Human Resources
Professionals
Association

COMPENSATION

I.   COURSE OBJECTIVES

The primary objective of this course is to provide an understanding of the process, issues and techniques involved in developing and administering a compensation system. The course should enable the student to gain knowledge of (a) both the theoretical and applied aspects of the compensation function, (b) the linkage between the compensation function and the organizational management process, (c) the compensation system design necessary to attract, retain and motivate the required workforce, and d) the techniques that could be used for developing and implementing effective compensation systems.

II.   COURSE OUTLINE

Topic 1.   Strategic Issues and Concepts:
             - Compensation Goals & Strategy
             - Linkage with Organizational Goals, Strategies, and Environment
             - Elements of Organizational Rewards Systems

   Readings: Long & Singh: Ch. 1, 2, & 6 (pp. 179-203)

Topic 2.   Compensation Theories & Their Applications:
             - Behavioral Theories
             - Economic Theories

   Readings: Long & Singh: Ch. 3

Topic 3.   Compensation Mix & Base Pay Methods:
             - Components of Compensation Mix
             - Base Pay Methods
             - Advantages and Disadvantages of Base Pay Methods

   Readings: Long & Singh: Ch. 4

Topic 4.   Job Evaluation Process & Methods:
             - Overall Process of Job Evaluation
             - Job Analysis
             - Methods of Job Evaluations

- Administrative & Management Considerations

Readings: Long & Singh: Ch. 7 (pp. 238-255)

Topic 5. The Point Method of Job Evaluation:
- Purpose and Meaning
- Key Design Steps Involved
- Potential Pitfalls

Readings: Long & Singh: Ch. 8 (pp. 271-281, 287-295)

Topic 6. External Competitiveness, Market Surveys, and Pay Structure:
- External Competitiveness/ Equity
- Designing Market Surveys
- Analysis and Interpretation of Market Survey Data
- Applying Market Survey Data & Establishing Policy Line
- Creating Pay Structure: Grades and Ranges
- Balancing Internal and External Equity

Readings: Long & Singh: Chap 9, 8 (pp. 281-287, 295-305)

Topic 7. Performance Pay:
- Pay-Performance Linkage
- Individual vs. Group Plans
- Performance Appraisal Process/ Methods
- Merit Pay Guide Charts
- Variable Pay Plans
- Time & Piece Rated Plans
- Group/Team-Based Pay

Readings: Long & Singh: Ch. 5, 10, & 11

Topic 8. Indirect Pay/Employee Benefits:
- Types of Benefits
- Standardized Plans vs. Flexible Plans
- Administrative & Legal Issues

Readings: Long & Singh: Ch. 12

Topic 9. Implementing & Managing Compensation Systems:
- Employee Involvement & Communications
- Budgeting and Cost Control
- Monitoring, Auditing and Evaluating Effectiveness

Readings: Long & Singh: Ch. 13

Topic 10.   Miscellaneous Issues:
              - Compensation of Special Groups
              - Gender Pay Equity
              - International Compensation

       Readings: Long & Singh: Ch. 6 (pp. 203-217) & 7 (pp. 255-266)

III.   **BIBLIOGRAPHY**

A.   **Recommended Text**

Long, Richard J. & Singh, Parbudyal, Strategic *Compensation in Canada*, Thomson Nelson, Sixth Edition, 2017. (Long &Singh)

B.   **Suggested Journals**

Compensation & Benefits Review, American Management Association.

WorldatWork Journal, WorldatWork (formerly American and Canadian Compensation Associations).

Compensation - Sample Questions

Part A: Multiple Choice Questions

1. Variable pay depends on performance and is not added to:
   a) overtime pay
   b) employee's base pay
   c) commission pay
   d) incentive pay
   e) piece rate earnings

2. Which is NOT true about job evaluation?
   a) it specifies the content of individual jobs
   b) it helps to establish internal equity
   c) it provides a basis for deciding the relative importance of jobs
   d) it establishes a mutually acceptable criteria for determining job value
   e) it positions jobs along a hierarchy

3. The ideal compensation system:
   a) emphasizes pay for performance
   b) controls labour cost by paying below the market
   c) is typically designed and administered at the individual plant level
   d) will vary with organizational strategy and context
   e) will be more expensive than what most employers could afford

4. Which is NOT a problem with merit pay?
   a) it is difficult for employees to connect today's pay increase with behaviour that occurs months ago
   b) annual wage increases result in too large a change in the weekly paycheck
   c) the pay differentials across performance levels are too narrow
   d) it does not motivate employees whose performance exceeds expectations
   e) the performance ratings on which merit pay is based may not be accurate

5. A compa-ratio greater than 1.00 typically means that:
   a) employees are overpaid
   b) intended policy line has been violated
   c) a majority of workers are being paid above intended policy
   d) most employees are new entrants
   e) turnover is high

6. When job analysis is done for compensation purposes, data collected must focus on:
    a) type of training needed to perform the job effectively
    b) establishing job similarities and differences
    c) the typical career path that encompasses the job
    d) performance levels of incumbents
    e) task inventories

7. According to Expectancy Theory, the valence of an outcome is the:
    a) probability that the outcome will occur
    b) probability that a behaviour will be rewarded
    c) degree to which an outcome is desired/valued
    d) size of the financial reward associated with an outcome
    e) relationship between the behaviour and achieving the outcome

8. Which is not a factor in the definition of work of equal value under the Pay Equity Act of Ontario?
    a) working conditions
    b) education/skills required
    c) responsibility
    d) effort required
    e) value of the product/service produced

9. Which of the following is an advantage of a defined contribution pension plan?
    a) company absorbs risk associated with changes in inflation or interest value
    b) more favourable to short term employees
    c) provides explicit benefit that is easy to communicate
    d) more favourable to long term employees
    e) none of the above

10. The use of stock options:
    a) is designed to motivate employees to increase the value of the firm
    b) has been criticized because of the excessive downside risk
    c) forces employees to buy company stock at a predetermined price
    d) receives very little attention when the stock market is rising
    e) is more common in smaller than larger firms

[**Answers:** 1b, 2a, 3d, 4b, 5c, 6b, 7c, 8e, 9b, 10a.]

Part B: Essay Questions

Question 1: Discuss the steps involved in developing a compensation strategy.

Suggested Answer: The five main steps involved in developing a compensation strategy are as follows:

   a) First, we need to define the employee behaviours necessary for organizational success, and to understand the characteristics and qualifications of people who will be able to perform these behaviours.
   b) Second, define the specific role that the compensation system will play in generating the required behaviours;
   c) Third, the most appropriate mix across the three key compensation components must be determined;
   d) Fourth, policies for determining the amount of compensation that employees will receive need to be established; and
   e) Finally, a pre-implementation evaluation of whether the proposed strategy meets our criteria for success needs to be conducted.

Question 2. Discuss job evaluation as a process to establish base pay in the organization.

Suggested Answer: Job evaluation is a process that helps to establish relative values of jobs within the organization based upon which a pay structure is developed. This process involves analyzing the descriptions for every job in the organization, and then relating each job to the others in systematic way. The most common approach is to identify a set of compensable factors, evaluate each job against these factors, and establish a hierarchy of jobs based upon the resulting evaluations. Exact pay levels for jobs are determined by relating certain benchmark jobs to the external market and then interpolating the rest. A structure is then established that has pay ranges for each level of jobs evaluated.

FINANCIAL & MANAGEMENT ACCOUNTING

I. INTRODUCTION

Financial and management accounting, the financial information system of the organization, serve to summarize organizational plans and the results of actual operations. Because these are so pervasive in the organization, it is necessary for the Human Resources Manager to understand the measurement bases and the underlying methodologies used. Many of the decisions faced by the H. R. manager have an accounting or finance aspect. This may require a detailed knowledge of the procedure. This would be the case, for example, where the H.R. manager is called upon to prepare an operating budget for their area of responsibility. Alternatively it may require a familiarity, without necessarily requiring the ability to carry out the calculations, as such. This would be the case, for example, where the H.R. manager is called upon to interpret, or react, to, standard costing variances in respect of their area of responsibility, or the effect of their decisions on the overall results of the organization.

II. COURSE OBJECTIVES

The objectives of this course are as follows:
1. An understanding of the nature of financial accounting and management accounting, how they relate to each other and how they relate to the rest of the organization.

2. An understanding of the conceptual foundations of financial accounting and management accounting, and familiarity with the principle reports which they produce, with particular reference to reports likely to be used by H.R. managers.

3. The ability to execute detailed calculations (with particular emphasis on applications in the H.R. area) in the following areas:

    - . interpretation of the income statement and the balance sheet;
    - . calculation and interpretation of financial ratios;
    - . internal controls;
    - . understanding cost behaviour;
    - . calculation and interpretation of contribution margin and break-even analysis;
    - . allocation of costs, including service department costs, and activity based costing;
    - . transfer pricing;
    - . preparation of operating budgets;
    - . understanding risk through sensitivity analysis;

III. <u>COURSE OUTLINE</u>

	<u>Detailed Knowledge Required</u>	<u>Familiarity Required</u>
<u>Part 1. Financial Accounting: The Record Keeping and External Reporting System</u>		
The main financial accounting reports and their analysis through ratios:		
the purpose and objectives of financial and management accounting	X	
the concepts, techniques & conventions of financial accounting		X
the balance sheet	X	
the income statement	X	
the cash flow statement	X	
the statement of retained earnings		X
liquidity ratios	X	
profitability ratios	X	
stability ratios	X	
growth ratios		X
cash flow analysis		X

<u>Reading</u>:   **Burnley: Chapters: 1, 2, 3, 4, 5 pgs 224 -229, 7 pgs 335- 336, 8 pgs 385-386, 9 pgs 421- 422, 12**

<u>Part 2. Management Accounting: the Internal Information and Decision Support System:</u>

2.1 Cost Behaviour & Cost Volume Profit Analysis

	Detailed Knowledge	Familiarity
variable costs	X	
fixed costs	X	
other cost drivers	X	
cost estimation		X
contribution margin	X	
break-even point	X	
cost-volume-profit	X	
analyzing changes	X	
sensitivity analysis	X	
limitations of c-v-p		X
activity based costing		X

2.2 Costs in Decision Making

cost allocation	X		
service department costs	X		
cost accuracy vs relevance	X		
special orders			X
costs & pricing			X
make or buy decisions	X		
irrelevant costs		X	
costing collective bargaining proposals		X	
cost-benefit analysis	X		

Reading:

12

2.3 Budgets & Budgetary Control

the nature of budgets	X		
relevant data for budgeting	X		
cost & revenue forecasting	X		
operating budget	X		
budgeting & behaviour		X	
static vs flexible budgets			X
cost variances (materials, labour, overhead)			X
revenue variances			X
using variances in decisions			X
management control systems			X
motivation & control			X
non-financial performance measures	X		
the balanced scorecard		X	
cost centres & profit centres	X		
transfer pricing		X	
measuring responsibility centre performance	X		

Reading: Mowen: **Chapters**: 2, 3, 4, 7, 9, 11, 12, 13,

IV   BIBLIOGRAPHY

A. <u>Recommended Text:</u>

Mowen/Hanson/Heitger/McConomy/Pittman- Cornerstones of Managerial Accounting, Second Canadian Edition. 0176530886 | 9780176530884 10/6/2014 © 2015

and

Burnley, Hoskin, Fizzell, Cherry, <u>Understanding Financial Accounting</u>, 1st Canadian Edition, 2015. John Wiley & Sons Canada.

Many other texts are in publication, and most are quite effective. The ideal text is comprehensive (covering not only management accounting, but also some financial accounting), is accessible (i.e. readable and understandable by the non-accountant), and ideally has been Canadianized.

Regardless as to the book or books you choose use the index and table of contents to focus on the topics outlined in section three of this course outline. References to content have been included for you in the suggested texts.

Revised: January 2016

Finance and Accounting – Sample Questions

Human Resources Professionals Association of Ontario
Financial & Management Accounting

You are given summarized financial statements for the Corel Company, which designs and markets software, (WordPerfect, for example) and related products, and which is based in Ottawa.

Corel Co: Balance Sheet ($ millions) as at

	30/11/15		**30/11/14**	
Current assets:				
Cash and cash equivalents	18		24	
Accounts receivable	59		47	
Inventory	14		17	
Other	9	100	7	95
Long-term assets:		51		45
Total assets		151		140
Current liabilities:		79		95
Long-term liabilities:		8		16
Total liabilities		87		111
Shareholders' equity:				
Share capital	222 (62 m shares)		203 (59 m shares)	
Contributed surplus	1		1	
Deficit	(159)	64	(175)	29
Total liabilities & shareholders' equity		151		140

	Year to 30/11/15	30/11/14
Sales	243	247
Cost of sales	60	52
Gross profit	183	195
Expenses:		
Advertising	48	42
Selling, general & administrative	82	78
Research & development	40	72
Depreciation	6	12
Other	(6) 170	16 220
Operating income/(loss)	13	(25)
Interest expense	0	1
Income/(loss) after interest, before tax	13	(26)
Income tax/(refund)	(4)	4
Net income/(loss)	17	(30)
Retained earnings/(deficit) at beginning of year	(176)	(145)
Retained earnings/(deficit) at end of year	(159)	(175)

Answer all questions in point form, or short notes.

Question 1:

Calculate the return on investment ratio for the years ended 30/11/14 and 10/11/15;

Return on shareholders' investment ratio:
Net income/shareholders' equity * 100
2014: (30)/29 * 100 = (103.4%)
2015: 17/64 * 100 = 26.6%

What do these ratios tell you about the performance of the company?

**This is a *dramatic* turnaround from making a loss (equal to the entire owners' equity)
in 2014 to making a very healthy 26.6% return in 2015.**
**This was achieved despite a reduction in revenues, and a reduction in the gross profit
ratio. The main reason for the turnaround is a reduction in expenses. While this is a
good thing in general, one of the expenses cut is research and development, which may
militate against the long-term survival of this high-tech company.**

The accumulated deficit as at 30/11/2015 was $159 million; explain what this means.

When a company makes a profit it can either distribute it as dividends, or retain it in the company as retained earnings. When a company makes a loss it is the opposite situation, and a deficit arises. Corel has made accumulated losses of $159 million up to the end of 2015. This represents an impairment of capital (shareholders' equity).

Question 2:

Assume that Corel had a "Games" division in 2015. It had been set up in 2000 with a mandate to develop software for computer games. It has not been doing well over the past few years. Financial results for this division are as follows:

Year to:

	30/11/2015	30/11/2014	30/11/2013
Sales revenues	$1,500,000	$1,600,000	$1,400,000
Direct costs (all salaries)	1,100,000	1,000,000	850,000
Overhead (allocated fixed costs)	550,000	500,000	425,000
Division profit/loss	$ 150,000	$ 100,000	$ 100,000

Corporate fixed costs are allocated to all operating units of the basis of 50% of direct costs. The direct costs include a performance bonus equal to 10% of sales revenues.

You are told that the increase in direct costs is entirely due to increased rates of pay: there has been no increase in head count in this division for 5 years.

Required:

1: If the division were eliminated, half the employees could be transferred to other operating units, at similar rates of pay and seniority. The other half would have to be let go, with a severance package equal to 20% of their annual salary. Product revenues would dry up immediately. What would be the dollar effect of closing this division?

One-time-only severance payment: $1,100,000 * 50% * 20% = $ 110,000

Annual effect:
Revenues lost:	**$1,500,000**
Salaries eliminated or transferred:	**$1,100,000**
Reduction in net income:	**$ 400,000**

Corel would be worse off by $510,000 in year 2015 and $400,000 per year thereafter. (This is the $550,000 of fixed costs, now allocated elsewhere, less the loss $150,000).

