



Management of People

Business Management

National 5
Higher

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The department in charge of managing the people in an organisation is the Human Resources Department. This department encourages people to work by motivational methods, this includes both financial and non financial.

HOW CAN PEOPLE BE MOTIVATED – FINANCIAL, NON-FINANCIAL AND ADDITIONAL BENEFITS



Different people work for different reasons, so may be motivated by various incentives. The most common methods of motivation are:

- Financial Reasons

Employees are paid in different ways:

Salary – employees are paid the same amount each month for completing certain tasks. Salaried employees often have a set number of hours to work, however they may not be paid overtime if they work additional hours to complete their tasks.

Bonus – employees may be set targets, and if they are achieved they receive a bonus payment.

Time Rate – employees get paid a certain amount for each hour that they work.

Piece Rate – employees are paid for each product they make.

Overtime – when employees work additional hours they will get an additional payment. This is usually paid on time rate, and is a higher rate of pay than ‘normal’ time.

Commission – when employees are paid depending on how many of a product they sell. Commission is usually calculated as a percentage of the amount of money the employee generates for the business.

Can you think of an example of a job that would pay employees in each of these ways?

- Non-Financial Reasons
be part of a team
enjoyment of the work
achieve success
improve themselves
to ‘make a difference’

Have a look at this video on motivating staff:
<http://www.bbc.co.uk/learningzone/clips/motivating-staff-at-the-globe-theatre/374.html>

- Additional benefits which could save the employee money
Private Health Care and Company Car

Each worker has his or her own targets to achieve. Some want to earn money, others also want satisfaction and pleasure from working. Each business must help create an environment which lets its workers achieve their particular goals.

APPRAISALS

This is a report on how well an employee is progressing. It is usually carried out at regular intervals by the employee's line manager. Appraisals are used to:

- evaluate performance
- identify employees suitable for promotion
- increase motivation
- identify training needs
- set future performance targets
- identify the strengths and weaknesses of staff
- assess the success recruitment and selection process
- improve communications
- award salary increases
- plan future staffing.

Appraisal, however, can only be successful if targets are set for performance. Target setting can be used for issues such as:

| | |
|---------------------------|----------------------------------|
| • attendance at work | • level of output achieved |
| • quality of work | • training to be undertaken |
| • communication abilities | • relationships with other staff |

THEORIES OF MOTIVATION

1. Maslow's Hierarchy of Needs



Higher Only

Maslow believed that all people are motivated by the same things. The three lower needs at the bottom of the pyramid have to be achieved before the two higher needs can be met.

Try this link - <https://www.youtube.com/watch?v=Iucf76E-R2s>

| | |
|--------------------|--|
| Self Actualisation | People want to feel they are achieving something. Managers should help staff set and reach their own personal targets. |
| Self-Esteem | People want to feel valued by others. Managers should praise and encourage, and give financial rewards for good performance. |
| Love | People enjoy the company of others. Managers should encourage team work and social contact. |
| Safety | People want to feel safe and secure from harm. Managers should give their workers job security. |
| Physical Survival | People need food, water, shelter, clothing and warmth. These should be met by a basic wage. |

2. Herzberg's Hygiene Factors

Herzberg's ideas are much more straightforward than Maslow's. Herzberg believed all the needs of workers can be put into two groups.

- Hygiene Factors – are the things a business has to provide to keep workers contented. These include clean, quiet and safe working conditions – as well as adequate rest breaks.
- Motivating Factors – are the things that will encourage workers to do their best – like praise from managers, career advancement for good workers and more responsibility

If the hygiene factors are poor then the motivating factors will not work.

3. McGregor's Theory X and Theory Y

McGregor believed there are 2 types of manager. They motivate workers in different ways.

