# Nature of human resource management: hiring and recruiting

## Introduction

In the present time, Organization's most important assets are its people i. e. Employees. These employees are the foundation on which the organization stands strong; without the human power to perform certain tasks, to produce, to operate, to analyze, etc no organization can live. Although the modern technologies have made a lot things much easier but nothing can replace the significance of the Human Resources. Therefore, Hiring is a very challenging, time consuming and costly function of the company.

But what's even harder – especially in today's chaotic economic situation is, " Making the right Hire". Recruiting and Selection is all about " hiring the right person for the right job at the right time. " Even a single wrong hire can affect the operations of the business and can cost the firm a fortune. In order to avoid making a bad hire, HR managers must carefully conduct and analyze the Human Resource Planning (HRP) process. HRP is a process used by the organizations to ensure that it has right amount and kind of people to fulfill its particulargoalsin future.

This is done by forecasting the Labor Demand for future and matching it with the forecasted Labor Supply of the firm. Organizations that do not conduct HRP or don not perform HRP properly may not be able to meet their future labor shortage or may have to resort to layoffs due to labor surplus. Even though hiring the right people with right skills is very protracted and difficult process but Human capital is a substantial investment and even a single mistake can put financial burden on the firm. The pace at which a business

moves from survival mode to growth paths is largely dependent on the successful hiring of the correct employees.

The prosperity of the business not only depends on hiring good people but hiring extremely talented people with the right skills for any particular job. Following are some useful tips for hiring right people for the right job:

- Develop a detailed Job Description; identify the key responsibilities, functions and expectations for the position under question.
- Design a careful Job Specification; specify the skills, requirements, experience and knowledge required for the position under question.
- Use internal or external labor market to find adequate number of potential candidates
- Conduct the Screening process wisely and horoughly in order to find valuable information regarding competitive salaries, intelligence and the working standards.
- Try to use structuredinterviewprocess to select the best possible candidates
- Check references provided by the candidates, verify their degrees and other information provided by them and find out about their past working behaviors by contacting their ex boss or subordinates
- After hiring, make the new hire welcomed and make him/her understand thecultureof the organization through Orientation. Opening Case

# Pakistan Civil Aviation Authority

Pakistan Civil Aviation Authority is a Public sector autonomous body working under the Federal Government of Pakistan through the Ministry of Defence. It was established on 7th December, 1982 as an autonomous body. Prior to its creation, a Civil Aviation Department in the Ministry of Defence used to manage the civil aviation related activities. The day of 7th December has significance, as it coincides with the date of creation of International Civil Aviation Organization (ICAO) in 1944 as a result of the famous Chicago Convention.

Incidentally, the United Nations have declared 7th December as the International Civil Aviation day and celebrated as such every year all over the World. All kinds of Civil Aviation related activities are performed by CAA including the regulatory, air traffic services, airport management, infrastructure and commercial development at the airports, etc. Recently, Civil Aviation Authority underwent Restructuring and Change Management process to meet the present and future challenges.

This organizational transformation process identified Structure, Culture, Skills, and Rewards as four tracks on which simultaneous emphasis is being laid. The Vision, Mission, and Core Values have been identified. Wide-angle buy-in process by CAA senior management with staff and lower levels for bridgingcommunicationgaps between different hierarchical levels of the organization has been taken. As a result of the Restructuring process, the fundamental organization structure has been balanced to focus on three core areas namely Regulatory, Air Navigations Services, and Airport Services.

These Core/Line functions are fully supported by the various corporate functions of the organization. The restructuring process has helped Pakistan Civil Aviation Authority to fully focus on:

- Strengthening its safety and security oversight role as per International Civil Aviation Organization requirements and standards.

- To facilitate growth of the infrastructure development (Airports and Airport Cities) on a fast-track basis.

