## People Resourcing Practice

## Key concepts and terms

- Absence management
- Employee turnover
- Employer brand
- Employee turnover index
- Length of service analysis
- Survival rate


## Learning outcomes

On completing this chapter you should be able to define these key concepts. You should also know about:

- Measuring employee turnover
- Retention planning
- Absence management
- The Bradford Factor
- Employee value proposition
- Employer of choice
- Half-life index
- Stability index


## Introduction

People resourcing is largely about recruitment and selection, talent and career management, introducing people to the organization, and releasing them from it, as covered in Chapters 31 to 37 . But there are six other resourcing activities, which are dealt with in this chapter, namely: developing an employee value proposition, creating an employer brand, analysing employee turnover, tackling retention problems, absence or attendance management, and achieving flexibility in the use of people.

## Employee value proposition

An organization's employee value proposition consists of what an organization has to offer that prospective or existing employees would value and which would help to persuade them to join or remain with the business. It will include remuneration - which is important but can be over-emphasized compared with other elements. These non-financial factors may be crucial in attracting and retaining people and include the attractiveness of the organization, the degree to which it acts responsibly, respect - diversity and inclusion, work-life balance and opportunities for personal and professional growth.

The aim is to become 'an employer of choice', a firm people want to work for and stay with. The conclusions of Purcell et al (2003) on the basis of their research were as follows.

## On being an employer of choice, Purcell et al (2003)

What seems to be happening is that successful firms are able to meet people's needs both for a good job and to work 'in a great place'. They create good work and a conducive working environment. In this way they become an 'employer of choice'. People will want to work there because their individual needs are met - for a good job with prospects linked to training, appraisal and working with a good boss who listens and gives some autonomy but helps with coaching and guidance.

## Employer brand

The employee value proposition can be expressed as an employer brand, defined by Walker (2007) as 'a set of attributes and qualities - often intangible - that make an organization distinctive, promise a particular kind of employment experience and appeal to people who will thrive and perform their best in its culture'. Employer branding is the creation of a brand image of the organization for prospective employees. It will be influenced by the reputation of the organization as a business or provider of services as well as its reputation as an employer.

## Creating an employer brand

- Analyse what ideal candidates need and want and take this into account in deciding what should be offered and how it should be offered.
- Establish how far the core values of the organization support the creation of an attractive brand and ensure that these are incorporated in the presentation of the brand as long as they are 'values in use' (lived by members of the organization) rather than simply espoused.
- Define the features of the brand on the basis of an examination and review of each of the areas that affect the perceptions of people about the organization as 'a great place to work' - the way people are treated, the provision of a fair deal, opportunities for growth, work-life balance, leadership, the quality of management, involvement with colleagues and how and why the organization is successful.
- Benchmark the approaches of other organizations (the Sunday Times list of the 100 best companies to work for is useful) to obtain ideas about what can be done to enhance the brand.
- Be honest and realistic.


## Employee turnover

Employee turnover (sometimes known as 'labour turnover, 'wastage' or 'attrition') is the rate at which people leave an organization. It can be disruptive and costly. The CIPD (2008a) survey of recruitment, retention and turnover found that the average rate of turnover (the number leaving as a percentage of the number employed) in the UK was 17.3 per cent. It is necessary to measure employee turnover and calculate its costs in order to forecast future losses for
planning purposes and to identify the reasons that people leave the organization. Plans can then be made to attack the problems causing unnecessary turnover and to reduce costs. There are a number of different methods of measuring turnover, as described below.

## Employee turnover index

The employee turnover index as set out below (sometimes referred to as the employee or labour wastage index) is the traditional formula for measuring turnover:

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Number of leavers in a specified period (usually 1 year) \(\times 100\)
Average number of employees during the same period
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This method is in common use because it is easy to calculate and to understand. It is a simple matter to work out that if last year 30 out of an average force of 150 employees left ( 20 per cent turnover), and this trend continues, then the company will have to recruit 108 employees during the following year to increase and to hold the workforce at 200 in that year ( 50 extra employees, plus 40 to replace the 20 per cent wastage of the average 200 employees employed, plus 18 to replace wastage of the 90 recruits).