2: If the division was to be retained, and sales revenue in the year to 30/11/2015 was $3,000,000, what would be the budgeted net income?

Revenues:	**$3,000,000**
Direct cost: Salaries:	**(1,100,000)**
Additional bonus on additional sales:	**(150,000)** (10% * $3mn - $1.5mn)
Divisional operating income	**$1,750,000**

Question 3:

Human resources are possibly the most important asset in any company, and that is probably truer for a company like Corel, than many others. List, and briefly describe, the advantages and disadvantages of including H.R. assets on the balance sheet.

Advantages:
Shows a greater value for the company resources on the balance sheet;
Increases the net income (by reducing expenses);
Indicates that people are a valuable asset, boosting employee morale;
Enables good behavioral link between spending money on employees and creating value (instead of expense).

Disadvantages:
Employees are not owned, therefore the asset may walk away;
It is difficult to value employee expenditures;
It may affect taxes.

Question 4:

Suppose you are the Manager of Training & Development at Corel. You have been asked by a number of managers to run a training course in emergent web technologies for junior staff. At least 10, and possibly as many as 25, employees will attend. You have contracted with an experienced educator to deliver the program for a fee of $3,000, and you will incur another $1,000 for materials and room rental. You will also be expected to provide refreshments and meals at a cost of $100 per participant. The course fee will be $500. What is the break-even number of participants?

Selling price:	**$ 500**	
Variable cost:	**$ 100**	
Contribution margin:	**$ 400**	**($500 - $100)**
Fixed cost:	**$4,000**	**($3,000 + $1,000)**
Break-even:	**10**	**($4,000/$400 = 10)**

How much profit will you make if 20 people attend?

10 persons over break-even will each provide $400 contribution margin = $4,000
OR

Revenue:	**$10,000**	**(20 @ $500)**
Variable cost:	**(2,000)**	**(20 @ $100)**
Fixed cost:	**(4,000)**	
Net income:	**$ 4,000**	

Sample Multiple Choice Questions for HRPAO Financial & Management Accounting:

The financial statements for the Hudson's Bay Ltd. are given below. Use them as necessary to answer the questions.

Hudson's Bay Ltd.: Income Statement for the year 2015: $ millions:

Sales revenue:		$7,445
Cost of goods sold & expenses:		7,259
Operating income before interest & taxes:		186
Interest expense:	$54	
Tax expense:	59	113
Net income:		73

Hudson's Bay Ltd.: Balance Sheet as at 31st December 2015: $ millions:

Current assets:		**Current liabilities:**	
Cash & short-term deposits: $	339	Trade & other payables:	$1,085
Accounts receivable:	561		
Inventory:	1,489	Long-term debt:	920
Prepayments:	157	Total debt:	2,005
Total	2,546	**Equity**	
		Common shares:	$1,860
Long-term assets (net):	1,988	Retained earnings:	669
			2,529
Total assets:	$4,534	**Total liabilities & equity:**	$4,534

1. The annual financial statements of the Hudson's Bay Ltd. are prepared mainly for the purpose of:

    a)   scorekeeping;
    b)   attention directing;
    c)   decision making;
    d)   auditing;
    e)   none of the above.

2. The annual financial statements of the Hudson's Bay Ltd. are legally required to be distributed to:

    a)   shareholders;
    b)   customers;
    c)   suppliers;
    d)   creditors;
    e)   none of the above.

3. The Hudson's Bay Ltd. is a company of which the shares have limited liability: this means that:

    a)   the dividend on the shares cannot rise above a certain amount;
    b)   the directors cannot be sued for their actions;
    c)   shareholders' losses are limited to the amount they paid for their shares;
    d)   the company cannot be declared bankrupt;
    e)   none, or all, of the above.

4. Which of the following three main activities is Hudson Bay Ltd. engaged in?
    a)   financing, investing, operating
    b)   cash, credit, noncash
    c)   financing, crediting, operating
    d)   financing, managing, operating
    e)   none of the above

5. Which of the following items will be found in Hudson's Bay's annual report?
    a)   management's report that the auditors are responsible for the financial statements
    b)   industry standards
    c)   notes to the financial statements
    d)   selected financial information from noncompetitor companies
    e)   none of the above

6. The purpose of the audit of the financial statements of the Hudson's Bay Ltd. is to increase:

    a)   the accounting equation;
    b)   the reliability of the financial statements;
    c)   the relevance of the financial statements;
    d)   the accounting concepts;
    e)   none of the above.

7. The current ratio of the Hudson's Bay Ltd for 2015 was (accurate to one decimal place):

    a)   4.2:1;
    b)   2.3:1;
    c)   1.3:1;
    d)   1.0:1;
    e)   none of the above.

8. The quick ratio of the Hudson's Bay Ltd. for 2015 was (accurate to one decimal place) (assume that prepayments are part of the "quick" assets):

    a)   4.2:1;
    b)   2.3:1;
    c)   1.3:1;
    d)   1.0:1;
    e)   none of the above.

9. Based on the current ratio and the quick ratio at 31st December 2015 Hudson's Bay Ltd. was:

    a)   so highly liquid that it was inefficient;
    b)   more or less normally liquid;
    c)   highly illiquid;
    d)   there is insufficient information;
    e)   none of the above.

10. The receivables collection period of Hudson's Bay Ltd. for 2015 was:

    a)   154 days;
    b)   45 days;
    c)   30 days;
    d)   27 days;
    e)   none of the above.

11. The operating income as % of total assets of Hudson's Bay Ltd. for 2015 was:

    a)   2.5%;
    b)   2.9%;
    c)   4.1%;
    d)   8.3%;
    e)   none of the above.

12. If you wanted to increase the operating income as % of total assets %, you could do so by:

    a)   borrowing more money;
    b)   issuing common shares;
    c)   paying a smaller dividend;
    d)   reducing the inventory;
    e)   none of the above.

13. The return on shareholders' investment for Hudson's Bay Ltd. for 2015 was:

    a)   2.5%;
    b)   2.9%;
    c)   4.1%;
    d)   8.3%;
    e)   none of the above.

14. If you were told that the dividend paid in 2015 was $ 38, the retained earnings balance of Hudson's Bay Ltd. as at 1st January 2015 would have been:

    a) $ 780;
    b) $ 669;
    c) $ 634:
    d) $ 558;
    e)   none of the above.

15. If you were told that Hudson's Bay Ltd. was going to issue a convertible debenture, carrying interest at 7%, and convertible into common shares of the company, your advice to an investor would be:
    a)   do not buy this debenture: the company already has too much debt;
    b)   do not buy this debenture: 7% is an unreasonably low return;
    c)   buy this debenture: the company is profitable and liquid;
    d)   buy this debenture: it gives a reasonable interest return as well as the possibility of a high return from the conversion into equity;
    e)   none of the above.

16. If you were told that the amortization expense for Hudson's Bay Ltd. for 2015was $202, your best estimate of cash flow from operations for 2015 would be:
   a) $ 192;
   b) $ 265;
   c) $1,920;
   d) $2,000;
   e)   none of the above.

Hudson's Bay Ltd' is thinking about adding a car tire depot to one of its stores. The tires would be sold for an average of $75 each. The tires would cost $30 each, and the variable costs of fitting the tires would be $20 each. Fixed costs would be $25,000 per month. Use this information to answer questions 17 – 22.

17. 17: Break-even for the tire depot would be:

   a)   1,000 tires per month;
   b)   1,400 tires per month;
   c)   1,500 tires per month;
   d)   2,000 tires per month;
   e)   none of the above.

18. 18: If they wanted to make a profit of $10,000 per month they would have to sell:

   a)   1,000 tires per month;
   b)   1,400 tires per month;
   c)   1,500 tires per month;
   d)   2,000 tires per month;
   e)   none of the above.

19. 19: They are forecasting to sell 1,500 tires per month. Their expected operating profit will be:

   a) $ 5,000;
   b) $10,000;
   c) $12,500;
   d) $25,000;
   e)   none of the above.

20. They are forecasting to sell 1,500 tires at a price of $75 each. If they reduce the price by $5 it is expected that sales will rise to 2,000 tires per month. The result of this decision would be to:

   a)   decrease operating profit by $5,000;
   b)   operating profit would stay the same;
   c)   operating profit would increase by $2,500;
   d)   operating profit would increase by $5,000;
   e)   none of the above.

21. AA Courier Company has offered to buy 1,000 tires at a price of $40. Hudson's Bay Ltd. would not have to fit these, so the $20 fitting cost would not apply. Hudson's Bay Ltd. would, however, have to pay $4,000 to deliver the tires. This order would have no effect on their other business. Should they accept the offer?

   a)   yes, it will increase operating profit by $6,000;
   b)   yes, it will increase operating profit by $4,000;
   c)   no, it will decrease operating profit by $25,000;
   d)   no, it will decrease operating profit by $19,000;
   e)   none of the above.

22. Courier Company has offered to buy 1,000 tires at a price of $40. Hudson's Bay Ltd. would not have to fit these, so the $20 fitting cost would not apply. They would, however, have to pay $4,000 to deliver the tires. This order would reduce their normal sales by 1,000 tires. Should they accept the offer?

   a) yes, it will increase operating profit by $6,000;
   b) yes, it will increase operating profit by $4,000;
   c) no, it will decrease operating profit by $25,000;
   d) no, it will decrease operating profit by $19,000;
   e) none of the above.

23. Suppose Hudson's Bay Co. Ltd had sales in recent years as follows:

   2010: $6,125;
   2011: $6,431;
   2012: $6,753;
   2013: $7,090;
   2014: $7,445;

Your best estimate of sales for 2015 would be:
   a) $7,445;
   b) $7,500;
   c) $7,800;
   d) $7,817;
   e)   none of the above.

24. Inventory as at 31st December 2015 for Hudson's Bay Co. Ltd was $1,489. If the cost of goods sold for year 2015 is expected to be $3,000, and they expect to reduce their inventory to $1,000 by 31st December 2015, the company's budgeted purchases of goods for resale would be:

   a) $4,000;
   b) $3,489;
   c) $3,000;
   d) $2,511;
   e)   none of the above.

25. At the Hudson Bay Co. Ltd. the cost of goods sold would be:

    a)   a fixed cost;
    b)   a variable cost;
    c)   a mixed cost;
    d)   all of the above;
    e)   none of the above.

26. At the Hudson Bay Co. Ltd. where wages are a regular hourly amount, the wage expense would be:

    a)   a fixed cost;
    b)   a variable cost;
    c)   a mixed cost;
    d)   all of the above;
    e)   none of the above.

27. At the Hudson Bay Co. Ltd. where wages are a combination of a regular hourly amount and a sales performance related bonus, the wage expense would be:

    a)   a fixed cost;
    b)   a variable cost;
    c)   a mixed cost;
    d)   all of the above;
    e)   none of the above.

28. At the Hudson Bay Co. Ltd. store rent of $25,000 per month would be:

    a)   a fixed cost because it does not change in response to changes in sales;
    b)   a variable cost, as the rent is paid every month, and the total rent expense varies in proportion to the number of months;
    c)   a mixed cost, as part of it is fixed and part varies with sales;
    d)   all of the above;
    e)   none of the above.

29. To assess customer profitability the Hudson's Bay Ltd. could use:

    a)   cost/volume/profit analysis;
    b)   budgeting and budgetary control;
    c)   cash flow analysis;
    d)   activity-based-costing;
    e)   none of the above.

30. Dividend policy refers to:

a)   the legal requirement to pay at least 50% of all net income as dividends;
b)   company decisions about raising capital as debt or as equity;
c)   the limited liability of common shareholders;
d)   decisions made by the company directors about the amount of dividends;
e)   none of the above.

31. Each of the following is a aspect of internal control except

a)   limited access to assets;
b)   independent internal verifications;
c)   authorization of transactions;
d)   adequate design of documents;
e)   none of the above.

32. Independent internal verification should be done only

a)   periodically or on a surprise basis;
b)   at the end of each accounting period;
c)   when theft is suspected;
d)   at the end of each month;
e)   none of the above.

Solutions to Multiple Choice Questions:

1.a) scorekeeping
2.a) shareholders
3.c) shareholders' losses are limited to the amount they paid for their shares
4.a) financing, investing, operating
5.c) notes to the financial statements
6.b) the reliability of the financial statements
7.b) 2.3:1 ($2546/$1,085=2.3:1)
8.d)1.0:1 ($2546-$1,489/$1,085=1:1
9.b) more less normally liquid (CR just over 2:1, QR =1:1=normal)
10.d)27 days ($561/($7,445/365)=27days
11.a02.5% ($186/$4,534=2.5%)
12.d) reducing the inventory (same profit, smaller asset base=higher return)
13.b)2.9% (%73/$2,529=2.9%)
14.c) $634 ($669 + $38-$73= $634)
15.d) buy this debenture: it gives a reasonable interest return as well as the possibility of a high return from the conversion into equity
16.b) $265 ($73+$192=$265)
17.a) 1,000 tires per month ($25,000/$25=1,000 tires)
18.b) 1400 tires per month ($25,000+$10,000)/$25=1,400
*19.c) $12,500 ($25*1,500=$37,500-$25,000=$12,500)*

20.c) operating profit would increase by $2,500
Old contribution margin =1,500 *425=$37,500
New contribution margin=2,000 *$20=$40,000
Increase is $ 2,500
21.a) yes, it will increase operating profit by $6, 000

Additional contribution margin = 1,000 * ($40-$30) = $10, 000
Less delivery cost: $4,000
Net increase in operating profit: $6,000

22.d) no, it will decrease operating profit by $19, 000

Additional contribution margin = 1,000 * ($40 - $30) = $10,000
Less delivery cost: ($ 4,000)
Less lost contribution margin on other sales: 1,000 * $25= ($25,000)
Net decrease in operating profit: $ 19,000

23.d) $7,817
24.d) $2,511;($3,000-$489=$2,511)
25.b) a variable cost
26.a) a fixed cost
27.c) a mixed cost
28.a) a fixed cost because it does not change in response to changes in sales
29.d) activity based-costing
30.d) decisions made by the company directors about the amount of dividend
31 d) adequate design of documents
32 a) periodically on a surprise basis

HUMAN RESOURCES MANAGEMENT

I. INTRODUCTION

This course examines the purpose and domain of the human resource management function in organizations. It stresses those skills and techniques used in the various activities within the human resources function, and relates them to the overall management of the organization.

II. COURSE OBJECTIVES

The primary objective of this course is to make the student 'literate' in the central issues and tasks of human resource management. This literacy includes understanding the relationship of the human resource function and the rest of the organization and the organization's external environment. It also involves acquisition of the concepts and terminology that provide the foundation for practice and for examining the behavioral implications of human resources decisions.

III. COURSE OUTLINE

> *Note: There are several appropriate texts available. The ones to which the outline is "keyed" are Canadian or 'Canadianized' and are recent editions. The suggested chapters illustrate how the texts might be used in teaching a course or the chapters that a student might use in independent study. Texts written for U.S. audiences* <u>need</u> *to be supplemented with Canadian material where legislation and/or regulation are important factors. The role of common law, legislation and regulation is important to many aspects of human resource management and should be clearly understood by students completing this course.* Any *text should be supplemented by information which is current and topical since this human resource management is a constantly changing field.*

Part I. <u>Introduction</u>

 A. Historical Development and 'Philosophy' of Human Resource Management
 B. The Legal Context for the Employment Relationship

Belcourt:	1
Dessler:	1, 2, 3
Schwind:	1, 4
Steen:	1, 2

Part II. <u>Meeting Human Resources Requirements: (1) Planning</u>

      A.   Job Analysis, Job Descriptions, Job Specifications
      B.   Human Resources Forecasting
      C.   Human Resource Information Systems

        Belcourt: 2, 3, 4
        Dessler: 4, 5
        Schwind: 2, 3
        Steen: 3, 4

Part III. <u>Meeting Human Resources Requirements: (2) Staffing</u>

  A.   Recruiting:
          sources, techniques
  B.   Selection concepts and techniques
          (including examination of interviewing, testing, and other widely
          used selection procedures).

