

## Module 5

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### Managing human resources

#### Introduction

All over the world, governments tend to be labour-intensive organisations. Government ministries, departments, agencies and corporations provide services, enforce laws and regulations and solve problems. All these activities require employees. In order to hire employees, government agencies must have a functional human resources department and specialists. Dresang (2009) contends that how well government works depends fundamentally on the quality of public employees and on how completely their talents and energies are put to use. The essential task of public human resources management is to attract and identify competent people for government positions, design work and provide a setting that encourages employees to work energetically, creatively and ethically.

This module examines the role of the human resources department in the public sector effort to gain a competitive advantage. Public human resources management, or public personnel management, is the planning and policy-making for (and managing of) government employees. The function of human resources often involves the traditional internal processes such as recruitment and compensation (Dessler, 2011).

This module first explores the roles and skills a human resource management department (and managers) need for any government ministry, department or agency to be sustainable. Public human resources administration is, in essence, the administration of employees as governmental assets whose value can be enhanced through investment. It involves setting public personnel policies that match a government agency's shared vision or mission. This module argues that when human resources tasks are done well, government works well. However, failure to manage human resources properly, effectively and efficiently risks low productivity and a lack of accountability to the public. The module also identifies the competitive challenges government agencies face, which influence their ability to meet the needs of citizens, employees and other stakeholders. We also examine how these competitive challenges influence human resources functions. We conclude by highlighting the human resources practices covered in this module and the ways they help government departments and agencies compete.

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## Module outcomes



### Outcomes

Upon completion of this module, you will be able to:

- *Describe* human resources management practices in the public sector.
- *State* the responsibilities of human resources managers in government ministries and agencies.
- *Identify and explain* the roles and activities of a government's human resources management functions.
- *Describe* the recruiting sources for candidates for jobs and the selection process.
- *Distinguish* between a job description and a job specification.
- *Explain* why job analysis is needed.
- *Explain* the two types of performance appraisal.
- *Describe* the elements involved in developing employees.
- *State* the major components of compensation.
- *Differentiate* between job analysis and job evaluation.

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## Definition of human resources

Human resources management is that part of public management concerned with people at work and their relationship within the government. Human resources management (HRM) refers to policies, practices and systems that influence employees' behaviours, attitudes and performance (Cascio, 2010; Bernardin, 2010).

The human resources department brings together the men and women who make up the government bureaucracy (Dessler, 2011; Ban & Riccucci, 2002). Human resources management departments are mostly concerned with the wellbeing of the individual and of working groups, to enable them to make their best contribution to its success. Human resources staff are concerned with employees' welfare, such as hiring and promotion, training and development, compensation and benefits, retirement and related issues. Most human resources personnel in government see working with managers (on broader people-issues) as part of their job.

Human resources practices in the public sector are different from those of the private and non-profit sectors. The differences are based primarily in law and politics. In some countries, the nation's constitution serves as the fundamental framework for public employment (Rosenbloom, Kravchuk & Clerkin, 2009). In several countries the public human resources systems are normally called the civil service. Civil service systems were

developed to support goals that are central to the concept of public administration in a democracy (Ban & Riccucci, 2002; Jreisat, 2002). Despite the creation of the civil service system in most developed countries, the concept of a professional civil service is still relatively new in developing nations in Africa, Asia, the Caribbean and Latin America.

The traditional values of the professional civil service (in most countries) include:

- selection by merit,
- neutral competence,
- a workforce that is representative of the citizens, and
- a high level of job security for all except political appointments.

(Riccucci, 2006; Ban & Riccucci, 2002)

In the twenty-first century, the focus of human resources management in the public sector has shifted to more managerial values, and the civil service system has been exhorted to meet additional goals (Klingner, Nalbandian & Llorens, 2010). These goals include:

- efficiency and cost effectiveness of the personnel system itself, and
- strategic human resources management in support of the government institution's mission.

According to Dresang (2009) most human resources management is done as part of the work of heading an agency (or office), being a senior analyst, accountant, engineer, librarian, social worker, police officer or other professional. On one hand, public human resources management functions include concern for both the generic issues of human behaviour in organisational settings and the specific needs of public sector accountability in a democracy. On the other hand it also includes issues other than personnel, such as strategic planning, external relations and budgeting (Hays, Kearney & Cogburn, 2009).

In some public organisations, human resource departments often hire staff that specialise in employment testing, compensation, training, affirmative action and collective bargaining. Many of these offices were downsized in the 1980s and 1990s and much of this work was delegated to human resources managers.

- Human resources management in the public sector is concerned with the development and application of policies governing:
- education, training and career development;
- manpower planning, recruitment, selection, placement and termination;
- working conditions and employee services;
- terms of employment, methods and standards of remuneration;



- formal and informal communication and consultation both through the representatives of employers and employees at all levels throughout the public institutions; and
- negotiation and application of agreements on wages and working conditions and procedures for the avoidance and settlement of disputes.

(Dresang, 2002)

It is important to note that public human resources management is also concerned with the human and social implications of change in internal organisation and methods of working, and of economic and social changes in the society and nation.

### Responsibilities of personnel management

Everyone who has control over others is (in some degree) a human resources manager (Klingner et al., 2010). In order to get the work done they must have some understanding of people as individuals and as a group, how to select the right person for a job and how to assess and train subordinates. The human resources manager is also responsible for motivating employees to work effectively. Shafritz, Russell and Borick (2011) and Dessler (2011) contend that all managers (and supervisors) are personnel managers and should act as such even when there is a human resources department in their organisation.

Effective human resources management practices have been shown to relate to government ministry or agency performance by contributing to employees' and citizens' satisfaction, innovation, productivity and development of a favourable reputation in the nation and communities in which the agency is located. The human resources division of any government agency or ministry provides this specialised assistance (Dresang, 2009).

The human resources manager carries out these very important functions:

- **Staff service function:** One of the main responsibilities of the human resources manager is to assist line managers. In most cases, human resources managers help in the hiring, training, evaluating, rewarding, counselling, promoting and firing of employees. Human resources managers also administer the various benefit programmes, such as health and accident insurance, retirement and vacation programmes (Dresang, 2009). They also assist line managers in their attempts to comply with policies, laws and codes of conduct. Personnel managers also play a critical role with respect to grievances and labour relations. As part of their responsibility, human resources managers often carry out the role of providing up-to-date information on trends and new methods of solving problems. Dessler (2011) argued that human resources managers stay on top of current trends and help their organisations implement the required programmes.
- **Line function:** One of the first functions of the human resources manager is a line function. They perform this function by directing the activities of the people in their division and service areas. They exert lines of authority with the human resources

division. They are also likely to exercise implied authority. That is the authority executed by virtue of access to management in the areas of testing and policies (Bernardin, 2010; Ivancevich, 2010). Implied authority may occur because the line manager knows the human resources director often has access to top management in personnel and policy issues.

- **Co-ordinative function:** Human resources managers in the public sector also function as co-ordinators of personnel activities. This duty is often referred to as functional control. Human resources directors and divisions act as the chief assistant to the top executive to assure them that personnel objectives, policies and procedures that have been approved and adopted are being consistently carried out by line managers (Dessler, 2011; Gomez-Mejia, Balkin & Cardy, 2010).

According to Dresang (2009), other responsibilities the human resources department is solely responsible for include:

- outplacement,
- labour law compliance,
- recruiting,
- selection,
- compensation,
- health and safety,
- job analysis,
- human resources planning,
- performance appraisal,
- testing,
- employee training and development,
- discipline and dismissal,
- counselling,
- labour relations,
- communications,
- research and evaluation,
- wages and salary administration,
- benefits and services,
- political rights and constraints,
- equal employment opportunity, and
- quality improvement.

Many different roles and responsibilities can be performed by the human resources department depending on the size of the department or ministry



and the characteristics of the workforce, the agency, and the value system of the company's management.

The public human resources division also plays roles in the management of strategic human resources (strategic partner), the management of government infrastructure (administrative expert), the management of transformation and change (change expert), and the management of employee contributions (Dresang, 2009; Maidment, 2011). The ideal human resources department will provide for a selection process that:

- is merit oriented and takes full advantage of professional techniques for identifying competent workers,
- pursues diversity goals to secure a socially representative workforce,
- maintains accountability to the public through its elected representatives, and
- provides incumbent employees with satisfying career opportunities.

In summary, the role of a public human manager includes that of:

- **strategic partner** — aligning human resources management strategies to business strategies is important to help the government execute its business strategy,
- **administrative expert** — includes designing systems for selection, developing, appraising and rewarding employees,
- **employee advocate** — entails managing the commitment and contributions of employees, and
- **change agent** — requires human resources manager to help transform an organisation to meet new competitive conditions.

The human resources department is one of the four major functional departments in any organisation. It is a staff department that advises and assists all other departments in the organisation.

In public organisations (usually of about 100 or more employees) that have a separate human resources department, the department develops the human resources plans for the entire organisation.

1. It recruits employees so that the line managers can select which employees to have.
2. It orients employees and trains many of them to do their jobs.
3. It usually develops the performance appraisal system and forms used by managers throughout the organisation.
4. It determines compensation for employees.
5. It is usually responsible for employee health and safety programmes, labour relations and the termination of employment.

