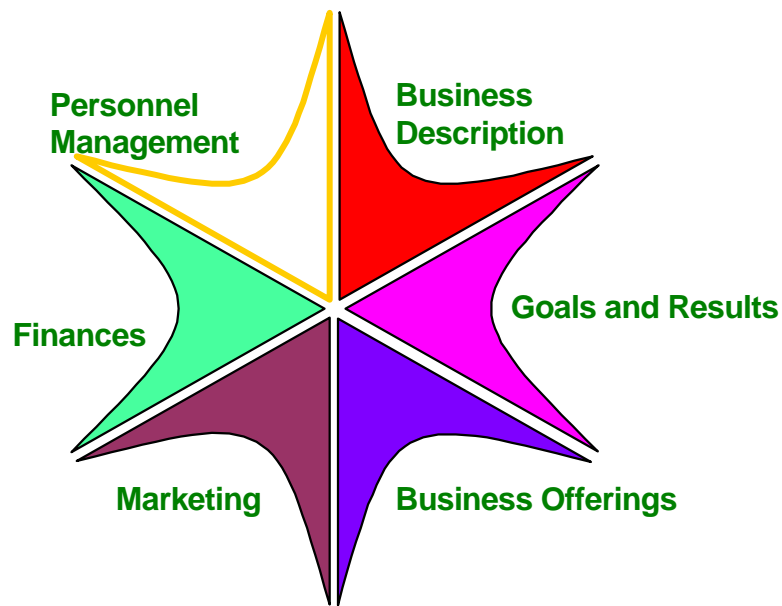


Effective Employee Management & Development



CorNu
Enterprises

A CorNu Enterprise Educational Product

BIZBITE CONSULTING GROUP

Effective Employee Management & Development

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Credit Page

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How is this module organized?

We divided the Effective Employee Management and Development into six major headings:

- | | |
|---------------------------------|---|
| 1. Personnel position checklist | 4. Employee training & career development |
| 2. Management personnel plan | 5. Employee training record & experience record |
| 3. Business career paths | 6. Job training form |

Within each of the six subheadings, you will see the following organization pattern.

- | | |
|---|-----------|
| Introduction | Uses |
| How to use this section
(Module content) | Summary |
| | Celebrate |

Celebrate!

It is important that you recognize your achievements and celebrate each small step. Phone some friends and celebrate it. We will offer you opportunities to celebrate at the end of each part of the module. Have fun with them. We had fun creating them for you.

Suggestions on how to use this module

Effective Employee Management & Development is organized so that you decide:

- In what order you want to access the various titles
- What you want to ignore
- How many times you want to revisit the material

Just return to the Table of Contents and click on what you want to read or review again or click on the Bookmarks on your Adobe screen.

The six-pointed star

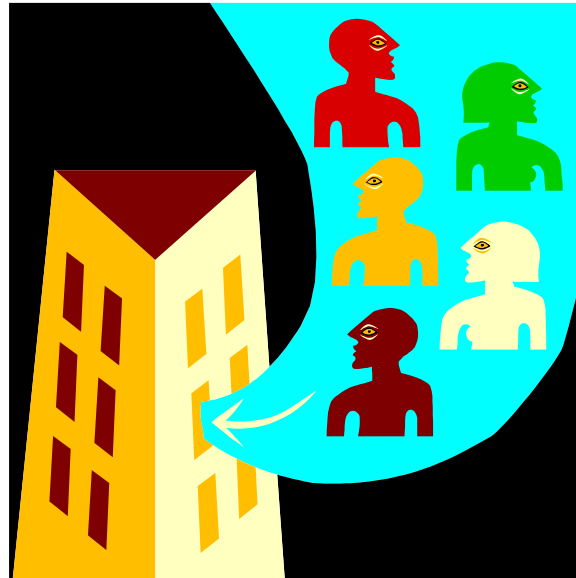
We have depicted business and a business plan as a six-pointed star. Each part of the star represents a major aspect of your business and an important element of a business plan. Together, they form a complete view of your business and your business plan.

We have carried this star throughout all the BizBite Consulting Group products and all the modules.

As each new section is begun or completed, the appropriate part of the star is colored and the rest of the star is colorless. This may help you to see how a specific topic relates to the whole business and to remind you that it is part of the whole.



Effective Employee Management & Development



Overview of the module

Finding and hiring the right people is not an easy task but it is crucial to the future success of the business that once the right people are hired that the business keeps them for as long as possible.

In this module, we will present ideas concerning planning for the career and personal growth of your employees. Career planning and development takes effort and organization, but the financial benefits to the business can be huge over time.

As you review this material, compare these ideas to how you presently handle the career planning and development of your employees. If you presently do not have a program of career planning and development, ask yourself how the ideas presented could save your business money, or result in increased employee productivity.

Personnel Position Checklist

Introduction

Before starting any of the six career development processes, you need to have employee profiles. These profiles are snapshots of the employees' histories within the business.

An employee profile is in the form of a one-page checklist and is for internal use only. Along with the training and other career development and planning charts, this checklist gives a manager an employee's history and specifics about his or her job responsibility.

You can review this checklist before considering moving anyone to another position or making any training decisions.

How to use this checklist

You will note that like all the other checklists or questionnaires that are found in this module, enough room for answers are not necessarily provided.

