

Capstone: hr module

[Finance](#)



Capstone: HR MODULE Policy position on human resource Human resource productivity improvements are of vital importance as it enhances company's sales and superiority in the market share hence leading to generation of profits. It also enables the company to compare favorably in the market. On other hand, it improves customer satisfaction with company's products hence customer retention.

In application of maximums in recruiting and training the aggregate costs

Recruiting cost of each worker \$5000

Training cost 80@\$20 \$1600

Total cost on each employee is \$6600

The benefit of experienced worker is that complement increases by 4.2% covering the hour's people are training.

The total savings overtime is \$12.79M

The pay costs have been scaling up at each subsequent year.

The cost saving in the sixth year is \$3.67M. The total savings over the period is \$12.79M. The recruiting cost has been justifiable over the period to increase the employees' skills in their working in production process. This has led to an increase in the profitability index to more than 100% each subsequent year. This is evident by increase in productivity payoffs. The turnover has decreased from 11.3% to 10% meaning that the employees have relevant skills and expertise in handling the company's products, as they understand their respective jobs. A growth in market at a rate of about 14% means that the company produces products of superior quality hence selling more of its products meeting its major goal of making profit and growth.

On other hand, scaling up of the wage by 5% will be absorbed by the profits

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generated by the massive growth of the market of its products. This increase in wage increases the cost of production. The increase can cause the ghost workers laid off since they do not add value to the production process. The company should invest in recruiting and training is at the level when production is sub- optimized. This is the level of turnover is at a high rate, recruiting cost is lower and when complement is below the predetermined level. Other factors that may affect the need for recruitment and training of employees is the availability of vacancies, the availability of capital to meet the expenses and the level of production.