business operations. However, some jurisdictions (British Columbia, Quebec, Nova Scotia, and Newfoundland) preclude the use of temporary workers. Though a strike sends a strong message to management, it also has consequences for workers who do not get paid when they are on strike. Unions often ease the financial pressure on strikers by providing cash payments, which are funded from the dues members pay to the unions.

When you see workers parading with signs outside a factory or an office building (or even a school), they are probably using the tactic known as **picketing.** The purpose of picketing is informative—to tell people that a

workforce is on strike or to publicize some management practice that is unacceptable to the union. There is a fair amount of solidarity across workers from different unions, and, by principle, many workers, regardless of their affiliation, will typically not cross picket lines.

In 2009, approximately 24,000 City of Toronto Municipal Workers, unhappy about wages and loss of the right to bank and cash out unused sick leave, went on a five-week strike. At first, many citizens supported this right, but some of the most noticeable effects of the strike, including the halting of waste collection and the cancellation of summer recreation programming, created widespread concern and negative reactions from the Toronto population (Lex & Pingue, 2009).

The final tactic available to unions is **boycotting,** in which union workers refuse to buy a company's products and try to get other people to follow suit. The tactic is often used by the Canadian Labour Congress, who often endorses national boycotts.

Management Tactics

During difficult labour negotiations, management does not typically sit by passively, especially if the company has a position to defend or a message to get out. One tactic available to management is the **lockout** which essentially means closing the workplace to workers.

If you are a fan of professional basketball, you may remember the NBA lockout in 2011, which took place because of a dispute regarding the division of revenues and the structure of the salary cap. Lockout tactics were also used in the 2011 labour dispute between the National Football League (NFL) and the National Football League Players Association when club owners and players failed to reach an agreement on a new contract. Prior to the 2011 season, the owners imposed a lockout, which prevented the players from practicing in team training facilities. Both sides had their demands: the players wanted a greater percentage of the revenues, which the owners were against. The owners wanted the players to play two additional regular season games, which the players were against. With the season drawing closer, an agreement was finally reached in July 2011, bringing the 130-day lockout to an end and ensuring that the 2011 football season would begin on time (Fox Sports, 2011).

Another management tactic is replacing striking workers with **replacement workers** — non-union workers who are willing to cross picket lines to replace strikers. As is the case for a strike, replacement workers are allowed in some jurisdictions but not in others.

Working with Labour Unions

First and foremost, when working with labour unions, a clear understanding of the contract is imperative for all HR professionals and managers. The collective agreement is the guiding document for all decisions relating to employees. All HR professionals and managers should have intimate knowledge of the document and be

aware of the components of the contract that can affect dealings with employees. The agreement outlines all requirements of managers and usually outlines how discipline, promotion, and transfers will work.

As managers and HR professionals will be working with members of the union on a daily basis, a positive relationship can assist the day-to-day operations and create an easier bargaining process. Solicitation of input from the union before decisions are made can be one step to creating this positive relationship. Transparent communication is another way to achieve this goal.

"Collective Bargaining" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

"Unionization Process" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

10.6 ADMINISTRATION OF THE COLLECTIVE BARGAINING AGREEMENT

Once an agreement is in place, there still may be disagreements in how management interprets it. The grievance procedure outlines the process by which perceived contract violations can be handled. This will be the focus of our next section.

Procedures for Grievances

A violation of the contract terms or perception of violation normally results in a **grievance** which is a formal procedure when the union and management disagree on the interpretation of the collective agreement. The process is specific to each contract, so we will discuss the process in generalities. A grievance is normally initiated by an employee and then handled by union representatives.

Most contracts specify how the grievance is to be initiated, the steps to complete the procedure, and identification of representatives from both sides who will hear the grievance. Normally, the HR department is involved in most steps of this process. Since HRM has intimate knowledge of the contract, it makes sense for them to be involved. The basic process is shown in the figure below.

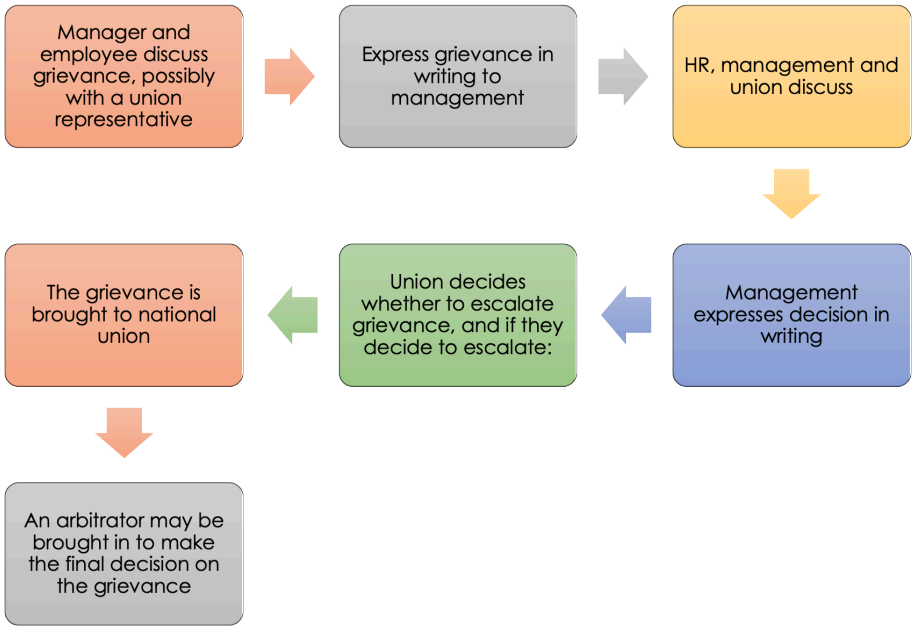


Figure 10.6.1 A Sample Grievance Process

The first step is normally an informal conversation with the manager, employee, and possibly a union representative. Many grievances never go further than this step, because often the complaint is a result of a misunderstanding.

If the complaint is unresolved at this point, the union will normally initiate the grievance process by formally expressing it in writing. At this time, HR and management may discuss the grievance with a union representative. If the result is unsatisfactory to both parties, the complaint may be brought to the company's union grievance committee. This can be in the form of an informal meeting or a more formal hearing.

After discussion, management will then submit a formalized response to the grievance. It may decide to remedy the grievance or may outline why the complaint does not violate the contract. At this point, the process is escalated.

Further discussion will likely occur, and if management and the union cannot come to an agreement, the dispute will normally be brought to a national union officer, who will work with management to try and resolve the issue. A **mediator** may be called in, who acts as an impartial third party and tries to resolve the issue. Any recommendation made by the mediator is not binding for either of the parties involved. If no resolution develops, an arbitrator might be asked to review the evidence and make a decision. An **arbitrator** an impartial third party who is selected by both parties and who ultimately makes a binding decision in the situation. Thus arbitration is the final aspect of a grievance.

Some examples of grievances might include the following:

1. One employee was promoted over another, even though she had seniority.
2. An employee does not have the tools needed to perform his job, as outlined in the contract.
3. An employee was terminated, although the termination violated the rules of the contract.
4. An employee was improperly trained on chemical handling in a department.

Most grievances fall within one of four categories. There are **individual/personal grievances**, in which one member of the union feels he or she has been mistreated. A **group grievance** occurs if several union members have been mistreated in the same way. A **principle grievance** deals with basic contract issues surrounding seniority or pay, for example. If an employee or group is not willing to formally file a grievance, the union may file a **union or policy grievance** on behalf of that individual or group.



Think!

Grievance procedures are built in to most collective agreements. Think about and write out why both management and unions want grievance procedures?

Collective Agreement Provisions

***Seniority*:** Unions generally want decisions made by the length of service of employees or seniority. This way longer serving employees are guaranteed no favouritism related to overtime, layoffs and promotions.

***Security*:** Unions prefer closed shop which ensures employees become union members and pay union dues. This is all decided before employees are hired. Union shops is a security measure that allows employers to hire whomever they wish, however, they must join the union with a specific time frame and pay union dues. If an employee does not wish to join the union, they are terminated. The **Rand Formula** ensures employers deduct union dues from an employee's wages. In some jurisdictions, union dues are negotiated, while in other jurisdictions it is law. In an open shop, employees do not have to join the union and do not pay union dues.

***Disciplinary Practices*:** Within the collective agreement, a clause would be included for discipline and/or discharge of an employee for "just cause". According to Vey Willetts, LLP (n.d.), "...just cause must be able to show that the employee's conduct was of such a degree that it was no longer compatible with ongoing employment. The key is that the sanction imposed (termination) must be proportional to the misconduct in question.

In any determination of whether just cause for dismissal is a reasonable response, three questions must be answered:

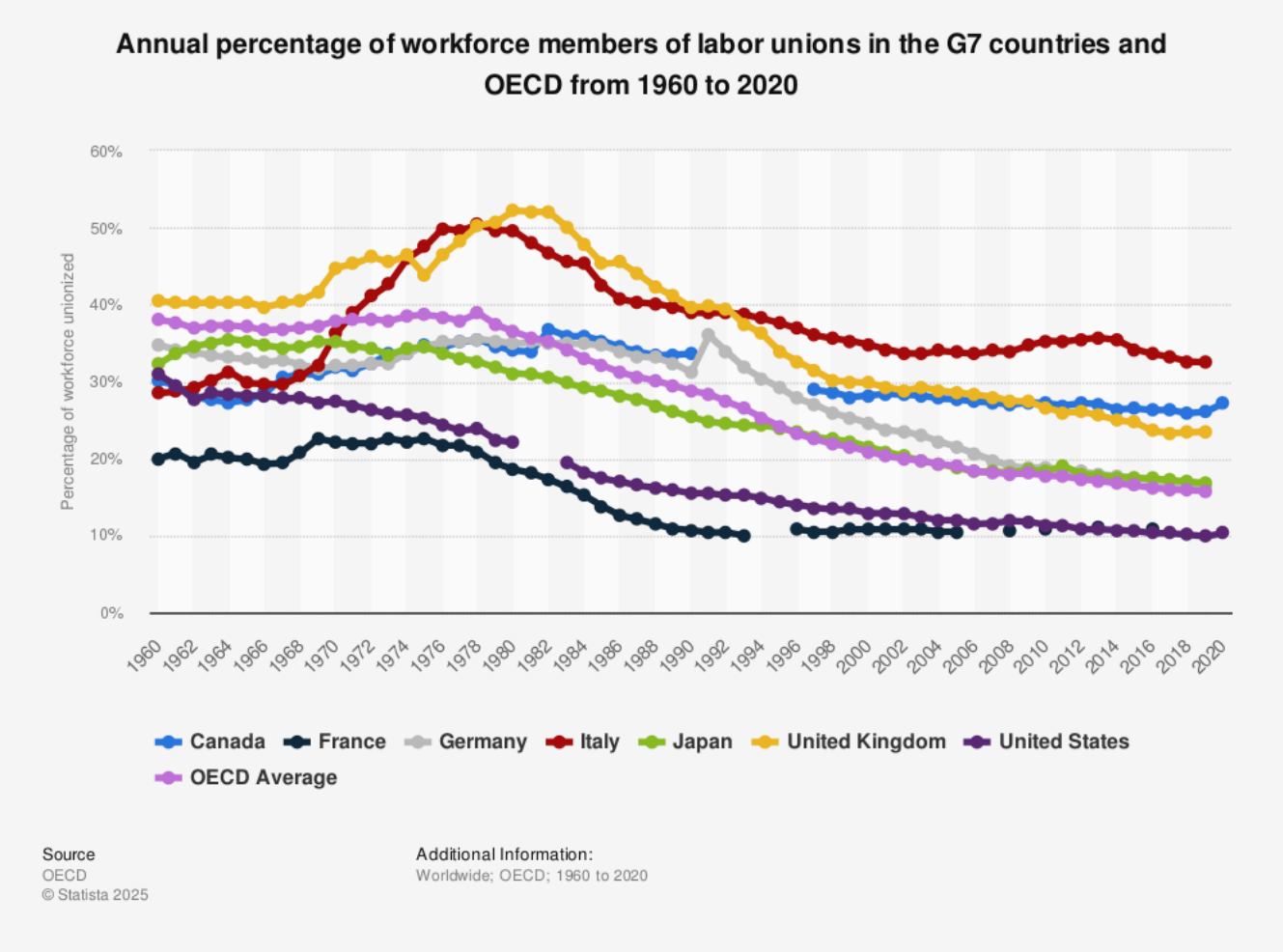
1. What is the nature and context of the employee's misconduct?
2. What were the circumstances surrounding the misconduct?
3. Is dismissal an appropriate response?" (Vey Willetts, LLP, n.d.).

"Administration of the Collective Bargaining Agreement" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-

ShareAlike 4.0 International License, except where otherwise noted.

10.7 THE FUTURE OF UNIONS

The labour movement is currently experiencing several challenges, including a decrease in union membership, globalization, and employers' focus on maintaining nonunion status. As mentioned in the opening of this section, there has been a steady decline in Canada of union membership since the 1950's. This decline is even more steep for the US. Claude Fischer, a researcher from University of California Berkeley, believes the shift is cultural. His research says the decline is a result of North American workers preferring individualism as opposed to collectivism (Fischer, 2010). Other research says the decline of unions is a result of globalization, and the fact that many jobs that used to be unionized in the manufacturing arena have now moved overseas. Other reasoning points to management, and that its unwillingness to work with unions has caused the decline in membership. Others suggest that unions are on the decline because of themselves. Past corruption, negative publicity, and hard-line tactics have made joining a union less favourable.



"Annual percentage of workforce members of labor unions in the G7 countries and OECD from 1960 to 2020" by Statista. Find more statistics at Statista

To fully understand unions, it is important to recognize the global aspect of unions. Statistics on a worldwide scale show unions in all countries declining but still healthy in some countries. "Most European countries still have far greater levels of union coverage than the US. As of 2013, more than two-thirds of workers in Denmark, Sweden, and Finland were union members. In France and Austria, a minority of workers are in unions, but 98 percent are covered by collective bargaining contracts" (Matthews, 2017, para. 5).