Private sector participation in the process is also being encouraged. Enhanced Regulatory and air space management capabilities. Moreover, emphasis is being laid on commercialization of its assets and land with improved customer/passenger service standards, benchmarked with top performing international airports * Development of a New Aviation Policy for the country in consultation with the Ministry of Defence, Planning Commission, World Bank, Airlines, and Aviation Experts (Expected to be considered by the Cabinet for approval shortly). Investing in Human resource development through structured approach with particular focus on quality of people and enhancing their professional capability. Quality work on new initiatives is in progress such as introduction of Enterprise Resource Planning (ERP), Health, Security, Safety, andEnvironment(HSSE), Corporate SocialResponsibility(CSR), Ethics Management Program, Customer feedback mechanism at the airports, Employees Performance Management system, benchmarking, outsourcing of non-core and wasteful activities, etc.

Recently, we have embarked upon a challenging phased program to acquire international standards of Integrated Management System (IMS) in CAA

during which the international standards of ISO 9001: 2000 (Quality Management System), ISO 14001: 2004 (Environmental Management System), and OHSAS 18001: 2007 (Occupational Health and Safety Management System) shall be acquired.

## Vision Statement

" Be world-class service provider in the aviation industry"

## Mission Statement

" Provide safe, secure and efficient best-in-class aviation services to the stakeholders"

### Core Values

- Commitment

- Professional Excellence

- Customer Focus Safety and Security

- Integrity

### Organizational Structure Pcaa Management Board

Pakistan Civil Aviation Authority is administered by the Board which performs tasks like policy formulation, execution, monitoring and evaluation. The board is being assisted in different administrative and financial issues by the number of sub committees namely PCCA Executive Committee, PCAA Audit Committee and HR Committee.

### Pcaa Board Pcaa Executive Committee Pcaa Audit Committee Human Resource Department of Pcaa

The HR department of PCAA is still under the developing process as it was formed only three years ago.

Prior to the formation of the HR department there was an ' Administrative Department' which use to manage all the activities; finance, accounts, hiring and selection, employee record keeping, audit, etc. Even though the HR department is not completely established, PCAA HR is making pretty good efforts for fostering a prosperous corporate culture and developing organizational capabilities by designing an effective and efficient workforce who remains devoted towards the company. The head of the HR department is the Chief HR who is in Pay Group of 11. He is appointed by DG CAA (Director General).

Directorate of human resource delivers high quality of management services from manpower. HR supports the line function/directorates to achieve strategic goals of PCAA. HR directorates have five branches which perform different functions. Each Branch has different head called General Manager (GM) which then reports to chief HR for approval. Following are the branches of the HR Department of PCAA:

- HR Employee Relation and Record Management (EM & RM)

- HR Recruiting and Selecting (R & S)

- HRCareerPlanning and Performance Measurement (CP & PM)

- HR Pension

- HR Training and Development (T&D)

This report only discusses the HR Recruiting and Selection branch. The HR policies and strategies are formulated and designed in a way to develop a unified, stable and fair working environment for every single employee so

that they perform in the best way they can. Moreover, every employee is provided with opportunities to learn and grow.

**HR Organizational Chart Recruiting and Selection at Pcaa**

The Recruiting and Selection branch is responsible for attracting the potential candidates for any present or future vacant positions; it plans and provides employees with the right skills for the right job.

Similarly, the branch also deals with the employee layoffs in case an employee is not performing up to the mark or is indulged in wrong working practices and sometimes the layoffs result due to labor surplus. This branch first seeks approval for any new hire for a post or layoffs from Director General. Before starting the Hiring and Selection process, the HR first conducts Human Resource Planning to find out about its labor demand and analysis. But the HRP process is performed in depth. After the discovering the human resource requirements through HRP the Recruiting and Selection process is started.

PCAA Recruiting and Selection Process Human Resource Planning The present working environment has become extremely competitive for every business. People are now open to a great deal of opportunities and they are also well informed about the market place; candidates know the standard working practices and salary being paid by the various employers in an industry. Therefore, employees have become less loyal to the companies in general; if they are not satisfied or happy with their employer or subordinates then they don't hesitate to switch to some other company.

