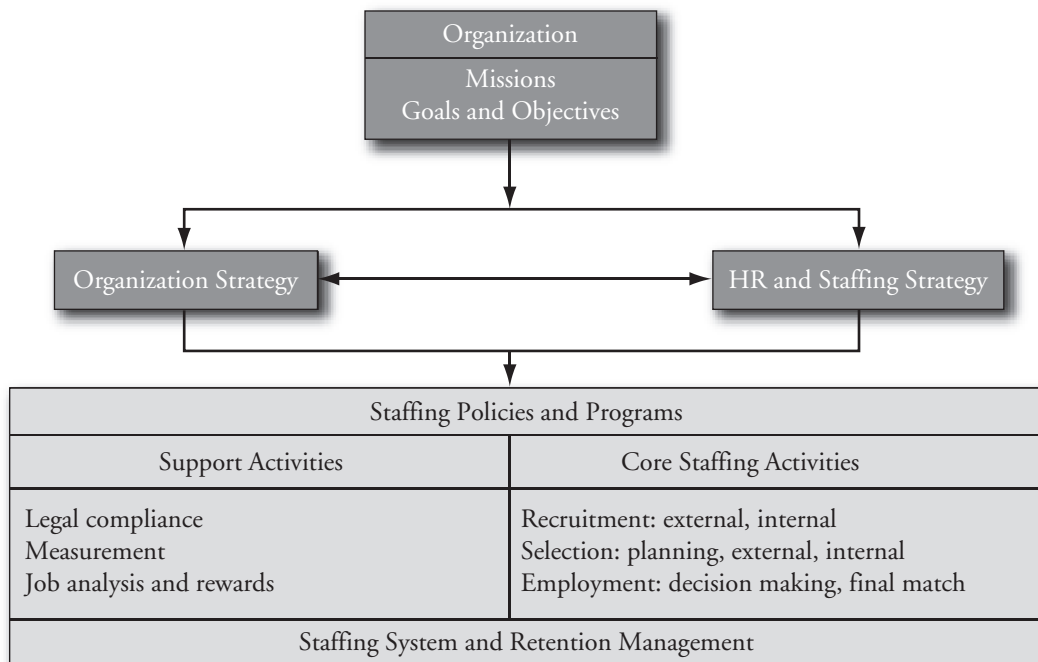


The Nature of Staffing

Chapter One

Staffing Models and Strategy

The Staffing Organizations Model



CHAPTER 1

STAFFING MODELS AND STRATEGY

LEARNING OBJECTIVES

After reading this chapter, you will be able to:

- Define staffing and outline the implications of the definition
- Explain how organizational effectiveness is determined by both staffing levels and the quality of labour
- Describe the five models of staffing
- List the 13 strategic staffing decisions that any organization is confronted with
- Understand the complexity of ethics in staffing decisions and use suggestions to assist in making ethical staffing decisions

Staffing is a critical organizational function concerned with the acquisition, deployment, and retention of the organization's workforce. This chapter begins with a look at the nature of staffing. This includes a view of the "big picture" of staffing, followed by a formal definition of staffing and the implications of that definition. Examples of staffing systems for a Canadian Astronaut recruitment campaign, store level human resource managers, and direct sales representatives are given.

Five models are then presented to elaborate on and illustrate various facets of staffing. The first model shows how projected workforce head-count requirements and availabilities are compared to determine the appropriate staffing level for the organization. The next two models illustrate staffing quality, which refers to matching a person's qualifications relative to the requirements of the job or organization. The person/job match model is the foundation of all staffing activities; the person/organization match model shows how person/job matching could determine how well the person will also fit with the organization. The core staffing components model identifies recruitment, selection, and employment as the three key staffing activities, and it shows how both the organization and job applicant interact in these activities. The final model, staffing organizations, provides the entire framework for staffing and the structure of this book. It shows that organizations, human resources (HR), and staffing strategy interact to guide the conduct of staffing support activities (legal compliance, measurement, job analysis) and core staffing activities (recruitment, selection, employment); employee retention and staffing system management are shown to cut across both types of activities.

Staffing strategy is then explored in detail by identifying and describing a set of 13 strategic staffing decisions that any organization is confronted with. Several of the decisions pertain to staffing levels, and the remainder to staffing quality.

Staffing ethics, which involve moral principles and guidelines for acceptable practice, are discussed next. Several pointers that can serve as guides to ethical staffing conduct are indicated, as are some of the common pressures to ignore these pointers and compromise one's ethical standards. Suggestions for how to handle these pressures are also made.

Finally, the plan for the remainder of the book is presented. The overall structure of the book is shown, along with key features of each chapter.

■ THE NATURE OF STAFFING

The Big Picture

human capital

Refers to the knowledge, skills, and ability of people, and their motivation to use them successfully on the job

Organizations are combinations of physical, financial and human capital. **Human capital** refers to the knowledge, skill, and ability of people, and their motivation to use them successfully on the job.¹ The term “workforce quality” is also a way of referring to an organization's human capital. The organization's workforce is the human capital it acquires, deploys, and retains in pursuit of organizational outcomes such as profitability, market share, and customer satisfaction. Staffing is the organizational function used to build the organization's workforce through such systems as staffing strategy, human resource planning, recruitment, selection, employment, and retention.

At the national level, the collective workforce of organizations totals almost 16.3 million employees spread across more than 1 million worksites.² The worksites vary considerably in size, with nearly 98 percent of employees in worksites with fewer than 100 employees, 2.1 percent in worksites with between 100 and 499 employees, and .3 percent in worksites with more than 500 employees.³ Each of these worksites used some form of staffing process to acquire employees. In 2005, there was on average 20,800 new hire transactions each month, or more than 250,000 annually according to Statistics Canada's December 2005 Labour Force Survey Report (www.statcan.ca/english/Subjects/Labour/LFS/lfs-en.htm). This figure does not include internal transfers and promotions or the hiring of temporary employees, so the total number of staffing transactions is much greater than the 250,000 figure. Staffing is thus a big business for both organizations and job seekers.⁴

For most organizations a workforce is an expensive proposition and cost of doing business. It is estimated that an average organization's employee cost (wages or salaries and benefits) is over 25 percent of its total revenue.⁵ The percentage is much greater for organizations in labour-intensive industries—the service-providing as opposed to goods-producing industries—such as retail trade, information, financial services, professional and business services, education, health care, and leisure and hospitality. Since service-providing industries now dominate our economy, matters of employee cost and whether the organization is acquiring a high-quality workforce loom large for many organizations.

A shift from viewing employees as just a cost of doing business to valuing employees as human capital that creates competitive advantage for the organization is gradually occurring. Organizations that can deliver superior customer service, for example, much of which is driven by highly knowledgeable employees with fine-tuned customer service skills, have a definite and hopefully long-term “leg up” on their competitors. The competitive advantage derived from such human capital has important financial implications.

From a financial perspective, human capital is an intangible asset for an organization that is difficult to measure directly and to place a value on. The value of human capital may be estimated, however, by comparing the value of the organization's tangible assets with the value of its stock. The valuation by the market and financial analysts of an organization's stock in excess of its tangible assets represents a premium for the intangible assets that make the organization valuable—such as its human capital. In many organizations, especially those in service-producing industries, most if not all of the premium reflects human capital value.

For example, say an organization's stock has a value of \$100 million, and its tangible assets are valued at \$60 million. Its potential human capital value is \$40 million. If the organization has 1,000 employees, the average employee adds \$40,000 in human capital value to the organization ($\$40,000,000/1,000 = \$40,000/\text{employee}$). For staffing, acquisition of high-quality employees thus has substantial implications for the organization's value. High-quality employees can indeed be value adding.⁶

Organizations are increasingly recognizing the value creation that can occur through staffing. Quotes from several organization leaders attest to this, as shown in Exhibit 1.1.

EXHIBIT**1.1****The Importance of Staffing to Organizational Leaders**

"It all starts and ends with people. They are the heart, the soul and the spirit of our company... From a human resources perspective, it starts with selecting the best. The most important decision that we make within our company is who we hire."⁷

Carolyn Clark, vice president, human resources
CP Hotels—hospitality

"Globally, heads of companies consistently rank the ability to find the right talent to deliver on business objectives as one of their greatest challenges ... The investment in capability upfront will have a direct impact on the quality of the talent who come in the door later."⁸

Maureen Neglia, director, RBC recruitment
RBC Financial Group—financial

"I think about this in hiring, because our business all comes down to people.... In fact, when I'm interviewing a senior job candidate, my biggest worry is how good they are at hiring. I spend at least half the interview on that."⁹

Jeff Bezos, chief executive officer
Amazon.com—Internet merchandising

"We carefully select people who have more than one knowledge area, so there is no rigid job description and people can perform more than one function. This strategy is built on selecting highly adaptable employees rather than specialists for one job."¹⁰

Peter Klein, president
KLN KLEIN Products Development Inc.—custom manufacturing services

"If we talk about people as expendable cogs who are responsible to manage their own careers then we cannot be surprised when they leave for other opportunities. If the strategy is to buy what you need when you need it, then everyone potentially ends up in the contingent workforce—and procurement replaces human resources. You lose the benefits of the cohesiveness, coherence and connectivity that come from a resident workforce."¹¹

Teresa Lister,
partner of human capital management
IBM Business Consulting Service—business and IT consulting services

staffing

The process of acquiring, deploying, and retaining a workforce of sufficient quantity and quality to create positive impacts on the organization's effectiveness

Definition of Staffing

Staffing is the process of acquiring, deploying, and retaining a workforce of sufficient quantity and quality to create positive impacts on the organization's effectiveness. This straightforward definition of staffing will be used throughout this book. It contains several implications, which are identified and explained next.