Globalization is also a challenge in labour organizations today. As more and more goods and services are produced overseas, unions lose not only membership but union values in the stronghold of worker culture. As globalization has increased, unions have continued to demand more governmental control but have been only somewhat successful in these attempts. For example, free trade agreements such as the new Canada-United States-Mexico Agreement (CUSMA) have made it easier and more lucrative for companies to manufacture goods overseas. Globalization creates options for companies to produce goods wherever they think is best to produce them. As a result, unions are fighting the globalization trend to try and keep jobs in Canada.

There are a number of reasons why companies do not want unions in their organizations. One of the

main reasons, however, is increased cost and less management control. As a result, companies are on a quest to maintain a union-free work environment. In doing so, they try to provide higher wages and benefits so workers do not feel compelled to join a union. Companies that want to stay union free constantly monitor their retention strategies and policies.

"The Future of Unions" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

10.8 HUMAN RESOURCES IN UNION WORKPLACES

Human Resources challenges are continually changing and evolving while working within a union setting. Unions and HR departments need to work together in many ways. In most cases, labour union representatives represent the union, and HR represents the company. This does not mean they are in conflict. They work together to find the best possible outcome for the people they represent.

Bargaining

The HR department takes on the responsibility of bridging the gap between opposing parties during negotiations. In cases where negotiations become confrontational, HR can facilitate a shift towards mutual-interest bargaining. They can offer conflict resolution and problem-solving training to both parties, and help them understand each other's policy perspectives. Furthermore, HR can highlight the importance of collaboration by demonstrating how each party's success is dependent on the other. For instance, they may emphasize how maintaining a healthy work-life balance leads to increased productivity, or how comprehensive healthcare benefits can reduce absenteeism.

Grievances

Once the collective agreement is signed and implemented, there will be grievances. HR has the opportunity to deal with labour relations in ways that benefit both the employee and the company. Often the first step is to offer training for the union stewards (who represent the union employees), and their supervisors. Everyone, then, has the knowledge and tools to try to avoid grievances in the first place. When, there are grievances, HR can help to find solutions that takes care of the needs of both parties.

Communication

Communication is critical to labour relations. HR can work to facilitate good collaboration and cooperation between union and management. If there is conflict between the parties, HR can play a key role to ensure there is good communication between the parties, and offer solutions on how the conflict can be resolved. HR can organize regular meetings between union and management to offer guidance to each party.

Common Goals

HR can help union and management to find common goals which leads to cooperation. This benefits both sides.



Think!

Research and list 5 skills you believe HR Specialists ought to possess to be good at their job in a union setting.

10.9 KEY TERMS

Authorization card: authorizes the union to certify the group of employees as a union. (10.5)

Bargaining impasse: When the two parties are unable to reach a consensus on the collective bargaining agreement. (10.5)

Boycotting: in which union workers refuse to buy a company's products and try to get other people to follow suit. (10.4)

Business unionism: which means to improve working conditions for unions, protect the employee's interests, improve wages and benefits, and improve working conditions. (10.2)

Collective bargaining: the process of negotiations between the company and representatives of the union. (10.5)

Grievance: a formal procedure when the union and management disagree on the interpretation of the collective agreement. (10.6)

Group grievance: occurs if several union members have been mistreated in the same way. (10.6)

Individual/personal grievances: in which one member of the union feels they have been mistreated. (10.6)

Labour union or union: can be defined as employees banding together to meet common goals, such as better pay, benefits, or promotion rules. (10.1)

Lockout: which essentially means closing the workplace to workers. (10.5)

Locals: serve workers in a particular geographical area. (10.2)

Management rights: which allows the company to operate with complete freedom such as reassigning employees to different jobs, make independent hiring decisions, and any other matters that pertain to management. (10.5)

Mediator: may be called in, who acts as an impartial third party and tries to resolve the issue. (10.6)

Mutual gains bargaining: This model is not about "us and them" or 'win and lose" approach, rather a win-win approach. (10.5)

Picketing: a tactic when workers parade with signs outside a factory or an office building (or even a school). (10.5)

Principle grievance: deals with basic contract issues surrounding seniority or pay, for example. (10.6)

Rand Formula: ensures employers deduct union dues from an employee's wages. (10.6)

Replacement workers: non-union workers who are willing to cross picket lines to replace strikers. (10.5)

Social unionism or reform unionism: some of these issues include influencing social policies at all levels of government (municipal, provincial, federal). (10.2)

Stewards: members designated to serve as go-betweens in disputes between workers and supervisors. (10.2)

Strike: workers walk away from their jobs and refuse to return until the issue at hand has been resolved. (10.5)

Union or policy grievance: when the union files a grievance on behalf of that individual or group. (10.6)

10.10 SUMMARY

Summary

Unions have a long history in Canada. Workers join unions for many reasons that include better wages/benefits, job security, and creation of seniority lists. Business unionism and social unionism are changing how unions manage their policies and policies. Human Resources is impacted by both types of unions as they work to improve working conditions and social conditions. As well, non-union workers have benefited from unionization. Unions have several structures that include the local union, parent union, national union, international union and central labour organizations.

The government of Canada sets the framework for unions and management through laws, both at the provincial and federal levels of government. The Labour Relations Boards ensure labour relations between management and unions is enforced. Workers go through several steps to organize unions. If they are successful, the workers negotiate a contract, in good faith, with management. Both parties are legally bound to participate actively and find a basis for agreement. Once a contract agreement has been reached, the contract needs to be monitored by both parties. Grievances are a formal procedure when a violation of the grievance has occurred. Human Resources is involved with unions in bargaining, grievances, communication and attempts to help management and unions find common goals.

The labour movement is facing challenges in the form of decreasing union membership, globalization, and employers' resistance to unions. In Canada and the US, there has been a steady decline in union membership since the 1950s. This has been attributed to cultural shifts towards individualism, globalization leading to outsourcing of jobs, management's resistance to unions, and negative perceptions of unions due to past corruption and hard-line tactics.

On a global scale, while unions are declining in most countries, European countries still have higher levels of union coverage. This poses pose challenges for unions as companies outsource jobs to countries with lower labour costs, resulting in loss of membership and union values. Unions have attempted to demand more governmental control, but success has been limited.

Companies often resist unions due to increased costs and reduced management control. They strive to maintain a union-free work environment by providing higher wages and benefits to discourage

workers from joining unions. Retention strategies and policies are constantly monitored by companies to stay union-free.



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/10-10-summary/

10.11 KNOWLEDGE CHECK

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/10-11-knowledge-check/

10.12 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Discuss the most important reasons why employees want to unionize? Brainstorm in **large group**.
2. Research online United States unions. What are the major differences between unions in the United States versus Canada? **Individual** research. Share with a **partner**.
3. What are the differences between craft unions and trade unions? Share with a **partner**.
4. Research the role of a Union Steward. **Individual**. What are the primary responsibilities of a Union Steward? List them and share with a **partner**.
5. Why did unions decide to join together to create international associations? Share with a **partner**.
6. Review the Fortune 500 Focus related to Walmart. Do you believe this story has impacted other union campaigns? How? Share with a **partner**.
7. As an individual, do you support unions? What do you think your support/lack of support for unions is influenced by? Would you work for a unionized company? Why? What not? Discuss in a **small group**.
8. Part time workers appear to have difficulty unionizing? What do you think the reasons for this is? Share with a **partner**.
9. Statistics suggest that unionizing for men has been declining over the years. Complete some research, **individually**. Discuss your research with a **partner**.
10. There has been a shift to social unionism with unions. What do you think the reasons are for this shift? Discuss in a **small group**.

11. As the HR Manager of a company, you have an employee come to and shares they have been approached by another employee about a union campaign that was started. The employee is anti-union, and does not want to join a union. What do you do with this information? Share in a **small group**.

12. You, as the HR Manager, have been asked by the President of the company to lead the first negotiations with the union employees. What information do you need to gather? Who do you need to involve? Share in a **small group**.

13. You, as the HR Manager, have been asked to provide information for the union-management team related to new employee demands for the upcoming union negotiations. The employees want more money, better health benefits, more vacation, and a change to job classifications. What type of data can you provide to the union-management team? Share in a **small group**.

14. Through the grapevine of the company, you as the HR Manager, have heard rumours that the employees are going to picket the company next week. They are supporting another company's legal issues with their company related to contracting work out to non-employees. How do you deal with this information? Share in a **small group**.

15. An anti-union employee comes to you, as the HR Manager, and they say they refuse to pay union dues, and do not want the union dues deducted from their pay cheque. How do you handle this situation? Share with a **partner**.

16. Rationalize why these people should/should not be part of the negotiating team? 1. CEO 2. Lawyer 3. Yourself 4. Payroll Clerk 5. Plant Supervisor. Discuss in a **small group**.

17. Some people believe unions are more important in today's workplace, while other people believe unions are "dead." Each student takes a position. Complete research online to defend your position **individually**. **Argue your position**. Complete with a **partner**.

18. As the HR Manager, management and union reps have been complaining about each other. They are suggesting they do not have any cooperation from the other side. Grievances from the union have been increasing in the last months. What strategy could you implement to avoid these complaints? Share in **small group**.

10.13 CASE STUDY: DISSATISFIED EMPLOYEES AND UNIONIZATION

Case Study: Dissatisfied Employees and Unionization

As the HR manager for Raggamuffin, a two-hundred-person company, you tend to have a pretty good sense of employee morale. Recently, you are concerned because it seems that morale is low due to pay concerns and the increasing health benefit costs to employees. You discuss these concerns with upper-level management, but due to financial pressures, the company cannot give pay raises this year.

One afternoon, the manager of the marketing department tells you that she has heard talk of employees unionizing. She reaffirms your concerns that the employees are very unhappy and productivity is suffering as a result. She says that employees have already started the unionization process by contacting the Labour Relations Board and are in the process of proving 35 percent worker interest in unionization.

As you mull over this news, you are concerned because the organization has always had a family atmosphere, and a union might change this. You are also concerned about the financial pressures to the organization should the employees unionize and negotiate higher pay rates, which they will surely do. You know that you must take action to see that this does not happen. However, you know that all managers are legally bound by the rules relating to unionization, and you need a refresher on what these rules are. You decide to request a meeting first with the CEO and then with managers to discuss strategy and inform them of the legal implications of this process. You feel confident that a resolution can be developed before the unionization happens.

Questions:

1. What are the legal responsibilities of management during a union campaign?
2. What strategies would you suggest to management related to the union organizing efforts?
3. Should the employees be successful in organizing a union, what is your next step as the HR

Manager?

"Chapter 10: Labour Relations" from Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

CHAPTER 11: GLOBAL HUMAN RESOURCES

Chapter Outline

11.0 Learning Outcomes
11.1 International Environments
11.2 Types of Structures of Global Companies
11.3 Defining the Countries
11.4 Culture Shock and Coping
11.5 Selection of Employees (Expatriates)
11.6 A Look at Cross-Cultural Conditions and HR
11.7 Training International Project Teams
11.8 Key Terms
11.9 Summary
11.10 Knowledge Check
11.11 Exercises/Activities for Teachers and Students
11.12 Case Study: American Factory

11.0 LEARNING OUTCOMES

Learning Outcomes

1. Describe political, social, economic and technological aspects for global Human Resources.
2. Explain the differences between domestic and global Human Resources and how recruitment and selection, training, compensation, and performance management are similar and different.
3. Describe the various organizational structures in international companies.
4. Explain culture shock and coping strategies.
5. Discuss training requirements for expatriates for a successful overseas assignment.

11.1 INTERNATIONAL ENVIRONMENTS

Today's global/international world of work is constantly changing. PEST (political, economic, social, technology characteristics) analysis is often used to help companies lead and manage their companies. PEST is a type of audit of the company's environment and the influences politics, the economy, social/culture changes, and technology changes have on the company. It allows HR departments to respond and adapt to the changes. It is useful to:

- Give companies a "heads up" to opportunities, and warning about threats to the company
- Offers what is happening at a global level related to changes, so companies can adapt
- Gives companies an opportunity to plan for risks and create risk management plans
- Offers views of new or difference markets so companies can make decisions related to facts (Mind Tools, 2022).



"PEST Analysis" by Fanshawe College, CC BY-SA 4.0

Political Characteristics

The company needs to analyze the countries labour market and its laws, property rights, taxes, business policy, regulations, elections, and patents.

Economic Characteristics

The company needs to review the state of the country's economy (growing, stagnate, declining). They need to look at the exchange rates, people's incomes, unemployment rates, education levels and availability to develop skills, and credit available.

Sociocultural Characteristics

The company needs to assess if the population of the country is growing or declining, review the demographics ie age of working population, health care, education and social mobility. They need to understand the employment patterns, job market trends in the country and globally, and people's attitude toward work. The social attitudes and social taboos need to be investigated and have there been changes in recent years. They need to explore people's religious beliefs and lifestyle choices.

Technology Characteristics

The company needs to know what technology advances are available in the country, and how they would affect the company. They need to know if some technologies are available that can advance the company and its products/services. They need to identify what educational facilities have research departments. They need to understand the people's work patterns in the country. They need to research if there are technology companies that the company can work with and learn from.

Video: "How to Use PEST Analysis" By MindToolsVideos [2:42] (URL: https://www.youtube.com/watch?v=UYQItP5_1AQ)

11.2 TYPES OF STRUCTURES OF GLOBAL COMPANIES

There are many different types of business operating in the global market. They are similar in many ways, yet different in how they work with local regions, and how they integrate themselves into these communities.

International Company

A domestic company that uses its corporate office to expand into the global market. The company wants to gain access to international markets. The company will adapt its products/services, yet does not change its operation. Example: Honda car manufacturer (most Hondas look and drive the same anywhere in the world).

Global company

This type of company is a multinational company that has control of its operation where its headquarters is established. It might be viewed as a unified whole. They combine all their activities in each country that maximizes their effectiveness in a global manner. Example: Coca-Cola which may be the most famous global brand in the world.

Multi-domestic Company

This company is complex in that it focuses on local responsiveness over global standardization. They take a "local first" approach. They will adapt their products/services to specific regions to address a need in that region. They tend to hire local employees. Example: McDonalds (French fries in North America and Rice in Asia).