Positions in a large government human resources department may include the following:

- Compensation and benefit manager

- Employment and recruiting manager
- Training specialist
- Employee relations executive
- Safety supervisor
- Nurse

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## Activity 5.1



### Activity

1. Define public human resources management.
2. Who has the responsibility for human resources management in the public sector?

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## What skills do human resources professionals need?

The previous section discussed the functions and responsibilities of human resources departments and managers. In order for the human resources managers to effectively carry out their job they must have the ability to consider current and future government administrative goals and how human resources departments may contribute to them (Klingner et al., 2010).

According to Cascio and Aguinis (2011), the human resources manager should have the ability to analyse turnover, retention, productivity and customer service problems in order to recommend potential personnel solutions. In a nutshell, they have the ability to serve as strategic partners to other directors in key functional positions in the entire public institution where they are employed. Human resources managers should also be able to overcome resistance to new personnel policies and procedures, technology and work designs (change agents). They ought to have experience on how to coach and counsel employees and represent their views to management (employee advocates). In most large government human resources departments, personnel managers are often required to design and deliver effective human resources management systems and understand how technology can make the systems more efficient and less costly (Dessler, 2011).

### How is the human resources management (HRM) function changing?

The time the human resources function devotes to administrative tasks is decreasing and its role as a strategic business partner, change agent and employee advocate is increasing (Cox, Buck & Morgan, 2011).



Advancement in technology is enhancing self-service. Self-service gives employees control of human resources transactions. This allows employees to take greater responsibility for their own careers.

Sustainability refers to an organisation's ability to survive and succeed in a dynamic competitive environment. Government success is based on how well an agency meets the needs of its stakeholders. Stakeholders are citizens, the community, customers, public administrators and all of the other parties that have an interest in seeing that the government succeeds. Several changes in the economy have important implications for human resources management.

Between 1998 and 2002 the economic picture was positive for most countries. The world economic recession between 2006 and 2010 put governments in a more uncertain economic period. The competition for labour is affected by the growth and decline of industries, jobs and occupations. Competition for labour is also influenced by the number and skills of people available for full-time work. Most of the new job growth in professional specialties is expected among teachers, librarians, counsellors, computer, mathematical and operations research occupations, health assessment and treatment occupations (Klingner et al., 2010). The largest number of job openings will be in occupations requiring a bachelor's degree and involve on-the-job training.

Intellectual capital refers to the creativity, productivity, and service provided by employees. Effective management of people is very important in boosting the value of intellectual capital. Knowledgeable workers are employees who own the means of producing a product or service. Empowerment means giving employees responsibility and authority to make decisions regarding all aspects of product development or customer service (Shafritz et al., 2011). As more government agencies become knowledge-based, they must promote and capture learning at the employee, team and department levels.

## The sustainability challenge

A changing environment means that all employees must embrace a philosophy of learning. A learning organisation embraces a culture of lifelong learning, enabling all employees to continually acquire and share knowledge. The demand for specific skills is being replaced by a need for cognitive skills — mathematical and verbal ability — and interpersonal skills related to being able to work in teams or to interact with customers in a service economy.

Most government administrations relate these skills to educational attainment, using a college degree as a standard to screen prospective new employees. Layoffs and bankruptcies have played a major role in changing the employment relationship (Dresang, 2009). The psychological contract describes what an employee expects to contribute and what the government will provide to the employee for these contributions. In the new economy a new type of psychological contract is emerging. Public institutions demand excellent customer service and high productivity levels. Employees are expected to take more responsibility for their own careers, from seeking training to balancing work and family. In exchange, employees want ministries and agencies to

provide flexible work schedules, comfortable working conditions, more autonomy in accomplishing work, training and development opportunities and financial incentives based on how the agency performs. Alternative work arrangements include:

- independent contractors,
- on-call workers,
- temporary workers, and
- contract public employees.

Globalisation of the world economy and the development of e-commerce have made the notion of a 40-hour work week obsolete. Many ministries are taking steps to provide more flexible work schedules, protecting employees' free time and more productively using employees' work time. There are several ways that public agencies are trying to win the war for talent; all involve human resources management practices. They include:

- finding creative ways to avoid layoffs and retirement,
- creating a positive work environment, and
- expanding the search for talent to the global labour force.

The balanced scorecard gives managers the opportunity to look at the ministry or department from the perspective of internal and external customers, employees and shareholders. The balanced scorecard should be used to:

- link human resources management activities to the government's business strategy, and
- evaluate the extent to which the human resources function helps government ministries meet strategic objectives.

Changing demographics and diversity of the workplace is another trend that faces human resources management. The labour force of current employees is often referred to as the internal labour force. The external labour market includes people actively seeking employment. The workforce of most countries is becoming increasingly diverse. To successfully manage a diverse workforce, managers must develop a new set of skills, including:

- communicating effectively with employees from a wide variety of cultural backgrounds;
- coaching and developing employees of different ages, educational backgrounds, ethnicity and physical ability;
- providing performance feedback based on objective outcomes rather than values and stereotypes that work against women, minorities and handicapped people; and
- creating a work environment that makes it comfortable for employees of all backgrounds to be creative and innovative.

(Klingner et al., 2010)

Another changing area in human resources management is that of legal and ethical issues (Hays et al., 2009). Five main areas in the legal environment have influenced human resources management practice:

1. Equal opportunity legislation
2. Safety and health legislation
3. Pay and benefits legislation
4. Employee privacy
5. Job security

Recently, several countries' government regulations required employers to accommodate mental and physical limitations of otherwise qualified individuals, unless undue expense would be incurred (Jreisat, 2002). Ethical criteria should be used in company and employee interactions. Ethical principles include emphasising mutual benefits, employees assuming responsibility for company actions, a meaningful corporate vision for employees and fairness.

Advances in sophisticated technology (along with reduced costs for the technology) are changing many aspects of human resources management. Technology is pushing the boundaries of artificial intelligence, speed synthesis, wireless communications and networked virtual reality (Dresang, 2009; Shafritz et al., 2011).

New technology often requires new basic skills. For example, computer-integrated manufacturing requires employees to monitor equipment and troubleshoot problems with sophisticated equipment. More organisations want employees cross-trained in multiple jobs. Interpersonal skills are increasingly important as teams are used.

Increasing use of teams to perform work means employees are now expected to make decisions at point of sale to improve customer service. Work teams form one method of increasing both employee responsibility and control. These teams frequently assume managerial activities. Quality control may be integrated into the team's functions. Cost savings may be realised by the use of teams (Cox et al., 2011).

Through technology, the information needed to improve customer service and product quality becomes more accessible to employees. Popular methods for increasing employee responsibility and control are through work teams and cross training.

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## Activity 5.2



### Activity

1. In your opinion, what skills do public sector human resources managers need in order to do their jobs?
2. In what ways has the function of human resources management changed over the past two decades in your country?
3. What is the impact of sophisticated technology and reduced costs for technology on human resources management in the government of your country?

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## Human resources planning (HRP)

The human resources management process involves planning, attracting, developing, and retaining employees (Cascio, 2010). It is also known as the staffing process. The legal and external environment (especially the competitive and political environments), have a major impact on human resources practices.

HRM may be defined as “an attempt to forecast how many and what kind of employees will be required in the future, and to what extent this demand is likely to be met” (Cascio, 2010). HRM consists of forecasting, goal-setting, strategic planning, programme implementation and evaluation. Strategic HRM planning is the process of staffing the organisation to meet its objectives. The job of the human resources department is to provide the right kind of people, in the right quantity, with the right skills at the right time. HRM planning should be based on the mission, goals and strategy of the organisation. According to Dessler (2011), human resources can help management of government in making decisions in the following areas:

- Recruitment
- Avoidance of redundancies
- Training — numbers and categories of professional training
- Management development
- Estimates of labour costs
- Productivity bargaining
- Accommodation requirements

The public sector’s HRM process needs continual readjustment because the goals of a country’s government may be unstable. In some cases the political environment may also be uncertain (Dresang, 2009). It is also complex because it involves so many independent variables, such as:

- invention,
- population changes,
- resistance to change,
- consumer demand,
- political intervention,
- foreign or global economic influence or impact, and above all
- domestic conditions.

(Daft, 2005; Hays et al., 2009)

HRM must also include feedback because if the plan cannot be fulfilled the objectives of the government may have to be modified so that they are feasible in terms of human resources.



