CHAPTER 8
INTERNAL STAFFING AND CAREER MANAGEMENT ISSUES

Learning Objectives

- After you have read this chapter, you should be able to:
- understand the reasons for the design of a proper internal staffing programme
- identify the factors that influence internal staffing decisions
- name the advantages of internal staffing
- identify the various types of internal staffing strategies
- discuss the guidelines for the selection of the best type of internal staffing strategy
- describe the elements necessary for a successful career management function
- examine the problems that typically confront employees when seeking to advance their careers
- define a plateaued employee

Chapter Outline

1. Reasons underlying the design of a proper internal staffing programme
    - o Employee dissatisfaction
    - o Increasing concerns with job security
    - o Changing employee attitudes and concerns
    - o Employment equity issues
    - o Labour union presence
2. Factors influencing staffing decisions
3. Advantages of internal staffing
4. Requirements for effective internal staffing
5. Types of internal staffing strategies
    - o Pure selection strategy
    - o Vocational guidance strategy
    - o A compromise staffing strategy
6. Guidelines for the selection of the most effective internal staffing strategies
    - o Selection ratio
    - o Performance costs
    - o Type of job
7. Various approaches to internal staffing
    - o Promotion
    - o Demotion
    - o Transfers
    - o Lay-offs
    - o Downsizing/retrenchment
    - o Resignations, quits and dismissals

- o Retirement
- o Cost of employee separations
8. Career management
   - o Benefits to the organisation
9. The changing face of career management
10. Successful career management
    - o Organisational career planning
    - o Individual career planning
    - o Integrating plans
    - o Implementing programmes
    - o Evaluation of career programmes
11. The plateaued employee
12. Dual-career couples

Teaching Tips

Few things seem as important to students as their careers - whether in mid-career or just ready to start out - a successful career spiced with promotions is a primary goal. There is generally a difference in perspective between those students who have years of work experience and those students with little or no experience. An opening question could be pitched to two panels - one panel composed of 3-6 students with the most, and another composed of students with the least, work experience. Question: "How do employees get promoted in South Africa today? That is, on what basis are employees promoted?"

Discussion on this question should lead into official and unofficial promotion criteria. When asked whether these unofficial criteria (like friendships and social connections) are really important in getting promotions, our students enthusiastically reply "Yes indeed!"

Layoffs and alternatives to layoffs is often another fruitful topic for discussion. The text does not simply list all of the alternatives, and so students can be asked whether they or anyone they know has been laid off. Prompted by that answer, ask whether there are alternatives to laying off employees. What if an employer lays off employees cyclically or seasonally? Lead students into the new concept of HR balancing, which is simply a comprehensive approach or listing of various tactics used to avoid layoffs during downsizing or reorganisation. This discussion incorporates demotions, transfers, and early retirements and students should also be made aware of some of the legal implications in this area especially with the recent Labour Relations Amendment Act 12 of 2002.

Our students are often depressed after we draw the flattened out organisational structure. However, this is the new workplace reality and it has consequences for their career paths.

The exercise "What are you going to do with your life?" should be assigned one class ahead of your discussion of career management and the material in the second half of the chapter. See our discussion of the exercise for some tips in getting a realistic

discussion about careers started, springboarding off the homework.

This is yet another excellent chapter for bringing in a HR professional, top manager responsible for promotions or the Employment Equity Manager as a guest speaker. Ask for the names, copies of promotion policies, and examples of test questions that might be used for promotional decisions.

There are plenty of articles about careers and internal staffing practices in business and HR practitioner (as well as academic) journals. Hand out an article that emphasises part of HR balancing, the glass ceiling, or assessment centres or have students write a one-page reaction paper about an article they located.

Integrating the training chapter with the material on promotions and careers, the group exercise, designing a diversity training programme can help tie several chapters together. See our notes on that exercise. We believe that it is important to stress the interrelatedness of this chapter with other chapters both at the beginning of the discussion and at the end.

CASE STUDY

Assessment Centre at Sun Rise Insurance

The Sun Rise Insurance company's personnel committee entered the executive conference room, took their seats, drank coffee from styrofoam cups, and chatted amiably among themselves. Each of the organisation's six major departments was represented, typically by the department head. They included Kathy Morris, claims manager; Allen Mazula, manager of personal lines, and Lynn Snead, manager of group insurance. They were waiting for Jerry Smyth, head of Sun Rise's HR department and chairman of the personnel committee. The committee members had only a vague notion of what the meeting was about; the memo calling the session spoke sparingly of 'problems with promotion decisions' and a need to develop 'a system for making more effective promotion decisions'.