Sample employer personnel position checklist

Exact Title: _____ Partner: _____ Employee: _____

Length of Service: _____ Copy of Résumé: _____

Conditions of Partnership: _____

Conditions of Employment: _____

Career Advancement with the Business: _____

Salary History: _____ Bonus: _____

Commission _____ Profit Sharing _____

Stock Options: _____ Expense Allowance: _____

Car/Allowance: _____

Medical Benefits: _____ Dental Benefits: _____

Pension: _____

Amount of Travel: _____

Companies under Jurisdiction: Specific Involvement/Authority: _____

No. of People Supervised: _____ Immediate Staff: _____

Organization Structure of each Business: _____

Degree involved in day-to-day policy making:

Goals and outcomes setting: _____

Commitment of assets: _____

Profit and Loss Responsibility: _____

Track Record: _____

Major Successes: _____ Major Failures: _____

Importance to the Future Growth of the Business: _____

Major Projects Involved in/Pending: _____

Impact of the Loss of this Individual: _____

How hard to replace: _____

Salaries/Bonus/Perquisites of the Line Managers immediately reporting to the employee: _____

Responsibility for Developing and Initiating New Products or Services _____

Public Profile: _____

Surveys of Major Competitors: _____

General Comments: _____

Checklist Reviewed by: _____ Date: _____

Title: _____ Division: _____

Management Personnel Plan

Introduction

A management personnel plan is an important budget-planning tool because personnel related costs are usually among the major expenses of any business.

The management personnel plan identifies all of the key positions within the business. It would include positions that don't exist now, but required in the near future. The plan would show the reporting structure of the business.

How to use this information

Use this section as a guide to preparing a personnel plan for your business. The business segments of your business will be different but the method illustrated is the same.



This section will help you to think through the progression from one job to another in your company. Try to imagine positions that may not exist now but would in case of business expansion.

When you have completed your personnel plan, you will then be able to identify the skills and experience necessary for each position and this will allow you to develop a budget for business planning purposes.

Sample management personnel plan

1. Write or diagram a detailed organizational structure.
(See *Sample Business Career Paths*)
1. For all key people in the organization, write out their major responsibilities and their authority.
2. Describe the experience and background of key people and their potential contribution.
3. Describe the trends or changes occurring within your business and how staffing may be affected.
 - In the present
 - In the future
 - Indicate how these trends will affect your business

Celebrate!!



Business Career Paths

Introduction

The business career path diagrams illustrated below relate to and graphically present the ideas discussed in the Management Personnel Plan and Employee Training and Career Development.

The career paths diagrams are a good way to show visually the reporting relationship between the various segments of a business.

They also demonstrate how employees would progress during their career from one job to another within each business segment.

Below there are four diagrams that show how a sample business might indicate the various career paths:



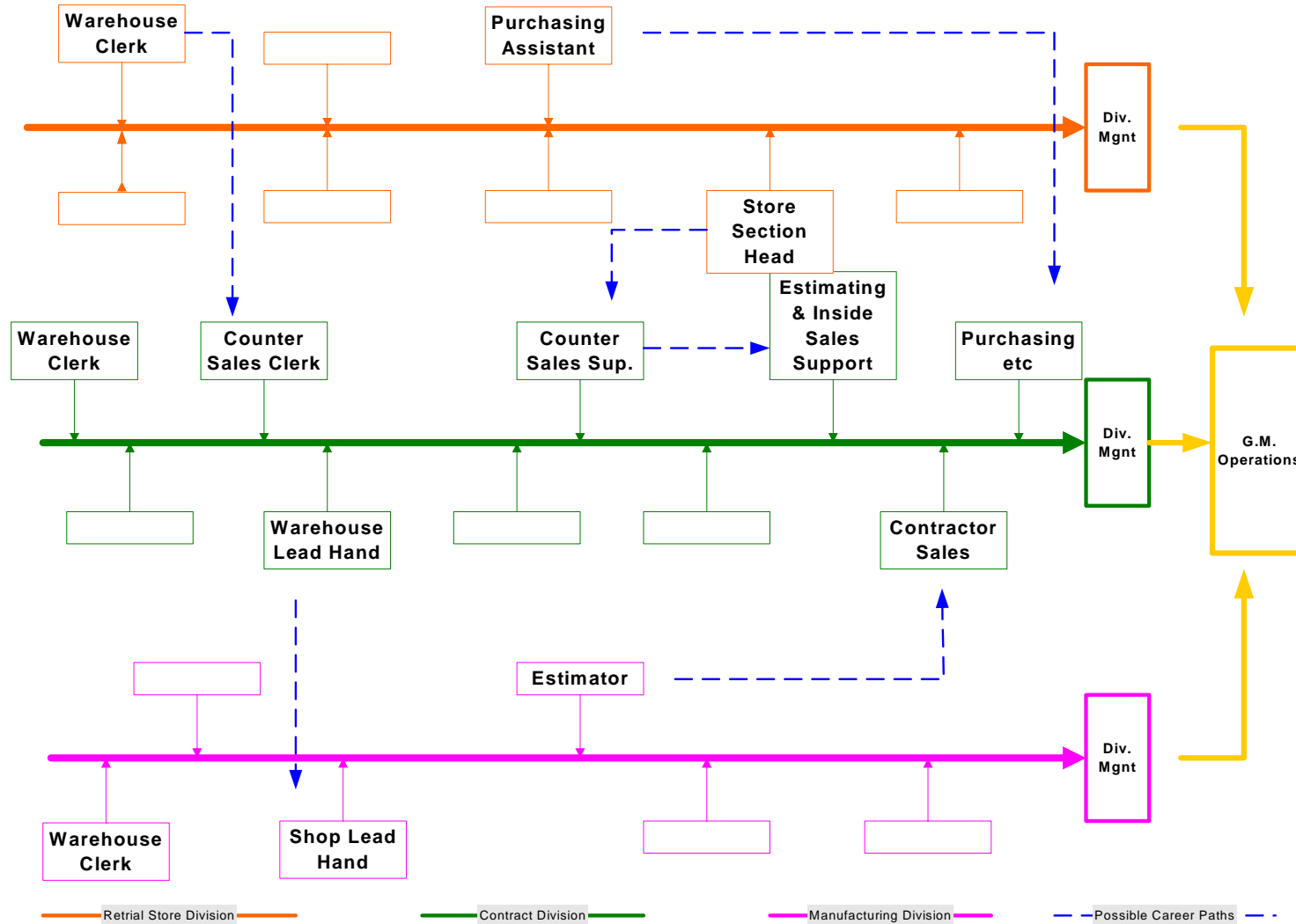
1. **Master career paths for a business**—indicates more than one career path for the various divisions within a business. It indicates that there is movement between the various divisions.

