Staffing

Compensation

Training &
Employee
Development

Human
Resource
Management

Benefits

Communications

Employee Relations

Administration: Policies
and Procedures

Human Resources (HR) Terms

Areas of HR
- Staffing
- Compensation
- Benefits
- Employee Relations
- Administration
- Communications
- Training and Employee Devel.
- Information Technology

Staffing: There are multiple ways to fill an open position. (Hire internally or externally, outsource or contract it out, short-term contracts, temp to FT)
Reactive: wait until there is an opening. Advertise; Network; Word of Mouth:
Proactive: recruit before an opening exists to obtain a pool of potential candidates. When an opening is created, you've already got a candidate in mind.
- Actively recruit by building a relationship

Interviewing from Employer's Perspective
- Plan - Identify criteria for the job
- Ask good questions that give an indication if the individual is qualified for the job. Ask all candidates the same questions.
- Listen more than you talk
- Take notes to compare candidates
- Evaluate – make hiring decision

Compensation & Benefits:
In order to attract and retain the kind of employees you want to pay a competitive wage/salary & offer competitive employee benefits.

Benefits
- Typical benefits for an employee cost between 20-40% of salary
- For example, if you pay an employee 50k per year ($4,167 per month) the cost of benefits for that employee will be between $833 and $1,667 per month.

Types of Benefits:
Required by Law
- Private employer's contribution to social security (FICA) — *except public employees not covered by social security.*
- Unemployment compensation /*insurance*
- Worker's compensation

Some optional benefits cost employees additional money and others do not. Examples include:
- Health Insurance
- Life Insurance
- Paid vacation
- Paid sick leave
- Pension/Retirement plans
- Child care
- Parking
- Transportation
- On-site services
- Weight watchers
- Education/training
- Nurse
- ATM/Banking
- Employee Counseling
- Fitness memberships

Organizations want or need to offer competitive compensation and benefits to:
- Attract new employees
- Reward & retain existing employees

Employee Relations
- Deals with employee issues, concerns, and complaints
- Represents company in court involving discrimination and sexual harassment cases
- Offers employee counseling (personal or professional)

Administration
Major intent of policies and procedures is to simplify day-to-day management
- Employee handbook (HHS handbook)
- Personnel files
- Job descriptions
- Organization charts (who reports to whom)
- Performance reviews

Communications
- Purpose is to communicate to all employees and to distribute information to employees
- Also must pass corporate and industry news throughout the organization
- Info up the ladder, down the ladder, and to the public (public relations)

Companies communicate internally and externally in multiple ways:
- Newsletter
- Brochures
- Email to distribution lists
- Intranet and/or Internet web site
- Public relations/Communications representatives

Training and Employee Development
4 Phases from Employer Perspective
- Determine your training needs, objectives and goals (How do you determine needs?)
- Design your training program
- Implement your training program
- Evaluate your training program

Types of Training
- On the job training
- Training simulations (mimic actual work)
- Classroom teaching
- Coaching/Mentoring
- Job Rotation
- Conferences & Seminars

Technology
- Stores all human resource information for all employees
- Personal information
- Professional information
- Track training and coursework
- Tied into payroll system
- Track daily or project work

Conclusion: Understand that HR is a very vast field. At some workplaces, one person does every function. At other places, there are hundreds of people who perform these tasks.

Recruiting the Top 1 Percent

There's a better way to find and hire the very best employees

I KEEP HEARING PEOPLE say that they only hire the top 1 percent of job seekers. At my company, Fog Creek Software, I want to hire the top 1 percent, too. We're doubling in size each year, and we're always in the market for great software developers. In our field, the top 1 percent of the work force can easily be 10 times as productive as the average developer. The best developers invent new products, figure out shortcuts that save months of work, and, when there are no shortcuts, plow through coding tasks like a monster truck at a tea party.