Keeping this trend in mind, PCAA HR performs a simple demand and supply analysis for its labor force. Demand Forecasting Pakistan Civil Aviation Authority uses a very simple method for forecasting the labor demand i. e. RATIO ANALYSIS. The method simply compares the ratio of the employees to CAA units with the expected number of employees for each job. Below is a sample table which demonstrates how the demand forecasting is done in PCAA. Column A shows the current number of employees holding the existing key positions in the firm. Column B calculates the present ratio of employees to PCCA units.

Column C calculates the expected number of employees for each job position in 2012 by multiplying the current ratio of employees to PCAA units by 32 (additional number of firms to be added). This is a Quantitative technique. Supply Forecasting Once the demand analysis is done the next step is to do labor supply forecasting. The labor requirements are fulfill either through Judgmental techniques. PCAA uses Executive Reviews; Top Management makes judgments about who should be promoted, reassigned or fired, and Vacancy analysis; judgments are made about likely employee movements

Recruiting is the process of generating a pool of qualified candidates for a particular job. The firm must announce the job's availability to the market (inside or outside the organization) and attract qualified candidates to apply. First of all the Recruiting and Selecting branch obtains the detail information about the vacant positions from the respective departments (such as finance, Operations, etc). This is explained in Job Description and Job

Specification. However, if the vacancy exists for any HR position then HR develops the job description and job specification.

Once all the relevant information is gathered then the job vacancies are announced to the general public through posting the news on their website and newspapers. The internal employees are also informed about the job vacancies through announcements, official emails or office notice board. This is a newspaper ad: PCAA HR department receives job applications within 30 days of the publication of the advertisements (as per the mentioned date in the ads). All the job applications are carefully analyzed and scrutinized and then a certain amount of candidates are short-listed who are eligible for giving the written test.

The HR (R&S) then forwards the list of selected candidates to National Testing Service (NTS). Written Test For ensuring transparency and upholding the motto of Merit, PCAA has outsourced its written test examination to a third party National Testing Service (NTS). This decision was made during the Executive Committee Meeting held on 27th July, 2007 as proprietary to conduct all type of written test on behalf of HR (R&S) branch. NTS carries out the written test once it receives the names of the short-listed candidates form HR (R&S).

## National Testing Service (NTS)

NTS is an organization who provides services for conductingacademicperformance evaluation tests which was formed in July 2002. Following are the test standards that NTS follows for all of its tests.

- Developmental procedures

- Suitability for use

- Customer service

- Fairness

- Uses and protection of information

- Validity

- Assessment development

- Reliability

- Cut scores, scaling, and equating

- Assessment administration

- Reporting assessment results

- Assessment use

- Test Takers' rights and responsibilities

## Interview Selection Board

Employee Verification Organizations should not hire people before verifying their documentations and past work behavior; even if they performed excellent in the written test or interview.

HR (R; S), in order to predict the future performance of a prospective employee, looks at the Past Employment Record of their prospective candidates. Most of the companies do not provide any kind of job-related information about their ex employees due to fear of insult. But checking employee's references is a best way for PCAA to avoid negligent hire. Another method used by HR (R; S) branch to do employee verification is to do Background Checks. This includes criminal background checks, verification of degrees, credit history, etc.

Background checks help PCAA to avoid any lawsuit resulting due to a negligent hiring. Selection When the prospective employees pass the verification step they are hired. An appointment letter is issued in the name of the employee by the PCAA HR (R; S) branch. The new hires are given a date and time for the Orientation. Training Once the Orientation is conducted the new hires of non-technical posts (e. g. Financial Officer, Accountant, etc) is required to join PCAA from the very next day. But the new hires of technical posts (e. g.