Furthermore, it indicates how the divisions of the business are related.

2. **Retail store career paths**—indicates that there are two career paths and that there is movement between the two career paths
3. **Contract division career paths**—indicates that there are two career paths and that there is movement between the two career paths
4. **Manufacture division career paths**—indicates that there are two career paths and that there is movement between the two career paths

You may need to turn some of the next few pages around so that you can read them.

Master career paths for a business



Retail store career paths

The Retail Division Career Path diagram below illustrates two career paths in a typical retail organization.

The Division Manager in this diagram indicates the reporting function between the two business segments.

This diagram demonstrates how employees would progress during their career from one job to another within each business segment or move to another business segment along its career path.



For example

A new employee starting with the company as a warehouse stock clerk may begin on one career path. Depending on training and experience, the employee progresses to:

- Cashier and Purchasing Assistant

Alternatively, the employee may move to the other career path:

- Merchandiser, Store Sales Clerk, Store Dept. Supervisor, Store Section Head, and Store Manager

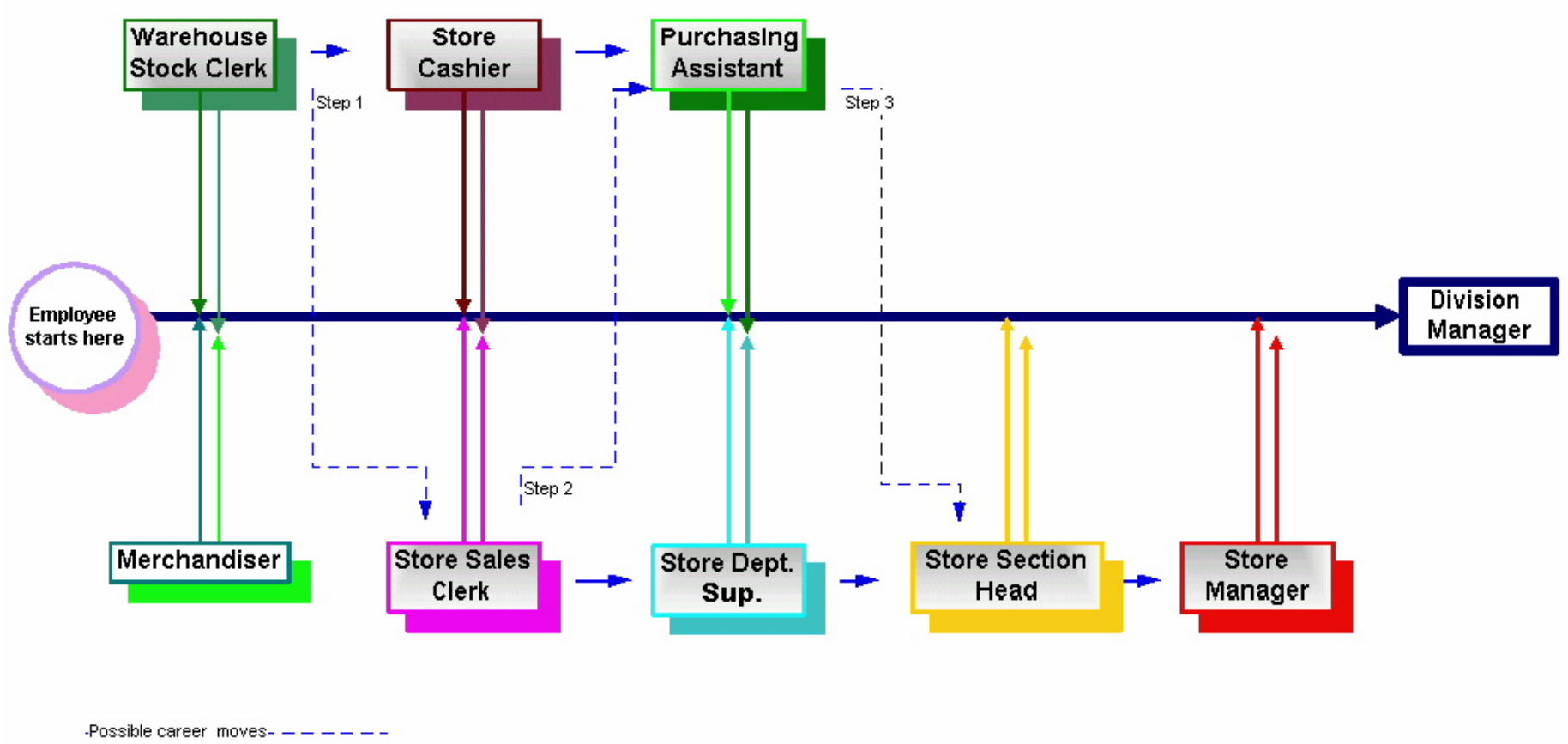
The diagram suggests that some people will 'dead end' or plateau in their career at any point.

Notice that the point at which people usually cross over from one path to the other in this example is at the Store Sales Clerk point.

In a hypothetical situation, a manager may take a promising employee with little previous experience and give them training as a cashier and a purchasing assistant before moving them up the ladder to higher positions in the organization.

You should plan and track additional training at each level.

Retail Store Career Paths



Contract division career paths

The Contract Division Career Path diagram illustrates the typical career paths in the contract division of a business.

The Division Manager in this diagram indicates the reporting function between the two business segments.

