




**Part 4**

# **Staffing**

**Chapter 9**  
**Staffing the Workforce**

**Chapter 10**  
**Communication: Interpersonal**  
**and Organizational**



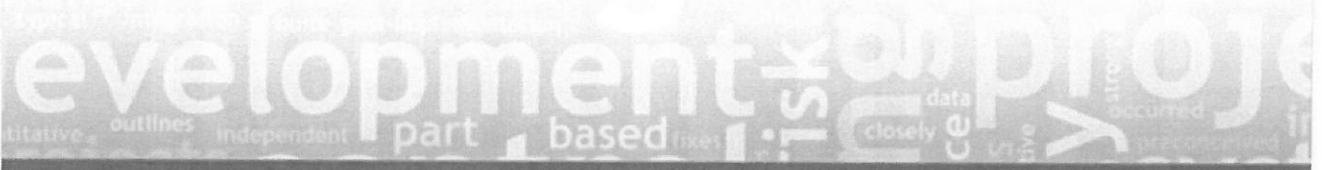
## Chapter 9

# Staffing the Workforce

### LEARNING OBJECTIVES

After studying this chapter, you should be able to:

- 1** Determine the importance of the staffing function
- 2** List and explain the eight elements of the staffing process
- 3** Describe the three primary staffing environments
- 4** Identify the four activities related to human resource planning
- 5** List and describe the primary screening devices used in the selection process
- 6** Explain the differences and similarities between training and development
- 7** Discuss the purpose of a performance appraisal
- 8** Describe the four primary employment decisions
- 9** Determine the purposes and components of compensation



## Management in Action

### Intrapreneur/Entrepreneur

Entrepreneurs start businesses. They are self-employed, they are their own bosses. Intrapreneurs are employed by businesses but embody the entrepreneurial spirit to come up with new and innovative ideas that may become profitable products and services for the business. They look for opportunities, and they work like they own the company. Thus, entrepreneurs and intrapreneurs have similar motivations.

Do you want to pursue your own ideas like an entrepreneur but work for a large corporation? For each of the following statements, circle the number that indicates your level of agreement. Rate your agreement as it is, not what you think it should be. Objectivity will enable you to determine your management skill strengths and weaknesses.

	Almost Always	Often	Sometimes	Rarely	Almost Never
I am passionate about a product or service.	5	4	3	2	1
I am willing to work long hours.	5	4	3	2	1
I am a salesperson for the product or service I'm passionate about.	5	4	3	2	1
I am willing to take risks.	5	4	3	2	1
I am good at making decisions.	5	4	3	2	1
I feel confident about my ability to make the right decision.	5	4	3	2	1
I am responsible.	5	4	3	2	1
I am willing to take on more responsibility.	5	4	3	2	1
I handle stress well.	5	4	3	2	1
I can maintain work/life balance.	5	4	3	2	1

Compute your score by adding the circled numbers. The highest score is 50; the lowest score is 10. A higher score implies you are more likely to enjoy working innovatively for yourself or for a company that will encourage you to be cre-

ative. A lower score implies a lesser degree of readiness, but it can be increased. Reading and studying this chapter will help you to improve your understanding of staffing.

## INTRODUCTION

The primary purposes of **staffing** are to attract, hire, train, develop, reward, and retain the required number of good people, helping them meet their needs while they help the organizations meet their needs. Texas entrepreneur Courtland L. Logue has created or managed 28 companies—running them for a time, then selling some and acquiring others. Here is what he thinks about the importance of finding and hiring the right number of good people:

*"First, get good people. If you don't have good people, that's your fault. Remember, .200 hitters don't win championships. Overpay and get .300 hitters. Just don't hire more of them than you need."*

"Good" people are those with proven performance records or potential that demonstrates they will or do fit into the organization's culture and climate. Frank Sonnenberg, business author and consultant, adds this insight: "The point is, you don't just hire bodies, but seek employees that you value enough to invest in."<sup>2</sup> Since most job applicants have some deficiencies, the key issue is the employer's willingness and ability to help applicants remedy their deficiencies. Providing needed investments (training, for example) makes good people even better, making them more confident and capable and more valuable to their organizations.

Once good people are on board, organizations must retain them. This goal leads to the second part of staffing: helping employees meet their needs while they help the organization to meet its needs. Lorry Lokey, Founder and CEO of Business Wire, a wireless news provider, believes the following: "My people spend a fourth of their lives—or more—working for this company, so they deserve to have their needs taken care of." His financial chief, Constance Cummings, adds, "There's no fear here because we believe in doing everything we can to hold on to good employees and to improve the quality of their lives." These few words sum up the essence of the company's staffing philosophy.<sup>3</sup>

Staffing, which follows organizing, links people and processes. People create an organization's *intellectual capital*—that which makes the organization unique and separates it from its competition. Without dedicated, knowledgeable, and motivated employees, the best-laid plans cannot bear fruit. The Society for Human Resource Managers (SHRM) reports that 25 percent of the workforce turns over yearly. "Turnover is expensive, so it's important to support new employees with comprehensive onboarding to ensure their success." **Onboarding** is the process by which new hires get adjusted to the social and performance aspects of their jobs quickly and smoothly, and learn the attitudes, knowledge, skills, and behaviors required to function effectively within an organization.<sup>4</sup> Empowered people working in a diverse and open climate—one based on mutual trust and respect—can make bad plans work and good plans better.

This chapter examines many major investments that organizations make in their human resources, along with the laws, principles and processes that affect staffing in the United States. Appendix B includes staffing concerns for organizations operating in an international environment.

### Responsibility for Staffing

In small organizations, every manager is responsible for the staffing function; even worker teams can participate. A large firm usually establishes a separate department dedicated to staffing. A subunit that focuses on staffing is usually called a personnel or human resource department. Managers of such a department—**human resource**

# 1

## Determine the importance of the staffing function

### staffing

Efforts designed to attract, hire, train, develop, reward, and retain the people needed to accomplish an organization's goals and promote job satisfaction

### onboarding

The process by which new hires get adjusted to the social and performance aspects of their jobs quickly and smoothly and learn the attitudes, knowledge, skills, and behaviors required to function effectively within an organization

**human resource manager or personnel manager**

A manager who fulfills one or more personnel or human resource function

**managers or personnel managers**—assist others by planning, organizing, staffing, coordinating, controlling and sometimes executing specific personnel and human resource (P/HR) management functions.

Some human resource managers and practitioners are specialists who focus on a specific aspect of P/HR management—compensation, training or recruiting for example. Others are generalists responsible for several functions. This book will use the terms *human resource manager* and *human resource specialist* to refer to both groups.

**2**

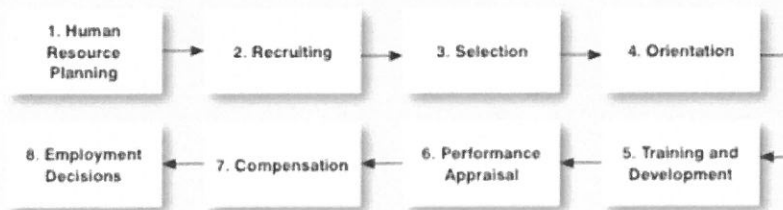
List and explain the eight elements of the staffing process

**STAFFING PROCESS**

Figure 9.1 summarizes the eight elements of the staffing process. The list that follows briefly describes each element:

- 1 *Human resource planning.* This aspect of staffing involves assessing current employees, forecasting future needs and making plans to add or remove workers. To adapt to changing strategies and changing needs, managers must continually update their plans.
- 2 *Recruiting.* In this step, managers with positions to fill look for qualified people inside or outside the company.
- 3 *Selection.* This step involves testing and interviewing candidates and hiring the best available.
- 4 *Orientation.* In this phase of staffing, new employees learn about their surroundings, meet their coworkers, and learn about the rules, regulations and benefits of the company.
- 5 *Training and development.* To train and develop employees, employers establish programs to help workers learn their jobs and improve their skills.
- 6 *Performance appraisal.* As part of the controlling function of management, managers must establish the criteria for evaluating work, schedule formal sessions to discuss evaluations with employees, and determine how to reward high achievers and motivate others to become high achievers. All these tasks are part of the performance-appraisal element of staffing.
- 7 *Compensation.* This aspect of staffing relates to establishing pay and, in some cases, benefits.
- 8 *Employment decisions.* Workers' careers involve transfers, promotions, demotions, layoffs and firings. Making decisions about these career developments is part of the staffing process.

**Figure 9.1** Eight Elements of the Staffing Process



Not all the elements of the staffing process are components of every staffing problem. Recruiting, for example, is not necessary unless new employees are needed. Some elements are constants, however. Planning, training and appraisal accompany the primary management functions. Therefore, every manager must be concerned about staffing.

## STAFFING ENVIRONMENTS

Staffing, like other managerial functions, is subject to outside influences. Events and pressures from many sources in an organization's external environment—customers, suppliers and competitors, for example—influence staffing and dictate the human resource plans and strategies necessary to carry them out.

### Economic Environment

An indicator of the strength of the economy is employment rates.

In recent decades, a growing number of stable employment relationships have given way to something more armslength, from contract situations to temporary employment to oneoff job opportunities, or "gigs", arising from subcontracting, outsourcing and other forms of "fissuring." Technological change is driving some of these developments, but these broad workplace trends are unfolding across both high and lowtech sectors. Because these trends are taking place in many traditional sectors of the economy, hospitality, manufacturing, healthcare, etc.—as well as emerging sectors, they are already affecting a broad swath of the working population.<sup>5</sup>

The **sharing economy** has led to the **gig economy**. The **sharing economy** refers to the peer-to-peer rental market. In both cases, temporary positions are common and organizations contract workers to rent rooms, rides or other assets as depicted in Figure 9.2 below, using mobile Apps or the Internet. Sharing companies like Uber Technologies and Airbnb do not use employees. The contingent workers monetize their cars for Uber and extra rooms in their homes for Airbnb.

### 3 Describe the three primary staffing environments

#### sharing economy

The peer-to-peer rental market

#### gig economy

Independent contractors or self-employed people work for short-term engagements

Figure 9.2 The Rise of the Sharing Economy



From <http://www.economist.com/news/leaders/21573104-internet-everything-hire-rise-sharing-economy>.

**Independent contractors**

Self-employed workers hired by companies with a verbal agreement for a short term or under terms specified in a contract.

These companies use **independent contractors** who are available on demand. Since independent contractors have a particular expertise and are self-employed, they are often hired by companies with a verbal agreement for short-term assignments or under terms specified in a contract. This allows workers to be flexible and companies to lower overhead with respect to planning. The company does not pay contractors overtime or benefits, such as health insurance, Social Security or FICA taxes.

**Legal Environment**

The laws and principles that govern a community inevitably affect the way companies do business. Consider just a few of the legal issues that pertain to even the smallest company: contracts, criminal law, negligence and equity. A legal concept that has a great impact on organizations today is the idea that the law is a tool to correct and prevent wrongs to individuals and groups. Laws and legal principles act as controls on managers who discharge staffing responsibilities.

Executive orders and laws generated by federal, state, county and city agencies regulate how companies, usually those with 15 or more employees, must conduct staffing. So complex are these regulations, and so great is the potential for harm due to noncompliance, that many large companies and institutions hire attorneys and specialists to deal with reporting and disclosure requirements.

Figure 9.3 highlights federal laws regarding three topics: equal employment opportunity, affirmative action and sexual harassment. The following paragraphs discuss these topics in more detail.

**Figure 9.3 U.S. Federal Legislation Related to Staffing**

Federal Legislation	Description of Provisions
<b>Equal Pay Act of 1963</b>	Prohibits paying employees of one sex less than employees of the opposite sex for doing roughly equivalent work. Applies to private employers.
<b>Title VI 1964 Civil Rights Act</b>	In staffing decisions, prohibits discrimination based on race, color, religion, sex or national origin. Applies to employers receiving federal financial assistance.
<b>Title VII 1964 Civil Rights Act (amended 1972)</b>	Prohibits discrimination based on race, color, religion, sex or national origin. Applies to private employers of 15 or more employees; federal, state and local governments; unions; and employment agencies.
<b>Executive Orders 11246 and 11375 (1965)</b>	In staffing decisions, prohibits discrimination based on race, color, religion, sex or national origin. Establishes requirements for affirmative action plans. Applies to federal contractors and subcontractors.
<b>Age Discrimination in Employment Act of 1967 (amended 1978)</b>	Prohibits age discrimination in staffing decisions against people over 40 years of age. Applies to all employers of 20 or more employees.
<b>Title I 1968 Civil Rights Act</b>	Prohibits interference with a person's exercise of rights with respect to race, color, religion, sex or national origin.
<b>Rehabilitation Act of 1973</b>	In staffing decisions, prohibits discrimination based on certain physical and mental handicaps. Applies to employers doing business with or for the federal government.
<b>Vietnam Era Veterans Readjustment Act of 1974</b>	In staffing decisions, prohibits discrimination against disabled veterans and Vietnam-era veterans.

continues

Figure 9.3 U.S. Federal Legislation Related to Staffing (continued)

Federal Legislation	Description of Provisions
<b>Privacy Act of 1974</b>	Establishes the right of employees to examine letters of reference concerning them unless the right is waived.
<b>Revised Guidelines on Employee Selection (1976, 1978, and 1979)</b>	Establishes a single set of guidelines that define discrimination on the basis of race, color, religion, sex and national origin. The guidelines provide a framework for making legal employment decisions about hiring, promoting and demoting and for the proper use of tests and other selection procedures.
<b>Pregnancy Discrimination Act of 1978</b>	Prohibits discrimination in employment based on pregnancy, childbirth or related medical conditions.
<b>Equal Employment Opportunity Guidelines of 1981—Sexual Harassment</b>	Prohibits sexual harassment when such conduct is an explicit or implicit condition of employment, if the employee's response becomes a basis for employment or promotion decisions, or if it interferes with an employee's performance. The guidelines protect men and women.
<b>Equal Employment Opportunity Guidelines of 1981—National Origin</b>	Identifies potential national-origin discrimination to include fluency-in-English job requirements and disqualification due to foreign training or education.
<b>Equal Employment Opportunity Guidelines of 1981—Religion</b>	Identifies national-origin harassment in the work environment to include ethnic slurs and physical conduct with the purpose of creating an intimidating or hostile environment or unreasonable interference with work.
<b>Equal Employment Opportunity Guidelines of 1981—Religion</b>	Determines that employers have an obligation to accommodate religious practices of employees unless they can demonstrate that doing so would result in undue hardship. Accommodation may be achieved through voluntary substitutes, flexible scheduling, lateral transfer and change of job assignment.
<b>Mandatory Retirement Act (amended 1987)</b>	Determines that employees may not be forced to retire before age 70.
<b>Workers Adjustment and Retraining Act of 1988</b>	Employer of 100 or more workers must provide to employees a 60-day notice of mass layoffs or plant closures so that they have ample time to search for other jobs.
<b>Americans with Disabilities Act of 1990</b>	Prohibits discrimination on the basis of physical or mental handicap.
<b>Civil Rights Act of 1991</b>	Permits women, persons with disabilities, and persons who are religious minorities to have a jury trial and sue for punitive damages if they can prove intentional hiring and workplace discrimination. Also requires companies to provide evidence that the business practice that led to the discrimination was not discriminatory but was job related for the position in question and consistent with business necessity.
<b>Genetic Information Nondiscrimination Act of 2008</b>	Prohibits discrimination based on a person's genetic information.