From a recruiting perspective, the problem is that the people I consider to be in the top 1 percent in my field barely ever apply for jobs at all. That's because they already have jobs. Stimulating jobs. Jobs where their employers pay them lots of money and do whatever it takes to keep them happy. If these pros switch jobs, chances are the offer came through networking, not because they submitted a resumé somewhere or trolled a job site like Monster. Many of the best developers I know took a summer internship on a whim and then stayed on. They have applied for only one or two jobs *in their lives*.

A lot of companies think they're hiring the top 1 percent because they get 100 resumés for every open position. They're kidding themselves. When you fill an opening, think about what happens to the 99 people you turn away. They don't give up and go into plumbing. They apply for another job. There's a floating population of applicants in your industry that apply for nearly every opening posted online, even though many of them are qualified for virtually none of these positions. So if the top 1 percent never apply for jobs, how can you recruit them? My theory is that the best way is to find them before they realize there is a job market—back when they're still in college.

Ah, college. Most kids wait until their last year to worry about
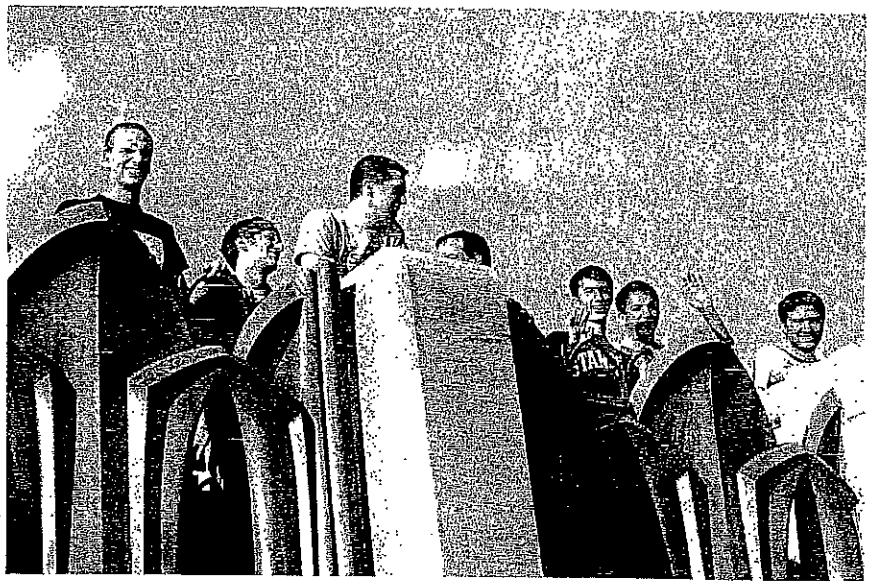
From Here to Intern-ity
Fog Creek's interns take in the view from Rockefeller Center's observation deck.

finding their first job. And they are not that inventive. At more prestigious schools, the kids tend to feel that they are in such demand that they don't bother reaching out to employers. They simply go to on-campus recruiting events to see what's there. At Fog Creek, I've had a lot of success recruiting college students. In fact, I hired more than half of my developers as college interns, then recruited them for full-time work.

Before I go any further, I need to clarify that these are *paid* internships. Although unpaid internships for school credit are common in other fields from fashion to music, we pay $750 a week, plus free housing, free lunch, free subway passes, relocation expenses, and various other benefits. Every time I talk about internships, somebody inevitably gets confused and thinks I'm taking advantage of slave labor. You there, young whippersnapper: Get me a frosty cold orange juice, hand-squeezed, and make it snappy!

That's not how it goes. The annual routine starts in September, when I begin tracking down the best future software developers in the country. I send a personalized letter to every promising computer science major that I can find. Last year I sent 300 letters to fill

six intern positions. Not e-mail. My letters are printed on a real piece of Fog Creek letterhead, which I sign myself in actual ink. Apparently this is rare enough that it gets kids' attention. I also call professors and former interns at schools such as Stanford, Duke, Dartmouth, and the University of Illinois to ask them for recommendations. Finally, I write an article for my blog, which gets about a million unique visitors per month, that's especially relevant to students. At the end of the article, I solicit internship applications.