Theory X Managers believe:

- Workers are only motivated by money
- Workers are lazy, selfish, dislike work and lack ambition
- Workers need to be controlled and coerced by managers

Try this link - <http://www.youtube.com/watch?v=yR03d9gN1nw>

Theory Y Managers believe:

- Workers are motivated by many needs
- Workers can take pride and responsibility in doing a good job
- Management should trust workers and help them do their best

4. Taylor's Scientific Management

Taylor's ideas were formed at the beginning of the 20th Century (1920-1930)

- He believed workers were lazy and only interested in earning money
- He carried out time and motion studies to find out the most efficient way to perform a task
- Managers were then appointed to make sure the task was carried out exactly as planned
- He believed this would improve productivity
- In practice it wasn't very successful due to boredom

Try this Link - <http://www.youtube.com/watch?v=slfFJXVAepE>

5. Mayo's Human Relations School

He thought that workers were motivated when managers took a personal interest in them e.g. by involving them in decision making

- Firms need to meet the personal satisfactions of their workers
- Make sure employee goals are the same as organisational goals
- Firms should encourage employees to socialise with each other

Try this Link - <http://www.youtube.com/watch?v=97QyFPIxLAc>

Problems with Motivation Theory

- Some of the theories contradict each other
- Many theories were developed a long time ago when working conditions and relationships between workers and managers were very different to how they are now
- Everyone is different – so no single theory is likely to motivate every single employee

THEORIES OF LEADERSHIP

Directors and managers are **leaders** in their companies. They set targets for their workers, organise their work and monitor their progress.

The ways in which managers lead is important for the business, because if the workers does not respond to the leader the business can fail.

There are **three main leadership styles**:

1. Autocratic Leaders

Make decisions without consulting their team members, even if their input would be useful. This can be appropriate when you need to make decisions quickly, when there's no need for team input, and when team agreement isn't necessary for a successful outcome. However, this style can be demoralizing, and it can lead to high levels of absenteeism and staff turnover.

2. Democratic Leaders

Make the final decisions, but they include team members in the decision-making process. They encourage creativity, and people are often highly engaged in projects and decisions. As a result, team members tend to have high job satisfaction and high productivity. This is not always an effective style to use, though, when you need to make a quick decision.

3. Laissez-faire Leaders

Give their team members a lot of freedom in how they do their work, and how they set their deadlines. They provide support with resources and advice if needed, but otherwise they don't get involved. This autonomy can lead to high job satisfaction, but it can be damaging if team members don't manage their time well, or if they don't have the knowledge, skills, or self-motivation to do their work effectively. (Laissez-faire leadership can also occur when managers don't have control over their work and their people.)

THE ELEMENTS OF HUMAN RESOURCE MANAGEMENT

Human Resource Management covers a range of functions within the organisation. It consists of the following elements:

- Recruitment
- Selection
- Workforce Planning (Higher Only)
- Training and development.

Collect an appraisal form.

In pairs complete an appraisal on each other for a job of your choice.

All these elements are linked together. They cover all the stages which an employee passes through from joining an organisation to leaving it. The Human Resource Department is responsible for managing all these elements.

Recruitment

Recruitment means attracting a suitable number of people to apply for jobs within an organisation. Selection means choosing a suitable person to fill a job vacancy.

Recruitment of employees at all levels below that of senior executive is normally done through the Human Resource. The Human Resource Department will have considerable experience of what type of labour is available and whether it is available locally. The department will know of the rates of pay and conditions of employment offered by competitors, and of the organisation's policy.

To get the right people to apply for a job, businesses must:

- identify the job that has to be done (**job analysis**);
- describe the job in detail (**job description/job specification**);
- describe the qualities of the person needed to do the job (**person specification**).

After a **job description** and a **person specification** have been prepared, the organisation should **advertise the job vacancy**. In many large organisations, the Human Resource Department arranges the advertising and **deals with applications** e.g. by writing to applicants to let them know their application has been received. The Human Resource Department also does the administration once the selection process starts, e.g. it **arranges interviews** with applicants who have been chosen for interview.

Job Analysis

Each time a job needs to be filled the business has an opportunity to carefully analyse what the job actually involves.

This involves identifying the:

- tasks to be completed
- knowledge and skills needed
- level of initiative needed
- technology required
- inter-personal skills required
- the responsibility level of the job.