Transactional Company

This company works to balance the global and local responsiveness. They use a network structure (like a cob-web) that coordinates efforts. These companies may also be called multinational companies (not to be confused with multi-domestic companies). They have their headquarters in the country of origin, and branches in other countries used to increase the size of their operations. The country of origin controls the

activities of the branches. However, the branches have local responsiveness. They are generally huge companies with centralized control. Example: Amazon (a network enterprise)

11.3 DEFINING THE COUNTRIES

Overview of International Projects

International companies are different from domestic companies because of the cultural, regulatory, social, geographical, reporting, and infrastructural diversity. Human Resources Managers need to understand the best practices for international companies. There are critical issues to think about related to communication, legal, and political factors. As well, most Human Resources Managers managing **international projects** have special skills and competencies.

These managers have a different set of expectations than domestic managers. Some managers will only manage international employees, while other managers may be the person to move to a different county. If they leave their home country, they need to leave their homes, leave their families and friends, learn and speak a foreign language, abide by a different culture and laws, and experience extensive travel.

Defining the Countries

- **Home Country and Home Country Nationals:** Country where the corporate headquarters is located. The manager and, possibly the Human Resources team, would leave the home country for an international subsidiary. Example: The corporation is in Canada. The project team leaves the Canadian company and country.
- **Host Country and Host Country Nationals:** Refers to a foreign country where the corporation invests. The manager and perhaps the team relocate to the host country (foreign country). Host country nationals are employees who are native to the country, and work and live in their home country. Example: Team goes to India from Canada to work and live. A host country national would be a team member who is native to India.
- **Third Country National**: Manager and team who are not from the home country or the host country. However, work for the corporation. Example: Saudi Arabian manager working for a New Zealand subsidiary of a Chinese owned corporation.

HR in Focus: International Human Resources Management (IHRM) and Project Management

Human Resources works closely with international subsidiaries and the other Managers and employees. The complexities of international companies include more activities and responsibilities than domestic companies.

Expatriates are the employees who have been hired to work temporarily in a foreign country. They are also called international assignees. The Human Resources Manager and the team members are considered expatriates, sometimes called "expats" for short.

Differences between Domestic and International Human Resources Involvement:

Domestic Human Resources	International Human Resources
HR Planning	HR Planning
Recruitment and Selection	Recruitment and Selection
Performance Management	Performance Management
Training and Development	Training and Development
Compensation	Compensation
Industrial/Employee Relations	Industrial/Employee Relations
	A broader perspective of the world
	More involvement in the employee's lives
	Risks for the employees
	Change in attitude about expatriates (home country workers) and local workers
	Taxes at an international level for compensation
	International relocation and orientation
	Foreign country human relations
	Language translation and training
	Administration for expatriates
	Arranging training (pre, during, post assignment)
	Help with immigration and travel

Human Resources Specialists work with the organization at the strategic level for international

projects, or they may be assigned to the subsidiary. It is important that everyone involved in an international company understand the environmental factors.

Environmental Factors Affecting International Projects

- ***Legal and Political:*** Expatriates need to work within the laws and regulations of the host country. The political stableness of the country affects how companies conduct themselves.
- ***Economic:*** The gross national product (GDP) of a country tells the organization the level of development of a country. Financial stability is important to success. When there are risks for the company, a strong risk management plan needs to be in place.
- ***Security:*** International acts of terror are a reality today. Crime is another issue. Risk management plays an important role here as well when a company expands in a foreign country. Sometimes managers experience ethical issues related to security. Two most frequent ethical issues are bribery and corruption. Security precautions need to be in place to keep all employees safe.
- ***Geography:*** The planning of a company expansion in a different country needs to take into consideration the geography of the country. The organization needs to look at the weather (rain, freezing temperatures, very hot temperatures, jungles, deserts). Sleep issues can arise for employees with too much daylight, or not enough day light. Extreme weather can play havoc with equipment as well.
- ***Culture:*** All employees visiting another country must respect the values, customs, traditions, social standards, and beliefs of the people of the foreign country. If these are not observed by the employees, there is a likelihood of failure. Language differences can become a problem. If a manager and team do not speak the foreign language, it is difficult to communicate; and words get lost in translation. Sometimes, managers will work with people from the foreign country. Language and cultural skills are necessary for success. Culture affects all human resources areas including recruitment and selection, training, and compensation.
- ***Infrastructure:*** This pertains to the foreign country's capacity to supply the services that are necessary for the employees. Some of these could include telecommunication, power, technology, transportation systems, and education facilities.

HR in Focus: Human Resources and Environmental Factors

Given the challenges with international expansions, it is important to ensure the employees are well prepared for the assignment. Human Resources would be involved at the strategic level along with stakeholders to review the environmental factors before a project was selected. Stakeholders are the people involved in the project and have a stake in the outcome of the project. They have authority and influence over the project. They include Presidents, executive teams, financial personnel, project managers, any team members involved, customer, resource managers, and human resources. They may provide training for the stakeholders in the environmental factors before the selection is made. When the team is hired, again, the Human Resources Specialists need to convey (generally through training) the environmental factors that will affect the foreign assignment of the project. When it is the Human Resources Manager and HR team that moving to the foreign country, all the same considerations are made.

"10.2 Environmental Factors in Projects" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

11.4 CULTURE SHOCK AND COPING

Culture shock is a feeling of uncertainty and being disoriented when a person is in an unfamiliar way of life in a different culture than their own culture. It is caused by a number of things. These could include a greeting (hand shake versus bowing), different food, language differences, finding their way around in a new city/town, or not following the local customs. Often a person may feel a sense of frustration, anxiety and be confused. Many people are homesick.

There are many ways to deal with stress management related to culture shock. The success is depending on the person, the situation, and the environment. Many people engage in social activities, physical activities, and spiritual/religious activities.

The 4 Phases of Culture Shock

According to Participate Learning (2018) the 4 phases of culture shock are :

Honeymoon: The person(s) feels overwhelmed and positive. They are excited about the new challenge in a different culture. They want to experience all the new things: food, the people, the language. The person(s) feels this has been a great decision and a great adventure. Each person is different in their response. However, everyone is affected to some degree.

Frustration: The person(s) feel fatigue because they do not understand the signs, gestures, language, and communication styles. It may be difficult to order food, shop for food, not be able to follow the transportation system. Some people begin to feel homesick and become depressed.

Adjustment: Over time, the person(s) begins to become familiar with their surroundings. They are more comfortable with the people, culture, language, and food.

Acceptance: After some weeks or months of dealing with frustration and emotional struggles, the person(s) begins to adapt and accept their new culture. They may not understand everything about the culture, however, function within it in a healthy way. They find and use resources to cope. They feel more at ease and accepted by the new community.

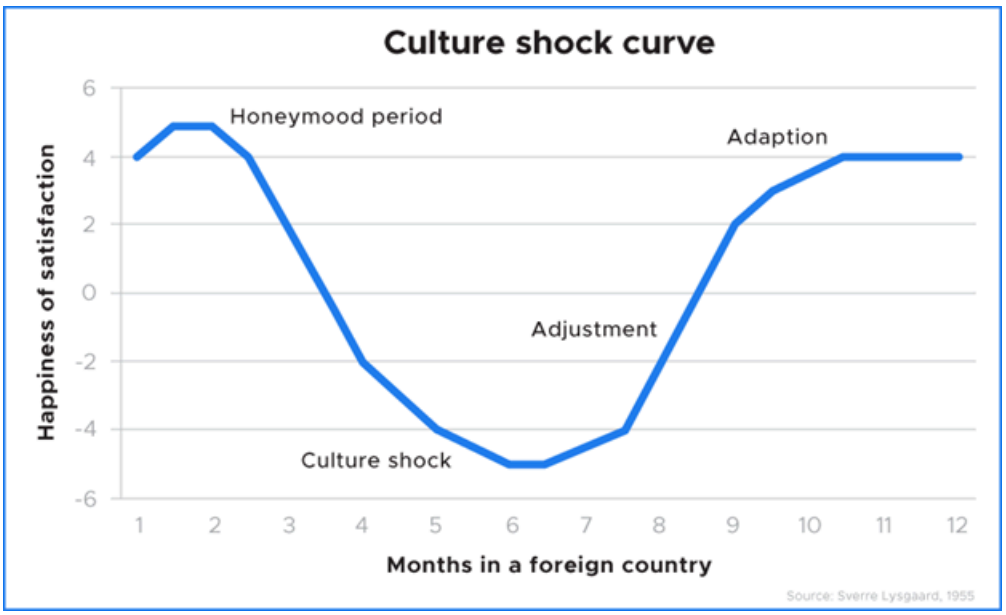


Figure 11.4.1 Culture Shock Curve (Lysgarrd, 1955)

Some would suggest there is a fifth stage called re-entry shock. This happens to people when they return to their home country. They need to re-adjust again.

Dealing with Culture Shock

Human Resources is engaged in many different coping strategies when dealing with individual/teams abroad. Success depends on the individual and the specific situation. Human Resources may help the team set goals including getting physical exercise, practicing meditation, and writing in a journal. They may develop a plan with the team to immerse themselves in the culture for a while, and then draw back to create stability with things that are familiar to them. Examples for Canadians in Mexico might be going to a movie theatre where only Spanish is spoken a few times, and then visit an English-speaking theatre a few times. Eat in authentic Mexican restaurants, and then find a restaurant that cooks Canadian food.

The first step Human Resources wants to impart to the project team is that they need to acknowledge that they will experience culture shock. Then, they help them modify their behaviours accordingly. Also, they may provide support to lower the team's expectations of "fitting into" the culture too soon. They encourage the team to focus their attention on the priorities first and reward themselves with small achievements. Over time, most people start to live a more normal life in the foreign country. Most people move to the adjustment phase and then to acceptance.

Other considerations are instilling in the team, that while they are abroad, initially, they may not perform as efficiently. Therefore, good stress management techniques are important for the team. They want to assure the team they are not alone; and the entire team is experiencing the same emotions. Human Resources could work with the entire team to manage their stress through group workshops, individually, or both.

In these situations, and over time, if a person is still not reaching the adjustment or acceptance phase, this

becomes more serious for the team member. If a person is still experiencing stress from the move to a foreign country, they may need professional counselling. Human Resources can arrange counselling through wellness programs. It is important that Human Resources be aware of the person's emotional health and watch for severe signs such as drug abuse, emotional breakdowns, and increased alcohol use. Constant contact with the team is a way to observe the changes. Regular chats and meetings with the team allow Human Resources to monitor the team's progress in adjustment and acceptance to the new environment.

Some people experience the same culture shock when they return to their home country. Human Resources needs to ensure a healthy and stable return to the team's previous jobs, if this is the case. Some team members may have less responsibility upon return, others might become bored, or some may not have a job to return to when returning. Perhaps the organization has changed since their departure, and the team find it difficult to adapt to the organizational changes. While others often receive financial perks for accepting assignments abroad, and those perks disappear upon their return. The team may need to adjust to a lower standard of living. Regardless of the return experience, human resources need to work with the team until they feel effective in their job upon return.



Think!

As a Human Resources Specialist, what do you think the first thing is that you would want to address with an expat once they have been hired for an international assignment? Why would you choose this?

"10.6 Culture Shock and Coping" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

11.5 SELECTION OF EMPLOYEES (EXPATRIATES)

If employees are not selected with the skills and experience necessary for an international assignments, the costs are high. The company, itself, can experience problems, and the reputation of the organization can suffer. Human Resources develops special screening processes to ensure a successful assignment, and ensure the employees are successful. The term expatriates is used for employees leaving their home country to work in a host country. They are sometimes called expats for short.

HR in Focus: Selection of Expatriates

HR looks at a group of characteristics that each team member needs to possess for a foreign country assignment. Sometimes, employees are selected that have prior experience with foreign country assignments, prior overseas travel, are in good health (emotionally, mentally, physically), speak or understand the foreign country's language, or even have a connection through heritage. However, often, the best people for the assignment are highly skilled, competent, experienced employees with none of the above characteristics.

The Human Resources Specialists would first identify the criteria for the staffing of the assignment. Several factors are considered:

- **Technical:** Technical and managerial skills are critical.
- **Soft skills**: Skills that include psychological readiness, international experience, language of the foreign country, ability to provide training to others.
- **Competence:** Cross-cultural abilities that help the person adapt in new surroundings. In other words, can perform successfully in a different culture. Some of these may include empathy, diplomacy, language ability, good attitude, adaptable, flexible. They must also have emotional stability, and an open mind about different cultures.
- **Ability to adjust to foreign country**: Ability to adapt and transition to different cultures. There are 4 phases: (sometimes called culture shock or culture adjustment). This is discussed later in the chapter.

It is important that Human Resources understand the 4 phases of Culture Shock; and support

people through the stages. Understanding culture shock helps ensure they have an enriched experience while working on the international assignment.

Family Moving with Project Team

Sometimes, for longer term assignments, the family moves with the expatriate. The family, especially the spouse or partner, carry a heavy weight with the move. They, too, will leave family and friends. If they work outside the home, they will need to leave their job and their colleagues. Children's education gets interrupted. The family is a significant factor when considering an expatriate assignment in a different country.

It is important for Human Resources to work with the employees, as well as the family. Human Resources supports the family unit by helping the spouse or partner find a new job, find housing comparable to the one they left, assist in finding appropriate schools for the children, and providing transportation. This is a time-consuming task for Human Resources as they not only work with the the team, but the entire family unit. However, it is a critical step in guaranteeing a successful.

"10.4 Selection of Employees (Expatriates)" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

11.6 A LOOK AT CROSS-CULTURAL CONDITIONS AND HR



Women pray during the Hindu festival of Karva Chauth inside a temple in the northern Indian city of Chandigarh. "Indian Culture" by Ajay Verma, CC BY-NC-SA 4.0.

It is important to take a closer look at cross-cultural conditions as it relates to assignments and how it aligns with human resources. Culture affects all aspects of life within a specific population of people including beliefs, values, the norms of the society, and its people's customs. It even relates to how a society dresses, the manners used by its people, their rituals, religions, and the language spoken and written. A culture may be an entire country, a region within the country, ethnic groups, and religious groups. Culture is without borders.