        Belcourt: 5, 6
        Dessler: 6, 7
        Schwind: 5, 6
        Steen: 5

Part IV. <u>Meeting Human Resources Requirements: (3) Training and
        Development</u>

  A.   Training foundations:
          the learning process
  B.   Training cycle:
          needs analysis
          program design
          implementation
          evaluation
  C.   Development on the job:
          supervisor's role
          performance appraisal process
  D.   Development off the job:
          formal instruction
          career development

        Belcourt: 7, 8
        Dessler   8, 9, 10
        Schwind: 7, 8

Steen: 6, 7

Part V. <u>Compensation</u>

      A.   Pay structures:
                    job evaluation
                    linking 'external' and 'internal' labor markets
      B.   Pay for individuals:
                    the role of performance in determining pay
      C.   Indirect pay:
                    Benefits
                    Services
                    Deferred payments

            Belcourt: 9, 10, 11
            Dessler: 11, 12, 13
            Schwind: 9, 10
            Steen: 8

Part VI. <u>Employee Relations</u>

  A.   Employee Assistance
  B.   Discipline
  C.   Stress management
  D.   Accommodation of employee needs:
                    (Examples: flexible hours, job sharing, child care)

            Belcourt: 12, 13
            Dessler: 14, 15
            Schwind: 11, 12
            Steen: 11

Part VII. <u>Labor Relations</u>

  A.   Unions and the Labor Movement
  B.   Collective Bargaining
  C.   Contract Administration

            Belcourt: 14
            Dessler: 16
            Schwind: 13
            Steen   9

Belcourt: 15
DessleR: 17
Schwind: 14
Steen: 10

IV. **APPROVED TEXTS**

The texts listed below have been 'matched' to the topic outline, above. [They are listed alphabetically.] Other texts with similar coverage would also be appropriate. Specific reference through a course to the Canadian context is crucial to effective coverage of the course content. Case and experiential materials are widely available; some are included in most contemporary texts. Such material, or a conventional (but not Canadian) text can support a course which is similar in coverage to the outline above. This edition was not at hand when this course revision was being completed, but that text is appropriate to this course and should be considered along with the following.

Belcourt, Singh, Bohlander, and Snell. **Managing Human Resources,** Eighth Canadian Edition. Nelson, 2017. ['Belcourt' in the outline].

Dessler, Gary and Nita Chhinze. ***Human Resources Management in Canada***, Canadian 13th Edition. Pearson Education Canada, 2017. ['Dessler' in the outline].

Schwind, Das, Wager, Fassina and Bulnash. ***Canadian Human Resource Management* : A Strategic Approach,** 11th edition. McGraw-Hill Ryerson, 2016. ['Schwind' in the oultine].

Steen, Noe, Hollenback, Gerhart, and Wright. **hrm,** 4rd Canadian edition, McGraw-Hill Ryerson, 2016. ['Steen' in the outline].

Human Resources Management – Sample Questions

1. How should employers respond to the potential for substance abuse among their employees? Be sure to cover the legal, ethical, and health and safety issues, as well as any others you may see as being relevant.

2. How can an employer determine whether the recruiting and selection procedures being used to select employees are effective? Choose a particular occupation, as an example to illustrate your answer. Indicate the steps you would take, and explain your proposed course of action.

3. Senior executives of large corporations often receive large salaries, substantial bonuses, lucrative long term incentives, and a range or perquisites. What are the positive and negative affects of such practices on organizations? Explain your response carefully.

4. Assume that your are working in the HR function of an organization that has recently decided to hire directly from university into entry level sales and management positions. You have been asked to identify the basic orientation and career development needs of these new employees (the hiring departments will look after training for the job content of the initial position). What needs would you identify as being most important, and what kinds of HR initiatives would your recommend? Explain.

Human Resource Management – Sample Multiple Choice Questions
1. The contingent work force generally includes all of the following except:
   a. part-time workers
   b. employees working overtime
   c. workers on fixed term contracts
   d. all female employees
   e. all of the above

2. Turnover can be expensive. Which of the following are costs that should be included in estimating the cost of turnover?
   a. exit interviews and severance pay
   b. recruiting and selection costs for replacement employees
   c. training costs
   d. lost performance due to disruption and inexperienced employees
   e. all of the above

3. Job analysis is the basis for which of the following?
   a. job descriptions
   b. job specifications
   c. job evaluation
   d. training needs assessments
   e. all of the above

4. Selection procedures need to be both reliable and valid. Which of the following statements about reliability and validity is true?
   a. A selection procedure can be reliable without being valid.
   b. A selection procedure can be valid without being reliable.
   c. Validity and reliability are really two interchangeable terms for the same concept.
   d. A selection procedure must be valid in order to be reliable.
   e. None of the preceding four statements (a-d) are true.

5. If selection is the prediction of which applicants would be successful on the job, selection errors can be classified as either 'false positives' or 'false negatives'. Which of the following is true about false negative and false positive errors.
   a. Both are equally costly.
   b. Employers are generally much more aware of and sensitive to 'false negatives' than to 'false positives'.
   c. Employers are generally much more aware of and sensitive to 'false positives' than to 'false negatives'.
   d. Unless there is a real applicant shortage (a 'tight' labour market), employers would rather endure false positive errors than false negative errors.
   e. None of the above (a-d) are true.

6. Broad-banding refers to:
   a. compensation systems with relatively few (but broader) classes of employees, compared to tradition compensation structures.
   b. a recruiting strategy using multiple forms of media (newspaper ads, 'headhunters', etc.) to build a pool of applicants.
   c. a training regime in which employees are trained to do more than one job, to provide back-up flexibility.
   d. An illegal management practice designed to prevent union organizers from gaining access to employees.
   e. none of the above – the term has no particular HR meaning.

7. "Cafeteria benefits" are given that name because:
   a. they refer to subsidized meals provided by employers.
   b. they are generally inferior to standard benefits.
   c. they allow employees to choose their benefits rather than having a "fixed menu".
   d. they are available only for a limited period, and are cut off during the last few years before retirement age.
   e. they give workers the entire responsibility for choosing benefits without any help or guidance from the employer.

8. Compensable factors are central to:
   a. selection validity
   b. training needs analysis
   c. job evaluation
   d. job descriptions
   e. career planning

9. Discrimination in a selection or promotion decision:
   a. is an issue, but only because of the human rights legislation now in force.
   b. is always illegal.
   c. violates the law only if the basis for discrimination is gender or race.
   d. is unavoidable, and only is a legal problem if the basis for discrimination is on a legally prohibited attribute.

10. Employment Insurance ("EI")
    a. refers to a clause in a collective agreement requiring no layoffs during the term of the contract.
    b. is paid for by the employer, with no deductions from employee compensation.
    c. requires that an employee not sue his/her employer for job loss or layoff.
    d. was called "Unemployment Insurance" until the middle of the last decade.
    e. is the single largest expense among all forms of indirect compensation.

11. Material Safety Data Sheets
    a. have been replaced by WHMIS procedures.
    b. are one of the requirements of the WHMIS regime.
    c. have been shifted to internet access and are no longer required to physically accompany the materials they describe.
    d. deal with compressed gases and flammable/combustible material but not with other classes of hazardous materials.
    e. are quite limited in their usefulness.

12. Training and staffing
    a. are the primary HR activities that should be used to increase employee motivation.
    b. should be used in combination to assure the desired level and mix of employee capabilities.
    c. are really two words referring to the same set of activities.
    d. are much less important today than they were a generation ago.
    e. can be minimized through a teleconferencing program.

13. Which of the following is not an important element in the legal framework for employment?
    a. employment standards legislation.
    b. human rights codes
    c. Workers' Compensation laws
    d. The Charter of Rights and Freedoms
    e. All of the above are important elements in the legal frameword for employment.

14. Assessment centres are not widely used, although there are some situations in which they can be quite effective. Why are they not more widely used?
    a. It is difficult to determine the circumstances under which they will work.
    b. It is difficult to avoid the charge of illegal discrimination that poor assessments often attract.
    c. Assessment centres are relatively expensive and time-consuming.
    d. The validity of assessment centres is generally lower than the validity of common techniques such as the selection interview.
    e. Employees who are awarded a lesser raise than others find assessment centres highly inequitable.

15. "Outplacement programs"
    a. is simply another term for layoff.
    b. are expenses that can be avoided, with little risk to ongoing operations.
    c. emphasize both emotional support and practical assistance to people who have lost their jobs.
    d. are no longer as widely used as they were a generation ago.
    e. have replaced voluntary turnover as the most common form of employee separation

16. The most common reason organizations to initially adopt performance appraisal is to provide a basis for:
    a. career development
    b. training needs assessment
    c. pay-for-performance policies
    d. validation of selection procedures
    e. 360-degree appraisal regimes

17. The difference between training and development is that:
    a. training focuses on present jobs while development focuses on future jobs, as well.
    b. training tends to be individually focused while development includes a work group or organizational dimension.
    c. training emphasizes current skill requirements while development includes future needs as well.
    d. all of the above are true.

18. Employee Assistance Plans
    a. have generally been found to be cost-effective.
    b. provide a constructive response for employers when they are dealing with a troubled employee
    c. often have been precipitated by concerns with employee problems in the area of substance abuse (alcohol, in particular).
    d. provide a confidential resource for an employee who might otherwise be concerned about his/her difficulties becoming widely known in the organization and compromising their future.
    e. all of the above.

19. Which of the following should employers reject as a potential selection technique, based on current evidence?
    a. work sample
    b. structured interview
    c. aptitude test
    d. graphology
    e. assessment centre

Multiple choice solutions

1. *(E) All of the above*
2. *(E) All of the above*
3. *(E) All of the above*
4. *(A) A selection procedure can be reliable without being valid*
5. *(C) Employees are generally much more aware of and sensitive to false positives than to false negatives*
6. *(A) Compensation systems with relatively few classes of employees, compared to traditional compensation structures.*
7. *(C) They allow employees to choose their benefits rather than having a "fixed menu."*
8. *(C) Job Evaluation*
9. *(D) is unavoidable and only is a legal problem if the basics for discrimination is on a legally prohibited attribute.*
10. *(D) was called "Unemployment Insurance" until the middle of the last decade*
11. *(B) are one of the requirements of the WHMIS regime.*
12. *(B) should be used in combination to assure the desired level and mix of employee capabilities*
13. *(E) All of the above*
14. *(C) Assessment centres are relatively expensive and time consuming*
15. *(C) Emphasize both emotional support and practical assistance to people who have lost their jobs*
16. *(C) pay for performance policies*
17. *(D) all of the above are true*
18. *(E) all of the above*
19. *(D) graphology*

Human Resources Professionals Association

HUMAN RESOURCES PLANNING

I.   COURSE OBJECTIVES

The primary objective of this course is to provide an understanding of the essential elements of human resource planning (HRP) process in organizations. Students acquire knowledge in analyzing, assessing and programming for human resource requirements of organizational business plans and strategies. Quantitative as well as qualitative concepts, approaches and techniques are emphasized.

II.   COURSE OUTLINE

Topic 1.   Nature and Scope of HRP:
- Concept & Meaning of HRP
- Linkages with Business Planning & Strategies
- Benefits of HRP
- Elements & Process of HRP

Reading: Belcourt & McBey: Ch. 1 & 2

Topic 2.   Preparing for HR
- Job Analysis
- Environmental Scanning
- Information Technology

Reading: Belcourt & McBey: Ch. 3, & 8

Topic 3.   Assessing & Forecasting HR Requirements:
- Benefits of HR Forecasting
- Planning Horizon
- Qualitative and Quantitative Forecasting Methods
- Demand & Supply Side Forecasting
- Forecasting Net HR Requirements

Reading: Belcourt & McBey: Ch. 4, 5, & 6

Topic 4.   Succession Management:
        -Importance of Succession Management
        -Evolution of Succession Management
        -Succession Management Process
        - Employee Competencies, Training & Development
        - Career Planning

      Reading: Belcourt & McBey: Ch. 7

Topic 5.   Selected Strategic Options and Their HRP Implications:
        - Organizational Downsizing & Restructuring
        - Globalization of Operations
        - Mergers & Acquisitions
        - Outsourcing

      Reading: Belcourt & McBey: Ch. 9, 10, 11, 12, & 13

Topic 6.   HR Program Evaluation:
        - Importance of Evaluation
        - Criteria & Techniques of Evaluation
        - Cost-Benefit Assessments
        - Audits, Utility Analysis & Impact Studies
        - Client Satisfaction

      Reading: Belcourt & McBey: Ch. 14

III.   **BIBLIOGRAPHY**

A.   **Recommended Text**

Monica Belcourt & Kenneth McBey, Ying Hong, & Margaret Yap: *Strategic Human Resource Planning*, Thompson Nelson, Sixth Edition, 2016. (Belcourt & McBey)

B.   **Suggested Journals**

People & Strategy Journal (formerly *Human Resource Planning*), Human Resource Planning Society, New York.

Human Resources Planning – Sample Questions

Part A: Multiple Choice Questions

1. The business strategy type (according to Porter's model) used when a company provides a product or service at a lower price than the competition and appeals to a broad range of customers is known as the:
   a) broad differentiation strategy
   b) best service oriented strategy
   c) focused or market niche strategy
   d) low-cost provider strategy
   e) none of the above

2. The business and HR planning approach where employees are seen as a means to an end and where personnel needs are based on corporate needs, is described as:
   a) corporate strategy driving or leading HR strategy
   b) HR competencies leading to business strategy
   c) HR strategy contributing to business-level strategy and vice versa
   d) corporate strategy and business strategy are completely separate
   e) none of the above

3. An expert forecasting technique used in environmental scanning where individual ideas, round robin listing and ranking occurs is known as:
   a) Delphi Technique
   b) Impact Analysis
   c) Trend Analysis
   d) Nominal Group Technique
   e) Priority Ranking Method

4. Which is NOT one of the key elements of the 5C Model of HRM Impact?
   a) cost
   b) contribution
   c) critical incident
   d) compliance
   e) client satisfaction

5. An error of omission when a job description or specification fails to incorporate important aspects of the job required for success is called:
   a) contamination
   b) deficiency
   c) performance gap
   d) generalization
   e) omission

6. If companies wanted to develop candidate lists for future management positions by searching for current staff with appropriate qualifications, it would be necessary to have:
   a) a relational database
   b) a basic HRMS
   c) employee files
   d) a skills inventory
   e) a and d

7. Regression analysis may be used in HR forecasting. Another term for independent variable in such analysis is:
   a) target variable
   b) correlation
   c) causal variable
   d) linear relationship
   e) none of the above

8. The likelihood that an individual in a specific job will exhibit one of the five movement behaviours is known as:
   a) transitional probabilities
   b) chain effect
   c) Markov cell
   d) multiplier effect
   e) all of the above

9. In any downsizing initiative it is important to:
   a) attend to rumours
   b) provide survivors with available information on the downsizing
   c) make expectations clear
   d) allow time for grieving
   e) all of the above

10. Which of the following is NOT a reason why an organization may outsource?
    a) to improve employee morale
    b) to improve service levels
    c) to access specialized expertise
    d) to save money
    e) to control organizational politics

[Answers: 1d, 2a, 3d, 4c, 5b, 6e, 7c, 8a, 9e, 10a.**]**

Part B: Essay Questions

Question 1: Identify three ways in which HR Process can be linked business strategy.