Implications of Definition

acquisition activities

External staffing systems that govern the initial intake of applicants into the organization



deployment

The placement of new hires on the actual job they will hold



retention systems

Systems that seek to manage the inevitable flow of employees out of the organization



quantity

Having enough head count to conduct business

quality

Having people with the requisite KSAOs so that jobs are performed effectively

Acquire, Deploy, Retain Any organization must have staffing systems that guide the acquisition, deployment, and retention of its workforce. **Acquisition activities** involve external staffing systems that govern the initial intake of applicants into the organization. It involves planning for the numbers and types of people needed, establishing job requirements in the form of the qualifications or KSAOs (knowledge, skill, ability, and other characteristics) needed to perform the job effectively, establishing the types of rewards the job will provide, conducting external recruitment campaigns, using selection tools to evaluate the KSAOs that applicants possess, deciding which applicants are the most qualified and will receive job offers, and putting together job offers that applicants will hopefully accept.

Deployment refers to the placement of new hires on the actual job they will hold, something that may not be entirely clear at the time of hire, such as the specific work unit or geographic location. Deployment also encompasses guiding the movement of current employees throughout the organization through internal staffing systems that handle promotions, transfers, and new project assignments for employees. Internal staffing systems mimic external staffing systems in many respects, such as planning for promotion and transfer vacancies, establishing job requirements and job rewards, recruiting employees for promotion or transfer opportunities, evaluating employees' qualifications, and making them job offers for new positions.

Retention systems seek to manage the inevitable flow of employees out of the organization. Sometimes these outflows are involuntary on the part of the employee, such as through layoffs or the sale of a business unit to another organization. Other outflows are voluntary in that they are initiated by the employee, such as leaving the organization to take another job (a potentially avoidable turnover by the organization) or leaving the organization to follow one's spouse or partner to a new geographic location (a potentially unavoidable turnover by the organization). Of course, no organization can or should seek to completely eliminate employee outflows, but the organization should try to minimize the types of turnover in which valued employees leave for "greener pastures" elsewhere—namely, voluntary-avoidable turnover. Such turnover can be very costly to the organization. So can turnover due to employee discharges and downsizing. Through various retention strategies and tactics, the organization can combat these types of turnover, seeking to retain those employees it thinks it cannot afford to lose.

Staffing as a Process or System Staffing is not an event, such as "we hired two people today." Rather, staffing is a process that establishes and governs the flow of people into the organization, within the organization, and out of the organization. There are multiple, interconnected systems that organizations use to manage the people flows. These include planning, recruitment, selection, decision-making, job-offer, and retention systems. Occurrences or actions in one system inevitably affect other systems. If planning activities show a forecasted increase in vacancies relative to historical standards, for example, the recruitment system will need to gear up for generating more applicants than previously expected, the selection system will have to handle the increased volume of applicants needing to be evaluated in terms of their KSAOs, decisions about job offer receivers may have to be speeded up, and the job offer packages may have to be "sweetened" in order to entice the necessary numbers of needed new hires. Further, steps will have to be taken to try to retain the new hires in order to avoid having to repeat the above experiences in the next staffing cycle.

Quantity and Quality Staffing the organization requires attention to both the numbers (**quantity**) and types (**quality**) of people brought into, moved within, and retained by the organization. The quantity element basically refers to having enough head count to conduct business, and the

quality element entails having people with the requisite KSAOs so that jobs are performed effectively. It is important to recognize that it is the combination of sufficient quantity and quality of labour that creates an effective staffing system.

Organization Effectiveness Staffing systems exist, and should be used, to contribute to the attainment of organizational goals such as survival, profitability, and growth. A macro view of staffing like this is often lost or ignored because most of the day-to-day operations of staffing systems involve micro activities that are procedural, transactional, and routine in nature. While these micro activities are essential for staffing systems, they must be viewed within the broader macro context of the positive impacts staffing can have on organization effectiveness. There are many indications of this critical role of staffing.

Leadership talent is at a premium, with very large stakes associated with the new leader acquisition. Sometimes new leadership talent is bought and brought from the outside to hopefully execute a reversal of fortunes for the organization or a business unit within it. Other organizations acquire new leaders to start new business units or ventures that will feed organizational growth. The flip side to leadership acquisition is leadership retention. A looming fear for organizations is the unexpected loss of a key leader, particularly to a competitor. The exiting leader carries a wealth of knowledge and skill out of the organization and leaves a hole that may be hard to fill, especially with someone of equal or higher leadership stature. The leader may also take other key employees along, thus increasing the exit impact.

Organizations also recognize that talent hunts and loading up on talent are ways to expand organizational value and provide protection from competitors. Such a strategy is particularly effective if the talent is unique and rare in the marketplace, valuable in the anticipated contributions to be made (such as new product creations or design innovations), and difficult for competitors to imitate (such as through training current employees). Talent of this sort can serve as a source of competitive advantage for the organization, hopefully for an extended time period.¹²

Talent acquisition is essential for growth even when it does not have such competitive advantage characteristics. Information technology companies, for example, cannot thrive without talent infusions via staffing. An Internet start-up called edocs, inc., sold Internet bill presentment and payment software. It doubled its employee ranks to over 100 in five months and sought to double that number in another five months. The CEO said this was necessary or “we won’t have the resources we need to keep up the growth and go public. You grow fast or you die.”¹³ Quantity or quality labour shortages can mean lost business opportunities, scaled-back expansion plans, inability to provide critical consumer goods and services, and even threats to organization survival.

Finally, for individual managers, having sufficient numbers and types of employees on board is necessary for the smooth, efficient operation of their work unit. Employee shortages often require disruptive adjustments, such as job reassignments or overtime for current employees. Underqualified employees present special challenges to the manager, such as a need for close supervision and training. Failure of the underqualified to achieve acceptable performance may require termination of employees, a difficult decision to make and implement.

In short, organizations experience and respond to staffing forces and recognize how critical these forces can be to organizational effectiveness. The forces manifest themselves in numerous ways: acquisition of new leaders to change the organization’s direction and effectiveness; prevention of key leader losses; use of talent as a source of growth and competitive advantage; shortages of labour—both quantity and quality—that threaten growth and even survival; and the ability of individual managers to effectively run their work units.

Staffing System Examples

Canadian Astronaut Recruitment Campaign* Alan Davis and Associates was chosen by the Canadian Space Agency to assist in the design and implementation of a recruitment campaign for engineers and scientists in 1992. The only previous recruit occurred in 1983. Alan Davis was the project manager and his role was to manage the design and implementation of the whole campaign. The campaign was divided into the following phases:

Phase I, planning: Define the job requirements; design the content and layout of advertisements; design the assessment tools, including psychological testing; and develop screening parameters.

Phase II, preselection: More than 5,300 applicants applied. Resumes were sorted by an initial screening process where all aspects of experience and education were scored by predefined parameters. The best qualified candidates were then immediately identified by discipline.

Phase III, selection: Five hundred resumes were screened down from the initial applicants to present to the Canadian Space Agency's Selection Committee, and the committee further screened down to 370 resumes. Each of the short-listed candidates was sent an assessment package that included a specially designed application form and medical questionnaire, a psychological questionnaire, and security forms. After receiving the assessment packages back from the applicants, approximately 100 applicants were selected for interviews.

Phase IV, initial interview: The screening interview was conducted to ensure that each applicant received objective and equal treatment. The initial interviewing process included a batch of psychological tests and interview. The top 50 applicants were then short-listed.

Phase V, panel interview: A panel of seven conducted the interviews and the applicants were required to take a flight medical at their local Canadian Forces Base.

Phase VI, final selection: The top 20 finalists completed a 20-hour medical examination at the National Defence Medical Centre in Ottawa, another panel interview, manual dexterity testing, oral presentations, and psychiatric examinations. A scoring system was developed to ensure consistency in the decision-making process. Four finalists were selected.

For Alan Davis, identifying person/organization fit was paramount in the recruitment process: "Never hire if you think there is going to be a mismatch between the candidate and the culture. For a person to be successful in an organization, their behaviours must complement those of the people they are working with. Behaviours are driven by values and you are not going to be able to change a person's values."¹⁴

Store HR Managers The new executive vice president of human resources for Home Depot (Dennis Donovan) ordered a complete audit of the HR department's capabilities. One weakness discovered was a lack of presence of HR at the store level, so the individual store managers oversaw all of HR themselves, including staffing and training for an average workforce of 400 employees. To provide relief and expertise to the store managers, Donovan decided to expand HR down to the store level by having an HR representative in each store. To achieve this staffing objective, the corporate HR department conducted 97 full-day career forums, processed more than 37,000 applications from external and internal applicants, interviewed 3,000 of these applicants, and selected 1,500 of them for the job. The program has been well received by managers. One regional manager, with over 600 stores, said the "managers used to have to wear multiple hats, but now they are free to run the business. Putting HR professionals in the stores has helped us to hire more efficiently and find better people."¹⁵

*Reprinted with permission: Alan Davis & Associates Inc.