**Equal Employment Opportunity** Federal laws prohibit discrimination in employment decisions. **Discrimination** means using illegal criteria in staffing. Laws that prohibit discrimination are designed to guarantee **equal employment opportunity**. The Equal Employment Opportunity Commission (EEOC) enforces antidiscrimination laws. Claims of discrimination filed with the U.S. Equal Employment Opportunity Commission are based on race/color, national origin, gender, religion, age or disability.

#### **discrimination**

Using illegal criteria when making employment decisions. Discrimination results in an adverse impact on members of protected groups.

#### **equal employment opportunity**

Legislation designed to protect individuals and groups from discrimination.

According to the U.S. Senate, it is unlawful for an employer to do either of the following:<sup>6</sup>

- 1 To fail or refuse to hire or to discharge an individual solely on the basis of race, color, religion, sex, age, national origin or handicap
- 2 To limit, segregate or classify employees or applicants for employment in any way that would tend to deprive the individual of employment opportunities solely on the basis of race, color, religion, sex, age, national origin or handicap

A company's best defense against accusations of discrimination or bias in hiring is to be certain that any employment practice or device adheres to the following:

- Analyze the duties, functions, and competencies relevant to jobs. Then create objective, job-related qualification standards related to those duties, functions, and competencies. Make sure they are consistently applied when choosing among candidates.
- Ensure selection criteria do not disproportionately exclude certain racial groups unless the criteria are valid predictors of successful job performance and meet the employer's business needs. For example, if educational requirements disproportionately exclude certain minority or racial groups, they may be illegal if not important for job performance or business needs.
- Make sure promotion criteria are made known, and that job openings are communicated to all eligible employees. (Source: U.S. Equal Employment Opportunity Commission, Best Practices for Employers and Human Resources/EEO Professionals, <http://www.eeoc.gov/eeoc/initiatives/e-race/bestpractices-employers.cfm>.)

**Protected Groups** The federal government has created several protected groups—people against whom it is illegal to discriminate. These groups are women, the disabled or differently abled and minorities. Federal law lists socially disadvantaged individuals as follows:

- Black Americans
- Hispanic Americans
- Asians Pacific Americans
- Native Americans
- Subcontinent Asian American

As defined under federal law, the differently abled in America are those who have a physical or mental impairment that substantially limits one or more major life activities, have a record of such impairment, and are regarded as having such impairment.

Two major laws govern the protection of people with such disabilities: the Rehabilitation Act of 1973 (covering firms doing business with the federal government) and the Americans with Disabilities Act of 1990 (covering nearly every firm with 15 or more employees). On September 25, 2008, the President signed the Americans with Disabilities Act (ADA) Amendments Act of 2008. The ADA contains a broad definition of disability.

Protection is extended to people with current or past physical and mental conditions. Examples of those protected are people with dependency on legal drugs whose dependency does not impair work performance; people with a history of cancer, heart trouble or a contagious disease, providing that their conditions do not pose a signifi-

cant risk to coworkers or render them unable to perform their work; and people who have undergone or who now are undergoing rehabilitation for their drug dependencies.

Under both laws employers must make reasonable accommodations (that cause no *undue hardship*) for the disabled. Jobs may have to be redefined, removing those tasks that the person with a disability cannot perform. Prerequisites such as passing a physical exam may have to be waived when parts of that exam are not job related. Physical facilities may have to be altered to accommodate access by persons with disabilities. Signs in Braille and wheelchair ramps are but two examples.

The Job Accommodation Network (JAN), a service of the U.S. Department of Labor's Office of Disability Employment Policy (ODEP), conducts a survey on the cost of accommodation. Each year the survey continues to indicate that the cost of accommodation in dollars is low, while the impact to the workplace is positive in many ways. JAN surveys employers who call for accommodation information to obtain feedback on the cost and benefit of accommodation. Study results show that more than half of accommodations needed by employees and applicants with disabilities cost absolutely nothing. Of those accommodations that do cost, the typical expenditure by employers is \$500. The most frequently mentioned direct benefits were: (1) the accommodation allowed the company to retain a qualified employee; (2) the accommodation increased the worker's productivity; and (3) the accommodation eliminated the costs of training a new employee.<sup>7</sup>

In 1998, the U.S. Supreme Court ruled that Title VII of the 1964 Civil Rights Act covers claims of same-sex sexual harassment but does not include claims of "sexual orientation discrimination" (*Bibby v. The Philadelphia Coca-Cola Bottling Co.*). Several states, counties and municipalities have added the category of sexual orientation to fair housing, employment, public accommodations and credit laws that already protect people in the preceding categories from discrimination. Almost half of the states have laws protecting lesbians and gay men against workplace discrimination. In addition, many companies, including Microsoft, Levi Strauss, Hewlett-Packard, Fox Inc., Ben & Jerry's and Disney, have adopted nondiscrimination policies with regard to sexual orientation. A few states and cities, however, specifically exclude protecting people from discrimination on the basis of their sexual orientation.

By law, managers must refrain from employment decisions that produce a disparate impact on these protected groups. A **disparate impact** is any result that harms one group more than another. Not hiring an applicant because she is a woman causes a disparate impact. Using an employment test that eliminates a significantly greater percentage of protected groups than unprotected groups also causes a disparate impact. The actions in both these cases are considered discriminatory under law. The organization and the managers involved in the discriminatory decisions would be subject to criminal penalties.

Title VII of the 1964 Civil Rights Act requires parties who file discrimination complaints to do so within 180 days of the alleged violation. It provides two basic remedies when discrimination is proved: reinstatement and recovery of lost pay. The Civil Rights Act of 1991 amended the 1964 Civil Rights Act to allow for the recovery of punitive damages if it can be proved that a company engaged in a discriminatory practice with malice or with reckless indifference to the law. Limits placed on these damages are as follows:

- Between 15 and 100 employees: \$50,000
- Between 101 and 200 employees: \$100,000

#### **disparate impact**

The result of using employment criteria that have a significantly greater negative effect on some groups than on others.

**affirmative action**

A plan to give members of specific groups priority in hiring or promotion.

- Between 201 and 500 employees: \$200,000
- More than 500 employees: \$300,000

**Affirmative Action** Some laws go beyond prohibiting discrimination. Laws that mandate **affirmative action** require employers to make an extra effort to employ protected groups. Affirmative action laws apply to employers that have, in the past, practiced discrimination or failed to develop a workforce that is representative of the whole population of their community. (Under current laws, affirmative action is not required with regard to disabled Americans.)

The fact that an organization has an affirmative action plan does not necessarily mean that the organization practiced unfair employment practices in the past, however. Managers of many organizations choose to develop affirmative action plans even when the law does not require them to do so. Affirmative action plans must include goals and timetables for achieving greater representation of and equity for protected groups.

**Sexual Harassment** Title VII of the 1964 Civil Rights Act and guidelines established by the EEOC prohibit sexual harassment. **Sexual harassment** includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when any of these three conditions are present:

- 1 Submission to such conduct is an explicit or implicit term or condition of employment.
- 2 Submission to or rejection of such conduct is used as a basis for any employment decision.
- 3 Such conduct has the purpose of unreasonably interfering with the individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment creates anger, suspicion, fear, stress, mistrust, victims and costs in a workplace. Costs are both psychological and financial. Companies experience losses in employee morale, loyalty, company reputation and, correspondingly, reductions in quality and productivity. According to research by Ellen Bravo and Ellen Cassidy:

- In general, men and women have different views of what constitutes harassment.
- Most harassers are men, but most men are not harassers.
- Intentional harassment is an exercise of power, not romantic attraction.
- Ninety percent of harassment cases involve men harassing women; 9 percent involve same-sex harassment; one percent involve women harassing men.<sup>3</sup>

Preventing sexual harassment is no easy task; efforts to do so begin with top management. They must create a clear policy and communicate to everyone that sexual harassment will not be tolerated. Every employee must be made aware of what sexual harassment is and is not. In most organizations, creating awareness means bringing in outside experts who will conduct training. The National Association of Working Women, 9 to 5, offers these guidelines for creating a meaningful policy:

- Involve all employees.
- Clearly define procedures to protect the complainant and the accused.
- Investigate promptly, using a team of impartial investigators.
- Give several options for reporting, including informal channels.
- Indicate appropriate discipline, including counseling.<sup>7</sup>

**sexual harassment**

Unwelcome verbal or physical conduct of a sexual nature that implies, directly or indirectly, that sexual compliance is a condition of employment or advancement or that interferes with an employee's work performance.

### Sociocultural Environment

The U.S. labor force is becoming more diverse (see Figure 9.4). On the last Labor Day of the 20th century, Secretary of Labor, Alexis M. Herman, delivered a report titled "Futurework—Trends and Challenges for Work in the 21st Century." This report examined where the United States has been, where the United States is, and where the country is going.

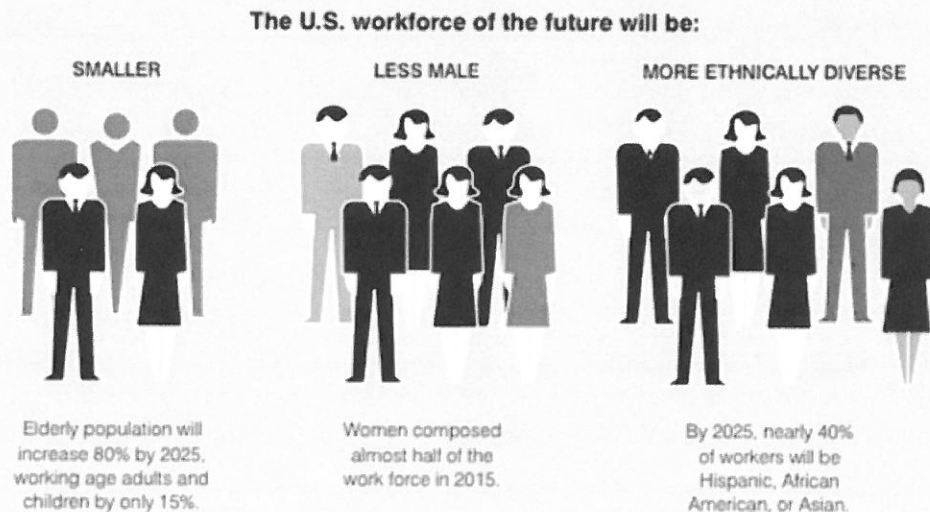
*In 1995, the United States was estimated to be 83 percent white, 13 percent black, one percent American Indian, Eskimo, and Aleut, and four percent Asian and Pacific Islander. Ten percent of Americans, mostly blacks and whites, were also of Hispanic origin. Nearly one in eleven Americans was foreign born.... Trends show that whites will be a declining share of the future total population while the Hispanic share will grow faster than that of non-Hispanic blacks. By 2050, minorities are projected to rise from one in every four Americans to almost one in every two. The Asian and Pacific Islander population is also expected to increase.<sup>10</sup>*

*Nearly 83 percent of all adults ages 25 and over have completed high school, and 24 percent have obtained a bachelor's degree or more.<sup>11</sup>*

*Since 1950, the proportion of men in the labor force has declined from 86 percent to 75 percent. In contrast, the trend for women is on the rise. In 1950, one-third of women worked outside the home. Almost 50 years later, 60 percent of women are in the labor force.<sup>12</sup>*

**Cultural Diversity** Differing sociocultural groups both inside and outside organizations make demands on and contribute to those organizations. They constitute any

**Figure 9.4** How Workplace Demographics are Evolving



Source: U.S. Department of Commerce

Source: From "Meeting the Challenge of Tomorrow's Workplace," in *CEO Perspectives*, an online supplement to *Chief Executive*, August/September 2002. Reprinted with permission.

organization's stakeholders, help shape its culture and climate and must have adequate representation in all staffing activities.

In the past, most managers tried to create a homogeneous workforce—to treat everyone in the same way and make people fit the dominant corporate culture. These efforts did not always build a stable, committed group of employees. What was needed—and what is rapidly appearing in enlightened corporations—is respect for what workers from different backgrounds bring to the workplace. Across America, managers are participating in workshops designed to facilitate understanding among diverse groups, not just tolerance of one another's existence. See this chapter's Valuing Diversity feature for a workshop example.