Suggested Answer:

a) Start with business strategies and then create HR strategy.

- Corporate strategy drives HR strategy—personnel needs are derived from corporate plans.
- Resources are made to "fit" the corporate strategy. HR follows the corporate strategy.
- Employees are considered a means to an end, not part of the strategy formulation process.
- This is a traditional approach and tends to be used more by larger organizations.
-

b) Start with HR competencies and then craft corporate strategies based on these competencies.

- This view argues that organizations cannot implement a strategy if it does not the necessary human resources.
- This approach taps into employee capabilities to develop new products/services and/or enter new markets.
- Small size firms tend to favour this approach. Workforce diversity management also builds on this approach.

c) Do a combination of both in a form of reciprocal relationship.

- HR strategy contributes to business-level strategy and vice versa.
- Senior HR executives are asked to provide input into strategic plans based on HR strengths and weaknesses.
- In this concurrent/reciprocal approach, HR becomes a full partner in the strategy formulation process.

Question 2:   What is succession management? Discuss its main benefits to the organization.

Suggested Answer:

Succession management refers to the process of identifying employees who have the potential to assume key positions in the organization and preparing them for these positions. The identification of talent is always paired with ongoing programs to develop that talent. Some of the benefits of succession management include:

- It enables the organization to respond appropriately and stay on track when inevitable changes occur.
- It provides for continuity and future direction in the midst of significant change.
- Employees are positively motivated when succession planning takes into account their performance potential and career aspirations.
- It supports new organizational structures and flexibility by explicitly providing back-ups for various positions, thereby reducing organizational dependency on one employee.
- It saves time and money by having plans in place to enable smooth transition of employees.

LABOUR RELATIONS

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REQUIRED TEXTBOOK

Larry Suffield and Gary L. Gannon, 4th. edition, Pearson Canada (only use the fourth edition) ISBN 978-0-13-359367-9

PART A: _AN INTRODUCTION TO INDUSTRIAL RELATIONS AND COLLECTIVE BARGAINING_

Required reading is Sheffied and Gannon, 4th. edition only, noted above, **Chapters 1 through 12 inclusive** covering all areas of Labour Relations including but not limited to public sector labour relations, collective bargaining, the environment, contract dispute resolution, union and management objectives, administration of the collective agreement, labour history and its impact on labour relations etc.. With the growing importance of public sector labour relations and collective bargaining a particular emphasis is placed on these areas.

Please note that you should review the current HRPA Human Resources Professionals Competency Framework available on line to be clear what competency areas are covered in each chapter. All competency areas are noted below beside each chapter for your convenience.

Here are the HRPA Competency Framework definitions for your reference when studying. For a complete listing visit the current HRPA web site:

*An asterisk is used to denote a competency that appears more than once.

LABOUR AND EMPLOYEE RELATIONS STRATEGIES

C120 Evaluate the risks associated with alternative labour and employee relations strategies.

C121 Evaluate the costs associated with alternative labour and employee relations strategies.

C122 Evaluate the benefits associated with alternative labour and employee relations strategies.

C123 Formulate alternative labour and employee relations strategies to achieve business objectives.

C124 Analyze the overall strengths and weaknesses of alternative labour and employee relations strategies.

C125 Recommend optimal labour and employee relations strategies.

NEGOTIATION

C001 Maintain awareness of broad economic, societal, technological, political, global, and demographic trends.

C126 Formulate negotiation strategies that take into consideration variables within and outside the organization.

C127 Negotiate to resolve labour and employee disputes.

C128 Participate in mediation processes in an effective and balanced manner.

C129 Participate effectively in or facilitate arbitration proceedings.

REPRESENTING INDIVIDUALS AND ORGANIZATIONS BEFORE TRIBUNALS

C133 Manage cases appearing before tribunals.

C134 Provide advice to individuals and organizations appearing before HR-related tribunals.

C001* Maintain awareness of broad economic, societal, technological, political, global, and demographic trends.

C002* Identify HR opportunities and risks inherent in changes in economic, societal, technological, political, and demographic forces.

C003 Formulate HR strategies within the organization that are informed by factors that are both internal and external to the organization.

C004 Execute HR strategies that enhance the value of the human resources within the organization.

GOVERNANCE PRINCIPLES

C005 Maintain awareness of leading practices in governance.

C006 Understand the relationship between governance and the execution of strategy within the organization.

C008 Adhere to governance requirements in the execution of HR strategies.

LEADERSHIP

C009 Maintain understanding of the roles and responsibilities of the governing body and leadership.

C010 Maintain understanding of the relationships between the organization and its stakeholders.

C011 Lead the organization's HR function with due consideration for the roles and responsibilities of leadership and the governing body.

C012 Provide leadership to the staff in the HR department.

C013 Direct HR activities towards the implementation of the business plan.

C014* Manage risk in the execution of HR activities.

BUSINESS ACUMEN

C015* Maintain understanding of the organization's vision, mission, values, and goals.

C016 Apply sound business practices in carrying out the HR function.

C017 Participate with other business leaders in the development of organizational strategy.

C018 Direct the HR function towards realizing the organization's vision and goals.

C019* Adhere to the organization's values while carrying out its mission.

STRATEGIC ALIGNMENT

C020 Gain comprehensive understanding of the organization's strategic plan.

C021 Assess variances between current HR practices and those required to achieve the organization's strategic plan.

C022 Develop potential tactics to achieve desired HR practices.

C023 Evaluate the relative efficacy of alternative tactical options.

C024 Establish a work plan that prioritizes the most effective steps to achieve the desired HR practices.

C025 Manage the HR practices work plan, ensuring that the strategic goals of the organization form the benchmark for success.

INTERNATIONAL HUMAN RESOURCES MANAGEMENT

C026 Integrate direction from a foreign head office into the context of Canadian operations.

C026b Apply practices from Canadian head office into the operations of a foreign field office.

C027 Develop an overall HR strategy that can be adapted to various national contexts.

BALANCED INTERESTS

C028 Build productive relationships both inside and outside the organization.

C029 Adhere to accepted HR standards of practice.

C030* Balance the interests of all affected parties in carrying out HR activities.

C031 Act with integrity in all undertakings.

C032 Make decisions only after considering all accessible and relevant facts.

ETHICS

C033 Adhere to the HRPA Rules of Professional Conduct in all undertakings.

C034 Model ethical practices for staff.

C030* Balance the interests of all affected parties in carrying out HR activities.

LEGAL

C035 Demonstrate understanding of the application of HR legal requirements in the workplace.

C036 Keep current on changes to the laws that govern HR practices.

C037 Adhere to legal requirements in carrying out all HR activities.

C038 Identify risks to the organization stemming from the need to adhere to legal requirements.

C014* Manage risk in the execution of HR activities.

RESPONSIBLE GOVERNANCE

C039 Assess the ethical implications of alternative courses of actions.

C040 Recommend only ethical solutions to problems.

C041 Promote ethical decision-making to the organization's leadership.

C014* Manage risk in the execution of HR activities.

C007* Include governance considerations in the development of HR strategies.

ADVANCEMENT OF THE PROFESSION

C042 Participate in activities that promote the HR profession.

C043 Promote the value of the HR profession in the workplace.

EVIDENCE-BASED APPROACH

C044 Consult the literature for solutions to HR challenges.

C045 Promote the use of data and quantitative and qualitative research in the decision-making process.

C046 Document the rationale for HR decisions.

EXTERNAL TRENDS

C047 Evaluate the credibility of sources of information.

C048 Keep current on business information and trends.

C001*   Maintain awareness of broad economic, societal, technological, political, global, and demographic trends.

C002* Identify HR opportunities and risks inherent in changes in economic, societal, technological, political, and demographic forces.

C049 Evaluate the applicability of new concepts and technology to the practice of HR within the organization.

<u>Here is a breakdown of the relevant study areas:</u>

<u>Chapter 1 – Introduction to Labour Relations, pages 1 to 16</u>

HRPA Human Resources Professionals Competency Framework Competency Framework COO1, C002, CO10, CO18, CO30, CO35, C111, C112

<u>2 - The Environment, pages 17 to 42</u>

HRPA Competency Framework CO1, CO2, CO37 and CO48

<u>Chapter 3 - Unions: Objectives, Processes, Structure, and History, pages 43 to 71</u>

HRPA Competency Framework CO10, CO28, C117, C125

<u>Chapter 4 – Employers: Objectives, Processes, and Strategy, pages 72 to 85</u>

HRPA Competency Framework C101, C114, C123, C194

<u>Chapter 5 – Governments, Labour Relations Boards, and Other Parties, pages 86 to 95</u>

HRPA Competency Framework CO35, CO36, CO37, CO38, C112, C116, C117, C119, C120, C122, C125

<u>Chapter 6 - Collective Bargaining Rights, pages 96 to 144</u>

HRPA Competency Framework CO10, CO12, CO13, CO14, CO16, CO21, CO24, CO29, CO31, C112, C113, C114, C115, C117, C119, C120, C121, C122, C123, C124, C125, C128, C133, C134

<u>Chapter 7 – The Collective Agreement, pages 145 to 182</u>

HRPA Competency Framework C016, CO19, CO21, CO36, CO37, CO38, C116

<u>Chapter 8 - Negotiation of the Collective Agreement, pages 183 to 209</u>

HRPA Competency Framework CO13, CO18, CO22, C114, C116, C117, C120, C121, C122, C123, C124, C125, C126

<u>Chapter 9 - Administration of the Collective Agreement, pages 210 to 244</u>

HRPA Competency Framework C113, C116, C117, C118, C119, C120, C121, C122, C123, C124, C125, C126, C127, C128, C129, C130, C131, C132

Chapter 10 - Contract Dispute Resolution, Strikes, and Lockouts, pages 245 to 273

HRPA Competency Framework CO10, CO18, CO22, CO28, CO29, CO30, CO31, CO32, CO37, CO38, C115, C116, C117, C119, C120, C121, C122, C124, C126, C127, C128

Chapter 11 - Public Sector Labour Relations, pages 274 to 288

HRPA Competency Framework C001, COO2, C003, C004, C010, C030, C035, C036, CO37, CO38, C116, C117

Chapter 12 - Effects of Unionization and Employee Relations Programs, pages 289 to 309

HRPA Competency Framework C030, CO56, CO57, CO58, CO79, C111, C112, C113, C114, C115, C118

PART B: *COLLECTIVE BARGAINING - INSTITUTIONS, ISSUES, AND PROCESSES*

While not as much emphasis is placed on this in the examination, it is useful to review the current Ontario Labour Relations Act, available on line at the Ontario Ministry of Labour web site, which outlines the full Act with the processes for union organizing, negotiation of a collective agreement and the administration of collective agreements including grievances and arbitrations outlined.

	TOPIC	CONTENT	REQUIRED READINGS	
1	Rights and Responsibilities	Union practices, union organization and certification	Ontario Labour Relations Act L.2(5)-(13), L.2(57)-(84)	
2	Negotiation of a Collective Agreement	Contract negotiation, understanding the content of a collective agreement and some possible outcomes – strike, lockout	Ontario Labour Relations Act - Sections L.2 (14) – (48), L.2 (139) - (155)	
3	Administering the Collective Agreement	Administering the collective Agreement.	Ontario Labour Relations Act - Sections L.2 (49) – (56)	

Please note the following are simply sample questions to give you an idea of what sorts of questions will be on the exam. The questions you will receive will no doubt be different from these! Please note that as of spring 2016 the examination <u>will not have true/false but consist only of multiple choice questions.</u>

1. 1. A union has been certified to represent the production employees of Company A. Which of the following is correct?
   a. The next step in the process is a voluntary recognition agreement.
   b. The employer may choose to bargain with the union.
   c. Individual employees can continue to negotiate with the employer until a collective agreement is signed.
   d. The union is now the exclusive bargaining agent for employees in the bargaining unit.

Answer: d

2. When a union applies to the Labour Relations Board for certification it must establish:
   a. it is a trade union as defined in labour relations legislation
   b. it is part of a national or international union
   c. a and b
   d. it has the approval of the employer

Answer: a

3. Which of the following is correct?
   a. All workers, including independent contractors, can unionize.
   b. All workers who are not independent contractors can unionize.
   c. All employees can unionize.
   d. Most non-managerial employees can unionize.

Answer: d

4. Dependent contract provisions in the labour relations legislation of some jurisdictions provides that:
   a. independent contractors can unionize
   b. the definition of an employee is broadened to include dependent contractors
   c. individuals who use their own tools can unionize
   d. individuals who are economically independent of their employer can unionize

Answer: b

5. Which of the following are not allowed to join or form a union?
   a. lead hands
   b. managers
   c. persons who work with confidential labour relations information
   d. b and c

Answer: d

1. List the five (5) components of the framework for labour relations. Each framework component is worth one (1) mark for a total of 5 marks.

Answer: The five elements of the framework which need to be identified are:

1) **the environment**

2) **the actors: employers, unions and government**

3) **processes the parties engage in**

4) **outputs**

5) **feedback**

2. Explain the meaning and importance of contracting out. Describe the relevant labour law relating to this issue and its implications for unions and employers negotiating a collective agreement.

Contracting Out means taking the current or future work of the bargaining unit and contracting that out to a third party, usually non-union, who will perform that work. Unions see this as a real threat to their continued existence and financial viability. In Ontario there is nothing in the Ontario Labour Relations Act which forbids this practice and it is a negotiated item in collective bargaining negotiations which many Unions fight for very hard. Unions want to eliminate or greatly restrict the ability of employers to contract out while employers, in some cases, see the ability to contract out to lower wage areas as essential to their continued viability.

Please bring a lead pencil to the exam as you will be answering all Multiple Choice questions on a Scantron provided by HRPA staff. Also please bring a ball point pen to answer all critical thinking questions in the exam booklet provided.

OCCUPATIONAL HEALTH AND SAFETY

COURSE OBJECTIVES

Since many Human Resources Professionals will work in a Company HR department that will oversee the Occupational Health and Safety function, it is imperative and hence a major objective of this course to introduce Human Resources Professionals to this broad and ever changing field. Occupational Health and Safety, is an inherently technical subject far broader than legislation only. The multiple dimensions of the various issues – technical, legislative, political and personal – are a required part of the training for a professional in this field or for someone who is involved with this kind of operation – for example dealing with consultants, or the Joint Health and Safety Committee. Occupational Health (or Hygiene) cannot be separated from Occupational Safety because of the overlapping requirements and because the well-being of the worker must be first and foremost.

COURSE OUTLINE

This course of study has been arranged in four separate parts as they concern the HR practitioner. Within each section a series of topics will be examined, supported by readings from the HRPAO text and other references of interest in particular the relative legislation. The HRPAO text and the various other reference materials would constitute a valuable subject library for the practitioner.