This formula may be simple to use, but it can be misleading. The main objection is that the percentage may be inflated by the high turnover of a relatively small proportion of the workforce, especially in times of heavy recruitment. Thus, a company employing 1,000 people might have had an annual wastage rate of 20 per cent, meaning that 200 jobs had become vacant during the year. But this could have been spread throughout the company, covering all occupations and long- as well as short-service employees. Alternatively, it could have been restricted to a small sector of the workforce - only 20 jobs might have been affected although each of these had to be filled 10 times during the year. These are totally different situations, and unless they are understood, inaccurate forecasts would be made of future requirements and inappropriate actions would be taken to deal with the problem. The turnover index is also suspect if the average number of employees upon which the percentage is based is unrepresentative of recent trends because of considerable increases or decreases during the period in the numbers employed.

## Stability index

The stability index is considered by many to be an improvement on the turnover index. The formula is:

Number of 1 year's service or more
Number employed 1 year ago

This index provides an indication of the tendency for longer-service employees to remain with the company, and therefore shows the degree to which there is a continuity of employment. But this too can be misleading because the index will not reveal the vastly different situations that exist in a company or department with a high proportion of long-serving employees in comparison with one where the majority of employees are short service.

## Survival rate

The survival rate is the proportion of employees who are engaged within a certain period who remain with the organization after so many months or years of service. Thus, an analysis of a cohort of trainees who have completed their training might show that after two years, 10 of the original trainees were still with the company, a survival rate of 50 per cent.

The distribution of losses for each entry group, or cohort, can be plotted in the form of a survival curve, as shown in Figure 30.1.


Figure 30.1 A survival curve

The basic shape of this curve has been found to be similar in many situations, although the peak of the curve may occur further along the time scale and/or may be lower when it relates to more highly skilled or trained entry cohorts. An example of a survival rate analysis is shown in Table 30.1. This indicates that half the number of recruits in any one year may be lost over the next five years, unless something can be done about the factors causing wastage.

Table 30.1 A survival rate analysis

| Entry <br> cohort | Original <br> number | Number surviving to end of year after engagement |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| A |  | 35 | 28 | 26 | 22 | 20 |
| B |  | 25 | 24 | 19 | 18 | 17 |
| C | 48 | 39 | 33 | 30 | 25 | 23 |
| D | 38 | 32 | 27 | 24 | 22 | 19 |
| E | 42 | 36 | 30 | 26 | 23 | 21 |
| Total | 200 | 167 | 142 | 125 | 110 | 100 |
| Average <br> survival <br> rate | $100 \%$ | $83 \%$ | $71 \%$ | $62 \%$ | $55 \%$ | $50 \%$ |

## Half-life index

A simpler concept derived from survival rate analysis is that of the half-life index, which is defined as the time taken for a group or cohort of starters to reduce to half its original size through the wastage process (five years in the above example). Comparisons can then be made for successive entry years or between different groups of employees to show where action may have to be taken to counter undesirable wastage trends.

## Leavers' length of service analysis

This disadvantage of the stability index may be partly overcome if an analysis is also made of the average length of service of people who leave, as in Table 30.2.

This analysis is still fairly crude, because it deals only with those who leave. A more refined analysis would compare for each service category the numbers leaving with the numbers employed. If, in the example shown, the total numbers employed with less than three months' service were 80 and the total with more than five years' were 80 , the proportion of leavers in each category would be, respectively, 35 per cent and 14 per cent - more revealing figures.

Table 30.2 Leavers' length of service analysis

| Occupation | Leavers by length of service |  |  |  |  |  | Total number leaving | Average number employed | Index of employee turnover \% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Less than 3 months | 3-6 <br> months | 6 months1 year | $\begin{gathered} 1-2 \\ \text { years } \end{gathered}$ | $\begin{gathered} 3-5 \\ \text { years } \end{gathered}$ | 5 or more years |  |  |  |
| A | 5 | 4 | 3 | 3 | 2 | 3 | 20 | 220 | 9 |
| B | 15 | 12 | 10 | 6 | 3 | 4 | 50 | 250 | 20 |
| C | 8 | 6 | 5 | 4 | 3 | 4 | 30 | 100 | 30 |
| Totals | 28 | 22 | 18 | 13 | 8 | 11 | 100 | 570 | 18 |

## Choice of measurement

It is difficult to avoid using the conventional employee (labour) turnover index as the easiest and most familiar of all methods of measurement. But it needs to be supplemented with some measure of stability: an analysis of turnover or wastage as part of a human resource planning exercise requires detailed information on the length of service of leavers to identify problem areas and to provide a foundation for supply forecasts.

