



The Top Ten Mistakes in HR Management

As Human Resources consultants, we work on the ‘front lines’ of HR management. We are engaged on a regular basis with a variety of organizations; large and small, and from every sector. We have had the privilege of observing the very best HR practices - and their successful outcomes. At the other end of the spectrum, we have been exposed to situations where we shake our heads in disappointed amazement.

As a result, we have learned a lot. In this article we share with you a summary of our observations and findings over the years, and a checklist of the major pitfalls to avoid in your organization. No names are included, to protect the innocent, and the guilty.

1. Not Having a Plan

If we asked the first five employees who walk by your office door to tell us “what business are you in?” would they all give us the same answer? If your business was a Roman galley, would all the ‘oars people’ be rowing in the same direction? Or would your ship be going around in circles?

We have seen organizations where employees do not know the core corporate objectives - because management never told them. We have seen places where the organization charts are confidential and not shared with staff.

Our advice: You need a business plan (as any banker will tell you). You need a corporate strategy. You need an organizational model which depicts your work structure and is aligned to your business plan. All of these need to be regularly updated and communicated.

2. No Job Descriptions

We once heard a company CEO, in a business where there were no job descriptions, glibly state that ‘if my staff don’t know what their job is, they have a problem’. Our (tactfully unstated) response was “No, if your employees don’t know what they are supposed to be doing, YOU have a problem”. This is not bureaucracy, this is good business.

Job Descriptions are the bedrock of any HR program. They spell out how the business and programs of the organization will be accomplished. They are invaluable tools in recruiting (job ads), new employee orientation, training, compensation and performance management.

Our advice: Write them. They don’t have to be long. Spell out the job title, reporting relationship, summary overview of the role, a list of tasks and responsibilities, and the required skills and qualifications.

3. Hiring the Wrong People

An old adage has it that manager’s make up their mind about a candidate within the first 30 seconds of the interview. This may have some truth to it, but ‘hiring by feel’ is plain wrong. Subjective impressions do

not work. Many managers 'wing it', sans a plan or any training. This leads to the proven fact, verified by lots of research, that interviewers typically do a lousy job of hiring.

Our advice: Know the job you are hiring for. Know the organization's requirements. Objectively evaluate candidate CV's against your required qualifications. Learn how to interview properly. Learn behavioural interviewing techniques. Know your human rights obligations. Use semi-structured interviewing guides. Be honest about the work environment and expectations. Involve others in the process. Conduct effective reference checks. Watch out for infatuation. Don't hire out of laziness or desperation.

4. Not Getting Rid of the Wrong People

Managers hate to fire people. They debate, ponder, worry, procrastinate and agonize over it. Their angst is palpable. They hire consultants to tell them what to do – and then ignore the obvious advice. They put up with extraordinarily poor performance because (as I was once told), they don't have the 'chutzpah' to make the required decision.

The rest of the organization watches in bewilderment as the poor performer drags everyone else down, waiting for management to 'do something'. The most relieved person in the world is a manager the day after they've fired someone. The weight is off their shoulders.

Our advice: Flag poor performance early on. Advise the employee what they are doing wrong, and how to correct it. Provide support and training. Follow up. Document it. Advise the employee of the consequences if the behaviour continues. Introduce progressive discipline. Obtain input and guidance from others. If the problem persists, make the decision. Design a generous termination package and exit the employee.

5. Paying Too Much / Or Too Little

Paying your employees too much is a waste of money. Paying them too little is also a waste of money; since it will invariably lead to turnover and increased recruiting, hiring and training costs (to name a few). Paying new employees whatever they ask for has been called "Wild West management".

How do you know what the 'going rate' is for every position in your organization? How can you ensure fairness among employees, between different job levels, and with the external labour market? If you fail to do any of these – it will cost you money.