CHAPTER 1   Introduction

> Occupational Health and Safety issues impact everyone whether at work or at home. The importance of Occupational Health and Safety is reflected in many areas – economic, legal, technical and moral. The players or stakeholders – employers, workers, unions, media, the professionals and governments – reflect the importance and philosophy of health and safety and of worker well-being. This chapter defines Occupational Health and Safety, and the role Human Resources plays defining safety as a People issue, Legislative compliance, benefits of decreasing costs, and overall Human Resources functions associated to safety.
>
> Reading: chapter 1

CHAPTER 2 <u>Occupational Health and Safety Legislation</u>

Every facet of today's workplace is affected by many pieces of legislation – OH&S Act, Workplace Safety and Insurance Act, Environmental Acts, etc. – and regulations which are constantly changing. Most legislation is far-reaching and is as strong or weak as business and governments wish. This chapter defines the scope of Occupational Health and Safety legislation, defining the responsibilities for Managers, Contractors, Supervisors and Employees as listed in the Occupational Health and Safety Act. It also reveals the law in the Act on Work Refusals and Work Stoppages and defines the process. This chapter also illustrates the role of the Joint Health and Safety Committees and the importance of WHMIS and details on Material Safety Data Sheets

Occupational Health and Safety Act of Ontario – Pocket Guide
- history – what is it? who is covered? why there are requirements? how is it used?
- duties of employers – sections 25, 26
- due diligence – sections 25(2)(h), 27(2)(c)
- duties of owners – sections 29, 30, 31, 32
- duties of workers – section 28
- duties of supervisors – section 27
- duties of Joint Health and Safety committees – sections 8,9
- work refusals – section 43
- bilateral work stoppage – section 45
- unilateral work stoppage – section 47
- dangerous circumstances – section 44
- duties of certified members – sections 45 – 49
- reprisals – section 50
- designated substances – ONT REG 835 – 846 , RRO 1999, page D2
- critical injury – ON Reg. 834, page R27

Reading: chapter 2
             Occupational Health and Safety Act for Industrial
             Establishments 1997 or later issue, sections as noted.

Workplace Hazardous Materials Information System (WHMIS)
- history – what is it? what is covered? who is involved? how used? why is it there?
- material safety data sheets (MSDS) – sections 17,18; text pages 31 - 33
- labels – sections 8 – 16; text pages 27 - 29

- controlled products – section 1(1), 3(3)
- training – sections 6,7
- toxic materials inventory – OH&S Act section 36
- physical agents – OH&S Act section 41
- public right to know – OH&S Act section 38(2)
- duties of an employer – OH&S Act sections 37, 38(1), 38(5), 38(6), 39.

Reading: chapter 2
            Ontario regulation 644/88, 1996 or later issue
            Occupational Health and Safety Act for Industrial
            Establishments1997 or later issue, sections as noted.

Workplace Safety and Insurance Act
- history – what is it? how used? why is it there?
  who is covered
- assessment methods – schedule 1, schedule 2, Workwell,
  NEER –ON Reg. 175/98, section 18
- duties of an injured worker
- duties of employers – forms 7, 8, 9, etc. – sections 21 – 23, 67
  - 87
- office of the Worker Advisor – section 176
- office of the Employer Advisor – section 176
- first aid regulations and requirements – Reg.1101, page R11
- appeals – WCAT, adjudication process – sections 118 – 134,
  173 - 175
- rehabilitation – sections 40 - 42
- return to work – sections 40 - 42
- Appendix: frequency and severity; text pages 57 – 58
  Optional.

Reading: chapter 3
            Workplace Safety and Insurance Act of Ontario, 1998

CHAPTER 3 Workers' Compensation

This chapter outlines the Workers Compensation Act, provides its historical roots as well as its social responsibility to the public as well as administrative responsibility. It also outlines the compensation methods and rates and outlines the calculation of Frequency and Severity rates for determining risk in an organization. It also clearly defines the reporting requirements.

CHAPTER 4 <u>Hazards & Agents-Hazard Recognition, Risk Assessment and Control</u>

Occupational Health and Safety is by its very nature a technical subject. While much of the "heavy" material can be dealt with superficially, the general material must be learned and understood.

Hazardous Recognition Assessment and Control (R.A.C.) Identifying Risks and providing a rating formula that will calculate probability and risk rating. $R = P \times C$

Precontact Control

- methods of control
- costs – direct, indirect, and "iceberg" analogy
- sources of hazards
- analysis – applied energies – mechanical, thermal, electrical, etc.
- risk assessment – Domino theory
- risk evaluation
- sources of hazards – human, situational, environmental
- workplace inspections
- emergency planning, manager
- evacuation planning
- medical and other support
- fire prevention and suppression
- risk evaluation
- reports and audits
- source – path – human analysis
- confined space , lockout, guarding
- physical injuries
- repetitive strain injuries
- workplace design
- lifting – lower back trauma
- fault tree described

Contact Control- Identifying ways in which a hazardous situation can be prevented from becoming worse and harming workers.
Post contact Control – Putting in place medical and clean up operations and ensuring that the event cannot be repeated. Controls can include Engineering, Administrative, PPE

CHAPTER 5 <u>Physical Agents</u>

This chapter addresses the following topics:

<u>Physical Agents</u>

- noise
- vibration
- thermal stress
- radiation – ionizing and non-ionizing – an overview
- evaluation and control
- personal protective equipment (ppe)

Appendix: noise level calculations - optional

CHAPTER 6   <u>Chemical and Biological Agents</u>

- introduction
- toxicology – an overview
- solvents – an overview
- designated substances
- health effects – routes of entry, respirable contaminants (aerosols)
- measurement and evaluation of airborne contaminants
- dealing with TLVs and TWAs
- biological agents – chain of infection
- administrative and engineering controls
- work practices
- personal protective equipment (ppe)
- medical surveillance
- Control of Exposures

CHAPTER 7   <u>Psychosocial Hazards</u>

Defining stressors- Objectively verifiable event that occurs outside the   individual that has the potential to cause stress. Defines Stressors in the workplace-Workload, role stressors, career concerns, work scheduling, interpersonal relations, job content and control.

- Definition of Stress how to cope with it- Stress moderators and personality types.
- Strain, different types of strain- Psychological, Physical, Behavioral, Organizational
- Managing Psychosocial hazards

- Primary and Secondary interventions

CHAPTER 8   <u>Workplace Violence</u>

This chapter defines workplace violence and provides North American Data on workplace violence.
- Defines sources of workplace violence
- Review the 4 types of violence
- Risk Factor for workplace Aggression
- Occupational Risk Factors
- Prevention
- Sexual Harassment

CHAPTER 9   <u>Training</u>

- The role of Occupational Health and Safety Training- the basic rights of employees, The Right to Know, The Right to Participate, The Right to refuse unsafe work.
- Health and Safety Training Programs- Instructional Systems Design Model (ISD)-<u>Needs</u> Analysis, Training Design and Delivery, Training Evaluation
- Common Safety Training Initiatives

CHAPTER 10   <u>Motivation</u>

- Defining safety behaviours-behaviours leading to safe performance of a particular job.
- Identifying health and safety programs- Engineering Interventions, Administrative Interventions and Behavioural Interventions.
- Evaluating safety performance, Safety Performance = Ability X Motivatio x Opportunity
- Motivating Safety Behaviour- Reinforcement Theory, Goal Setting, Self Determination Theory.
- Defining Safety Leadership

CHAPTER 11   <u>Emergency Planning</u>

Defining Emergency and how companies can be prepared.
- Pre- Contact (Emergency Plan, Evaluation, Notification of authorities, supplies, drills, Emergency Manager), Contact

Control (Fire prevention and suppression, First Aid), Post Contact (Dealing with stress, having a plan to get back to normal).

CHAPTER 12   Incident Investigation

- Determining the benefits of accident investigation
- Critical factors in the investigation process – Timing, Severity, Legal Requirements.
- Types of forms used and the information required to be collected.
- Investigation Methods
- Reporting

CHPATER 13   Disability Management and Return to Work

- Goals of Disability Management Programs
- Best Practices in Disability Management
- Barriers to Return to Work
- Stakeholders

CHAPTER 14   Workplace Wellness: Work Family and Health Promotion Programs

This chapter focuses on healthy workplaces, describes the goals of worksite health promotion programs and family friendly policies to motivate workers and avoid stress. This chapter also discusses the importance of these programs as well as the effectiveness.

BIBLOGRAPHY

Recommended Text:
E. Kevin Kelloway, Lori Francis
Management of Occupational Health and Safety, 6th ed., Nelson Canada series in Human Resource Management,
 ISBN: 0-17-653216-1

Occupational Health and Safety Act of Ontario, RSO 1990 with regulation 851 for Industrial Establishments, 1997 issue or later.

Workplace Hazardous Materials Information System, Ontario regulation 644/88, 1995 issue or later

Occupational Health and Safety – Sample Questions

Multiple Choice:

Only one response is correct (1 point for each)

1.1 How often does a Material Safety Data Sheet need to be updated:
   ( ) 1 year
   ( ) 2 years
   ( ) 3 years
   ( ) 4 years

1.2 One of the first society indications of awareness of Occupational Health and Safety issues such as silicosis, coal dust inhalation, mercury poisoning or copper induced skin problems , was with :

   ( ) mediaeval iron workers
   ( ) 19th century doctors
   ( ) ancient Egyptians
   ( ) Victorian chimney sweeps

1.3 In Canada, the authority for health and safety programs in the workplace rests with :

   ( ) the employer
   ( ) the workers
   ( ) the Unions
   ( ) all of the above

1.4 Under the Workplace Safety and Insurance Act of Ontario, the employer is obligated to return an injured worker to "suitable employment" after being determined to be "medically fit" until the earliest of :

   ( ) the date on which the worker reaches 60 years of age
   ( ) when the employer has the original job available
   ( ) the second anniversary of the date of the injury
   ( ) one year after being declared medically fit and all rehabilitation is complete

1.5 A constructor or employer who received recommendations from a Joint Health and Safety Committee shall respond within:

( ) a reasonable length of time
( ) 15 days
( ) as agreed to by the JH & SC and the employer
( ) 21 days

1.6 An accident is defined under Workplace Safety and Insurance Act (WSIA) as:

( ) an event resulting from direct contact with some form of energy
( ) any condition that has the potential to cause an injury
( ) a chance event occasioned by a physical or natural cause
( ) any physical or mental trauma experienced by a human being

1.7 A fork truck with poor brakes would be referred to as:

( ) a hazard
( ) an event
( ) an incident
( ) an accident

1.8 The identification of hazards examiners three areas of analysis : human factors, situational factors, and environmental factors. Which of the following is a situational factor?

( ) failure to use personal protective equipment
( ) improper room illumination
( ) loud noise
( ) use of defective equipment

1.9 Contact control involves:

( ) safety awareness
( ) lockout procedures
( ) turn off or reduce the sources of energy
( ) keep unauthorized people out of the area

1.10 Accident investigation, as with hazard identification, involves three major factor groups-human, situational, and environmental. Which is the human factor?

( ) what tools were involved in the accident?
( ) did the sun glare contribute to the accident?
( ) what the sequence of acts leading to the accident?
( ) what personal protective equipment was being used?

1.11 A class C fire extinguisher is identified by:

   ( ) a green triangle
   ( ) a red square
   ( ) a blue circle
   ( ) a yellow star

1.12 A fire plan like an emergency plan has certain basic requirements, such as:

   ( ) making sure that the employees attempt to extinguish the fire if
        they can
   ( ) making sure that workers receive training in firefighting techniques
   ( ) making sure that employees take personal tools when evacuating a fire
   ( ) making sure that workers stay around to help the fire department

1.13 The time weighted average (TWA) is:

   ( ) the toxic concentration recorded by law that limits human exposure
   ( ) the toxic concentration which can be exceeded from time to time
        under specific conditions
   ( ) the toxic concentration measured or calculated that a human is exposed to
   ( ) the toxic concentration which cannot be exceeded under any
        conditions

1.14 X-Rays which are caused by an electro-magnetic source like a TV set is considered
      to be:

   ( ) natural radiation
   ( ) nuclear radiation
   ( ) ionizing radiation
   ( ) non-ionizing radiation

1.15 A type of repetitive strain injury is:

   ( ) curler's knee
   ( ) writer's cramp
   ( ) tennis spectators eye
   ( ) Glucoma

1.16   The some of the objectives of an OH & S programs are:

( ) program support of all stakeholders
( ) educate workers to recognize hazards
( ) improve level of understanding about the connection between safety,
      productivity, quality, cost
( ) all of the above

1.17   An example of an engineering control would be:

( ) replace a chemical with a less toxic one
( ) revise the training protocols
( ) advise the JH &SC of any hazards
( ) encourage worker physical fitness

2.0 Short Response Questions:

2.1 The Workplace Hazard Materials Information System(WHMIS) requires a company to ensure, among other things, that every toxic material has a current Material Safety Data Sheet. The MSDS form contains 9 separate sections. Name any five of these sections and briefly describe their respective purpose.

2.2 When investigating an accident or incident the accident type is used to categorize the nature of the accident or incident, such as caught in or between. Name and give an example of five other types.

2.3 List the routes of entry available for toxic materials to enter the human body.

2.4 List at least 5 duties of the Joint Health and Safety Committee.

2.5 List at least four of the strategies with which an organization can manage disability and reduce the period of compensation claims.

2.6 Describe the Work Refusal Process from the employers perspective and the employee's

Solutions Occupational Health and Safety

Multiple Choice

1.1   every 15 seconds
1.2   ancient Egyptians
1.3   Employer
1.4   The second anniversary of the date of the injury

1.5   21 days
1.6   a chance event occasioned by a physical or natural cause
1.7   A hazard
1.8   Improper room illumination
1.9   Turn off or reduce the sources of energy
1.10   What the sequence of acts leading to the accident
1.11   A blue circle
1.12   Making sure that the workers receive training in fire fighting techniques
1.13   The toxic concentration measured or calculated that a human is exposed to
1.14   Ionizing radiation
1.15   Writer's cramp
1.16   All of the above
1.17   Replace a chemical with a less toxic one

Short Responses-Solutions

2.1 The following are the nine sections of the Material Safety Data Sheet

1. Product Information-including name, address, phone numbers of the supplier/manufacturer and the product identifier and use.
2. A hazardous ingredients list including all controlled substances in the product and their concentrations. The list generally includes the Chemical Abstract number: the allowable concentration limits, known as Threshold Limits Value, set by the American Council of Government Industrial Hygienists, and the lethal does range tested for a specific animal production.
3. Physical data including information on appearance, odour, density, boiling point, corrosiveness etc.
4. Fire and explosive and information including data on flammability of the hazardous ingredients.
5. Reactivity information outlining the conditions under which the material may react with other chemicals or materials. This section will also identify the hazardous products produces by decomposition in a fire situation.
6. Toxicological data including all available information on the possible health effects due to chronic or acute exposure.
7. Preventative measures to be used while dealing with the product, including information on personal protective equipment, ventilation requirements, storage, handling, and waste disposal.
8. First-aid measures providing specific recommendations for treatment for exposure to the material.
9. Preparation information including the name of the person(s) who prepared the MSDS, a phone # for contact, and the date of the issue of the MSDS.

2.2 Accident Types

1. Caught in or between (e.g. crushed between two moving machines)
2. Struck by (impact or blow to the body by an object)
3. Struck against (walking into a door)
4. Fall to the same level (tripping on a level walkway)
5. Fall to a lower level (falling off a ladder)
6. Fall to a higher level (tripping while walking on the steps)
7. Abraded, scratched, or punctured (an injury such as hitting the face when falling)
8. Overexertion (sprains, strains, etc, caused by a greater-than-average effort)
9. Contact with an energy (mechanical, kinetic, electrical, chemical, thermal, gravity or radiation)

2.3 Routes of entry for toxic materials to enter the body

1. Respiration (inhalation)
2. Ingestion (entry through mouth and digestive system)
3. Skin Absorption
4. Penetration (direct contact) or puncture

2.4 Duties of the Joint Health and Safety Committee

1. Identify situations that may be sources of danger or hazard to workers
2. Make recommendations to the constructor or employer and the workers for the improvement of the health and safety workers
3. Recommend to the constructor or employer and the workers the establishment, maintenance and monitoring or program measures and procedures respecting the health or safety of workers
4. Obtain information from the constructor or employer respecting
    A) the identification of potential or existing hazards of materials, processes or equipment and
    B) health and safety experience and work practices and standards in similar or other industries of which the constructor or employer has knowledge
5. Obtain information from the constructor or employer concerning the conducting or taking of
    Tests or any equipment, machine, device, article, thing, material or biological, chemical or physical agent in or about a workplace for the purpose of occupational health and safety
6. Be consulted about, and have a designated members representing workers, be present at the
    Beginning of, testing referred to in clause E conducted in or about the workplace if the designated member believes his or her presence is required to ensure that valid testing procedures are used or to ensure that the test results are valid.
7. The members of the committee who represent workers shall designate one of them who are entitled to be present at the beginning of testing.

