

Core human resource functions essay

[Business](#), [Company](#)



- Determine how you might reduce involuntary turnover if you were top human resource manager.

Involuntary turnover happens when the company initiates the leaving of an employee. It could occur as a result of poor performance, violation of workforce ethical standards and policies, no reasonable absence and others. Involuntary turnover is a synonym of contract termination, firing or discharge. Many studies show that the main factors affecting involuntary turnover are recruitment processes and employee performance monitoring. In this context, the best way of reducing involuntary turnover is the precise recruitment selection. A top human resource manager should test and select responsible, qualified people. Testing candidates' qualifications and motivation is a tool that the human resource managers could implement to improve retention and prevent the need of involuntary turnover. Next, he should make it clear what are the company's rules and standards that need to be followed. Last, but not least he should offer attractive compensation package that includes: good pension system; performance-based bonuses; workshops based on personal and professional development; and other benefits that would motivate employees to consciously do their work tasks and strictly follow the rules. This way, the involuntary turnover and thus unexpected costs of hiring new personnel, would be decreased.

Furthermore, involuntary turnover is lower in companies with effective personnel practices and performance monitoring systems. This allows companies to follow the development and performance of its employees and detect discrepancies when still in initial phase.

- Recommend two ways to control compensation costs that do not decrease

employee motivation or productivity

Employees' motivation and productivity does not depend only on monetary benefits, but also on non-profit benefits, such as high company's reputation, flexible work schedules, professional networking and employee oriented corporate culture.

Two ways of controlling costs but do not decrease the employees' motivation and productivity are: (1) the creating of a corporate structure and (2) hiring external (temporal or foreign) employees. In terms of creating a corporate structure, a company could recognize their employees for their birthday or organize social events such as "happy hours" or the formation of a company sports team, which gather colleagues from different departments. Such activities involve some investments, but the costs would be most probably much lower than if invested in monetary compensation packages.

Furthermore, both sides win from such an initiative. For example, forming sports team can improve employee's health and thus his productivity and fewer sick days. Another attractive segment of the corporate structure is the provision of flexible working schedule. Such an incentive could improve workers' satisfaction, improve their work-life balance and make them more efficient in fulfilling their tasks. On one hand, this is especially attractive compensation offer for people who have children at home and would like to spend more time with them. On the other hand, this option could reduce the overhead costs of the company by limiting the amount of office usage and all company's supplies such as telephone, cars and etc.

Hiring external employees could be via temporal contracts (downsizing) or hiring foreigners (outsourcing). Human resource manager could decrease

company's labor costs by hiring people in emerging situations and for specific projects, on a temporal basis (of course this cannot be due for all employees but for projects that the company gets involved on a seldom basis). This is required when the business project needs professionals with specific skills and knowledge. Downsizing helps Human Resource Managers to cut costs, because those costs occur on a temporal basis and usually for a short-term of period.

Outsourcing is another option of hiring motivated people at a lower cost. For example, many ambitious and highly educated professionals from Eastern Europe are looking for a job in a company from Western Europe and are willing to work for a lower monetary compensation plan. Furthermore, it could be the case that these employees work from long-distance, communicate with each other via Internet and computers and thus contribute to the controlling of compensation costs.

References

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