From the information gathered a **job description/job specification** and **person specification** can be prepared.

Job Description/Job Specification

Once the job has been analysed, a job description/job specification can be prepared. This is a description of what the job is and what it involves. The job description will include the tasks to be carried out. A job description should contain all of the main details which relate to a job, for example:

- job title
- position in business
- job responsibilities
- department
- main duties
- working conditions

Person Specification

Once a job description has been prepared, the business will normally identify the personal qualities (known as attributes) of the person needed to do the job to the correct standard. The document detailing these qualities is called a person specification. The person specification describes the kind of person suitable for the job.

Every position within a business requires particular skills, talents and aptitudes. A person specification identifies the main characteristics which the successful applicant will need in order to be able to do the job.

These include the following:



- the achievements & skills of the individual
- the interests/hobbies of the individual
- the personality of the individual.

The employer must be able to identify the person who has the best potential to effectively fill a position.

Methods of Recruitment

The job analysis, job description/job specification and person specification mean that the Human Resource Department now knows what the job involves and the kind of person needed to fill it. The next step is for them to get applicants for the job.

There are two main ways of doing this:

- Internal recruitment
- External recruitment

Internal Recruitment

This means that the job vacancy will be filled by someone who is already working for the company. The business may advertise the vacancy on notice boards, in internal newsletters or on an intranet webpage.



The advantages of internal recruitment are that:

- it gives existing employees the opportunity to develop their career
- employees are already familiar with the business, therefore little induction is necessary
- employees' strengths and weaknesses are known by the employer
- it is an inexpensive form of recruitment
- it can improve staff morale.

External Recruitment

The job will be advertised and filled from outside the company. The business may advertise the vacancy in local or national newspapers or in specialist publications. Such advertising allows the Human Resources Department to target specific sections of the population.

The advantages of external recruitment are:

- a larger range of people can apply for the job
- new employees may bring fresh ideas to the business.



Advertising Jobs

They should describe the job and indicate the type of the person required, e.g. experience, qualifications, personal qualities etc.

The common places or media for advertising jobs are:

- government job centres
- recruitment agencies
- national newspapers
- schools/university careers officers
- television
- internet/websites
- local newspapers
- word of mouth
- in-house magazines
- notice boards in the business

Where to advertise will depend on the:

- how often the organisation wants to advertise to job vacancy
- advertising budget

Selection

There are a number of methods that can be used to ensure that the correct candidate is selected. They include:

Application forms

These should collect **relevant** information from the candidate. Most businesses use Application Forms and design them to meet their own requirements. All Application Forms will contain sections for basic information such as:

- name, address
- telephone number
- date of birth
- education, qualifications
- work experience
- interests, hobbies
- referees.



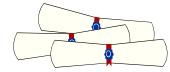
Increasingly however, application forms ask applicants for more information such as:

- Why have you applied for this position?
- What makes you suitable for this position?

Using Windows Movie Maker, make a movie about the different steps in the recruitment process. You can use an example of the steps a real life business would take to recruit for a particular job.

CVs (Curriculum Vitae)

CVs are prepared by most job applicants and provide a short summary of the applicant i.e. address, age, employment experiences, education and qualifications, interests/hobbies.



Some businesses ask for hand-written CVs so that clear writing and a good standard of English can be assessed.

References

Applicants for jobs are often asked to provide references in addition to a completed application form or CV. References are comments on the applicant by someone who knows what the applicant can do. A previous employer, for example, could comment on an applicant's attendance and time-keeping at work.

The accuracy of information written in Application Forms should be checked by getting references from people known to the applicant.

Testing

Applicants may be tested to make sure they have the right level of skills for a job. There are a number of tests which could be used as part of this process. These include:

Have a go at the aptitude test

- Aptitude tests – this assesses skills eg speed of inputting information
- Attainment testing allows a candidate to demonstrate their skills, eg ICT, joinery skills, childcare skills.
- Personality tests – this shows how an applicant will react in certain situations
- Medical tests – this is used for certain types of jobs and measure physical fitness which may be required for certain jobs e.g. professional footballers, fire service
- Assessment centre's- applicants spend some time taking place in activities and they are assessed on their problem solving and teamworking skills

Interviews

The most common method of selection is an interview. The purpose of an interview for the organisation is to find out as much information as possible about the applicant. However, it is also an opportunity for the applicant to find out about the organisation. The interview means that the organisation can find out how well the applicant meets the requirements of the person specification for the job.

