



# Further Human Resource

# Issues

A2 Business

## Types of Employees

- Overtime organizations have tried making their workforce more flexible by having higher proportion of temporary and part-time workers.

## Part-Time Workers

- Unlike fulltime workers that have a full time commitment with the organization the part time workers are just engaged for part of the working day.

- Advantages:

1. Less costly for the business compared to fulltime workers

2. Can only be engaged / hired as and when needed

Disadvantages:

1. Would not be available for extra tasks

2. Would not be as committed or motivated with your organization

## Temporary Workers

- Anyone with fixed / limited employment contract.
- Advantages

1. Are only hired and paid when there is some project / work

Disadvantages:

1. Will not be very much engaged and connected with the organization and so might not make a good fit in certain cases.
2. Cannot be assigned extra responsibilities.

## Zero Hour Contract

- Is when someone is working with an organization based on the idea that if there is some work for them they will be paid on hourly or project basis but otherwise there will be no compensation.

## How to Evaluate Employees Performance?

1. Against the objectives that are assigned to these employees -MBO
2. Looking at the average or specific absenteeism rate
3. Labor productivity =  $\text{Output} / \text{Number of Employees}$

Absenteeism Rate =  $\# \text{ of hour lost} / \# \text{ number of hours} * 100$

# Using Objectives as the Basis to Evaluate Employees Performance

- Management By Objective (MBO) is the strategy used to break larger targets into individual objectives so that employees performance can be evaluated against it.
- ADVANTAGES
  1. Employees have much clear vision as to what their managers expect them to achieve
  2. This practice of MBO will result in more coordinated efforts by employees to achieve the overall aim or mission of the company.

# MBO

- Disadvantages

1. Can be ***highly time consuming*** and tedious practice if you are doing it for a large company especially multinational company
2. In case of unexpected and sudden changes the entire practice of MBO can be wasted because of significant change in business circumstances.
3. In case the employees do not have a chance to discuss over the objectives then any objectives dictated to them by the managers might not be pursued by them with most dedicated and

commitment.

## Trade Union Issues

- Trade Union: is an organization that represents workers in any company, industry and it is responsible for negotiating the terms of contract with the employers.
- Terms of Contract: includes the elements of employees' employment contract like wages, holidays, overtime incentives, health and safety laws etc etc.
- Collective Bargaining: the process of trade union representing



workers is known as collective bargaining which is expected to be more beneficial than individuals bargaining for their rights.

## Industrial Action

- This refers to the steps/actions taken by the trade union to register its grievance against the companies / employers or government in case their demands are not met.
- Some of the popular forms of industrial action include:
  1. Strike – not showing for work
  2. Protest – do show up for work but workers gather at some place to record their grievance against the business

3. Go-slow – deliberately working slow
4. Overtime ban – making a policy that no trade union member will put in overtime.

## Trade Union Recognition

- It is when the company recognizes a trade union to negotiate its employment terms with.
1. Single Union Agreement: is when the company only recognizes one trade union to negotiate its human resource issues with.
  2. No-Strike Agreement- when employer has the trade union word that it will not go on strike and will resolve the dispute.

# Government is also a major stakeholder between Employer and Employees

- Government makes regulations including laws to make sure that no one party is unnecessarily exploiting the other party. For instance:
  1. Law Labor -includes things like health and safety protocols for workers

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| <p>How much inelastic is the demand for labor – when workers have very specialized learning and they cannot be easily replaced then labor is said to have inelastic demand.</p> | <p>High Unemployment gives more bargaining power to employees since employees do not have much other work opportunities</p>   |
| <p>If the demand for product is inelastic – meaning it is a necessity like food the workers associated with these businesses are expected to be more safe.</p>                  | <p>If the demand for the product is more elastic meaning it is not that much of a necessity like luxury cars, clothes etc</p> |