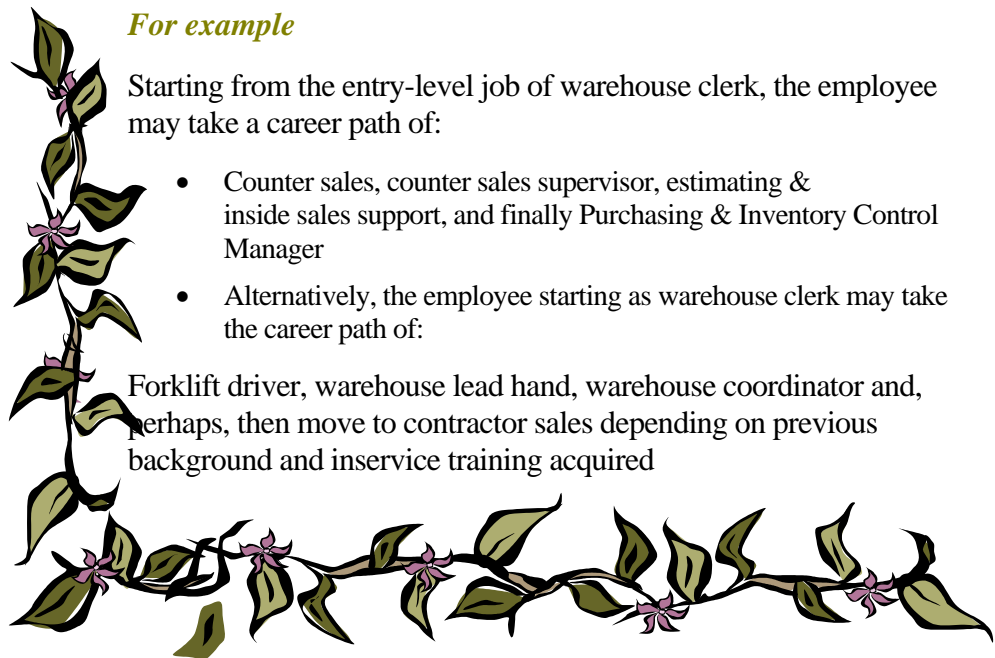
This diagram demonstrates how employees would progress during their career from one job to another within each business segment or move to another business segment along its career path.

For example

Starting from the entry-level job of warehouse clerk, the employee may take a career path of:

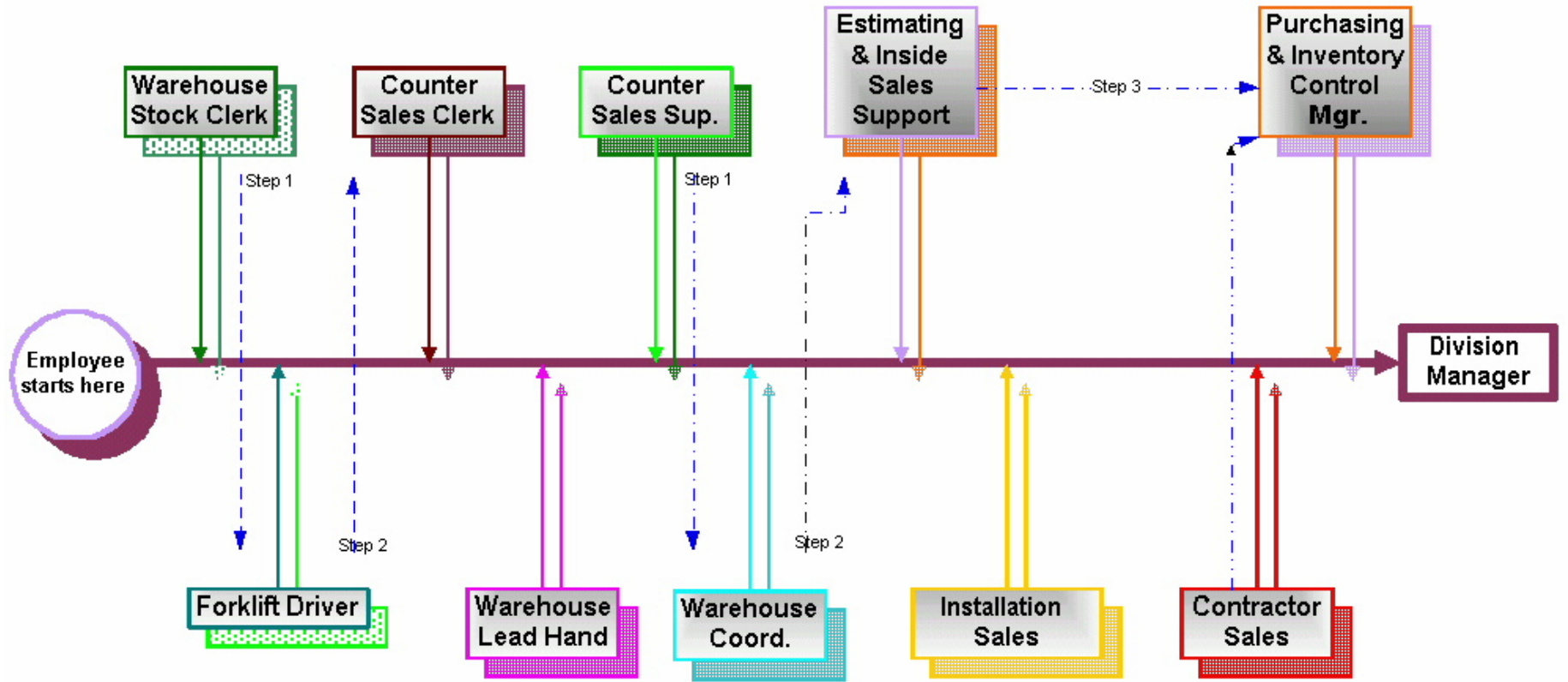
- Counter sales, counter sales supervisor, estimating & inside sales support, and finally Purchasing & Inventory Control Manager
- Alternatively, the employee starting as warehouse clerk may take the career path of:

Forklift driver, warehouse lead hand, warehouse coordinator and, perhaps, then move to contractor sales depending on previous background and inservice training acquired



Employees may cross over from one career path to another. This is most likely to occur at the counter sales clerk and the warehouse lead hand level.