2.5 Strategies for managing disability

1. Create and run an effective corporate culture that values employees and establishes them as an integral part of the workforce.
2. Ensure senior management support.
3. Intervene early and regularly.
4. Develop case management capacities.
5. Create modified and light duty jobs to allow an early return to work.
6. Train supervision to encourage and facilitate
7. Create data systems.

ORGANIZATIONAL BEHAVIOUR

I. INTRODUCTION

Any human enterprised involving more than one person requires that the objectives being pursued be achieved with and through other people. It is rarely possible, much less practical, for one person to do everything; others must be involved. For this reason, a crucial part of a managers education is learning how to work effectively with and through others. The entire specialized field of human resources management is devoted exclusively to the study of what policies and practices best create an organizational setting in which the members are able and committed to making their best contributions.

Human resource specialists need a basic understanding of organizational behaviour both to assess the likely impact of human resources policies and practices, and to understand how the process of human resource management meshes with the broader management function.

Organizational behaviour examines what influences employee behaviour, both factors internal to the person and factors that are created by the organizational setting. It draws from many behavioural and social sciences. This course provides an overview of these influences on employee behaviour, paying particular attention to those behaviours which management can influence in their efforts to achieve organizational obejctives.

Traditionally, organizational behaviour (OB) is divided into 'micro' OB which focuses on the behaviour of individuals and small groups and 'macro' OB which deals with the whole organization (or major units in the organization) and the organization's relations with its environment. This distinction between micro OB and macro OB is reflected in the topics in this course, but is more a way of organizing the discussion than a description of separate and unrelated topics. Students should quickly realize that most practical management decisions and initiatives require inclusion of both micro and macro perspectives in order to have a complete 'frame' for the issues being considered.

II. COURSE OBJECTIVES

This course will provide the student with a thorough introduction to the applied discipline of organizational behaviour. The student will gain a fundamental understanding of the behaviour of individuals, groups and organizational units, and the implications of OB for the process of management.

III. <u>COURSE OUTLINE</u>

    Topic 1.   <u>An Overview of Approaches to the Study of Organizational Behaviour</u>

        Reading:
                Johns: 1
                Langton: 1
                McShane: 1

    Topic 2.   <u>Individual Behaviour: Motivation and Attitudes</u>

        Reading:
                Johns: 2, 3, 4
                Langton: 2, 3, 4
                McShane: 2, 3, 4

    Topic 3.   <u>Individual Behaviour: Reward Systems</u>

        Reading:
                Johns: 5, 6
                Langton: 5
                McShane: 5, 6

    Topic 4.   <u>Communication</u>

        Reading:
                Johns: 10
                Langton: 7
                McShane: 9

    Topic 5.   <u>Group Dynamics and Team Building</u>

        Reading:
                Johns: 7
                Langton: 6
                McShane: 8

Topic 6.   Politics & Conflict

      Reading:
            Johns: 12
            Langton: 8, 9
            McShane: 10, 11

Topic 7.   Leadership

      Reading:
            Johns: 9
            Langton: 11
            McShane: 12

Topic 8.   Management Decision Making

      Reading:
            Johns: 11
            Langton   12
            McShane: 7

Topic 9.   Job Design

      Reading:
            Johns: 13
            Langton: *na*
            McShane: 6

Topic 10.   Organizational Culture

      Reading:
            Johns: 8
            Langton: 10
            McShane: 14

Topic 11.   Organization Design

      Reading:
            Johns: 14
            Langton: 13
            McShane: 13

Topic 12.   Managing Organizational Change

        Reading:
            Johns: 15
            Langton: 14
            McShane: 15

IV. **BIBLIOGRAPHY**

Recommended Texts The outline is keyed to three contemporary Canadian (or Canadianized) texts. All have been written for or adapted for Canadian student audiences and have been published within the two years. There are other texts written for the Canadian market. They may also provide a satisfactory resource for the course. In addition, there are many written fo the U.S. market. Those could be acceptable as a foundation for this course, if supplemented with Canadian materials, examples and exercises. However, they are not listed or keyed to the outline, given the availability of good, explicitly Canadian texts.

1. Johns, Gary and Alan M. Saks, ***Organizational Behaviour: Understanding and Managing Life at Work,*** 10th edition. Pearson, 2017. [referred to as 'Johns' on the outline].
2. Langton, Nancy, Stephen Robbins and Timothy A. Judge, ***Organizational Behaviour: Concepts, Controversies, Applications***, Seventh Canadian Edition, Pearson, 2013. [referred to as 'Langton' in the outline].
3. McShane, Steven L., Sandra L. Steen and Kevin Tasa, ***Canadian Organizational Behaviour***, 9th edition.   McGraw-Hill Ryerson, 2015. [referred to in the outline as 'McShane'].

Organizational Behaviour – Sample Questions

1. Increasingly, organizations are assigning work to teams rather than breaking work into tasks assigned to individual employees. Why? Under what conditions would you recommend team-based work? Under what conditions would you recommend individual-based work designs? Explain?

2. "Pay for performance" is a principle many people agree with. What conditions need to be met in order for this principle to work, in practice? Explain.

3. Large organizations have been flattened (de-layered) in attempts to improve their overall performance. What changes in management practices and employee behaviours need to occur, in order for this organization re-design to be effective? Explain.

4. People often use the term 'personality' casually, in everyday speech. When it comes to the use of the term in organizational behaviour (OB), the term has a more specific meaning. What is 'personality', as the term is used in OB, and how is it relevant to understanding organizational behaviour?

Organizational Behaviour – Sample Multiple Choice Questions

1. If somebody is described as having a "Type A" personality, which of the following behaviours would you be least likely to witness?
   a. doing things rapidly (eating, walking, speaking)
   b. impatience
   c. preoccupation with measuring things
   d. 'laid-back' interpersonal style
   e. a tendency to attempt to do two or more things at the same time.

2. Attitudes:
   a. are excellent predictors of behaviour.
   b. can be changed through information but are very difficult to change through experience.
   c. are evaluative statements or judgements concerning people, objects, events or ideas; job satisfaction is one example of an attitude.
   d. are never influenced by cognitive dissonance.
   e. depend heavily on organizational design.

3. Although often criticized for various reasons, Frederick Herzberg's 'motivation-hygiene' model of work motivation has been influential in management circles. What does his model claim?
   a. that satisfaction and dissatisfaction are simply the opposite ends of the same continuum.
   b. that hygiene factors are completely irrelevant to motivation.
   c. that all the sub-components of the hygiene factors are equally important sub-components of motivational factors.
   d. that dealing with hygiene factors will, at best, reduce dissatisfaction while the satisfiers that actually motivate people are for the most part attributes of the work itself.
   e. that employees are motivated by extrinsic rewards.

4. Expectancy theory explains work motivation in terms of:
   a. the valence (or value) of an outcome and the subjective probabilities that effort will lead to that outcome.
   b. the balance between inputs and outcomes for the individual and his/her frame of comparison.
   c. Maslow's hierarchy.
   d. Alderfer's ERG model.
   e. an irrational, subconscious processes.

5. Which of the following is not part of the group development process?
   a. forming
   b. storming
   c. performing
   d. reforming

6. It is advantageous for groups to have effective norms. Which of the following is the least plausible argument for the importance of norms?
   a. Norms facilitate group survival.
   b. Norms increase the predictability of group members' behaviour.
   c. Norms reduce the likelihood of interpersonal embarrassment among group members.
   d. Norms articulate what is distinctive about the group's identity.
   e. Norms make it unnecessary for the group to develop distinctive roles for its members.

7. Which of the following statements about group size is (or are) true?
   a. Small groups are generally quicker at completing tasks than large groups.
   b. Large groups are generally better at problem-solving than are small groups when the problems involved are complex.
   c. 'Social loafing' is more likely to occur in larger groups.
   d. Groups with an odd number of members are generally preferable to groups with an even number of members.
   e. All of 'a'-'d' are true.

8. Which of the following is (or are) characteristics of effective teams?
   a. a clear sense of purpose
   b. a norm of 'civilized disagreement' to deal with inevitable conflicts with the team
   c. informality
   d. decisions based on honest expressions of differences with a commitment to support the ultimate decision of the team
   e. all of 'a' – 'd' are characteristic of effective teams.

9. The basic communication model includes several stages, including 'encoding' a message, 'transmitting' a message, 'receiving' the message, and 'decoding' the message. What is missing from this list that is needed to assure accurate communication?
   a. the transmission stage
   b. the technology dimension
   c. the receiver's 'readiness' to hear
   d. the feedback loop
   e. the formal network

10. Normative models of decision-making emphasize the importance of rational processes and objectivity. Research on how decision-making takes place has suggested that purely rational processes are impossible or impractical, and that people respond to this problem of "bounded rationality" by:
    a. going along with the group
    b. making random or arbitrary decisions
    c. applying a decision standard the researchers refer to as "satisficing".
    d. abandoning reason for intuition
    e. getting stalled out … as some would put it, 'paralysis by analysis.'

11. Sometimes the choice exists as to whether to assign a particular decision to an individual or to a group. Although groups have many advantages, they also have certain negative attributes. Which of the following are legitimate concerns about group decision-making?
    a. They are time consuming which means potential delay and the productive of several people being tied up.
    b. Conformity pressures can mute the advantages of multiple points of view.
    c. It is not uncommon for a group to be dominated by one or a few members.
    d. Group decisions provide an ambiguous sense of responsibility – people can avoid responsibility and sometimes caution is not used.
    e. All of 'a'-'d' are legitimate concerns about what can often happen in groups

12. Leadership is widely thought to be an important element in organizational effectiveness. Which of the following approaches to leadership was developed first?
    a. behavioural ('one best way') theories
    b. contingency ('it depends on _____') theories
    c. trait ('the great man/woman') theories
    d. structural ('formal authority') theories
    e. none of 'a'-'d' came appreciably before the others

13. Leaders who influence others with consideration and intellectual stimulation, and who possess charisma are referred to as:
    a. 'new-age' leaders
    b. 'transactional' leaders
    c. 'transformational' leaders
    d. 'laissez-faire' leaders
    e. 'formal' leaders

14. If a person has the right by virtue of his or her formal position to expect you to comply with his/her work-related requests, this person has _____ power over you.
    a. coercive
    b. reward
    c. legitimate
    d. expert
    e. referent

15. Which of the following is associated with the 'organic' model of organizational design (as opposed to the 'mechanistic' model)?
    a. high specialization
    b. high emphasis on chain of command
    c. centralization
    d. formalization
    e. none of 'a'-'d'; all of them are more associated with the 'mechanistic' model

Multiple Choice Solutions

1. *(D) laid back interpersonal style*
2. *(C) are evaluative statements or judgement concerning people, objects, events or ideas; job satisfaction is one example of an attitude*
3. *(D) that dealing with hygiene factors will, at best, reduce dissatisfaction while the satisfiers that actually motivate people are for the most part attributes for the work itself*
4. *(A) the valence of an outcome and the subjective probabilities that effort will lead to that outcome*
5. *(D) reforming*
6. *(E) norms make it unnecessary for the group to develop distinctive roles for its members*
7. *(E) all of the above are true*
8. *(E) all of the above*
9. *(D) the feedback loop*
10. *(C) applying a decision standard the researchers refer to a "satisficing"*
11. *(E) all of the above*
12. *(C) trait*
13. *(C) transformational leaders*
14. *(C) legitimate*
15. *(E) all of the above*

RECRUITMENT AND SELECTION

INTRODUCTION

The principles, issues, trends, and legislative requirements that apply to the recruitment and selection process will be examined in this course. Human Resources professionals need an understanding of how recruitment and selection fits into the broader organizational structure, processes and goals of an organization and how this function is related to the other functions of Human Resources Management. Course participants will acquire the knowledge and skills needed to successfully identify human resource requirements to support your organization with attracting and retaining an effective workforce.

COURSE OBJECTIVES

This course enables students to identify the appropriate recruiting methods for locating and attracting different types of candidates, explain the key steps in the selection process, and evaluate the validity of various selection techniques. Also included are strategies and problems in staffing decisions in the context of the Canadian environment. More specifically, topics include job analysis and workforce HR planning, recruitment and selection tools, human rights legislation in Canada, the practice of recruitment and selection in Canada, decision-making strategies in recruitment and selection, and emerging trends including the use of social media.

LEARNING OUTCOMES

Upon successful completion of this course, participants will be able to:

1. *Describe the socioeconomic context under which recruitment and selection occurs in Canada, and the internal and external constraints that influence these programs.*

Enabling Objectives:

1. Appreciate the importance and relevance of recruitment and selection
2. Know where recruitment and selection fits into an organization's human resources management system
3. Understand several changes that have had an impact on recruitment and selection
4. Be aware of relevant professional associations and groups for this function
5. Become familiar with basic ethical and professional issues in recruitment and selection

Chapter 1-An Introduction to Recruitment and Selection

2. Demonstrate knowledge of tools used in recruitment and selection.

Enabling Objectives:

1. Understand the components of a selection model
2. Know the concepts of reliability and validity
3. Recognize the importance and necessity of establishing reliability and validity in selection
4. Identify common strategies that provide evidence of reliability and validity in selection
5. Appreciate the requirement for selection measures to evaluate applicants fairly and in an unbiased fashion

Chapter 2: Foundations of Recruitment and Selection 1: Reliability and Validity

3. Understand the legislation that impacts recruitment and selection in Canada and explain the intent of equal opportunity in the employment function.