Have a go at coming up with interview questions and interviewing each other. You may want to make up an interview checklist too.

A successful interview should involve the following:

- telling candidates how the interview will be conducted
- putting the candidates at their ease and telling them about the job
- asking questions so that the candidates have the opportunity to give full answers
- listening to the candidates' answers and asking follow-up questions.
- giving the candidates an opportunity to ask questions
- keeping the interview pace brisk
- indicating when the interview is over.

Impressions are important at interviews and dress and body language can affect the interview.



Badly dressed candidates can present a poor image to the interviewers.

- Hostile questions from the interviewers can create self-doubt in the candidates.
- Fidgeting and looking uninterested (by either the candidate or the interviewers) leads to interviews being cut short.

Candidates should be asked questions which allow them to demonstrate their strengths.

After all applicants have been interviewed, the information obtained from each one can be compared to the person specification. Ideally, the organisation should choose the applicant who matches the person specification most closely.

Appointment

The successful candidate can then be offered the job. The Human Resource Department will be responsible for informing the successful applicant and for letting the unsuccessful candidates know what has happened.



CONTRACT OF EMPLOYMENT

Every employee receives a Contract of Employment when starting a new job. Under the Employment Act this must be given to employees within 13 weeks of starting work. A Contract of Employment contains the following details:

- title of the job
- holiday entitlement
- sickness pay and allowances
- discipline/grievance procedures
- date employment began.
- hours of work
- the rate and payment timing of wage/salary
- pension scheme
- notice required if employee intends to give up the job.

These details are the terms and conditions of employment for the person concerned. The Human Resource Department is responsible for issuing contracts of employment and for making sure that terms and conditions of employment are properly applied to all employees – for example, that employees are paid on time and that hours of work, etc., are agreed with employees.

WORKFORCE PLANNING

Higher Only

Workforce planning is about deciding how many and what types of workers are required

Workforce Planning or Human Resource planning is having a planned approach to each of the following activities:

- analysing current employment trends within the context of organisational needs;
- forecasting potential future staffing requirements for all departments within the organisation;
- forecasting potential future supply of workers with the appropriate skills;
- forecasting potential labour turnover – i.e. the rate at which staff will leave the organisation;
- planning how best to satisfy and motivate employees;
- planning how to develop a particular organisational culture so that the organisation can utilise its workforce to best effect;
- planning how best to support staff training and development;
- planning processes to release surplus staff as necessary.

Overall, therefore, Human Resource planning is concerned with planning all aspects of the organisation's staff requirements.

For planning purposes, human resources can be categorised under 4 broad headings:

- newly appointed staff;
- potential staff for the future;
- existing staff;
- departing staff.

Each of these categories requires decisions to be made by the managers involved. Some examples of HRM decisions are given below:

Newly appointed staff may require:

- induction and/or future training;
- a contract setting out terms and conditions.

Potential staff recruitment requires:

- successful recruitment and selection procedures;
- good advertising.

Existing staff benefit from:

- performance appraisal;
- opportunities for promotion/career development.

Departing staff expect:

- appropriate retirement arrangements;
- easily understood grievance procedures.

Human Resource planning must be flexible so that it can react to changing organisational objectives as well as external factors such as:

- changes in the market;
- technological developments;
- levels of competition;
- population trends (demographic trends);
- trends in trade union membership;
- government legislation.

The world of work is changing rapidly:

- Increase in part-time working
- Increased number of single-parent families
- More women seeking work
- Ageing population
- Greater emphasis on flexible working hours
- Technology allows employees to communicate more effectively whilst apart
- People rarely stay in the same job for life

Businesses need to understand and respond to these changes if they are to recruit staff of the right standard – and keep them!