## Human resources planning steps

The human resources planning process is usually regarded as an attempt to forecast for about three to five years ahead. The plan will require the government department or agency to consider the demand for future labour. It will also forecast potential supply of labour, evaluate present labour misuse, over-use or under-use, as well as the external environment. By considering the interaction of all these variables it can then produce a plan showing how many (and what kind of) employees are expected to be required in the future. According to Dresang (2009) and Cascio (2010), the major factors to be considered are:

1. The creation of a government human resources planning group, including the managers in charge of the main functions with the government ministry or department.
2. The statement of human resources objectives in the light of government goals by considering:
  - Capital equipment plans
  - Reorganisation, for example centralisation or decentralisation.
  - Changes in service delivery or in output
  - Marketing plans
  - Financial limitations
3. The present initialisation of human resources, in particular:
  - Numbers of employees in various categories
  - Statistics of labour turnover and absence
  - Amount of overtime worked
  - Amount of short time
  - Appraisal of performance and potential of present employees
  - General level of payment compared with personnel records is essential
4. The external environment of the company:
  - Recruitment position
  - Population trends
  - Local housing and transport plans
  - National agreements dealing with conditions of work
  - Government policies in education with retirement, regional subsidies and so on
5. The potential supply of labour, in particular:
  - Effects of local emigration and immigration

- Effects of recruitment or redundancy by state or regional governments
- Possibility of employing categories not now used, such as part-time workers
- Changes in productivity or working practices

The next step after considering and co-ordinating the above factors is the formulation of a human resources plan. The plan should show (in detail) the function, occupation and location. It should also show how many employees it is practicable to employ at various stages in the future. The following should appear in the human resources plan:

- jobs that will appear, disappear, or change;
- the extent to which re-deployment or re-training is possible;
- necessary changes at supervisory and management levels;
- training needs;
- recruitment, redundancy or retirement programmes;
- industrial relations implications; and
- arrangements for feedback in case modifications in the human resources plan or government objectives are necessary.

Bernardin (2010) and Ivancevich (2010) contend that when agreed, the human resources plan must be communicated to all levels of employees, but particularly to managers, unions or employees' representatives. It is often necessary and advisable to negotiate with the trade union on the detailed implications of the human resources plan.

Forecasting determines the supply and demand of human resources and predicts in what positions either surpluses or shortages will exist in the future. Determining labour demand can be predicted by the use of statistical techniques, such as leading indicators, which give an objective measure to accurately predict future labour demand (for example, security improvement may be directly related to a need for police officers, but not nursing or teaching positions). Another factor that needs to be considered is internal labour supply; that is, determining (by a detailed analysis) how many people are currently in various job categories, modified to reflect impending changes caused by retirements, promotions, transfers, voluntary turnovers or terminations.

A transitional matrix is a table used to project internal labour supply (Dessler, 2011). The matrix shows the proportion (or number), of employees in different job categories at different times and how people move from one job to another in the organisation and how many people enter and leave. This method is best combined with judgemental methods. By comparing forecasts for labour supply and demand for specific jobs, the government department or ministry can determine what it needs to do.

Goal-setting and strategic planning require the definition of specific goals regarding a desired end, and provide benchmarks for determining the relative success of a programme aimed at addressing labour surpluses or shortages. A specific timetable is set for when results should be achieved



(Klingner & Nalbandian, 1989; Noe & Hollenbeck, 2010). The point should be clear that, without planning by the organisation, employees suffer the most, especially in a situation of labour surplus that is due to layoffs and pay reductions.

According to Dresang (2009) and Klingner et al., (2010), the following are the several options for addressing labour surplus and shortages.

**Addressing a labour surplus:**

- Downsizing
- Reducing pay
- Demotions
- Transfers
- Sharing work
- Freezing hiring
- Natural attrition
- Retiring early
- Retraining

**Avoiding an expected labour shortage:**

- Overtime
- Temporary employees
- Outsourcing
- Retraining workers
- Turnover reductions
- New external hires
- Technological innovation

**Downsizing** often has immediate positive effects. However, the long-term effects are often negative in terms of morale. There were three major reasons organisations engaged in downsizing:

1. cost reduction through decreased labour,
2. closing outdated institutions and agencies or introducing technological change reduced the need for labour, and
3. mergers, consolidation and acquisitions reduced the need for large bureaucracies.

Although the initial cost savings are a short-term plus, the long-term effects of an improperly managed downsizing effort can be negative. Many downsizing campaigns let go of people who turn out to be irreplaceable assets. Employees who survive staff purges often become narrow-minded, self-absorbed and risk-averse.

**Early retirement programmes** — the average age of most employees is rising. Because of improved health and decreased physical demands of jobs, individuals are able to work long past the traditional retirement age.

Although older workers bring experience to the table, they also create problems such as seniority, higher medical costs and higher pension contributions. Many employers are encouraging early retirement by offering incentive programmes to older employees.

**Employing temporary workers** as a strategy can be turned on and off fairly painlessly, such as through the use of overtime and/or temporary employees. Operational flexibility is the primary reason for this, although the use of temps also frees the agency from many administrative tasks and financial burdens (such as health insurance, pension, worker's compensation, life insurance). Smaller state or regional governments may use temporary agencies to do their employment screening. After 90 days, if the employee is suitable, he or she is offered a permanent position. Training may be done by the agency as well. Finally, temporary employees bring a fresh perspective, particularly if they have temped in a number of other organisations. The potential conflicts between permanent and temporary employees need to be managed.

**Outsourcing or contracting out** often occurs when a government department is interested in a broad set of services performed by an outside organisation. Outsourcing may be driven by lower labour costs at the outside agency or ministry, by economies of scale or when a department simply does not have the expertise or facility to complete the services themselves. Design engineering jobs are more frequently outsourced and are expedited by the use of computer networks.

**Altering paid hours** are often implemented in government agencies that are facing labour shortages. Such government departments are sometimes forced to get more hours out of existing employees. Although employers are forced to pay higher wages, many prefer this to hiring and training new employees.

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## Activity 5.3



### Activity

1. Define human resources planning? Why should a government ministry or agency require this?
2. What are the main points to be considered in formulating a human resources plan?
3. What is the difference between a long-term and short-term human resources plan?
4. Describe the steps for formulating and implementing human resources planning. Is it necessary to follow these steps? Explain your reasons.



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# Job analysis and job specifications

## Job analysis

In human resources management it is often necessary to obtain and record a description of a job (Ban & Riccucci, 2002; Dresang, 2009). The description must then be kept up to date to take into account changes in government organisations. Job analysis is the process by which a description of a job is compiled. In another words, job analysis is the process of recording information about the work performance by an employee (Klingner et al., 2010). It includes the procedures for determining the duties and skill requirements of a job and the kind of person who should be hired for it. According to Cascio (2010), job analysis is done by observing or interviewing the worker with the corroboration of the supervisor. Part of the job analysis should be to develop a realistic job preview. The realistic job preview provides the candidate with an accurate, objective understanding of the job. Job analysis is necessary because it is the basis for attracting, developing and retaining employees. According to Bernardin (2010) and Dessler (2011), the following are the most important methods that may be used to conduct job analysis:

- **Direct observation:** This is always necessary but has several drawbacks. The observer may be distracted and sometimes he or she may be subjective in reporting the outcome.
- **Interviewing the job-holder:** This is nearly always necessary, but difficulties often occur, largely because the worker may be suspicious of the job analysis.
- **Interviewing the supervisor:** This again is inevitable, though its value varies because supervisors are, surprisingly, often out of touch with the details of the job.
- **Materials of work:** A study of the tools, working materials, machines, documents, communication media and so on frequently provide a useful check on information obtained in other ways, and may suggest questions to be asked.
- **Questionnaires:** Sometimes used, but are highly unreliable. In this method, the job-holder is asked to fill in answers about the job.
- **Do-it-yourself:** In some jobs it is feasible for the analyst to spend some time actually performing the work her- or himself. He or she should then be careful not to form a subjective impression.
- **Work diaries:** Sometimes used, primarily, for managers and clerical workers. The job-holder records his or her activities in detail throughout the day over a period of about a month. The

diary is then analysed to obtain a list of duties and their frequency.

## Job specifications

Job specification means the list of a job's human requirements, that is, the requisite education, skills, personality and what kind of people to hire for a job (Cascio, 2010; Dessler, 2011).

Job specifications identify the qualifications needed in the person who is to fill a position. It is a detailed statement of the physical and mental activities involved in the job and (when relevant) social and physical environmental matters. The specification is usually expressed in terms of behaviour. For example, what the worker does, what knowledge they have in doing it, the judgments they make and the factors they take into account when making them.

One of the most important outcomes of job analysis is the usefulness of the information collected. According to Dresang (2009), a job description summarises the nature of a specific job. In many countries, several jurisdictions require (through law or administrative rule) that there be a job description for every job or every class of jobs. The job description identifies the tasks and responsibilities of a position (Ivancevich, 2010; Maidment, 2011), whereas the job specification identifies the qualifications needed in the person who is to fill the position.

The major part of job classification is a written statement of classification specification. The specification provides rules and guidelines for those who must classify. Specific positions, like a position description, conveys to employees the tasks and skills required. The identification and the use of benchmark positions can be useful in developing classification specifications. According to Dresang (2009), the main variables of a classification specification are:

- **Title:** This is a brief description that identifies the basic nature of the work and separates the classification from others.
- **Nature of work:** This description includes the kinds of actions and assignments that can be expected, the procedures to be followed and the amount of supervision received.
- **Examples of work:** To a large extent, this section elaborates on the preceding item.
- **Knowledge, skills and abilities:** This section relates to the selection criteria and process, so it is often written with the co-operation of those responsible for selection. It is very important to note that knowledge, skills and abilities are distinct from aptitude and personality traits.
- **Licences and certificates:** Where there are requirements for a driver's licence, admission to the bar, certified public accountant and the like, these should be stated in the specification. In most cases, years of experience, type of college degree or courses are included in the document.