Enabling Objectives:

1. Understand the major recruitment and selection legal issues
2. Know how relevant human rights and employment equity legislation and policies affect recruitment and selection
3. Understand and be able to describe how legal concerns affect the practice of recruitment and selection
4. Know and explain the key Canadian legal concepts that have had an impact on recruitment and selection
5. Apply the basic concepts and principles that meets legal requirement when developing a recruitment and selection system

Chapter 3- Foundations of Recruitment and Selection 11: Legal Issues

4. Demonstrate knowledge of job analysis and understand the use of competency models.

Enabling Objectives:

1. Understand the importance of job analysis in recruitment and selection
2. Describe guidelines for conducting with a variety of job analysis techniques
3. Use standard tools and techniques to conduct a job analysis
4. Identifying job specification process for the function
5. Understand what competencies are and their role in the function
6. Know how to identify competencies
7. Understand the need to validate competency-based systems
8. Distinguish competency-based from job analysis HR models
9. Recognize best practices in competency modelling

Chapter 4- Job Analysis and Competency Models

5. *Discuss job-related performance and its relationship to competency-based human resources systems and how to measure job performance.*

Enabling Objectives:

1. Appreciate the important role played by job performance in selection and assessment
2. Be able to define the differences among task, contextual, and counter-productive work behaviours
3. Understand the different types of counterproductive work behaviours
4. Be able to describe the importance of developing and using scientifically sound measures of job performance in selection and assessment
5. Understand what constitutes acceptable criteria that may be used to assess performance
6. Understand the relationship among individual performance measures, criteria, and performance dimensions related to a job
7. Appreciate the technical aspects of measuring job performance

Chapter 5- Recruitment, Selection and Job Performance

6. *Explain the recruiting process and steps to implement a recruitment program.*

Enabling Objectives:

1. Discuss recruitment as part of an organization's strategic planning
2. Understand the link between recruitment and selection
3. Appreciate how the characteristics of the job and organization are influential in attracting job applicants
4. Know the role that accurate expectations play in developing a fit between a person and an organization
5. Discuss why a realistic job preview may benefit both the job seeker and the organization
6. Be aware of the internal and external factors that influence an organization's recruitment strategy
7. Design and implement a recruitment action plan
8. Be aware of the different methods that can be used to recruit internal and external job applicants
9. Understand the increasingly important role played by the Internet and social media in recruiting
10. Appreciate the need to evaluate the effectiveness of different recruitment methods

Chapter 6- Recruitment: The First Step in the Selection Process

7. *Develop candidate screening criteria and legal compliance requirements.*

Enabling Objectives:

1. Differentiate between employee screening and employee selection
2. Know the advantages and disadvantages of several screening tools, including biographical data, application forms, résumés, work experience, and reference checks

3. Understand the legal status of screening tools
4. Propose an effective multiphase screening program appropriate to the position requirements for any particular job

Chapter 7- Selection 1: Applicant Screening

8. *Explain employment tests used selection and the technical, ethical and legal requirements.*

Enabling Objectives:

1. Understand commonly used assessments in selection
2. Know the advantages and disadvantages of these assessments
3. Understand the importance of the validity and utility of HR assessments
4. Be aware of the perceptions of assessment tolls and processes
5. Know the legal issues in the use of selection assessments

Chapter 8- Section 11: Testing

9. *Conduct employment interviews using a variety of relevant techniques.*

Enabling Objectives:

1. Understand the purposes and uses of employment interviews
2. Know the multiple phases of the employment interview and the factors affecting employment interview decisions
3. Appreciate employment interviewing selection errors
4. Understand the elements of employment interview structuring
5. Be aware of different structured interviewing techniques and their relative advantages and disadvantages
6. Appreciate the legal and predictive advantages of structured employment interviewing methods
7. Begin developing competence in the design of effective interview questions and scoring guides
8. Know about innovations and future directions in interview research and practice
9. Appreciate the role of employment interviews in the changing organizational environment

Chapter 9- Selection 111: Interviewing

10. *Develop candidate evaluation criteria and design decision-making tools for selection.*

Enabling Objectives:

1. Appreciate the complexity of decision making in the employee selection context
2. Be familiar with the sources of common decision-making errors in employee selection
3. Understand the distinction between judgmental and statistical approaches to the collection and combination of applicant information

4. Understand the advantages and disadvantages of various decision-making models
5. Appreciate issues involved with group decision making
6. Know the basic principles in the application of cut-off scores, banding, and top-down selection
7. Be able to discuss the benefits of using best practices in recruitment and selection

Chapter 10- Decision Making

COURSE TEXTBOOK

Catano, V.M., Wiesner, W.H., and Hackett, R.D. 2016, Recruitment and Selection in Canada, 6th edition, Nelson, Toronto;
ISBN: 978-0-17-657031-6

HUMAN RESOURCES PROFESSIONAL ASSOCIATION
SAMPLE RECRUITMENT AND SELECTION TEST EXAM

MULTIPLE CHOICE. Choose one that best completes the statement or answers the question.

1. Why must Canadian organizations be cognizant of the influences of globalization when considering recruitment and selection?
a. Globalization affects the pricing strategies for goods and services.
b. Globalization creates higher trade barriers for entry.
c. Globalization demonstrates that best practices for staffing are necessary.
d. Globalization threatens the survival of domestic retailers.

2. What legislation has precedence over all other legislations in recruitment and selection?
a.   constitutional law
b.   human rights law
c.   Canada labour law
d.   employment equity legislation

3. What is a potential outcome of a science-based selection process?
a.   a significant number of qualified applicants
b.   a defensible system with effective employees
c.   a flexible, quick process that fits the organization's culture
d.   a process that is comfortable and flexible for all employees

4. Which of the following statements *best* defines discrimination?
a.   the duty of an employer to put in place modifications to discriminatory employment practices
b.   any employment rule, practice, or policy that has a negative effect on employees
c.   the denial of opportunity to a person or class of people based on a group characteristic such as age, colour, race, religion, marital status, or mental or physical disability
d.   any unwelcome conduct or consequences that may detrimentally affect the work environment

5. Which of the following questions would you NOT ask to collect information in a job analysis?
a.   Will there be any differences in the job in the future relative to the past?
b.   What do you wish your new hires to accomplish?
c.   What do people who hold similar jobs think about the knowledge, skills, abilities and other attributes needed?
d.   Will the employees do different things on different days?

6. A hospital employs a variety of individuals as nurses, doctors, technicians and so forth. How would these generic groups be classified?
a.   by position
b.   by role
c.   by worker
d.   by job

7. Which performance behaviour is similar to contextual performance behaviour?
a. organizational citizenship
b. job-specific task proficiency
c. non-job-specific task proficiency
d. organizational culture

8. Into which subcategories would you break job performance behaviours?
a. competency, contextual, and job-specific behaviours
b. task, contextual, and productive behaviours
c. task, contextual, and counterproductive behaviours
d. job-specific, contextual, and organizational behaviours

9. Which of the following would NOT be considered to be an effective recruiting guideline?
a. Give serious consideration to the content of information presented to candidates rather than the context in which it is presented.
b. Present important information about the job and the organization to job candidates by several different, reliable, and credible sources.
c. Recognize that the behaviour of recruiters and other representatives gives an impression of the organization's climate, efficiency, and attitude toward employees.
d. Ensure that all recruiting information and materials given to job applicants present accurate and consistent information, whether positive or negative

10. What is the initial step in developing a recruitment action plan?
a. Advertise for the position.
b. Generate qualified applicants.
c. Develop a recruitment strategy.
d. Meet current legal requirements.

11. If you had 500 applicants for 10 positions, what is the selection ratio?
a. 50 percent
b. 5 percent
c. 2 percent
d. 2 percent

12. Which term refers to a situation where an employer places an unfit or unqualified person in an employment situation that puts others at an unreasonable risk of harm?
a. a hiring liability
b. unauthorized hiring
c. negligent hiring
d. pre-hire favouritism

13. Which concept is referred to as enduring, general traits, or characteristics on which people differ and that they bring to a work situation?
a. aptitudes
b. attributes
c. abilities
d. attitudes

14. Which "Big Five" personality trait has been found to be related to job success across most organizations and occupations?
a. extroversion
b. conscientiousness
c. openness to experience
d. agreeableness

15. Which of the following defines an applicant's attempt to create a favourable impression of him- or herself by monitoring interviewer reactions and responding accordingly?
a. creating a false impression
b. impression management
c. organizational fit
d. telling interviewers what they want to hear

16. If the competency for a job is self-confidence, what would be an example of a behavioural indicator?
a. volunteer and assume responsibility for the care of a challenging patient
b. interpersonal relations
c. initiative
d. conscientiousness

17. In which approach are judgmental data combined statistically?
a. the trait rating approach
b. the profile interpretation
c. the judgmental composite
d. the pure judgment approach

18. How are implicit theories defined?
a. They are theories about how certain behaviours, mannerisms, or personality characteristics go together without objective evidence.
b. They are theories about how certain behaviours, mannerisms, or personality characteristics go together with objective evidence.
c. They are theories about how certain behaviours, mannerisms, or personality characteristics go together with conscious awareness.
d. They are theories about how certain behaviours, mannerisms, or personality characteristics differentiate between applicants.

19. What is the primary advantage of Internet recruiting?
a. availability to candidates with technology access and know-how
b. reaching a large applicant pool at minimal cost
c. fewer concerns about confidentiality
d. receiving a large number of résumés

20. You ask an applicant questions about his or her past experiences relevant to the job position for which you are hiring. What type of interview question is this?
a. hypothetical
b. real-life
c. situational
d. behavioural

ANSWERS

QUESTION	ANSWER	QUESTION	ANSWER
1	c	11	c
2	a	12	c
3	b	13	c
4	c	14	b
5	a	15	b
6	d	16	a
7	c	17	a
8	c	18	a
9	a	19	b
10	c	20	d

SAMPLE APPLICATION QUESTIONS

1.   **What is reliability? Identify three (3) factors affecting reliability.**

ANS:
Reliability is the degree to which observed scores are free from random measurement errors.
Reliability is an indication of the stability or dependability of a set of measurements over
repeated applications of the measurement procedure. Reliability refers to the consistency of a set
of measurements when a testing procedure is repeated on a population of individuals or groups.
In terms of testing, it is expected that a test will provide approximately the same information
each time it is given to that person.

Factors Affecting Reliability
- Temporary individual characteristics: if a job candidate is quite ill or anxious, the know-how score may be affected and have a greater error component.
- Lack of standardization: changing the conditions under which measurements are made introduces error in the measurement process. For example, reliability is decreased if different candidates are asked different questions during interviews. If the environment varies in which candidates for the same job are interviewed, it will affect reliability.
- Chance: factors unique to a specific procedure introduce error into the set of measurements. If an employer has interviewed someone previously, he will have a better chance of performing well in an interview with that employer again.

Refer to Recruitment and Selection Today 2.3 on page 41 and 42.

2.   **Describe some practical guidelines for HR managers to ensure that recruitment and
        selection practices are nondiscriminatory.**

ANS:
Recruitment practices for protected groups (human rights) and designated groups (employment
equity) are the main area of focus in nondiscriminatory recruitment and selection. The success or
failure of recruitment is traced back to three main causes:
- the effectiveness or ineffectiveness of the organization in contacting and communicating with target group members
- the positive or negative perceptions that target group members hold about the organization
- recruitment and selection practices that have an impact on careers or entry to occupations must be defensible with respect to legal requirements. Practitioners are expected to apply solutions that have solid "scientific" grounding. There is a need for better linkages between research and practice in human resources.

Important questions for practitioners to ask include the following:
- Do the procedures I am using result in direct or indirect discrimination?
- If a selection procedure I am using results in direct or indirect discrimination, can I establish a BFOR by showing the following?
- I am adopting a selection procedure in good faith.

- The selection procedure cannot be replaced by one that is valid and has less or little adverse impact.
- The selection procedure is related to job performance or safety.
- All of those people in the class excluded by the selection procedure are incapable of performing the job or present a sufficient safety risk.
- Individual testing of class members affected by the rule is impossible or impractical.
- There are no other reasonable alternatives to that testing.
- Every attempt has been made to accommodate the unique capabilities and inherent worth and dignity of every individual, up to the point of undue hardship.
• Is the selection procedure a valid predictor of job performance?

Another responsibility of HR staff is to educate other managers about the legal requirements that must be met in recruitment and selection.

Refer to Recruitment and Selection Notebook 3.5—Practices for Nondiscriminatory Recruiting on page 102, and Recruitment and Selection Notebook 3.6—Practices that Promote Positive Recruiting Perceptions on page 102.

3. What is a job analysis? What data is included in a job analysis? What are three key considerations in job analysis?

ANS:
Job analysis refers to the process of collecting information about jobs "by any method or purpose." Job analysis is a systematic process for gathering, documenting, and analyzing data about the work required for a job. Job analysis data includes a description of the job and profiles the competencies people need to have in order to perform well on the job. They include the following:
• job identification and context
• job responsibilities and tasks
• KSAOs
• working conditions
• physical and mental effort
• performance standards

Three key points about job analysis are that
• a job analysis does not refer to a single methodology but rather a range of techniques
• a job analysis is a formal, structured process carried out under a set of guidelines established in advance
• a job analysis breaks down a job into its constituent parts, rather than looking at the job as a whole

Refer to Figure 4.1, Overview of Job Analysis Process and Outcomes on page 114 and Recruitment and Selection Notebook 4.7— Guidelines for Conducting A Job Analysis on page 149 and 150.

4. **Social networks are increasingly being used as a powerful recruiting method by employers. What is social networking? As an applicant, what are the advantages and disadvantages of using social networks to apply for a position?**

ANS:
Social networks are Internet sites that allow users to post a profile with a certain amount of information that is visible to the public.

Advantages of social networks:
- A wider variety of information can be posted online to the social network including photos, videos, and other relevant audio-visual information.
- There is no cost to joining a social network.
- The information posted is transparent to the public so other applicants are able to assess their competitors.

Disadvantages of social networks:
- There are concerns about the visibility of information posted to social networks since evidence of age, disability, religion, and so forth are visible to the employer prior to the applicant being selected for an interview. This visibility could be used in a discriminatory manner, which would be difficult to prove.
- Many organizations do not have comprehensive policies on social networks as they are related to recruiting.
- If social networks are the only source of recruiting, it may be detrimental to individuals who are not familiar with this type of recruiting process and they might provide too little or too much information to the potential employer.
- Screening of candidates with social networks only might be unreliable and inaccurate.
- Other social networks such as Facebook might be used to generate evidence against a potential candidate; for example, pictures posted of unacceptable behaviours while on vacation.

Refer to pages 251 to 253 and Table 6.1 – Comparison of Recruitment Methods on pages 254 and 255.

5. **Describe privacy issues and/or legislation and their relevance to screening and reference checks.**

ANS:
Privacy legislation sets out how organizations may collect, use, and disclose personal information about employees. Organizations have to ensure consent is given for collecting, using, and disclosing employee personal information; that personal information is collected, used, and disclosed only for reasonable purposes and for the purposes for which it was collected; and that employees must have access to all their personal information. Personal information must be accurate, secure, and kept only as long as reasonable for business or legal reasons.

Before conducting reference checks, applicants' written consent should be obtained, and all reference comments must fall within the scope of permission. The written consent should be worded to allow for comments concerning the individual's work performance. Applicants should be given notice if a company is conducting background checks or making informal inquiries with previous employers. Information requested should be reasonably relevant to the hiring decision and establishing the employment relationship.

6. **What do aptitude or ability tests measure? Explain the difference between an ability, skill, and aptitude, providing an example of each. Describe one test and its relationship to employment testing for selection decisions.**

ANS:
Selection programs seek to predict the degree to which job applicants possess the KSAOs related to the job. Many different tests have been developed to measure specific human abilities and aptitudes.

Ability is an enduring, general trait or characteristic on which people differ and that they bring to the work situation (e.g., finger dexterity required to operate a keyboard).

Skill refers to an individual's degree of proficiency or competency on a given task that develops through performing the task (e.g., different skill levels or proficiencies in using a keyboard).

Aptitude is a specific, narrow ability or skill that may be used to predict job performance. (e.g., being able to predict that a job applicant has an aptitude for operating a keyboard based on finger dexterity).

Cognitive ability refers to intelligence, general cognitive or mental ability, or intellectual ability (e.g., numerical ability, reasoning, memory, and problem solving).

Practical intelligence is knowing how to get things done without the help of others. This can also be characterized as "street smarts" or "common sense."

Emotional intelligence is a set of abilities that include self-control, zeal and persistence, and the ability to motivate oneself. It is the ability to perceive accurately, appraise, and express emotion; access and/or generate feelings when they facilitate thought; understand emotions and emotional knowledge; and generate emotions to promote emotional and intellectual growth. Daniel Goldman expresses this as the ability to persist in the face of frustration; control impulse and delay gratification; regulate one's moods; and keep distress from swamping the ability to think, empathize, and hope.

General cognitive or mental ability is thought to be the primary ability among those that make up intellectual capacity. General cognitive ability is thought to promote effective learning. Measures of general cognitive ability (i.e., the ability to learn) are among the most powerful predictors of success in training and job performance for a variety of occupational groups.

Tacit knowledge is knowledge derived from experience when learning is not the primary objective.

Job knowledge is the degree to which a job applicant or employee is knowledgeable about issues or procedures that are essential for successful job performance.