Have a look at these video clips on changes in the workplace:

<http://www.youtube.com/watch?v=aM1YQVtlxHk>

<http://www.youtube.com/watch?v=5JNzAmWG2Fs>

<http://www.youtube.com/watch?v=KL6iFgXIZgI>

<http://www.youtube.com/watch?v=2XIQkDldpmI>

TRAINING AND DEVELOPMENT

Staff training and development involves providing employees with new skills, knowledge and experiences so that they can carry out their jobs efficiently.

Induction

On the first day, or shortly after starting work, staff will be invited to an induction course. The purpose of an induction course is to introduce new employees to the firm, its organisation and its procedures, including those of the department they will work in.

Possible activities for an induction course:

- welcome and introduction by the Human Resource Manager
- security procedures within the firm
- issue of passwords for IT system
- tour of the firm
- introducing colleagues in the department the employee will work in



Job Training

Selecting and recruiting the best people for your business is not enough. It is also important to make sure that they work well after they have joined the business. This can be done by giving employees opportunities for training and development.

Training is the key to ensuring that a business can remain successful in an increasingly competitive environment. It makes sure businesses have a skilled, motivated and effective workforce.

Training methods will vary to suit the individual needs of each business. Whatever method is selected, training must:

- improve the skills of its workers so they can cope with changes in the business world e.g. due to improvements in technology, increased competition, health and safety regulations
- make sure that workers can achieve the quality of working standards needed to keep the business competitive
- benefit the employee by developing skills and confidence
- be available throughout an employee's working life, i.e. life long learning
- help ensure safety in the workplace
- prepare employees for future promotion.

Training can be:

- **on the job** – training arranged within the firm either by the department manager or the Human Resources Department. It is usually done by an experienced worker who is an expert in the field.
- **off the job** – the employee will go outside the business to do their training e.g. college, training centre, day release.



Have a look at these links they're about Training at work – egs of on and off the job, and advs and disadvs of each

http://www.tutor2u.net/business/gcse/people_training_types.htm

http://www.businessstudiesonline.co.uk/AsA2AppliedBusiness/TheoryNotes/Unit1/1_2_How_Businesses_Obtain_Employees/PDF/05%20Approaches%20to%20Staff%20Training.pdf

Costs and Benefits of training

Costs

- The financial costs of training can be high eg cost of specialist training staff
- Working time and output are lost when staff are taking part in training

Benefits

- Staff become more efficient at carrying out their work – therefore productivity will increase
- Staff become more flexible and can carry out a range of tasks
- Staff motivation and morale increases
- The image of the organisation will improve



Have a look at these links:

<http://www.indigohr.com/10-reasons-to-train-employees.html>

http://www.businessstudiesonline.co.uk/GcseBusiness/TheoryNotes/Edexcel/Unit1/1_4_6/1_4_6.swf

http://www.businessstudiesonline.co.uk/AsA2AppliedBusiness/TheoryNotes/Unit1/1_2_How_Businesses_Obtain_Employees/PDF/05%20Approaches%20to%20Staff%20Training.pdf

USE OF ICT IN TRAINING

Benefits of Using ICT to Train Staff

Visuals from presentation software provide reinforcement to verbal information from trainer/speaker therefore it holds the attention of the trainees longer.

Staff in remote locations can be involved in training events using web conferencing, reducing the need to travel.

Live-link meetings/online tutorials can be set up between trainer and trainee so support is immediately available.

Staff being trained can access centrally-stored shared files from any geographical location.

Drawbacks of using ICT to Train Staff

Can be expensive to buy initial equipment.

Technical issues may prevent meetings taking place and may cause frustration and wasted time.



RETAINING STAFF

Work Practices

Full time – working a full week, for example from Monday to Friday from 9 am to 5 pm, although this set time is now changing with varying hours and more flexibility for employees

Part-time – working fewer hours than those with full time contracts – for example, 16 hours per week.