## The cost of employee turnover

The cost of employee turnover can be considerable. The CIPD 2008(a) survey established on a small sample that the average cost per employee was $£ 5,800$, rising to $£ 20,000$ for senior managers or directors.

Cost estimates are useful as means of backing up a business case for taking action to reduce turnover. The following factors should be considered when calculating costs.

## Factors affecting the cost of employee turnover

- Direct cost of recruiting replacements (advertising, interviewing, testing, etc).
- Direct cost of introducing replacements (induction cost).
- Direct cost of training replacements in necessary skills.
- Leaving costs - payroll and HR administration.
- Opportunity cost of time spent by HR and line managers in recruitment, induction and training.
- Loss of output from those leaving before they are replaced.
- Loss of output because of delays in obtaining replacements.
- Loss of output while new starters are on their learning curves acquiring the necessary knowledge and skills.

Research by Phillips (1990) found that the 'visible', ie direct, costs of recruitment accounted for only 10 to 15 per cent of total costs. By far the highest costs were associated with the inefficiencies arising while the post was vacant ( 33 per cent) and the inefficiency of new workers ( 32 per cent). On average, 12.5 months were required for executives to be comfortable in a new position and 13.5 months were required for a new employee to achieve maximum efficiency.

## Retention planning

The turnover of key employees can have a disproportionate impact on the business. The people organizations wish to retain are often the ones most likely to leave. It was claimed by Reed (2001) that: 'Every worker is five minutes away from handing in his or her notice, and 150 working hours away from walking out of the door to a better offer. There is no such thing as a job for life and today's workers have few qualms about leaving employers for greener pastures.' Concerted action is required to retain talented people but there are limits to what any organization can do. It is also necessary to encourage the greatest contribution from existing talent and to value them accordingly.

## Factors affecting retention

Retention strategies should be based on an understanding of the factors that affect whether or not employees leave or stay. For early-career employees ( 30 years and under) career advancement is significant. For mid-career employees (age 31-50) the ability to manage their careers and satisfaction from their work are important. Late-career employees (over 50) will be interested in security. It is also the case that a younger workforce will change jobs and employers more often than an older workforce, and workforces with a lot of part-timers are less stable than those with predominately full-time staff. The other factors that affect retention are:

- company image;
- recruitment, selection and deployment;
- leadership - 'employees join companies and leave managers';
- learning opportunities;
- performance recognition and rewards.

A study by Holbeche (1998) of high flyers found that the factors that aided the retention and motivation of high performers included providing challenge and achievement opportunities (eg assignments), mentors, realistic self-assessment and feedback processes.

## Basis of the retention strategy

A retention strategy takes into account the retention issues the organization is facing and sets out ways in which these issues can be dealt with. This may mean accepting the reality, as mentioned by Cappelli (2000), that the market, not the company will ultimately determine the movement of employees. Cappelli believes that it may be difficult to counter the pull of the market - 'you can't shield your people from attractive opportunities and aggressive recruiters'. He suggests that: ‘The old goal of HR management - to minimize overall employee turnover

- needs to be replaced by a new goal: to influence who leaves and when.' This, as proposed by Bevan et al (1997), could be based on risk analysis to quantify the seriousness of losing key people or of key posts becoming vacant.


## Risk of leaving analysis

Risk analysis can be carried out by initially identifying potential risk areas - the key people who may leave and for each of them, as individuals or groups:

1. Estimate the likelihood of this occurring.
2. Estimate how serious the effects of a loss would be on the business.
3. Estimate the ease with which a replacement could be made and the replacement costs.

Each of the estimates could be expressed on a scale, say: very high, high, medium, low, very low. An overview of the ratings under each heading could then indicate where action may need to be taken to retain key people or groups of people.

## Analysis of reasons for leaving

Risk analysis provides specific information on areas for concern. Reasons for leaving can be amongst the following.

## Possible reasons for leaving

- More pay.
- Better prospects (career move).
- More security.
- More opportunity to develop skills.
- Unable to cope with job.
- Better working conditions.
- Poor relationships with manager/team leader.
- Poor relationships with colleagues.
- Bullying or harassment.
- Personal - pregnancy, illness, moving away from area, etc.

Some indication of the reasons for leaving, and therefore where action needs to be taken, can be provided by exit interviews, but they are fallible. More reliance can be placed on the results of attitude or opinion surveys to identify any areas of dissatisfaction. The retention plan should propose actions that would focus on each of the areas in which lack of commitment and dissatisfaction can arise.