Direct Sales Representatives Avon Products, Inc., uses multilevel direct selling of its many cosmetic products to its women customers. Avon has 25,000 sales representatives who are part of a sales force Avon calls Leadership. The Leadership program was undertaken to reenergize the sales force and boost sales. The sales representatives are independent contractors, not employees. During the selling process and customer exchanges, the representatives use the opportunity to recruit the customers themselves to become sales representatives. The sales representative receives two biweekly cheques: one is for sales commissions and the other is a commission for recruiting and training new sales representatives. The program has helped increase the number of sales representatives by 3 percent, sales have grown by 4 percent, and profits have increased 20 percent. Because the sales representatives are increasing the number of recruits they train and manage, Avon has been able to reduce the number of district managers of the sales representatives. A remaining problem is turnover among the sales representatives, which runs more than 50 percent annually. To improve retention, Avon began investing \$20 million in a series of programs (e.g., training) to help sales representatives increase their sales and thus their desire to remain with Avon.¹⁶

■ STAFFING MODELS

Several models depict various elements of staffing. Each of these is presented and described to more fully convey the nature and richness of staffing the organization.

Staffing Quantity: Levels



1.1

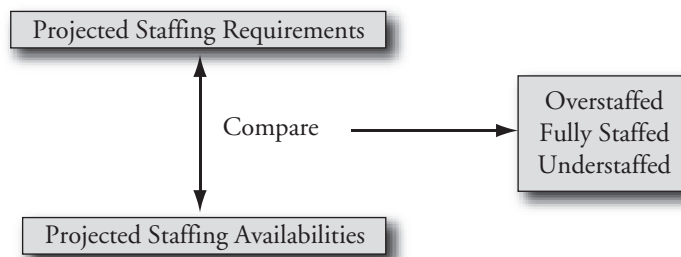
The quantity or head-count portion of the staffing definition means organizations must be concerned about staffing levels and their adequacy. Exhibit 1.2 shows the basic model. The organization as a whole, as well as for each of its units, forecasts workforce quantity requirements—the needed head count—and then compares these to forecasted workforce availabilities—the likely employee head count—to determine its likely staffing level position. If head-count requirements match availabilities, the projection is that the organization will be fully staffed. If requirements exceed availabilities, the organization will be understaffed, and if availabilities exceed requirements, the organization will be overstaffed.

Making such forecasts to determine like staffing levels and then developing specific plans on how to cope with them are the essence of planning. Being understaffed means the organization will have to gear up its staffing efforts, starting with accelerated recruitment and carrying on through the rest of the staffing system. It may also require development of retention programs that will slow the outflow of people, thus avoiding costly “turnstile” or “revolving door” staffing. Overstaffing projections signal the need to slow down or even halt recruitment, as well as to take steps that will actually reduce head count, such as through reduced workweeks, early retirement plans, or layoffs.

EXHIBIT

1.2

Staffing Quantity



Staffing Quality: Person/Job Match

person/job match

An alignment of the characteristics of individuals and jobs in ways that will result in desired HR outcomes

R/C 2.1

The **person/job match** seeks to align characteristics of individuals and jobs in ways that will result in desired HR outcomes. Casual comments made about applicants often reflect awareness of the importance of the person/job match:

“Clark just doesn’t have the interpersonal skills that it takes to be a good customer service representative.”

“Mary has exactly the kind of budgeting experience this job calls for; if we hire her, there won’t be any downtime while she learns our systems.”

“Gary says he was attracted to apply for this job because of its sales commission plan; he says he likes jobs where his pay depends on how well he performs.”

“Diane was impressed by the amount of challenge and autonomy she will have.”

“Jack turned down our offer; we gave him our best shot, but he just didn’t feel he could handle the long hours and amount of travel the job calls for.”

Comments like these raise four important points about the person/job match:

1. Jobs are characterized by their requirements (e.g., commission sales plan, challenge, and autonomy).
2. Individuals are characterized by their level of qualification (e.g., few interpersonal skills, extensive budgeting experience) and motivation (e.g., need for pay to depend on performance, need for challenge, and autonomy).
3. In each of the previous examples the issue was one of the likely degree of fit or match between the characteristics of the job and the person.
4. There are implied consequences for every match. For example, Clark may not perform very well in his interactions with customers; retention may quickly become an issue with Jack.

KSAOs

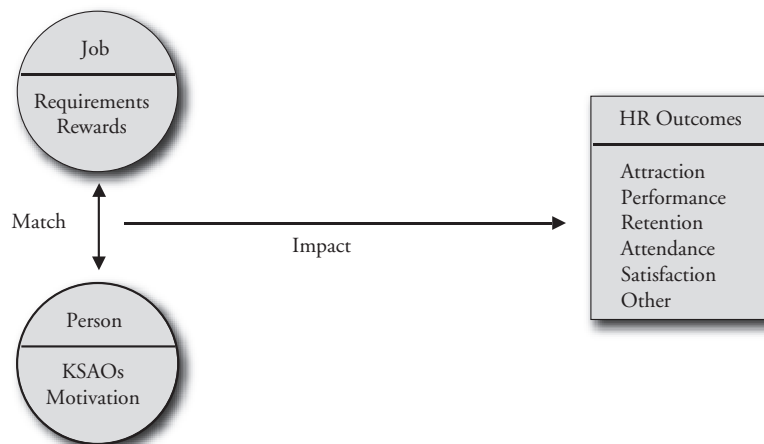
Job qualifications, including **knowledges**, **skills**, **abilities**, and **other characteristics**, to look for when considering potential candidates

These points and concepts are shown more formally through the person/job match model in Exhibit 1.3. In this model, the job has certain requirements and rewards associated with it. The person has certain qualifications, referred to as **KSAOs** (knowledges, skills, abilities, and other characteristics), and motivations. There is a need for a match between the person and the job. To the extent that the match is good, it will likely have positive impacts on HR outcomes, particularly attraction of job applicants, job performance, retention, attendance, and satisfaction.

EXHIBIT

1.3

Person/Job Match



matching process

A process that matches both job requirements to KSAOs and job rewards to individual motivation

There is actually a need for a dual match to occur: job requirements to KSAOs, and job rewards to individual motivation. In and through staffing activities, there are attempts to ensure both of these. Such attempts collectively involve what will be referred to throughout this book as the **matching process**.

Several points pertaining to staffing need to be made about the person/job matching model. First, the concepts shown in the model are not new.¹⁷ They have been used for decades as the dominant way of thinking about how individuals successfully adapt to their work environments. The view is that the positive interaction of individual and job characteristics creates the most successful matches. Thus, a person with a given “package” of KSAOs is not equally suited to all jobs, because jobs vary in the KSAOs required. Likewise, an individual with a given set of needs or motivations will not be satisfied with all jobs, because jobs differ in the rewards they offer. Thus, in staffing, each individual must be assessed relative to the requirements and rewards of the job being filled.

Second, the model emphasizes that the matching process involves a dual match of KSAOs to requirements and motivation to rewards. Both matches require attention in staffing. For example, a staffing system may be designed to focus on the KSAOs/requirements match by carefully identifying job requirements and then thoroughly assessing applicants relative to these requirements. While such a staffing system may be one that will accurately identify the probable high performers, problems may arise with it. By ignoring or downplaying the motivation/rewards portion of the match, the organization may have difficulty getting people to accept job offers (an attraction outcome) or having new hires remain with the organization for any length of time (a retention outcome). It does little good to be able to identify the likely high performers if they cannot be induced to accept job offers or to remain with the organization.

job requirement

The tasks involved in the job and the KSAOs that are necessary to perform those tasks

Third, **job requirements** should usually be expressed in terms of both the tasks involved and the KSAOs thought necessary for performance of those tasks. Most of the time, it is difficult to establish meaningful KSAOs for a job without having first identified the job’s tasks. KSAOs usually must be derived or inferred from knowledge of the tasks. An exception to this involves very basic or generic KSAOs, such as literacy and oral communication skills, that are reasonably deemed necessary for most jobs.