(Dresang, 2009)



Job specifications are useful for various human resources functions. The most important of these are:

- selection,
- promotion,
- appraisal,
- setting performance standards,
- job evaluation, and
- training.

The job specification is of fundamental importance in human resources management, though it should be used with discretion. When relations are poor between manager and subordinates, the latter may use their job specification as a self-defensive weapon, refusing tasks or responsibilities because they do not appear in the specifications. Due to this dilemma, some government departments or agencies prefer to keep job specifications confidential, giving employees' copies of their job description only.

Job design is the process of selecting the tasks each employee is responsible for completing (Cox et al. 2011). In order to design jobs, the jobs must be analysed. Job analysis is the process of determining what the position entails and the qualifications needed to staff the position. As the definition implies, job analysis is the basis for the job description and job specifications.

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## Activity 5.4



### Activity

1. What are the components of a job analysis?
2. Complete a job analysis for a job you hold or held; write a simple job description and job specifications.
3. Distinguish between a job description and a job specification, and explain why job analysis is needed.
4. For what purpose is a job specification used? Why do most government agencies like to keep the job specifications confidential?

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## Recruitment

Recruiting is the process of attracting qualified candidates to apply for job openings. Human resources recruitment is any organisational activity that is designed to affect the number of people who apply for vacancies, the type of people who apply for them and/or the likelihood that those applying for vacancies will accept positions if offered (Hays et al. 2009). In order to successfully fill an opening position, possible candidates must first be made aware that the government institution or agency is seeking

employees. Possible candidates must then be persuaded to apply for the advertised vacant job. The goal of recruitment is to ensure that when a vacancy occurs, the organisation has a number of reasonably qualified applicants to choose from (Gomez-Meijia et al., 2010).

It is useful to make a distinction between recruitment and selection. Recruitment is the first part of the process of filling a vacant position. Recruitment includes the examination of the vacant position, the consideration of sources of suitable candidates, making contact with those candidates and attracting applications from them (Stillman, 2010; Dresang, 2009). Selection, on the other hand, is assessing the candidates by various means and making a choice followed by an offer of employment (Dessler, 2011).

Human resources policies, in relation to recruitment, affect the nature of the vacancies for which people are required and impact on the ability of the organisation to recruit and its level of requiring success. The following are some human resources policies that may affect the recruitment process:

- **Internal versus external recruiting:** A decision must be made on whether to recruit from within or outside the organisation. Ministries or departments that recruit from within often use a job posting programme in which vacancies are publicised on bulletin boards, in agency newsletters or in memos. Employees can apply and typically receive first consideration before the organisation searches externally. Such policies make it clear that there are opportunities to advance and increase the level of skills within the organisation.
- **Lead-the-market pay strategy:** A policy of paying higher wages than the current market creates a distinct advantage in recruiting, since higher pay can make up for a job's less attractive features. There is also pressure on human resources to deliver the best employees, so higher productivity, quality and so on are achieved.
- **Employment-at-will policies:** These state that either party in the employment relationship can terminate the relationship at any time, regardless of cause. Many legal protections exist that make it difficult for organisations to manage employment entirely "at will". Some government agencies that do not have employment at will typically have extensive due-process policies that describe steps an employee can take to appeal a termination decision. Employment-at-will agencies are only considered equally attractive to due process departments or ministries when the lack of job security is offset by higher-than-average total compensation.
- **Image advertising promotes an organisation:** Every organisation needs to promote its image in a positive way. In that respect they need to portray their organisation as a good place to work. It is particularly important for organisations in highly competitive labour markets to work very hard to gain a positive reputation or good image.



## Internal recruiting

Internal recruiting involves filling job openings with current employees or people they know. There are two common types of internal recruiting.

1. **Promotions from within** — many organisations post job openings on bulletin boards, in ministry or department newsletters and so on. In such cases current employees may apply or bid for the vacant position.
2. **Employee referrals** — employees may be encouraged to refer friends and relatives for positions.

The recruitment process begins with a job description setting out the duties and responsibilities of the job to be filled with a profile describing the qualities and experiences needed to fill the advertised position. The head of the department in which the vacancy occurs completes a staff requisition form as formal authority for the human resources department to begin. Whenever there is a vacant position in any organisation, there often arises the consideration on how to fill the position. According to Dresang (2009) and Dessler (2011), such consideration tends to explore the following options:

- It may be possible to fill the vacancy from within the government department or agency.
- It may be filled by a different kind of employee, such as a degree holder or a part-time high school graduate.
- The job and personnel specifications may need to be revised.

Since recruitment sources are unlimited, a government agency must decide how to reach the best sources of potential employees. The internal and external sources are the main avenue for attracting candidates. Bernardin (2010) contends that relying on internal sources is useful since employees are well known and are knowledgeable about the organisation and jobs. However, there may not be enough internal recruits (especially for entry-level jobs). Internal recruiting does not encourage creativity or change and, if the current force is not diverse, internal recruiting will lead to a homogeneous work force, which can pose legal threats.

## External recruitment

The following are external recruiting sources:

- **Walk-ins** — without actually being recruited, good candidates may come to an organisation “cold” and ask for a job.
- **Educational institutions** — recruiting takes place at high schools, vocational/technical schools, universities or colleges.
- **Agencies** are good for recruiting people with prior experience. There are three major types of agencies:
  1. Temporary agencies provide part or full-time help for limited periods. They are useful for replacing employees who will be out for a short period of time or for supplementing the regular workforce during busy periods.

2. Public agencies are nationwide state employment services. They generally provide job candidates to employers at no cost or very low cost.
  3. Private employment agencies are privately owned and charge a fee for their services.
- **Advertising** — it is important to use the appropriate source to reach qualified candidates.

**Direct applicants** are people who apply for a vacancy, without prompting from an organisation. They may have already investigated the government agency and are sold on working there, which creates a self-selection that is easier for the organisation. Direct applicants tend to be one of the best sources, since they are also low cost. Referrals are people who are prompted to apply for a vacancy by someone within the organisation.

**Electronic recruiting** (through the internet) has opened new vistas for organisations trying to recruit talent (Ricucci, 2006). There are several ways to get into “e-recruiting”. The major ways include:

- using an organisation’s own website to solicit applications, and
- using large, well known job sites such as Monster.com, HotJobs.com or CareerBuilder.com.

**Colleges and universities** may be an important source for entry-level professionals. To increase effectiveness, organisations employ internship programmes to get early access to potential applicants and to assess their capabilities directly. Interns also receive more realistic information about a potential job in the public sector organisation (Maidment, 2011). A job fair is a place where employers gather for a short time to meet large numbers of potential applicants. These are often held on university campuses and can inexpensively increase visibility.

**Public and private employment agencies** may be used to search their computerised inventory of individuals searching for work for an organisation at no charge. Public employment agencies serve primarily the blue-collar labour market. Other private employment agencies serve primarily the white-collar labour market (Cascio, 2010). These agencies charge the organisation for referrals. Executive search firms are often referred to as “head-hunters” because they recruit executives who tend to be employed. A high level of anonymity for the executives and the organisation is used until it is clear that both sides wish to pursue an interview. This is an expensive tool since the charge is roughly a third to a half of the annual salary of the executive who is placed. Often, organisations consider the successful recruitment of top executives so critical that the charge is appropriate (Dessler, 2011).

**Advertisements** in newspapers and periodicals: These are typically less effective than direct applicants or referrals and tend to be more expensive. Jobs should be described very specifically in an advertisement. Local newspapers (although commonly used) do not target skill levels very well. Journals, periodicals, and/or cable television may be useful in reaching the appropriate audience. According to Dessler (2011), research



shows that information about the job contributes much more to the effectiveness of an advertisement than its style or size. There is also a general agreement that including the word training in an advertisement increases the response (Ban & Riccucci, 2002; Bernardin, 2010). Advertisements may be made more effective and less expensive if the following principles are observed:

- The advertisement should contain a job specification and a personal specification in miniature, including the job title, description, experience, skill and qualification required. It should also include training given, working conditions and actions the candidates should take.
- It should appear in the appropriate publication, for example local or major national newspapers, professional newsletters or magazines.
- Experiments should be made to test the response for different sizes, headings, wordings, page positions, day of the week and so on.
- The response should be analysed so that advertising expenditure can be directed towards the publication and style of advertisement which gives the best result for a particular type of vacancy.
- Rejected candidates should be sent a prompt and courteous letter. Inconsiderate treatment will eventually detract from the public organisation's reputation and adversely affect the response to future advertisements.

Sometimes other considerations besides cost and response must be kept in mind. For example, suppose that evidence has been collected which shows that small advertisements are just as effective as large, providing the information given is the same. The public agency or department may decide that small advertisements are not consistent with its prestige and that large advertisements must be used even though they can be shown to be wasteful. Dresang (2009) and Henry (2010) contend that evaluating the quality of recruiting sources can be done by compiling yield ratios that express the percentage of applicants who successfully move from one stage of the recruitment and selection process to another. Comparing yield ratios and the costs of various sources helps determine which sources are most effective. Quality of recruits should also be considered. A caution is provided that the sources depend on the skills needed, and where it is logical to recruit, given those needs.