**Glass Ceilings and Glass Walls** The terms *glass ceiling* and *glass wall* refer to invisible barriers of discrimination that block the careers of women and other protected groups.<sup>11</sup> A glass ceiling is discrimination that keeps individuals from protected groups out of upper-level management jobs; a glass wall prevents them from pursuing fast-track career paths. Nearly a quarter of a century after the Glass Ceiling Commission report, Blacks, Hispanics, Asian Americans and women are underrepresented (when compared to their representation in the whole workforce) in senior management positions in the nation's largest companies.

Catalyst, a nonprofit research organization that focuses on women's issues in the workplace, updated the Glass Ceiling Commission recommendations and published *Cracking the Glass Ceiling: Strategies for Success*. Stereotyped as support providers, women end up in staff positions. One reason for the perpetuation of the stereotype is that many men, especially those in the upper ranks of management, feel uncomfortable dealing with women. Additionally, Catalyst research discovered that talent management systems can be vulnerable to pro-male biases, which results in even less

## Valuing Diversity and Inclusion

### “Avoid This Workplace” Top-10 List

G. Neil, a provider of human resources solutions based in Florida, has developed a “Harassment Prevention Program” to be used for training. Part of the training includes a list of things that wrongheaded people have said.

What harassment allegations might be brought against a manager for saying the following? To check your responses, check the answer key that follows.

- 1 “This report is retarded.”
- 2 “What are you, senile or something?”
- 3 “What’s wrong with you? Are you on your period or something?”
- 4 “Men. They’re all pigs!”
- 5 “What are you, crippled or something?”
- 6 “These numbers don’t sound kosher to me.”
- 7 “That’s a man’s job.”
- 8 “You’re in no condition to travel.”
- 9 “Speak English. This is America.”
- 10 “With a name like Jeff Chang, I’m sure he’s good with computers.”

Answer Key: (1) disability; (2) age; (3) gender; (4) gender; (5) disability; (6) religion; (7) gender; (8) disability (pregnancy); (9) national origin; (10) national origin

Source: G. Neil. <http://www.gneil.com>. Used with permission.

diverse employee pools. Below is the list, "Catalyst's Top Ten Tactics to Cracking the Glass Ceiling."<sup>14</sup>

- Measure women's advancement.
- Move women into line positions.
- Find mentors for women.
- Create women's networks.
- Make culture change happen.
- Promote women.
- Get women into nontraditional work.
- Promote women in professional firms.
- Support customized career planning.
- Make flexibility work.

According to "Holding Women Back," a special report from talent management consultancy DDI's Global Leadership Forecast 2014/2015,<sup>15</sup> barriers still exist in the career opportunities offered to women. The study measured the impact of leadership development initiatives around the world. The research revealed that female leaders are under-represented in higher levels of leadership. Many companies recognize that glass ceilings and glass walls exist and have worked hard to eliminate them. The number of women and minorities in top management jobs is gradually increasing. Each year there are more leading large companies than there were the previous year.

**AIDS and Drug Testing** Acquired immune deficiency syndrome (AIDS) is a frightening condition that—until medical progress can prevent it—eventually leads to death. HIV, the virus that causes AIDS, cannot be casually transmitted, but fear of AIDS is a reality in the workplace.

Federal law prohibits discrimination against employees suffering from AIDS and any other contagious diseases.<sup>16</sup> Will a company accommodate the employee who does not want to work with an employee who has HIV? What will management do when an employee's routine physical reveals that he or she is HIV positive? Companies need policies telling employees and managers how to deal with the issue.

Most of America's largest companies have had experience with employees who are suffering from some sort of drug addiction. Employees with drug or alcohol dependencies can and do cause losses to their companies, themselves and others. A Substance Abuse and Mental Health Services Administration (SAMHSA) study revealed that workers reporting current drug use were more likely to have worked for three or more employers, to have voluntarily left an employer in the past year, and skipped one or more days of work in the past month.<sup>17</sup> Workers with drug problems compromise safety, quality and productivity.

Many companies require drug testing for all applicants, and some require random testing of current employees involved in work that is potentially hazardous to themselves or others. Figure 9.5 shows why the lingering effects of drugs are of such concern to many companies. (Where a workforce is unionized, it is wise to involve the union in any drug-testing efforts before they are instituted.) Workplace safety is the most common reason given by employers for drug testing. In those occupations identified with the highest rates of drug information and policies in the workplace, employees reported significantly lower rates of current drug use and heavy drinking.<sup>18</sup>

Figure 9.5 Duration of Detectability of Drugs in Urine

Drug	Retention Time During Which Detectable
Amphetamines and methamphetamines	48 hrs.
Barbiturates	short-acting (e.g., secobarbital), 24 hrs. long-acting (e.g., phenobarbital), 7 or more days
Benzodiazepines	3 days if therapeutic dose ingested
Cocaine metabolites	2–3 days
Opiates	2 days
Propoxyphene (Darvon)	6–48 hrs.
Cannabinoids	single use, 3 days moderate smoker (4 times/week), 5 days heavy smoker (daily), 10 days chronic smoker, 21–27 days
Methaqualone	7 or more days
Phencyclidine (LPCP)	approximately 8 days

Note: Retention times may vary depending on variables including drug metabolism and half-life, patient's physical condition, fluid intake, and method and frequency of ingestion.

Source: From "Scientific Issues in Drug Testing," *Journal of the American Medical Association*, 1987, v. 257 (22), p. 3112. Reprinted with permission from the American Medical Association.

According to the Americans with Disabilities Act, drug-addicted employees are protected from discrimination if they are currently enrolled in legitimate drug-intervention programs or have completed such programs and are drug free. Testing for drugs raises issues about employee privacy, because most drug tests involve blood and urine analysis. These tests can reveal conditions that an employer has no business knowing about. In addition, drug tests can produce false positive results.

**Genetic Screening** Medical tests of a person's genetic makeup can identify his or her predisposition to diseases like heart disease and certain types of cancer. Such tests were used in the past to deny employment, insurance and advancement.<sup>19</sup> The Genetic Information Nondiscrimination Act of 2008 (GINA) is a Federal law that prohibits discrimination in health coverage and employment based on genetic information. Employers with 15 or more employees cannot request genetic testing or consider someone's genetic background in hiring, firing or promotions. They cannot ask employees for their family medical histories.

#### Union Environment

According to the U.S. Bureau of Labor Statistics in 2015 more than 14 million or almost 11.3 percent of wage and salary workers were union members. This is down from a high of 20.1 percent in 1983, the first year for which comparable union data are available.<sup>20</sup> Most union members belong to unions affiliated with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO).

Companies that employ unionized workers must bargain collectively to create a contract, to enforce that contract and to process complaints (called grievances) about how the contract is enforced. Unions typically bargain for their members' wages, hours and working conditions. Whether the issue is employment, work methods, equipment, safety or productivity improvement, a union can impede or support changes that managers want to make.

**Collective Bargaining** In **collective bargaining**, negotiators from management and a union sit down together and try to agree on the terms of a contract that will apply to the union's members for a fixed period of time. Both parties prepare for these negotiations by analyzing past problems and agreements, polling their constituents, building a list of demands and creating strategies. Both want what they perceive to be the best deal for themselves, given their respective needs and priorities. Negotiations usually begin before an existing contract expires, and negotiators try to reach a new agreement while the contract is still in effect.

**Grievance Processing** A labor agreement (contract) provides a process by which managers and workers can file *grievances*, complaints alleging that a contract violation has taken place. The process of filing a grievance usually begins at the lowest level. If no settlement can be reached at that level, the complaint is brought before those at successively higher levels. A grievance can progress to the point that it becomes a focus for top managers and union officials. When these parties cannot agree, a third party may be called in. Third parties are usually neutral professionals hired to recommend or enforce a settlement. A third party might be a mediator or an arbitrator. Mediators make recommendations. Arbitrators suggest settlements that are enforced. Arbitrators have the power to hold hearings, gather evidence and render a decision to which both parties agree in advance to adhere.

#### collective bargaining

Negotiation between a union and an employer in regard to wages, benefits, hours, rules and working conditions.

## HUMAN RESOURCE PLANNING

In planning to meet staffing needs, managers must know their organization's plans and what human resources are available. They study existing jobs by performing job analyses. They review their firm's past staffing needs, inventory current human resources, forecast personnel needs in light of strategic plans and compare their human resource inventory to the forecast. Then, with line managers, they construct plans to expand the company's employee roster, maintain the status quo, or reduce the number of jobs. Figure 9.6 illustrates this process.

### Job Analysis

Before managers can determine personnel needs, they must perform a **job analysis** for each job. The first step in a job analysis is to prepare up-to-date descriptions that list the duties and skills required of each jobholder. Then managers must compare all the analyses to ensure that some jobholders are not duplicating the efforts of others. This comparison enhances effectiveness and efficiency in the organization.

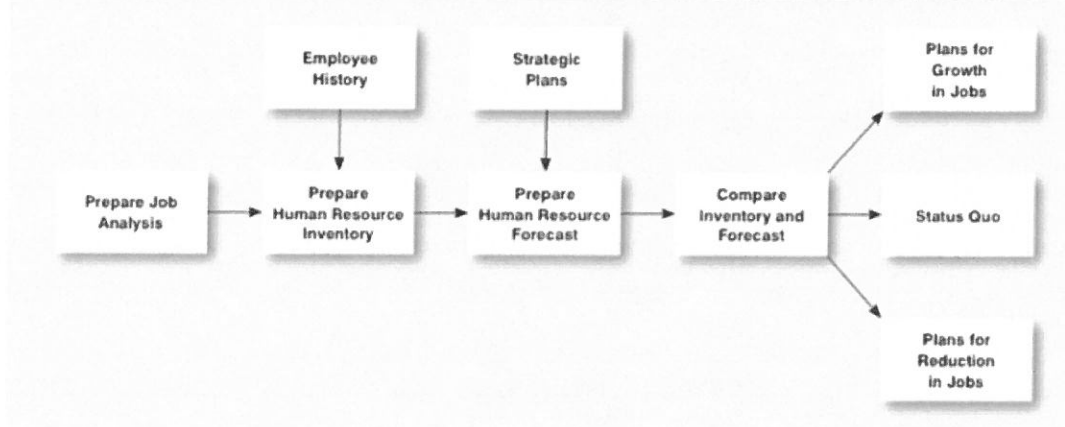
To prepare an in-depth study of jobs, some companies employ job analysts. To do their work, job analysts: (1) observe the jobholder executing his or her duties; (2) review questionnaires completed by the jobholder and supervisor; (3) conduct interviews with both; or (4) form a committee to analyze, review and summarize the results. Job analysts may study more than one jobholder in a job category over several months.

#### 4 Identify the four activities related to human resource planning

#### job analysis

A study that determines the duties associated with a job and the human qualities needed to perform it.

Figure 9.6 Human Resource Planning Process



The job analysis produces two coordinated documents: a job description and a job specification. Figure 9.7 presents an example of a job description. A job description cites the job title and the purpose of the job. It lists major work activities, the levels of authority above and below the jobholder, the equipment and materials the jobholder must use, and any physical demands or hazardous conditions the job may involve.

Figure 9.8 presents an example of a job specification. A job specification lists the human dimensions that a position requires. These include education, experience, skills, training and knowledge. To avoid even the appearance of discrimination, those who create job specifications must take care to list only those factors directly linked to successful work performance.

Managers should review job descriptions and specifications regularly (usually each year) to ensure that they continue to reflect the positions to which they refer. Jobs evolve with time as changes in duties, knowledge bases and equipment take place; the documents should reflect that evolution. When new positions are added to the organization, job descriptions and specifications must be created.

### Human Resource Inventory

The human resource inventory provides information about an organization's current personnel. The inventory is a catalog of the skills, abilities, interests, training, experience and qualifications of each member of its current workforce. A human resource inventory tells managers the qualifications, length of service, responsibilities, experiences and promotion potential of each person in the firm. This information is updated periodically and supplemented by the most recent appraisals given to jobholders. What emerges is something similar to Figure 9.9, a plan for staffing changes in management ranks. Developing such a chart makes managers aware of strengths and weaknesses in the current personnel base and allows them to develop a managerial succession plan.

### Human Resource Forecasting

When forecasting an organization's personnel requirements, managers need to consider the strategic plans of the company and its normal level of attrition. Strategic

Figure 9.7 Example of a Job Description

**I. Job Identification**

Position Title: Customer Service Representative  
 Department: Policyholders' Service  
 Effective Date:

**II. Function**

To resolve policyholders' questions and make corresponding adjustments to policies if necessary after the policy is issued

**III. Scope**

- (a) Internal (within department)  
Interacts with other members of the department in researching answers to problems
- (b) External (within company)  
Interacts with Policy Issue in regard to policy cancellations, Premium Accounting in regard to accounting procedures, and Accounting in regard to processing checks
- (c) External (outside company)  
Interacts with policyholders, to answer policy-related questions; client-company payroll departments, to resolve billing questions; and carriers, to modify policies

**IV. Responsibilities**

The jobholder will be responsible for

- (a) Resolving policyholder inquiries about policies and coverage
- (b) Initiating changes in policies with carriers (at the request of the insured)
- (c) Adjusting in-house records as a result of approved changes
- (d) Corresponding with policyholders regarding changes requested
- (e) Reporting to the department manager any problems he or she is unable to resolve

**V. Authority Relationships**

- (a) Reporting relationships: Reports to the manager of Policyholders' Service
- (b) Supervisory relationship: None

**VI. Equipment, Materials, and Machines**

Personal computer, calculator and video display terminal

**VII. Physical Conditions or Hazards**

95 percent of the duties are performed sitting at either a desk or video display terminal

**VII. Other**

Other duties as assigned

plans determine the company's direction and its need for people. A long-term plan to stabilize the company at its current employment level will mean the need to replace those who leave.