   The Sun Rise Insurance Company is a medium-sized, rapidly growing insurance company based in Kwa-Zulu Natal. Sun Rise Insurance is one of 18 insurance companies owned by Tidewater, a large insurance holding company. Offering a variety of personal, home, and life

insurance coverage, Sun Rise has recently captured a sizable niche in the group insurance market. Their labour force totals about 4,500 employees, including about 600 line managers and staff administrators.

Smyth, about five minutes late, hurriedly took his chair at the end of the conference table. After uttering a brief apology for his tardiness, he got to the point:

Smyth: This afternoon we need to discuss a serious personnel problem that we've had in this organisation for some time. As I'm sure you are all aware, we have recurring performance problems at the first level of management. Deadlines are frequently missed, and quality control is almost nonexistent. Turnover among the clerical staff and sales personnel is about twice what it should be. And our annual employee attitude surveys show that our supervisors are in dire need of both work-oriented and people-oriented skills. We have much job dissatisfaction at the clerical and salesperson levels, and all fingers point to supervision. Besides, the productivity audit conducted last year by our management consultants, Cheek and Associates, confirmed that our first level of supervision was one of the organisation's weakest links. To make a long story short, we need to consider alternative ways to strengthen our first-line supervision.

Morris: But Jerry, each new manager is required to attend a 40-hour supervisory training programme offered by your department. Isn't the programme having any impact?

Smyth: Well, we haven't been satisfied with the results of our evaluation studies. Currently we're looking at ways to improve our management training.

Mazula: Jerry, you don't turn someone into a supervisor in one week. What else are we doing to develop the skills of our new managers?

Smyth: Several things. First, we generally pay for an employee to attend a seminar as long as it's related to the job. Second, we reimburse employees for expenses they receive in getting a university degree. And as you know, we also encourage all middle managers to work closely with their supervisors to develop skills through on-the-job coaching.

Snead: Besides taking a closer look at our T&D programmes, what else can we do to improve our supervision?

Smyth: I think we need to make some significant changes in the way we make promotion decisions, particularly when promoting a non-management employee into the first level of management. We're currently promoting about 75 employees a year into supervision. Historically, we've promoted someone because of a high degree of technical skills. But technical skills play only a minor role in supervision. I'm afraid we've tried to make supervisors out of a good number of people who simply don't have the aptitudes to be successful managers. And we're probably overlooking a lot of employees who have the basic qualities that it takes for successful supervision.

Snead: And how do we deal with these problems?

Smyth: A couple of months ago, I sent each of you a memo and several current journal articles that described the assessment-centre concept. I think this is the real key to long-run improvements at our lower management levels. I've been toying with the idea of going ahead with the project for some time and decided to make a formal request to top management. I'm going to propose that we begin an assessment centre for selecting first-level managers, and I want to discuss with you several different strategies for getting the programme into action.

One approach is to put our own assessment staff together under my direction. We could study other programmes, select our own tests and exercises, train our own assessors, and periodically conduct our own assessment, say every three months or so. Another alternative is to hire an outside consulting firm to come in and do the assessments. And a third approach is to persuade the corporate personnel office at Tidewater to put together a programme that could be used by each company. The economies of scale of this approach would be tremendous; with the great number of promotions that are made annually in the Tidewater system, a full-time professional staff would easily keep busy the year around.

Snead: Hold on, Jerry. We all realise that a lot of successes have been recorded for the assessment-centre concept, but it's not a perfect system. It won't guarantee success. Besides, it's pretty costly. How will we know we're getting our money's worth? To improve the quality of our supervision, maybe we should consider some other alternatives to the assessment centre. We could beef up our supervisory training. Or we could make our promotion decisions much more carefully than we do now, perhaps by a formal committee. And to get more candidates, we could use job posting for the first level of supervision. That way all interested personnel would be welcome to apply.

But if we do finally decide to go with the assessment centre, let me strongly encourage that we start slowly at first with a pilot programme in one department. That way we can iron out the bugs in the system before we go any further with it.

Questions and Answers to Case: *Assessment Centre at Sun Rise Insurance*

Question 1: **Evaluate the following alternatives for improving Sun Rise's first level of supervision: (a) more supervisory training for new supervisors, (b) promotion decisions made by a promotion committee, and (c) implementation of an assessment centre.**

Answer: The three alternatives for improving the performance of supervisors each focus the student on an important decision - should the problem be solved by selection or training improvements?

(a)   More supervisory training for new supervisors.
        As long as promotions are made on the basis of technical expertise, training and development activities will not be the most effective approaches to improving supervisory performance. If someone lacks the requisite abilities, training is a slow and or impossible solution. If the promoted supervisors had required minimum levels of human-relations and conceptual skills, they could be fine-tuned by training.

(b)   Promotion decisions made by a promotion committee.
        More people making decisions based upon invalid criteria is no better than one person using such poor criteria - the group itself is unimportant. However, if the committee, through structured interviews, focuses upon the kinds of behaviours that are important for effective supervision improvement is possible. Problems of impression management and other problems related to interviews (discussed in the chapter on recruitment and selection) still must be noted. In summary, the criteria for promotion must be improved.