Both full time and part-time jobs can last many years, or only two to three weeks as some are permanent and some are temporary.

- **Permanent** – this means that the job will last as long as the organisation requires.
- **Temporary** – this means that the job lasts for a short time. This is often called contract work and is generally used by businesses when they have a particular project underway eg building a city bypass. Some temporary jobs have a set finish date. They are often called fixed term contracts.

Flexible Working

Some advantages of flexible working for employees is being more motivated, save time and money traveling to work and promote a better work/life balance. Some advantages of flexible working for employers is increased productivity, smaller offices, therefore reducing costs, reduced absenteeism and the business will get a good reputation, so will attract highly skilled applicants for jobs.

Examples of Flexible Working

- Homeworking – employees can work from home, using ICT. flexi-time requires workers to work a certain number of hours per week or month. Employees often need to work core time – a set time in the day when all workers attend, e.g., 10 am–12 noon **and** 2 pm–4 pm
- Shift working - some organisations require to have people working round the clock either for necessity or for maximum efficiency and the most profitable use of resources. To achieve this staff work in **shifts**, ensuring that the organisation is running day and night. Employees will be paid higher rewards to make up for having to work unsociable hours.

Job Satisfaction

As people spend a great deal of their lives at work they expect to be rewarded and satisfied with their job. What gives people job satisfaction?

- good pay
- recognition of job well done
- possibility of increase in pay
- colleagues you get on with
- training opportunities
- good working hours
- job security
- fringe benefits
- employer/manager you can get on with
- possibility of promotion
- pleasant working environment
- variety of tasks to do
- possibility of differing tasks on same level, perhaps in another department
- challenging and interesting work
- good holidays.

The Human Resource Department in an organisation is responsible for ensuring that the terms and conditions of work enable employees to gain as much job satisfaction as possible.

EMPLOYEE RELATIONS

'Employee relations' is a term that refers to the way that employers deal with their employees. They cover the normal relations between management and employees. The Human Resource Department is responsible for ensuring that a suitable framework is set up to enable employers and employees to discuss matters which affect them. Employee relations is a relatively new term and it has replaced the old term 'industrial relations'. Traditionally most discussions take place between employers (represented by managers) and employees (represented by trade unions).

Employee relations cover many things such as disciplinary and grievance procedures, staff welfare and terms and conditions of employment.

The role of management

The role of management in employee relations is to inform, consult and negotiate with employees and their representatives. This may mean:

- meeting with trade union representatives
- having an employee representative on the Board of Directors
- having regular meetings to inform employees of decisions made by management
- forming a works council.

The Human Resources Department sets up these channels of communication. It also checks to make sure that they are working properly.

The role of the employee

Employees should comply with relevant legal requirements and use the correct channels of communication within the organisation.

The role of trade unions

Trade unions represent employees when dealing with employers in national and local discussions. This could involve bargaining for higher wages, better working conditions or better terms and conditions of service within an organisation. The union can also assist with grievance procedures by providing legal advice to members. They also give members financial advice. Members pay a subscription to become a member of the union.

The role of works councils

Works councils are made up of an equal number of representatives from employees and management. At meetings of the works council, people can discuss matters affecting the business, especially the impact they have on the workers.

The things that works councils do vary a lot between different organisations. In some cases, they are simply a way of getting employers and employees together to discuss things. In other cases, works councils may agree terms and conditions of employment e.g. where there is no trade union in the organisation.

INDUSTRIAL ACTION

When employees are not happy with decisions that are being made within the business they may decide to take industrial action. All forms of industrial action will reduce the productivity of the business.

Types of Industrial Action

Overtime Ban – this is when employees refuse to do any overtime.

Work to Rule – employees will only carry out the tasks that are in their Contract of Employment.

Strike – employees refuse to work. A ballot of members must be held, to make sure that the majority of employees want to go on strike, then employees do not go to work on a specified day. The workers may form a picket line, at the entrance to their work, to show others that they are not at work. Employees are not paid for the days they are on strike.

Go Slow – Employees complete their tasks but at a much slower rate.