Consider how a fictional furniture-making company translates strategic plans into actual personnel requirements. Suppose managers decide to increase production by 30 percent to meet a forecast increase in long-term demand. They analyze current capabilities, reject the use of overtime, and decide to add a third shift within three months. Using up-to-date job descriptions and specifications for the jobs to be added, managers determine how many and what kinds of employees to hire: nine production workers. Then the managers look at anticipated turnover in the existing shifts and support personnel. They decide to hire two new employees over the next three months to replace retiring employees. Therefore, the managers must acquire eleven new hires over the next three months.

**Figure 9.8** Example of a Job Specification**I. Job Identification**

Position: File/Mail Clerk  
 Department: Policyholders' Service  
 Effective Date:

**II. Education**

Minimum: High school or equivalent

**III. Experience**

Minimum: Six months of experience developing, monitoring, and maintaining a file system

**IV. Skills**

Keyboarding skills: Must be able to set up own work and operate a computer. No minimum WPM.

**V. Special Requirements**

- (a) Must be flexible to the demands of the organization for overtime and change in work load
- (b) Must be able to comply with previously established procedures
- (c) Must be tolerant of work requiring detailed accuracy (the work of monitoring file signouts and filing files, for example)
- (d) Must be able to apply systems knowledge (to anticipate the new procedures that a system change will require, for example)

**VI. Behavioral Characteristics**

- (a) Must have high level of initiative as demonstrated by the ability to recognize a problem, resolve it and report it to the supervisor
- (b) Must have interpersonal skills as demonstrated by the ability to work as a team member and cooperate with other departments

**Inventory and Forecast Comparison**

By comparing the inventory and the forecast, managers determine who in the organization is qualified to fill the projected openings and which personnel needs must be met externally. At the furniture company, managers decide that most of the needed personnel must come from outside, because many of the positions are entry-level jobs and members of the existing workforce will be needed to replace retiring workers.

If the managers decide to try to fill some of the vacancies from within, the first question is whether current employees qualify. If so, the managers must advertise the jobs within the company and encourage employees to apply for them. If current employees do not qualify, the next question is whether, through training and development, they can achieve the qualifications. If so, and if the company can afford the money and time, managers should prepare a plan to provide the needed training and development.

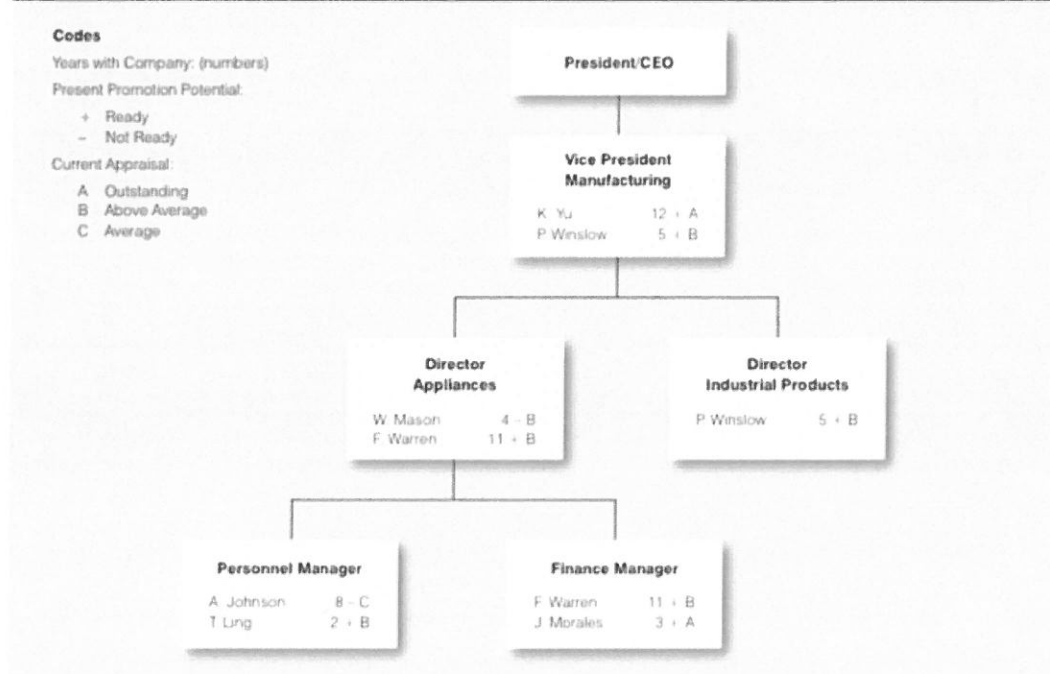
**RECRUITMENT, SELECTION, AND ORIENTATION****Recruitment**

With the forecast and inventory complete and job descriptions and specifications in hand, managers begin **recruiting**—the process of locating and soliciting a sufficient number of qualified candidates. Sources of applicants should include employed and unemployed prospects and temporary-help services. Managers may also want to investigate the option of leasing employees. This option involves working with a company that hires workers to lease to a client firm. The lease company hires, fires, complies with

**recruiting**

Efforts to find qualified people and encourage them to apply for positions that need to be filled

Figure 9.9 Abbreviated Human Resource Inventory



all government regulations, pays the leased employees and is responsible for all human relations functions.

Company policies define strategies for and limits on filling vacancies. Among the concerns many companies have are the issues of nepotism—employing spouses or other relatives of existing employees—and of employing friends of employees. See this chapter's Ethical Management feature for some recent research in this area.

### Strategies for Recruiting

At our fictitious furniture-making company, managers decide to look outside for the needed applicants. This decision presents several options. They can call private or state-operated employment services. They can run ads on the Internet, in newspapers and in other publications, including trade journals and papers that appeal to racial and ethnic minorities. They can ask current employees to recommend qualified friends and relatives. (Many companies offer bonuses to employees who refer people who are eventually hired.) They can contact schools and offer a training program, and they can participate in job fairs. The managers can ask neighborhood and community groups to help them reach minorities and other protected groups and encourage them to apply for the jobs. If the company employs union labor, managers can contact trade unions in their search for skilled workers.

Many companies like to recruit for entry-level positions through internship programs. These offer a person, usually a student, a chance to gain some full-or part-

## Ethical Management

### Coping with Workplace Romances

Many organizations have policies that prevent the hiring of an existing employee's spouse. Others forbid two employees, once they marry, from continuing to work at the organization; one of them must quit or be fired. But Microsoft, like a growing number of companies, sees advantages to employing married couples. The company's Seattle headquarters has several married couples who met and courted during their long workdays. People who work together have, almost by definition, similar backgrounds, talents and aspirations. Microsoft ought to know. Its billionaire CEO, Bill Gates, married one of his executives.

The most likely outcome of workplace romances is marriage of the people involved in the office romance. But, workplace romances can lead to organizational conflict. Outcomes with less favorable results include complaints of favoritism by workers outside of the relationship, claims of sexual harassment and decreased productivity of those involved in the office romance.

The annual office romance survey by CareerBuilder.com, a jobs and career website, found that nearly 40 percent of respondents said they had been in an office romance. Nearly one third married someone that they started dating at work. Most managers think that it is unacceptable to date a superior or subordinate. Yet, one quarter said they had dated someone with a higher position in their organization.

CareerBuilder offers the following tips for workers who may want to spark a workplace romance:

- **Check the Company Handbook**—Some companies have strict policies around office romances. Acquaint yourself with the rules before turning a professional relationship into a personal one.
- **Proceed with Caution**—Some romances lead into marriage, but others can lead into disaster. Seven percent of workers who have dated a co-worker reported having to leave their jobs because their office romance soured. Take the time to get to know someone first and carefully weigh risks and benefits.
- **Compartmentalize**—Keep your work life separate from your home life. Avoid showing public displays of affection in the office and don't involve co-workers in personal disagreements.
- **Think Before You Post**—Be careful what you post on social media. You can end up outing your relationship before you're ready to discuss it.

➡ What experiences that relate to this ethical issue can you share with your classmates?

➡ If you were a manager, what would you do if you found out about an office romance?

**Source:** CareerBuilder, "Thirty eight Percent of Workers Have Dated a Co-Worker, Finds Annual CareerBuilder Valentine's Day Survey," February 12, 2014 <<http://www.careerbuilder.com/share/aboutus/pressreleasesdetail.aspx?sid=2%2F13%2F2014&id=pr803&ed=12%2F31%2F2014>>

time experience in his or her specialty area while assisting an employer. Networking with associates in various professional groups and trade associations often leads to referrals of likely prospects. See this chapter's Managing Social Media feature for recruiting with LinkedIn. Another option involves the use of public and private employment agencies. Industry-specific search firms may help companies locate the best employees in the field, despite the price.<sup>21</sup> Fees for hiring through private search firms can run as high as a new hire's first year's salary.

**5** List and describe the primary screening devices used in the selection process

#### selection

Evaluating applicants and finding those best qualified to perform a job and most likely to fit into the culture of the organization.

#### Selection Process

**Selection** is the process of deciding which candidate out of the pool of applicants possesses the qualifications for the job to be filled. Selection begins where recruiting ends. Its goal is to eliminate unqualified candidates through use of the screening devices shown in Figure 9.10.

**Application Form** Usually, a prospective employee must fill out an application form as part of the selection process. An application form summarizes the candidate's education, skills and experiences relating to the job for which he or she is applying. To avoid discrimination in the selection process, employers must not ask for information that is

## Managing Social Media

### Recruiting with LinkedIn

The Internet is one of the methods employers use to find employees. One of the methods used by employers on the Internet is LinkedIn, a social network for business professionals. Members have a profile page detailing their work history, career aspirations and references. LinkedIn allows members to look at the profiles of anyone they know, and in turn anyone those people know, growing their network exponentially. A few direct contacts can translate to hundreds of business users.

LinkedIn members can adjust their settings to indicate that they are interested in career opportunities and that they will accept messages from other members. Recruiters use keywords to search for people in their desired field and send them job queries. "Keywords" are nouns that meet a set of job criteria. In addition to nouns, skill and experience verbs may be used. Specific keywords are found in job descriptions and classified ads for those positions.

Job seekers maximize keyword exposure by using variations of the same word within their profiles. For example, both "managing" and "manager" can be used at different places on the profile. Also, if an acronym such as "AMA" is mentioned in a profile, "American Management Association" might be used at another place in the profile.

Once a potential candidate is found, the recruiter can delve deeper by reading the candidate's profile. How complete is the profile? How well does it communicate the candidate's qualifications? The recruiter may review the candidate's references, contact list, group membership and involvement in groups. Who are the references? Who is in the network? What does the candidate contribute? Does the candidate ask questions? Does the candidate answer questions? This review gives the recruiter additional information for qualifying the job candidate.

Find LinkedIn at <http://www.linkedin.com>.

unrelated to the candidate's ability to perform the job successfully. Questions regarding home ownership, marital status, age, ethnic or racial background and place of birth are usually irrelevant. When used properly, the completed application yields needed information. In addition, it indicates a person's ability to follow simple instructions and use basic language skills.

**Preliminary Interview** In small firms, a job candidate's first interview at a firm may be conducted by the very manager for whom the person hired will work. In large companies, someone from the human resource staff may be the designated screening interviewer. In very large or sophisticated firms, a human relations specialist may conduct the preliminary interview. If a team has authority to hire, several team members may question each applicant. This procedure is usually the case if the team is self-managing.

A preliminary interview may be structured—scripted with specific questions—or unstructured. An unstructured format allows an applicant relative freedom to express thoughts and feelings. An interviewer uses the preliminary meeting to verify details from the application form and to obtain information needed to continue the selection process. Interviewers must avoid topics that are not related to the applicant's abilities to perform successfully on the job. Ability necessary to perform a job is called a bona fide occupational qualification. For example, if a job involves work in a men's locker room, a question about the gender of the applicant is probably not discriminatory because it asks about a bona fide occupational qualification.

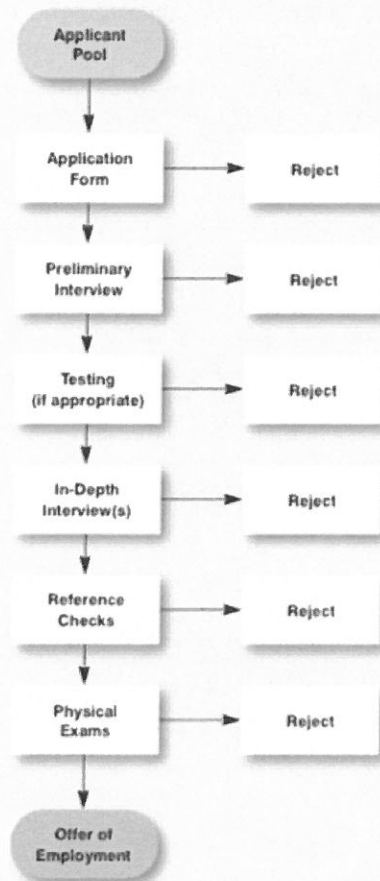
Employers and job candidates must be particularly sensitive to the potential for discrimination in interviews. Both parties must avoid sensitive issues; Figure 9.11 presents some interviewing guidelines prepared by one state employment agency.

**Testing** According to Equal Employment Opportunity Commission guidelines, a **test** is any criterion or performance measure used as a basis for any employment decision. Such measures include interviews, application forms, psychological and performance

#### **test**

Any criterion or performance measure used as a basis for an employment decision

Figure 9.10 Screening Devices of the Selection Process



exams, physical requirements for a job, and any other device that is scored and used as a basis for selecting an applicant.<sup>22</sup> All tests used for screening should attempt to measure only performance capabilities that have been or can be proven to be essential to successful performance of the job.<sup>21</sup>

Regardless of the tests used, employers must avoid producing a disparate impact—that is, creating a test that one demographic group is more likely to perform better on than another. Employers must also ensure that each test has validity. A test with validity is a predictor of future performance on a specific job. A person receiving a high score on a valid test will be able to perform the related job successfully. Those who perform poorly on the test would perform poorly on the job. If test performance does not correlate to job performance, the test is probably invalid.