(c)   Implement an assessment centre.
        This may be the most effective strategy for improving the quality and performance of supervisors. Research indicates that the assessment centre approach yields more valid/effective promotional decisions than many traditional approaches.

Question 2: **If you recommend an assessment centre for Sun Rise, who should conduct it - Sun Rise's HR department, Tidewater's corporate HR office, or an outside consulting group? Should the programme begin on a pilot study basis?**

Answer: The three alternatives for implementing the assessment centre strategy must focus on problems of costs (including development costs) and time.

Many firms which use outside consultants do so because their demand for assessments is so low that they cannot justify developing and staffing their own assessment centre. However, with 75 annual supervisory promotions at Sun Rise, it may be feasible that an in-house assessment centre be developed.

The advantages for developing their own centre include: (a) greater flexibility in planning, scheduling, etc.; (b) greater control over the centre (which could be a disadvantage if Sun Rise lacks the expertise to design an effective centre; (c) chance to develop a programme geared specifically for Tidewater's own problems, requirements, and environments; and (d) easier to integrate the assessment results back into the organisation's needs assessment portion of their training programme.

The chief advantage of having Tidewater's corporate office develop the centre is economies of scale. All fellow companies, including Sun Rise, would be able to use the centre. Since each of Tidewater's companies is an insurance company it seems likely that an assessment centre could be developed that would be beneficial to the entire Tidewater group.

Any major HR programme will have some "bugs" so it is an excellent idea to run a trial or pilot programme first.

Question 3: **Are the training and assessment-centre approaches mutually exclusive strategies for improving the quality of supervision? Discuss.**

Answer: Training and assessment centre approaches are both important techniques for improving an organisation's supervisory effectiveness. The primary job of the assessment centre is to identify the potential for being an effective manager. For most new supervisors, even those judged as having the required minimum skills, knowledge, and abilities, additional T & D activities are important for many reasons.

Other performance management approaches may also be beneficial in advancing effective supervisory behaviours - realistic PAs, perhaps using MBO approaches; and compensation incentives which reward effective behaviours.
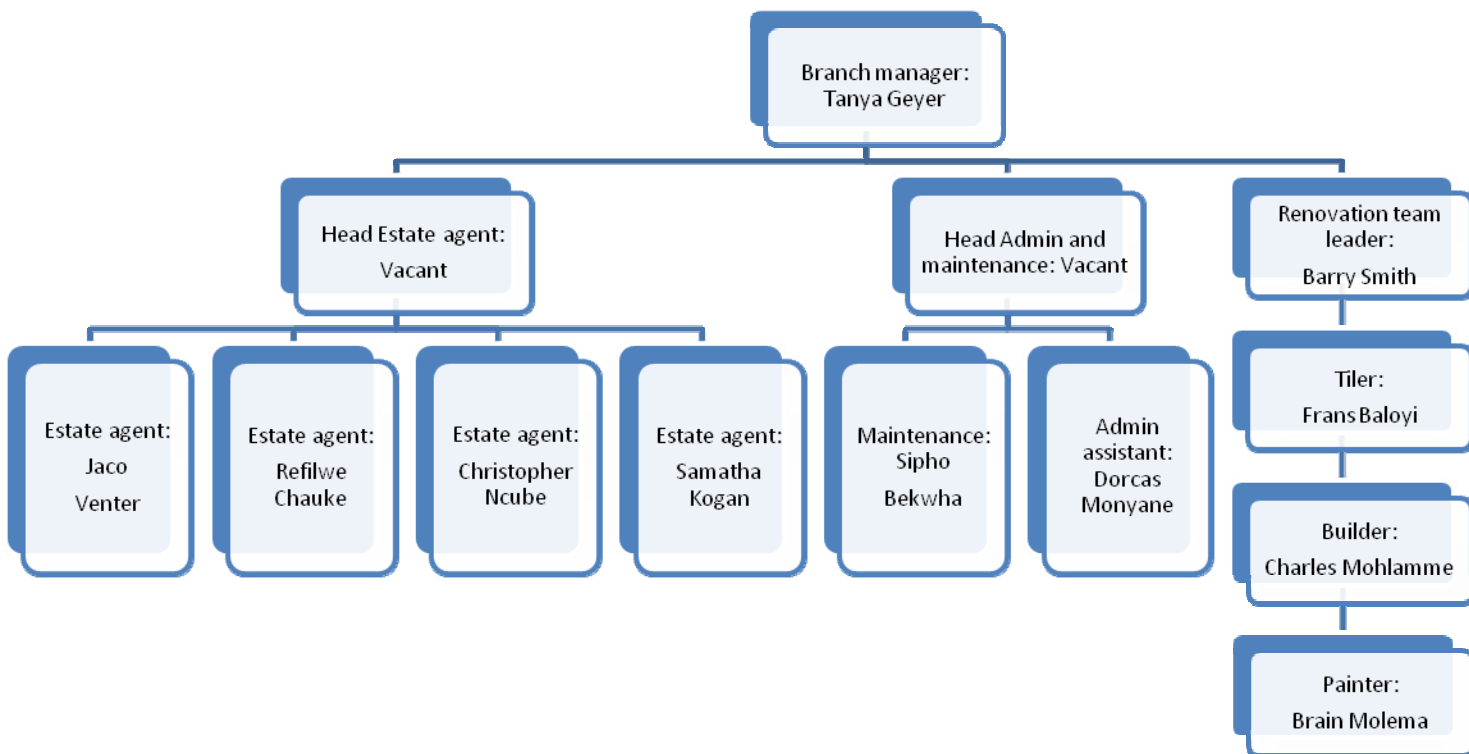
CASE STUDY