Psychomotor abilities are traits or characteristics that involve the control of muscle movements (e.g., motor coordination)

Physical abilities are traits or characteristics that involve the use or application of muscle force over varying periods of time either alone or in conjunction with an ability to maintain balance or gross body coordination.

Sensory/perceptual abilities are traits or characteristics that involve different aspects of vision and audition, as well as the other senses.

Refer to Recruitment and Selection Notebook 8.3 and pages 329 to 340.

7. **Employment interviews are complex interactions between interviewers and applicants that occur in the context of a larger selection system. The outcome of an employment interview can be strongly dominated by the impression that the interviewer has of the applicant. What sources of information create interview impressions that influence the interview process and outcomes? Provide an example of an interview impression error you have experienced and how you would reduce the effects of this inaccurate impression in future interviews.**

ANS:
The interviewer needs to process and make sense of a large amount of complex and often inconsistent or contradictory information. R.L. Dipboye has developed a model to help us better understand the information-processing and decision-making challenges faced by the interviewer. Interviewers need to recognize their biases, perceptual errors, and stereotypes as they move toward conducting more valid structured interviewing techniques.

The interviewer comes to the interview with *knowledge structures*; the interviewer's beliefs about the requirements of the job and the characteristics of the applicants. These knowledge structures are developed through formal training and previous experience, and can be accurate or inaccurate. An example of a knowledge structure is that "good grades reflect hard work and conscientiousness."

Initial information about applicants prior to the interview comes from the résumé or application form, references, test scores, and other information. This information contributes to the *initial impressions* of the applicant's qualifications. These *pre-interview impressions* can influence the interviewer's conduct in the interview. Some examples are that the interviewer may be less or more attentive depending on his or her initial impressions and may seek information to confirm that initial impressions.

How the interviewer behaves can affect the applicant's performance in the interview. An example is an applicant who senses that the interviewer has developed a negative impression of him or her. The applicant may then experience anxiety, negatively affecting the interview. The interviewer and applicant continue to influence each other throughout the interview.

The interviewer's processing of data from the interview is very much influenced by his or her knowledge structures, as well as by his or her initial impressions of the applicant.

In the *post-interview stage*, the interviewer evaluates the applicant's qualifications and then makes a final decision about the applicant. The evaluation of the applicant's qualifications is dominated by global impressions obtained in the interview.

The interviewer's final decision about the applicant is influenced by various factors such as pressure to hire quickly, hiring quotas, and interdepartmental or intradepartmental politics. Sometimes personal motivations influence interviewers' decisions, particularly when they know the applicant (or one of the applicant's referees), or have something in common with the applicant.

TRAINING AND DEVELOPMENT

Introduction

Training and development activities are based on the premise that people are the most valuable resource of the organization. Part of the mandate for a human resources department is to develop and administer policies, practices and procedures which will provide for the effective training and development of employees to:
- ensure the organization achieves its goals and objectives
- assist employees in fulfilling their maximum career potential.

This course will provide participants with an understanding of the processes used to assess training needs, design and administer training and development programs and evaluate the effectiveness of such programs.

Aim of the Course:
The primary aim of this introductory course is to ensure that students develop a comprehensive understanding of how the training and development function fits into both the overall mandate of human resources management and the larger environmental and organizational contexts. A secondary objective of the course is to provide students with the knowledge, skills and abilities to determine training and development needs and then to design, deliver and evaluate the effectiveness of training and development programs.

Learning Outcomes:
Upon successful completion of this course, participants will be able to:

Describe the broader context in which training and development activities occur and the factors which impact on the function, both within the organization and outside of the organization.
> *(Saks, Chapters 1,2; Thacker, Chapters 1,2)*

Enabling objectives:
Define the concept of intellectual capital, explaining how human capital fits into the overall resources available to the firm.
Describe the importance of aligning human resource development issues with key organizational objectives and goals.
Differentiate between the characteristics of a learning organization and high performance work system.
Differentiate between organizational development, training, performance management and management development.
Using a systems perspective, identify ways to improve the knowledge management practices of a firm.

Describe trends in the types of common training programs provided by Canadian organizations.
Describe organizational benefits which can result from training and development activities from organizational, individual and societal perspectives.
Discuss recent trends and patterns affecting training activities in Canada.
Discuss the impacts of the external environment on training activities.
Explain how the learning model adopted can impact on an organization's training and development activities.
Explain why it is important to effectively position the training function within an organization.
Describe the steps typically involved with the training cycle using the ISD approach.
Explain typical issues encountered in managing the training function.
Describe alternative methods used to structure the training function using both centralized and decentralized approaches in either a line, staff or consulting capacity.
Describe various issues involved with outsourcing the training function.
Describe the roles which external providers can play in providing training and development services (federal, provincial and municipal governments, educational institutions, professional associations).

Effectively incorporate learning theory into the design, delivery and evaluation of training programs.
(Saks, Chapter 3; Thacker, Chapter 3)

Enabling objectives:
Define the concept of learning.
Differentiate among cognitive, behavioural and social learning approaches.
Differentiate between pedagogical and androgogical approaches to learning and training design.
Describe the impact of motivation and self efficacy on both performance and training.
Describe common learning styles and their impact on training design and delivery.
Design training programs to overcome common sources of training resistance.

Effectively conduct a training needs analysis.
(Saks, Chapter 4; Thacker, Chapter 4)

Enabling objectives:
Define the concept of needs analysis
Describe why needs analysis should be done.
Describe the three levels (individual, job, organizational) at which needs analysis should occur.
Describe common performance problems.
Differentiate between root causes and symptoms of performance problems.
Determine possible solutions for the root causes of performance problems.
Using Mager and Pipe's model, differentiate between performance problems which might be solved through training and those requiring alternative approaches.
Apply appropriate techniques to conduct a needs analysis.

Describe the steps involved in the diagnostic process.
Compare common needs assessment techniques, outlining the advantages and disadvantages of each .
Analyze and interpret data gathered from a needs assessment.
Develop a competency profile for a job, differentiating among knowledge, skill and attitudinal requirements.

Design effective training programs.
(Saks, Chapter 5; Thacker, Chapter 4)

Explain the factors which affect effective program design.
Describe the decision making process involved with make or buy decisions.
Describe how to identify appropriate training content.
Formulate training objectives.
Formulate opinions on trainer appropriateness.
Formulate a request for proposal (RFP).
Describe the principles which should be embedded within the design of a training program to improve its effectiveness.
Utilize Gagne -Briggs model to improve training design.
Critique a training program to determine opportunities to improve its design.
Describe how the training roll out - methods, materials, site, scheduling can impact on the effectiveness of the training.
Describe the concept of a lesson plan
Practice developing a lesson plan for a training objective.
Practice delivering a training module using a variety of techniques.

Effectively employ off-the-job training methods.
(Saks, Chapter 6; Thacker, Chapter 6,7)

Describe the common training techniques commonly used in off the job training situations: lecture, discussion, behavioural modelling, technology based training, cases, games, simulations, role plays, and action learning.
Discuss the advantages and disadvantages of each method.
Outline how to effectively use each method.
Choose a training method which effectively supports the training objectives.

Effectively employ on-the-job training methods.
(Saks, Chapter 7,8; Thacker, Chapter 6,7)

Describe common training techniques commonly used in on the job training situations: performance aids, job instruction training, apprenticeship, job rotation, electronic performance support systems, coaching, mentoring, self directed learning
Discuss the advantages and disadvantages of each method.
Outline how to effectively use each method.
Choose a training method which effectively supports the training objectives.

Describe the specific challenges associated with using technology and e-learning effectively, whether on or off the job.

Improve the likelihood of delivering an effective training program.
(Saks, Chapter 9, 10; Thacker, Chapter 8)

Describe the process of transfer of training.
Apply the concept of transfer of training, differentiating between horizontal and vertical transfers.
List the methods that can be used to increase transfer before, during and after a training program.
Identify ways to improve the training site, trainer style and behaviour and other common delivery problems.
Identify opportunities to create an enhanced learning culture in a specific situation.
Apply Gagne's model to a training situation to improve training effectiveness.

Evaluate the effectiveness of training initiatives
(Saks, Chapter 11,12; Thacker, Chapter 9)

Explain why evaluation is a very important component of the training cycle
Describe the reasons why trainers might not conduct evaluations.
List the four types of evaluations considered under Kirkpatrick's framework and give an example of how each could be measured.
Apply the COMA model.
Discuss challenges associated with data collection.
Assess strengths and weaknesses associated with common evaluation frameworks.
Describe issues which may impact on the evaluation process
Develop an evaluation approach appropriate for a given training situation.
Describe a model approach for assessing the impact of a training program on organizational effectiveness.
Describe the importance of costing training and development programs from both short and long term perspectives.
Describe the similarities and differences among common approaches to measuring the cost of training: training costing sheets, cost analysis worksheets, net benefit value calculations, cost/benefit analysis, ROI, utility analysis.
Identify situations in which each approach could be used most effectively.
Develop a training costing sheet
Develop a cost analysis worksheet for a training situation.
Estimate training net benefit values by developing a worksheet.
Develop a utility analysis for a training situation.

Recommended Texts:

Saks, Alan and Haccoun, Robert, **Managing Performance Through Training and Development**, 6th ed., (2010). Scarborough: Nelson Education Series in Human Resource Management, ISBN: 978-0-17-661622-9

Or

Blanchard, Nick P., Thacker, James W., **Effective Training,** 4th edition (2010), Pearson Prentice Hall, Upper Saddle River New Jersey, ISBN-13: 978-0-13-607832-6

Note: The Challenge exam is an entirely Multiple Choice exam with questions ranging from 80-100 from the text.

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Training and Development
Sample Challenge Exam Questions

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<u>Multiple Choice Sample Questions</u>

1. Training is most effective in resolving:
   - ❑ Skill gaps
   - ❑ Attitudinal problems
   - ❑ Poor motivation
   - ❑ Attendance issues

2. The term which describes long term training which includes a combination of both on-the-job and in-class training is:
   - ❑ Mentorship
   - ❑ Computer based training
   - ❑ Vestibule training
   - ❑ Apprenticeship

3. Which item is NOT an example of an indirect training cost?
   - ❑ Overtime
   - ❑ Increased scrap
   - ❑ Room and food charges
   - ❑ Low productivity

4. The phrase "transfer of training" refers to:
   - ❑ Moving training schedules around to accommodate production concerns
   - ❑ Freely sharing written training material with colleagues
   - ❑ Acquiring and evaluating skills during a training course
   - ❑ Implementing and maintaining new knowledge and skills back in the workplace

5. Labour Market adjustment services refers to the stakeholder interests of:
   - ❑ Supply side training such as anticipated shortages for particular trades
   - ❑ Skill mismatches
   - ❑ Those who have difficulty entering or reentering the workforce
   - ❑ Those who have suffered a job loss

6. A key principle of adult learning suggests that adults:
   - ❑ Are keenly open to change
   - ❑ Tend to be problem centred
   - ❑ Do not need theoretical knowledge, just practical applications
   - ❑ Prefer a relaxing "lecture style" training delivery

7. The evolution of training activities has moved towards:
   - ❑ Specific on the job requirements using technology as the learning coach
   - ❑ Time and motion studies
   - ❑ Needs driven by productivity and efficiency concerns
   - ❑ Identifying opportunities to build intellectual capital

8. The motivational component of self efficacy:
   - ❑ Is when a person believes they can manipulate their environment and control their fate
   - ❑ Is when a person believes they can learn the knowledge and skills and do the job
   - ❑ Relates to the ability to use fine motor skills

9. The diagnostic process of needs assessment often starts with:
   - ❑ A job analysis
   - ❑ A gap analysis
   - ❑ A concern
   - ❑ An organizational audit

10. A potential advantage of centralizing the training function is that:
- ❏ Control and economies of scale
- ❏ Customization and ownership
- ❏ Local budget control

11. One of the differences between pedagogy and androgogy is that:
- ❏ Adult motivation is primarily intrinsic not extrinsic
- ❏ Adults are keenly receptive to change
- ❏ Adults are oriented to learning using a subject centred approach

12. Interpretive analysis:
- ❏ Focuses on the processes used to achieve organizational goals
- ❏ Uses talk (accounts, stories, metaphors) as the primary data collection method
- ❏ Is a method of job analysis

13. Large scale training initiatives such as sexual harassment or health and safety training, are likely the result of needs analysis at:
- ❏ The job analysis level
- ❏ The organizational analysis level
- ❏ The personnel analysis level

14. When structuring training objectives, the trainer should:
- ❏ Give trainees a clear understanding of what to expect
- ❏ Isolate all learning objectives in a single learning domain
- ❏ Encourage trainees to evaluate whether they can omit certain course objectives

15. An example of a technical barrier to effective performance is:
- ❏ Group norms
- ❏ Poor job design
- ❏ Ineffective feedback

16. Training works best under which of the following conditions:
- ❏ The task is easy and perfection is not required
- ❏ Correct performance is critical
- ❏ The task is infrequently performed

17. Which of the following matching pairs is correct?
   - ❑ Affective - heart; cognitive - head
   - ❑ Cognitive - heart; affective - head
   - ❑ Psychomotor - hand; affective - head
   - ❑ Psychomotor - head; affective – heart

18. The cognitive domain hierarchy of learning starts with:
   - ❑ Knowledge
   - ❑ Receiving
   - ❑ Perception
   - ❑ Motivation

19. Bloom's Taxonomy divides specific learning objectives into these three categories of educational objectives:
   - ❑ Knowledge, comprehension and application
   - ❑ Cognitive, affective and psychomotor
   - ❑ Receiving, responding and valuing

20. Considering the principles of adult learning, adults should:
   - ❑ Be graded on a curve, the normative approach of comparing learners with one another for the purposes of ranking
   - ❑ Be evaluated against attainment of specific criteria and not compared publicly to their peers
   - ❑ Be evaluated on personal progress against historical mastery levels, critieron related evaluation

21. This learning objective "Develop a lesson plan or outline" is, at the highest level, primarily under the _____domain and the _____level.
   - ❑ Cognitive - synthesis
   - ❑ Psychomotor - guided response
   - ❑ Cognitive - comprehension

22. The interaction style that refers to learners expecting the trainer to be primarily responsible for the learning that occurs is:
   - ❑ Collaboration
   - ❑ Dependence
   - ❑ Independence

23. Examples of areas of quantifiable change for a level four results evaluation are:
- ❑ Work climate and attitudes
- ❑ Turnover and productivity
- ❑ Feelings and decision making skills

24. Evaluation of training programs to determine how the process and outcomes can be improved is:
- ❑ Summative evaluation
- ❑ Formative evaluation
- ❑ Net cost analysis

25. Evaluation of training programs should happen:
- ❑ Only at the end
- ❑ By predetermining the evaluation criteria at the planning stage
- ❑ For high cost programs only

Training and Development Solutions –Multiple Choice
1. skill gaps
2. Apprenticeship
3. Room and food changes
4. Implementing and maintaining new knowledge and skills back in the workplace
5. Those who have difficulty entering or reentering the workforce
6. Tend to be problem centered
7. Specific on the job requirements using technology as the learning coach
8. Is when a person believes they can learn the knowledge and skills and do the job
9. A concern
10. Control and economics of scale
11. Adult motivation is primarily intrinsic not extrinsic
12. Uses talk
13. The organizational analysis level
14. Give trainees a clear understanding of what to expect
15. Poor job design
16. Correct performance is critical
17. Affective-heart; cognitive-head
18. Knowledge
19. Knowledge, comprehension, application
20. Be evaluated against attainment of specific criteria and not compared publicly to their peers
21. Cognitive-synthesis
22. Dependence
23. Turnover and productivity
24. Summative evaluation
25. Be predetermining the evaluation criteria at the planning stage