Eventually, we get hundreds of applications for these internships, and they're good candidates because they represent the whole population, not just the job-seeking population. We call the most promising candidates for a phone interview. It's a three-part conversation. First, I ask the candidates to tell me about themselves

Though Fog Creek is a bootstrapped company where money is not spent lightly, we roll out the red carpet for our prospective interns.

and their classes. Then I pose a software development challenge. For example, how would you implement a Web-based clone of PowerPoint? This gives me a feel for how smart they are, and if they know the basics of software development. Finally, I ask the candidates to interview me for the last 15 minutes of the call. They can ask about the company or living in New York City—whatever they want. If they pass the phone interview, Fog Creek flies them out to New York City to be interviewed in person.

By that time, there's a pretty good probability that we're going to want to hire them, so it's time to launch into full-court-press recruitment. Even though Fog Creek is a bootstrapped company where money is not spent lightly, we roll out the red carpet for our prospective interns. A limousine meets them at the airport. A uniformed driver grabs their luggage and whisks them to their hotel, probably the coolest hotel they've ever seen—ideally it's right near the fashion district with models walking through the lobby at all hours and complicated bathroom fixtures that may be a part of the permanent collection of the Museum of Modern Art but good luck trying to figure out how to brush your teeth. Waiting in the hotel room is a hospitality package with a T-shirt, a suggested walking tour of New York City written by Fog Creek staffers, and the DVD of *Aardvark'd*, a documentary about our 2005 interns made by Lerone Wilson, a filmmaker whose work has appeared on PBS. After a long day of interviews, we invite candidates to stay in the hotel for two more nights at our expense, so that they can explore the city before the limo takes them back to the airport for their flight home.

Only one in three applicants who make it to this stage will be hired, but still we don't skimp on them. We want the kids who don't make the grade to go back to campus thinking we're a classy employer. Our hope is that they tell all their friends how much fun they had and encourage them to apply for an internship the next summer, if only for the free trip.

During the summer of the internship itself, the students generally start out thinking, "Okay, it's a nice summer job and some good experience." We're a little bit ahead of them. We use the summer to decide if we want them full-time. So we give them real work. Hard work. Our interns always work on production code. Sometimes they work on the coolest new stuff in the company, which can make the permanent employees a little jealous, but that's life. One summer we had a team of four interns build a whole new tech support product, Fog Creek Copilot, from the ground up. That particular intern class paid for itself by the end of the year. Even when they're not building a new product, our interns work on real shipping code, with the helpful advice of experienced mentors, of course. Our interns are totally, personally responsible for some major area of our software's functionality.

And then we make sure these kids have a great time. We host parties and open houses. We get them free housing in a rather nice local dorm where they can make friends from other companies and schools. We have some kind of extracurricular activity or field trip every week: Broadway shows, movie openings, museum tours, a boat ride around Manhattan, a Yankees game. Believe it or not, one of last year's favorite excursions was a trip to Top of the Rock at Rockefeller Center. It's just a tall building with a nice view of the Manhattan skyline. You wouldn't think it would be such an awe-inspiring experience. But it was.

At the end of the summer, a few interns will have convinced us that they are truly great programmers and that we just have to hire them. Not all of them, mind you—some are merely great programmers who for some reason we are willing to pass on, and others would be great somewhere else but not at Fog Creek.

For the ones we really want, there's no sense in waiting. We make an early offer for a full-time job, conditional on their graduation. And dollarwise, it's a great offer: $75,000. We want them to be able to go back to school, compare notes with their friends, and realize that they're getting a higher starting salary than their peers.

We pay $750 a week, plus free housing and lunch. And we make sure the kids have a great time.

Does this mean we're overpaying? I don't think so. You see, the typical first-year salary has to take into account a certain amount of risk that the person won't work out. But we've already auditioned these kids, so there's almost no risk that they won't be great. When we hire them, we have more information about them than any other employer who has only interviewed them. Because there's less inherent risk, we can pay them more money.

