

Top 10 Human Resource Issues

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It's All about People

- Increasingly, organizations are competing on the basis of their talent. Having better people at your organization will provide you with a competitive advantage and will improve your chances of success in the marketplace.
- These HR issues are designed to help you attract, develop and retain top talent.
- This presentation is designed to raise your awareness, provide guidance and help you ask the appropriate questions when it comes to HR and

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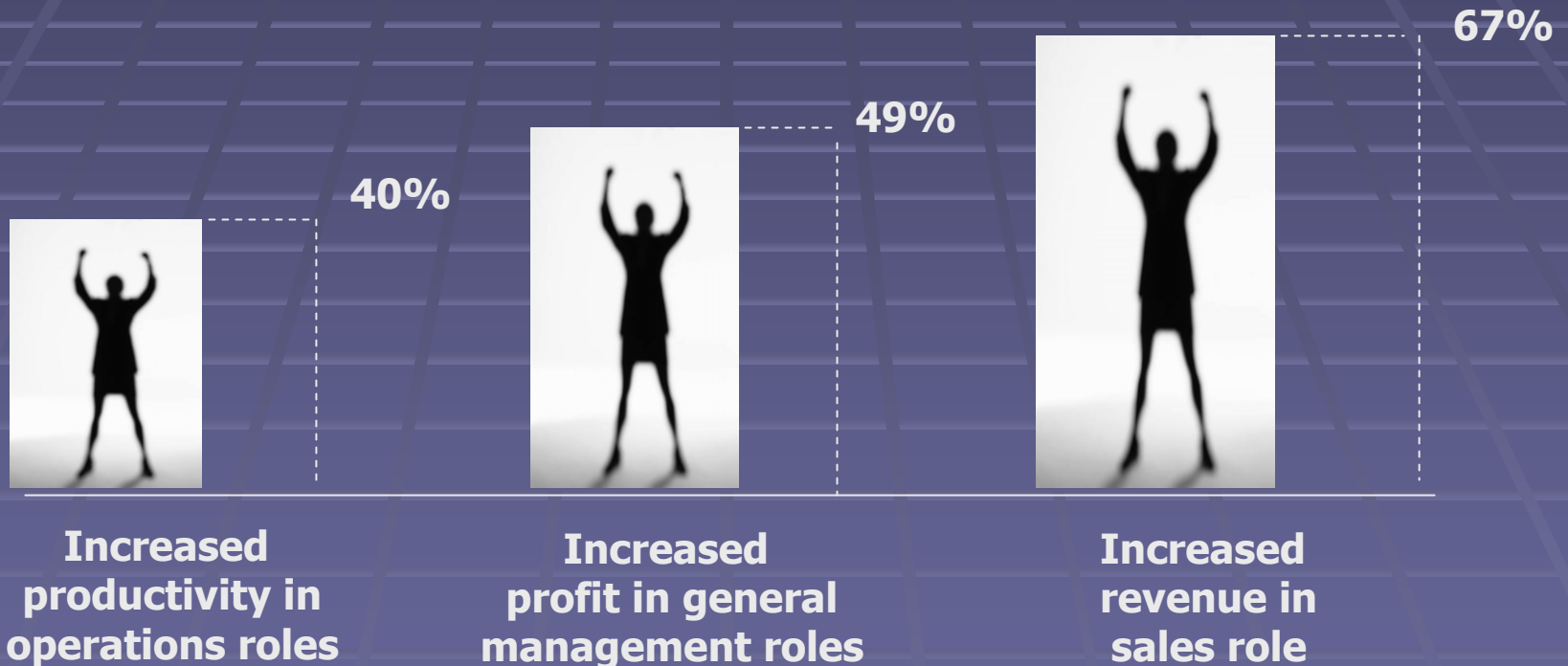
1. Talent Management
2. Interviewing
3. Employment Law
4. Benefits & Compensation
5. Performance Management
6. Corporate Culture
7. Training & Development
8. Employee Motivation
9. Harassment & Discrimination
10. Employment Branding

1. Talent Management

- Deep commitment to, and belief in, the idea that: ***Better talent = better company performance***
- Talent Management is a corporate burning priority
- If you bet on your people (talent), everything else will take care of itself
- Everyone is accountable for strengthening the organization's talent pool

Top Talent Makes a Difference

How much more does a high performer generate annually than an average performer



Source: 2000 McKinsey War for Talent Study

2. Recruiting & Interviewing

- Forecast your hiring needs
 - Who, How Many, How, What Level, How Much
- Develop a strategy for how you are going to recruit talent
 - Newspaper
 - Internet (HotJobs, Monster)
 - Associations
 - Search Firms (Retainer versus Contingency)
 - Job Fairs
 - Campus Recruiting
 - Employee Referrals (Word of Mouth)
 - Company web-site