## Areas for action

Depending on the outcome of the risk analysis and the overall assessment of reasons for leaving, the possible actions that can be taken are as follows.

## Possible actions to deal with employee turnover problems

- Deal with uncompetitive, inequitable or unfair pay systems. But as Cappelli (2000) points out, there is a limit to the extent to which people can be bribed to stay.
- Design jobs to maximize skill variety, task significance, autonomy, control over work and feedback, and ensure that they provide opportunities for learning and growth. Some roles can be 'customized' to meet the needs of particular individuals.
- Develop commitment to the work (job engagement) not only through job design but also by organizing work around projects with which people can identify more readily than the company as a whole.
- Encourage the development of social ties within the company. In the words of Cappelli (2000), 'loyalty to companies may be disappearing but loyalty to colleagues is not'.
- Ensure that selection and promotion procedures match the capacities of individuals to the demands of the work they have to do. Rapid turnover can result simply from poor selection or promotion decisions.
- Reduce the losses of people who cannot adjust to their new job - the 'induction crisis' - by giving them proper training and support when they join the organization.
- Take steps to improve work-life balance by developing policies including flexible working that recognize the needs of employees outside work.
- Eliminate as far as possible unpleasant working conditions or the imposition of too much stress on employees.
- Select, brief and train managers and team leaders so that they appreciate the positive contribution they can make to improving retention by the ways in which they lead their teams. Bear in mind that people often leave their managers rather than their organization.
- Ensure that policies for controlling bullying and harassment exist and are applied.


## Absence management

Absence management is the development and application of policies and procedures designed to reduce levels of absenteeism. The CIPD (2008c) report on absence management revealed that on average employers lose eight working days for each member of staff per year and average sickness absence costs employers $\mathfrak{£ 6 6 6}$ per employee per year. Something has to be done about it. This means understanding the causes of absence, and adopting comprehensive absence management (or more positively, attendance management) policies, measuring absence and implementing procedures for the management of short- and long-term absence.

## Causes of absence

The causes of absence have been analysed by Huczynski and Fitzpatrick (1989) under three headings: job situation factors, personal factors and attendance factors.

## Job situation factors

Job situation factors include:

- Job scope - a high degree of task repetitiveness is associated with absenteeism, although job satisfaction itself is a contributory rather than a primary cause of absence.
- Stress - it is estimated that 40 million working days are lost each year in the UK through stress. This can be attributed to work load, poor working conditions, shift work, role ambiguity or conflict, relationships and organizational climate.
- Frequent job transfers increase absenteeism.
- Management style - the quality of management, especially that of immediate supervisors, affects the level of absenteeism.
- Physical working conditions.
- Work group size - the larger the organization the higher the absence rate.


## Personal factors

- Employee values - for some workers, doing less work for the same reward improves the deal made with the employer (the effort-reward bargain). The following positive outcomes of absence have been shown by research to be particularly important to employees: break from routine, leisure time, dealing with personal business and a break from co-workers.
- Age - younger employees are more frequently absent than older ones.
- Sex - women are more prone to sickness absence than men.
- Personality - some people are absence-prone (studies have noted that between 5 and 10 per cent of workers account for about half of the total absence, while a few are never absent at all).


## Attendance factors

Attendance factors include:

- Reward systems - as pay increases attendance improves.
- Sick pay schemes may increase absenteeism.
- Work group norms can exert pressure for or against attendance.


## Absence policies

Absence policies should cover:

- methods of measuring absence;
- setting targets for the level of absence;
- deciding on the level of short-term absence that would trigger action, possibly using the Bradford Factor, as explained below;
- the circumstances in which disciplinary action might be taken;
- what employees must do if they are unable to attend work;
- sick pay arrangements;
- provisions for the reduction and control of absence such as return-to-work interviews;
- other steps that can be taken to reduce absence such as flexible working patterns.


## Recording and measuring absence

As a basis for action, absence levels need to be recorded so that they can be measured and monitored against targets for maintaining absence at a certain level or reducing absenteeism.

An HR information system (HRIS) can provide the best means of recording absenteeism. If a self-service approach is in place, managers and team leaders can have direct access to absence records showing the incidence of absenteeism (number and lengths of absence). These data can be consolidated for use by HR in compiling absence statistics and monitoring against targets.

The most common measurement is the percentage of time available that has been lost due to absence.