Have a look at this news story about post office workers going on strike.

<http://www.bbc.co.uk/news/business-21715490>

Write a short report with the following headings:

Who is going on strike?

Why are they going on strike?

How will the employees be affected by the strike?

How will employers be affected by the strike?

LEGISLATIVE REQUIREMENTS



Employment legislation falls into various categories:

- health and safety legislation which covers physical working conditions.
- employment legislation which covers the terms and conditions under which employees work.
- electronic storage of information which covers how data is stored and accessed in a business.

Health and Safety

The Health and Safety at Work Act 1974

This Act places a responsibility on employers and employees to maintain safe working conditions. Employers must take reasonable care to ensure the health, safety and welfare of all employees. Employees must take reasonable care to ensure both their own safety and the safety of other employees who may be affected by what they do.

The Health and Safety at Work Act brought together a lot of earlier legislation on health and safety. Some of this still applies – for example, the Factories Act 1961 and the Offices, Shops and Railway Premises Act 1963.

The Factories Act applies to a wide range of factory premises including garages while the Offices, Shops and Railway Premises Act covers non-manufacturing premises. Both deal with aspects of health and safety such as lighting, temperature, ventilation, overcrowding, washing facilities, first aid and fire precautions.

The government appoints Health and Safety Inspectors who check premises to make sure that the legislation is not being broken.

Reporting of Injuries, Diseases and Dangerous Occurrences Regulations, 1985 (RIDDOR)

These regulations require any injuries resulting from accidents at work to be reported to the authorities within seven days.

Employment legislation

Discrimination



There are major laws governing discrimination which any business must consider when making decisions regarding employment. Equal pay, sex, race, health and safety, unfair dismissal – these are all areas where employees have protection. There is also legislation on a minimum wage. The following Acts protect employees:

The Equal Pay Act 1970

The Act states that if a woman is doing the same or broadly similar work to a man, then she is entitled to the same rate of pay, and that women doing the same work as men should also receive the same terms of employment – i.e. the same holiday entitlement, sick leave, working hours, bonuses etc.

The Sex Discrimination Act 1975

This Act states that it is unlawful to treat a woman, or a man, less favourably on the grounds of sex. Both sexes should be treated equally in employment, training, education, public facilities and public services. It is unlawful to discriminate against someone because they are married.

The Race Relations Act 1976

The Act states that it is against the law to treat a person less favourably than others on grounds of colour, race, nationality or ethnic or national origins.

If an employee feels they have been unfairly treated because of their race with regards to redundancy, dismissal, discrimination or sexual harassment the employee can bring these issues to an Industrial Tribunal, which does not require lawyers.

Disability Discrimination Act 1995

This covers discrimination against disabled persons. Employers may not discriminate against a disabled person for a reason related to his or her disability.

Age Discrimination Act 2006

It's against the law for your employer to treat you worse than other colleagues at work because of your age, unless they've got a very good reason. It's also against the law for an employer to dismiss you or to refuse to employ you, just because of your age, unless they've got a very good reason. If your employer does this, it's called age discrimination. An employer is not allowed to discriminate against you either for being too young or for being too old.

Equality Act 2010

The Equality Act 2010 simplifies the current discrimination laws and puts them all together in one piece of legislation.

The act makes it more difficult for disabled people to be unfairly screened out when applying for jobs, by restricting the circumstances in which employers can ask job applicants questions about disability or health.

It identifies 9 protected characteristics including, age, disability and race.

It outlines 7 different types of discrimination.

National Minimum Wage Regulations 1999

The national minimum wage sets minimum hourly rates that employers must pay their workers. It covers almost all workers in the UK. There are three aged based rates and an apprentice rate.

Data Protection Act 1988 and 2003

What Companies have to do!

