Staffing Models & Strategies

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Staffing Organizations Model

- Organization
  - Mission
  - Goals and Objectives

Organization Strategy

HR and Staffing Strategy

Staffing Policies and Programs

<table>
<thead>
<tr>
<th>Support Activities</th>
<th>Core Staffing Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal compliance</td>
<td>Recruitment: external, internal</td>
</tr>
<tr>
<td>Planning</td>
<td>Selection: measurement, external, internal</td>
</tr>
<tr>
<td>Job analysis and rewards</td>
<td>Employment: decision making, final match</td>
</tr>
</tbody>
</table>

Staffing System and Retention Management
Nature of Staffing
- The Big Picture
- Definition of Staffing
- Implications of Definition
- Staffing System Examples

Staffing Models
- Staffing Quantity: Levels
- Staffing Quality: Person/Job Match
- Staffing Quality: Person/Organization Match

- Staffing Models
  - Staffing System Components
  - Staffing Organizations
- Staffing Strategy
  - Staffing Levels
  - Staffing Quality
- Staffing Ethics
Learning Objectives for This Chapter

• Define staffing and consider how, in the big picture, staffing decisions matter
• Review the five staffing models presented, and consider the advantages and disadvantages of each
• Consider the staffing system components and how they fit into the plan for the book
• Understand the staffing organizations model and how its various components fit into the plan for the book
• Appreciate the importance of staffing strategy, and review the 13 decisions that staffing strategy requires
• Realize the importance of ethics in staffing, and learn how ethical staffing practice is established
Discussion Questions for This Chapter

• What would be the potential problems with a staffing process in which vacancies were filled:
  – On a lottery basis from among job applicants?
  – On a first come-first hired basis?
• What would be the advantages of using one of the above processes?
• Would it be desirable to hire people only according to the person/job match, ignoring the person/organization match? Why?
• How are staffing activities influenced by training or compensation activities?
• Are some of the 13 strategic staffing decisions more important than others? Which ones? Why?
The Big Picture

- Organizations are combinations of physical, financial, and human capital
- Human capital
  - Knowledge, skills and abilities of people
  - Their motivation to do the job
- Scope of human capital
  - An average organization’s employee cost (wages or salaries and benefits) is over 25% of its total revenue
  - Organizations that capitalize on human capital have a strategic advantage over their competitors
Nature of Staffing

• Definition
  – “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**”

• Implications of definition
  – Acquire, deploy, retain
  – Staffing as a process or system
  – Quantity and quality issues
  – Organization effectiveness
Implications of definition

- **Implications of definition**
  - *Acquire, deploy, retain*

  **Acquisition**: activities involve external staffing system that govern the initial of applicants into the organization.

  **Deployment**: the movement of current employees throughout the organization through internal staffing that handle promotions, transfers, and new project assignments.

  **Retention**: organization should try to minimize the turnover and retain the valued employees.
Implications of definition (Continued)

- **Staffing as a process or system**
  Organization use multiple interconnected system to manage the people flows. These include planning, recruitment, selection, decision making, job offer, and retention system.

- **Quantity and quality**
  Staffing the organization requires attention to both the number (quantity) and the type (quality) of people brought into, moved within, and retained by the organization.

- **Organization effectiveness**
  Staffing systems should be used to contribute to achievement of organization goals and attaining organization growth.
An organization is a combination of:
- Physical, Financial & Human Capital

Human Capital refers to:
- Knowledge, skills, and ability of its people!

Workforce Quality = Stock of human capital that it acquires, deploys, and retains in pursuit of Organizational Profitability, market share, customer satisfaction and environmental stability.
• Organizations function used to build your workforce!
• How? Thru a System called Staffing Strategy that includes:
  – HR Planning
  – Recruiting
  – Selection
  – Employment
  – Retention
Staffing (Continued)

• Labor is the single most significant cost of doing business: payroll and replacement costs.
  – (With this, we must begin with hiring the right people and then developing them effectively)
• Business strategies require specific skills and behaviors to be successful.
  • Employees provide customer service, create value, and execute strategy.
  • HR practices can be crafted to support certain types of skills and encourage behaviors.
• “How do we hire the right people?”
Staffing (Continued)

- Staffing is an important managerial function.
- Staffing is a pervasive activity.
- Staffing is a continuous activity.
- The basis of staffing function is efficient management of personnel.
- Staffing helps in placing right men at the right job.
- Staffing is performed by all managers.
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  • HR practices can be crafted to support certain types of skills and encourage behaviors.