Contract Division Career Paths



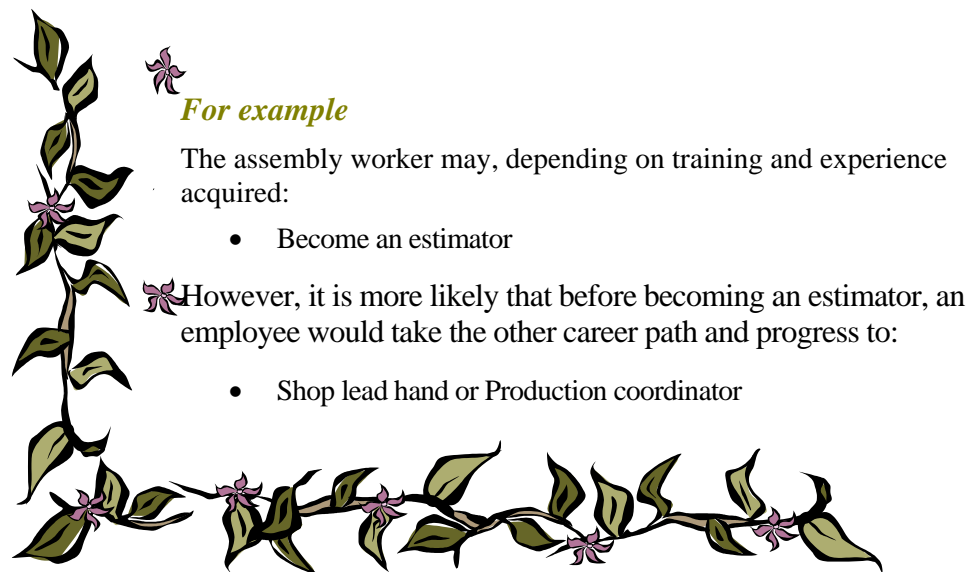
.Possible career moves- - - - -

Manufacture division career paths

This diagram illustrates a typical career path that might apply to the manufacturing division of a small business.

The Division Manager in this diagram indicates the reporting function between the two business segments.

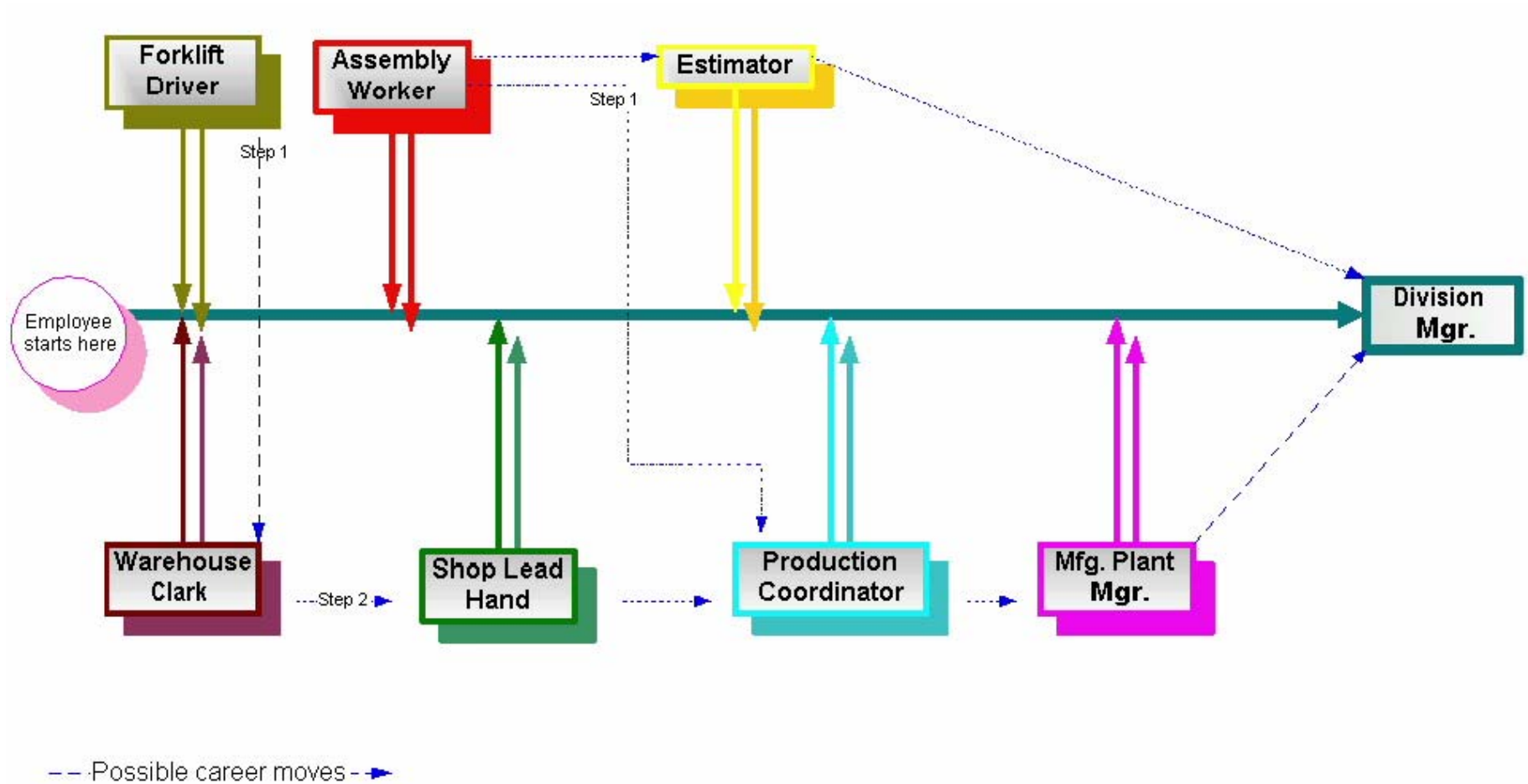
This diagram demonstrates how employees would progress during their career from one job to another within each business segment or move to another business segment along its career path.