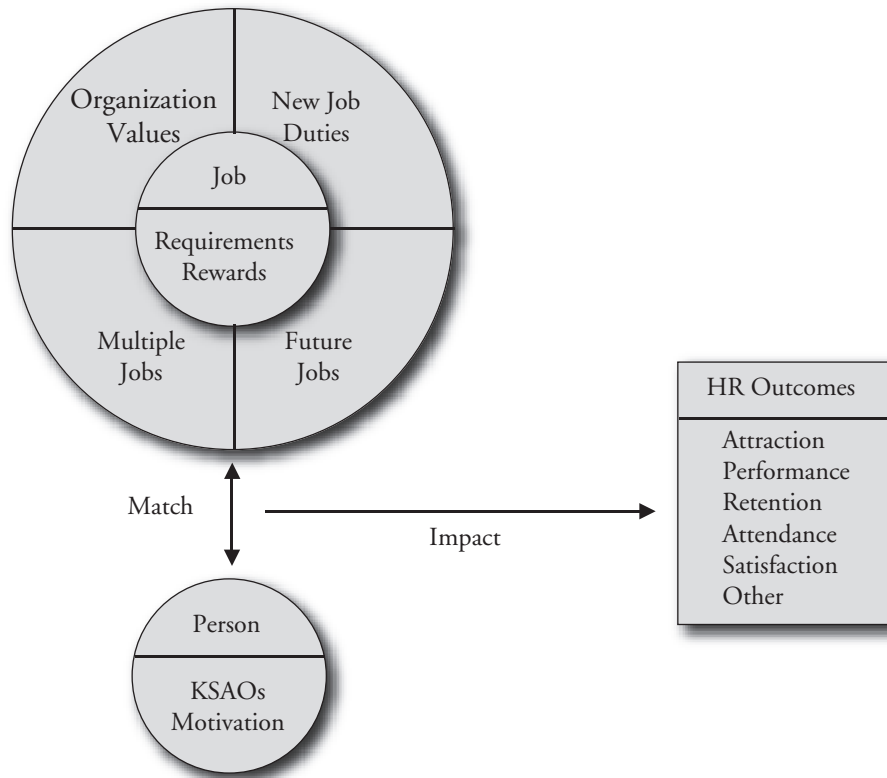
Fourth, job requirements often extend beyond task and KSAO requirements. For example, the job may have requirements about reporting to work on time, attendance, safety toward fellow employees and customers, and needs for travel. With such requirements, the matching of the person to them must also be considered when staffing the organization. Travel requirements of the job, for example, may involve assessing applicants’ availability for, and willingness to accept, travel assignments.

Finally, the matching process can yield only so much by way of impacts on the HR outcomes. The reason for this is that these outcomes are influenced by factors outside the realm of the person/job match. Retention, for example, depends not only on how close a match there is between job rewards and individual motivation but also on the availability of suitable job opportunities in other organizations and labour markets.

Staffing Quality: Person/Organization Match

Often the organization seeks to determine not only how well the person fits or matches the job but also the organization. Likewise, applicants often assess how they think they might fit into the organization, in addition to how well they match the specific job’s requirements and rewards. For both the organization and the applicant, therefore, there may be a concern with a person/organization match.¹⁸

Exhibit 1.4 shows this expanded view of the match. The focal point of staffing is the person/job match, and the job is like the bull’s eye of the matching target. Four other matching concerns, however, involving the broader organization, also arise in staffing. These concerns involve organizational values, new job duties, multiple jobs, and future jobs.

EXHIBIT 1.4 Person/Organization Match

Organizational values are norms of desirable attitudes and behaviours for the organization's employees. Examples include honesty and integrity, achievement and hard work, fairness, and concern for fellow employees and customers. Matching these values as well as the job description has to be assessed during the staffing process.

New job duties represent tasks that may be added to the target job over time. Organizations desire new hires who will be able to successfully perform these new duties as they are added. In recognition of this, job descriptions often contain the catchall phrase "and other duties as assigned." These other duties are usually vague at the time of hire, and they may never materialize. Nonetheless, the organization would like to hire persons it thinks could perform these new duties. Having such people will provide the organization a degree of flexibility in getting new tasks done without having to hire additional employees to do them.

Flexibility concerns also enter into the staffing picture in terms of hiring persons who could perform multiple jobs. Small businesses, for example, often desire new hires who can wear multiple hats, functioning as jacks-of-all-trades; or, organizations experiencing rapid growth may require new employees who can handle several different job assignments, splitting their time between them on an "as needed" basis. Such expectations obviously require assessments of person/organization fit.

Future jobs represent forward thinking by the organization and person as to what job assignments the person might assume beyond the initial job. Here the applicant and the organization are thinking of long-term matches over the course of transfers and promotions as the employee becomes increasingly "seasoned" for the long run.

In each of the above four cases, the matching process is expanded to include consideration of requirements and rewards beyond those of the target job as it currently exists. Though the dividing line between person/job and person/organization matching is fuzzy, both types of matches are frequently of concern in staffing. Ideally, the organization’s staffing systems focus first and foremost on the person/job match. This allows the nature of the employment relationship to be specified and agreed to in concrete terms. Once these terms have been established, person/organization match possibilities can be explored during the staffing process. In this book for simplicity’s sake we will use the term “person/job match” broadly to encompass both types of matches, though most of the time the usage will be in the context of the actual person/job match.

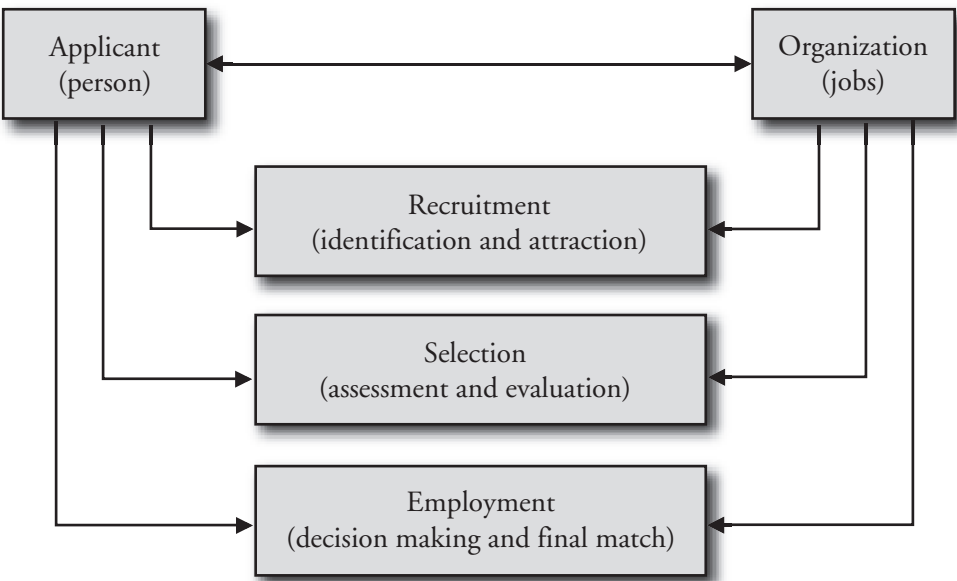
Staffing System Components

As noted, staffing encompasses managing the flows of people into and within the organization, as well as retaining them. The core staffing process has several components that represent steps and activities that occur over the course of these flows. Exhibit 1.5 shows these components and the general sequence in which they occur.

As shown in Exhibit 1.5, staffing begins with a joint interaction between the applicant and the organization. The applicant seeks the organization and job opportunities within it, and the organization seeks applicants for job vacancies it has or anticipates having. Both the applicant and the organization are thus involved as “players” in the staffing process from the very beginning, and they remain joint participants throughout the process.

At times, the organization may be the dominant player, such as in aggressive and targeted recruiting for certain types of applicants. At other times, the applicant may be the aggressor, such as when the applicant desperately seeks employment with a particular organization and will go to almost any length to land a job with it. Most of the time, staffing involves a more balanced and natural interplay between the applicant and the organization, which occurs over the course of the staffing process.

EXHIBIT 1.5 Staffing System Components



The initial stage in staffing is recruitment, which involves identification and attraction activities by both the organization and the applicant. The organization seeks to identify and attract individuals so that they become job applicants. Activities such as advertising, job fairs, use of recruiters, preparation and distribution of informational brochures, and “putting out the word” about vacancies among its own employees are undertaken. The applicant attempts to identify organizations with job opportunities through activities such as reading advertisements, contacting an employment agency, mass mailing resumés to employers, and so forth. These activities are accompanied by attempts to make one’s qualifications (KSAOs and motivation) attractive to organizations, such as by applying in person for a job or preparing a carefully constructed resumé that highlights significant skills and experiences.

Gradually, recruitment activities phase into the selection stage and its accompanying activities. Now, the emphasis is on assessment and evaluation. For the organization, this means the use of various selection techniques (interviews, application blanks, and so on) to assess applicant KSAOs and motivation. Data from these assessments are then evaluated against job requirements to determine the likely degree of person/job fit. At the same time, the applicant is assessing and evaluating the job and organization. The applicant’s assessment and evaluation are based on information gathered from organizational representatives (e.g., recruiter, manager with the vacancy, other employees); written information (e.g., brochures, Web site, employee handbook); informal sources (e.g., friends and relatives who are current employees); and visual inspection (e.g., a video presentation, a worksite tour). This information, along with a self-assessment of KSAOs and motivation, is evaluated against the applicant’s understanding of job requirements and rewards to determine if a good person/job match is likely.

The next core component of staffing is employment, which involves decision making and final match activities by the organization and the applicant. The organization must decide which applicants to reject from further consideration and which to allow to continue in the process. This may involve multiple decisions over successive selection steps or hurdles. Some applicants ultimately become finalists for the job. At that point, the organization must decide to whom it will make the job offer, what the content of the offer will be, and how it will be drawn up and presented to the applicant. Upon the applicant’s acceptance of the offer, the final match is complete, and the employment relationship is formally established.

self-selection

Decision that an applicant makes about whether to continue in or drop out of the staffing process

For the applicant, the employment stage involves **self-selection**, a term that refers to decisions about whether to continue in or drop out of the staffing process. These decisions may occur anywhere along the selection process, up to and including the moment of the job offer. If the applicant continues as part of the process through the final match, the applicant has decided to be a finalist. The individual’s attention now turns to a possible job offer, possible input and negotiation on its content, and making a final decision about the offer. The applicant’s final decision is based on overall judgment about the likely suitability of the person/job match.

