

Unit 1 HR

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Keynotes

The primary role of the Human Resources (**HR**) department is to ensure that an organisation gains maximum strategic benefit from its staff and from its personnel management systems. HR managers supervise the administration of the employees of an organisation and also plan and manage its **manpower** requirements in order to ensure that it has the right number of employees with the appropriate **skills**. To do this successfully, HR managers are also in charge of setting up **performance evaluation schemes** which provide **appraisals** of employee efficiency and potential. Other critical responsibilities of an HR department include **payroll management, recruitment, training and development, career management and conflict resolution**. In many businesses today, HR also plays a key role in ensuring **workforce diversity** and the **well-being** of all members of staff.

Preview

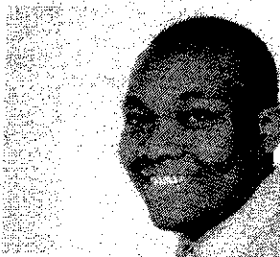
Choosing who to work for

Which of the following criteria do you think are the most important when deciding what sort of organisation to work for? Rank them in order of importance.

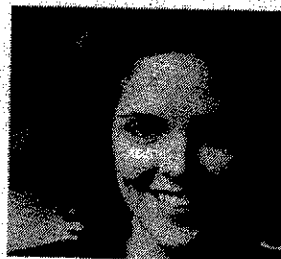
- _____ Career opportunities: chances of mobility, promotion and development
- _____ Career breaks: the possibility to take extended leave
- _____ Ethics: a socially responsible business culture
- _____ Alumni programme: the company keeps in touch with ex-employees
- _____ Perks and privileges: workplace sports facilities, child care, free canteen, health care, etc.
- _____ Performance related pay: bonuses and pay rises based on results
- _____ International assignments: opportunities to work abroad
- _____ Training and development: the chance to acquire new skills

Listening 1

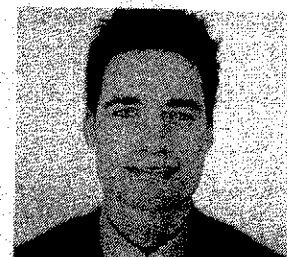
Listen to three recently recruited graduates talking about what attracted them to the companies they work for and say which of the above they refer to.



1 Brad Johnson
Finance Solutions



2 Jane Ford Hadden
Martin, Peters and Jackson



3 Klaus Beckhaus
Farnham Global Business Solutions

Speaking

How do you think HR managers decide which employees have the most potential?

Reading 1

Talent management

Read the text on the opposite page and use the information in the text to give short explanations of the following statements.

- 1 Finding and keeping the most talented people is more important for the Big Four than it is for most other companies.
- 2 Employees should not be rewarded only for their financial performance.
- 3 Recent legislation has made it harder for the Big Four to find and keep talented employees.
- 4 The Big Four have introduced changes in the way that they recruit staff.
- 5 The relationship that the Big Four have with ex-employees is evolving.
- 6 Fewer women than men reach the top positions in the Big Four companies.
- 7 Today's recruits have different expectations from their predecessors.



Talent management

Winning the war for talent

Surprising as it might seem, the Big Four accountancy firms have lots to teach other companies about managing talented people

¹ It is not just that they collectively employ some 500,000 people around the world. Many companies are as big. Unlike most, however, the Big Four titans of accountancy – Deloitte Touche Tohmatsu, Ernst & Young, KPMG and PricewaterhouseCoopers (PwC) – really mean it when they say that people are their biggest assets. Their product is their employees' knowledge and their distribution channels are the relationships between their staff and clients. More than most they must worry about how to attract and retain the brightest workers.

² Time is regularly set aside at the highest levels to decide how best to do this. Detailed goals are set: Deloitte's business plan includes targets for staff turnover, the scores it seeks in its annual staff survey and the proportion of female partners it would like to have. Partners are increasingly measured and rewarded as managers of people, not just for the amount of money they bring in. People-related items account for one-third of the scorecard used to evaluate partners at PwC. KPMG's British firm has introduced time codes so that employees can account for how long they spend dealing with staff matters. The idea is that those

who devote lots of time to people-related matters are not disadvantaged as a result in pay rises and promotion.

