

# Employment Relations



## **1. State the arguments for and against using a job agency to recruit new staff.**

Using a job agency to recruit new staff has many advantages as they are highly experienced in the recruitment of staff and have access to a large market of applicants. Using a job agency can also be beneficial for a business that does not have any experience with hiring staff as they can simply outsource this function and focus on their core competencies. The disadvantages of using a job agency are that they can be expensive and that they may not be aware of the business culture and thus suggest applicants who are not a good cultural fit.

## **2. A pastry cook runs a highly successful pie shop, but wants some of her staff to develop their skills further. Outline the options available to ensure that the staff get trained adequately.**

The pastry cook needs to ensure that the training and development strategy she implements is meaningful to employees and fits in with the broader business plan. The options available to help develop her employees' skills further could come from on the job training, conducted by the pastry cook, or the employees could be sent to an external training course where they could get instruction from a professional trainer.

## **The following information relates to Q3, 4, 5**

Chris operates a mid-sized advertising agency called Hugely! Pty Ltd. Hugely! offers generous pay rates, fringe benefits, bonus payments for winning new accounts and extra superannuation contributions. Chris is successful in attracting creative, talented people to work in his agency. However very few stay for more than a few months.

## **3. Name the factors which might explain Hugely's human resources problems.**

Hugely!'s human resources problems could be a result of any of the following factors: There could be a shortage of skilled labour in the industry which is resulting in a high level of competition for staff. Hugely!'s competitors may be offering higher benefits than Hugely! The working conditions at Hugely! may be worse than at competitors e.g. safety standards, comfortable office etc. Hugely's competitors may offer greater opportunities for promotion.

**4. Chris decides to appoint a new Human Resources Manager to implement your suggestions. State the factors he should take into account in determining the new employee's wage level.**

The new Human Resources Manager should take the following considerations into account:

- The standard market rates for pay in the industry
- Any applicable award minimum wages
- The number of hours the job requires each week
- The educational requirements for the job
- The skill level and experience required for the job
- The age of the employee

**5. Chris employs Maureen for the Human Resources Manager job after an interviewing process. However, after two months Chris is unhappy because Maureen is rude to employees and often plays computer games for several hours during the day. Chris wants to know whether he can just sack Maureen, or whether he has to follow certain procedures. Advise him.**

Chris must be careful to follow the correct procedures in the termination process. Chris will need to give Maureen warnings about her misconduct and allow her the opportunity to rectify her actions before he can dismiss her.

**6. Good Tyres decides to close a tyre factory in an outer Melbourne suburb and to source products from Malaysia instead. In the process, Good Tyres will need to terminate the jobs of several hundred workers, many of whom have worked for several decades for the business. Discuss the ethical issues involved in this decision, and ways in which the business could handle these issues.**

There are many ethical considerations involved in terminating this many staff, at both an individual and community level. Termination can have a devastating effect on employees who have been loyal to the firm for many years and have invested in many firm-specific assets. A large termination of staff such as this may have an effect on the outer Melbourne suburb in which the factory operated. This may lead to a high level of unemployment and social problems within the community.

To assist their retrenched staff in finding new jobs the business may take some of the following measures:

- Give workers additional redundancy pay.
- Provide personalised help with training to broaden their skills and find work.
- Provide employment references and specific help with job seeking.

**7. Explain the principle of equal employment opportunity.**

The principle of equal employment opportunity is that all people should have equal access to jobs, pay and promotions on the basis of merit, without being affected by irrelevant personal characteristics such as religion, race, or sexuality. Thus, when seeking to fill a position, employers must provide the opportunity for all appropriately qualified people to apply for the job. Failure to do this could see the business subjected to legal action and community reproach.