Prime Properties

Sipho Bekwha works for an estate agent in Polokwane called Prime Properties. He is responsible for maintenance related matters at the office. Sipho completed Grade 12 three years ago and has been working at Prime Properties ever since. The company opened the Polokwane branch ten years ago after they opened the first branch in Nelspruit 15 years ago. Tanya Geyer started her career as the branch manager in Nelspruit and the company asked her to open the new office in Polokwane. Tanya accepted the offer. She initially started with two estate agents and has subsequently appointed an additional three. One of the estate agents, Dorcas Monyane, has not been living up to expectations and they have decided to use

her as an administrative assistant in the office. She has agreed to this. The branch mainly concentrates on properties in two upmarket neighbourhoods in Polokwane. There are excellent schools and shops in the vicinity and the area is easily from the freeways. This is an important selling point as a number of people stay in Polokwane and work in the surrounding towns. In general, the size of the houses are reasonable. However most of the houses are more than 30 years old and need to be renovated.

The organisational structure of the Polokwane branch of Prime Properties appears below:

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                          Branch manager:
                            Tanya Geyer
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  Head Estate agent:      Head Admin and           Renovation team
       Vacant          maintenance: Vacant              leader:
                                                       Barry Smith
 ┌──────┬──────┬──────┐     ┌──────────┐                   │
Estate  Estate Estate Estate  Maintenance:   Admin        Tiler:
agent:  agent: agent: agent:    Sipho      assistant:   Frans Baloyi
 Jaco  Refilwe Christopher Samatha Bekwha   Dorcas          │
Venter Chauke  Ncube   Kogan              Monyane        Builder:
                                                     Charles Mohlamme
                                                          │
                                                        Painter:
                                                      Brain Molema
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Tanya has recently suggested that the company should perhaps investigate the possibility of renovating a few properties before they sell them. The income from selling these renovated homes would increase by 100%. Her decision was based on numerous requests from potential buyers looking for renovated properties in the area. Tanya's silent partner Pradeep saw this as a wonderful opportunity and suggested the agency also start renovating the properties before selling it. In order to do this they will need to make use of outside contractors and a few other people that they will have to employ. that they expand the business and also agreed to this and they proceeded to buy three such properties to renovate. They do not have time to

manage these projects themselves and they thus appointed Barry Smith as a team leader and supervisor to oversee the renovations. Barry has unfortunately fallen ill and as he is near retirement age, he decided that it would be in his own best interest to resign. Tanya realises that they have to come up with a solution fast to ensure that they finish the renovations in time. The properties need to be put on the market as soon as possible. Tanya only recently discovered that Sipho has a code 08 driver's licence. He is very trustworthy and has been maintaining their building very well over the past three years. He takes initiative, completes tasks well before due dates and he is able to work under pressure. Sipho spoke to Tanya a month ago and told her that he was ready for something more challenging. She approached Pradeep about involving Sipho in the renovations by making him responsible for Barry's tasks. Tanya is of the opinion that they will be able to easily fill Sipho's current position. They can even consider Barry for it if he recovers and wants to do this type of work.

Questions and Answers to Case: *Prime Properties*

Question 1: Is it Tanya's responsibility to manage Sipho's career? Give reasons for your answer.

Answer: No, this is not Tanya's responsibility. Career management is the responsibility of every single employee. Employees need to establish where they want to be in terms of their career in a few years' time and then, with the help of their employer or on their own, ensure that they acquire the skills and experience needed. Tanya can help Sipho by offering him an appropriate position as and when it becomes available but she cannot take responsibility for Sipho's career. She can assist him more by means of coaching or by providing the training that he needs.

Question 2: Identify the internal moves in the case study above.