The recruiter comes late in the process, at which point an applicant has a good idea whether he or she is interested in the job. Since recruiters are perceived by the applicant to be "selling" the job, their input may be discounted. Recruiters may have more impact depending on the following factors:

- **The recruiter's functional area:** The recruiter is likely to be perceived as more credible if he or she is from the same functional area the recruit is being considered for.

- **The recruiter's traits:** Critical traits appear to be warmth and being "informative".
- **The recruiter's realism:** This is when a recruiter tries to deceive candidates that the negative elements of a job may increase turnover in the near future; however, telling candidates about negative elements does not appear to inoculate them against disappointment, nor make negative elements go away. Personnel policies that affect the job's attributes are likely to be more critical than recruiter realism.
- **Enhancing recruiter impact:** Recruiters can provide timely feedback about the status of the job search, avoid unacceptable behaviours that send poor messages about the organisation, focus on inexperienced applicants with whom they might be more influential and avoid mixing recruitment with selection. Recruiting should be done in teams, including a person from the functional area and members who are female and from minority groups.

(Bernardin, 2010; Dessler, 2011)

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## Activity 5.5



### Activity

1. Describe recruiting sources for candidates and the selection process.
2. What is your opinion on using promotion from within as a recruiting source?
3. Identify the recruiting source used to hire you for your current job or one of your previous jobs.
4. Identify which selection methods were used in the process of selecting you for a job you have now or one you held in the past. If a test was used, specify the type of test.
5. Do you agree that the job interview should be the primary criterion for selection? Explain your reasons.

### Selection

As discussed above, recruiting can be either internal or external.

Selection is the process of choosing the most qualified applicant recruited for a job. The selection process includes:

- **Application form:** As part of the selection process, the recruited candidates are typically asked to complete an application. For professional jobs, a résumé may replace the application form.
- **Screening interview:** Specialists in the human resources department often conduct screening interviews to select the top candidates who will continue on in the selection process.



- **References check:** A process of verifying from other people the professional skills and behaviour of the top candidates for a position.
- **Offer of the job:** An oral offer followed by a written offer of the job.

Whatever method of recruitment is used, the candidate should be asked to fill in an application form, first to ensure no important information is left out and secondly to provide information about the candidate in a logical and uniform order. The application form is not the only basis of selection, but it is the fundamental document in an employee's personnel record and of legal importance in the contract of employment.

(Ivancevich, 2010)

## Testing

Tests can be used to predict job success, as long as the tests meet human resources policy guidelines for validity and reliability. Some of the major types of tests include:

- achievement tests,
- aptitude tests,
- personality tests,
- interest tests, and
- physical exams.

(Dresang, 2009)

Internal and external candidates for management positions are tested through assessment centres. Assessment centres are places where job applicants undergo a series of tests, interviews and simulated experiences to determine managerial potential.

## Interviewing

The interview is heavily weighted and the last of the steps in the selection process. Answers will vary. Interviews are very subjective and have not been shown to be reliable or valid (Dessler, 2011). Various interviewers rate the same person interviewed differently, but interviews are by far the major criterion used for selection (Cox et al., 2011; Hays et al., 2009). The use of reliable, valid tests helps overcome subjective interviewers. According to Dresang (2009), there are three basic types of interviews, which are based on structure:

- **A structured interview** — all candidates are asked the same list of prepared questions.
- **An unstructured interview** — no pre-planned questions or sequence of topics.
- **A semi-structured interview** — the interviewer has a list of questions, but also asks unplanned questions.

## Preparing for the interview

Completing the interview preparation steps will help improve your interviewing skills. The preparation steps are:

1. **Review the job description and specifications** — you cannot effectively match a candidate to a job if you do not thoroughly understand the job. Read and become familiar with the job description and job specifications.
2. **Prepare a realistic job preview** — candidates should understand what the job is and what they are expected to do. They should know the good and bad points of the job.
3. **Plan the type of interview** — the interview should take place in a private, quiet place, without interruptions.
4. **Develop questions for all candidates** — your questions should be job-related, non-discriminatory and asked of all candidates. Use the job description and specifications to develop questions that relate to each job task and responsibility. Use a mixture of closed, open-ended and hypothetical questions.
5. **Develop a form** — once you have created a list of questions, determine the sequence. Start with the easy question.
6. **Develop questions for each candidate** — review each candidate's application and/or résumé. Add specific questions to a copy of the form to verify or clarify some of the information provided.

## Conducting the interview

The following interview steps will help you interview candidates better:

1. **Open the interview** — develop rapport. Put the candidate at ease by talking about some topic not related to the job. Maintain eye contact in a way that is comfortable for you and the candidate.
2. **Present the realistic job preview** — be sure the candidate understands the job requirements. Answer any questions the candidate has about the job and the organisation.
3. **Ask your questions** — Steps 2 and 3 can be combined. To get the most out of a job interview, you must take notes on responses to your questions. Tell the candidate that you have prepared a list of questions you will be asking, and that you plan to take notes.
4. **Introduce top candidates to co-workers** — introduce top candidates to people with whom they will be working to get a sense of the candidates' interpersonal skills and overall attitude.
5. **Close the interview** — do not lead candidates on. Be honest without making a decision during the interview. Thank candidates for their time and tell them what the next step in the selection process is, if any. Tell candidates when you will contact them.



## Background and reference checks

Before an offer is made in the selection process, a clear, unbiased and comprehensive description of a candidate's ability and behaviour by their previous employer would be of enormous value in selection, particularly if the employer also supplied a job specification (Dessler, 2011).

Organisations should prevent poor hiring decisions and the negative effects of negligent hiring by instituting a reference-checking system to verify the information on a candidate's application form and/or résumé (Cascio, 2010; Dresang, 2009).

Most references do not give rise to second thoughts about the selection of a candidate. However, in a few cases information is given which shows the request for references to have been worthwhile. Most references are conducted by a telephone call.

## Hiring

After all interviews are completed, compare each candidate's qualifications to the job specifications to determine who would be best for the job. After obtaining information using the selection methods discussed, the manager compares the candidates and decides who is best-suited for the job. Diversity should be considered when selecting a candidate. The candidate is contacted and offered the job.

Assuming that a suitable candidate has emerged from the selection process, they must now receive an offer. It is usual for them to be made an oral offer, and if they accept, then a written offer will be sent to the candidate. The initial offer of a job needs special care, particularly as regards the following:

- The wages or salary offered must not only be appropriate to the job, be attractive to the candidate, but be consistent with the wages of present employees.
- The job must be named and any special conditions stated. For example, for the first six months you would be under training or probation.
- The candidate must know the essential conditions of employment, such as holidays, benefits, working hours, policies and code of ethics or conduct.
- Any critical requirements for all employees must be clearly stated. For example, employment is subject to satisfactory reference checks and medical examination.
- The next stage must be clearly defined. For example, if the candidate asks for time for consideration, it must be agreed when he or she will get in touch. If the candidate accepts the oral offer, the manager must state what happens next and when.

## Problems to avoid

Problems to avoid during the selection process include:

- **Rushing** — try not to be pressured into hiring just any candidate.

- **Stereotyping** — don't pre-judge or leap to conclusions.
- **Avoid the “like me” syndrome** — remember the benefits of diversity.
- **Halo and horn effect** — do not judge a candidate on the basis of one or two favourable characteristics or one or two unfavourable characteristics.
- **Premature selection** — don't make your selection based only on the candidate's application/résumé or after interviewing a candidate who impressed you. Do not compare candidates after each interview. The order in which applicants are interviewed can influence you. Be open-minded during all interviews, and make a choice only after you have finished all interviews. Compare each candidate on the job specification.

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## Activity 5.6



### Activity

1. What is the difference between recruitment and selection?
2. What are the most common problems to avoid during interviewing?
3. What types of job interviews have you experienced?
4. Identify the types of questions you were asked during this job interview? What should the initial job offer contain?
5. To what extent are references or background checks of candidates useful when recruiting?

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## Developing employees

Human resources departments would orient the new employees to the public agency or department after they have been hired (Dresang, 2010). If the public sector does train its employees, the government still needs to follow up to be sure employees have the skills. If the employees do not, the human resources department needs to work with them. The key is to work together. Orientation is the process of introducing new employees to the organisational culture and their jobs (Ricucci, 2006). Training and development is the process of teaching employees the skills necessary to perform present and future jobs (Dessler, 2011). Most job orientations should include five steps:

1. The job orientation should inform the employees about the department or ministry and how it functions in general terms.
2. The human resources officer conducting the orientation should go over the new employee's job duties and responsibilities in detail.
3. The officer conducting the orientation should go over standing plans, such as what plans should be made.



4. The new employee should also be given a tour of the department.
5. The new candidate should be introduced to all his or her co-workers.

According to Klingner et al., (2010), the steps in job instructional training are:

- preparation of the trainee,
- presentation of the task,
- performance of the task by the trainee, and
- providing follow-up.

## Orientation

The process of introducing new employees to the organisation and their job. Orientation gives new employees a chance to “learn the ropes” or “rules of the game”. Orientation programmes vary in formality and content.