At this point, if we've done our job right, the intern gives up and accepts our offer. Sometimes it takes a little persuading. Sometimes they want to leave their options open. That's fine with us. An outstanding offer from Fog Creek ensures that the first time they have to wake up at 8 a.m. and put on a suit for a high-pressure interview with Oracle—well, when the alarm goes off, there's a good chance they'll say to themselves, why the heck am I getting up when I already have an excellent job waiting for me at Fog Creek? My hope is they won't even bother going to that interview.

An internship program creates a pipeline for great employees. It's a pretty long pipeline, so you need to have a long-term perspective, but it pays off in spades.

Joel Spolsky is the co-founder and CEO of Fog Creek Software in New York City and the host of the Joel on Software blog at joelonsoftware.com.

Name: _____

Buy it or build it?

- There are advantages and disadvantages of recruiting/hiring from within the organization or from a competitor.
- Whether it's Nike, the Red Sox, or HHS - each must decide whether to stay within or go outside their organization.
- Indicate at least 2 responses in each box below.

	Red Sox Manager	HHS Asst. Principal
Advantages of Hiring Within Organization		
Disadvantages of Hiring Within Organization		
Advantages of Hiring from Outside the Organization		
Disadvantages of Hiring from Outside the Organization		

Keys to Conducting a "Legal" Interview

Below are some ways to insure you are conducting a legally defensible interview:

- Ask only job-related questions
- Use a structured interview plan
- Treat all applicants equally
- Take objective notes which are job-related
- Interview for skills, not personality
- Base decision on job-related issues

Sample of Questions You Can't Ask an Applicant

1. Marital status
2. Child care plans
3. Pregnancy or plans regarding parenthood
4. Living arrangements
5. Sexual preference
6. Religion
7. Ethnic background

Conclusion

1. Be consistent with questions across multiple candidates
2. Take notes – so you can compare and share
3. Ask job-related questions (not questions about the person)

Interviewing Handout (from interviewer's perspective)

Steps to the interview process
1. Screen Candidates to be interviewed based on criteria (education, experience, skills).
2. Plan
   a. Develop questions based on identifying and defining criteria for the position
3. Conduct
   a. Open interview
   b. Gather information
   c. Takes notes and list evidence
4. Evaluate
   a. Review notes
   b. Match supporting evidence against criteria for job
   c. Make hiring decision

Characteristics of a successful interview:
The interviewer:
- Knows more about the candidate than he/she did before the interview
- Has evidence of behaviors and skills described in real situations
- Has an accurate assessment of whether the candidate meets the job criteria

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Ask Competency-based questions rather than Traditional Interviewing questions.

What are **COMPETENCIES**?
Knowledge, skills and behaviors that a person demonstrates in the performance of his/her job. They contribute to superior performance.

Knowledge and Skills Competencies:
What a person needs to know and be able to do in order to perform required tasks. Examples include:
- Technical – what computer skills does this person need to have?
- Business products (i.e: mutual fund accounting) – which product must this person understand?

Behavioral Competencies:
How a person approaches tasks and the behaviors that are demonstrated to perform the tasks in an outstanding manner. Examples include:
- Provide outstanding service
- Communicate effectively
- Ensure accuracy and quality
- Demonstrate and encourage teamwork
- Lead and develop staff

Traditional Interviewing	Behavioral/ Competency-based Interviewing
Tell me about your background. What jobs have you liked or not liked? What was your favorite course in college?	Tell me about a situation at work in which things went extremely well for you, a high point. Tell me about a team project you worked on in school where there was conflict, and how you handled it. Find out from candidate: 1. What was the situation? Who was involved? 2. What did the candidate think, feel, want to do in this situation? 3. What did he/she actually do or say? 4. What was the outcome?