Answer:

Position/person	Move and motivation
Tanya	Transfer – Tanya was transferred when she was asked to open the Polokwane branch of Prime Properties, this was not a promotion
Sipho	Possible promotion
Barry	Resignation due to ill health
Dorcas	Demoted/re-deployed
Filling the vacancy of the head estate agent with one of the existing estate agents	Promotion - if an estate agent is from within the branch
Filling the vacancy of the head of admin and maintenance	Promotion or new appointment if he moves from auxiliary services to line – if a candidate from within the branch reporting to this position gets the job it will be a promotion

Question 3: If Sipho were to take over the role as team leader in the renovations department, what would this move mean? Discuss this type of move in detail and indicate why an internal move would be more advantageous than appointing someone from outside the organisation.

Answer: Given the organisational structure, Sipho would be appointed in the position. It is advisable to first advertise internally and then externally to provide all the staff members who qualify for the job with the opportunity to apply for the position. Internal staffing moves should enhance the organisation's effectiveness and the employees' satisfaction and commitment. If Si[ho was appointed on a lower and then promoted to this new position they would be following a compromise staffing strategy that will benefit both the employees and the company. Sipho would then be

more satisfied, the estate agents and the company will have more properties to sell and the organisation will also benefit by making a bigger profit. From the organisation's perspective they do not have to spend additional time or money orientating Sipho as they know that he will function in the new post without any problems. If the company had a proper HRIS it would have been beneficial in this case as they would have known the possible candidates available within the company. Smaller companies normally do not have such systems.

Question 4: Identify the career stages that Barry and Sipho are at. Substantiate your answer.

Answer: Barry is in the fourth and last stage of his career, namely withdrawal. Barry will be resigning soon. Sipho is at the second stage, namely advancement. Sipho aspires to greater things and he would like to progress with his career he has already established himself in he company and is looking for new challenges.

Experiential Exercises

1.   WHAT ARE YOU GOING TO DO WITH YOUR LIFE?

Purpose
To get you to start thinking about career goals, personal strengths and weaknesses, and strategies for achieving career goals.

The task
Listed here are several areas that are normally the focus of career planning workshops for employees and students. After you complete all questions, your instructor will lead a discussion concerning career planning.

Goal setting
I.   Career goals
Let's begin by outlining a few career goals. How much thought have you given to what you want to be? How much money you want to make? The kind of organisation you would like to work for? The industry? Geographical location? Think about these questions and complete the following section.

A.   Job
What specifically would you like to be doing in five years?

B.   Salary

How much money would you like to be making? (Of course, your salary goals should be tied directly to your job goal). Be realistic!
R_____ per year

C.   What size company would you like to work for?
1.   Small (fewer than 300 employees) _____
2.   Medium (300 to 1000 employees)_____
3.   Large (1000 employees or more) _____

D.   Which industry would you prefer to work in?
1.   Government
       Provincial _____
       Local _____
2.   Construction _____
3.   Mining _____
4.   Manufacturing _____ (which kind? ____ automobile, etc.) _____
5.   Agriculture _____
6.   Transportation _____
7.   Wholesale/retail trade _____
8.   Services _____ (which kind? ___ banking, health care, etc.) _____

E.   Where would you like to live?
1.   Western Cape _____
2.   Eastern Cape _____
3.   KwaZulu Natal_____
4.   Northern Cape_____
5.   Gauteng _____
6.   Mpumalanga _____
7.   North West _____
8.   Northern Province _____
9.   Free State _____
10.   Doesn't matter _____

II. Strengths and Weaknesses

Right now, you have several strengths - knowledge, skills and abilities - that will be assets in achieving your job goal. You will probably also need to acquire new skills to realise your job goal. In addition, you may have some weaknesses that you need to overcome before achieving your goals. In relation to your job goal, think about your strengths and weaknesses and complete the following section.

A.   Strengths
       List your strengths - including all knowledge, skills and abilities, work experience, technical skills such as your universities major, and human skills (e.g., communication, leadership, motivation).

B.   Skills to develop
       Think about the job you would like to have, the skills you currently possess, and the skills you think you'll need to obtain to be competent in the job you want.

Needed skills may include decision-making, technical, and human-relations skills. List these skills.

C.   Obstacles

Now think of all the obstacles that you must overcome to realise your job goal. Obstacles relate less to skill deficiencies (listed before) than to external considerations such as a reluctance to relocate if it is a condition for a promotion or perhaps the difficulties (time and money) you would face in getting an MBA at night.

D.   Soul search

Consider all your thoughts thus far: job and salary goals, strengths, areas that need to be developed, and obstacles. In light of your shortcomings and obstacles that need to be overcome, how realistic are your job and salary goals? How likely is it that your goals can be achieved? Write a statement about the likelihood of meeting your job goal in five years. Be honest!