When businesses or organisations keep information about people on computer systems they need to make sure that:

1. data is backed up: A system of making regular backup copies is necessary. This makes sure that if data is lost it can then be recovered from the backup copy.
2. data is protected: Anyone who holds data on people must try to protect it from hackers. A common way of doing this is to use **IDs and passwords**. This is a good system and does restrict access to people who are authorised to see, search through and update data. Unfortunately, it does not stop all hackers.
3. data is checked for accuracy When data is being entered into a system or being updated people can make mistakes with the result that the data is inaccurate. Unfortunately, despite the fact that businesses and organisations carry out checks mistakes still happen and inaccurate data does get stored on computer systems.

Freedom of Information Act 2000

The Freedom of Information Act gives you the right to ask any public sector organisation for all the recorded information they have on any subject.

Anyone can make a request for information – there are no restrictions on your age, nationality or where you live.

Computer Misuse Act 1990

A lot of sensitive information is stored on computers and the law makes damaging a computer system by hacking into it illegal and subject to penalties. For example it is illegal to:

1. Gain unauthorised access to a computer system (hacking)
2. Make unauthorised modifications to computer materials.
What is modifying computer material? It means:
3. Damaging a computer system by inserting a virus
4. Preventing authorised access by changing or deleting passwords
5. Making unauthorised changes to software or data.

<http://www.youtube.com/watch?v=OXVo9O31X18>

What are the UK laws which give employees the same protection?



Here are some links to activities about obtaining and training workers and motivation and legislation.

<http://www.businessstudiesonline.co.uk/GcseBusiness/Activities/Module2/Module2Menu.htm>

ROLE OF TECHNOLOGY IN MANAGING PEOPLE

- Databases for staff records/automatic training updates.
- Jobs are advertised and application forms are submitted online.
- Intranet could be used to download templates so that information is standardised.
- Online training courses being offered.
- Email communication to all/selected groups of staff at the same time.
- Selection may use IT to assess skills and qualities.
- Interviews via web cam to reduce travelling for candidates, and encourage candidates from other geographical locations to apply for jobs.
- Employees being able to work flexibly ie from home using ICT, this will increase the number of people able to apply for jobs so should find better employees.
- Smart phones allow employees to be contacted at any time.
- Documents for example job descriptions are produced on word and made available to download so they don't need to be printed.

Paired Task

Write down a list of 7 software applications Marks and Spencers would use. Describe a task that the Human Resources department would use each software application for.

GLOSSARY

Some of the terms which are in the notes are explained a little more fully below. There are also some terms which have appeared in other units but which are also relevant to human resources included in the glossary.

| Term | Meaning |
|---------------------------------|---|
| appraisal | the system of monitoring an employee's performance in order to identify strengths and weaknesses. |
| collective bargaining | when one or more unions negotiate with employers on behalf of employees to determine conditions of work and terms of employment. |
| delegation | when a superior gives tasks to a subordinate, this will give him or her more experience and free up the leader to complete other tasks. |
| dispute | a breakdown in the relationship between employers and employees. |
| flexible workforce | a workforce which can respond quickly to changes in the requirements of the organisation. |
| go-slow | a reduction of output by workers whilst still carrying on their tasks. |
| lock-out | a situation where employees are physically kept out of their place of employment. |
| multi-skilled | the ability of employees to switch easily from one operation to another. |
| non-financial rewards | sometimes called fringe benefits (or perks) which are used to motivate employees, e.g. low cost loans, free canteen, company car. |
| picketing | an attempt by trade union members to dissuade others from working during industrial action. |
| piece rate | rewarding employees for the number of items they produce. |
| quality circle | a discussion group that meets regularly to identify problems. |
| redundant | the situation where a job no longer exists. |
| single union agreement | an agreement by an employer to recognise and negotiate with one union only. |
| unofficial action/strike | union activity/strike which is spontaneous and does not have the backing of the union head office. |
| verbal warning | first stage of a fair dismissal. |
| written warning | final stage prior to being fairly dismissed. |



There is lots of information and case studies about Training and development, Appraisal, Personnel functions, Human resource management, Employee participation, Performance management, Human resources, Benefits of employer and employee co-operation if you follow this link.

<http://businesscasestudies.co.uk/business-theory/people/staff-training-and-development.html#axzz2M6jTF8b2>