“How do we ensure we are hiring the right people?”
  • Using Updated Job Descriptions – Competency based

Then ---What is our Staffing Objective?
• **What is our Staffing Objective?**
  – To find more productive ways to do work!
    • Increased productivity
    • Flexible workforce
    • Multi-skilled workforce
    • Multi-skilled job descriptions

• **Can “good” staffing lead to better organizational effectiveness?**
  – Yes, strongly supported by research findings
Staffing System Examples

• W.L. Gore and Associates
  – Staffing jobs without titles
  – Focus on culture in recruiting and selecting

• Pfizer Pharmaceuticals
  – Hiring for flexibility in a rapidly changing market
  – Focus on hiring individuals who can change roles quickly

• Enterprise Rent-A-Car
  – Use a strong internal labor market
  – Performance evaluation is used for placement
What would be the potential problems with a staffing process in which vacancies were filled:

- *On a lottery basis from among job applicants?*
- *On a first come-first hired basis?*

What would be the advantages of using one of the staffing processes?
Quotes from organization leaders

- Staffing is absolutely critical to the success of every company
  - Gail Hyland-Savage, COO, Michaelson, Connor, & Bowl
- At most companies, people spend 2% of their time recruiting and 75% managing their recruiting mistakes.
  - Richard Fairbank, CE, Capital One
- 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.
  - Jeff Bezos, CEO, Amazon
- We missed a really nice nursing rebound...because we didn’t do a good job hiring in front of it. Nothing has cost the business as much as failing to intersect the right people at the right time.
  - David Alexander, President, Soliant Health
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Staffing Models

- Staffing Quantity
  - Levels
- Staffing Quality
  - Person/Job Match
  - Person/Organization Match
- Staffing System Components
- Staffing Organizations
1- Staffing Quantity

Staffing Quantity
Staffing = counting

Considering quantity but not quality
The simplest model

Projected Staffing Requirements

Compare

Projected Staffing Availabilities

Overstaffed
Fully Staffed
Understaffed
1- Staffing Quantity Levels

● The organization as a whole, as well as each of its units, forecasts workforce quantity requirements and then compares these forecasted with workforce availabilities to determine the staffing level position.
Staffing Quantity Levels Cont...

Staffing level positions

**Fully staffed**: Head count requirement = workforce available

**Under Staffed**: Head count requirement > workforce available

**Over Staffed**: Head count requirement < workforce available
2- Staffing Quality
Person/Job Match

Knowledge, Skills, Abilities, and Other characteristics
2-Staffing Quality
Person/Job Match

• Jobs are characterized by their requirements and rewards.
• Individuals are characterized via qualifications (KSA’S) and motivation.
• There is a need for match between the person and the job
• It will have positive impact on HR outcomes (employee satisfaction, retention, job performance)
“How do we hire the right people?”

Traditionally staffing has focused on the match between an applicant's skills and experience and the job requirements.

![Diagram showing the match between Job Requirements, Rewards, Person's KSA's, and Motivation.]
Person/Job Match

- **Job**
  - Requirements
  - Rewards

- **Person**
  - KSA’s
  - Motivation

**Match**

**Impact**

**HR Outcomes**
- Performance
- Extra Effort
- Retention
- Satisfaction
- Commitment
Concepts: Person/Job Match Model

- Jobs are characterized by their requirements and rewards
- Individuals are characterized via qualifications (KSAOS) and motivation
- These concepts are not new or faddish, this is an enduring model of staffing

- Matching process involves dual match
  - KSAOs to requirements
  - Motivation to rewards
- Job requirements expressed in terms of both
  - Tasks involved
  - KSAOs necessary for performance of tasks
- Job requirements often extend beyond task and KSAO requirements
Person/Organization Match

Organization

Job
- Requirements
- Rewards

Career Progression

Values/Culture

Person
- KSA’s
- Motivation
- ATTITUDE

Match

Impact

HR Outcomes
- Performance
- Extra Effort
- Retention
- Satisfaction
- Commitment
Person/Organization Match

![Diagram of Person/Organization Match]

- Organizational Values
- New Job Duties
- Multiple Jobs
- Future Jobs

- Requirements
  - Rewards

- Match

- Person
  - KSAOs
  - Motivation

- Impact

- HR Outcomes
  - Attraction
  - Performance
  - Retention
  - Attendance
  - Satisfaction
  - Other