## Training

Training is the process of teaching employees the skills necessary to perform a job. Training typically develops the technical skills of non-managers. Development is ongoing education to improve skills for present and future jobs. Development is less technical and is aimed at improving human, communication, conceptual and decision-making skills. As the name implies, off-the-job training is conducted away from the work site, often in some sort of classroom setting (Dessler, 2011). A common method is vestibule training. Vestibule training develops skills in a simulated setting. On-the-job training (OJT) is done at the work site with the resources the employee uses to perform the job. The manager, or an employee selected by the manager, usually conducts the training.

According to Dresang (2009) and Cascio (2010), the following are the four steps for conducting training:

1. **Preparation of the trainee:** Put the trainee at ease as you create interest in the job and encourage questions. Explain the task objectives and quantity and quality requirements, and discuss their importance.
2. **Presentation of the task by trainer:** Perform the task yourself slowly, explaining each step several times. Once the trainee seems to have the steps memorised, have him or her explain each step as you perform the task. Prepare a written list of the steps in complex tasks and give a copy to the trainee.
3. **Performance of the task by the trainee:** Have the trainee perform the task slowly while explaining each step. Correct any errors and be willing to help the trainee perform any difficult steps. Continue until the employee can perform the task proficiently.
4. **Follow-up:** Tell the trainee who is available to provide help with any questions or problems. Gradually leave the trainee alone.

Begin by checking quality and quantity frequently, then decrease the amount of checking based on the trainee's skill level. Watch the trainee perform the task and be sure to correct any errors or faulty procedures before they become habits.

### Managerial use of training methods

Managers commonly use reading, lecture, video, question-and-answer, discussion, programmed learning, demonstration, job rotation, and projects to train employees how to perform their jobs (Dessler, 2011). Managers do not commonly use role play and behaviour modelling. However, these methods are appropriate for managers who need to train employees how to handle human relations such as customer complaints. Managers can also teach human relations skills to employees by example. Management games, in-basket exercises and cases are commonly used to train managers. In other words, managers may be trained with these methods, but may not use these training methods with their employees.

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## Activity 5.7



### Activity

1. Explain the training methods that were used to teach you how to perform your present job or past job.
2. How does setting objectives affect the measurement and evaluation of training results?
3. Explain what orientation, training and development of employees involves. Why is it important for human resources managers to train new and existing employees?

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## Performance appraisal

Performance appraisal is the ongoing process of evaluating employee performance.

This is a vital part of optimising the output of employees, whatever the nature of their job, their experience or their age (Starling, 2011; Shafritz, Riccucci, Rosenbloom & Hyde, 1992).

Appraisal schemes usually attempt the following tasks:

- Improvement of current performance
- Provision of data for promotion and succession planning
- Communication between staff and management

According to Cascio (2010), for appraisal to be effective there needs to be a high degree of agreement between the employee and their manager on what they are trying to do. In the public sector departments of most developing countries, most management by objective (MBO) schemes include definition of the key result areas in each job with a personal

performance plan for the achievement of agreed objectives in each area (Dessler, 2011). These variables provide a sound basis for performance appraisal at the end of the review period.

The two types of performance appraisal are:

1. developmental, and
2. evaluative.

A developmental performance appraisal is used to make decisions and plans for performance improvements. An evaluative performance appraisal is used to make administrative decisions about such issues as pay rises, transfers, promotions, demotions and terminations. Below is the appraisal process:

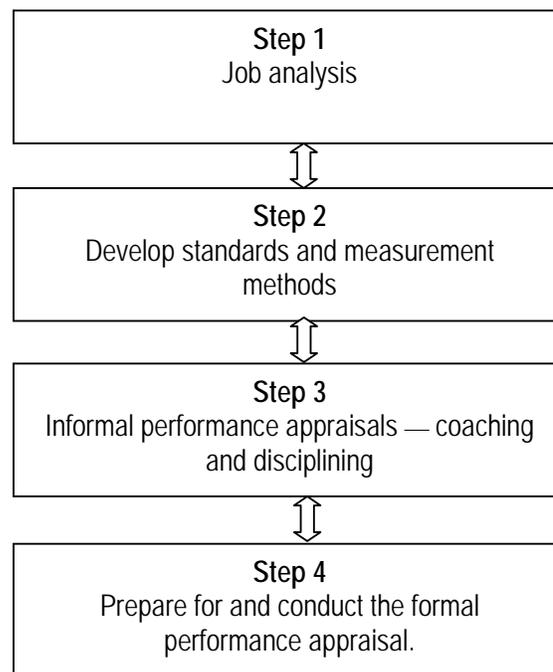


Figure 5.1 Appraisal Process

Source: Dresang (2009)

One of the most important things you should learn in your study of the management process is that people will do what they are rewarded for doing. People seek information concerning what activities are rewarded, and then seek to do those things — often to the exclusion of activities not rewarded. The extent to which this occurs depends on the attractiveness of the reward offered. The formal performance appraisal often involves the use of a standard form, usually a rating scale or a behaviourally anchored rating scale (BARS) developed by the human resources department to measure employee performance. Klingner et al. (2010) and Dessler (2011) provided the following methods for measuring employees' performance:

## Critical incident file

The critical incidents file is a record of an employee's performance. Because the formal review period is usually six months to one year, it is very difficult to remember an employee's performance from appraisal to appraisal. The critical incident file provides a record of performance by date. It also provides documentation, which is needed in a litigious environment. Critical incident files are appropriate for developmental decisions. They are not very appropriate when used alone for administrative decisions such as pay rises and promotions. Referring to critical incidents can help change an employee's performance.

The section below discusses various methods of evaluating an employee's performance.

### Rating scale

The rating scale is a form on which the manager simply checks off the employee's level of performance. Some possible areas evaluated include:

- quantity of work,
- quality of work,
- dependability,
- judgement,
- attitude,
- co-operativeness, and
- initiative.

Objective-rating scales geared to the specific job are appropriate for both developmental and administrative decisions. The scales indicate strengths and areas where improvement is needed. They can be used to develop objectives and plans for improved performance. They can also be used as the basis for pay rises, promotions and other administrative decisions. Rating scales for all employees can be compared to identify superior performers.

### Behaviourally anchored rating scale (BARS)

The behaviourally anchored rating scale consists of a form with descriptive statements that managers select from to measure employee performance. Rather than just a rating of excellent, good, average and so on, the form includes a statement that describes the employee's performance. Like the rating scales, BARS can be used to make both developmental and administrative decisions.

### Management by objectives (MBO)

MBO specifies that managers and their employees jointly set objectives for the employees, periodically evaluate their performance and reward the employees based on the results. MBO is more popularly used with professional employees who do not have routine jobs. With routine jobs, standards work fine. MBO is appropriate for developmental decisions for



both professional and routine jobs. It is often difficult to make administrative decisions based on an MBO alone.

### Narrative

With the narrative method, the manager writes a description of the employee's performance. How this is done can vary. Managers may be allowed to write whatever they like, or they may be required to write answers to specific questions about the employee's performance. The free-form narrative often becomes subjective. Answering a series of questions makes the method more objective and uniform. The narrative is appropriate for developmental decisions because the objectives and plans can be written down. Like MBO, it can be difficult to use the narrative method for administrative decisions involving employees who have different managers because there is no uniform measurement.

### Ranking

Ranking is used to compare employee performance. It is used to compare employees to each other rather than comparing them to a standard measurement. An offshoot of ranking is the forced distribution method. A predetermined percentage of employees are placed in each performance category. Ranking methods are appropriate for administrative decisions, such as merit pay rises that reward for performance and promotions. They are more accurate when the ranking is based on a standard measure such as rating scales or BARS. Ranking is not appropriate for development decisions.

According to Dessler (2011) and Bernardin (2010), the documentation of the appraisal is of particular importance. It represents a permanent record of the employee's performance that may be extremely valuable to the public agency, not least if a dispute arises under employment protection legislation. Some government departments in several countries use a five-part form that corresponds to each stage of the appraisal, which provides a useful example (Jreisat, 2002).

The **five** stages are:

1. A statement of achievement against pre-agreed job objectives is provided.
2. The assessor evaluates the performance, with comments explaining their decisions.
3. The development appraisal is produced, summarising personal strengths and difficulties, recommending ways to make the employee more effective in their current role and rates his or her potential for longer-term development on a five-point scale.
4. An assessment meeting is carried out. This meeting is attended by the supervisor, managers and directors who have been involved with the work of the employee in the review period. They discuss the appraisal made and agree a whole job rating. They then confirm the objectives that have been set for the next period.
5. A feedback meeting is conducted at which the employee discusses their appraisal with his or her manager. Activity plans are agreed, and the whole job assessment is finalised following

the employee's comments. The manager enters confidential comments on the form following the meeting.

Determining the best appraisal method to use depends on the objectives of the public department or agency. A combination of methods is usually superior to using any one method itself. For developmental objectives, the critical incidents file and MBO work well. For administrative decisions, a ranking method based on rating scales or BARS works well.

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## Activity 5.8



### Activity

1. What is performance appraisal?
2. Discuss the appraisal process used in your current, or previous, role. How is the appraisal process different from what has been discussed in this module?