### Figure 9.11 Employment Application Forms and Interviews: Potentially Discriminatory Inquiries

The best general guideline to follow on employment application forms and in interviews is to ensure that information elicited relates to qualifications for effective performance on the job. The topics listed in bold in this figure are especially sensitive.

**Age? Date of birth?** In general, asking whether a candidate is under 18 or over 70 is permissible.

**Arrests?** Since an arrest is no indication of guilt and because, proportionally, minorities are arrested more than those in other segments of the population, questions about arrests are probably discriminatory. Such an inquiry is prohibited by the Illinois Department of Human Rights.

**Convictions (other than traffic violations)? Military record?** Questions about convictions are generally inadvisable, though they may be appropriate for screening candidates who have been convicted of certain offenses and are under consideration for certain kinds of jobs. Questions about less-than-honorable military discharges are likewise inappropriate unless the job involves security issues. In general, a candidate can be asked what branch of service he or she served in and what kind of work the candidate did. If information about convictions or military discharge is necessary, exercise care in how it is used; avoid possible discrimination.

**Available for Saturday or Sunday work?** Although knowing when employees are available to work is important, a question about availability on certain days may discourage applicants from certain religious groups. If business requirements necessitate such a question, indicate that the employer will make an effort to accommodate the religious needs of employees.

**Age and number of children?** Arrangements for child care? Although the intent of these questions may be to explore a source of absenteeism or tardiness, the effect can be to discriminate against women. Do not ask questions about children or their care.

**Credit record? Own a car? Own a home?** Unless the person hired must use personal credit, a personal car, or do business from a home he or she owns, avoid these questions. They could discriminate against minorities and women.

**Eyes? Hair color?** Eye and hair color are not related to job performance and may serve to indicate an applicant's race or national origin.

**Fidelity bond?** Since a bond may have been denied for an arbitrary or discriminatory reason, use other screening considerations.

**Friends or relatives?** This question implies a preference for friends or relatives of employees and is potentially discriminatory because such people are likely to reflect the demography of the company's present workforce.

**Garnishment record?** Federal courts have held that wage garnishments do not normally affect a worker's ability to perform effectively on the job.

**Height? Weight?** Unless height or weight relates directly to job performance, do not ask about it on an application form or in an interview.

**Maiden name? Prior married name? Widowed, divorced, separated?** These questions are not related to job performance and may be an indication of religion or national origin. These inquiries may be appropriate, however, if the information gained is needed for a pre-employment investigation or security check.

**Marital status?** A federal court has held that refusal to employ a married woman when married men occupy similar jobs is unlawful sex discrimination. Do not ask about an applicant's marital status.

**Sex?** State and federal laws prohibit discrimination on the basis of sex except where sex is a bona fide occupational qualification necessary to the normal operation of business.

**NOTE:** If certain information is needed for postemployment purposes, such as in the administration of affirmative action plans, the employer can obtain it after the applicant has been hired. Keep this data separate from data used in career advancement decisions.

**Source:** Illinois Department of Employment Security.

**Assessment centers** specialize in screening candidates for managerial positions. Tests administered at assessment centers attempt to analyze a person's ability to communicate, decide, plan, organize, lead, and solve problems. The testing techniques used include interviews, in-basket exercises (tests that present a person with limited time

#### assessment center

A place where candidates are screened for managerial positions, which usually involves extensive testing and hands-on exercises.

to decide how to handle a variety of problems), group exercises intended to uncover leadership potential and the ability to work with others, and a variety of hands-on tasks. The assessments usually last several days and take place away from the usual job site. Many large companies use assessment centers to determine who will make it into a company or up its corporate ladder. The results from assessment centers are usually more accurately predictive than paper-and-pencil exercises that assess managerial ability. Figure 9.12 presents the advantages and disadvantages of different types of assessment instruments.

**In-Depth Interview** An in-depth interview is almost always conducted by the person or persons for or with whom the applicant will work if hired. The goal of an in-depth interview is to determine how well the applicant will fit into the organization's culture and the subsystem in which he or she would work. Eaton Corporation, for example, screens its applicants to be certain they will be willing to share authority. In-depth interviews may or may not be structured. They can be used to relay information

Figure 9.12 Main Advantages and Disadvantages of Different Types of Assessment Instruments

Type of Assessment Instrument	Advantages	Disadvantages
<b>Ability tests</b>	<ul style="list-style-type: none"> <li>• Mental ability tests are among the most useful predictors of performance across a wide variety of jobs</li> <li>• Are usually easy and inexpensive to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Use of ability tests can result in high levels of adverse impact</li> <li>• Physical ability tests can be costly to develop and administer</li> </ul>
<b>Achievement/proficiency tests</b>	<ul style="list-style-type: none"> <li>• In general, job knowledge and work-sample tests have relatively high validity</li> <li>• Job knowledge tests are generally easy and inexpensive to administer</li> <li>• Work-sample tests usually result in less adverse impact than ability tests and written knowledge tests</li> </ul>	<ul style="list-style-type: none"> <li>• Written job knowledge tests can result in adverse impact</li> <li>• Work-sample tests can be expensive to develop and administer</li> </ul>
<b>Biodata inventories</b>	<ul style="list-style-type: none"> <li>• Easy and inexpensive to administer</li> <li>• Some validity evidence exists</li> <li>• May help to reduce adverse impact when used in conjunction with other tests and procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Privacy concerns may be an issue with some questions</li> <li>• Faking is a concern (information should be verified when possible)</li> </ul>
<b>Employment interviews</b>	<ul style="list-style-type: none"> <li>• Structured interviews, based on job analyses, tend to be valid</li> <li>• May reduce adverse impact if used in conjunction with other tests</li> </ul>	<ul style="list-style-type: none"> <li>• Unstructured interviews typically have poor validity</li> <li>• Skill of the interviewer is critical to the quality of interview (interviewer training can help)</li> </ul>
<b>Personality inventories</b>	<ul style="list-style-type: none"> <li>• Usually do not result in adverse impact</li> <li>• Predictive validity evidence exists for some personality inventories in specific situations</li> <li>• May help to reduce adverse impact when used in conjunction with other tests and procedures</li> <li>• Easy and inexpensive to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Need to distinguish between clinical and employment-oriented personality inventories in terms of their purpose and use</li> <li>• Possibility of faking or providing socially desirable answers</li> <li>• Concern about invasion of privacy (use only as part of a broader assessment battery)</li> </ul>

continues

Figure 9.12 Main Advantages and Disadvantages of Different Types of Assessment Instruments (cont.)

Type of Assessment Instrument	Advantages	Disadvantages
<b>Honesty/integrity measures</b>	<ul style="list-style-type: none"> <li>• Usually do not result in adverse impact</li> <li>• Have been shown to be valid in some cases</li> <li>• Easy and inexpensive to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Strong concerns about invasion of privacy (use only as part of a broader assessment battery)</li> <li>• Possibility of faking or providing socially desirable answers</li> <li>• Test users may require special qualifications for administration and interpretation of test score</li> <li>• Should not be used with current employees</li> <li>• Some states restrict use of honesty and integrity tests</li> </ul>
<b>Education and experience requirements</b>	<ul style="list-style-type: none"> <li>• Can be useful for certain technical, professional, and higher level jobs to guard against gross mismatch or incompetence</li> </ul>	<ul style="list-style-type: none"> <li>• In some cases, it is difficult to demonstrate job relatedness and business necessity of education and experience requirements</li> </ul>
<b>Recommendations and reference checks</b>	<ul style="list-style-type: none"> <li>• Can be used to verify information previously provided by applicants</li> <li>• Can serve as protection against potential negligent hiring lawsuits</li> <li>• May encourage applicants to provide more accurate information</li> </ul>	<ul style="list-style-type: none"> <li>• Reports are almost always positive; they do not typically help differentiate between good workers and poor workers</li> </ul>
<b>Assessment centers</b>	<ul style="list-style-type: none"> <li>• Good predictors of job and training performance, managerial potential and leadership ability</li> <li>• Apply the <i>whole-person approach</i> to personnel assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Can be expensive to develop and administer</li> <li>• Specialized training required for assessors; their skill is essential to the quality of assessment centers</li> </ul>
<b>Medical examinations</b>	<ul style="list-style-type: none"> <li>• Can help ensure a safe work environment when use is <i>consistent</i> with relevant federal, state and local laws</li> </ul>	<ul style="list-style-type: none"> <li>• Cannot be administered prior to making a job offer. Restrictions apply to administering to applicants post offer or to current employees</li> <li>• There is a risk of violating applicable regulations (a <i>written policy</i>, consistent with all relevant laws, should be established to govern the entire medical testing program)</li> </ul>
<b>Drug and alcohol tests</b>	<ul style="list-style-type: none"> <li>• Can help ensure a safe and favorable work environment when program is consistent with relevant federal, state, and local laws</li> </ul>	<ul style="list-style-type: none"> <li>• An alcohol test is considered a medical exam and applicable law restricting medical examination in employment must be followed</li> <li>• There is a risk of violating applicable regulations (a <i>written policy</i>, consistent with all relevant laws, should be established to govern the entire drug or alcohol testing program)</li> </ul>

Source: U.S. Department of Labor Employment and Training Administration, "Testing and Assessment: An Employer's Guide to Good Practices," (2000) pp. 4-11, 12 <[https://www.onetcenter.org/dl\\_files/empTestAsse.pdf](https://www.onetcenter.org/dl_files/empTestAsse.pdf)>.

specifically related to the job and its environment, as well as to talk about benefits, hours, and working conditions. Applicants who have passed through the initial screenings and progress to in-depth interviews need the endorsement of the person for whom they will work. Without this person's commitment to the success of the new hire, the applicant's future at that firm is in doubt. As is the case with application forms and preliminary interviews, interviewers must take care to avoid topics that could lead to accusations of employment discrimination.

**Reference Checks** Since September 11 (9/11/01), employers are conducting more rigorous reference checks. "In some cases, employers may look at credit reports, civil court records, driving records, workers' compensation claims and criminal records going back 10 or more years. Some are conducting background checks on current employees as well as new hires."<sup>24</sup>

Checking an applicant's past can present problems. First, employers must avoid background checks that could be discriminatory. Checks of credit history and arrest records, for example, are discriminatory. Second, checking references can be difficult because most former employers refuse to cooperate. They may avoid saying anything negative for fear of a defamation-of-character lawsuit by the ex-employee. Background checks must comply with the Fair Credit Reporting Act. "The employer must obtain consent for a check, and if a company wants to check a current employee, they must get permission from the employee at the time they intend to do the investigation. The employer must provide the employee with the results of the check."<sup>25</sup>

David Blumenthal, who owns Flash Creative Management, a small company focused on information technology, provides an interesting twist to reference checking. He requires applicants to "call his references (most of whom are customers) in order to really understand what kind of company they are trying to enter." Why? Blumenthal believes that by doing so, job candidates will truly "understand his commitment to customer service and what he expects of employees.... Blumenthal asks his customers for their opinions of prospective hires.... Would the customer feel comfortable working with that applicant?"<sup>26</sup>

**Physical Exam** Employers use physical exams and medical histories to prevent insurance claims for illnesses and injuries that occurred prior to employment. Physical exams also detect communicable diseases and certify that an applicant is physically capable of performing his or her job. If the job description cites physical demands, they must be valid. According to the Americans with Disabilities Act, employers must make reasonable accommodations for the physically impaired and not use physical barriers as an excuse for not hiring.

**Offer of Employment** At this point in the selection process, the manager or team offers the job to the top-rated applicant. This step may involve a series of negotiations about salary or wages, work schedule, vacation time, types of benefits desired and other special considerations. With the diversity of today's workforce, an employer might have to accommodate an employee's disability, make time for him or her to get children off to school or be at home when they return, or to arrange for day care. Federal law requires that within 24 hours from the time of hiring, the new employee must furnish proof of U.S. citizenship or the proper authorization needed to work in the United States as a legal alien.

### Orientation

The previous steps in the selection process have done much to familiarize the newcomer with the company and the job. What the new hire needs now is a warm welcome so he or she can begin contributing as soon as possible. The newcomer needs to be introduced to his or her workstation, team and coworkers. Managers and coworkers should answer the new employee's questions promptly and openly. Someone should explain work rules, company policies, benefits and procedures, and fill out the paperwork necessary to get the new person on the payroll. All employee assistance programs should be explained, and the new hire should be told how to take advantage of them.

All of this can be done in stages and by several different people. Human resource specialists may handle the paperwork; team members or a supervisor may take charge of introductions to the work area and coworkers. All equipment, tools and supplies that the newcomer needs should be in place when he or she reports for work.

A new employee's first impressions and early experiences should be realistic and as positive as possible. **Orientation** is the beginning of a continuing socialization process that builds and cements employees' relationships, attitudes and commitment to the company. Orientation should be thoroughly planned and skillfully executed.

#### orientation

Introducing new employees to the organization by explaining their duties, helping them meet their coworkers, and acclimating them to their work environment

## TRAINING AND DEVELOPMENT

**Training** teaches skills for use in the present and near future. Development focuses on the future. Both involve teaching the particular attitudes, knowledge and skills a person needs. Both are designed to give people something new, and both have three prerequisites for success: (1) Those who design training or development programs must create needs assessments to determine what the content and objectives of the programs should be; (2) the people who execute the programs must know how to teach, how people learn and what individuals need to be taught; and (3) all participants—trainers, developers and those receiving the training or development—must be willing participants.

In most U.S. businesses, training and development are continual processes. According to the American Society for Training and Development (ASTD) research report, *2014 ASTD State of the Industry Report*, total training expenditures on a per-employee basis average \$1200.<sup>27</sup>

### Purposes of Training

Training has five major aims: to increase knowledge and skills, to increase motivation to succeed, to improve chances for advancement, to improve morale and the sense of competence and pride in performance, and to increase quality and productivity. To understand just how important training is and will be, consider the following quote from former U.S. Secretary of Labor, Elaine L. Chao, in her report on the American workforce.

