

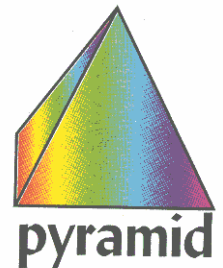


The story continues...

Pyramid Clothing - What happened next?

Pyramid's Galway store has proved to be very successful and is now expanding. As HR Manager, Marie Foley is hiring three further shop assistants and has just completed interviewing the 30 most promising candidates who applied to the advertisement the company placed in a local paper. Before making the final offer of a job, Marie will check the references provided by each applicant. Once this is done, she will prepare a **contract of employment** setting pay, hours of work, location and other relevant information. All employees are legally required to be provided with a contract by their employer.

How can Pyramid improve its employee-employer relationship and minimise the risk of strikes?



Pyramid Clothing can improve its employee-employer relationship and minimise the risk of strikes by taking the following actions:

- Ensure there are regular and honest communications by management to all staff.
- Operate a range of rewards that will meet staff needs, whatever their main level of motivation according to Maslow's hierarchy of needs.
- Ensure that rewards for employees are both financial and non-financial.
- Create a friendly and co-operative corporate culture, or atmosphere, in the business.
- Clear grievance procedure should exist that will allow any disputes that might arise to be settled quickly before they become serious.
- Operate a regular and fair system of performance appraisal of staff by management.

Recall & Review

1. Describe three financial and three non-financial rewards that Pyramid could offer their employees.
2. Describe Maslow's hierarchy of needs and identify one method other Pyramid could use to satisfy each one.
3. What is meant by a grievance procedure?



What are the pros and cons of introducing Performance Appraisal to Pyramid Clothing?



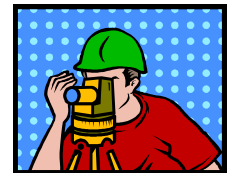
Advantages

- ☺ Focuses attention on the importance of employees and their performance
- ☺ Helps to identify high-performance staff – assists in selecting staff for promotion
- ☺ Weaknesses and training needs can be identified and discussed
- ☺ Motivates staff when they know that their performance is being monitored. Good work can be rewarded while poor performers can be identified and improve.
- ☺ Provides valuable feedback to managers about staff attitudes and performance.

Disadvantages

- ☹ If done insensitively, it can produce a climate of fear and suspicion among staff.
- ☹ Requires training for managers to ensure that process is carried out fairly and is seen to be fair by staff.

Why do some jobs earn higher financial rewards than others?