2   DESIGNING A DIVERSITY TRAINING PROGRAMME

Purpose

To use role playing and role reversal to become aware of the range of views about the meaning of diversity at the workplace. Students should also gain a clearer understanding of how a diversity of ideas can help an organisation become more competitive. Students must approach this exercise with a certain level of maturity but should also be creative.

The task

This is a role reversal exercise that requires students to group by race and/or gender. All students should show respect for all roles. Depending on the size of the class and the composition of the class in terms of race and gender, the instructor may decide to group students in one of the following ways:

1.   By gender, with females role-playing males and males role-playing females.
2.   By race, with white students role-playing majority students and majority students role-playing white students.
3.   By race and gender, with white males role-playing majority females, majority males role-playing white females, and so on.
4.   By other categories, which may include age, disability status, and so on.

Step 1:   Your group (role-reversed) should meet and list the elements that you believe should be covered in a diversity training programme at a hypothetical large firm in your area. Emphasise the interests of the gender or racial group you are role-playing.

Step 2:   Your class should now return, and the groups should list on the blackboard the ideas generated for the ideal diversity training programme. After the lists are written, class members should be encouraged to ask any group to explain why it included certain elements.

Step 3:   Your class should draw circles or lines on the board, linking elements that were common, regardless of the group. This should identify the core elements. Discuss the common, and perhaps the uncommon, elements.

Step 4:   What steps, if any, need to be taken at the workplace to remove glass ceilings. Decide whether these core elements (identified in Step 3) of your diversity programme will actually help remove these barriers.

Step 5:   What did role playing add to the discussions? Discuss how accurate role-players portrayals were.

Answers to Experiential Exercises

1.   INDIVIDUAL: WHAT ARE YOU GOING TO DO WITH YOUR LIFE?

Purpose

To get students to start thinking about career goals, personal strengths and weaknesses, and strategies for achieving career goals.

This is very personal and should be assigned as an individual homework assignment, then used as a focus for class discussion. Students are asked first to identify some of their expectations (I), then asked to identify their strengths and weaknesses (II), and finally asked to "soul search" whether their expectations are realistic.

The real key is this final portion - soul search. Whether students only perform this brief analysis individually or whether the questionnaire becomes a springboard for additional classroom discussion, the match between expectations and the person's Ss and Ws is where some real insights can be derived. Poor matches - often the domain of recent graduates - can cause great frustration and dissatisfaction.

For modification, one idea is to greatly expand the first part (I) through class discussion or group work to include other preferences and expectations that people might have.

2.   GROUP: DESIGNING A DIVERSITY TRAINING PROGRAMME

Purpose

To use role play and role reversal to become aware of the range of views about the meaning of diversity at the workplace. Students should also gain a clearer understanding of how a diversity of ideas can help an organisation become more competitive. Students must approach this exercise with a certain (high) level of maturity but should also be (allowed to be) creative.

All of the following steps could simply be done as a normal group activity. However, we have found that by asking students to role reverse - based upon any workplace demographic like gender, race, disability status, religion, etc. - that more stereotypic discussions take place, and are corrected, in the groups themselves. Remember that

the stereotypes (which this exercise attempts to expose) will be as employees and as managers. We would not have groups any smaller than three - so if you lack a demographic group of that size, break the students down demographically in another manner (ie. if race doesn't work, use gender, etc.).

Step 1:   Groups are asked to identify the elements which should be covered in a "diversity training" programme. Further, they should include other actions that might be necessary to remove the glass ceiling that is stopping women and other groups from climbing the ladder in a hypothetical firm. (As a modification, it might be useful to identify a particular large or local company.)

Step 2:   Groups share their ideas that are all listed on the board/overhead. Students should be challenged to explain fully what their group means on items listed. Our experience is that groups will say something like "increase sensitivity" and so it is useful for the group members to be forced to illustrate the problems, or explain in some other manner just what their idea is all about.

Step 3:   The instructor, with the help of the students, should link recurring ideas or similar thoughts in some manner - perhaps circling the similar items and drawing a line connecting them. (Another approach is for all of the ideas to be originally written on cards so that in this step the cards can be storyboarded. This entails physically placing similar idea cards together into several clusters.) The common or core idea of related ideas should be identified.

Step 4:   Students should be challenged to discover how such a training programme does and does not solve glass ceiling problems. It creates the most careful arguments to only discuss the fit of the training programme to this broader problem near the end of this discussion. Otherwise, students will often see any training programme as a panacea to any named problem.

This exercise can be accomplished within almost any time frame between 20 minutes and 90 minutes depending upon the discussion allowed (or provoked).

Answers to Review Questions

Question 1:   What are the major causes of employee demotions, transfers and layoffs?

Answer: The most common demotion causes are (a) failed promotion, (b) inability to perform duties, (c) incapacitation, (d) downsizing as a result of an economic recession and (e) voluntary request by the employee to be demoted.