*Our economy is making an unprecedented transition into high-skilled, information-based industries. This has created a disconnect between the jobs that are being created and the current skills of many workers.<sup>28</sup>*

Today's corporate emphasis on downsizing and flattening hierarchies only leads to greater efficiency and customer satisfaction when it is accompanied by redesigning organizational processes. If it is otherwise, all that will happen is that the same amount

**6** Explain the differences and similarities between training and development

#### training

Giving employees the knowledge, skills, and attitudes needed to perform their jobs

of work must be done by fewer people, who will quickly become stressed out and overburdened.

Reengineering the right way inevitably means "better technology, better processes, and fewer, better workers. The ideal: technology that actually helps workers make decisions, in organizations that encourage them to do so."<sup>29</sup> Moving to open-book management and empowering workers, however, means preparing people for these changes through training. Also, since technology keeps changing, both workers and managers need to continually train to become and remain technically competent.

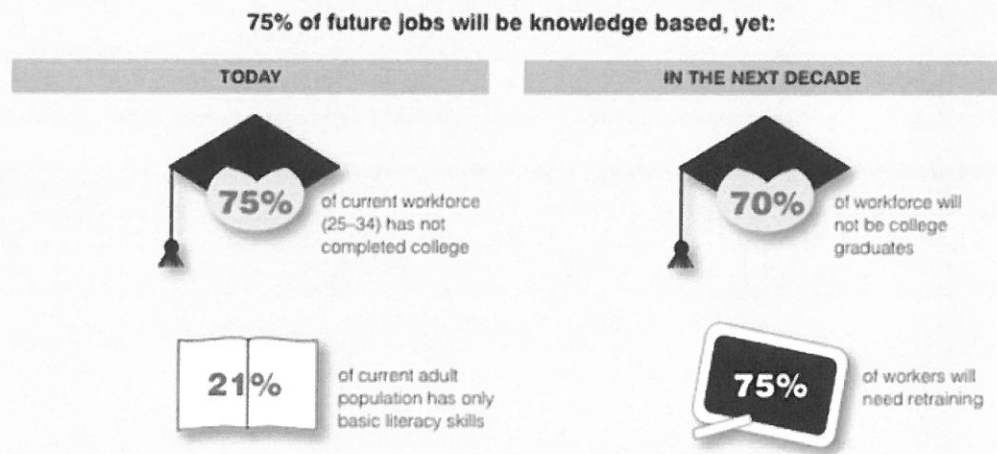
Technically competent, multi-skilled workers are the nucleus of both temporary and permanent, empowered cross-functional teams that are so pervasive today. Before people can function effectively in team environments, however, team members, team leaders, and team facilitators need various types of training to gain the skills, knowledge, and attitudes necessary for teaming.

### Challenges of Training

Findings from the U.S. Department of Labor indicate that more than 20 percent of America's workforce has serious problems with basic literacy skills (see Figure 9.13). For this reason, many firms need to conduct remedial training so that workers can cope with job demands and prepare themselves for positions of greater responsibility.

One answer to language and illiteracy problems is job redesign. The redesigned jobs avoid, as much as possible, the need to rely on English and math. "Some warehouses use computers with speech capability to tell forklift operators who cannot read where they should go in the warehouse. Some construction firms rely on portable computers with touch-activated display screens that allow workers to record their reports by touching appropriate pictures on the screens."<sup>30</sup>

Figure 9.13 Workers Aren't Ready for Tomorrow's Jobs



Source: U.S. Department of Commerce

Source: From "Meeting the Challenge of Tomorrow's Workplace," in *CEO Perspectives*, an online supplement to *Chief Executive*, August/September 2002. Reprinted with permission.

Another challenge is America's increasingly diverse workforce. In the culturally diverse workforce of today, employees often need to improve their ability to handle English, to gain an appreciation of the organization's diverse cultures, and to learn how to cope with the many changes that occur on the job, such as new technologies, methods and duties.

Immigrants, many highly educated in their home countries, bring motivation and skills to the workplace. They also bring cultural values and norms that may make it difficult for them to find well-paying jobs. Aside from their language difficulties, their views about the value of time, the relative importance of work and family and how people should interact at work, may not mesh with those of the dominant culture or the current mix of cultures.

### Techniques of Training

A company may train employees in various places. For example, a trainee may be sent to a job site, a corporate training center, a college classroom or various workshops, seminars and professional gatherings. When the employer does training in-house, it commonly takes the following forms:

- *On-the-job training (OJT)*. In this approach, an employee learns while performing the job. Training proceeds through coaching or by the trainee observing proficient performers and then doing the work. Apprenticeships and internships are on-the-job training programs.
- *Machine-based training*. In this technique, trainees interact with a computer, simulator, or other type of machine. The environment is usually controlled and the interaction is one-on-one. The trainees proceed at their own pace or at a pace set by the training equipment.
- *Vestibule training*. This system simulates the work environment by providing actual equipment and tools in a laboratory setting. The noise and distractions of a real work area and the pressure of meeting production goals are absent, and so the trainee can concentrate on learning.
- *Job rotation*. In a job-rotation program, trainees move from one job to another. The temporary assignments allow them to learn various skills and acquire an awareness of how each job relates to others. In the process, trainees become more valuable because they develop the flexibility to perform many tasks. Internships utilize this form of training. (Job rotation is also used as a development technique.)
- *E-learning*. In this technique, training is delivered over the Internet, Intranet or via mobile applications. Trainees can proceed at their own pace, at a pace set by the instructor or in synchronous sessions using teleconferencing systems or virtual learning environments. Many employees will find their training sessions now include serious games, simulations or short fact based mobile sessions. A newer trend is the rise in augmented learning, driven by devices such as the Apple Watch and Google Glass.

Regardless of the techniques used, training must be realistic. It must teach the skills or competencies that can be applied directly to the work setting once the training ends. Training also protects organizations by ensuring employees remain compliant with safety rules or government regulations. Progress must be monitored to determine how well trainees master the material.

**development**

Efforts to acquire the knowledge, skills, and attitudes needed to move to a job with greater authority and responsibility.

**Purposes of Development**

**Development** is a way of preparing someone for new and greater challenges he or she will encounter in another, more demanding job. Workers seek development opportunities to prepare for management positions; supervisors need development to prepare for a move into middle management. All development is really self-development. Without a personal commitment, development cannot occur. People can be pressured into training just to keep their jobs, but development, when offered, can be rejected.

Employees cannot depend on their employers for development opportunities. Small companies cannot afford it, and many large employers will not pay for development when it is not directly related to an employee's current job or career track.

**Techniques of Development**

Development techniques include job rotation, sending people to professional workshops or seminars, sponsoring memberships in professional associations, paying for an employee's formal education courses, and granting a person a sabbatical (leave of absence) to pursue further education or engage in community service. An employee should regard a company-sponsored program as a reward and a clear statement about his or her value to the company. Such programs are conduits through which workers can gain prestige, confidence and competence.

Development efforts should never end; indeed, they can be part of a daily routine. By reading professional journals and business publications regularly and by interacting with experts at professional meetings, employees can help keep themselves up to date. Another approach to development involves volunteering for difficult assignments. Meeting tough challenges encourages a person to expand his or her abilities.

Mentoring is another form of development that can be extremely significant. Mentors are professionals who are one or two steps above a person in his or her profession. Mentors can come from a person's current environment or from another organization. Whatever their affiliation, mentors are willing to share experiences and give competent advice about handling advancement opportunities, company politics, and self-development. See Appendix D for some ideas on developing mentor relationships.

**7****Discuss the purpose of a performance appraisal****performance appraisal**

A formal, structured comparison between employee performance and established quantity and quality standards.

**PERFORMANCE APPRAISAL**

In most organizations, some assessment of job performance takes place every day, at least informally. When results for a given period are summarized and shared with those being reviewed, **performance appraisal** becomes a formal, structured system designed (in line with legal limits) to measure the actual job performance of an employee by comparing it to designated standards. These standards are introduced and reinforced in the selection and training processes.

**Purposes of Performance Appraisal**

Most organizations use appraisals to:

- Provide feedback about the success of previous training and disclose the need for additional training.
- Develop individuals' plans for improving their performance and assist them in making such plans.
- Determine whether rewards such as pay increases, promotions, transfers or commendations are due or whether warning or termination is required.

- Identify areas for additional growth and the methods that can be utilized to achieve it.
- Develop and enhance the relationship between the person being evaluated and the supervisor doing the evaluation.
- Give the employee a clear understanding of where he or she stands in relation to the supervisor's expectations and in relation to the achievement of specific goals.

Company policy establishes the frequency and form of the appraisal. Whatever form evaluations take, managers should provide daily feedback to an employee about performance. The employee's team members should do the same. If feedback is continual, the formal annual or semiannual performance appraisal will contain no surprises.

### Components of Appraisal Systems

Performance appraisal systems include three major components:

- The criteria (factors and standards) against which the employee's performance is measured. Criteria could include quality of work, efforts at improvement, specific attitudes and quantity of output.
- The rating that summarizes how well the employee is doing.
- The methods used to determine the ratings. Methods could involve specific forms, people and procedures.

Different personalities, jobs, organizations and subsystems call for different criteria, ratings and methods. According to Susan Resnick-West, coauthor of *Designing Performance Appraisal Systems*, the major predictor of the effectiveness of a performance system is whether it is tailored for individuals. Factors that system designers should consider include task competency, previous experience, educational levels and individual preferences.<sup>11</sup>

Appraisal systems can be classified as subjective or objective. Subjective systems allow raters to operate from their own personal points of view. Raters may be allowed the freedom to create factors, define what each factor means, and determine the employee's proficiency in each category. Figure 9.14 shows how one rater uses a simple matrix of four categories—Time Management, Attitude, Knowledge of Job and Communication—and the proficiency categories Excellent, Good, Fair and Poor. What do these words mean? How is the rater defining each? In comparison to another person or to an ideal? Definitions used by one rater using this form may vary from those of another. Worse, the evaluator's stereotypes and prejudices against an employee may become factors in the evaluation. Subjective methods and forms are difficult to justify

Figure 9.14 Subjective Performance Appraisal System

	Excellent	Good	Fair	Poor
Time Management		✓		
Attitude		✓		
Knowledge of Job	✓			
Communication			✓	

when faced with accusations of discrimination. An employer should make every effort to keep subjectivity out of ratings.

Objective performance appraisals attempt to remove rater biases. Criteria are clearly defined and shared with the employee well in advance of the actual rating. Figure 9.15 shows just how concrete standards can be. An objective approach causes little confusion about the factors used for evaluation.

### Appraisal Methods

Four appraisal methods dominate current practice: management by objectives, behaviorally anchored rating scales, computer monitoring and 360-degree feedback. After a brief look at each type, this chapter will examine the legal constraints on all rating methods.

**Management by Objectives** Recall from Chapter 4 that a management by objectives (MBO) system requires a manager and subordinate to meet periodically to agree on specific performance goals for the subordinate over a fixed period. At the end of that period, an employee working under MBO is evaluated in regard to the number of goals met, how effectively and efficiently each one was achieved, and the growth that took place during the effort. Evaluators take into account the difficulties that the employee had to overcome to reach those goals.

Figure 9.15 Portion of an Objective Performance Appraisal System

PERFORMANCE ASPECT	1	2	3	4	5
<b>1. Self Improvement</b> Consider the desire to expand current capabilities in both depth and breadth. <input type="checkbox"/> No opportunity to observe.	Has no interest in learning additional duties.	Has limited interest in expanding job assignments. Has little interest in preparing for advancement.	Has demonstrated interest in additional assignments. Has shown some interest in and preparation for advancement.	Has shown extra effort to learn additional duties. Has undertaken advancement preparation.	Is very inquisitive concerning all phases of job-related assignments. Has undertaken advancement preparation.
<b>2. Attendance</b> Consider the regularity with which the employee reports to work.	Excessively absent	Frequently absent	Occasionally absent	Rarely absent	Almost never absent
<b>3. Punctuality</b> Consider number of occasions late. <input type="checkbox"/> Punctuality is not essential.	Excessively tardy	Frequently tardy	Occasionally tardy	Rarely tardy	Almost never tardy
<b>4. Work Planning</b> Consider how the work load is planned and organized for maximum efficiency. <input type="checkbox"/> No opportunity to observe.	Unsystematic, unable to organize work load.	Fair on routine, but unable to organize variations effectively.	Efficient under normal conditions. Gives priority to important jobs.	Skillful in organizing and planning work. Meets emergencies promptly.	Exceptional efficiency. Keeps priority items in proper perspective.

**Behaviorally Anchored Rating Scales** BARS, or behaviorally anchored rating scales, identify important dimensions of job performance anchored by specific behaviors that correspond to different levels of performance. Each behavior corresponds to a numeric rating. Figure 9.16 illustrates a rating scale for the job of quality control inspector on the dimension of "Quality Strategy: Knowledge of Inspection Methods." The employee's overall rating is the sum of the points earned in each category.

**Computer Monitoring** A computer monitoring system tracks an employee's performance as it is taking place. The performance of those who work with computers or computerized equipment can be evaluated in terms of the amount of time their machines are operating productively, the number of keystrokes per minute or total output. Managers can compare the ratings of various employees in similar jobs and rank workers according to productivity. Performance averages can be used by managers to set or confirm existing standards. Retailers, banks, insurance companies, telephone companies and transport firms use computer monitoring as one objective measure of employee performance.

**360-Degree Feedback** Feedback is sought from all or most of the constituencies with which an employee has contact, particularly coworkers and customers. The goal of 360-degree feedback is to increase employees' self-awareness so that they can improve their work performance. This is also known as multirater feedback, multisource feedback, full-circle appraisal and group performance review.

