SUMMARY

THE ESSENTIAL HR HANDBOOK

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Summary of The Essential HR Handbook by Sharon Armstrong and Barbara Mitchell

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A one stop guide to modern HR methods, with in depth advice on everything from performance reviews to managerial advice.

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Introduction

HR planning is essential to a firm's overall strategic plan for success. Human Resources departments go beyond mediating inter-employee conflict or handling complaints. It's the role of an effective HR team to research the labor laws and union activities of new markets a company plans on expanding facilities to, to navigate the work visa process for foreign hires, to make sure benefits packages are competitive, to hire, train, and transfer employees as needed, and much more.

In an era in which business practices are more public than ever, an effective HR team is vital.

Linking HR and the Organization

HR Departments are responsible for the training, appraisal, retention, compensation, health, and safety of employees. HR is who a company relies on to navigate the complex world of regulations, insurance policies, and overall well-being of a company's workforce.

Failure to fully incorporate HR strategy into a company's overall mission statement and business plan is a great way to waste money and fail to find the best employees in the field.

The process of strategic planning is defined as by the authors as follows:

1. Establish why the organization exists
2. Define what you want the organization's near future to be.
3. Establish what needs to be done—and what needs tobe done differently—to reach the stated objectives.
The definition and importance of mission states are explained as:

"Organizational strategy consists of concisely, clearly, and carefully communicating to everyone in the organization where the company is headed, which is the first step in creating a mission statement.This document describes what the organization is today, and what its values, in succinct and measurable terms.See the end of this chapter for an example: the mission state-ment of the grocery-store chain Wegmans—a highly successful organization consistently listed on Fortune magazine's annual list of 100 Best Companies to Work For in America. The Wegmans declaration clearly states what the company val-ues in its employees and articulates its primary goal: meeting the needs of its employees and exceeding the needs of its customers."

A mission statement should be direct, brief and succinct, a written in clear language that is easy to understand. Your statement should describe what role you envision your company playing in the market, what market you're

focusing on, what products and services you're offering, and where your clients are located.

One of the first and most important tasks needed to accomplish this goal is to ensure your HR department has the resources it needs to operate. Among these is the need to keep your HR team involved in the planning process, so they know what employees will need, or even which types of employees are needed!

After you've set out your strategic direction, what is your implementation strategy? How are you going to accomplish the goals you laid out in your mission statement? This is where you should begin defining responsibilities and accountabilities, create timelines and milestones to review, and keep all of this information up to date in staff meetings.

HR managers, along with the managers of your other departments, need to be key players when it comes to your business strategy. A descriptive HR plan should be made that supports the company's strategic plan. HR is not separate from the industry goals of the company itself, therefore anyone who works in HR management needs to have a thorough understanding of the industry and the niche the company occupies in that industry.

Optimal Staffing

Companies survive and fail based on whether or not they're able to recruit and retain the right people.

The pool of potential workers is bigger than ever, no longer are you limited to your immediate geographical area. Thanks to the internet, workers in your industry can apply to your company from all over the country and all over the world.

The drawback to that is those potential employees have the ability to apply to all of your competitors as well, no matter where they're based. Thus before an effective HR department can look for employees you must first have a thorough understanding of the positions that need to be filled so you know where best to look, ie which industry specific sites to advertise jobs on, as well as so you can figure out what salary and benefits packages are most applicable to that job market.

A thorough understanding of the job is also necessary when writing the job ads themselves so that you can accurately describe exactly what the responsibilities and qualifications of the position are. The authors lay out the steps to take when deciding what qualifications to choose, and who to interview and why:

"When the resumes start pouring in, be prepared with a plan for determining whom to interview. First, have a thorough understand-ing of the position: Identify specifically what you want the new employee to do and the results you want him or her to achieve. Determine which elements of performance or behavior—such as teamwork, reliability, and tolerance—are critical in this job, and what skills, abilities, and knowledge the successful applicant must have. If your list of requirements is long, prioritize them. As you review résumés, here are some red flags to watch out for:

1. No dates for previous jobs.
2. Gaps in employment.
3. Job-hopping with decreasing responsibilities.
4. Accomplishments listed but not tied to a particular position.