1-31
Concepts: Person/Organization Match Model

• Organizational culture and values
  – Norms of desirable attitudes and behaviors for employees
    For example: honest, achievement, hard work.
• New job duties
  – Tasks that may be added to target job over time
  – “And other duties as assigned . . . “
• Multiple jobs
  – Flexibility concerns - Hiring people who could perform multiple jobs
• Future jobs
  – Long-term matches during employment relationship
  – organization would like to hire people could perform these new duties without having to hire additional employees.
Human Resource Management

- Planning - Strategic Management
- Recruiting and Selection/Staffing
- Training and Development – Talent Management
- Performance Management
- Compensation
  - Total Compensation
- Employee Relations/Equal Employment
- Risk Management
Performance requires HR practices that:

- Match the business strategy
- Are internally consistent
- Fit with organizational values and beliefs
Discussion Questions

• Would it be desirable to hire people only according to the person/job match, ignoring the person/organization match? Why?
• How are staffing activities influenced by training or compensation activities?
Staffing System Components

Applicant (person) → Recruitment (identification and attraction) → Organization (job) → Selection (assessment and evaluation) → Employment (decision making and final match) → Applicant (person)
Staffing begins with a join interaction between the applicant and the organization
Staffing System Components

- The initial stage in staffing is **recruitment**. The organization seeks to attract applicants and the applicant tries to find an organization with job opportunities.
Staffing System Components

• In the **selection** stage the emphasis is on assessment and evaluation. The organization will assess the applicant KSA,s and motivation. Also the applicant is assessing and evaluating the job and the organization to determine the degree of person job match.
Staffing System Components

• The last core of component of staffing is employment which involves decision making and final match activities by the organization and applicant. The organization must decided to whom it will make the job offer, what the content of the job offer will be, and how it will drawn up to the applicant.
Staffing Organizations Model

• The organization mission and its goals and objectives drive both organization strategy and HR and staffing strategy.

• Organization strategy and HR and staffing strategy interact with each other when they are being formulated, staffing policies and programs result from that interaction, and they serve as an overlay to both support activities and core staffing activities.

• Employee retention and staffing system management concern cut across support and core staffing activities.
–Strategic Human Resource Management

• Organizational Strategy $\leftrightarrow$ HR (Staffing) strategy
• Staffing becomes part of the overall organization strategy
• Core staffing activities are carefully “regulated” to match the organization strategy
Components of Staffing Organizations Model

• Organizational strategy
  – Mission and vision
  – Goals and objectives

• HR strategy
  – Involves key decisions about size and type of workforce to be
    • Acquired
    • Trained
    • Managed
    • Rewarded
    • Retained
  – May flow from organizational strategy
  – May directly influence formulation of organization strategy
Components of Staffing Organizations Model (continued)

• Staffing strategy
  – An outgrowth of the interplay between organization and HR strategy
  – Involves key decisions regarding acquisition, deployment, and retention of organization’s workforce
    • Guide development of recruitment, selection, and employment programs

• Support activities
  – Serve as foundation for conduct of core staffing activities

• Core staffing activities
  – Focus on recruitment, selection, and employment of workforce

• Staffing and retention system management
What is Staffing Strategy?

• Definition
  – Requires making key decisions about acquisition, deployment, and retention of a company’s workforce

• Involves making 13 key decisions

• Decisions focus on two areas
  – Staffing levels
  – Staffing quality
Strategic Staffing Decisions

• **Staffing Levels**
  – Acquire or Develop Talent
  – Hire Yourself or Outsource
  – External or Internal Hiring
  – Core or Flexible Workforce
  – Hire or Retain
  – National or Global
  – Attract or Relocate
  – Overstaff or Understaff
  – Short- or Long-term Focus

• **Staffing Quality**
  – Person/Job or Person/Organization match
  – Specific or general KSAOs (Knowledge, Skills, Abilities, and Other characteristics)
  – Exceptional or acceptable workforce quality
  – Active or passive diversity
Suggestions for Ethical Staffing Practice

• Represent the organization’s interests.
• Beware of conflicts of interest.
• Remember the job applicant.
• Follow staffing policies and procedures.
• Know and follow the law.
• Consult professional codes of conduct.
• Shape effective practice with research results.
• Seek ethics advice.
• Be aware of an organization’s ethical climate/culture
Performance Management

• Performance management systems
  – Timing, forms, and outcomes
  – Managing for employee motivation
• Goal setting
• Pay for performance
• Providing performance feedback
Discussion Question

• Are some of the 13 strategic staffing decisions more important than others? Which ones? Why?
The last core of component of staffing is employment which involves decision making and final match activities by the organization and applicant. The organization must decide to whom it will make the job offer, what the content of the job offer will be, and how it will be drawn up to the applicant.