#### Legality of Appraisals

An analysis of U.S. Supreme Court rulings over the past 25 years reveals that performance appraisals are likely to be illegal if any of these situations hold:

- The instruments used are invalid.
- Standards are not job related and objective (quantifiable and observable).
- The results of the process have a disparate impact on women, the disabled or minorities.
- The scoring method is not standardized.
- People who are performing similar jobs are evaluated differently, using different forms, factors or processes.

**Figure 9.16** Example of a BARS for Quality Control Inspectors

*Quality Strategy: Knowledge of Inspection Methods.* This area of performance concerns the ability of a quality control inspector to test and measure assembled parts and contribute to the strategic prevention of defects.

<b>High</b>	5—Based on mechanical and electronic inspections, makes recommendations on process and materials that will result in fewer defective assemblies
	4—Using specialized tools and electronic devices for measurement and calibration, ensures that all components meet established standards and assemblies operate correctly
<b>Average</b>	3—Visually and mechanically inspects assembled objects and makes minor repairs/modifications as needed
	2—Visually inspects assembled objects to ensure all component parts are present and operating correctly
<b>Low</b>	1—Visually inspects assembled objects to ensure all component parts are present

**Source:** Adapted from Landy, Jacobs and Associates. Reprinted with permission.

**\*\*Note:** This example is from Bchlander and Snell, *Managing Human Resources* 15E, p. 385.

- Evaluative criteria are not developed according to EEOC guidelines.
- Employees are not warned of declining or substandard performance.
- The evaluation is not based on the employee's current duties.

Raters must be trained to carry out performance appraisals consistently and in accordance with legal requirements. Also, women, disabled people and minorities in a proportion that is representative of the community at large should fill the ranks of performance appraisers. Lawrence H. Peters, Professor of Management at Texas Christian University, gave practical advice to raters and ratees: "It's hard to remember what the employee did 12, 11 or 10 months ago. It's important for managers to keep information as it occurs, and if you don't, stop and take time to collect your thoughts before the performance review. Employees should do the same." In addition, raters need to reserve adequate facilities and time to review appraisals with subordinates.

## 8

Describe the four primary employment decisions

### promotion

A job change that results in increased status, compensation and responsibility

### transfer

Moving an employee to a job with similar levels of status, compensation and responsibility

### demotion

A reduction in an employee's status, pay and responsibility

## IMPLEMENTATION OF EMPLOYMENT DECISIONS

As you recall, employment decisions include decisions about promotions, transfers, demotions and separations (voluntary or involuntary). These changes are influenced by appraisals and by how an organization recruits, hires, orients and trains. All employment decisions mean change—change that has a ripple effect throughout an organization's subsystems and its ability to interact with the external environment.

### Promotions

**Promotions** are job changes that lead to higher pay and greater authority and that reward devoted, outstanding effort. They serve as incentives as well, offering the promise of greater personal growth and challenges to those who seek them. Employees usually earn a promotion by exhibiting superior performance and going beyond that which is expected.

Sometimes past performance is not the sole criterion for a promotion. Affirmative action requires that underrepresented groups such as women and minorities be better represented at all levels within an organization. Therefore, affirmative action goals may dictate that members of these groups be given special status in hiring and promoting decisions. In many union agreements, seniority is the most significant factor influencing promotion decisions.

### Transfers

Opportunities for promotion are not as available now as they were only a few years ago. The leaner, flatter management structures of today and the trend toward teams mean there simply are not a large number of openings. **Transfers** are lateral moves that require new skills. They comprise one way for companies to retain talent.

For years companies have used lateral moves in attempts to train and develop employees. Job rotation is one way of exposing people to different aspects of an operation and helping them see the big corporate picture. Transfers can help people advance by moving them from an area where few opportunities exist to an area that offers a less-congested career track.

### Demotions

A **demotion** is a reassignment to a lower rank in an organization's hierarchy. In today's business climate, demotions are rarely used as punishment. (Ineffective performers are

fired, not retained.) Demotions are used to retain employees who lose their positions through no fault of their own. Some people prefer taking a lower-status, lower-paying job to the alternative of being laid off. Others choose a demotion to decrease stress, allow them more freedom to pursue outside interests, or meet challenges such as having to care for children or an elderly parent.

Some companies have established what have become known as *mommy tracks*—temporary career interruptions for parents. Mommy tracks allow a parent to take care of children from pregnancy through the preschool years. By offering adjustments such as part-time work, a mix of telecommuting and in-house office hours, and flexible work schedules, companies help valued employees cope with new interests and demands on their time. As Joan Beck notes, however, some of these arrangements have drawbacks:

*Unfortunately, many employers still exact a steep price for non-standard work arrangements. Part-time work typically pays low wages and usually includes few if any benefits. Even women at middle-management levels or on fast professional tracks find that cutting back on work hours and trying other strategies to eke out more time for family cuts chances for promotion.<sup>32</sup>*

### Separations

A **separation**, the departure of an employee from an organization, may be voluntary or involuntary. Voluntary separations include resignations and retirements. Involuntary separations include layoffs and firings. Employers sometimes encourage voluntary separation by offering incentives to encourage employees to retire early. Involuntary separations seem to be on the rise in U.S. business. Layoffs due to declining business, personal performance or company bankruptcies (as in the cases of Enron and Lehman Brothers) have cost millions of Americans their jobs. See this chapter's Global Applications feature for a discussion of Japan's custom of lifetime employment.

**Layoffs** Although downsizing can make companies more competitive, it can also undermine the loyalty of employees threatened with layoffs. A disgruntled employee might destroy data or leave behind a computer virus that will sabotage the system after the employee has left. An information security consultant, William H. Murray, says that the best way to protect a company against sabotage is to take steps to prevent employee disaffection—to treat those who must leave as well as possible before the layoff and compensate remaining employees fairly. According to Murray, most revenge comes from those who conclude that their contributions are unrecognized. People need to know they are appreciated day by day.<sup>33</sup>

As alternatives to layoffs, many companies are implementing other strategies. Some have enacted hiring freezes, which allow normal attrition to reduce the workforce. Other strategies include job sharing, restricting the use of overtime, retraining and redeploying workers, reducing hours and converting managers to paid consultants. Southwest Airlines hasn't had a layoff in its history. Southwest managers find useful employment for displaced workers by relying on moves and reassignments.

Managers everywhere have good reasons to avoid layoffs. See this chapter's Quality Management feature for a discussion of lean factories avoiding layoffs, which can be extremely expensive. Processing paperwork, closing facilities and paying severance costs and higher unemployment-insurance premiums may cost thousands of dollars. The psychological costs are high as well. Those left behind after layoffs are fearful and insecure; those laid off are more likely than employed people to experience family problems, suffer divorce or commit suicide.

### separation

The voluntary or involuntary departure of employees from a company

## Global Applications

### The End of Japan's Lifetime Employment

In the past, three principles dominated Japan's employment system: company unions, pay for seniority and lifetime employment. The latter was a result of informal industry agreements formed after World War II, which restricted competition for labor by companies in the same industry. One could not hire another's employees. It was not so much company loyalty that kept Japanese workers from job-hopping; it was the lack of opportunity for another job in their industries.

In the 1980s, Japan became the world's second-largest economy. Then the bubble burst in 1991, and stock and real estate markets tumbled. To recover, leaders jolted Japan's entrenched corporate culture, giving companies new freedom to replace "lifetime employment" with part-time and contract laborers" (Osnos). In 2010, China passed Japan to become the world's second-largest economy.

Technology and the global economy continue to change Japan's system. The Internet allows manufacturers worldwide to find supply routes that are faster and cheaper. Furthermore, foreigners are now allowed to invest in long-shielded sectors of the Japanese economy.

Yet, lifetime employment persists for core employees, those comprising the foundational group in the company. In

a management briefing seminar, Norm Bafunno, President Toyota Motor Manufacturing Indiana, Inc., was asked, "Why didn't Toyota layoff any workers during the difficult times?" He said, "It was an easy decision. We used the time to RE-TAIN and RE-TRAIN our team members." He related a quote from Akio Toyoda, president of Toyota Motor. "There is a Japanese proverb: After the rain... the ground hardens," he said. "I am very confident, we will look back and say, the company has become more focused, on our customers and safety, because we went through this period" (Bafunno).

➤ **In Japan, an employee can no longer expect a job for life. Do you think that the changes in the Japanese employment systems will encourage more people to start their own business? Why or why not?**

**Sources:** Norm Bafunno, "2010 Management Briefing Seminar," Toyota USA Newsroom, <http://pressroom.toyota.com/jpr/tms/2010-management-briefing-seminar-165695.aspx>. Evan Osnos, "Behind Japan's growth lies economic divide," *The Dallas Morning News*, May 7, 2006, p. 36A.

**Exit Interviews** Exit interviews are voluntary discussions between managers and employees who are being laid off or who are leaving voluntarily. Because the costs of laying off and replacing workers are high, a manager should use exit interviews to find out about factors that could cause employees to leave. Once the manager identifies a problem, he or she should fix it. In its *Study of Retention Practices*, the Society for Human Resource Management (SHRM) found that nine out of ten respondents conduct exit interviews.<sup>34</sup>

*The study revealed that more than half of those that conduct exit interviews have initiated changes, including reviewing salary structures, forming employee satisfaction/retention committees, establishing alternative work schedules, providing more training, reimbursing employees for expenses such as cell-phone usage, instituting casual-dress policies and introducing bonus plans.*

Managers should realize, however, that exit interviews have a limitation. Because department employees may not wish to leave a negative impression, they may not be totally open and honest. The fact that exit interviews do not reveal a cause for employee dissatisfaction does not necessarily mean that a cause does not exist.

## Quality Management

### Lean Factories Avoid Layoffs

Production goes up and down in factories that have adopted Lean, but labor remains steady. Lean production means doing more with less by cutting wastes during the production process. Today's customers are more powerful than ever before. They have many product choices, access to a wealth of information and expect high quality products at reasonable prices.

"A decade ago, most factories tended to do "batch" work, with large groups of employees churning out endless runs of the same pieces. Since many workers did identical tasks, it was easier for companies to cut people during downturns" (Aeppel and Lahart). Today, lean operations require fewer, but more highly trained employees running more sophisticated equipment.

The ultimate objective of lean production is to achieve continuous flow of the product. This is done by arranging operators, equipment and materials right next to each other so that they can complete processing steps in sequential order. "Streamlined production and technological improvements also mean fewer jobs need to be cut in a downturn" (Aeppel and Lahart). Lynn Mahuta, CEO of Germantown, Wisconsin-based Mahuta Tool Corp., which makes items such as 600-pound screws used in cranes, sums it up this way. "The highly

skilled person, you're not going to lay them off. You will find other work for them to do" (Aeppel and Lahart).

Toyota Alabama did not lay off any team members during the last recession. James Bolte, president of Toyota Motor Manufacturing Alabama Inc. in Huntsville, said, "During the economic crisis, Toyota Alabama focused on improvement efforts that allowed us to accomplish more with fewer resources. For example, we became more efficient with various production processes and cross-trained team members to expand their skill sets" (Armstrong).

➔ **Employers with Lean factories maintain stable workforces at all costs. Others lay off workers seemingly at the drop of a hat. What differences could explain these two extremes in human resources management policy?**

**Source:** Jessica Armstrong, "Lessons from the Recession," *Business Alabama*, May 2014, <http://www.businessalabama.com/Business-Alabama/May-2014/Lessons-from-the-Recession/>; Timothy Aeppel and Justin Lahart, "Lean Factories Find It Hard to Cut Jobs Even in a Slump," *The Wall Street Journal*, March 9, 2009, A1, <<http://online.wsj.com/article/SB123655039683165011.html>>

## COMPENSATION

**Compensation** includes all forms of financial payments to employees: salaries and wages, benefits, bonuses, gain sharing, profit sharing and awards of goods or services. The trend today is to offer increases in compensation in response to increases in performance that add value to the organization, its services or its products. Increasing compensation is a way of retaining employees who have proved themselves valuable. This response makes sense. As employees become more valuable, losing them becomes more costly.

### Purposes of Compensation

Compensation has three primary purposes: to attract, help develop and retain talented performers. The level of compensation offered by a firm can either increase or decrease a company's attractiveness to job seekers. Compensation should encourage workers to continually improve their performance and to make themselves more valuable, both to themselves and to their employers. Also, compensation must anchor valued employees to the company, discouraging them from leaving to find other employment. People who consider their compensation fair and adequate feel that they are being treated with



**Determine the purposes and components of compensation**

### compensation

All forms of financial payments to employees. Compensation includes salaries, wages and benefits.

recognition and respect. They feel that the organization is giving them a fair return on their investment of time, energy and commitment. Finally, compensation should give employees a sense of security, freeing them to unleash their full energies without the distraction that comes with the inability to meet financial needs.

### Factors Influencing Compensation

When designing a compensation package for employees, managers should be concerned about being equitable, meeting legal and strategic requirements, and linking compensation philosophy to various market factors. When certain types of workers are in short supply, managers may have to offer premium compensation to attract or hold them. Similarly, managers who decide to make their organization a leader in terms of the compensation it offers will probably be able to attract and keep the best employees.

The U.S. Fair Labor Standards Act, passed in 1938 and amended many times, relates to the payment of wages and overtime to workers under 18 years of age. Other federal laws address the level of wages that must be paid to workers in companies doing business with the federal government. Some local and state laws affect compensation systems, and union contracts set wages and restrict compensation decisions in the organizations that are party to them.

### Wages and Salaries

To determine the worth of each job and establish a compensation package for each that is fair in relation to all jobs, organizations use a process called **job evaluation**. Human resource compensation specialists usually do job evaluations. To complete the evaluation process, the specialist works with a manager with firsthand knowledge of the job and the employee or employees who hold the job.