2. Recruiting & Interviewing

- Interview Process
 - Job Applications, Background Checks, Pre-Employment Testing
 - Structured Interview requires preparation
 - Prepare Questions ahead of Time based on essential requirements of the Job
 - Create a rating scale to tabulate results
 - DOCUMENT Interview Results
 - Ask for SPECIFIC EXAMPLES!!!!
 - Let the candidate do most of the talking
- Remember that your interviewing & recruiting process helps to shape the reputation of your

2. Recruiting & Interviewing

- Employers can not use use your membership in one of the protected categories as a basis for refusing to offer a job. **KNOW** what questions are legal & illegal to ask.
- Sample **ILLEGAL** interview questions:
 - Does your family mind the travel required for this position?
 - To what clubs or social organizations do you belong to?
 - Are you a US Citizen?
 - Do you have any disabilities or handicaps?
 - What year did you graduate high school?
 - Rodriguez, that sounds like a Mexican last name. Are you Mexican?

3. Employment Law

- Highly recommend you build a relationship with an employment attorney.
- Besides legal interview questions, attorneys can help with:
 - HR policies (vacation, leave of absence, overtime, etc.)
 - Use of independent contractors
 - Employment Agreements (Non-compete, Confidentiality)
 - Medical Leaves
 - Terminations (Layoffs, Performance Problems)
 - Proper Documentation

4. Compensation

- Compensation (Salary & Benefits) have a big impact on employee morale and attitudes
- Average compensation costs for most firms is approximately 25% of revenue
- Look at external equity, internal equity and fairness
- Determine appropriate benefit offering
 - Medical, Dental, Life Insurance
 - Paid Time Off
 - Retirement
 - Benefit Costs continue to Rise

4. Compensation

- Establish a compensation schedule
- Pay for PERFORMANCE
- Investigate signing up with a Professional Employer Organization (PEO) such as Administaff. This is the equivalent of HR outsourcing. Employer usually pays a percentage over the cost.
 - Co-employment relationship with the PEO
 - PEO takes responsibility for HR administration & compliance
 - Payroll
 - Taxes (W-2's)
 - Unemployment Insurance, Social Security, Workers' Compensation
 - Benefits Administration
 - Employee Handbooks

5. Performance Management

- Create a performance review document
- Establish expectations related to job (performance and behavior)
- Link performance to pay (better rating = bigger increase)
- Hold managers accountable for performance management
- Provides documentation for termination and reductions in force
- Try to measure performance versus potential

6. Corporate Culture

- Culture helps to define the **PROPER** way to think, act and behave at your organization. Tells people what is expected of them to fit in, survive and become successful at your firm.
- Leaders create cultures that will be most beneficial in helping them achieve their goals and gain a competitive advantage.
- Leaders **CREATE** culture through:
 - Their actions & behaviors
 - What they reward & punish
 - What they pay attention to
 - How scarce resources are allocated
 - How you treat your employees

7. Training & Development

- Employees increasingly are seeking “Lifetime Employability”
 - Helps you attract & retain top talent
- Develop a training & development framework
 - Needs assessment
 - Training delivery (classroom, mentoring/coaching, tuition reimbursement)
 - Measure training effectiveness
 - Reaction
 - Learning
 - Behavior
 - Results
- Typical industry benchmark is that firms will spend 2% of payroll on training & development activities

8. Employee Motivation

- Highly motivated employees leads to better productivity
- Best way to motivate employees is to increase job satisfaction
- Realize that the factors that produce job dissatisfaction are different than those that produce job satisfaction

Hygiene Factor

Impact Job Dissatisfaction

Salary

Working Conditions

Company Policies

Motivational Factor

Impact Job Satisfaction

Achievement

Recognition

Advancement/Growth

9. Harassment & Discrimination

- Look out for issues of disparate treatment
 - Individuals in similar situations are treated differently
- Consider issues of reasonable accommodations to comply with certain laws to prevent discrimination
- Unwelcome sexual advances, request for sexual favors, and other verbal or physical contact of a sexual nature constitute sexual harassment
 - Quid Pro Quo
 - Hostile Work Environment
 - Pictures, Jokes, Explicit Language, Looks

10. Employment Branding

- You will work hard to establish a brand and reputation for your products and services. You need to work just as hard to establish a brand and reputation as an **EMPLOYER.**
- A strong employment brand makes it easier for you to attract top talent.
- Your employment brand is impacted by your HR and People Policies

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