It should be noted that the above staffing components apply to both external and internal staffing. Though this may seem obvious in the case of external staffing, a brief elaboration may be necessary for internal staffing. In internal staffing, the applicant is a current employee, and the organization is the current employer. Job opportunities (vacancies) exist within the organization and are filled through the activities of the internal labour market. Those activities involve recruitment, selection, and employment, with the employer and employee as joint participants. For example, the employer may recruit through use of an internal job posting system. Employees who apply may be assessed and evaluated on the basis of supervisory recommendation, a formal promotability rating, and previous job assignments for the employer. Decisions are made by both the employer and the employees who are applicants. Ultimately, the position will be offered to one of the applicants and, hopefully, accepted. When this happens, the final match has occurred, and a new employment relationship has been established.

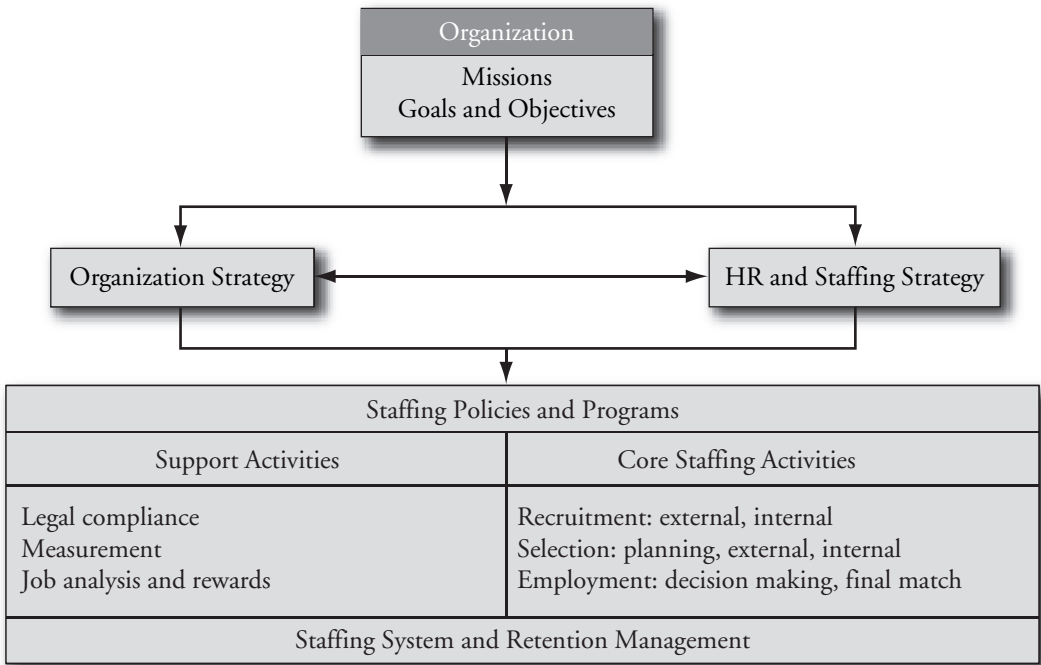
Staffing Organizations

The overall staffing organizations model, which forms the framework for this book, is shown in Exhibit 1.6. It depicts that the organization’s mission and goals and objectives drive both organization strategy and HR and staffing strategy, which interact with each other when they are being formulated. Staffing policies and programs result from such interaction and serve as an overlay to both support activities and core staffing activities. Employee retention and staffing system management concerns cut across these support and core staffing activities. Finally, though not shown in the model, it should be remembered that staffing levels and staffing quality are the key focal points of staffing strategy, policy, and programs. A more thorough examination of the model follows next.

Organization, HR, and Staffing Strategy Organizations formulate strategy to express an overall purpose or mission and to establish broad goals and objectives that will guide the organization toward fulfillment of its mission. For example, a newly formed software development organization may have a mission to “help individuals and families manage all of their personal finances and records through electronic means.” Based on this mission statement, the organization might then develop goals and objectives pertaining to product development, sales growth, and competitive differentiation through superior product quality and customer service.

Underlying these objectives are certain assumptions about the size and types of workforces that will need to be acquired, trained, managed, rewarded, and retained. HR strategy represents the key decisions about how these workforce assumptions will be handled. Such HR strategy may not only flow from the organization strategy but also may actually contribute directly to the formulation of the organization’s strategy.

EXHIBIT 1.6 Staffing Organizations Model



Consider again the software development organization and its objective pertaining to new product development. Being able to develop new products assumes that sufficient, qualified product-development team members are available internally and externally, and assurances from the HR department about availability may have been critical in helping the organization to decide on its product development goals. From this general assumption, HR strategy may suggest:

1. Obtaining new, experienced employees from other software companies, rather than going after newly minted university and graduate school graduates
2. Building a new facility for software development employees in a geographic area that will be an attractive place to work, raise families, and pursue leisure activities
3. Developing relocation assistance packages and family-friendly benefits
4. Offering wages and salaries above the market average, as well as using hiring bonuses to help lure new employees away from their current employers
5. Creating special training budgets for each employee to use at his or her own discretion for skills enhancement
6. Putting in place a fast-track promotion system that allows employees to rise upward in either their professional specialty or the managerial ranks

In all of these ways, HR strategy seeks to align acquisition and management of the workforce with organization strategy.

Staffing strategy is an outgrowth of the interplay between organization and HR strategy described above. It deals directly with key decisions regarding the acquisition, deployment, and retention of the organization's workforces. Such decisions guide the development of recruitment, selection, and employment programs. In the software development example discussed above, the strategic decision to acquire new employees from the ranks of experienced people at other organizations may lead the organization to develop very active, personalized, and secret recruiting activities for luring these people away. It may also lead to the development of special selection techniques for assessing job experiences and accomplishments. In such ways, strategic staffing decisions shape the staffing process.



Support Activities Support activities serve as the foundation and necessary ingredients for the conduct of core staffing activities. Legal compliance represents knowledge of the myriad laws and regulations, especially human rights, employment standards, employment equity, and privacy; and incorporation of their requirements into all phases of the core staffing activities. Measurement ensures the rules applied to staffing decisions are standardized, valid, and reliable thus providing the organization with a systematic staffing process. Determining what measurements will be used in testing the skill levels of potential applicants is a key function in identifying qualified applicants and ensuring that the core staffing activities are equitable and are in legal compliance. Job analysis represents the key mechanism by which the organization identifies and establishes the KSAO requirements for jobs, as well as the rewards jobs will provide, both first steps toward seeking to begin filling projected vacancies through core staffing activities.

Returning to the software development organization, if it meets various size thresholds for coverage (usually 15 or more employees), it must ensure that the staffing systems to be developed will comply with all applicable federal, provincial, and local laws and regulations. Decisions will need to be made about testing procedures, whether tests will be developed in-house or purchased, and how the tests will be administered. Finally, job analysis will be needed to specify for each job exactly what KSAOs and rewards will be necessary for these sought-after new employees. Once all of these support activities are in place, the core staffing activities can begin.

Core Staffing Activities Core staffing activities focus on recruitment, selection, and employment of the workforce. Before recruitment plans can be formalized, planning of staffing levels—both requirements and availabilities—needs to occur. Planning serves as a tool for first

becoming aware of key external influences on staffing, particularly economic conditions, labour markets, and labour unions. The results drive staffing planning for the core staffing activities. For the software development organization, planning activities will revolve around first determining the major types of jobs that will be necessary for the new product development venture, such as computer programmers, Internet specialists, and project managers. For each job, a forecast must be made about the number of employees that will be needed and the likely availability of individuals both externally and internally for the job. Results of such forecasts serve as the key input to the development of detailed staffing plans for the core staffing activities.



3.1

The emphasis then shifts to staffing quality to ensure that successful person/job and person/organization matches will be made. Accomplishment of this end result will require multiple plans, decisions, and activities, ranging from recruitment methods to use, communication with potential applicants with a special recruitment message, recruitment media, types of selection tools, deciding which applicants will receive job offers, and job offer packages. Both staffing experts and the hiring manager will be involved in these core staffing activities. Moreover, it is likely that the activities will have to be developed and tailor-made for each type of job.

Consider the job of computer programmer in our software development example. It will be necessary to decide and develop specific plans for such issues as: Will we recruit only online, or will we use other methods such as newspaper ads or job fairs (recruitment methods)? What exactly will we tell applicants about the job and our company (recruitment message) and how will we deliver the message, such as on our Web site or a recruitment brochure (recruitment media)? What specific selection tools, such as interviews, assessments of experience, work samples, and background checks, will we use to assess and evaluate the applicants' KSAOs (selection techniques)? How will we combine and evaluate all of the information we gather on applicants with these selection tools and then decide which applicants will receive job offers (decision making)? What exactly will we put in the job offer, and will we be willing to negotiate on the offer (employment)?

Staffing and Retention System Management The various support and core staffing activities are quite complex, and they must be guided, coordinated, controlled, and evaluated. Such is the role of staffing system management. In our new product development example, what will be the role of the HR department, and what types of people will it need to develop and manage the new staffing systems (administration of staffing systems)? How will we evaluate the results of these systems—will we collect and look at cost-per-hire and time-to-hire data (evaluation of staffing systems)? Data such as these are key effective indicators that both general and staffing managers are attuned to.