Examples of Cultural Differences

Canadian culture advocates equality between men and women, peace, and safety for its citizens, being polite and friendly, and the love of hockey. Canada is a widely diverse country with many ethnic groups. It is a country of dual nationality, French Canada and English Canada, which dominates political and societal issues. It is a constitutional monarchy which means the British Monarch is the head of state, although the Monarchy has limited powers. Maple syrup and pancakes are some of the Canadian's favourite foods (Commisceo, 2022a).

Indian culture where its people value religion, joint family structures (entire family through generations live together), marriage and arranged marriage, symbols such as fasting, and festivals for every season. Architecture is important as symbols of culture and religion. They have a relaxed approach to timekeeping and punctuality. People remove their shoes before entering a home. Indian food many not require utensils. Southern food tends to be spicier than food from the North. Indian clothing made with colourful silks are worn that has origins of Ancient India (Zimmermann & Gordon, 2022).

Swedish culture is very egalitarian meaning all people are equal regardless of gender, race, religion, or age. They have one of the best rights for children in the world and offer dual parental leave from work for 18 months. They are humble and believe boasting is not acceptable. They are great listeners, they speak softly and calmly, do not show emotions publicly, are not excessive or "flashy", and competition is not encouraged (Commisceo, 2022c).

Italian culture enjoy patriotism. In other words, people remain a geographic expression. This means they identify with their own home region, rather than to the country. Being an old country, they have assimilated many other cultures into their own such as French, Austrian, Greeks, Arabs, Albanians, and Africans. Food is important and maintains ties among friends and family members. There are social classes, and big differences between the rich and poor. There are class boundaries in what people eat, what they wear, and the amount of leisure time spent. Prestige is important. Soccer is important to everyone. They tend to show outward emotion in public. They like to embrace and kiss when greeting people (Commisceo, 2022b).



Think!

If you were leaving your home country to work/live in a host country, what do you think would be the most challenging thing for you? Why? How would you overcome this?

National cultures provide a keystone for helping human resources to understand different values, habits,

customs, and etiquette. Employees need to not only be aware of different cultural aspects, but they also need to adjust to them when working abroad.

While working on multicultural assignments, employees can have difficulties with ethics of certain cultures. Human resources can serve as a sounding board to work through these ethical dilemmas. It is important that human resources specialists' study international cultures to gain a deeper understanding and provide support the team. Cultural diversity is important to more productive and higher performance. Also, it offers an opportunity for personal and professional growth.

Preparing expatriates for assignments abroad is no easy task. It is almost impossible to understand all the differences in all the countries in the world. Still, the effort needs to be made to bridge the gap between cultures.

Human Resources may offer cultural briefings with managers and teams. They may provide cross-cultural training, bring in trainers to teach the team who have or do live in the foreign country, and send the team to the foreign country for visits prior to the assignment starting. Regardless, the team and the assignment need to be carried out in a way that honours the foreign country's customs, traditions, and values.

"10.5 A Look at Cross-Cultural Conditions and HR" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

11.7 TRAINING INTERNATIONAL PROJECT TEAMS

When an individual/team fails abroad, it is a huge cost to the organization. Training international teams is important to the overall health of the team, and the success of the assignment. The training provided by Human Resources covers a wide range depending on the length of the project.

This type of training could be called **cultural fluency** which is the degree of understanding and interaction required with people from different cultures and backgrounds. The longer the team is in the foreign country, the longer and more in-depth the training will be. The length of the assignment is not the only consideration. The training depth could be more extensive if the foreign country is more diverse that the home country. Example: A Canadian would require less cultural fluency to complete a project in Australia than in China.

Types of Training for International Project Teams

Pre-departure training helps the team adjust to the new demands of working and living in a foreign country. At minimum, it needs to include understanding of the host country's eating habits, family life, etiquette, equality standards, education, religion, dress codes, and holidays. Human Resources would provide mini-workshops that cover the topics of importance to provide an essential understanding.

The HR Manager, or an assigned Manager may need to perform training in the foreign country to other company representatives. In this case, Human Resources would offer train-the-trainer for the other Managers before the assignment. The Managers then transfer knowledge to other people.

Longer term international assignments would require further training. Human Resources may provide the training or hire consultants to provide training in the history and culture of the foreign country, language training, and cross-cultural training. Human Resources may arrange for the team to visit the foreign country and stay with host families, or at the very least in hotels where they are able to immerse themselves in the local community.

Language training for short and long term assignments is important. Employees need to be able to speak, write, and listen in basic terms to the foreign language. This is considered respectful. In some situations, translators could be hired to help with communication. In either case, Human Resources would be responsible to contract out or hire the translators to teach the basic language skills or provide translation at the host country. For longer term assignments, the team would complete more extensive language training to be able to speak semi fluently.

- ***During the assignment*** human resources need to provide ongoing supports for individual development, and team development. This team is generally a high-performing group of employees who are selected for specialized projects or assignments to increase or enhance some type of international operation. This team needs to be guided, supported and be in constant communication with human resources to assure their performance and well-being are being sustained. Ongoing communication between the organization's employee and human resources requires regular and routine check ins, either formal or informal.
- ***Re-entry or returning*** from the foreign country has its own set of challenges. Often called **repatriates,** people returning to their home country from a foreign country, experience culture shock or sometimes referred to as **re-entry shock**. It is similar to culture shock only in the reverse. The team will prepare to return to the home country with help from the human resources team. However, adjustment can be difficult. Repatriation is the final step in the international assignment. A well-planned repatriation plan affects the successful assignment. Human Resources plans an orientation for the returning team. This may include a reflection of the experience, re-introduction to the organization and discussing changes, and chatting about next steps.

Some organizations offer individual counselling as well as group counselling either provided by human resources, or contract out the service to consultant's skilled in repatriation. In this case, human resources would facilitate the process. These steps would be considered debriefing sessions. This enables the team to debrief and have reality checks with 'where they are at in their return', financially, emotionally, mentally, and physically.

Other fundamental logistics are put in place for the project team that include:

1. Relocation to home, or a new home
2. Financial and tax assistance (loss of bonuses, perks, tax changes)
3. Support to form or re-establish social and professional networks
4. Career counselling
5. Reverse culture shock (re-entry shock) for project team (and families)
6. Assistance with finding schools for children
7. Workshops to discuss organization changes
8. Stress management training

All the above would be set up and delivered or contracted to specialists to support the repatriation of the team. Some teams are part of multinational project teams and will move on to a different county. In this case, the training begins all over again.

Training and development play a crucial role in retaining high-performing individual employees. Regardless of its complexity, all training for these employees ensures a highly trained team to meet the increasing need of international assignments.

"10.7 Training International Project Teams" from Strategic Project Management: Theory and Practice for Human Resource Professionals by Debra Patterson is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License, except where otherwise noted.

11.8 KEY TERMS

Key Terms

Ability to Adjust to Foreign Country: Ability to adapt and transition to different cultures. There are 4 phases: (sometimes called culture shock or culture adjustment). (11.5)

Acceptance: After some weeks or months of dealing with frustration and emotional struggles, the person(s) begins to adapt and accept their new culture. They may not understand everything about the culture, however, function within it in a healthy way. They find and use resources to cope. They feel more at ease and accepted by the new community. (11.4)

Adjustment: Over time, the person(s) begins to become familiar with their surroundings. They are more comfortable with the people, culture, language, and food. (11.4)

Competence: Cross-cultural abilities that help the person adapt to new surroundings. In other words, can perform successfully in a different culture. Some of these may include empathy, diplomacy, language ability, good attitude, adaptability, flexible. They must also have emotional stability and an open mind about different cultures. (11.5)

Culture affects all aspects of life within a specific population of people including beliefs, values, the norms of the society, and its people's customs. (11.6)

Cultural fluency which is the degree of understanding and interaction required with people from different cultures and backgrounds. (11.7)

Culture shock is a feeling of uncertainty and being disoriented when a person is in an unfamiliar way of life in a different culture than their own culture. It is caused by a number of things. (11.4)

Expatriates: These are employees who have been hired to work temporarily in a foreign country. They are also called international assignees or expats. (11.3) & (11.5)

Frustration: The person(s) feel fatigued because they do not understand the signs, gestures, language, and communication styles. It may be difficult to order food, shop for food, not be able to follow the transportation system. Some people begin to feel homesick and become depressed. (11.4)

Home Country and Home Country Nationals: Country where the corporate headquarters is

located. The project manager and team would leave the home country for an international project. (11.3)

Honeymoon: The person(s) feels overwhelmed and positive. They are excited about the new challenge in a different culture. They want to experience all the new things: food, the people, the language. The person(s) feels this has been a great decision and a great adventure. Each person is different in their response. However, everyone is affected to some degree. (11.4)

Host Country and Host Country Nationals: Refers to a foreign country where the corporation invests. The project manager and team relocate to the host country (foreign country) to complete the project. Host country nationals are project employees who are native to the country, and work and live in their home country. (11.3)

International Projects: These are different from domestic projects because of the cultural, regulatory, social, geographical, reporting, and infrastructural diversity. (11.3)

Pre-departure training helps the team adjust to the new demands of working and living in a foreign country. At minimum, it needs to include understanding of the host country's eating habits, family life, etiquette, equality standards, education, religion, dress codes, and holidays. (11.7)

Re-entry shock: people returning to their home country from a foreign country sometimes experience culture shock – called re-entry shock. (11.7)

Repatriates, people returning to their home country from a foreign country, experience culture shock or are sometimes referred to as re-entry shock. (11.7)

Soft Skills: Skills that include psychological readiness, international experience, the language of the foreign country, ability to provide training to others. (11.5)

Technical: Technical and managerial skills are critical. (11.5)

Third Country National: Project manager and team who are not from the home country or the host country. However, work for the corporation. (11.3)

11.9 SUMMARY

Summary

Domestic and international assignments differ because of the cultural diversity needed to work in different countries. Therefore, human resources involvement with an international individual/project team is more exhaustive. When making decisions, all stakeholders need to be aware of the six environmental factors that will affect the the individual/team. Staffing requirements for international employees are critical to the success of the project. They are important for the well-being of the individual/team. Special criteria for international individuals/teams is established prior to hiring. Families need to be considered as part of the success if they are moving with the employee to the foreign country. Cross-cultural awareness and training is important for the individuals/team members.

Culture shock is natural for all individuals/team members after leaving their home country. It may be of varying degrees. However, they all will go through the four stages. These stages are monitored closely by human resources to ensure they move through the phases successfully.

Training is crucial for all individuals/team members whether a short term assignment or a longer term assignment. All individuals/team members need to have some level of cultural fluency. Training is offered to individuals/team members before they leave for their home country. It is provided ongoing during the international assignment, and again, when the team returns. They may experience re-entry shock. International assignments are complex for both human resources and the individual/team. With a well-planned strategy, the assignment will be successful, and the individual/team will have an enriched experience.

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/11-9-summary/

11.10 KNOWLEDGE CHECK

Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/11-10-knowledge-check/

11.11 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS



Exercises

1. What PEST considerations would a global company make related to Covid19 during the pandemic? Moving out of the pandemic? Discuss in **small group**.
2. What do you think HR Managers would need to consider if the company was opening a satellite operation in Mexico? Egypt? New Zealand? Thailand? Discuss in **small group**.
3. What needs to be considered by the company when they move from a domestic company to a multinational company? A transactional company? Work with a **partner**.
4. Tim Horton's has expanded into the United States. As the HR Manager would you hire American or Canadian managers? Why make the choice you made? Work with a **partner**.
5. A spouse/partner plays a big role in whether an expatriate will take an assignment overseas. What supports could you offer the spouse/partner to support the success of the assignment? Work with a **partner**.
6. Discuss all the steps you would take to ensure a successful overseas assignment with a team of managers who are going to work in China for 2 years? Discuss in **small group**.
7. Have you experienced culture shock as an expat? As a student? If you have, share your experience with another student. (teacher will need to decide who has experienced culture shock and pair students accordingly.) Work with a **small group**. As a follow up, teacher asks the domestic students what they learned from the foreign student. **Individual**.
8. If the wages are higher in England that they are in Canada, should the employee be asked to maintain the same wage? Complete some research on the economy, wages, benefits in England. Compare them to Canada. Rationalize your decision. Work with a partner. Discuss in a **small group**.

9. Discuss the challenges of performance appraisals for expats? Brainstorm in **large group**.
10. Review international unions. Name some of them. Why is it important that international unions be present for employees? Or, why they should not exist? Work with a **partner**.
11. Case Study: Refer to American Factory. Have students watch the Netflix movie. Answer the questions in the Case Study. Work in **small group**.

11.12 CASE STUDY: AMERICAN FACTORY

Case Study: American Factory

Note: This case study is optional for teachers to assign for students. To complete this case study students will need to watch American Factory on Netflix.

American Factory is a current and relevant documentary released in August 21, 2019. It is 1 hour 55 minutes in length. The film documents in post-industrial Ohio, a Chinese billionaire who opens a factory in an abandoned General Motors plant near Dayton, Ohio (Moraine). He hires 2000 American workers. Early days show hope and optimism. However, this gives way to setbacks as high-tech China clashes with working-class America. The company is Fuyao owned by Cao Dewang. The chairman is Cho Tak Wong. The company builds windshields. In 2016, Cao opened a division of his global auto-glass manufacturing company, in a deserted General Motors factory. General Motors had blamed collapsing S.U.V. car sales when it closed the plant. It was known as the General Motors Moraine Assembly Plan which employed thousands of workers. They were all out of work. The factory remained idle until Fuyao announced it was taking it over, investing millions and hiring hundreds of local workers, and eventually 2000 workers. Fyuao revitalized the local industrial sector for the area. It had suffered hard times during and after the closure.

The films filmmakers, Steven Bognar and Julia Reichert, who live outside of Dayton, Ohio documented the General Motors plant when it closed. They included the image of the last truck rolling off the line in another film in 2009 "The Last Truck: Closing of a GM Plant" (option to watch this short film on the internet.).