Types of Questions	Examples
Open Ended: These types of questions evoke lengthy discussions and can't be answered with Yes or No. Can begin with What or How.	• How have you solved a problem with a colleague? • How were you able to gain knowledge and skills in your previous job?
Closed Ended: Can be answered with Yes or No.	• How long did you work there? • Did you get along with others?
Greater Response: Used to probe further into a situation or incident. Typically begin with Describe, explain, Tell me.	• Describe further how you handled difficult or demanding customers. • Tell me about an incident when you worked to resolve a conflict with a co-worker. • Explain a project you worked on when you were part of a team that was not working together very well.
Leading Question (Should not use). These questions give candidates clues about the answers you wish to hear. They are typically closed ended.	• We have a strong team environment here, are you a team player? • Our work environment is very hectic at times. What type of environment do you like to work in?
Hypothetical: These questions try to identify what the candidate would do if....	• If you were asked to improve overall sales for our business, what would you do? • Note that asking about past experiences will give you better information about how the candidate is likely to perform in the future – rather than asking hypothetical questions.
Probe: This type of question digs for more information.	• Q: Describe your relationship with your boss? • A: Well, my boss and I don't always see eye to eye on things. • Q: Tell me about a situation where you and your boss haven't seen eye to eye and how you handled it?

- **Title: Customer Service Representative at ProSports**
  Reporting to: Store Manager
  Location: Hingham, MA

Responsibilities

- Accurately scan purchases and receive customer payment.
- Create customer loyalty through excellent customer service.
- Apply corporate exchange and return policy.
- Develop and increase growth within membership program.
- Contribute to store security.
- Resolve customer problems
- Assist customers with product requests and questions.
- Develop methods in order to be effective, efficient and productive.

Interpersonal Skills
- Excellent listening and communication skills.
- Ease with initial contacts - Communicative and welcoming.
- Demonstrates patience with others.
- Presents self professionally.
- Ability to work under pressure.
- Honest and respectful of procedures

Skills/Experience
- 1-2 years of previous work experience
- Retail experience a plus
- Knowledge of sports and a "Sport-mindedness" attitude
- Able to lift 20 pounds

General
- A real team player with commitment, drive, and enthusiasm.

Competency-based/Behavioral Interview Questions – ProSports Homework Assignment

- Create and type up 12 behavioral interview questions for the Customer Service Representative job description.
- Handwritten work will be returned for no credit.
- Type your name on the top of your completed homework assignment.
- Here's how you'll be evaluated:

Task	Points 0 - Beginning	24- Developing	32 - Focused	40 - Exemplary	Pts
12 Typed Interview Questions	0-9 interview questions	–	10-11 interview questions	12 interview questions	40
Competency based/ Behavioral Interview Questions	No questions are competency-based and open-ended; All questions are related to the job and will give you information about how a candidate will perform in the future.	Few questions are competency-based and open-ended; All questions are related to the job and will give you information about how a candidate will perform in the future.	Some questions are competency-based and open-ended; All questions are related to the job and will give you information about how a candidate will perform in the future.	All questions are competency-based and open-ended; All questions are related to the job and will give you information about how a candidate will perform in the future.	40
					80
Total					

Your Score: _____/80

Please note:

- ~~If you pass in this assignment late or the due date – you will automatically~~
- ~~If you pass in this assignment during the next day, you will automatically~~
- If you do not pass in this assignment on the day following the due date, you will receive a 0% - so don't bother.

- Be responsible. Make me proud.

Sample: Boston Red Sox Organizational Chart – by Function

Owner *(many – principal owner John Henry)*

President *by function*

- Director of Stadium Operations
  - Security Mgr
    - Security Officers Police Details
  - Vendor Mgr
    - Concessions Staff
  - Maintenance Director Mgr
    - Maintenance Staff (on field)
    - Maintenance Staff (off field)
- Director of Ticket Sales
  - Ticket Agents
- General Manager
  - Director of Player Personnel
    - Director of US Scouting
    - Director of International Scouting
    - Farm System Liaison
  - Contract Attorney
  - Travel Coordinator
  - Coaches, Medical Staff, Trainers, PTs, Personal Trainers
    - *players*
- Director of Marketing
  - Web Site Manager
  - Game Day Director
  - Director of Sponsorships
  - Public Relations Director
  - Marketing Reps
- Director of Finance
  - Accounting Staff
- Human Resource Director
  - HR Staff (payroll benefits staffing)

accountability w/in roles

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