The additional benefit to the business in developing the existing employee is that the Estimator or the Production Coordinator has grown with the business.

Such an employee brings a historical perspective including knowledge of customers that a new employee would not likely bring to the job.

Manufacturing Career Paths



Celebrate!!

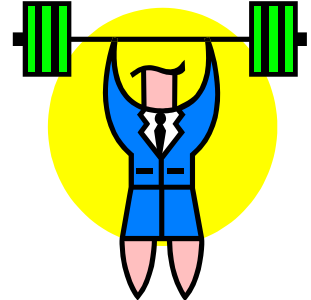


Employee Training and Career Development

Introduction

Employees are the most important and valuable resource in a business. Businesses spend much time, effort and expense in trying to hire quality people. What's surprising is that, once hired, many of these same businesses spend little time, effort or expense on training and developing those employees to fulfill the future needs of the business.

Smart businesses recognize the value in having a formalized training and development program within the business. They know that it is very cost effective and can make a major contribution to the business.



How to use this information

As you move through this subsection, think about your business and your present approach to employee training and career development.

Think about how you can use or adapt the ideas and the tools presented to improve the skills of your employees and better prepare your company to face the challenges of the future.

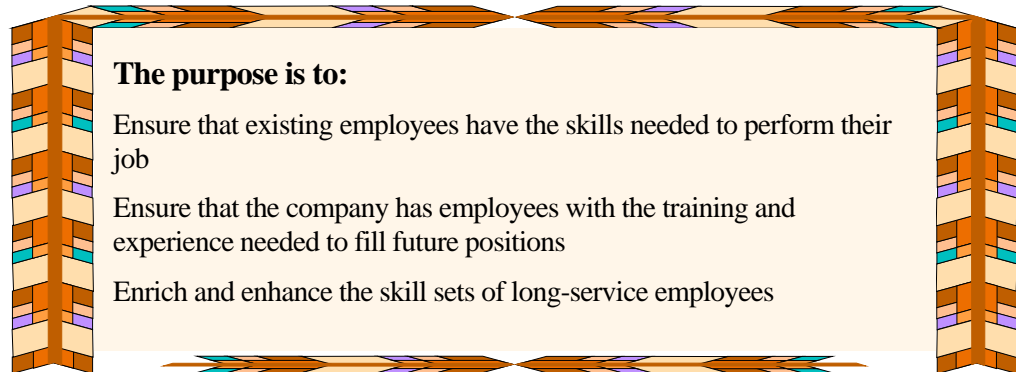
Ask yourself questions such as:

- ✦ Do you have a planned, structure approach to training and career development in your business?
- ✦ What skills will your employees need to have in the future?
- ✦ Which of your employees need additional training and what training do they need?
- ✦ What future management positions will your business require and what skills will those managers need?
- ✦ What existing employees will likely be promoted to these management roles and how can you start preparing them to assume these positions.

This section will help you deal with all of these questions as well as provide a set of tools for preparing an **Employee Training and Career Development Program** for your company.

An employee training and career development program

An employee training and career development plan provides a system for the orderly management of employee development.



How a training and development program functions

1. When an employee is hired, the following action is taken:
 - The Employee Training Record and Experience Record is filled out.
 - The appropriate initial training materials provided to the employee. List the appropriate materials on the Job training form.
 - Based on the Employee Training Record and Experience Record, a judgment is made on the longer-term training needed and this is scheduled and entered on the Job training form.
 - Assign an instructor or mentor, if deemed necessary.
 - Upon completion of the training, update the Job Training Form.
2. At least once a year (usually at the end of the fiscal year), the business owner, or manager should review the training records of her/his staff. Repeat the training periodically or training that fills a gap in an employee's necessary training is then scheduled as required.

Moreover, this is an opportunity to review the planned training requirement for an employee. In addition, you can schedule any incomplete training.

3. Frequently make reference to the career path charts and employees' positions on the chart. Thoughtful consideration is given to:
 - What the personnel requirements of the business may be due to future expansion or growth
 - What positions may need to be filled because of retiring employees
 - What potential candidates exist within the business to fill these developing needs
 - What training will be necessary to equip these employees for these positions

Implementing a training and development program

To implement effectively a training and development program means:

Raising the awareness of the entire organization that the business is committed to the program	Ensuring that employees feel empowered because their input and participation is important to the success of the program
Making it clear that the employees are an important part of making the program work	Showing a consistent commitment to the program so that it is seen as a positive and motivating force within the business
Demonstrating that the business is genuinely interested in improving the career potential of the employees	

There are Human Resource Management software packages available that can facilitate the handling of the data in a larger organization.

Implementation steps

There are nine steps for implementing a training and development program:

1. Review all the résumés on file for existing employees and list the skill sets that each person has because of formal training and/or experiences.
2. Circulate a memo to all employees requesting their input on all the skill sets they have acquired by formal training or experience.

Note: It should be stressed that it does not matter whether or not it is job related.

Once you have completed these two steps and received all of the data, you have a 'snapshot' of the existing talent pool in the business. You may be very surprised at the talent that exists, right under your nose that, if used or developed, could benefit the business.

3. All of this initial data should now be entered on a form similar to the one enclosed in this document called *Employee Training and Experience Record* or on a Human Resource Database.
4. Identify and list all the existing positions within the business.
5. Identify and chart the various career paths within the business. There are usually only 2–4 career paths in most organizations.
(See *Business Career Paths* for examples)

The four examples presented in *Business Career Paths* are:

- ⇒ *Master career paths for a business*
- ⇒ *Retail store career paths*
- ⇒ *Contract division career paths*
- ⇒ *Manufacturing division career paths*



These are examples of mapping out career paths for each type of business or they could be cost centers within a larger business.