The documentary charts the economic and social issues that converge when the Chinese company moves into the former General Motors plant. The story they tell is complex, stirs feelings, is timely and spans continents as it surveys the past, present and future of American labour. The film does not promote an ideology or political agenda. However, it tells a powerful story about how globalization and the loss of industrial jobs affects workers, communities, the future of work. The

culture clashes, growing pains and eventually different forms of internal and external pushbacks evolved that the Chines company did not understand.

In American, “freedom” is cherished. A Fuyao employee was quoted as saying, “As long as you’re not doing anything illegal, you’re free to follow your heart. You can even joke about the president. Nobody will do anything to you.”. The employees were somewhat disbelieving. The film captivates this notion of “freedom” that was promised, however was limited and really an illusion. It shows how the word “freedom” means very different things around the world.

When the company opens it brings many Chinese employees, who have experience in running a large-scale glass-making operation. They come to training the 2000 new American workers, most of whom are former General Motors employees. The film captures the operation and work processes on the plant floor, boardroom negotiations, and a unionization battle.

The story is about two different workplace cultures trying to figure out how to interact when both cultures have very different traits, patterns of behaviour worldviews, value systems and systems of social organization. Fuyao needs to figure out how to provide internal consistency and yet allow for differentiation across the employee groups. They strive to balance the dualities.

The Human Resources roles of providing expertise (policies, tools and processes) are met with resistance by the American workers. Fuyao wants to deliver a low-cost high-quality product. They struggle to meet the Human Resources outcomes (competencies, commitment and competition). As much as Fuyao tries to understand and respond to the local responsiveness through the workers, the culture differences, institutional differences, and the diversity due to network influences becomes a battle. The local American culture and the Chinese culture differences impact most of the management practices related to authority, teamwork and performance appraisals.

These challenges begin to play out by Fuyao’s reputation becoming tarnished, local employees leave the company, a loss of control by Fuyao erupts when there is union campaigns, ethical practices are challenged, and health and safety issues arise. Global standardization by Feyao begins to fall apart (consistency, health and safety, and the work processes). For people-related elements, training and socialization becomes a problem. The complexities between the two cultures do not follow the idea of “effective global standardization requires simplification.”

Sources: The New York Times, n.d., and Sims, 2019.

Questions:

Review the short movie; and answer the questions.

1. What recruitment and selection errors were made by both the Americans and the Chinese? How would they have avoided these issues?
2. What types of training and development could have been provided by the Chinese to support the American workers?
3. Communication played a big role in the downfall of the company. What could both the American and Chinese done to improve and stabilize communication?

CHAPTER 12: HR PROFESSIONAL PRACTICES

Chapter Outline

12.0 Learning Outcomes
12.1 HR Professionalism and Certification
12.2 Very Competitive Field
12.3 How To Earn Certification
12.4 Key Terms
12.5 Summary
12.6 Knowledge Check
12.7 Exercises/Activities for Teachers and Students

12.0 LEARNING OUTCOMES

Learning Outcomes

1. Explain the professional and personal skills needed to be successful in HRM
2. Explain the role of the Ontario HR professional – HRPA
3. Describe how to earn HRPA Certification
4. Apply the cluster of competencies to conduct oneself in a professional manner
5. Apply a high level of professionalism in all situation

12.1 HR PROFESSIONALISM AND CERTIFICATION

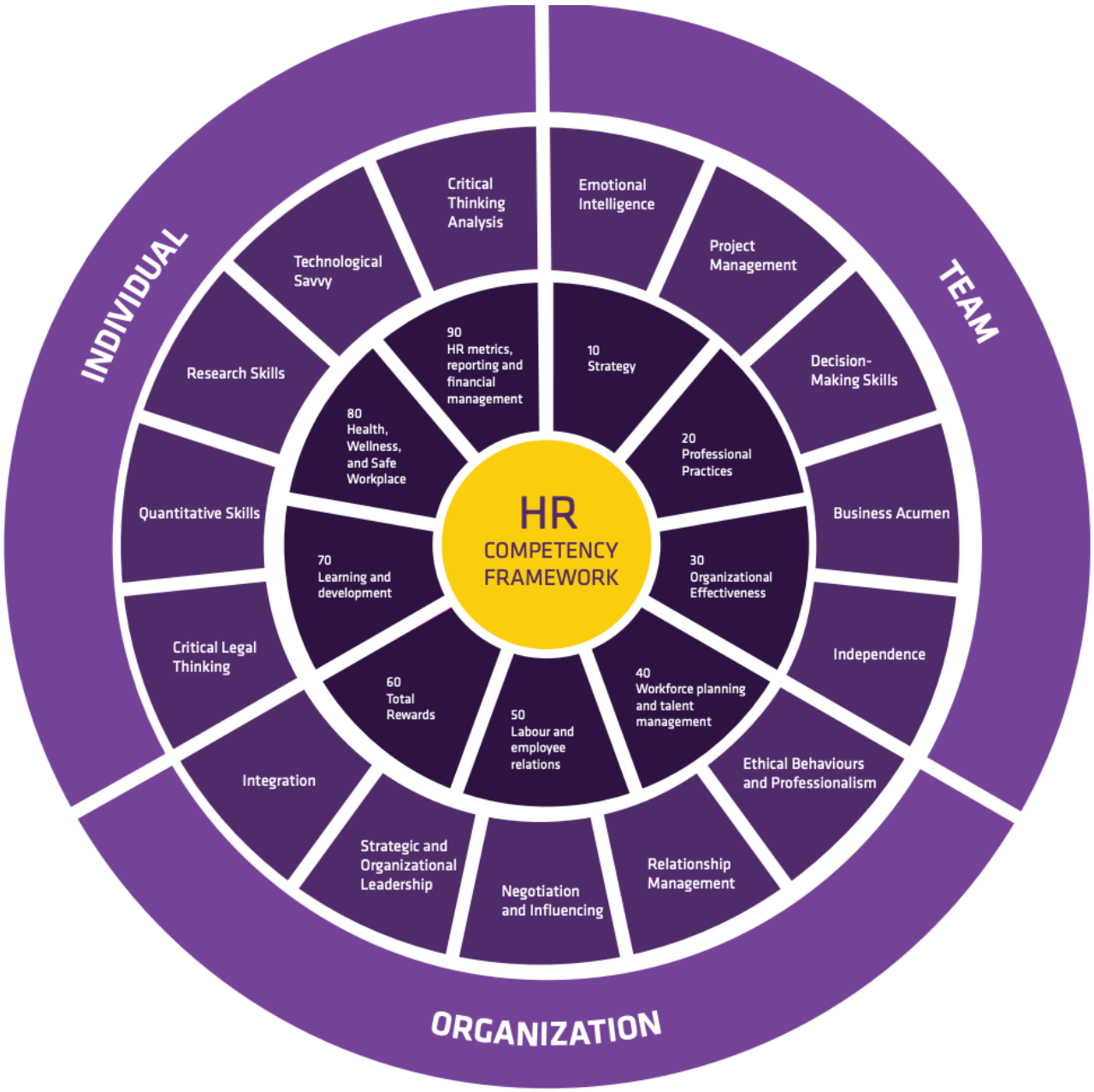
In today's work world, HR employees need to be professionals which includes having specific qualifications. They need to have a set of **competencies** which include knowledge, skills, abilities, and attributes (KSAs) that are needed to perform their job effectively. As well, they need to have characteristics that infer they are professionals:

1. A common body of knowledge
2. Standards that are consistent
3. An association that is professional that they join
4. A code of ethics
5. Credentials and designations
6. Life long learning

HRM is a specialized area, much like accounting, marketing, or finance. In this section, for our Ontario students, we borrow extensively from the material produced by The Human Resources Professionals Association (HRPA), the professional association that governs HR professionals in Ontario. Later in the section, we will discuss the HRPA in more depth, but first, we explore the competencies that are important to have for an HR professional, as defined by the HRPA .

Competency Framework

The diagram below illustrates the functional areas and enabling competencies in the HRPA Human Resources Professional Competency Framework. The numbering of the functional areas below corresponds to that used in the text that follows.



© by Human Resources Professionals Association All Rights Reserved.

"Skills Needed for HRM" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

12.2 VERY COMPETITIVE FIELD

Human Resources Competencies

The HRPA proposes a number of core competencies for the HR professional. The competencies are categorized as either functional or enabling competencies.

Functional Competencies

Strategy	Strategy forms a cluster of competencies related to the ability to think and act strategically in regard to organizations, business, and the HR function. Including: strategic perspective, governance principles, leadership, business acumen, strategic alignment, international human resource management.
Professional Practice	A cluster of competencies related to the ability to conduct oneself in a professional manner and to exhibit high levels of professionalism in all contexts and situations. Such as: balanced interests, ethics, legal, responsible government, advancement of the profession, evidence-based approach, and external trends.
Organizational Effectiveness	A cluster of competences related to using the levers available to HR professionals to maximize the performance of organizations, teams, an individuals within the context of executing the organization's strategy. Including: productivity, organizational structure, employee engagement, risk, change management, team effectiveness, job analysis, communicating challenges and developments.
Workforce Planning and Talent Management	A cluster of competences related to the recruitment and deployment of human resource is within an organization. Such as: workforce plan development, employee value proposition, workforce plan execution, performance management system, leadership development.
Labour and Employee Relations	A cluster of competencies related to managing the relationships between employer and employees. Including: collaborative work environment, legislation; collective agreements; and policies, labour and employee relations strategies, negotiation, diversity management and inclusiveness, representing individuals and organizations before tribunals.
Total Rewards	A cluster of competences related to the management of rewards within an organization in a manner that maximally supports the execution of organizational strategy. Such as: total rewards structure development, total reward structure implementation, total reward structure evaluation, value of total rewards.
Learning and Development	A cluster of competences related to the optimization of the ability of the organization, teams, and individuals to acquire and put to use new competencies. Including: learning culture, learning priorities, provision of continuing development opportunities, learning and development program implementation, learning and development priorities evaluation, mentoring and coaching.

Health, Wellness, and Safe Workplace	A cluster of competences related to the creation and maintenance of a healthy and safe workplace. Such as: health and safety, health; safety; and wellness policies and procedures, wellness, psychological health and well being.
Human Resource Metrics, Reporting, and Financial Management	A cluster of competencies related to the ability to collect, manage, and synthesize information relevant to the management of human resource is and the ability to incorporate financial analysis in the making of decisions about HR investments. Including: informed business decisions, human resource audits, human resource information systems, human resource information, human capital investments.

Enabling Competencies

Critical Thinking and Analysis	Consists of: Analyzing problems and challenges with perceptiveness and insight, having the capacity for flexible and innovative thinking, seeing how the various parts or facets of a problem relate to each other.
Technologically Savvy	Consists of: Making use of various technologies to the best advantage, seeing the possibilities in emerging technologies, managing the implementation of new technologies.
Research Skills	Consists of: Collecting and using data effectively in the HR decision-making process, Integrating the work of others into organizational practice.
Quantitative Skills	Working with quantitative data and conducting and interpreting predictive analytics
Critical Legal Thinking	Consists of: Analyzing situations from a legal perspective, considering and evaluating the relative merits of alternative legal interpretations
Emotional Intelligence	Interpreting the emotional state of self and others
Project Management	Planning, executing, and controlling HR projects using appropriate tools and metrics
Decision Making Skills	Making decisions in a timely manner, taking into consideration all relevant aspects of a situation.
Business Acumen	Effectively leveraging the context and dynamics of business
Independence	Consists of: Acting as an independent professional in the context of the workplace, adhering to the standards of the profession and to all workplace legislation; even when doing so is challenged.
Ethical Behaviour and Professionalism	Consists of: Acting with honesty; integrity; credibility; self confidence; and independence, coping with ambiguity, conflicts of interest; and the need to protect the public interest

Relationship Management	Building networks and establishing effective working relationships
Negotiation and Influencing	Consists of: Negotiating solutions that balance the interests of all parties, delivering persuasive communications that build agreement on a particular course of action
Strategic and Organizational Leadership	Consists of: Working in; building; and leading teams, demonstrating competence in goal setting; planning and organization; collaboration; process management; empathy; flexibility; responding to feedback; and conflict management
Integration	Integrating the various practice areas of HR together into a coherent response to a challenger issue

The Human Resources Professional: The HRPA

HR has the particularity of being governed by a professional body and legislation in the Province of Ontario the Human Resource Professionals Association (HRPA). The primary purpose of the HRPA is to promote and protect the public interest by governing and regulating the practice of members, students and firms registered with the Association in accordance with the Registered Human Resources Professionals Act (2013). The HRPA's governing and regulatory role not only ensures a competent & ethical HR practice, but works to advance the profile & value of the HR profession amongst members, students and organizations.

The HRPA maintains three (3) designations; Certified Human Resources Professional (CHRP), Certified Human Resources Leader (CHRL) and Certified Human Resources Executive (CHRE). HRPA designations were created to signal to organizations that an individual has the knowledge and expertise they need to excel in the HR profession. The benefits of achieving a designation for HR professionals are numerous. In addition to demonstrating the abilities of the HR professional, certification allows HR professionals to be more marketable in a very competitive field.

"Skills Needed for HRM" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

12.3 HOW TO EARN CERTIFICATION

How to Get One's Career Going as an HR Student?

Students who are interested in a career in HR may wish to complete the HRPA's certification process confers the right to use the title Certified Human Resources Professional and the right to use the initials C.H.R.P. or CHRP after one's name. Certification is a "warrant of competence" or "warrant of expertise". The overarching objective of HRPA's certification process is to ensure that those HR professionals who are certified by HRPA possess the knowledge and skills in sufficient degree to competently perform important occupational activities and to protect the public interest.

Certification establishes common professional standards for Human Resources Management across Canada. Employers value such standards which seek, among other things, to address multi-jurisdictional considerations and facilitate the efficient practice of human resources. The CHRP designation positions the practitioner at the leading edge of the profession in Canada – informed, experienced, connected and committed to career long learning.

Certification Requirements

The following has been copied from HRPA's website. For up-to-date information and assistance contact HRPA directly. You may also attend an information session sponsored by the Employment Relations Students' Association (ERSA) in the early part of the Fall Session.