4.1

Finally, voluntary employee departure from the organization is usually costly and disruptive, and it can involve the loss of critical talent that is difficult to replace. Discharges too can be disruptive. Unless the organization is downsizing, however, replacements must be found in order to maintain desired staffing levels. The burden for such replacement staffing can be substantial, particularly when the turnover was unanticipated and unplanned. Other things being equal, greater employee retention means less staffing, so effective retention programs complement staffing programs.

In our software development organization example, the primary focus will likely be on “staffing up” in order to keep producing existing products and developing new ones. Unless attention is also paid to employee retention, however, maintaining adequate staffing levels and quality may become problematic. Hence, the organization will need to monitor the amount and quality of employees who are leaving and the reasons they are leaving in order to learn how much of the turnover is voluntary and avoidable; monitoring discharges will also be necessary. Based on these data, specific and tailor-made retention strategies and programs to better meet employees' needs can be developed. If these are effective, strains on the staffing system will be lessened. The remainder of the book is structured around and built on the staffing organizations model shown in Exhibit 1.6.

■ STAFFING STRATEGY

As noted, staffing strategy requires making key decisions about the acquisition, deployment, and retention of the organization’s workforce. Thirteen such decisions are identified and discussed below. Some decisions pertain primarily to staffing levels and others primarily to staffing quality. A summary of the decisions is shown in Exhibit 1.7. While each decision is shown as an “either-or” one, each is more appropriately thought of as lying on a continuum anchored at either end by these either-or extremes. When discussing the decisions, continued reference is made to the software development organization involved in developing personal finance software.

Staffing Levels

Acquire or Develop Talent To fulfill its staffing needs, a pure acquisition staffing strategy would have an organization concentrate on acquiring new employees who can hit the ground running and be at peak performance the moment they arrive. These employees would bring their talents with them to the job, with little or no need for training or development. A pure development strategy would lead to acquisition of just about anyone, as long as they were willing and able to learn the KSAOs required by the job. Staffing strategy must position the organization appropriately along this “buy-or-make-your-talent” continuum. For critical positions and newly created ones, such as might occur in the software company example, the emphasis would likely be on acquiring talent because of the urgency of developing new products. There may be no time to train, nor may qualified internal candidates be available.

Lag or Lead System The organization’s staffing systems may develop in response to organization and HR strategy (lag system), or staffing considerations may serve as key inputs to organization and HR strategy (lead system). With staffing as a lag system, strategic organization objectives and plans are developed first, and staffing systems are then developed to deliver the numbers and types of employees needed. Using staffing as a lead system involves the acquisition of people and their accompanying skills without a formal blueprint for how many are needed or when. Such people are acquired to come into the organization and make things happen, so organization strategy becomes a reflection of newly acquired employees’ talents and ideas. In the software organization illustration, it may decide to use a lead system approach to “staff up” on good programmers whenever they can be found, regardless of whether specific, defined jobs exist for them at the moment.

EXHIBIT 1.7 Strategic Staffing Decisions	
Staffing Levels	Staffing Quality
<ul style="list-style-type: none">• Acquire or Develop Talent• Lag or Lead System• External or Internal Hiring• Core or Flexible Workforce• Hire or Retain• National or Global• Attract or Relocate• Overstaff or Understaff• Hire or Acquire	<ul style="list-style-type: none">• Person/Job or Person/Organization Match• Specific or General KSAOs• Exceptional or Acceptable Workforce Quality• Active or Passive Diversity

External or Internal Hiring When job vacancies occur or new jobs are created, should the organization seek to fill them from the external or internal labour market? While some mixture of external and internal hiring will be necessary in most situations, the relative blend could vary substantially. To the extent that the organization wants to cultivate a stable, committed workforce, it will probably need to emphasize internal hiring. This will allow employees to use the internal labour market as a springboard for launching long-term careers within the organization. External hiring might then be restricted to specific entry-level jobs, as well as newly created ones for which there are no acceptable internal applicants. External hiring might also be necessary when there is rapid organization growth, such that the number of new jobs created outstrips internal supply.

Core or Flexible Workforce The organization's core workforce is made up of individuals who are viewed (and view themselves) as regular employees of the organization, either full-time or part-time. They are central to the core goods and services delivered by the organization.

The flexible workforce is composed of more peripheral workers who are used on an as-needed, just-in-time basis. They are not viewed (nor do they view themselves) as "regular," and legally, most of them are not even employees of the organization. Rather, they are employees of an alternative organization, such as a staffing firm (temporary help agency) or independent contractor that provides these workers to the organization. Strategically, the organization must decide whether it wishes to use both core and flexible workforces, what the mixture of core versus flexible workers will be, and in what jobs and units of the organization these mixtures will be deployed. Within the software development organization, programmers might be considered as part of its core workforce, but ancillary workers (e.g., clerical) may be part of the flexible workforce, particularly since the need for them will depend on the speed and success of new product development.

Hire or Retain There are trade-offs between hiring and retention strategies for staffing. At one extreme the organization can accept whatever level of turnover occurs and simply hire replacements to fill the vacancies. Alternatively, the organization can seek to minimize turnover so that the need for replacement staffing is held to a minimum. Since both strategies have costs and benefits associated with them, the organization could conduct analysis to determine these and then strive for an optimal mix of hiring and retention. In this way the organization could control its inflow needs (replacement staffing) by controlling its outflow (retention).

National or Global An organization can choose to staff itself with people from within its borders, or it can supplement or replace such recruitment with employees recruited from other countries. As trading restrictions and immigration barriers are lessened, global staffing becomes a more distinct possibility.¹⁹ The organization may seek to overcome quantity or quality labour shortages, or excessive labour costs, by staffing with foreign workers. The software development organization might seek some technology employees from India, for example, because of the large number of technology workers being trained in that country. Or it might outsource some of its jobs to a technology organization in India, where wages are substantially lower than in Canada.

Attract or Relocate Typical staffing strategy is based on the premise that the organization can induce sufficient numbers of qualified people to come to it for employment. Another version of this premise is that it is better (and cheaper) to bring labour to the organization than to bring the organization to labour. Some organizations, both established and new ones, challenge this premise and decide to go to locations where there are ample labour supplies. For example, the growth of high technology pockets such as in Ottawa reflects establishment or movement of organizations to geographic areas where there is ready access to highly skilled labour and where

employees would like to live, usually locations with research universities nearby to provide the needed graduates for jobs. The software development organization may find locating in such an area very desirable.²⁰

Overstaff or Understaff While most organizations seek to be reasonably fully staffed, some opt for or are forced away from this posture to being over- or understaffed. Overstaffing may occur when there are dips in demand for the organization's products or services that the organization chooses to "ride out." Organizations may also overstaff in order to stockpile talent, recognizing that the staffing spigot cannot be easily turned on or off. Understaffing may occur when the organization is confronted with chronic labour shortages, such as is the case for nurses in health care facilities. Also, prediction of an economic downturn may lead the organization to understaff in order to avoid future layoffs. Finally, the organization may decide to understaff and adjust staffing level demand spikes by increasing employee overtime or using flexible staffing arrangement such as temporary employees. The software development organization might choose to overstaff in order to retain key employees and to be poised to meet the hopeful surges in demand as its new products are released.

Hire or Acquire Rather than hire new talent through normal staffing systems, it might be possible to acquire it en masse through a merger or an acquisition.²¹ This acquisition strategy has the potential to quickly deliver large numbers of qualified people, allowing the organization to grow through new or better projects and business units. The downsides to such a strategy are numerous. Staffing costs are greater since the acquired employees may have to be provided special compensation incentives to join the organization. Care will be required during the pre-deal and due diligence stages of the merger or acquisition to ensure accurate KSAO assessments of the to-be-acquired employees. Finally, retention will become an issue, with some individuals refusing to join, some being laid off, and others leaving soon after the acquisition, due to a poor person/job or person/organization fit. Seeking a merger or acquisition for staffing purposes would likely not happen with our software development company, at least in its early growth stages.

Staffing Quality

Person/Job or Person/Organization Match When acquiring and deploying people, should the organization opt for a person/job or person/organization match? This is a complex decision. In part a person/job match will have to be assessed any time a person is being hired to perform a finite set of tasks. In our software development example, programmers might be hired to do programming in a specific language such as Java, and most certainly the organization would want to assess whether applicants meet this specific job requirement. On the other hand, jobs may be poorly defined and fluid, making a person/job match unfeasible and requiring a person/organization match instead. Such jobs are often found in technology and software development organizations.

Specific or General KSAOs Should the organization acquire people with specific KSAOs or more general ones? The former means focusing on job-specific competencies, often of the job knowledge and technical skill variety. The latter requires a focus on KSAOs that will be applicable across a variety of jobs, both current and future. Examples of such KSAOs include flexibility and adaptability, ability to learn, written and oral communication skills, and algebra/statistics skills. An organization expecting rapid changes in job content and new job creation, such as in the software development example, might position itself closer to the general competencies end of the continuum.

Exceptional or Acceptable Workforce Quality Strategically, the organization could seek to acquire a workforce that was preeminent KSAO-wise (exceptional quality) or one that was a more “ballpark” variety KSAO-wise (acceptable quality). Pursuit of the exceptional strategy would allow the organization to stock up on the best and the brightest with the hope that this exceptional talent pool would deliver truly superior performance. The acceptable strategy means pursuit of a less high-powered workforce and probably a less expensive one as well. For the software development organization, if it is trying to create clearly innovative and superior products, it will likely opt for the exceptional workforce quality end of the continuum.