When you do this, carry out some forward planning in keeping with your business plan, and provide for positions that may not exist now but, if certain parts of your operation grow, you will have to create such positions.

6. Prepare a master sheet showing all the career paths.

Examine the relationships that may exist between the career paths such as how they may interact and what crossover points may exist.

7. List every skill set and knowledge group necessary to perform the job for each position.

You may need to refer to the job descriptions that were completed in *A Unified Salary Administration Program (The job description)*

It is a good idea to have employees list every task they perform and when they do it because very often duties (over time) either creep in or are added to their role.

When you list everything and take a step back, sometimes it may be more efficient to assign duties differently.

You also may notice that, when one person should be performing them, there are several people engaged in the same tasks.

8. Place the individual employee records in a file.

The *Employee Training Record and Experience Record* is a good way to organize this information.

9. Beside each item listed, note the future training of the person in the skill or knowledge group.

Make a note of who will do the training, where it will take place, and the start and completion of it.

Important considerations

There are several important considerations to make when implementing a training and development program.

Some of them are:

1. Give some training immediately and give some over time, perhaps years.
2. Furthermore, possibly give some training for potential management candidates only a few months before the appointment so that it is fresh in their minds.
3. All the identified training that is provided 'in-house' is formalized. It will take time to develop the format and text of the training materials.
4. Completing this is essential so that the business has a hard copy and a training tool for all training and does not lose basic knowledge and expertise when an employee leaves the business.

5. Note that the Worker's Compensation Board in some jurisdictions requires that all businesses have a Health and Safety Training Program or a WHMIS Program and these should be part of the employee Training and Development Program.
6. As training is completed, update the *Job Training Form* or the H.R. (Human Resources) Database.

Advantages of a training and development program

There are at least seven advantages of a training and development program. They are:

1. It builds 'bench strength' and power within a business.

By developing its own employees, businesses have many people who can do several of the necessary jobs within the business. Therefore, there is less reliance on only a few people to do key jobs.

2. Training and developing employees within a business can yield tremendous financial benefits to the business.

The learning curve involved with training new employees costs the business money.

New employees don't begin to reach acceptable productivity for at least 9–12 months after hiring. In addition, it may be several years to integrate new employees into the 'business culture.'

3. If a position is filled from outside the business, there can be a considerable cost involved to source the employee.

If the hiring process is handled internally, there are advertising costs, and the time involved to screen, interview, and reference check the candidates.



If the hiring process is handled externally, there will be fees paid to a personnel agency for sourcing the candidate. Once a selection is made, the business still has to train the employee in the way it wants the job performed.

4. The business is less vulnerable to the 'ups and downs' of the marketplace.

By developing, a broader base of skilled people from within, the business can move more quickly to take advantage of expansion opportunities.

On the other hand, if the economy goes into a recession, it is easier for a business to downsize and still have the entire key skilled positions covered.

5. A training and development program provides management with an effective tool to track personnel development.

From the beginning of an employee's career with the business, training and experience are recorded and tracked.

6. Employees designated as promotable are moved through a training matrix throughout their career.

Then, the business has its own trained and experienced employees to move into key positions as necessary.

7. As a business expands, well-trained, loyal employees are available within the business to move into key management positions.

Furthermore, as these people are promoted a void is not created in the position they left because a trained and groomed successor will be ready to step into the vacated position.

It takes a solid commitment from the business and its senior management to implement a training and development program. The time it takes will vary with the size of the business. It may take only a few weeks but, more likely, it will take several months before all the pieces are in place.

Uses of a training and development program

The program outlined here takes a lot of work to develop and maintain but the payoff to the business can be huge. When it is in full operation, it can be a powerful tool and a motivating force within the business.

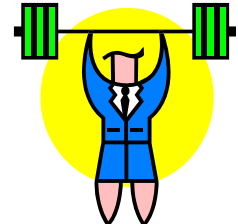
The business becomes more dynamic because it has the right people for the job at the right time. When all the data is in place and kept current, management can produce a short list of trained, qualified candidates for future positions at the push of a button.

Compared with the costly process of hiring 'unknown' candidates from outside the business with such expenses as the advertising costs, agency fees, screening, and employee learning curve, it can be very cost effective to have an in-house employee Training and Development Program.



Summary

In business career paths, you have learned the benefits of having an employee Training and Career Development Program. Any company can implement the ideas and methods illustrated in this section. You may be only a single proprietor now. However, if you expect your company to grow, and if your business plan indicates that employees will be required in future years, you should be starting to plan how you will train and develop those employees.



Celebrate!

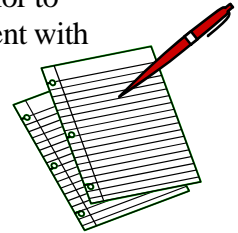
Let's get started right away.
It's not too early to begin an
Employee Training &
Career Program



Employee Training Record & Experience Record

Introduction

The training and experience record (illustrated below) is one way to record and track employees' training and experiences. This record begins prior to employees joining the business as well as during their employment with the business.



Keep this record in the employee's personnel file. However, in a larger business, retain a copy of the record in a separate file containing the files of all employees for quick reference.

An employee may hold many positions over the years of employment with a single business.

When someone is required to fill a position in a business, the first place to look is from within. Often a person with at least the basic requirements to fill the position will be with it. In that event, it is very cost effective for the business to perhaps provide some additional training and promote the existing employee.

Having an employee with knowledge and experience of the way the business functions is a distinct advantage to business.