³ Job cuts earlier in the decade created a shortfall of people now. Regulatory changes, such as America's Sarbanes-Oxley Act, have boosted demand from clients not just for accountants' services but also for their staff. There were never enough skilled people and now as competition to get the best is increasing, the pool of available talent is changing and in the US baby boomers are flooding into retirement. To add to their difficulties the Big Four are now aggressively re-entering the field of advisory services, necessitating a new burst of hiring.

⁴ Much of this recruitment is aimed at hard-to-find experienced professionals, especially important in the advisory businesses where corporate knowledge is highly valued. Robust selection procedures are used to ensure that they fit in. Programmes that help keep the firm in touch with former employees are also being strengthened so that people who leave can more easily find their way back (these "boomerangs" account for up to a quarter of those hired by the Big Four in America).

Glossary

partner a member of an audit or legal firm who has a capital investment in the business

boomerangs people who leave a company but return later

drum up gather, solicit

⁵ Former employees can also act as useful recruiting agents and help to drum up new business. For these alumni programmes to work "a massive cultural switch" is needed, says Keith Dugdale, who looks after global recruitment for KPMG. Few employers are used to helping people leave on good terms. But in an era of job-hopping and a scarcity of skills, loyalty increasingly means having a sense of emotional allegiance to an employer, whether or not that person is still physically on the payroll.

⁶ A similar change in attitude is needed to manage the careers of female employees. Each of the Big Four wants to promote more women, who account for about half of their recruits but around a quarter, at best, of their partners. Many women drop off the career ladder at some point, usually to have children or to care for an elderly relative and find it difficult to get back on again. Options such as career breaks and part-time working are part of the accountants' response.

⁷ Retaining good people is the biggest challenge. Mobility is seen as a useful way to retain and help employees develop. International assignments can also be critical in attracting new graduates. According to Pierre Hurstel, Ernst & Young's global managing partner for people, new entrants want to work abroad. High-minded young people also want to work for companies with a decent ethical reputation. As well as tying reward schemes to the better management of people, Deloitte's British firm asks partners to spend a minute with their staff immediately after client meetings to provide feedback so that they fulfill more of a training role.

⁸ As the "war for talent" is joined across industries and countries, it could be worth keeping an eye on how the Big Four are quietly leading the charge. ■

Speaking

Which foreign country would you most like to work in if you had to work abroad? Why?

Vocabulary

1 Find the words or expressions in the text that correspond to the following definitions.

- 1 The rate at which employees leave a company or organisation (para 2)

- 2 A sheet or table that shows quantitative results (para 2) _____
- 3 A result or outcome that is lower than expected (para 3) _____
- 4 The different methods used to recruit employees (para 4) _____
- 5 Moving frequently between positions in different companies (para 5)

- 6 A list of all the employees who are paid by the company (para 5)

- 7 Programmes to remunerate employees (para 7) _____

2 All of the statements below illustrate vocabulary items that appear in the text. Write the words in the spaces.

- 1 Every year we conduct a full review of all our employees. (para 2)

- 2 Well, of course, knowing that you will earn more if you reach your performance goals is very motivating for all employees. (para 2)

- 3 It's more or less inevitable that when turnover is down, companies will reduce their headcount. (para 3)

- 4 The government is planning to introduce new legislation which will directly affect the way that we do our business. (para 3)

- 5 When our staff reach the age of sixty-five most of them decide to give up work. (para 3)

- 6 Without doubt one of the most important assets that we have in our organisation is our shared expertise and experience. (para 4)

- 7 Being able to keep in touch with many of my former colleagues really gives me the feeling of belonging to a community. (para 5)

- 8 How far people move up the company hierarchy depends on both their aptitudes and their motivation. (para 6)

- 9 I think that taking a year off after the birth of my daughter was exactly the right thing to do. (para 6)

- 10 For the next twelve months I will be managing a project for one of our foreign subsidiaries. (para 7)