Active or Passive Diversity The labour force is becoming increasingly diverse in terms of demographics, values, and languages. Does the organization want to actively pursue this diversity in the labour market so that its own workforce mirrors it, or does the organization want to more passively let diversity of its workforce happen to it? Advocates of an active diversity strategy argue that it is not only legally and morally appropriate but also that a diverse workforce allows the organization to be more attuned to the diverse needs of the customers it serves. Those favouring a more passive strategy suggest that diversification of the workforce takes time because it requires substantial planning and assimilation activity. In the software development illustration, an active diversity strategy might be pursued as a way of acquiring workers who can help identify a diverse array of software products that might be received favourably by various segments of the marketplace.

■ STAFFING ETHICS

Staffing the organization involves a multitude of individuals—hiring managers, staffing professionals, potential co-workers, legal advisors, and job applicants. During the staffing process all of these individuals may be involved in recruitment, selection, and employment activities, as well as staffing decision making. Are there, or should there be, boundaries on these individuals’ actions and decisions? The answer is yes, for without boundaries potentially negative outcomes and harmful effects may occur. For example, many times staffing is a hurried process, driven by tight deadlines and calls for expediency (e.g., the hiring manager who says to the staffing professional, “Just get me someone now—I’ll worry about how good they are later on.”). Such calls may lead to negative consequences, including the following actions and outcomes that can raise staffing ethics issues:

- Hiring someone quickly without proper assessment and having them subsequently perform poorly
- Ignoring many applicants who would have been successful performers
- Failing to advance the organization’s workforce diversity initiatives and possible legal obligations
- Making an exceedingly generous job offer that provides the highest salary in the work unit, causing dissatisfaction and possible turnover among other work unit members

Ethics involves determining moral principles and guidelines for acceptable practice. Within the realm of the workplace, ethics emphasizes “knowing organizational codes and guidelines and behaving within these boundaries when faced with dilemmas in business or professional work.”²² More specifically, organizational ethics seek to:

- Raise ethical expectations
- Legitimize dialogue about ethical issues
- Encourage ethical decision making, and
- Prevent misconduct and provide a basis for enforcement

While organizations are increasingly developing general codes of conduct, it is unknown whether these codes contain specific staffing provisions. Even the general code will likely have some pertinence to staffing through provisions on such issues as legal compliance, confidentiality and disclosure of information, and use of organizational property and assets. Individuals involved in staffing should know and follow their organization's code of ethics. As pertains to staffing specifically, there are several points that can serve as a person's guide to ethical conduct. These points are shown in Exhibit 1.8 and elaborated on below.

It should be recognized that many pressure points on HR professionals may cause them to compromise the ethical standards discussed above. Research suggests that the principal causes of this pressure are the felt need to follow a boss's directive, meet overly aggressive business objectives, help the organization survive, meet scheduling pressures, be a team player, save jobs, and advance the boss's career.²³

The suggestions for ethical staffing practice in Exhibit 1.8 are guides to one's own behaviour. Being aware of and consciously attempting to follow these constitutes a professional and ethical responsibility. But what about situations in which ethical lapses are suspected or observed in others?

One response to the situation is to do nothing—not report or attempt to change the misconduct. Research suggests a small proportion (about 20 percent) choose to ignore and not report misconduct.²⁴ Major reasons for this response include a belief that no action would be taken, a fear of retaliation from one's boss or senior management, not trusting promises of confidentiality, and a fear of not being seen as a team player. Against such reasons for inaction must be weighed the harm that has, or could, come to the employer, employee, or job applicant. Moreover, failure to report the misconduct may well increase the chances that it will be repeated, with continuing

EXHIBIT**1.8****Suggestions for Ethical Staffing Practice**

1. **Represent the organization's interests:** Serve as an agent of the organization and remain duty bound to represent the organization first and foremost. This duty brings into being effective person/job and person/organization matches.
2. **Beware of conflicts of interest:** Avoid placing personal interest, or that of a third party (such as an applicant or friend) above that of the organization.
3. **Remember the job applicant:** Even though the HR professional represents the organization, remember that the applicant is a participant in the staffing process. The type of treatment provided to applicants may well lead to reactions by them that are favourable to the organization and further its interests, let alone those of the applicants.
4. **Follow staffing policies and procedures:** Know the organization's staffing policies and procedures and adhere to them.
5. **Know and follow the law:** Be knowledgeable of the myriad laws and regulations governing staffing, follow them, and seek needed assistance in their interpretation and application.
6. **Consult professional codes of conduct:** Seek out professional codes of conduct that pertain to staffing and human resources. The Canadian Council of Human Resource Associations (CCHRA) has a formal code of ethics (www.chrpcanada.com). The Canadian Society for Industrial and Organization Psychology follows the policy statements of the Canadian Psychological Association, which governs the ethical principles followed by its members (www.cpa.ca).
7. **Shape effective practice with research results:** Take advantage of useful research-based knowledge about the design and effectiveness of staffing systems and techniques to guide staffing practice. Much of that research is summarized in usable formats in this book.
8. **Seek ethics advice:** When confronted with ethical issues, it is appropriate to seek ethical advice from others. Handling troubling ethical issues alone is unwise.

harmful consequences. Not reporting misconduct may also conflict with one's personal values and create remorse for not having done the "right thing." Finally, a failure to report misconduct may bring penalties to oneself if that failure subsequently becomes known to one's boss or senior management. In short, "looking the other way" should not be viewed as a safe, wise, or ethical choice.

A different way to handle unethical staffing practices by others is to seek advice from one's boss, senior management, co-workers, legal counsel, ethics officer or ombudsperson, or an outside friend or family member. The guidelines in Exhibit 1.8 serve as a helpful starting point to frame the discussion and make a decision about what to do.

At times, the appropriate response to others' misconduct is to step in directly to try to prevent or rectify the misconduct. This would be especially appropriate with employees that one supervises or with co-workers. Before taking such an action, it would be wise to consider whether one has the authority and resources to do so, along with the likely support of those other employees or co-workers.

■ PLAN FOR THE BOOK

The book is divided into five parts:

1. The Nature of Staffing
2. Support Activities
3. Staffing Activities: Recruitment
4. Staffing Activities: Selection
5. Staffing System and Retention Management

Following the "meat" of each chapter in these parts, additional material is provided to supplement the chapter's contents. A selection of relevant Web sites, for further research, is followed by a chapter summary, which reviews and highlights points from the chapter. A set of discussion questions, ethical issues to discuss, applications (cases and exercises), the Tanglewood Stores case (in some chapters), and detailed endnotes complete the chapter.

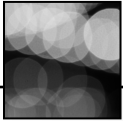
The importance of laws and regulations is such that they are considered first in Chapter 2 (legal compliance). The laws and regulations, in particular, have become so pervasive that they require special treatment. To do this, Chapter 2 reviews the basic laws affecting staffing, with an emphasis on the major federal laws and regulations pertaining to human rights matters generally. Specific provisions relevant to staffing are covered in depth. Each subsequent chapter then has a separate section at its end labelled "Legal Issues" in which specific legal topics relevant to the chapter's content are discussed. This allows for a more focused discussion of legal issues while not diverting attention from the major thrust of the book.

The endnotes at the end of each chapter are quite extensive. They are drawn from academic, practitioner, and legal sources with the goal of providing a balanced selection of references from each of these sources. Emphasis is on inclusion of recent references of high quality and easy accessibility. Too lengthy a list of references to each specific topic is avoided; instead, a sampling of only the best available is included.

The applications at the end of each chapter are of two varieties. First are cases that describe a particular situation and require analysis and response. The response may be written or oral (such as in class discussion or a group presentation). Second are exercises that entail small projects and require active practice of a particular task. Through these cases and exercises the reader becomes an active participant in the learning process and is able to apply the concepts provided in each chapter.

Interspersed throughout the book at the end of some chapters are instructions for completing assignments for the Tanglewood Stores case. The full case and assignments are located on the following Web site: www.mcgrawhill.ca/OLC/heneman. You will see that Tanglewood Stores

is an up-and-coming retailing organization. Tanglewood is in an expansion mode, seeking to aggressively grow beyond the current 243 stores. As Tanglewood pursues expansion, numerous staffing issues arise that require analysis, decisions, and recommendations from you. You will receive assignments in the areas of staffing strategy (Chapter 1), measurement (Chapter 3), external recruitment (Chapter 5), external selection (Chapter 8), decision making (Chapter 10), and retention (Chapter 11).



SUMMARY

Nationally, staffing involves a huge number of hiring transactions each year; is a major cost of doing business, especially for service-providing industries; and can lead to substantial revenue and market value growth for the organization. Staffing is defined as the process of acquiring, deploying, and retaining a workforce of sufficient quantity and quality to create positive impacts on the organization's effectiveness. The definition emphasizes that both staffing levels and labour quality contribute to an organization's effectiveness, and that a concerted set of labour acquisition, deployment, and retention actions guide the flow of people into, within, and out of the organization. Descriptions of three staffing systems help highlight the definition of staffing.