One common job evaluation method involves grouping jobs by type and then choosing factors common to each type. For example, two groups of jobs that job evaluation specialists often define are manufacturing jobs (wage jobs) and sales jobs (salary jobs). An evaluation might involve examining each type of job in light of the responsibility, education, skills, training, experience and working conditions that are common to it. Then the evaluator assigns various levels within each factor and assigns point values to each level as measures of achievement.

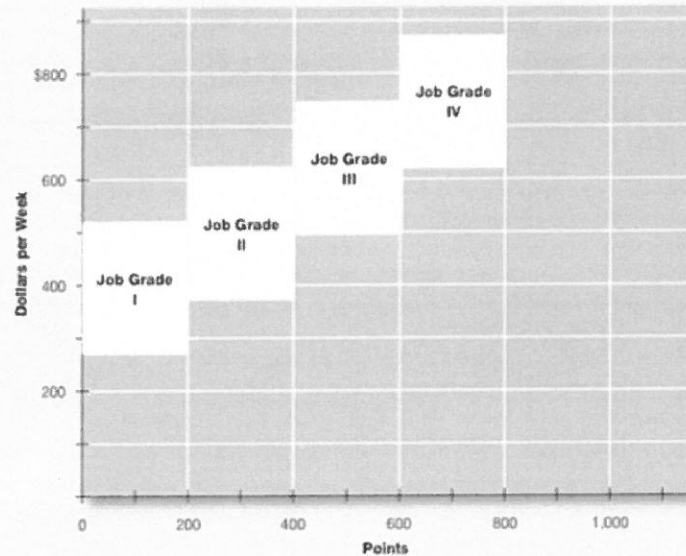
To illustrate this process, suppose the job being analyzed is that of an industrial products sales professional. The evaluator chooses experience as an evaluation factor and defines experience as number of years in the selling profession. The levels for this factor might be one year or less of experience, one to three years of experience, three to five years of experience, and more than five years of experience. By assigning points to each level, the specialist shows the relative value the organization places on each. If the top level is worth ten points and the previous one is worth five points, the organization is saying that more than five years of experience is twice as valuable as three to five years of experience.

Once all jobs have been evaluated, they can be grouped by total points into what are usually called job grades or classifications. Evaluators then rank, by point total, jobs within each grade. For example, all jobs with point totals between 0 and 200 might be in the same grade. What emerges is a "job ladder" that shows jobs with the fewest total points at the bottom. At the top are the jobs with the most points. Evaluators assign a salary range to jobs in the same grade. Figure 9.17 shows the result of a typical job evaluation.

#### job evaluation

A study that determines the worth of a job in terms of its value to an organization

Figure 9.17 Result of a Typical Job Evaluation



Job evaluation requires skill, up-to-date job descriptions and specifications, knowledge and ample time. Many companies conduct pay surveys within their industries as a base for beginning the job evaluation process or as a substitute for it. Pay surveys show what competitors pay for comparable jobs. These rates of pay may be available through industry and trade associations as well as from the federal government. Not all jobs are compared with the survey results; the evaluator compares only those that are representative of their grades or classes. Compensation for other jobs are established in relation to the jobs being compared.

In the final analysis, the minimum and maximum compensation assigned to a job are determined by an organization's ability to pay, market conditions for specific types of jobs, and the organization's strategies and philosophy about employee compensation.

### Benefits

Each year employers spend about an additional 40 percent of their payroll costs on employee **benefits**—the additional or indirect compensation employees receive beyond their direct compensation (wages and salaries). Benefits can be divided into two general types: *legally required*, and *voluntary*. The first type includes Social Security, unemployment compensation, and worker's compensation insurance. The second type includes variable work schedules, life and health insurance, pension and savings plans, payment for hours not worked (sick days), leaves of absence, profit-sharing and bonus plans (usually one-time payments), and employee assistance programs (EAPs).

EAPs have gained in popularity over the years. Most can be classified as health and wellness programs that deal with either prevention of health-related problems

### benefit

Legally required or voluntary compensation provided to employees in addition to their salaries or wages.

or coping with chronic work-related problems. Stop-smoking clinics, weight-loss programs and exercise facilities are examples of prevention efforts. Stress-reduction workshops, day-care facilities and financial and psychological counseling concentrate on coping with work-related problems.

An organization offers benefits, like other forms of compensation, so that it can attract, develop, motivate and retain talented and committed workers. As with wages and salaries, managers plan benefits according to their organizations' financial resources and strategies and the market conditions the organization faces. An organization should provide tailored benefits to appeal to a variety of needs for its diverse workforce. Tailored benefits can help an organization achieve its goals; among them, developing a core of committed managers and workers. As with wages and salaries, however, benefits must be constantly reviewed for their relevance and economic feasibility.

### Executive Compensation

In addition to salaries and the benefits all other employees in their firm receive, executives—members of top management—may also receive benefits unique to their status. These benefits are called perquisites, commonly known as **perks**.<sup>15</sup> Most perks are financial—actual cash or goods and services that have a measurable cash value. Such items include shares of the company's stock, stock options (rights to purchase a company's stock at a discount), bonuses based on overall company performance, use of a company's airplane and regional residential suites, generous travel and lodging allowances, paid-for housing, no-interest loans and memberships in various clubs and associations. In recent years, discussion of "excessive" executive compensation has appeared in popular periodicals and the business press.

#### **perk**

A payment or benefit received in addition to a regular wage or salary

## Review What You've Learned

### Chapter Summary

#### 1 Determine the importance of the staffing function.

Staffing breathes life into an organization. It acquires and nurtures the human resources needed to execute tasks and functions. People are the key to everything in organizations. They are the organization's most valuable resources. As such, they must be selected, trained, developed, rewarded and retained for effective and efficient use of the organization's other resources. Staffing is every manager's concern.

#### 2 List and explain the eight elements of the staffing process.

- 1 Human resource planning begins with job analysis. Performing a job analysis involves creating descriptions and specifications of all jobs and their human qualifications. Next, an inventory of people on hand and their abilities to meet current and future needs is determined. Planning also includes forecasting—attempting to predict the future human resource needs. Finally, forecasts are compared to the inventory and needs to recruit or reduce personnel are determined.
- 2 Recruiting brings enough qualified people into a hiring pool. Care must be taken to find sufficient numbers of people from all ethnic and racial groups. Existing employees must be trained and developed to become eligible for future openings.
- 3 Selection involves a series of pre-employment screening devices used to determine each candidate's ability to provide the organization what it needs. Care must be taken to determine a fit with the company's cultures and to avoid discrimination.
- 4 Orientation includes a set of activities designed to introduce and welcome newcomers to their new company and working environments. Rights and duties are explained, along with the introduction of existing personnel to the new ones.
- 5 Training and development increase and change employee knowledge, skills and attitudes. Training is focused on the near term; development focuses on the future. Both help companies to meet their needs and make employees more valuable to both themselves and their organizations.

6 Performance appraisal measures outcomes and behaviors of employees against established and taught standards. Appraisals become the basis for rewards, punishments, promotions and terminations, and affect nearly every employment decision made by managers. They provide necessary feedback, helping to keep people motivated and focused on their most essential duties.

7 Compensation includes all financial and psychological rewards and incentives provided to employees. Direct compensation is largely composed of wages and salaries. Indirect compensation includes financial and nonfinancial rewards and incentives such as benefits, bonuses, gain and profit sharing, leaves of absence and employee assistance programs.

8 Employment decisions include transfers, promotions, demotions, layoffs and firings. All have their specific appropriate applications and must be performed without discrimination.

#### 3 Describe the three primary staffing environments.

The environments are legal, sociocultural and union. The legal environment sets limits and provides guidelines for conducting all staffing activities. Specifically, it attempts to provide protection for employees and groups from discrimination and in the areas of health and safety. The sociocultural environment is a collection of diverse individuals and groups, both inside and outside an organization, that make demands on and contribute to it. The union environment affects some companies more than others. Union contracts govern work rules, wages and conditions of employment. Wages and benefits established in some industries are often duplicated or exceeded by nonunion organizations.

#### 4 Identify the four activities related to human resource planning.

In job analysis, groups of jobs are studied to determine their basic duties and the human qualities needed to perform them. A human resource inventory determines who are on board, along with their current qualifications and future prospects. The human resource forecast is based on both short- and long-

term plans and strategies for the company and its various parts. Finally, a comparison is made between the inventory and the forecasted needs to determine if contraction, expansion or keeping the status quo is the correct plan to follow.

**5 List and describe the primary screening devices used in the selection process.**

All selection devices must be job related and validated in order to avoid discrimination. The application provides essential personal data—job history, education, aspirations—about a person's suitability for a particular job. Preliminary interviews verify the data on applications and provide an initial face-to-face encounter for both applicant and employer. Testing may include any paper-and-pencil exercise or performance that will be used to make a hiring decision. In-depth interviews are usually conducted by the person or persons for whom and with whom the new person, if hired, will work. Reference checks provide verification of key facts about a job applicant such as work history, compensation earned, and successes in various positions. Physical exams help to avoid bringing newcomers into an environment that could be injurious to their health.

**6 Explain the differences and similarities between training and development.**

Training increases knowledge and skills, motivation to succeed, chances for advancement, morale, pride in performance and quality and productivity. It is usually provided to keep people current in the jobs and to prepare them for changes to those jobs. Development focuses on preparing people for new and different positions, challenges and opportunities. It also imparts skills, knowledge and attitudes. Training is usually provided by organizations. Development is each person's individual responsibility and may or may not be aided by one's organization.

**7 Discuss the purpose of a performance appraisal.**

The primary purpose is to provide feedback on one's performances and outputs, enabling rewards and

needed improvement efforts to take place. It helps to evaluate the results of previous training and to determine any additional training needs. It helps individuals and teams plan for their improvement and choose the methods they will utilize. Appraisals also help to improve the relationships between the evaluator and the evaluated. People know how they are doing—what's right and wrong—and the expectations for their future performances.

**8 Describe the four primary employment decisions.**

Promotions lead individuals to higher levels of responsibility, greater demands on their talents and improvements in earnings. They are often earned rewards for current performance and development efforts undertaken to qualify them for a new, more demanding position. Transfers are often temporary lateral movements to cross train and provide additional experiences. Demotions are the opposite of promotions and are primarily used to save good people until more appropriate positions become available. Separations are voluntary and involuntary. Resignations and retirements are examples of the first; layoffs and firings are examples of the latter.

**9 Determine the purposes and components of compensation.**

Compensation in all its forms is intended to help organizations attract, train, develop, reward and retain good people. Compensation is direct and indirect. Wages, commissions, piece rates and salaries are direct because they link directly to hours or days worked or outputs achieved. Indirect compensation includes financial and psychological rewards beyond the preceding. Benefits include the largest segment. These include such items as insurance, pay for time not worked, gain sharing, profit sharing, pensions and employee assistance programs such as wellness programs. Psychological rewards include satisfaction achieved through work and various alterations to one's working schedule.

## KEY TERMS

affirmative action	287	gig economy	282	recruiting	295
assessment center	300	human resource manager	280	selection	297
benefit	316	independent contractors	283	separation	312
collective bargaining	292	job analysis	292	sexual harassment	287
compensation	314	job evaluation	315	sharing economy	282
demotion	311	onboarding	280	staffing	280
development	307	orientation	304	test	298
discrimination	284	performance appraisal	307	training	304
disparate impact	286	perk	317	transfer	311
equal employment opportunity	284	personnel manager	281		
		promotion	311		

## REVIEW QUESTIONS

1. Why is staffing so important to organizations?
2. What are the components of staffing, and in what order do they occur?
3. Which external environments affect the staffing process most directly? How do they affect it?
4. What takes place under the heading of human resource planning?
5. What are the primary screening devices used in staffing?
6. How are training and development similar? How are they different?
7. What are the primary purposes of appraising employees?
8. Under what circumstances would an organization perform each of the following: promotion, transfer, demotion and separation?
9. What purposes do organizations try to achieve through compensation? What forms can compensation take?

## DISCUSSION QUESTIONS FOR CRITICAL THINKING

1. Why are the concepts of equal employment opportunity and affirmative action so important to organizations today?
2. How would an organization recruit if it is looking for electrical engineers with knowledge of the latest technologies? If it is looking for medical technicians with at least three years of experience?
3. What kind of compensation do you think is most important to each of the following: People five years away from retirement? Single people in their twenties? Young marrieds with their first child on the way?
4. How are you appraised in your classes? At work? What value do you find in such appraisals?

## Apply What You Know

### Social Media Management Exercises

#### Network with Twitter

Dan Schawbel, managing partner of Millennial Branding, LLC, is an authority on personal branding. He is author of *Promote Yourself and Me 2.0*, which includes a section on how to use social networks for job search and career development (<http://danshawbel.com>). He likes Twitter ([www.twitter.com](http://www.twitter.com)) because it is a *public* network.

1. Build your network. Identify the type of job you desire, i.e. accounting, finance, human resources, marketing, public relations, etc.
2. Identify 3 to 5 companies where you would like to work.
3. Choose 3 to 5 locations where you would like to live and work.
4. Prepare a Twitter list with the names of those you would like to follow.
5. The people you follow on Twitter can see that you are following them. You can retweet (RT) what they tweet, which means to share that tweet with your followers. Reflect on your Twitter list. How relevant do you think preparing a Twitter list would be to your job search? Explain.
6. A direct message (DM) allows you to send a private message to someone via Twitter. Compose a direct message to someone on your Twitter list. How do you think this direct message could help you with your job search?

### Experiential Learning

#### Try a New Platform

Some people open a social media account in each new platform. They want answers to the following questions. How does it work? Who's using it? Is it useful? Social media platforms for networking include Facebook, Friendster, LinkedIn, Ning, Twitter and many others.

- Identify a new social media platform that could help you network.
- How does it work?
- Who is using it?
- How is it useful?
- List the pros and cons.
- Would you use it for job networking? Why or why not?
- Will you continue to use it?