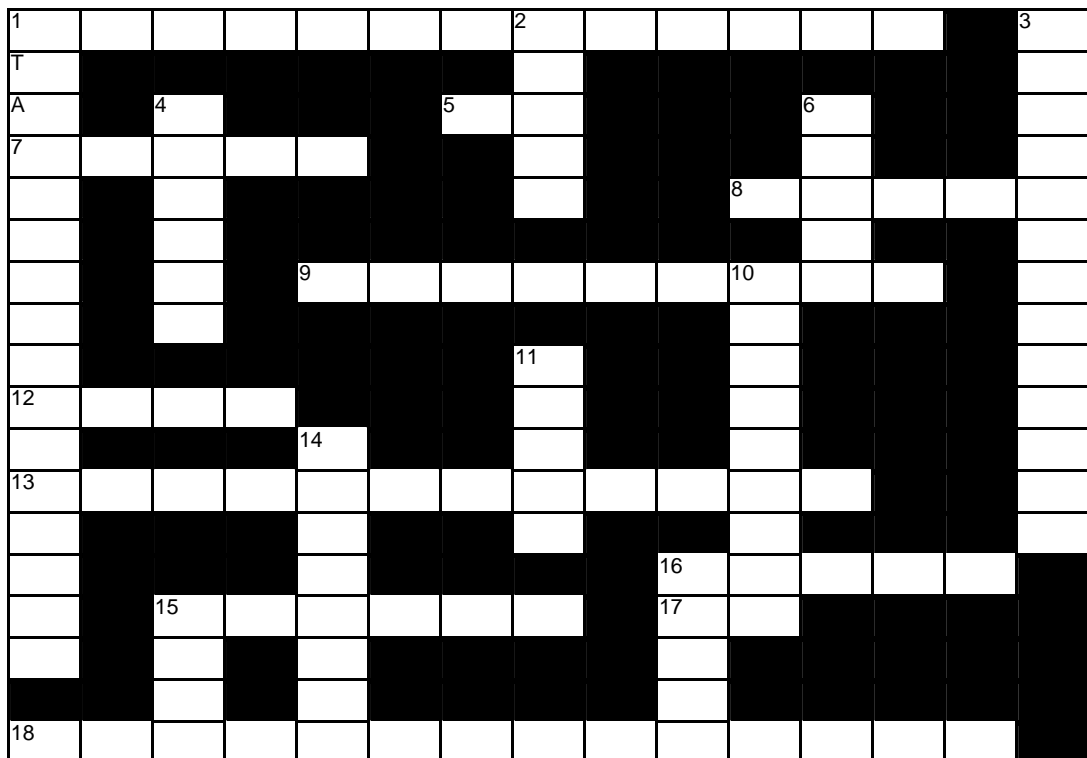


In Pyramid Clothing, like most other businesses, some jobs can be better paid than others. This occurs for a combination of reasons:

- **Demand exceeds supply** in the labour market for some jobs. For instance, the supply of experienced computer engineers is smaller than the supply of experienced shop assistants and, as a result, engineers can attract higher salaries.
- **The ability and skills** required for some jobs are hard to come by. For example, soccer clubs may be prepared to pay a very high salary to attract talented players.
- **Long training periods** are required to qualify for some jobs, such as vets. This discourages many people from becoming qualified in these areas, thereby keeping the supply of vets down. People in such jobs also look for higher pay as a reward for investing years of their time in gaining their qualifications.
- **The risk, danger and responsibility** involved in some jobs, such as an airline pilot, means that the employee is paid more as compensation.
- In some firms and industries, organisations that represent the interests of employees, known as **trade unions**, have the power to negotiate favourable pay deals for workers.



**Crossword 9 –
Human Resource Management**



CLUES

Across

1. A person _____ describes the qualities sought in the person required for a particular job (13)
5. A document that summarises your education, qualifications, training and experience (2)
7. Allowing employees to choose their own start and finish time as long as they work a minimum number of hours (5, 4)
8. To give employees the skills and knowledge to do their jobs and a form of transport (5)
9. Firms do this to let people know about their products and encourage them to buy (9)
12. What you get when you don't make a profit (4)
13. Another word for an increase in workers' output and efficiency (12)
16. You can sail in these (5)
15. Workers can get extra payments through _____-sharing schemes (5)
17. The opposite of off (2)
18. A way of reducing a workforce in a firm by not replacing workers who leave due to retirement, childbirth or to take up new jobs (7, 7)

Down

1. This provides employees with additional skills that will enable them to take on new, more challenging work in the future (5, 11)
2. This type of letter highlights why you think you are suitable for a job (5)
3. Marie Foley has this manager's job with Pyramid (5, 8)
4. _____-in-kind are non-cash payments to staff (8)
6. This type of council allows representatives of workers to have an input into a firm's plans and strategy (5)
10. Marie Foley gives this to new staff members at Pyramid (9)
11. A human resource _____ is a survey of the skills of an existing workforce (5)
14. Staff leaving Pyramid have contributed to an increase in labour _____ (8)
15. Where ships load and unload their cargo (4)
16. Intel staff receive these payments twice a year (5)



Summary - Fill in the gaps

Human resource management (HRM), also known as _____ management, ensures that a business has the right staff, with the right skills, at the right time, who are committed to the business and motivated to give their best. As with other areas of management, proper planning is needed to ensure that the current and future staff needs of the business are being fully met.

Human resource management aims to attract the best available staff to work and stay with the business as long as possible. This includes ensuring that suitable training is provided for staff, which meets the present needs of the business. It also means ensuring that employees are provided with the opportunity to acquire additional skills that will enable them to take on new, more challenging work in the future. This is known as staff _____.

To ensure that staff and organisation needs are in tune, HR management encourages all managers to conduct regular performance _____ with their staff. These are normally carried out by an employee's immediate supervisor meeting with the employee and agreeing _____ and performance standards expected over a period of time, such as every six or twelve months. This allows employees to receive regular feedback on their performance.

If a company has a high rate of labour turnover, then it is often a sign that pay, conditions or industrial relations in the business could be improved. Job _____ refers to the degree to which employees feel positive about their job, enjoy doing it and want to continue working with the firm.

One method that is being increasingly used to promote employee commitment to a business is through the use of profit _____ schemes. These entail firms sharing a part of their profits with employees through payments in addition to wages.

Score: _____ out of 6