Engineers) are send to Civil Aviation Training Institute (CATI) Hyderabad for training. The duration of the training varies from four to six weeks depending upon the nature of the job. Evaluation of the Recruiting and Selection Process PCAA HR(R; S) branch doesn't use any proper method of evaluating their Recruiting and Selection process. They simply see the performance of the new hires and see if their decision of hiring a particular employee was correct or not. Hiring and Keeping the Right PeopleCase StudyBy: Rich Kramarik We have a couple of stories to share with you this month.

The first is an accounting firm. This firm has 8 employees and revenues of three million dollars. This firm had been experiencing a problem with turn-over. The CEO was using good interview techniques and involved other members of the firm in the interview process. In a couple of cases clients were used to interview the candidates. This firm was using every bit of good judgment and process to screen candidates. But, yet they experience a high level of turnover. The reasons were all over the map. In one case the new hire just was not as productive as expected.

In another case the new hire just didn't get along with clients. And, in yet another case the new hire was very argumentative with other employees. We worked with this CEO and could not find any substantive changes that we thought would help. We started looking at how new employees were introduced into the firm and how they were trained and supported. We found that the nature of the business was the problem. This firm did contract accounting services and by the nature of the business new hires were out of the office and working in the client offices immediately after hiring on.

Through interviews we discovered that the employees were uncomfortable and felt disconnected as they " got thrown to the wolves. "  We work with the CEO and new support plans and work procedures were implemented. As new employees came on board, they were assigned a " buddy" who worked with them at the client location half the time. This helped the new hire get comfortable with both the client and accounting firm. The " buddy" was also responsible to " train" the new hire in the office for two weeks before the new hire went out to client locations.

This was not dead time, but rather on the job training working on client work but at the accounting firm's office. The CEO also implemented one-on-one coaching sessions with new hires that were held on a weekly basis for the first 90 days of employment. These coaching sessions were to help orient the new hire to the company culture and they were used by the CEO as a safety valve or venting session. The CEO found these coaching session invaluable in helping both of them to resolve issues before they got out of control and became commitment reducing concerns.

The result of the new approach is that the CEO has not lost a new hire for nine months now. This is retention that is already longer than the past experiences. A second situation is an engineering firm with 20 employees and ten million dollars in revenues. The CEO said he was loosing his employees to competitive firms. He said he was tired of training new hires and then loosing them. With the permission of the CEO we interviewed several employees – both new hire and long term employees. We found some interesting environmental facts that pointed to the problem.

We heard that employee expectations were not being met. The employees felt that they didn't have adequate equipment and materials to perform their work. They also felt that there was disparity from employee to employee in the quality and capabilities of the equipment that the company made available to employees. We heard that employee assignments were constantly changing and that client demands often were accepted by management and the implications were longer work hours and lostfamilytime. We heard much more, but this is enough of an example to show the problem.

These items alone point to a poor work environment, but that was not the problem. These employees said that during the hire interview process the CEO made statements that led the new hires to believe they would have state of the art equipment. They said that the CEO said they had a culture of working a 40 hour work week. These employees also said that they had talked to friends who were working in other companies and that the

environment was much better. The CEO said that demands from clients and fear of loosing business were driving some of his actions.

He also said that poor revenues lately were impacting his ability to spend on equipment. Our CEO was also surprised to hear that his competitors were providing a better work environment. We helped this CEO implement some changes that have helped with his attrition problem. He did some work to script his interview questions and comments about the company. This helped him avoid his enthusiastic descriptions about the company that tended to overstate the real situation. We helped him put plans in place to stage the purchase of new equipment. He was able to schedule work hours in taggered sessions that allowed some sharing of the new equipment. The biggest change the CEO made was to share more information with the company employees on the business environment and to implement a more open listening style. This CEO is working hard to change these company culture issues and the results so fare is that he has not lost any employees since he started this new focus. In summary, our clients are getting our help to get their focus on working " on their business" rather than working " in their business" and when they do – they find excellent results.