

# **Introduction to Human Resource Concepts**

## **Lesson 3 - Recruiting, Selection, and Orientation**

# **WORKBOOK**

## Lesson 3 Overview

In this part of the course, you will be introduced to:

- Recruiting Employees
- Selecting Employees
- Orientation for Employees
- Compensation and Benefits

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## Job Analysis

**Job Analysis** – the systematic process of studying a position to determine the elements of the position and required skills and knowledge to accomplish the tasks of the position successfully

**Job Description** – a listing of the duties to be performed, working conditions, responsibilities, and any tools and equipment required to perform the job

**Job Specification** – a listing of the knowledge, skills and abilities required to successfully perform the job

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## Job Analysis

### Human Resources Assistant Job Responsibilities:

Supports human resources processes by administering tests; scheduling appointments; conducting orientation; maintaining records and information.

### Human Resources Assistant Job Duties:

- Substantiates applicants' skills by administering and scoring tests
- Schedules examinations by coordinating appointments
- Welcomes new employees to the organization by conducting orientation
- Provides payroll information by collecting time and attendance records
- Submits employee data reports by assembling, preparing, and analyzing data
- Maintains employee information by entering and updating employment and status-change data
- Provides secretarial support by entering, formatting, and printing information; organizing work; answering the telephone; relaying messages; maintaining equipment and supplies
- Maintains employee confidence and protects operations by keeping human resource information confidential
- Maintains quality service by following organization standards
- Maintains technical knowledge by attending educational workshops; reviewing publications
- Contributes to team effort by accomplishing related results as needed

### Human Resources Assistant Skills and Qualifications:

Reporting Skills, Maintaining Employee Files, Dependability, Organization, Scheduling, Confidentiality, Independence, Orienting Employees, Verbal Communication, Teamwork, Microsoft Office Skills

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## Recruiting

Recruiting is the process of attracting qualified applicants from the available employee workforce

Recruiting may be very expensive so a systematic approach is implemented

The goal is to recruit a sufficient number of qualified applicants for the number of open positions to allow a reasonable choice

Too many applicants will require the additional expense of narrowing down the applicants to those best qualified

- Too few applicants will result in a limited choice of applicants

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## Recruiting

**External Recruiting** – this is the process of recruiting from the available employees in the workforce external to the organizations current employees

Several means may be utilized to recruit external applicants:

- Internet
- Social sites
- Employment agencies
- College campus recruiting
- Professional headhunters

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## Recruiting

External recruiting has advantages and disadvantages

Advantages:

- New people with a fresh look at the organization and real or potential problems
- If needed, a complete skillset may be brought into the organization
- If needed, inexperienced people may be brought into the organization and trained in the needed skills sought by the organization
- New, younger workers may bring updated knowledge and skills into the organization.

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## Recruiting

External recruiting has advantages and disadvantages.

Disadvantages:

- May incur a large expense
- May bring resentment from current employees that desire to fill the open position
- May bring habits from a prior employer into the organization that conflict with current policies and/or procedures

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## Recruiting

Internal recruiting has advantages and disadvantages

### Advantages:

- Employee will require less training expense as they are already familiar with the organization
- Enhances employee morale as they have an incentive to perform beyond their current level in an attempt to gain promotion
- Allows for either a promotion to a higher level position or a lateral transfer from one department to another
- The knowledge, skills and abilities of the employee are already known and their performance has been evaluated

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## Recruiting

Internal recruiting has advantages and disadvantages

Disadvantages:

- The promotion or lateral transfer of an employee may open the vacated position that may require external recruitment
- The promotion or lateral transfer may require additional training, so you have the expense of training two individuals instead of one

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## Selection

Selection is the process of gathering information about potential employees and making an appropriate applicant choice

The most qualified applicant may not be the most appropriate applicant

The HR department normally will form the applicant pool; however, line supervisors or management will make the actual selection

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## Selection

### Gathering Information

There are a variety of means available to gather information from applicants

- Employment applications are commonly used to gather factual information.
- Some positions, usually management, require a resume; sometimes with a regular application

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## Selection

### Employment Tests

Some jobs will require specific knowledge, skills and abilities to be performed successfully

Unless the applicants are able to demonstrate these requirements from prior employment, they may be requested to complete a variety of tests to demonstrate the competencies

Test must not discriminate and must be job related and a valid predictor of job performance

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## Selection

### Interviews

The interview is often used to provide the applicant with an opportunity to learn more about the organization, the specific job and to discuss their qualifications for the position

The interviewer has the opportunity to evaluate the applicant for their ability to meet the organizations requirements beyond those that are purely a skill set

The HR department will normally conduct an initial interview while developing the applicant pool. The supervisor of the position will normally interview the applicants to make the selection. If upper level positions, the interview process may require interviewing with several people at different levels within the organization

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## Selection

Some typical interview questions are:

- Tell me about yourself.
- What can you do for us?
- What are your special skills and how did you acquire them?
- What are your strengths and weaknesses?
- How do you show your anger?
- Define "cooperation".

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## Selection

**References** – applicants are often asked to provide references; people that are able to verify the applicants background and their personal view of the applicant

Since most applicants provide names of people that will give them favorable reviews, the only questions asked are to verify past job responsibilities and why the person is leaving a position.

Today, many HR departments will check online sources for information on applicants; such as the various social networking sites

For sensitive or critical higher level positions, a professional assessment center may be utilized to make an evaluation of the applicant.