## The Bradford Factor

Another increasingly popular measure is the so-called 'Bradford Factor'. This index identifies persistent short-term absence by measuring the number and duration of spells of absence. Its exact origin is a mystery, although IDS (2007b) believes that it has some connection with Bradford University's School of Management. It is calculated using the formula $\mathrm{S} \times \mathrm{S} \times \mathrm{D}=$ Bradford points score, where $S$ is the number of occasions of absence in the last 52 weeks and D is the total number of days' absence in the last 52 weeks. Thus, for employees with a total of 14 days' absence in a 52 week period, the Bradford score can vary enormously depending on the number of occasions involved. For example:
one absence of 14 days is 14 points, ie $1 \times 1 \times 14$
seven absences of two days each is 686 points, ie $7 \times 7 \times 14$
14 absences of one day each is 2,744 points, ie $14 \times 14 \times 14$
The Bradford index can be used as a trigger to initiate action. It is typically set at 250 points so that action would be triggered if, for example, there had been 10 days absence over five spells, or seven days over six spells.

## Controlling short-term absence

Short-term absence can be controlled by the following actions.

## Controlling short-term absence

- Return-to-work interviews conducted by line managers, which can identify problems at an early stage and provide an opportunity for a discussion on ways of reducing absence.
- Use of trigger mechanisms such as the Bradford Factor to review attendance.
- Invoking disciplinary procedures for unacceptable absence levels.
- Training line managers in methods of controlling absence, including return-towork interviews.
- Extending the scope for flexible working.


## Managing long-term absence

CIPD (2007c) research has shown that absence of eight days or more accounts for almost 40 per cent of the time lost through absence, and absence of four weeks or more accounts for
about one-fifth. The best way to manage long-term absence is to keep in contact with employees by letter, telephone or visits to discuss the situation and, where possible, plan the return to work. This plan may include modified working hours or a modified role for a period.

## Flexibility planning

Flexibility planning involves taking a radical look at traditional employment patterns. This means considering the scope for more flexible working based on multi-skilling, developing a 'flexible firm' by identifying and employing core and peripheral employees, including the use of sub-contracting and outsourcing, and introducing more flexible working arrangements including job sharing, homeworking and teleworking, flexible hours, and overtime and shift working. The aim of flexibility planning is to provide for greater operational flexibility, improve the utilization of employees' skills and capacities, increase productivity and reduce employment costs.

## Multi-skilling

Multi-skilling takes place when workers acquire through experience and training a range of different skills they can apply when carrying out different tasks (multi-tasking). This means that they can be used flexibly, transferring from one task to another as the occasion demands. A multi-skilling strategy will involve providing people with a variety of experience, through, for example, job rotation and secondments, and making arrangements for them to acquire new skills through training. It typically includes setting up flexible work teams, the members of which can be deployed on all or many of the tasks the team is there to carry out. This can lead to the establishment of a flexible employee resourcing policy that enables the organization to redeploy people rapidly to meet new demands. This implies abandoning the traditional job description that rigidly prescribes the tasks to be carried out and replacing it with a role profile that indicates the range of knowledge and skills the role holder needs to possess to fulfil role expectations, which include flexible working.

## Core and peripheral employees

The first step is to identify the 'core' of permanent employees who are essential to the conduct of the organization's business. The core may include managers, team leaders, professional staff, knowledge workers and technicians and other workers with relevant key skills. Employees in this core group need to be flexible and adaptable. The group may mainly consist of full-time workers but core workers could be part-time.

Having identified the core group, the next step is to make the peripheral arrangements. These can include the use of temporary workers and sub-contracting work to other firms. The numbers of temporary staff can be increased or reduced to match fluctuations in the level of
business activity or to cover peaks. Outsourcing of activities such as recruitment, training and payroll administration can increase operational flexibility by allowing organizations easily to adjust the amount of work outsourced as situations change.

## Job sharing

This is an arrangement whereby two employees share the work of one full-time position, dividing pay and benefits between them according to the time each works. Job sharing can involve splitting days or weeks or, less frequently, working alternate weeks. The advantages of job sharing include reduced employee turnover and absenteeism because it suits the needs of individuals. Greater continuity results because if one half of the job sharing team is ill or leaves, the sharer will continue working for at least half the time. Job sharing also means that a wider employment pool can be tapped for those who cannot work full time but want permanent employment. The disadvantages are the administrative costs involved and the risk of responsibility being divided.

