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## Leadership Essentials

# Understanding HR

Achieving leaders understand the HR frameworks within which they operate



# Even if your organisation has a dedicated Human Resource Management (HRM) Department or Section, it is important that you as a leader understand the fundamentals of HRM processes, so that you can influence and contribute to those processes effectively.

If you do not have access to HRM expertise, then it is even more important you understand the following vital functions of recruitment and onboarding, disciplinary and grievance procedures, and remuneration.

## Recruitment and onboarding

The processes of recruitment and onboarding include defining the role and responsibilities of each job, workforce planning, attracting candidates to vacant roles, selecting, preparing, and inducting new employees.



Workforce planning means asking: What knowledge, skills, behaviours, experience will be needed in the short and long term? How many people with which capabilities will be needed and when? How to obtain them? What type of contracts (permanent, temporary, full time, part-time or sessional) are required?

Effective recruitment is essential in ensuring the successful function of your team. It is impossible to dedicate too much effort to getting the right person in the right job at the right time. Be very aware of the implications of where you've chosen to publicise the vacancy, and how you've worded the advertisement, given the need to ensure equality of opportunity and diversity, as well as not accidentally excluding people who would do the job well.

Screening application CVs or forms to obtain a list of people who are then interviewed still seems to be one of the most popular methods for selecting candidates, but is not a reliable method to select the best person on its own. Putting time and effort into constructing a suitable 'assessment centre' (a series of appropriate tests to bring out candidates' strengths and weaknesses) often saves much time and effort re-training, or dismissing, the wrong choice later!

Induction should start from the moment a candidate accepts a role in your team. Ideally you want new recruits to 'hit the ground running', that is, settle into their new roles as swiftly as possible. They will need practical information about the organisation – finding their way around, for example, and specific information about their new team, routines, timetables, their primary tasks and projects, deadlines and key performance indicators. Give the new employee plenty of opportunities to ask questions; in fact, encourage it, and do not convey the fact that you think some of the answers are obvious. They might be – to you! Sometimes you will have become so accustomed to a certain way of doing things that you do not actually 'see' them anymore.

But be careful not to overwhelm the new candidate with too much information at first. Think about the most important things they need to know, let them absorb that, and then proceed with further information. Make sure you do not unintentionally leave the newcomer to sink or swim – check in with them regularly.

## Grievance and Disciplinary Procedures

Your organisation should have a formal procedure for dealing with grievances, which is when a member of staff wants to make a complaint about some aspect of their employment. Ensure that you have read and learned its basic points, and that your team know of its existence. Ideally all grievances should be dealt with informally to begin with by the appropriate manager. The grievance procedure is usually only invoked if the complainant feels that this has not satisfactorily dealt with their problem. If your organisation does not have a formal procedure, follow the guidelines laid down by ACAS.

Disciplinary procedures are usually initiated by team leaders when a member of their staff is guilty of misconduct, but sometimes they are also used to deal with under performance. In the case of the latter the staff member should be given every opportunity to improve, which might include coaching or other forms of training, or help – if possible – with personal problems which are affecting performance. Sometimes a simple reorganisation of work processes can solve the problem.

If the disciplinary procedure is the result of misconduct, certainty of facts and confidentiality on the part of the team leader are vital. As with under performance, any issue of misconduct should be dealt with as soon as possible and informally first. Sometimes a quiet word stops any repeat of inappropriate or damaging behaviour or actions which, along with an apology to any customer or other member of staff affected, may be sufficient. Again, sometimes re-training, including coaching might prevent future problems.

If an act of misconduct or ongoing under performance has been extremely inappropriate or damaging, or persists, the organisation's formal disciplinary procedure should be initiated (which might include immediate suspension). These can differ from one organisation to another, but the underlying principles should be the same. ACAS is also a good source for examples of procedures which will prevent the organisation facing legal problems at any point, and which are as fair as possible to the member of staff involved. Consistency and accurate records are key.

## Remuneration

This includes financial and non-financial rewards at work. A remuneration scheme is usually laid down by the organisation as a whole, but all team leaders should be acquainted with the terminology involved, which might include:

<b>Bonus</b>	A lump-sum cash payment made in addition to basic salary.
<b>Company car / car allowance</b>	The provision of a car for employees' private and business use, in the form of either a car provided or a cash allowance. Most employees are required to pay tax on their company car or car allowance. A further tax charge applies when the organisation provides free or subsidised fuel for private use in a company car.
<b>Employee Assistance Programmes</b>	The provision of support, such as counselling, to enable employees to address personal issues that might adversely affect their wellbeing and/or work performance.
<b>Fixed bonus</b>	A guaranteed fixed cash amount paid to all or certain categories of staff, usually on an annual basis, if certain organisational goals are met.
<b>Flexible benefits</b>	A range of non-financial benefits (e.g. private healthcare, gym membership, etc.) from which employees can select.
<b>Merit increase</b>	A permanent increase in basic salary awarded to an individual employee based on their performance.
<b>Salary sacrifice</b>	A tax-efficient way for employees to invest in certain benefits, such as a pension, by deciding an amount of pre-tax salary to contribute.
<b>Share options</b>	The opportunity for employees to buy a certain number of shares in the company at a future date, but at the current market price.

## Exit Management

Employees may leave their employment for a number of reasons, such as retirement, resignation, termination of contract, or re-structuring in the organisation.

'Exit management' is the formal process to end the relationship between employer and employee effectively, and is instigated by the employee submitting a letter of resignation to their line manager. The resignation letter should include the employee's notice period, and the employee is obliged to carry out their duties and responsibilities as normal during this notice period whilst working with their line manager to facilitate a handover to an appropriate person or team.

It is important to carry out an exit interview to understand why the employee is leaving and to get feedback about their perceptions of their previous role and the organisation.

If acted upon, the feedback from exit interviews can help reduce employee turnover and increase employee satisfaction.

An exit checklist should also be drawn up to ensure, for example, that the employee will receive all monies owed to them; all company property, security passes and keys are collected, and access to work computers and systems is denied.

Ideally, a good exit process should ensure the employee leaves the organisation on good terms and the employer has helped the employee leave with dignity.

### References

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## Dimensions of Leadership

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