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## Retaining employees

After attracting and developing employees, the organisation must have human resources systems to retain employees. Employee turnover can reduce overall efficiency, profitability and morale. In some countries, the cost of replacing a good employee in the public sector varies, depending on the job. Half of job replacements cost US\$10,000 and 20 per cent of job replacements cost US\$30,000. (Dessler, 2011; Jreisat, 2002). Rather than focus on recruiting new workers, organisations need to try to keep the ones they have. Employees who believe they are being justly rewarded tend to stay (Stillman, 2010). Challenging work and good feedback also helps retain people.

A job analysis is used to determine what the job entails and the qualifications needed to staff the position. Job evaluation is used to determine how much to compensate employees for their jobs. Compensation is the total of an employee's pay and benefits (Ricucci, 2006). Pay level reflects the management's choice to be a high, medium or low-paying organisation. Compensation is an important part of a person's decision to take a job. However, over time, the employee expects compensation to increase (Klingner et al., 2010). If employees are not satisfied with compensation increases, they may leave for other organisations.

The compensation system in the public sector is mostly divided into three methods.

1. Wages are paid on an hourly basis.
2. Salary is based on time — week, month and year. A salary is paid regardless of the number of hours worked.



3. Incentives are pay for performance. Incentives include piece rate (pay based on production), commissions (pay based on sales), merit increases (the more productive workers get paid more), and bonuses.

(Bernardin, 2010; Cox et al., 2011)

A difficult decision is how much to pay each employee. An external approach is to find what other organisations pay for the same or similar jobs and set pay levels that are comparable (Shafritz et al., 2011). An internal approach is to use job evaluation. Job evaluation will help the manager to determine the worth of each job relative to the other jobs within the organisation (Dresang, 2009). Organisations commonly group jobs into pay grades. The higher the worth or grade of the job, the higher the pay. A controversial issue related to job evaluation is comparable worth. Comparable worth is the principle that jobs that are distinctly different but require similar levels of ability, responsibility, skills, working conditions, and so on, are of equal value and should have the same pay scale (Dessler, 2011).

Benefits are the part of compensation offered by the employer that are commonly non-cash and not merit-based. In most government institutions, benefits include paid sick leave, holidays, health insurance and pension plans. Sometimes other benefits that are commonly paid include dental, eye and life insurance, membership for fitness centres, membership in credit unions and tuition reimbursement for education (Lussier, 2006; Dresang, 2009). Legally, benefits should include workers' compensation to cover job-related injuries, unemployment compensation to provide for employees whose employment is terminated, and social security for retirement. The employer matches the amount the government takes out of an employee's pay for social security.

In the past three decades the percentage of compensation made up of benefits has increased, primarily because of the high cost of health insurance. Lussier (2006) contends that work-family benefits, such as elder-care and child-care, are on the increase, as organisations focus on employees' family life issues. It has been a trend for employees to want more family-friendly workplace benefits so that they can better balance work and family responsibilities (Klingner et al., 2010). Generally, employees also want "cafeteria-style" or flexible benefit plans that let them select the benefits that best meet their needs, up to a present-day money value. Most employees do not realise how expensive benefits are because they are not aware that increases in health care costs have been as high as seven times the rate of inflation in some countries. The percentage varies with the level of job from one-third to two-thirds of compensations. Some government agencies estimate that the average employee receives slightly over 40 per cent of compensation from benefits.

The Occupational Safety and Health Acts (OSHA) of most countries require employers to pursue workplace safety. Employers must meet OSHA safety standards, maintain records of injuries and deaths due to workplace accidents and submit to onsite inspections. The human resources department commonly has responsibility for ensuring the health and safety of employees. It works closely with the other departments and maintains health and safety records.

Labour relations are the interactions between management and unionised employees. A union is an organisation that represents employees in collective bargaining with the employer (Ricucci, 2006). Unions are also a source of recruitment. In some countries the labour union is very powerful in negotiating minimum wages of public employees. However, there are several countries where the power of the labour union has been neutralised due to ineffective democratic governments (Jreisat, 2002). Because most government organisations do not have unionised employees, they do not have to deal with labour relations.

Collective bargaining is the negotiation process resulting in a contract between employees and management that covers employment conditions. Lussier (2006) contends that the most common employment conditions covered in contracts are compensation, hours and working conditions, but a contract can include any conditions that both sides agree to. Job security is a major bargaining issue for unions today. To avoid a strike or lockout (refusing to let employees work) and to handle grievances by either side, collective bargainers sometimes agree to use neutral third parties, called mediators (Henry, 2010; Starling 2011). A mediator is a neutral party who helps management and labour settle their disagreements (Klingner et al., 2010). In cases where management and employees are not willing to compromise, but do not want to call a strike or a lockout, they may call in an arbitrator. An arbitrator is different from a mediator in that the arbitrator makes a binding decision for management and labour (Dresang, 2009). The main subject matter for labour relations has traditionally been working conditions (especially pay), but in recent years it has grown to practically all that the human resources management practices deals with.

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## Activity 5.9



### Activity

1. How is compensation used to both attract and retain employees?
2. Why is it that most employees do not realise how expensive benefits are and how much they could contribute to compensation costs?
3. Explain why most organisations do not have to address labour relations.

## Summary



### Summary

This module has examined the major functions of public human resources management. It contends that the four parts of the human resources management process are:

- planning,
- selecting,
- developing, and
- retaining employees.

The job description identifies the tasks and responsibilities of a position, whereas the job specification identifies the qualifications needed in the person who is to fill the position. Job analysis is necessary because it is the basis for attracting, developing and retaining employees. Further, the module stressed that employees are human beings who are individuals with emotional and psychological needs. Employees perform better if their individual needs are recognised and conditions at work are organised so that at least some of these personal needs are met. Employees' needs also present a major category of cost to public agencies and ministries, and many of the techniques of planning allocation and control that apply to other functional areas also apply to human resources.

The module also explained that the legal framework within which human resources management in public agencies and ministries or departments must operate are not always unique. Government regulations concerning labour relations and equal employment opportunities apply to all but the smaller group in many countries. The module provided an explanation on social representation policies and the steps taken to minimise employment discrimination and the explanation applies equally to public, private and non-profit or non-governmental organisations (NGOs).

We also explored the notion that human resources management is responsible for hiring, directing, training, disciplining and motivating employees in government agencies, ministries or departments. Recruiting can be either internal or external. Internal sources of job candidates are promotions and employee referrals. External sources include walk-ins, educational institutions, agencies and advertising. The selection process can include having candidates complete application forms, be interviewed, take tests and submit to background and reference checks. Orientation is the process of introducing new employees to the organisational culture and their jobs. Training and development is the process of teaching employees the skills necessary to perform present and future jobs.

We also contend that the most basic responsibility of public managers is to get the job done, as efficiently and as effectively as possible. The two types of performance appraisal methods used are:

1. the developmental performance appraisal, and

## 2. the evaluative performance appraisal.

A developmental performance appraisal is used to make decisions and plans for performance improvements. An evaluative performance appraisal is used to make administrative decisions, including decisions about pay rises, transfers, promotions, demotions and terminations.

A job analysis is used to determine what the job entails and the qualifications needed to staff the position. Job evaluation is used to determine how much to compensate employees for their jobs. In order to manage human resources in government, it is necessary to know the laws, rules, procedures and techniques that define what is and is not possible.

Finally, the most essential function of the human resources department in government is to attract and identify competent people for the ministries or agencies. The human resources department in public agencies also design work and provide a setting that encourages employees to work energetically, creatively and ethically. When these functions are implemented effectively, government works well. Failure to manage human resources effectively risks low productivity and a lack of accountability to the public.



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## Further reading



### Reading

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## Activity feedback



Feedback

### Activity 5.1

1. Human resources management is that part of public management concerned with people at work and with their relationship within the government. Human Resource Management (HRM) refers to policies, practices and systems that influence employees' behaviours, attitudes and performance. Human resources staffs are concerned with the employees' welfare such as hiring and promotion, training and development, compensation and benefits, retirement and related issues.
2. Everyone who has control over others is in some degree a human resources manager. Thus, all managers and supervisors are personnel managers and should act as such even when there is a human resources department in their public agency or ministry.

### Activity 5.2

1. The human resources manager should have the ability to analyse turnover, retention, productivity and customer service problems to recommend potential personnel solutions. In a nutshell they should have the ability to serve as strategic partner to other directors in key functional positions in the entire public institution where they are employed. They must have the ability to consider current and future government administrative goals and how human resources departments may contribute.
2. This answer will be country-specific but may include:
  - Advances in sophisticated technology along with reduced costs for the technology are changing many aspects of human resource management.
  - Technology is pushing the boundaries of artificial intelligence, speech synthesis, wireless communications and networked virtual reality.
  - Change in employees' work roles and skill requirements — new technology often requires new basic skills. For example, computer-integrated manufacturing requires employees to monitor equipment and troubleshoot problems with sophisticated equipment.
  - More organisations want employees cross-trained in multiple jobs.
  - Interpersonal skills are increasingly important as teams are used.
3. This answer will be country-specific but may include:
  - Through technology, the information needed to improve



customer service and product quality becomes more accessible to employees. Cost savings may be realised by the use of teams.