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## Orientation

Once an applicant is selected for a position, they are not longer an applicant – they are an employee

New employees normally have an orientation period during which all required paperwork is completed to meet all legal requirements and internal requirements

The length of orientation will vary based on the position, the size of the organization and other internal factors

After orientation, some positions will require a probationary period, in which the new employee will have the opportunity to display their ability to perform the required job functions; but also to allow the organization to evaluate if the new employee is an appropriate fit for the organization

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## Compensation and Benefits

Employee Reward System: Employees need to be rewarded. This is normally accomplished with wages and benefits.

An effective system must:

1. Enable employees to satisfy their basic needs
2. Provide rewards similar to those of others in the industry
3. Distribute rewards fairly throughout the organization
4. Recognize the variety of needs of a diverse workforce

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## Compensation Decisions

**Compensation** is money and benefits paid to an employee in return for their labor.

Employee compensation is normally a significant expense for the organization

Employee benefits, with the organization paying the largest percentage, are another significant expense for the organization

The organization will typically create a compensation system to determine an employee's compensation, made up of:

- Wage level
- Wage structure
- Individual wages

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## Compensation Decisions

**Wage level** – the organization must be aware of the wages paid by competitors

- Most organizations tend to offer the industry average wage; however, to attract employees away from competitors, higher wages may be offered
- The higher wages may be offset by a reduction in training costs
- The industry average wage may be found in government data or in industry specific publications
- For local wages, an organization may conduct a wage survey to determine the prevailing average wage

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## Compensation Decisions

**Wage structure** – the various jobs within the organization will require different skills, knowledge and attitudes

- The organization must determine a pay level for each job category within the organization
- A job evaluation is conducted to determine the value of the job, its contribution to the success of the business
- Once the job evaluation is complete, the organization must set wage levels to fairly reflect the job value
- A job analysis is conducted to award points to each element of the job and then associate a wage level to the points

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## Compensation Decisions

Once a wage level and wage structure have been determined for each position, **individual wage specifics** must be determined

- Individual wages are normally set within a range
- Individuals with minimum qualifications will normally be assigned a wage at the lower range
- Individuals with greater qualifications will normally be assigned a wage at the higher range
- Once the initial individual wage has been set, pay increases are normally provided based on performance and seniority

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## Comparable Worth

**Comparable Worth** – this is the belief that an individual should receive equal compensation for jobs that require equivalent levels of education, training and skill

- There have been several attempts to regulate “equal pay”; however, this is a complicated issue with many factors
- Part of the problem is the various cultures found in the workplace. Some cultures provide a different view of the employee/employer relationship that may cause an employee not to simply ask for better wages
- Another issue is that some employees, for a variety of reasons, simply may not desire to work in a specific occupation, thus that occupation’s statistics will be artificially skewed to show a problem that may not have a solution

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## Compensation Types

**Hourly wage** – a specific amount of money paid each hour worked. The standard work week is 40 hours. Any work performed above 40 hours is known as overtime and is compensated at 1½ times the base rate

**Salary** – a specific amount of money paid for a specific calendar period, regardless of the number of hours worked

**Commission** – a specific percentage of sales revenue is paid to the employee. Some organizations will have structured commissions where the percentage will change based on sales volume or a bonus may be provided at various sales volume levels

**Incentive Payment** – these are payments made in addition to regular wages. They are used to reward employees that achieve set goals and to motivate employees to achieve those goals

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## Compensation Types

**Profit Sharing** – in this system, employees share a percentage of the organization's overall profit. The theory is the employees are vested in the success of the organization and will perform their jobs better to reward themselves.

**Employee Benefits** – a form of compensation in addition to their regular wages

- Employee benefits normally are of two basic types:
  1. Services – such as health insurance, disability insurance
  2. Expenses – such as college tuition reimbursement, product discounts
- The organization may pay for the total cost of the employee benefit or they may pay a percentage with the employee paying a percentage

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## Compensation Types

The amount an organization contributes to employee benefits is viewed as part of the total compensation.

- If the base compensation is \$50,000 and the organization's cost of benefits is \$15,000, then in effect the total compensation is \$65,000
- Often not viewed as a benefit is payment of wages for time not worked. This is those periods of time normally taken as vacations or sick time. These are a direct cost to the organization in which no production is received by the organization; however, the morale of employees is regarded as having at least an equivalent value
- Workers' compensation insurance and unemployment insurance are benefits that are mandated by law and are paid for entirely by the organization

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### Lesson 3 Review

- Recruiting Employees
- Selecting Employees
- Orientation for Employees
- Compensation and Benefits

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Questions

and

Answers

## Review Questions:

1. True or False: Job descriptions and job specifications are synonymous.
  - A. True
  - B. False
2. True or False: Recruiting is simply the process of attracting people to a company.
  - A. True
  - B. False
3. True or False: Recruiting is always better when done from within the company.
  - A. True
  - B. False
4. Typical interview questions include all the following except:
  - A. Tell me about yourself.
  - B. What are your strengths and weaknesses?
  - C. What is your sexual orientation?
  - D. Define customer service.
5. True or False: There are multiple ways to compensate employees.
  - A. True
  - B. False

## **Answer Key:**

1. B  
False. Job descriptions list duties while job specifications list competencies.
2. B  
False. Recruiting is the process of attracting qualified applicants from the available employee workforce.
3. B  
False. Recruiting from within limits the pool of potential applicants and reduces the chances of new blood or ideas.
4. C  
Interviewers should never ask such personal questions, as they have no bearing on work quality.
5. A  
True. Hourly, salary, commission, incentive pay, and profit sharing are only a few ways.