## Homeworking

Home-based employees can carry out such roles as consultants, analysts, designers or programmers, or undertake various kinds of administrative work. The advantages are flexibility to respond rapidly to fluctuations in demand, reduced overheads and lower employment costs if the homeworkers are self-employed (care, however, has to be taken to ensure that they are regarded as self-employed for income tax and national insurance purposes).

## Teleworking

This involves people working at home with a terminal linked to the main company or networked with other outworkers. Its aim is to achieve greater flexibility, rapid access to skills and the retention of skilled employees who would otherwise be lost to the company. Teleworkers can be used in a number of functions such as marketing, finance and management services. The arrangement does, however, depend for its success on the involvement and education of all employees (full-time and teleworkers), the careful selection and training of teleworkers, allocating adequate resources to them and monitoring the operation of the system.

## Flexible hours arrangements

Flexible hours arrangements can be included in the flexibility plan in one or more of the following ways:

- flexible daily hours - these may follow an agreed pattern day by day according to typical or expected workloads (eg flexitime systems);
- flexible weekly hours - providing for longer weekly hours to be worked at certain peak periods during the year;
- flexible daily and weekly hours - varying daily or weekly hours or a combination of both to match the input of hours to achieve the required output. Such working times, unlike daily or weekly arrangements, may fluctuate between a minimum and a maximum;
- compressed working weeks in which employees work fewer than the five standard days;
- annual hours - scheduling employee hours on the basis of the number of hours to be worked, with provisions for the increase or reduction of hours in any given period, according to the demand for goods or services.


## Overtime and shift arrangements

A flexibility plan can contain proposals to reduce overtime costs by the use of flexible hours, new shift arrangements (eg twilight shifts), time off in lieu and overtime limitation agreements. The reduction of overtime is often catered for in formal productivity deals, which include a quid pro quo in the form of increased pay for the elimination of overtime payments and the introduction of flexible work patterns.

## People resourcing practice - key learning points

## Measuring employee turnover

It is necessary to measure employee turnover and calculate its costs in order to forecast future losses for planning purposes and to identify the reasons that people leave the organization. Plans can then be made to tackle the problems causing unnecessary turnover and to reduce costs. The methods available are: employee turnover index, half-life index, length of service analysis, stability index, and survival rate.

## Estimating the cost of employee turnover

- Direct cost of recruiting replacements.
- Direct cost of introducing replacements.
- Direct cost of training replacements.
- Leaving costs.
- Opportunity cost of time spent by HR and line managers in recruitment, etc.
- Loss of output.


## Retention planning

Retention strategies should be based on an understanding of the factors that affect whether or not employees leave or stay.

## People resourcing practice - key learning points

## Risk of leaving analysis

- More pay.
- Better prospects (career move).
- More security.
- More opportunity to develop skills.
- Unable to cope with job.
- Better working conditions.
- Poor relationships with manager/ team leader.
- Poor relationships with colleagues.
- Bullying or harassment.
- Personal - pregnancy, illness, moving away from area, etc.


## Absence policy areas

- Methods of measuring absence.
- Setting targets for the level of absence.
- Deciding on the level of short-term absence that would trigger action, possibly using the Bradford Factor.
- The circumstances in which disciplinary action might be taken.
- What employees must do if they are unable to attend work.
- Sick pay arrangements.
- Provisions for the reduction and control of absence such as return-to-work interviews.
- Other steps that can be taken to reduce absence such as flexible working patterns.


## Flexibility planning

Flexibility planning involves taking a radical look at traditional employment patterns. This means:

- considering the scope for more flexible working based on multiskilling.
- Developing a 'flexible firm' by identifying and employing core and peripheral employees, including the use of sub-contracting and outsourcing.
- Introducing more flexible working arrangements, including job sharing, homeworking and teleworking, flexible hours, and overtime and shift working.


## Questions

1. From the chief executive to the HR director: 'What can we do to ensure that we are an employer of choice?

## Questions (continued)

2. From the personnel and development course tutor at your local further education college: 'I should be most grateful if you would give a brief talk ( 20 minutes or so) to our People Resourcing students on the issues relating to developing an employer value proposition and an employee brand.' Prepare an outline of the talk.
3. From your HR director: 'We have always measured employee turnover using the traditional labour turnover index. What are its advantages and disadvantages? Are there any better alternatives?'
4. From your managing director: 'I note from your last report that employee turnover is increasing. This must be costly. How can we estimate just what that cost is to provide a business case for corrective action?'
5. From the operations director: 'Our levels of absence are going through the roof. What can we do to ensure that our line managers keep it more under control?'

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