### Activity 5.3

1. Human resources planning may be defined as an attempt to forecast how many and what kind of employees will be required in the future, and to what extent this demand is likely to be met.
2. The human resources planning steps should include:
  - a) The creation of a government human resources planning group, including the managers in charge of the main functions with the government ministry or department.
  - b) The statement of human resources objectives in the light of government goals by considering:
    - the present initialisation of human resources, in particular
    - the evaluated external environment of the company; and
    - the potential supply of labour, in particular, effects of local emigration and immigration.
3. A long-term human resources plan involves goals to be achieved in three to five years. A short-term human resources plan involves goals to be achieved between 90 days and one year.
4. The steps for formulating and implementing human resources planning includes evaluating:
  - a) jobs that will appear, disappear, or change;
  - b) the extent to which re-deployment or re-training is possible;
  - c) necessary changes at supervisory and management levels;
  - d) training needs;
  - e) recruitment, redundancy or retirement programmes;
  - f) industrial relations implications; and
  - g) arrangements for feedback in case modifications in the human resources plan or government objectives are necessary.

### Activity 5.4

1. The following are the most important methods that may be used to conduct job analysis:
  - **Direct observation** — this is always necessary but has several drawbacks.
  - **Interview with the job-holder** — this is nearly always

necessary but difficulties often occur, largely because the worker may be suspicious of the job analysis.

- **Interview with the supervisor** — this again is an inevitable occurrence, though its value varies because supervisors are surprisingly often out of touch with the details of the job.
  - **Materials of work** — a study of the tools, working materials, machines, documents, communication media and so on frequently provided a useful check on information obtained in other ways, and may suggest questions to be asked.
  - **Questionnaires** are sometimes used, but are highly unreliable. In this method, the job-holder is asked to fill in answers about the job.
  - **Do-it-yourself** — in some jobs it is feasible for the analyst to spend some time actually performing the work themselves. He or she should then be careful not to form an impression that is too subjective.
  - **Work diaries** are sometimes used, primarily for managers and clerical workers. The job-holder records his or her activities in detail throughout the day over a period of about a month. The diary is then analysed to obtain a list of duties and their frequency.
2. This answer will be student-specific.
  3. Job specification means the list of a job's human requirement, that is, the requisite education, skills, personality, and what kind of people to hire for a job. A job description is a narrative statement that summarises the nature of a specific job. Job analysis is the process of determining what the position entails and the qualifications needed to staff the position. As the definition implies, job analysis is the basis for the job description and job specifications.
  4. Job specification is useful for various human resources functions. The most important of these are:
    - selection,
    - promotion,
    - appraisal,
    - setting performance standards,
    - job evaluation, and
    - training.

The job specification is therefore of fundamental importance in human resources management, though it should be used with discretion. When relations are poor between managers and subordinates, the latter may use their job specification as self-



defensive weapon, refusing tasks or responsibilities because they do not appear in the specifications. Due to this dilemma some government departments or agencies prefer to keep job specifications confidential, giving employees' copies of their job description only.

### Activity 5.5

1. Internal recruitment source:

- **Promotions from within.** Many organisations post job openings on bulletin boards, in ministry or department newsletters, and so on.
- **Employee referrals.** Employees may be encouraged to refer friends and relatives for positions.

External recruitment source:

- **Walk-ins.** Without actually being recruited, good candidates may come to an organisation “cold” and ask for a job.
- **Educational institutions.** Recruiting takes place at high schools, vocational/technical schools, and universities or colleges.

Agencies. There are three major types of agencies:

- **Temporary agencies** provide part or full-time help for limited periods.
- **Public agencies** are nationwide state employment services.
- **Private employment agencies** are privately owned and charge a fee for their services. Agencies are good for recruiting people with prior experience. Executive recruiters work for a particular type of private agency and are often referred to as “headhunters”.

Advertising. It is important to use the appropriate source to reach qualified candidates.

2. Promotion from within has the following advantages:

- It costs less.
- It may serve as a motivational factor.
- Candidate may know more about the organisation than a new employee.
- Candidate may need less training on the job.

3. This answer will be student-specific but may include:

- Advertising (for example) in the Chronicle of Higher education. It is important to use the appropriate source to reach qualified candidates.

4. The answer will be student-specific.

Example answer the student may use:

**Application form:** As part of the selection process, the recruited candidates are typically asked to complete an application. For professional jobs, a résumé may replace the application form.

**Screening interview:** Specialists in the human resources department often conduct screening interviews to select the top candidates who will continue on in the selection process.

**References check:** A process of verifying from other people the professional skills and behaviour of the top candidates for a position.

**Offer of the job:** An oral, followed by a written offer of the job.

5. Interview should not be the primary criterion for selection. The four steps for selection should include:
  - application form screening,
  - interview,
  - reference check, and
  - offer of appointment.

### Activity 5.6

1. Recruiting is the process of attracting qualified candidates to apply for job openings. Selection is the process of choosing the most qualified applicant recruited for a job.

Promotion from within has the following advantages:

- The candidate will be able to serve as mentor to new employees.
  - The candidate may become corporate citizen of the organisation.
  - It costs less.
  - It may serve as a motivational factor.
  - Candidate may know more about the organisation than a new employee.
  - Candidate may need less training on the job.
2. A list of problems to avoid during the selection process is as follows:
    - Rushing: Try not to be pressured into hiring just any candidate.
    - Stereotyping: Don't prejudge or leap to conclusions.
    - "Like me" syndrome: Remember the benefits of diversity.



- Halo and horn effect: Do not judge a candidate on the basis of one or two favourable characteristics or one or two unfavourable characteristics.
- Premature selection.

The following steps will help you do a better job of interviewing candidates.

- a) Open the interview. Develop rapport. Put the candidate at ease by talking about some topic not related to the job. Maintain eye contact in a way that is comfortable for you and the candidate.
  - b) Present the realistic job preview. Be sure the candidate understands the job requirements. Answer any questions the candidate has about the job and the organisation.
  - c) Ask your questions. Steps 2 and 3 can be combined if you like. To get the most out of a job interview, you must take notes on responses to your questions. Tell the candidate that you have prepared a list of questions you will be asking, and that you plan to take notes.
  - d) Introduce top candidates to co-workers. Introduce top candidates to people with whom they will be working to get a sense of the candidates' interpersonal skills and overall attitude.
  - e) Close the interview. Do not lead candidates on. Be honest without making a decision during the interview. Thank candidates for their time, and tell them what the next step in the selection process is, if any. Tell candidates when you will contact them.
3. This answer will be student-specific but may include:
    - **Structured interview** — all candidates are asked the same list of prepared questions.
  4. The initial offer of a job needs special care, particularly as regards the following:
    - The wages or salary offered must not only be appropriate to the job and attractive to the candidate but consistent with the earnings of present employees.
    - The job must be named and any special conditions stated. For example, for the first six months the candidate would be under training or probation.
    - The candidate must know the essential conditions of employment such as holidays, benefits, working hours, policies and code of ethics or conduct.
    - Any critical requirements for all employees must be clearly stated. For example, employment is subject to satisfactory references checks and medical examination.
    - The next stage must be clearly defined. For example, if

the candidate asks for time for consideration, it must be agreed when he or she will get in touch. If the candidate accepts the oral offer, the manager must say what will happen next, and when.

5. Most references do not give rise to second thoughts about the selection of a candidate. However, in a few cases information is given which shows the request for references to have been worthwhile.

### Activity 5.7

1. This answer will be student-specific, but the student may say:  
The training method used to teach me how to perform my present job involved:
  - off-the-job training, and/or
  - on-the-job training (OJT).
2. Setting objectives is very important in order to measure the learning outcome of the employee training.
3. Orientation is the process of introducing new employees to the organisation and their job. Orientation gives new employees a chance to “learn the ropes” or the “rules of the game”. Although orientation programmes vary in formality and content, five important elements should be included:
  - description of organisation and department functions,
  - specification of job tasks and responsibilities,
  - explanation of standing plans,
  - a tour, and
  - introduction to fellow workers.

### Activity 5.8

1. Performance appraisal is the ongoing process of evaluating employee performance. Appraisal schemes usually attempt the following tasks:
  - Improvement of current performance.
  - Provision of data for promotion and succession planning.
  - Communication between staff and management.
2. The first part of this question will be student-specific but must describe the appraisal process used in their present role.

The appraisal process is:

- a) Carry out a job analysis.
- b) Develop standards and measurement methods.
- c) Carry out informal performance appraisals — coaching



and disciplining.

- d) Prepare and conduct the formal performance appraisal.

### Activity 5.9

1. The compensation is an important part of a person's decision to take a job. However, over time the employee expects compensation to increase. If employees are not satisfied with compensation increases, they may leave for other organisations.
2. Most employees do not realise how expensive benefits are because they are not aware that the increase in health care cost has been as high as seven times the rate of inflation in some countries. The percentage varies with the level of job from one-third to two-thirds of compensations. Some government agencies estimated that the average employee receives slightly over 40 per cent of compensation from benefits.
3. Because most organisations do not have unionised employees, they do not have to deal with labour relations.