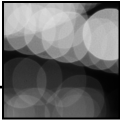
Several models illustrate various elements of staffing. The staffing level model shows how projected labour requirements and availabilities are compared to derive staffing levels that represent being overstaffed, fully staffed, or understaffed. The next two models illustrate staffing quality via the person/job and person/organization match. The former indicates there is a need to match (1) the person's KSAOs to job requirements and (2) the person's motivation to the job's rewards. In the person/organization match, the person's characteristics are matched to additional factors beyond the target job, namely, organizational values, new job duties for the target job, multiple jobs, and future jobs. Managing the matching process effectively results in positive impacts on HR outcomes such as attraction, performance, and retention. The core staffing components model shows that there are three basic activities in staffing. Those activities and their fundamental purposes are recruitment (identification and attraction of applicants), selection (assessment and evaluation of applicants), and employment (decision making and final match). The staffing organizations model shows that organization, HR, and staffing strategies are formulated and shape staffing policies and programs. In turn, these meld into a set of staffing support activities (legal compliance, measurement, and job analysis), as well as the core activities (recruitment, selection, and employment). Retention and staffing system management activities cut across both support and core activities.

Staffing strategy is both an outgrowth of and contributor to HR and organization strategy. Thirteen important strategic staffing decisions loom for any organization. Some pertain to staffing level choices, and others deal with staffing quality choices.

Staffing ethics involves determining moral principles and guidelines for practice. Numerous suggestions were made for ethical conduct in staffing, and many pressure points for sidestepping such conduct are in operation. There are some appropriate ways for handling such pressures.

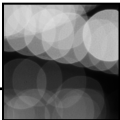
The staffing organizations model serves as the structural framework for the book. The first part treats staffing models and strategy. The second part treats the support activities of legal compliance, measurement, and job analysis. The next three parts treat the core staffing activities of recruitment, selection, and employment.

The last section addresses staffing systems and employee retention management. Each chapter has a separate section labelled "Legal Issues," as well as discussion questions, ethical issues questions, applications, the Tanglewood Stores case (in some chapters), and endnotes (references).



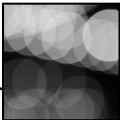
KEY TERMS

acquisition activities	5	KSAOs	9	quantity	5
deployment	5	matching process	10	retention systems	5
human capital	3	person/job match	9	self-selection	13
job requirement	10	quality	5	staffing	4



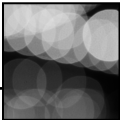
DISCUSSION QUESTIONS

1. What would be potential problems with having a staffing process in which vacancies were filled (1) on a lottery basis from among job applicants, or (2) on a first come–first hired basis among job applicants?
2. Why is it important for the organization to view all components of staffing (recruitment, selection, employment) from the perspective of the job applicant?
3. Would it be desirable to hire people only according to the person/organization match, ignoring the person/job match?
4. What are examples of how staffing activities are influenced by training activities? Compensation activities?
5. Are some of the 13 strategic staffing decisions more important than others? Which ones? Why?



ETHICAL ISSUES

1. As a staffing professional in the department or as the hiring manager of a work unit, explain why it is so important to represent the organization’s interests (see Exhibit 1.8). What are some possible consequences of not doing so?
2. One of the strategic staffing choices is whether to pursue workforce diversity actively or passively. First suggest some ethical reasons for active pursuit of diversity, and then suggest some ethical reasons for a more passive approach. Assume that the type of diversity in question is increasing workforce representation of women and visible minorities.



APPLICATIONS

Staffing for Your Own Job

Instructions

Consider a job you previously held or your current job. Use the staffing components model to help you think through and describe the staffing process that led to your getting hired for the job. Trace and describe the process (1) from your own perspective as a job applicant, and (2) from the organization’s perspective. Listed below are some questions to jog your memory. Write your responses to these questions and be prepared to discuss them.

Applicant Perspective

Recruitment:

1. Why did you identify and seek out the job with this organization?
2. How did you try to make yourself attractive to the organization?

Selection:

1. How did you gather information about the job's requirements and rewards?
2. How did you judge your own KSAOs and needs relative to these requirements and rewards?

Employment:

1. Why did you decide to continue on in the staffing process, rather than drop out of it?
2. Why did you decide to accept the job offer? What were the pluses and minuses of the job?

Organization Perspective

Even if you do not know, or are unsure of, the answers to these questions, try to answer them or guess at them.

Recruitment:

1. How did the organization identify you as a job applicant?
2. How did the organization make the job attractive to you?

Selection:

1. What techniques (application blank, interview, etc.) did the organization use to gather KSAO information about you?
2. How did the organization evaluate this information? What did it see as your strong and weak points, KSAO-wise?

Employment:

1. Why did the organization decide to continue pursuing you as an applicant, rather than reject you from further consideration?
2. What was the job offer process like? Did you receive a verbal or written (or both) offer? Who gave you the offer? What was the content of the offer?

Reactions to the Staffing Process

Now that you have described the staffing process, what are your reactions to it?

1. What were the strong points or positive features of the process?
2. What were the weak points and negative features of the process?
3. What changes would you like to see made in the process, and why?

Staffing Strategy for a New Plant

Household Consumer Enterprises, Inc. (HCE) has its corporate headquarters in downtown Toronto, with manufacturing and warehouse/distribution facilities throughout the central region of Canada. It specializes in the design and production of nondisposable household products such as brooms, brushes, rakes, kitchen utensils, and garden tools. The company has recently changed its mission from "providing households with safe and sturdy utensils" to "providing households with visually appealing utensils that are safe and sturdy." The new emphasis on "visually appealing" will necessitate new strategies for designing and producing

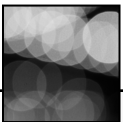
new products that have design flair and imagination built into them. One strategy under consideration is to target various demographic groups with different utensil designs. One group is 25- to 40-year-old professional and managerial people, who it is thought would want such utensils for both their visual and conversation-piece appeal.

A tentative strategy is to build and staff a new plant that will have free rein in the design and production of utensils for this 25- to 40-year-old age group. To start, the plant will focus on producing a set of closely related (designwise) plastic products: dishwashing pans, outdoor wastebaskets, outdoor plant holders, and watering cans. These items can be produced without too large a capital and facilities investment, can be marketed as a group, and can be on stores' shelves and on HCE's store Web site in time for Christmas sales.

The facility's design and engineering team has initially decided that each of the four products will be produced on a separate assembly line, though the lines will share common technology and require roughly similar assembly jobs. Based on advice from the HR vice president, Jarimir Zwitski, it is decided the key jobs in the plant for staffing purposes will be plant manager, product designer (computer-assisted design), assemblers, and packers/warehouse workers. The initial staffing level for the plant will be 150 employees. Because of the riskiness of the venture and the low margins that are planned initially on the four products due to high start-up costs, the plant will be run on a continuous basis six days per week (i.e., a 24/6 schedule), with the remaining day reserved for cleaning and maintenance. It is planned for pay levels to be at the low end of the market, except for product designers, who will be paid above market. There will be limited benefits for all employees, namely, health insurance with a 30 percent employee copay after one year of continuous employment, no pension plan, and an earned time-off bank (for holidays, sickness, and vacation) of 160 hours per year.

The head of the design team, Maria Dos Santos, and Mr. Zwitski wish to come to you, the corporate manager of staffing, to share their preliminary thinking with you and ask you some questions, knowing that staffing issues loom large for this new venture. They ask you to discuss the following questions with them and send them to you in advance so you can prepare for the meeting. Your task is to write out a tentative response to each question that will be the basis for your discussion at the meeting. The questions are:

1. What geographic location might be best for the plant in terms of attracting sufficient quantity and quality of labour, especially for the key jobs?
2. Should the plant manager come from inside the current managerial ranks or be sought from the outside?
3. Should staffing be based on just the person/job match or also the person/organization match?
4. Would it make sense to staff the plant initially with a flexible workforce by using temporary employees and then shift over to a core workforce if it looks like the plant will be successful?
5. In the early stages, should the plant be fully staffed, understaffed, or overstaffed?
6. Will employee retention likely be a problem, and if so, how would this affect the viability of the new plant?



TANGLEWOOD STORES CASE

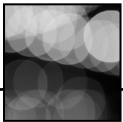
In this chapter you read about the relationship between organizational strategy and organizational staffing practices. The introductory section of the casebook will give you an opportunity to see how these principles are put into practice. The goal of this section is to help you learn more about how competition, strategy, and culture jointly inform the effective development of staffing strategy.

The Situation

The case involves a series of staffing exercises related to the Tanglewood department stores. You will act as an external consultant for the organization's staffing services department. Tanglewood department stores is a chain of general retail stores with an "outdoors" theme, including a large camping and outdoor living section in every store. The organization's culture is based on a set of core values that includes employee participation and a commitment to being a positive place to work. The context section provides additional details regarding Tanglewood's industry, core jobs, market niche, and other strategic concerns.

Your Tasks

For each of the issues related to strategic staffing levels and staffing quality in Exhibit 1.7, make a statement regarding where Tanglewood should position itself. For example, the first decision is to develop or acquire talent. To what extent should Tanglewood follow either strategy and why? Repeat this process for each of the staffing level and staffing quality dimensions. The background information for this case, and your specific assignment, can be found at www.mcgrawhill.ca/OLC/heneman.



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