HRPA's certification process has five (5) components:

1. HRPA Membership in good standing
2. Successful completion of the Coursework Requirement
3. Successful completion of the Comprehensive Knowledge Exam 1
4. Successful completion of the CHRP/CHRL Employment Law Exam 1
5. Successful completion of the Job Ready Program

If you have any questions about the CHRP designation, please contact the HRPA Office of the Registrar .

HRPA's Coursework Requirement

The coursework requirement is established to ensure that certified Human Resources Professionals have a

solid foundation in the Human Resources discipline. There are two (2) routes to meeting the coursework requirement: (1) by completing the requisite coursework or (2) by demonstrating equivalent preparation in Human Resources. This second route is called the alternate route and will be discussed below.

The coursework requirement consists of successful completion of nine courses. Successful completion means obtaining a grade of 70% or better over all nine courses with no single course below 65%.

The nine (9) courses are:

- Human Resources Management (HRM)
- Organizational Behaviour
- Finance and Accounting
- Human Resources Planning
- Occupational Health and Safety
- Training and Development
- Labour Relations
- Recruitment and Selection
- Compensation

Read more about the HRPA Coursework Requirement.



Think!

Explore the HRPA website The Human Resources Professionals Association (HRPA)

- Why would you be interested in joining this Association?
- What are the benefits of certification in the field of Human Resources?

Human Resources Jobs

Most organizations need a Human Resource Department, or at a minimum, a manager with HR skills. The industries and job titles are so varied that it is only possible to list general job titles in human resources:

1. Recruiter/talent acquisition manager

2. Compensation analyst
3. Human resources assistant
4. Employee relations manager
5. Benefits manager
6. Work-life coordinator
7. Training and development manager
8. Human resources manager
9. Vice president of human resources

This is not an exhaustive list, but it can be a starting point for your research on this career path.



Think!

Review the job titles above.

- Name 2 that would interest you.
- Research those job titles online. What did you learn?

"Skills Needed for HRM" in Human Resources Management – 2nd Ontario Edition by Elizabeth Cameron is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

12.4 KEY TERMS

Key Terms

Competencies which include knowledge, skills, abilities and attributes (KSAs) that are needed to perform their job effectively. (12.1)

12.5 SUMMARY

Summary

The chapter discusses the competencies that are important for HR professionals in today's work world, as defined by The Human Resources Professionals Association (HRPA) in Ontario, Canada. The HRPA proposes a number of core competencies for HR professionals, categorized as functional or enabling competencies.

The chapter also lists the competencies in each category. Functional competencies include strategy, professional practice, organizational effectiveness, workforce planning and talent management, labour and employee relations, total rewards, learning and development, and health, wellness, and safe workplace. Enabling competencies include critical thinking and analysis, technologically savvy, research skills, quantitative skills, critical legal thinking, emotional intelligence, project management, decision-making skills, business acumen, independence, ethical behavior and professionalism, relationship management, negotiation and influencing, and strategic and organizational leadership.

12.6 KNOWLEDGE CHECK



Knowledge Check

This interactive content can be found at:

https://ecampusontario.pressbooks.pub/humanresourcesmgmt/chapter/12-6-knowledge-check/

12.7 EXERCISES/ACTIVITIES FOR TEACHERS AND STUDENTS

Exercises

1. Research the HRPA website. Define what a body of knowledge is in your own words. Share with **large group**.
2. Discuss why you believe the statement related to HRPA competencies is important: "standards need to be consistent". Why do they need to be consistent? Or, maybe flexibility is more relevant? Share answers in a **small group**.
3. Review the costs for HRPA membership on the HRPA website. Do you believe it is important to be a member of HRPA? Why? Why not? Is it worth the cost? Share in a **small group**.
4. Review the Competency Framework in your text. Name one skill in individual, team, and organization that you believe you have strengths? Name one skill you need to improve? How can you go about improving this skill? Write a **one-minute paper**. Share with a **partner**.
5. Review Functional Competencies in your text. (Teacher will divide the class into 9 groups, and assign a competency to each group.) Discuss what the competency means in your own words. Decide on your own definition. How would you apply this functional competency into your work as an HR Specialist? Discuss in **small group**.
6. Enabling Competencies are important to HR Specialists. Choose one of the enabling competencies and discuss its importance to you as an individual? To an organization that you may work for in the future? Share with a **partner**.
7. Research the HRPA course requirements. If you are choosing to earn your Certification, make a plan with action steps on how you will go about earning this Certification. Share with a partner. If you are not choosing to earn the Certification, share why you would not choose this option. Share with your **partner**.

ANCILLARY RESOURCES

Instructor Slide Decks

Click on any chapter link below to download the respective slide deck

- Download Chapter 1 (.pptx, 1,415 KB)
- Download Chapter 2 (.pptx, 4,031 KB)
- Download Chapter 3 (.pptx, 1,994 KB)
- Download Chapter 4 (.pptx, 3,589 KB)
- Download Chapter 5 (.pptx, 3,194 KB)
- Download Chapter 6 (.pptx, 3,090 KB)
- Download Chapter 7 (.pptx, 6,238 KB)
- Download Chapter 8 (.pptx, 1,775 KB)
- Download Chapter 9 (.pptx, 17,934 KB)
- Download Chapter 10 (.pptx, 1,736 KB)
- Download Chapter 11 (.pptx, 1,380 KB)
- Download Chapter 12 (.pptx, 1,807 KB)

REFERENCES

Accessibility for Ontarians with Disabilities Act, 2005, S. O. 2005, c.11. https://www.ontario.ca/laws/statute/05a11

Accessibility for Ontarians with Disabilities Act (AODA). (n.d.). *Guide to the act*. https://www.aoda.ca/guide-to-the-act/

Accessibility Services Canada. (n.d.). *About the ADOA*. https://accessibilitycanada.ca/legislation/aoda/

Adams, C., & Rowney, M. (2014, October 8). What was behind the deadly B.C. sawmills explosions? *Global News*. http://globalnews.ca/news/1604346/16×9-investigation-what-was-behind-the-deadly-b-c-sawmills-explosions/

Adler, R. (2001). *Women in the executive suite correlate to high profits.* Glass Ceiling Research Center.

Allen, T. (2011, July 19). AFL-CIO Defends Pay Equality Disclosure Mandate. *ISS*. http://blog.riskmetrics.com/gov/2011/07/afl-cio-defends-pay-equity-disclosure-mandate-1.html.

American Institute of Stress. (2011). Definintion of Stress. http://www.stress.org/topic-definition-stress.htm.

American Management Association. (2007). Electronic Monitoring and Surveillance Survey. http://www.plattgroupllc.com/jun08/2007ElectronicMonitoringSurveillanceSurvey.pdf

ARCH Disability Law Centre. (2025, November 16). *Fact sheet – What is the Accessibility for Ontarians with Disabilities Act?* https://archdisabilitylaw.ca/resource/fact-sheet-what-is-the-accessibility-for-ontarians-with-disabilities-act/

Armstrong, P. (2010). Bloom's Taxonomy. *Center for Teaching. Vanderbilt University*. https://cft.vanderbilt.edu/guides-sub-pages/blooms-taxonomy/

Association for Talent Development (ATD). (2017, December). *2017 State of the Industry Report.* https://www.td.org/research-reports/2017-state-of-the-industry

Ballantyne, P., Casey, R., O'Hagan, F., & Vienneau, P. (2016). Poverty status of worker compensation claimants with permanent impairments. *Critical Public Health, 26*(2), 173–190. doi: 10.1080/09581596.2015.1010485

Bannister, B. D., & Balkin, D. B. (1990). Performance evaluation and compensation feedback messages: an integrated model. *Journal of Occupational Psychology*, *63* (2), 97-111.

Barnetson, B. (2010). *The political economy of workplace injury in Canada*. Athabasca University Press.

Bay Street Bull Staff. (2020). Lightspeed Founder Dax Dasilva on how diversity can contribute to a company's bottom line. Bay Street Bull. https://baystbull.com/lightspeed-founder-dax-dasilva/

Berry, L. L., Mirabito, A. M., & Baun, W. B. (2014, August 1). *What's the hard return on employee wellness programs?* Harvard Business Review. https://hbr.org/2010/12/whats-the-hard-return-on-employee-wellness-programs

Bika, N. (n.d.). *Recruiting yield ratios, explained*. Resources for Employers. https://resources.workable.com/tutorial/recruiting-yield-ratios-recruiting-metrics

Bittle, S. (2012). Still dying for a living: Corporate criminal liability after the Westray mine disaster. University of British Columbia Press

Branham, L. (2005). *The seven hidden reasons employees leave*. New York: AMACOM.

Business Council of Canada & Morneau Shepell Ltd. (2018). Navigating change: 2018 Business Council skills survey. https://www.morneaushepell.com/permafiles/91159/navigating-change-2018-business-council-skills-survey.pdf

CAE. (n.d.). *Our code of business conduct*. https://www.cae.com/media/documents/Corporate/Governance/Code_of_Conduct-2017_EN_v17_interactif_final.pdf

Campion, M. A., & McClelland, C. L. (1991). Interdisciplinary examination of the costs and benefits of enlarged jobs: A job design quasi-experiment. *Journal of Applied Psychology*, *76*, 186–198.

Campion, M. A., & McClelland, C. L. (1993). Follow-up and extension of the interdisciplinary costs and benefits of enlarged jobs. *Journal of Applied Psychology*, *78*, 339–351.

Canada: The Story of Us. (2017, May 11). *The turban that rocked the RCMP: How Baltej Singh Dhillon challenged the RCMP – and won*. CBC. https://www.cbc.ca/2017/canadathestoryofus/the-turban-that-rocked-the-rcmp-how-baltej-singh-dhillon-challenged-the-rcmp-and-won-1.4110271

Canadian Centre for Occupational Health and Safety (2016). Psychological Health in the Workplace. https://www.canada.ca/en/employment-social-development/services/health-safety/reports/psychological-health.html

Canadian Centre for Occupational Health and Safety (CCOHS). (2023, April 18). *CCOHS: National Day of Mourning*. https://www.ccohs.ca/events/mourning/

Canadian Centre for Occupational Health and Safety. (n.d.). OSH Answers Fact Sheets: OH&S Legislation in Canada – Basic Responsibilities, https://www.ccohs.ca/oshanswers/legisl/responsi.html. Reproduced with permission.

Canadian Human Rights Act, (R.S.C. 1985, cH-6) https://laws-lois.justice.gc.ca/eng/acts/h-6/

Canadian Human Rights Commission. (2021, November 17). *About human rights: What is discrimination?* https://www.chrc-ccdp.gc.ca/en/about-human-rights/what-discrimination

Canadian Human Rights Commission. (n.d.). Canadian human rights commission. https://www.chrc-ccdp.gc.ca/en

Career Builder. (n.d.). *70% of employers are snooping candidates' social media profiles*. https://www.careerbuilder.com/advice/blog/social-media-survey-2017

CBC News. (2019, June 12). *Montreal police efforts to diversify force fall flat, despite outreach*. https://www.cbc.ca/news/canada/montreal/diversity-spvm-montreal-police-1.5172214

Cherrington, D. J., & Lynn, E. J. (1980). The desire for an enriched job as a moderator of the enrichment-satisfaction relationship. *Organizational Behavior and Human Performance*, *25*, 139–159.

Clemens, J., Veldhuis, N. & Karabegovic, A. (2005, August). Explaining Canada's High Unionization Rates.

Fraser Alert. The Fraser Institute. https://www.fraserinstitute.org/sites/default/files/explaining-canadas-high-unionization-rates.pdf

CNESST. (2021). Act respecting labour standards: Chapter IV – labour standards (section 39.1 to 91). Section 81.18. https://www.cnesst.gouv.qc.ca/en/node/1147646/interpretation-guide/act-respecting-labour-standards/chapter-iv-larbour-standards-section-391-97/division-v2-psychological-harassment-section-8118/section-8118

Commisceo Global Consulting Ltd. (2022a). *Hello! (Bonjour) and Welcome to our Guide to Canadian Culture, Business Practices and Etiquette*. https://www.commisceo-global.com/resources/country-guides/canada-guide

Commisceo Global Consulting Ltd. (2022b). *Italy: Language, Culture, Etiquette and Business Practices*. https://www.commisceo-global.com/resources/country-guides/italy-guide

Commisceo Global Consulting Ltd. (2022c). *Sweden: Culture, Etiquette & Business Practices*. https://www.commisceo-global.com/resources/country-guides/sweden-guide

Crawley, M. (2017, September 21). Marijuana economics: predicting Ontario's legal pot market. CBC News. https://www.cbc.ca/news/canada/toronto/marijuana-ontario-price-market-sales-1.4298311

D'Entremont, J. (2012, April 30). *Management by Objectives*. ProjectManagement.com. https://www.projectmanagement.com/contentPages/article.cfm?ID=273015&thisPageURL=/articles/273015/Management-By-Objectives#_=_

Dept of Psychology EDI committee McGill. (n.d.). Structured vs. unstructured interview: Improving accuracy & objectivity. https://www.mcgill.ca/psychology/files/psychology/structuredinterviews.pdf

Derven, M. G. (1990). The paradox of performance appraisals. *Personnel Journal*, February: 107-111. Google Scholar

Dessavre, K. (2023, January 11). The ultimate onboarding checklist template. *Beekeeper*. https://www.beekeeper.io/blog/onboarding-checklist/

Dix, J. (2014, December 1). How UPS uses analytics to drive down costs (and no, it doesn't call it big data). Networkworld. https://www.networkworld.com/article/2850874/how-ups-uses-analytics-to-drive-down-costs-and-no-it-doesn-t-call-it-big-data.html

Dyble, J. (2014). *Babine Explosion Investigation: Fact Pattern and Recommendations*. Government of British Columbia.

edX for Business (2022). *7 Steps To Creating A Professional Skills Development Plan*. https://business.edx.org/blog/7-steps-to-creating-a-professional-skills-development-plan

Eggers, K. (n.d.). Why it's ok to be paid less. *Fins Technology*. http://it-jobs.fins.com/Articles/SB130816636352923783/Why-It-s-Okay -to-Get-Paid-Less.