When you've narrowed down the stack of résumés, you may want to do a quick screening interview by phone to ask very spe-cific questions before setting up a face-to-face interview. Focus your screening interview on determining whether the applicant has the basic skills for the position and is within your salary range. To save everyone's time, let the job seeker know the range at the beginning of the call, and ask whether the interview should con-tinue. It is among the first things that applicants want to know, yet they're very reluctant to specify their most recent salary or their desired range, for fear they'll limit themselves or be dismissed as over- or under-qualified. Be sensitive to this."

The importance of behavioral interviews are summed up the authors as:

"A carefully planned and based on the job and its outcomes, according to the principle that past perfor-mance is the best indicator of future behavior. Specifically, it as-sumes that the way a job applicant has used his or her skills in the past will predict how he or she will use them in a new job. Manag-ers should design questions to draw out candidates' stories of real-life experiences that illustrate their ability to perform the essential functions, reach the applicable goals, and excel in the job.Good behavioral interview questions allow you to draw out the candidate's strengths, areas for development, and suitability for your open position. They also will help you determine whether the appli-cant will fit into your work environment."

Interview questions should be crafted as such that the applicant brings up his or her own past experiences, as well as to help address and potential red flags. Questions asking them to describe past instances in which they handled issues directly related to the responsibilities of the position you're seeking are best. However remember to ensure that your questions don't involve soliciting information that employers are barred from asking, such

as questions about their age, race, gender, religion, national origin, or disability status. These are not important to the needs of the position and are in fact illegal to ask.

Where you interview is also important. The area you interview an applicant in should be clean and well organized, demonstrate to them how professional your workplace is. Remember the interview is not supposed to be a one way interaction, the applicant is evaluating whether they want to work for you as much as the inverse.

Employee referral programs are increasingly proving to be one of the most cost effective means of obtaining high quality applicants. They also provide a useful means of measuring job satisfaction, as employees who dislike their workplace aren't likely to suggest to their friends and acquaintances to work there.

It's also useful to keep in touch with former employees when at all possible, in this day and age many of the most successful companies focus almost as much on getting former employees back as they do retaining current employees. It's important that when an employee leaves on good terms for a new position, that you make it clear they're always welcome and the door is open for negotiating new pay and benefits if they ever wish to return.

Orientation and Onboarding

One of the most effective ways to retain employees is to make their initial transition to your company as smooth as possible. Bad orientation and onboarding is a clear sign that a workplace is not professional.

Orientation is supposed to leave new employees with no uncertainties. A good orientation makes clear the way your company is organized, the specific expectations of the employee's position, the procedures the employee may need to know, who they report to, how their department is run, and so on.

The difference between orientation and onboarding is all too often misunderstood. Too many companies think that because they have an onboarding process they don't need orientation, but the two cover entirely different purposes. One important difference to keep in mind is that orientation is a one time event, onboarding, as stated, is a process. Orientation is an introduction, onboarding is a series of events used to help the new employee succeed in your corporate environment.

Onboarding includes helping your new employee get set up, helping them become acquainted with office specific systems and applications, and helping them get invested in their role in your company.

Starting a new job is stressful and effective orientation and onboarding have been shown to reduce employee stress and turnover rates.

Training

Obviously if you've hired a new employee it's because they have skills necessary for the position you needed filled. But that doesn't mean they don't require training.

If you've hired them to work in the QA department they'll likely already have quality assurance experience, but you still need to train them to inspect your specific product. If they work in IT they'll need to be trained on your company's virtual environment and ticket system. Your company might use proprietary software they need to be trained to use.