Transfers take place due to (a) mismatches between the job and the person, (b) employee dissatisfaction with the job, (c) organisational requirements (for someone in

the new assignment or out of the old one), (d) employee development - lateral promotions. Layoffs (called RIFs - reductions in forces) are caused by (a) a decrease in demand for the organisation's outputs - which can occur for many reasons, (b) restructuring or reorganisation of the organisation - which can create labour surpluses in one area and deficits in others, and (c) technology and methods improvements - where fewer labour hours are required.

All of these "causes" of these internal staffing changes are at a heightened activity level as we finish the decade.

Question 2:   What are some alternatives to lay-offs? How effective do you think they can be when an employer is reorganising?

Answer: The comprehensive approach called HR balancing includes various components, each of which could be considered an individual alternative to laying employees off. HR balancing includes: (a) voluntary termination - that consists of early-retirement programmes and severance incentives; (b) regional redistribution and national relocation programmes - offering transfers to other locations within the local region and perhaps anywhere within the organisation; (c) employee loan programme - allowing temporary assignments that can turn into loan conversions (or permanent transfers/relocations); and (d) reclassifications and demotions.

Of course, these are HR responses to overstaffing in one area or cuts due to reorganisation. Other alternatives to lay-offs include: better planning and scheduling; not hiring permanent employees for temporary labour demands and using temporary staffing instead; telecommuting; and other "contingency work force" approaches.

Question 3:   What are some important HR policies and practices that have an impact on internal staffing decisions?

Answer: Students should be able to discuss the following factors: (a) whether to promote from within or hire from the outside as a main approach to promotions (or what the mix should be); (b) PA methods and uses; (c) assistance for laid off workers (what and how much?); (d) plant closing and lay-off notification policies; (e) employment equity and affirmative action practices; (f) T & D programme; and (g) HR planning approaches.

Question 4:   What are the benefits that may be gained from a career management programme?

Answer: An effective career management programme which must be planned, supported, comprehensive, and focus upon career matching, can have many benefits which students should be able to discuss. The result of higher employee satisfaction can lead to other results of lower turnover, absenteeism, and sometimes higher quality performance. Motivation might also be heightened. The better performing employees should benefit from such a programme. The organisation should also be more effective

at reaching its employment equity goals as well as other staffing goals. The organisation will probably keep better and more helpful records (PAs, needs assessments for T & D programmes) as well as moving towards more open promotion policies.

Question 5:   What are the problems of two-career couples and how may they be overcome?

Answer: Some of the problems include: (a) conflicting alternatives regarding promotions and transfers (creating the "trailing spouse"); (b) lack of preparation and conflict resolution experience on the part of the partners; (c) reluctance to approach the employers with their problems; (d) possibility of a "no-career couple" since many lay-offs have reached both working spouses; (e) baby panic; and (f) other family vs. work issues. A progressive suggestion is to deal with the fact that a great percentage of your employees are a two-career couple. A dual-career audit is a good starting point. Special recruiting practices may give more realistic expectations. Transfer policies that transfer for transfer-sake might be reexamined for their impact against such couples. Many employers need to reexamine their transfer policies.

Question 6:   Seniority is a common criterion for deciding who to lay-off among the blue-collar workforce. Should seniority be the major factor in deciding on white-collar lay-offs? Defend your reasoning.

Answer: Often the student discussion hinges on two factors - whether the term "seniority" (often a negative connotation) or "years of service" (often a positive connotation) is used, and whether "a major factor" means that it should be considered (often yes) or whether it means it should decide the layoff (often no, as perceived to be the ineffective union method).

The other criteria for lay-offs should be identified - performance, skills, training, etc. Seniority rewards loyalty and makes the decision easy, predictable, and unbiased. Performance-related criteria accomplishes none of those goals, but does lead to reinforcement of effective performance. Care should be exercised in determining "performance" very carefully however, since almost all measures are deficient in some manner - and could lead to complaints and lawsuits.

Question 7:   An advantage of using seniority as a criterion for making promotions is that it eliminates supervisory bias. Is there still the possibility of supervisory bias when using performance-related criteria in making promotion decisions?

Answer: Bias is a real and continuing threat to such decisions. If the decision involves promoting nonsupervisory personnel into supervisory positions, the assessment centre approach may be feasible. If this technique is not applicable, decision makers must insure that the performance criteria that are used are results-oriented and objective (e.g., MBO-type criteria). Supervisory bias may also be reduced by requiring promotional candidates to undergo (1) validated tests designed to measure their aptitude for successfully performing the type of work the promotion requires, and (2) multiple structured interviews with various managerial personnel.