Employment and Social Development Canada. (2016, July 14). *Psychological Health in the Workplace*. Candada. https://www.canada.ca/en/employment-social-development/services/health-safety/reports/psychological-health.html

Engaged HR. (2018, February 8). *What is a BFOR and Why Does It Matters*. Employment Law. https://engagedhr.com/what-is-a-bfor-and-why-does-it-matter/

Ferris, G. (1995). *Handbook of Human Resource Management.* Cambridge, MA: Blackwell.

Fischer, C. (2010, September 11). Why Has Union Membership Declined? Economist's View. http://economistsview.typepad.com/economistsview/2010/09/why-has-union-membership-declined.html.

Fisher, B. (2011, March 6). Targeting Prescription Drug Abuse. *Ventura County Star*. http://www.vcstar.com/news/2011/mar/06/targeting-prescription-drug-abuse/.

Fleenor, J. W., & Prince, J. M. (1997). *Using 360-degree feedback in organizations*. Center for Creative Leadership.

Food and Drugs Act Controlled Drugs and Substances Act Cannabis Act, P.C. 2018-948, 26 June, 2018, SOR/2018-144, s.3, Canada Gazette, Part II, vol. 152, no. 14, p.2631, July 11, 2018.

Fox Sports. (2011, February 17). NFL, Union Agree to Mediation. http://msn.foxsports.com/nfl/story/NFL-players-union-agree-to-mediation-federal-for-labor-talks-CBA-021711.

Garavan, T, McCarthy, A, Lai, Y, Murphy, K, Sheehan, M, & Carbery, R. (2020, February 3). Training and organizational performance: A meta-analysis of temporal, institutional, and organizational context moderators. *Human Resource Management Journal, 31*(1), pp.93-119. https://doi.org/10.1111/1748-8583.12284

Gomstyn, A. (2010, July 2). Walmart CEO pay. *ABC News Money.* http://abcnews.go.com/Business/walmart-ceo-pay-hour-workers-year/story?id=11067470.

Gordon, J. (2022, April 8). *Ducker – Management by Objective*. The Business Professor. https://thebusinessprofessor.com/en_US/management-leadership-organizational-behavior/drucker-management-by-objective

Government of Canada, C.C.O.H.S. (2023, April 5). *CCOHS: Westray Bill (Bill C-45) – Overview*. https://www.ccohs.ca/oshanswers/legisl/billc45.html

Government of Canada, D. of J. (2019, August 15). *Criminal liability for workplace deaths and injuries – Background on the Westray Law*. https://www.justice.gc.ca/eng/rp-pr/other-autre/westray/p1.html

Government of Canada, Labour Program. (1993). *Labour Standards Interpretations, Policies and Guidelines 808/819-IPG 057* (p. 4). https://www.canada.ca/content/dam/esdc-edsc/documents/programs/laws-regulations/labour/interpretations-policies/057.pdf

Government of Canada. (2007, July 1). *Employment Equity Groups*. Canada.ca. https://www.canada.ca/en/public-service-commission/services/appointment-framework/employment-equity-diversity/employment-equity-groups.html

Government of Canada. (2022). Termination, layoff or dismissal. https://www.canada.ca/en/services/jobs/workplace/federal-labour-standards/termination.html

Government of Canada. (2023, Feb 9). Monthly Trade report for December 2022.

https://www.international.gc.ca/trade-commerce/economist-economiste/statistics-statistiques/monthly-mensuel.aspx?lang=eng

Government of Canada. (2023, February 28). *Ergonomics : OSH Answers Fact Sheets*. Canadian Centre for Occupational Health and Safety. https://www.ccohs.ca/oshanswers/ergonomics/

Government of Canada. (2023, January 27). *Overview of the Pay Equity Act*. Employment and Social Development Canada. https://www.canada.ca/en/services/jobs/workplace/human-rights/overview-pay-equity-act.html

Grant, A. M. (2008). The significance of task significance: Job performance effects, relational mechanisms, and boundary conditions. *Journal of Applied Psychology*, *93*, 108–124.

Green Party of Canada. (nd). *Political interference in collective bargaining*. https://www.greenparty.ca/en/content/stub-99

Hackman, J. R., & Oldham, G. R. (1975). Development of the job diagnostic survey. *Journal of Applied Psychology*, *60*, 159–170.

Hall, A., Forrest, A., Sears, A., & Carlan, N. (2006). Making a difference: Knowledge activism and worker representation in joint OHS committees. *Relations Industrielles/Industrial Relations, 61*(3), 408–436.

Hamner, S. & McNichol, T. (n.d.). Ripping up the rules of management. *CNN Money*. http://money.cnn.com/galleries/2007/biz2/0705/gallery.contrarians.biz2/3.html.

Health Canada. (2016, June 29). *Information Elements Required on a WHMIS 2015 Label*. Canada. https://www.canada.ca/en/health-canada/services/environmental-workplace-health/occupational-health-safety/workplace-hazardous-materials-information-system/whmis-2015/labelling-chemicals-workplace-chemicals/new-hazardous-products-regulations-requirements/information-elements-required-whmis-2015-label-health-canada.html

Hedge, J. W., Borman, W. C., & Birkeland, S. A. (2001). History and development of multisource feedback as a methodology. In D. W. Bracken, C. W. Timmreck., & A. H. Church (Eds.), *The handbook of multisource feedback*, 15-32. Jossey-Bass

Heinrich, H. (1936). *Industrial accident prevention*. McGraw-Hill.

Herring, C. (2009). Does diversity pay?: Race, gender, and the business case for diversity. *American Sociological Review*, *74*(2), 208–224. https://doi.org/10.1177/000312240907400203

Hoekstra, M.. & Sloan, C. (2020). *Does race matter for police use of force? Evidence from 911 calls*. NBER Working Paper Series, Working Paper 26774. National Bureau of Economic Research. http://www.nber.org/papers/w26774

Holstein, W. J. (2009, February 14). Diversity is even more important in hard times. *The New York Times*. https://www.nytimes.com/2009/02/14/business/14interview.html

HR Insights for Professionals. (2023, March 15). Theft in the Workplace. https://www.insightsforprofessionals.com/hr/employment-law/theft-in-workplace

Hui Wang, J. & Moreau, G. (2022, March 17). Police-reported hate crime in Canada, 2020. Canadian Centre

for Justice and Community Safety Statistics. *Statistics Canada*. https://www150.statcan.gc.ca/n1/pub/85-002-x/2022001/article/00005-eng.htm

Hulin, C. L., & Blood, M. R. (1968). Job enlargement, individual differences, and worker responses. *Psychological Bulletin*, *69*, 41–55.

Humphrey, S. E., Nahrgang, J. D., & Morgeson, F. P. (2007). Integrating motivational, social, and contextual work design features: A meta-analytic summary and theoretical extension of the work design literature. *Journal of Applied Psychology*, *92*, 1332–1356.

IHD Corporation. (n.d.). *Pre-Employment Testing*. https://www.ihdcorp.com/assets/ihdcorp_pre-employmenttesting.pdf

Indiana University. (n.d.). Edward L. Thorndike. http://www.indiana.edu/~intell/ethorndike.shtml.

Infrastructure Health & Safety Association. (n.d.). Never miss reporting a near miss. *IHSA.ca Magazine*, 18(1), 10-11. https://www.ihsa.ca/pdfs/magazine/volume_18_Issue_1/never-miss-reporting-a-near-miss.pdf

International Labor Organization. (2011). Your Safety and Health at Work: Chemicals in the Workplace. https://training.itcilo.org/actrav_cdrom2/en/osh/kemi/ciwmain.htm

James, R. (2011). 15-year-old Andrew James loved his dream job. *Threads of Life Newsletter, 9*(4), 3.

Jay, S. (n.d.) What is Organizational Climate? 7 Steps to Improve Yours. Academy to Innovate HR. https://www.aihr.com/blog/organizational-climate/.

Johns, G., Xie, J. L., & Fang, Y. (1992). Mediating and moderating effects in job design. *Journal of Management*, *18*, 657–676.

Johnstone, R. (2006). Regulating occupational health and safety in a changing labour market. In C. Arup, P. Gahan, J. Howe, R. Johnstone, R. Mitchell, & A. O'Donnell (Eds.), *Labour law and labour market regulations* (pp. 617–634). Federation Press.

Kenton, W. (2022). SWOT Analysis: How To With Table and Example. https://www.investopedia.com/terms/s/swot.asp

Kirkpatrick, D., & Kirkpatrick, J. (2006). *Evaluating training programs: The four levels*. Berrett-Koehler Publishers.

Klar, L. (2020). Torts in Canada. The Canadian Encyclopedia. https://www.thecanadianencyclopedia.ca/en/article/torts

Kluger, A. N., & DeNisi, A. (1996). The effects of feedback interventions on performance: A historical review, a meta-analysis, and a preliminary feedback intervention theory. *Psychological Bulletin*, *119*, 254–284.

Kosakowski, P. (2021, November 30). *The Fall of the Market in the Fall of 2008*. Investopedia. (https://www.investopedia.com/articles/economics/09/subprimemarket-2008.asp)

Kuchler, H. (2014, February 17). Data pioneers watching us work. Financial Times, Big Data. https://www.ft.com/content/d56004b0-9581-11e3-9fd6-00144feab7de?mhq5j=e3

Lauber, M. (1998). *Studies show that diversity in workplace is profitable*. Villagelife.org Inc. https://www.villagelife.org/news/archives/diversity.html

Law Teacher. (2019). *Legislation Affecting Recruitment and Selection Canada*. https://www.lawteacher.net/free-law-essays/employment-law/legislation-affecting-recruitment-and-selection-in-canada-employment-law-essay.php

Lawrie, J. (1990). Prepare for a Performance Appraisal. *Personnel Journal* 69. 132–36.

LeBlanc, B. A. (n.d.). *Labour Standards and Equal Pay*. https://www.canada.ca/content/dam/esdc-edsc/documents/programs/laws-regulations/labour/interpretations-policies/057.pdf

LegalClarity. (2025, August 16). *What is AODA? Ontario's accessibility law explained*. https://legalclarity.org/what-is-aoda-ontarios-accessibility-law-explained/

Lewis, N. (2020). HR Managers Rethink Their Role During the Coronavirus Pandemic. SHRM. https://www.shrm.org/hr-today/news/hr-news/pages/hr-managers-rethink-their-work-coronavirus-pandemic.aspx

Lex, N. & Pingue, F. (2009, June 22). Toronto hopes for quick end to city workers' strike. Reuters. https://www.reuters.com/article/canada-us-toronto-strike-idCATRE55L2HN20090622

LinkedIn. (2018). Workforce Learning Report. https://learning.linkedin.com/resources/workplace-learning-report-2018

Lippel, K. (2007). Workers describe the effect of the workers' compensation process on their health: A Québec study. *International Journal of Law and Psychiatry, 30*, 427–443. Risk, R. (1983). This nuisance of litigation: The origins of workers' compensation in Ontario. In D. Flaherty (Ed.), *Essays in the history of Canadian law* (Vol. 2, pp. 418–491). University of Toronto Press.

Locke, E. A., Sirota, D., & Wolfson, A. D. (1976). An experimental case study of the successes and failures of job enrichment in a government agency. *Journal of Applied Psychology*, *61*, 701–711.

Los Angeles Times. (2005, April 13). Wal-Mart Accused of Unfair Labor Practices. http://articles.latimes.com/2005/apr/13/business/fi-walmart13.

Lysgaard, S. (1955). *Adjustment in a foreign society: Norwegian Fulbright grantees visiting the United States*. International Social Science Bulletin, 7, 45-51.

Mackenzie, L. N., Wehner, J., & Correll, S. (2019). Why Most Performance Evaluations Are Biased, and How To Fix Them. *Harvard Business Review*. https://hbr.org/2019/01/why-most-performance-evaluations-are-biased-and-how-to-fix-them

Marcoux, J. & Nicholson, K. (2018). Deadly force: Fatal encounters with police in Canada: 2000-2017. *CBC News*. https://www.cbc.ca/news/investigates/most-canadians-killed-in-police-encounters-since-2000-had-mental-health-or-substance-abuse-issues-1.4602916

Maratta, A.S. (2020, February 15). Montreal police looks to diversity its force. Global News. https://globalnews.ca/news/6555982/montreal-police-diversify/

Martel, L. (2019, March 20). The labour force in Canada and its regions: Projections to 2036. *Statistics Canada*. https://www150.statcan.gc.ca/n1/pub/75-006-x/2019001/article/00004-eng.htm

Matias, A. C., G. Salvendy, and T. Kuczek. (1998). Predictive models of carpal tunnel syndrome causation

among VDT operators. *Ergonomics Journal* 41, no. 2 (1998): 213–26.http://www.ncbi.nlm.nih.gov/pubmed/9494433.

Matthews, D. (2017, April 17). Europe could have the secret to saving America's unions. Vox. https://www.vox.com/policy-and-politics/2017/4/17/15290674/union-labor-movement-europe-bargaining-fight-15-ghent#:~:text=Most%20European%20countries%20still%20have,covered%20by%20collective%20bargaining%20contracts.

McCarthy, A. M., & Garavan, T. N. (2001). 360 feedback process: Performance, improvement, and employee career development. *Journal of European Industrial Training, 25*(1), 5–32. https://doi.org/10.1108/03090590110380614

McCarthy, N. (2018, March 8). Where the gender pay gap is widest [infographic]. *Forbes*. https://www.forbes.com/sites/niallmccarthy/2018/03/08/where-the-gender-pay-gap-is-widest-infographic/?sh=28f10f961693

McDonald's Corporation. (n.d.). Your pay and rewards. http://www.aboutmcdonalds.com/mcd/corporate_careers/benefits/highlights_of_what_we_offer/pay_and_rewards.html.

McEvoy, G. M., & Cascio, W. F. (1985). Strategies for reducing employee turnover. *Journal of Applied Psychology*, *70*, 342–353.

