



THE HONG KONG
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Human Resource Management

Basic Principles for Effective HRM

- Comprehensive system based on rational (including legal) justifications
- Emphasis on coherence and integration of difference measures
- Fairness
- Nurture personal or team behavior principles
- Encourage staff participation and commitment
- Pursue continual improvement and development



Fairness:

- Distributive Fairness: fairness and justice of the result
- Procedural Fairness: fairness in decision making processes
- Interpersonal Fairness: attitude of the management in communicating with the staff

The Importance of HR Policy and Procedures

- Communicate value and expectation
- Establish a standard for management to make consistent, unified, and predictable decision
- Motivate team members
- Facilitate effective management (even without continual intervention)
- Compliance with regulations
- Develop and implement the best practices
- Promote organisation reputation

The difference between policy and procedure

Policy

- Frame the decisions, actions and other items that affect the organisation's mission or operations
- Formal declaration of principles or regulations that shall be complied by staff

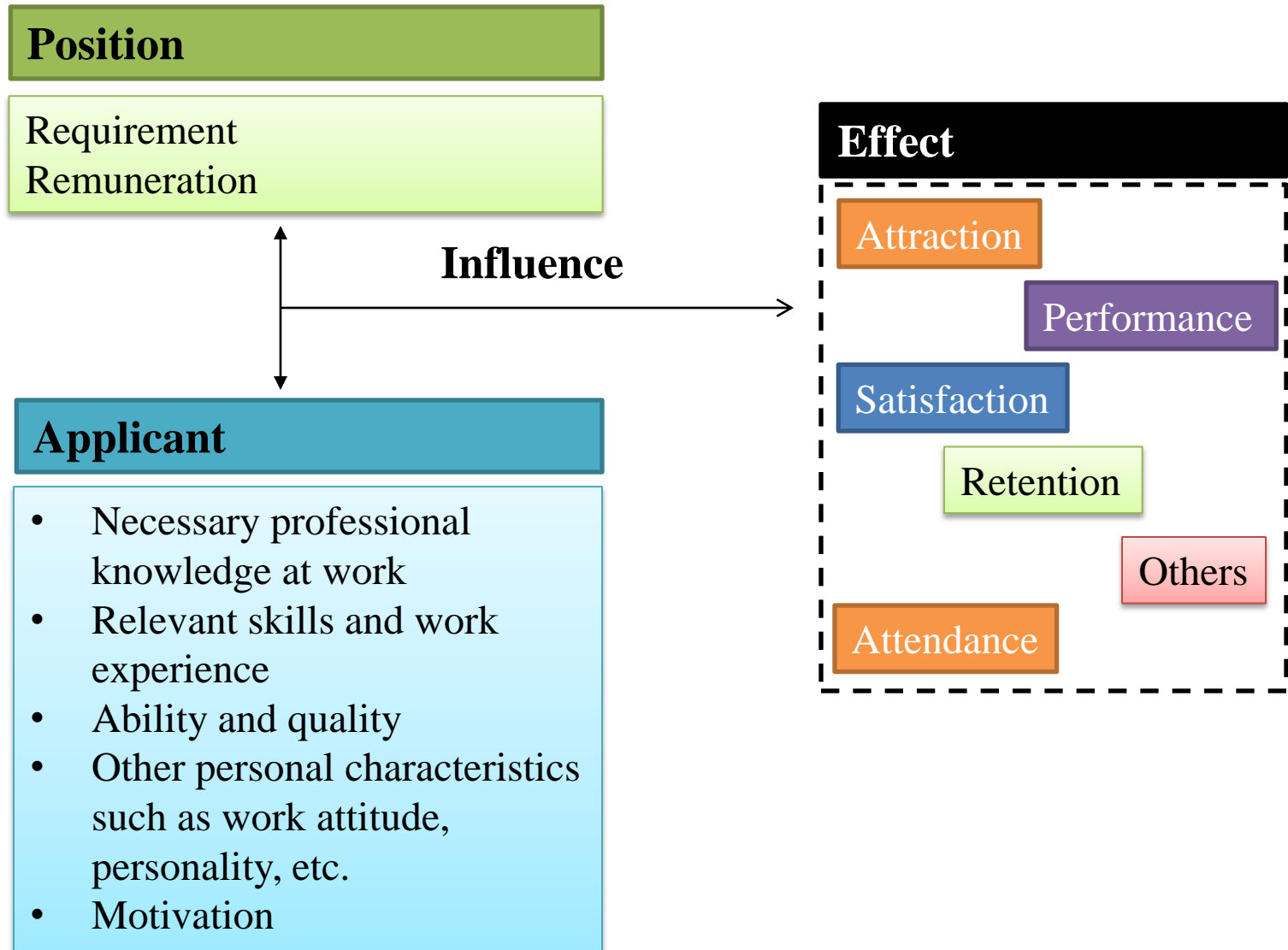
Procedure

- Tell the staff how to launch or implement the policy
- Logical and step-by-step instructions