Question 8: **The human resource management literature generally holds the assessment centre in high regard. Can you think of reasons why an organisation would not adopt the assessment centre in gathering promotion data?**

Answer: (1) It may not be feasible for a small organisation to spend the required money. The expense and time commitment of this technique fits best the situations of large organisations and other organisations with many promotion decisions to make. (2) An organisation may be having success using other methods, such as tests, interviews, past performance, etc. (3) An organisation may be unaware of the failure of its promotional systems, and may not have linked it to problems the organisation is having.

Question 9: **If an employee receives a promotion and fails, whose fault is it - the organisation's or the employee's?**

Answer: Yes! Both. Of course, a promotion does not fail, rather a person fails to perform acceptably on a new assignment and those making the promotion decision failed to make the proper fit. However, blaming someone will not accomplish much, and there will always be a certain percentage of hiring and promotion decisions that will not work out as well as expected.

The major issue should be, can the decision process be improved in any way to minimise future problems?

Question 10: **Assuming that you were employed full-time, what would you perceive as some of your immediate supervisor's responsibilities in your career management process?**

Answer: Though practices vary from firm to firm, students often believe that the employee will have these expectations about what the supervisor should know:

- how likely it is that a particular employee will be promoted;
- what added T & D an employee may need to become promoted;
- various career path alternatives;
- how the organisational climate might vary regarding the different promotional alternatives; and
- pay and benefits for various jobs, along with their general duties and responsibilities.

It is important that the supervisor be candid and honest about this information, and when discussing the strengths and weaknesses of the employee. Research indicates that supervisors do not feel equipped or empowered to do many of the things listed above, and therefore do not follow through very comprehensively.

ADDENDUM A TO INSTRUCTOR'S MANUAL

The following documents are included here:

(1)   An assessment-Classification Model

(2)   Three types of downsizing strategy

(1)   An assessment-Classification Model
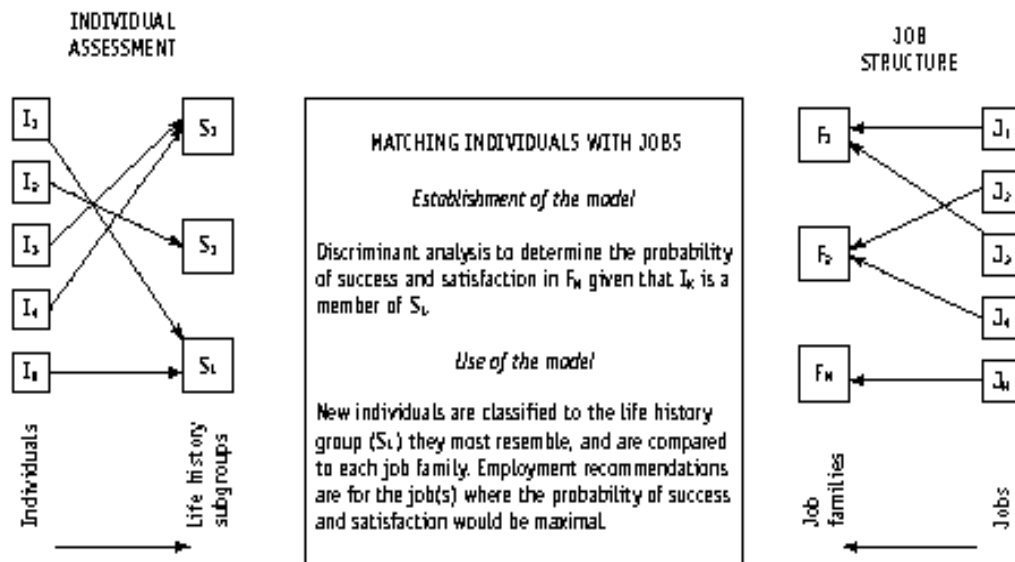
Source: Schoenfeld, L. (1974). Utilization of manpower: development and evaluation of and Assessment-Classification Model for matching individuals with jobs. *Journal of Applied Psychology*, 3, p. 584. Copyright American Psychological Association. Reprinted with permission.

(2)   Three types of downsizing strategy

Type of strategy	Characteristics	Examples
Workforce reduction	Aimed at headcount reduction. Short-term implementation. Fosters a transition.	Attrition. Transfer and outplacement. Retirement incentives. Buyout packages. Lay-offs.
Organisation redesign	Aimed at organising change. Moderate-term implementation. Fosters transition and, potentially, transformation.	Eliminate functions. Merge units. Eliminate layers. Eliminate products. Redesign tasks.
Systemic	Aimed at culture change. Long-term implementation. Fosters transformation.	Change responsibility. Involve all constituents. Foster continuous improvement and innovation. Simplification. Downsizing: a way of life.

Source: Cameron, K. S., Freeman, S. J. and Mishra, A. K. (1991) Best practices in white-collar downsizing: Managing contradictions. *Academy of Management Executive,* 3(5): pp. 57–73. Used with permission.