McGirt, E. (2012, August 4). *01_Facebook – fast company*. Fast Company. Retrieved March 2, 2023, from https://www.fastcompany.com/3017902/01facebook

McIntyre, M. (2010, November 30). Asphalt firm fined $34K in teen's death. *Winnipeg Free Press*, A7.

Microsoft News Center. (2011, January). Microsoft and Samsung Unveil the Next Generation of Surface. http://www.microsoft.com/presspass/press/2011/jan11/01-06mssurfacesamsungpr.mspx

Microsoft's SharePoint website. (n.d.). http://sharepoint.microsoft.com/en-us/Pages/default.aspx.

Miller, M. (2021, December 22). *Management by Objectives: Theory & Steps*. Study.com. https://study.com/academy/lesson/management-by-objectives-theory-steps.html

Mind Tools.(2022). PEST Analysis. https://www.mindtools.com/aqa3q37/pest-analysis

Mojtehedzadeh, S. (2018, August 21). Growing number of professionals face job insecurity, study finds. *The Toronto Star*. https://www.thestar.com/news/canada/2018/08/21/growing-number-of-professionals-face-job-insecurity-study-finds.html

Morgeson, F. P., Delaney-Klinger, K., & Hemingway, M. A. (2005). The importance of job autonomy, cognitive ability, and job-related skill for predicting role breadth and job performance. *Journal of Applied Psychology*, *90*, 399–406.

Nichols, T., & Walters, D. (2009). Worker representation on health and safety in the UK – Problems with the preferred model and beyond. In D. Walters & T. Nichols (Eds.), *International perspectives on representing workers' interests in health and safety* (pp. 19–30). Palgrave Macmillan.

Nixon, P., Murray, R., & Bryant, C. (1979). *Stress response curve*.

Nothling, L. (2018, October 17). Eye-tracking technology tests whether drivers are too tired to get behind the

wheel. ABC News. https://www.abc.net.au/news/2018-10-18/eye-tracking-technology-testing-drowsy-drivers/10387624?utm_campaign=abc_news_web&utm_content=link&utm_medium=content_shared&utm_source=abc_news_web

Occupational Safety and Health Administration. (n.d.). Workplace Violence. OSHA Fact Sheet. http://www.osha.gov/OshDoc/data_General_Facts/factsheet-workplace-violence.pdf.

Ontario Human Rights Commission. (2013). *Guide to your rights and responsibilities under the Human Rights Code.* Government of Ontario. http://www3.ohrc.on.ca/sites/default/files/Guide%20to%20Your%20Rights%20and%20Responsibilities%20Under%20the%20Code_2013.pdf

Organ, C. & Main, K. (2022). How To Create A Performance Improvement Plan (PIP). Forbes Advisor. https://www.forbes.com/advisor/business/performance-improvement-plan/

Page, S. E. (2007). *The difference: How the power of diversity creates better groups, firms, schools and societies.* Princeton university press.

Pandey, A. (2018). Determining The ROI of eLearning-Using Kirkpatrick's Model of Training Evaluation. eLearning Industry. https://elearningindustry.com/roi-of-elearning-using-kirkpatricks-model-training-evaluation-determining

Participate Learning. (2018, August 23). *The Four Stages of Culture Shock.* https://www.participatelearning.com/blog/the-4-stages-of-culture-shock/

Pashler, H., McDaniel, M., Rohrer, D., & Bjork, R. (2008). Learning styles: Concepts and evidence. *Psychological Science in the Public Interest, 9*, 105-119. <a href="http://www.psychologicalscience.org/journals/pspi/PSPI_9_3.pdf." http://www.psychologicalscience.org/journals/pspi/PSPI_9_3.pdf.

Pay Equity Office. (2023). The gender wage gap: It's more than you think. *Government of Ontario*. https://www.payequity.gov.on.ca/en/LearnMore/GWG/Pages/default.aspx

Peeples, L. (2020, June 19). What the data say about police brutality and racial bias – and which reforms might work. *Nature, 583*, 22-24. https://doi.org/10.1038/d41586-020-01846-z

Phillips, J. M. (1998). Effects of realistic job previews on multiple organizational outcomes: A meta-analysis. *Academy of Management Journal*, *41*(6), 673–690. https://doi.org/10.2307/256964

Phillips, P. (2009, September 4). Highlights in Canadian labour history. CBC News Canada. https://www.cbc.ca/news/canada/highlights-in-canadian-labour-history-1.850282

Posthuma, R. A., Morgeson, F. P., & Campion, M. A. (2002). Beyond employment interview validity: A comprehensive narrative review of recent research and trends over time. *Personnel Psychology, 55*(1), 1–81. https://doi.org/10.1111/j.1744-6570.2002.tb00103.x

QMI Agency. (2014, Jun 27). Walmart wrong to close Quebec store after successful union drive, Supreme Court rules. Toronto Sun. https://torontosun.com/2014/06/27/walmart-wrong-to-close-quebec-store-after-successful-union-drive-supreme-court-rules/wcm/5c616984-8340-47bb-81f1-25014b4b3f2e

Ramachandran, A., Vaidya, D. (2023). What are Forecasting Methods? Forecasting Methods. WallStreetMojo. https://www.wallstreetmojo.com/forecasting-methods/

Reason, J. (1990). Human error. Cambridge University Press.

Registered Human Resources Professionals Act, 2013, S.O. 2013, c. 6 – Bill 32. (2013).

Richards, G. (2014, April 7). How Jann Mardenborough went from Gran Turismo on a PlayStation to being a racing driver. The Guardian. https://www.theguardian.com/technology/gamesblog/2014/apr/07/video-gaming-jann-mardenborough-motor-racing

Sears, D. (2009, July 21). *Gym Memberships and Wellness Programs Remain Standard Employee Benefits*. The Ladders Career Line. http://www.career-line.com/job-search/gym-memberships-and-wellness-programs-remain-standard-employee-benefits/

SHRM. (2014, October 20). *HR Professionals' Perceptions About Performance Management Effectiveness*.https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/pages/2014-performance-management.aspx

Sims, D. (2019, August 30). American Factory grapples with the notion of freedom. The Atlantic. https://www.theatlantic.com/entertainment/archive/2019/08/american-factory-review-julia-reichert-steven-bognar/597067/

Sims, D. (2019, August 30). American Factory grapples with the notion of freedom. The Atlantic. https://www.theatlantic.com/entertainment/archive/2019/08/american-factory-review-julia-reichert-steven-bognar/597067/.

Smith, A. (2011, February 24). The 2010 Wall Street bonus. *CNN Money.* http://money.cnn.com/2011/02/24/news/economy/wall_street_bonus/index.htm.

Smith, C. (July 2010).Fired Over Facebook. *Huffington Post.* http://www.huffingtonpost.com/2010/07/26/fired-over-facebook-posts_n_659170.html#s115752&title=13_Virgin_Atlantic

Smith, J. (2021). Write a successful job application. Prospects. https://www.prospects.ac.uk/careers-advice/applying-for-jobs/write-a-successful-job-application

Smith, M. (2021). Defined benefit vs. defined contribution: what is the best pension? *Fidelity Investor Highlights*. https://www.fidelity.ca/en/investor/investorinsights/definedbenefitvsdefinedcontribution/

Stanford Graduate School of Education. IT Teaching Resources. (n.d.). *What is synchronous and asynchronous learning?* https://teachingresources.stanford.edu/resources/what-is-synchronous-and-asynchronous-learning/

Statistics Canada. (2016). *Census profile, 2016: Montréal, ville [census subdivision], Quebec and Canada [Country]*. https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Geo2=PR&Code2=01&SearchType=Begins&SearchPR=01&TABID=1&B1=All&type=0&Code1=2466023&SearchText=montreal

Statistics Canada. (2022, May 30). Trade union density rate, 1997 to 2021. Quality of Employment in Canada. https://www150.statcan.gc.ca/n1/pub/14-28-0001/2020001/article/00016-eng.htm

Statistics Canada.(n.d.).Table 14-10-0340-02 Average and median gender wage ratio, annual, inactive. https://doi.org/10.25318/1410034001-eng

Stevenson, V. (2021, June 14). Longueuil's 'avant-garde' approach to community policing gets $3.9M funding

boost from Quebec. *CBC News*. https://www.cbc.ca/news/canada/montreal/funding-longueuil-community-policing-1.6064887

Strobel, K. (2016). HR Competencies: The Foundation Upon Which to Build Today's and Tomorrow's HR Business Leader. SHRM. https://www.shrm.org/hr-today/trends-and-forecasting/special-reports-and-expert-views/pages/kari-strobel.aspx

Tanner, R., (2020). Understanding and Managing the 4 Generations in the Workplace. Management is a Journey. https://managementisajourney.com/understanding-and-managing-the-4-generations-in-the-workplace/

Tee, D. D., & Ahmed, P. K. (2014). 360 degree feedback: an integrative framework for learning and assessment. *Teaching in Higher Education, 19*(6), 579-591, doi: 10.1080/13562517.2014.901961

The Canadian Press. (2020, June 11). Federal prison chaplains escalate fight for collective agreement. https://www.ckom.com/2020/06/11/federal-prison-chaplains-escalate-fight-for-collective-agreement/

The New York Times. (n.d.) "American Factory" Review. The New Global Haves and Have-Nots. https://www.nytimes.com/2019/08/20/movies/american-factory-review.html

The Professional Institute of the Public Service of Canada.(nd). *Pocket Guide to Employment Equity*. https://pipsc.ca/labour-relations/stewards/pocket-guides/pocket-guide-employment-equity

Tompa, E., Hogg-Johnson, S., Amick, B., Wang, Y., Shen, E., Mustard, C., Robson, L., & Saunders, R. (2013). Financial incentives for experience rating in workers' compensation: New evidence from a program change in Ontario, Canada. *Journal of Occupational and Environmental Medicine, 55*(3), 292–304.

UFCW Canada. (n.d.).Want a Union? You're Fired. http://www.ufcw.ca/index.php?option=com_multicategories&view=article&id=1935&Itemid=98&lang=en.

Ulrich, D., Younger, J., Brockbank, W., & Ulrich, M. (2012). HR talent and the new HR competencies. *Strategic HR Review*, *11*(4), 217-222. https://doi.org/10.1108/14754391211234940

United States Department of Labor. (2011). General Workplace Impact. http://www.esrcheck.com/wordpress/2011/08/12/studies-show-drugs-in-workplace-cost-employers-billions- and-small-businesses-employ-more-drug-users-but-drug-test-less/.

Usalcas, J. & Kinack, M. (2017). *History of the Canadian labour force survey, 1945 to 2016.* Statistics Canada Catalogue no. 75-005-M. https://www150.statcan.gc.ca/n1/en/pub/75-005-m/75-005-m2016001-eng.pdf?st=VUjdeAww

van Dam, N., Otto, S.S. (2016, December 5). Corporate Learning's Transformation in the Digital Age. Chief Learning Officer. https://www.clomedia.com/2016/12/05/corporate-learnings-transformation-digital-age/

van Vulpen, E. (n.d.). Job Analysis: An HR Practitioner's Guide. Academy to Innovate HR. https://www.aihr.com/blog/job-analysis/

Vey Willetts, LLP. (n.d.). What is 'Just Cuase' for Dismissal? https://www.vwlawyers.ca/services/for-employees/what-is-just-cause-for-dismissal

Vozza, S. (2018, June 20). *These are the 5 "super skills" you need for jobs of the future*. Fast Company. https://www.fastcompany.com/40584248/these-are-the-5-super-skills-you-need-for-jobs-of-the-future

Walmart. (2011). Investor Relations. http://investors.walmartstores.com/phoenix.zhtml?c=112761&p=irol-irhome.

Watson, B. (2005). Global pay systems, compensation in support of a multinational strategy. *Compensation Benefits Review, 37*(1). 33–36.

Weekley, J. A., & Gier, J. A. (1989). Ceilings in the reliability and validity of performance ratings: The case of expert raters. *Academy of Management Journal*, *32*(1), 213-222.

White, M., (2011, August 8). Are Cyber Bullies Worse for Victims than Real Bullies? *Globe and Mail.* https://www.theglobeandmail.com/life/the-hot-button/are-cyber-bullies-worse-for-victims-than-real-bullies/article616492/

Wiesner, W. H. & Cronshaw, S. F. (1988). A meta-analytic investigation of the impact of interview format and degree of structure on the validity of the employment interview. *Journal of Occupational Psychology, 61*(4), 275–290. https://doi.org/10.1111/j.2044-8325.1988.tb00467.x

Willis, J., & Todorov, A. (2006). First impressions: Making up your mind after a 100-ms exposure to a face. *Psychological Science, 17*(7), 592–598. https://doi.org/10.1111/j.1467-9280.2006.01750.x

Zimmermann, K. A. & Gordon, J. (2022, February 3). *Indian culture: Customs and traditions*. Live Science. https://www.livescience.com/28634-indian-culture.html

VERSIONING HISTORY

This page provides a record of changes made to the open textbook since its initial publication. If the change is minor, the version number increases by 0.1. If the change involves substantial updates, the version number increases to the next full number.

Version	Date	Change	Affected Web Rage
1.0	May 3, 2023	Publication of 3rd edition.	N/A
1.1	Sept 26, 2023	Added audio for the key terms in each chapter Added H5P interactives to the summary page in each chapter.	Key Terms pages in each chapter Summary pages in each chapter, except for Chp 12.
1.2	Nov 6, 2023	Added subsection "Performance Improvement Plan" in section 8.12 Investigation of Performance Issues	8.2 Investigation of Performance Issues
1.3	June 14, 2024	A broken link was replaced.	5.1 The Recruitment Process
1.4	September 23, 2024	The Indigenous Perspective has been updated in various sections.	1.6 HRM and Business Challenges 3.3 Provincial Human Rights Laws 3.10 Case Study: Visible Minorities
1.5	November 17, 2025	A new section on employee separations and terminations has been added.	8.13 Employee Separations and Terminations
1.6	January 30, 2026	Added sections on: • Employment Standards Legislation • Chapter 3 introduction • Accessibility for Ontarians with Disabilities Act	• 3.6 Employment Standards and Employment Equity • 3.1 Chapter Introduction: Employment Legislation for Employers • 9.6 Related Legislation