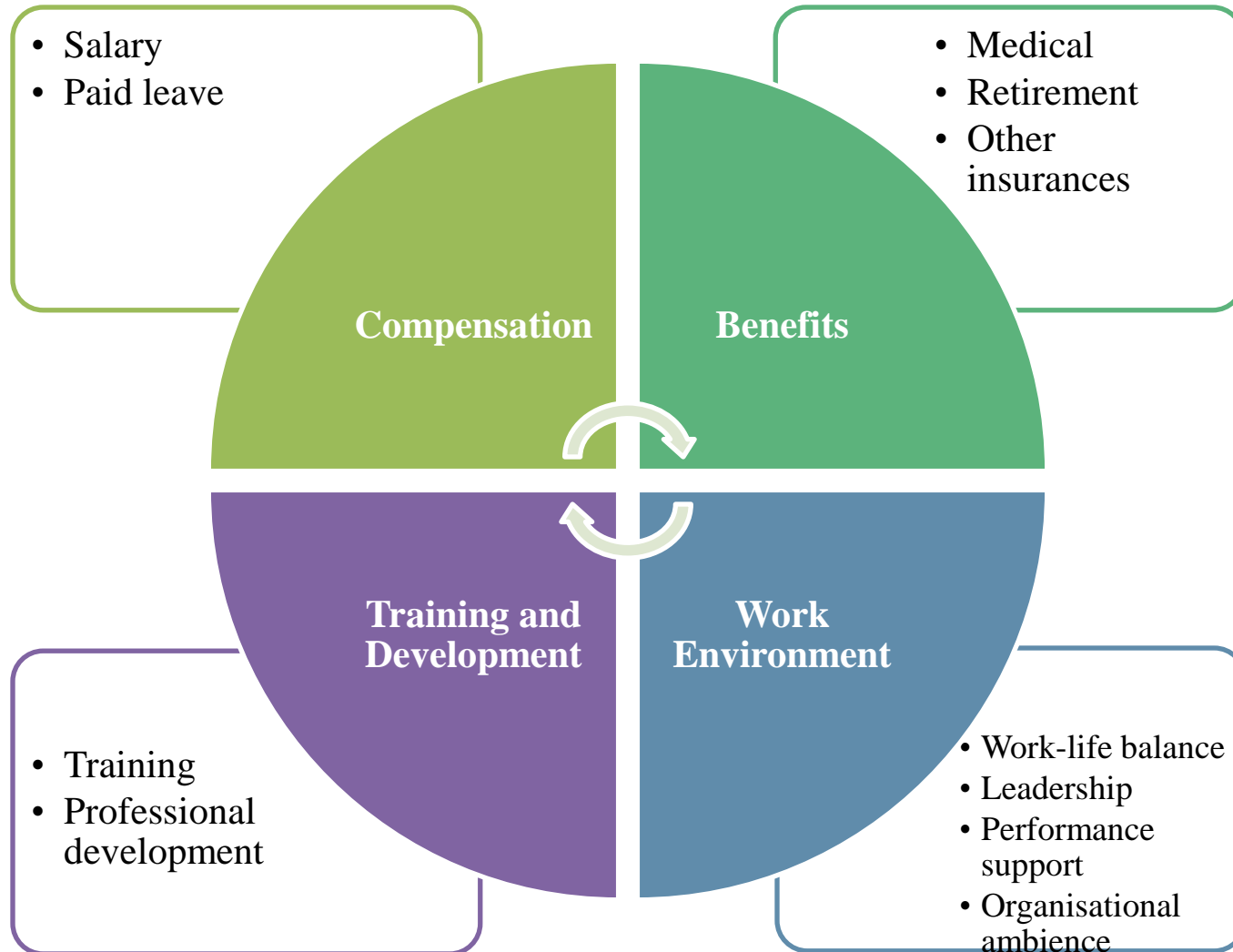
Major HRM Policies

- Recruitment, promotion, dismissal
- Remuneration, benefits
- Performance management
- Professional development
- Communication (e.g. appeal process)

Recruitment and Position-matching



Total Rewards



FAQ on Remuneration - Fairness

- Four modes of fairness
 - external fairness (compare with the market)
 - internal fairness (compare between jobs)
 - individual fairness (compare with other individuals)
 - procedural fairness

Issues on handling fairness

- **Survey on remuneration**
 - Compare the remuneration packages of civil servants/similar system of similar ranks
 - Conduct actuarial studies to reduce the variance
- **Job analysis and job evaluation**
 - Monitor and maintain internal fairness
- **Performance assessment and rewards**
 - Maintain individual fairness
- **Communication, appeal mechanism and staff participation**
 - To ensure the procedural transparency and fairness are appreciated by the staff, remuneration policies and procedures should be properly formulated and made accessible at all times.

Performance Management

- Performance appraisal \neq performance management
- Performance appraisal: based on the current and/or past performance of an employee
- Performance management:
 - Through setting of objectives, performance appraisal and development, a unified generally applicable mechanism is formed.
 - Ensure the performance of staff meets the strategic target of the organisation