Our advice: Write job descriptions. Use a job evaluation method to classify your jobs into levels or grades. Obtain wage and salary survey information (from the government, web sites like Salary Wizard, or compensation survey firms). Determine where you wish to pay relative to the market averages. Establish pay bands (salary ranges). Pay your staff within the ranges.

6. Failing to Engage

Does your work environment enable a sufficient and sustainable workforce in support of corporate objectives? To put that in plain English; are your staff happy campers? If morale is low, productivity suffers. If your organization is not productive, then your clients and stakeholders will not be happy campers.

Similar to real estate, where location reigns; the three most important words in employee relations are "Communicate, communicate and communicate". To that we would add, "and when you're done,

communicate some more". "I don't know what's going on around here" is a major employee concern. Yet, "I don't have time" is the number one refrain we hear from managers about why they don't engage their staff.

Our advice: Treat your staff as you would like to be treated. Tell them what is going on, regularly. Ask for their input. Conduct Employee Satisfaction surveys. Carefully measure your retention and turnover rates. Conduct exit interviews; when staff leave you should know why.

7. Not Having 'Rules of Engagement'

The inconsistent application of policies drives employees crazy.

You're a busy and harried manager. Susan asks you if she can have next Friday off to help a friend prepare for a wedding. She will make up the time. You say ok. You then immediately forget about that decision. Your staff do not. Three weeks later, Jane asks you the same question. You say no, 'sorry we're too busy'. The end result is predictable.

Our advice: Create an Employee Handbook. Write down all of your HR policies, practices and rules in a straightforward reader-friendly manner. Introduce the Handbook to all employees. Provide a copy to all new employees and guide them through it. The answer to Susan / Jane's question is on page 17 under Leave policies.

8. Failing to Recognize

In our arduous path through grade school, high school and university there is always one constant – feedback. We always know how we are doing (even when we don't want to know). Everything we do is observed and graded. Then we enter the workforce and (often) there is silence. The feedback ends.

People need to feel appreciated for their work. Neglecting to recognize and reward good performance can lead to morale issues and future attrition.

Our advice: Pay attention (back to the school theme). Tell your staff how they are doing. As Ken Blanchard said in the One Minute Manager, "catch your employees doing something right" and praise them. It can be as simple as saying thank you. Explore other reward and recognition options.

9. Mismanaging Performance Appraisals

Like a trip to the dentist, the annual performance appraisal is an event dreaded by most managers. In many organizations appraisals are a bureaucratic exercise in advanced 'form filling-outing'. HR is the police department driving this phenomenon, only satiated once all the papers are completed and appropriately filed away. In an effort to minimize workload and avoid conflict, managers often inflate the ratings of average or poor workers, or simply check the middle box in every scale.

Faced with this situation, a new Director of HR in one large public institution blew up the process. He declared a moratorium and cancelled all appraisals for two years. He used this interregnum to rebuild the concept from the ground up. While this was probably overkill, the key point is that it is not about the form, it is about the employee and their supervisor having a conversation on how the employee is performing relative to expectations.

Our advice: Conduct the appraisals. Keep them simple. Never forget that the primary goal is to provide feedback.

10. Ignoring the Importance of Training

We regularly come across three common training issues;

- i) Employees are too busy to take training (or so their managers say). Staff are too invaluable in their roles and can't take 'down time' for training. There is no one available to back fill employees.
- ii) Lack of a training strategy or plan. Identification of training needs is informal. Training is provided on an ad hoc basis.
- iii) When times are tough, and programs are being cut, the training budget is the first casualty. It's an easy target; lots of funding sitting there, and no immediate impact.

Your business is not static, and neither are your staff. Your employees' skills need to be continually updated and refreshed in order to remain effective.

Our advice: Learning, training and development systems and practices should be in place and aligned with your strategic goals and objectives. Create a training budget that is within your means. Identify training needs – for both groups and individuals. Create Employee Learning Plans. Link them to Career Development Maps. Deliver and track learning and training in a methodological manner.

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