There is also ongoing training, which is training for existing employees. This could take the form of new systems your company has adopted, or additional skills you wish them to have. It could also be company wide training regarding new policies. Perhaps an employee committed an infraction and requires anger management or sensitivity training.

Like any training you have to evaluate their new abilities. The authors recommend the Kirkpatrick Model. This model involves 4 levels of evaluation:

Level 1: Reaction

The degree to which participants find the training favorable, engaging and relevant to their jobs

Customer Satisfaction
The original definition measured only participant satisfaction with the training.

Engagement
The degree to which participants are actively involved in and contributing to the learning experience

Relevance

The degree to which training participants will have the opportunity to use or apply what they learned in training on the job

Level 2: Learning

The degree to which participants acquire the intended knowledge, skills, attitude, confidence and commitment based on their participation in the training

Knowledge	"I know it."
Skill	"I can do it right now."
Attitude	"I believe this will be worthwhile to do on the job."
Confidence	"I think I can do it on the job."
Commitment	"I intend to do it on the job."

Level 3: Behavior

The degree to which participants apply what they learned during training when they are back on the job

Critical Behaviors

Required Drivers
Processes and systems that reinforce, encourage and reward performance of critical behaviors on the job

Level 4: Results

The degree to which targeted outcomes occur as a result of the training and the support and accountability package

Leading Indicators

Short-term observations and measurements suggesting that critical behaviors are on track to create a positive impact on desired results

Organizational results

However your firm may want to also evaluate the model itself. This isn't the only evaluation model available and you should explore what options might fit your company best.

Performance Review

Research has demonstrated that when performance reviews and evaluations are done with positive feedback in mind they can increase productivity while also improving morale.

Evaluations should be viewed as a means of finding what your employee might need help with, rather than a critical look at whether or not they're a good worker. When you approach a performance review the right way you can actually create a situation where your employee is thankful for it rather than dreading is.

The first and biggest component of this is positive feedback. Whether you're training dogs, teaching students, or evaluating employees research has again and again shown conclusively that positive reinforcement is not only the best means of improving skills, it's the only genuinely productive means.

The authors recommend two methodologies for this. First is the BEER system, this stands for Behavior, Effect, Expectation, Results. The idea here is to identify where the employee is at, and to make explicit what you expect of them moving forward. Identify what behaviors you like and those that could be improved, help them understand why a behavior is an issue, i.e. explain the effects, put forward your future expectations, and explain why this will lead to positive results.

The second methodology is the FAST system. This stands for Frequently, Accurately, Specific, Timely. Positive feedback should be frequent, this helps make employees confident in their abilities and work harder to continue to receive that feedback. It has to be accurate however, don't just make things up. As such it should also be specific, name specific things you're praising. And it needs to be timely, i.e. after a major project, after a positive meeting, etc.

Dealing With Change

Times are changing, opportunities previously unavailable to many marginalized demographics are now being accessed. Women are now attending and graduating college 20% more than men, and minority groups are seeing more and more representation in white collar workplaces.

With this in mind managers and HR teams must be aware and educated on how to navigate this new work environment. More and more workers will not have English as their native language, or will have religious practices and holidays that must be respected. HR managers need to craft corporate policy reflecting these facts.

Sensitivity training, and proper understanding of harassment policies and laws, must also become more ubiquitous. The old ways of operating, the boy's club attitudes, must be eliminated.

And HR departments need to ensure any allegations of inappropriate behavior are treated seriously and with respect.

Final Summary

Human Resources is not just a joke for sitcoms. It was the primary way in which both the workers and the company are protected. To be an effective HR manager you must be involved in the company's planning process, you must be thorough and welcoming in your orientation and onboarding processes, employee training must be both comprehensive and ongoing, expectations need to be clear and good work recognized and given proper positive feedback. Reviews should be avenues to help employees, not reasons to punish them, and HR teams must be up to date on all modern regulations and cultural awareness.

When employees leave the company the door should be left open to them. When fired the reasons for the termination should be made clear.

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