Sample training record & experience record

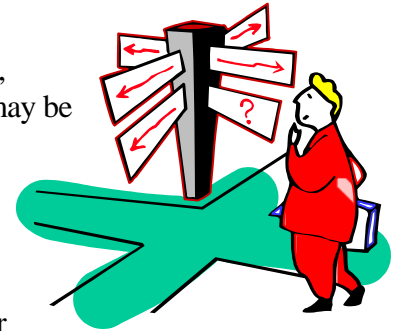
Employee Training Record & Experience Record				
Name	Position	Employee Number	Dept.	Date
Outside Education				
Description	Location	Grade/Hours	Date Completed	
Business Sponsored Education or Training				
Description	Location	Grade/Hours	Date Completed	
Record of Employment/Job Progression				
Date	Business & Location	Position	F/T P/T	Experience/Skills Acquired/Applied

Job Training Form

Introduction

Use the Job Training Form (illustrated below) in conjunction with the Employee Training Record and Experience Record.

Enter all training of any kind on this form. In reality, during an employee's career with a business, there may be several pages listing all the short evening seminars, workshops, home study, field training, or lab or shop training as well as the larger formal training courses those employees might take.



With a record like this, a business owner or manager can see at-a-glance the training an employee already has and the currency of the training. Decisions can be easily made as to what additional training or upgrading may be necessary.

Sample job training form

Dept.: _____ Position: _____

Work Area: _____ Reports to: _____

Name: _____ Hiring Date: _____

Skill/ Knowledge	Date Started	List Training Method (seminars, workshops, courses, home study, field training, laboratory, or shop training)	Date Completed

Timing of the training is important to know for the following reasons.

1. Some training is very task related and provided immediately or on the job.
2. Other training is preparatory to taking over a future responsibility.
3. Some training is better given some time in advance but not too far in advance, because you want the knowledge to be fresh in the person's mind.

For example

It may be ineffective to train a person to run a complicated piece of equipment a year or two before they are going to use it.

They will not only forget what they knew but there may be a new model, the machine may be obsolete, or there is no need for the machine then.

In this event, they would need to take the training again or take different training.



Celebrate!!

I'm going to a party. Join me



Summary of Module

The ideas presented in Effective Employee Management & Development require management to spend time planning organizing and setting up the career development program. Once it is set up, it also takes effort to maintain the program. However, the financial benefits to the business in doing this can be huge.

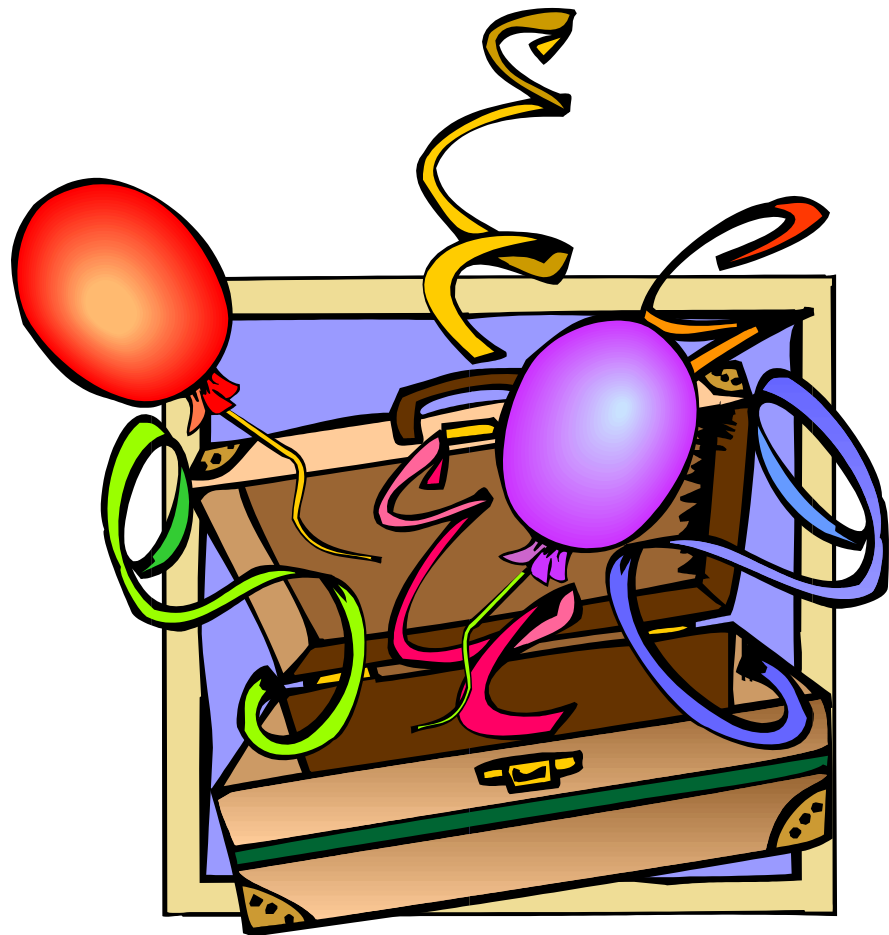
Consider again the following points:

- The cost to a business of making a bad hiring decision can be up to 1½ times the value of the first year's compensation.
- The cost to the business in hiring a new employee can be many thousands of dollars due to the *learning curve*, lack of productivity, etc. Compare this to the cost of maintaining a career development program.
- Developing and enhancing the knowledge and experience of existing employees can have significant, beneficial financial impact on the company.
- Compared to developing its existing employees, it is very costly for a company to regularly hire through employment agencies or handle their own recruiting program.

We strongly suggest that it is well worth it for any company to make an investment in their existing employees.

Celebrate

Finished



Other products & modules for sale

Other modules available on this site deal with other aspects of managing personnel. For a complete in depth treatment of this subject, the BizBite Consulting Group product **Personnel Management** also is available. For detailed information on the content of these products, please go to 'Product' on the menu bar on the web site.

The end