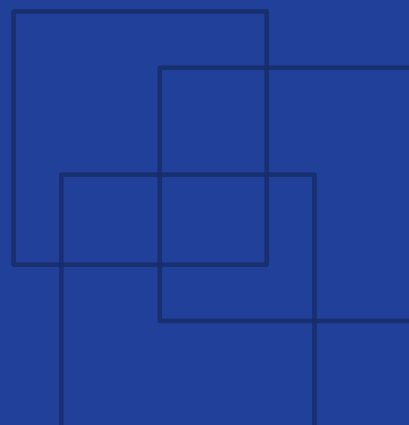




International
Labour
Organization

Human resources management - 1

Staff management systems



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Table of Contents

About the FIT module	4
Guidelines for successfully using the training tool.....	5
Session 1	
Business case study.....	9
Session 2	
Learning about the topic	15
Session 3	
Action items.....	29

Factory Improvement Toolset

The Factory Improvement Toolset (FIT) is an innovative self-facilitated, activity-based learning approach designed by the International Labour Organization (ILO) to create more decent and sustainable employment. FIT supports manufacturers in global supply chains to improve productivity, competitiveness and working conditions by upgrading production systems and factory practices.

FIT has been developed to be a sustainable, time- and cost-efficient option for supporting factories to enhance productivity through improved business practices and working conditions. FIT focuses on areas of production improvement and actions to be taken specific to each participating factory. It can be utilized as stand-alone learning tools or to complement other training programmes.

With each module lasting no more than 2.5 hours, FIT enables factories to train personnel, whilst minimizing interference with production realities. The easy-to-use methodology makes it possible to rapidly scale the implementation to reach a large cohort of trainees across multiple production facilities.

Working in small groups, participants review real-life situations and engage in discussions to determine improvements to be made in factory without an external trainer or specialist. This self-facilitated, activity-based and highly participatory learning approach positions participants as both student and teacher and makes the toolset self-tailored to the needs and interests of each group.

About this module

The FIT module on Human resources management (1) is a training for garment manufacturers to improve staff management systems. Participants will work on setting up their own HR management systems by improvement recruitment and performance. This module takes about 2 hours to complete.

Upon completion of the training, participants should have:

- Understood the importance of having good human resources management systems.
- Learnt how to plan needs and recruit new employees using job descriptions.
- Discussed ways to select and contract the right person for the job.
- Learnt how to systematically evaluate and improve staff performance using skills matrixes.

The **Factory Improvement Toolset** of the **International Labour Organization (ILO)** are developed and provided by the ILO's **Enterprises Department**.

Authors: Alix Machiels, Sara Andersson, Charles Bodwell.

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Guidelines for successfully using the training tool

Read out-loud

The FIT tool is designed for participants to take turns reading the instructions in the modules out loud to the group. At least one member of the group should be selected in the beginning of the session to take this responsibility.

Work as a group

Always work in groups of 5-7 during a FIT session. The programme will not be successful if participants work independently or do not collaborate with each other.

Be active

Encourage everyone in the group to actively contribute to the discussion. Ensure that no group member dominates the discussion or does not participate at all.

Monitor the time

Select one member of the group to monitor the time for each activity and remind the group when it is time to move to the next exercise.

Complete the action plan

Complete the action plan at the end of the session. This will help ensure that FIT results in improvements in the factory. Review the plan a while after the session to make sure that actions in the plan has been completed accordingly.

Icons

A set of icons is used throughout the modules to provide easy to recognize reference points for different tasks within each session and activity.



Read out loud

One member of the group should read out loud to the rest of group.



Knowledge link

Knowledge and skills are linked to other FIT learning resources and support.



Time allotted

Indicates how much time each sessions and activity should take.



Supplies needed

Indicates that supplies may be necessary to complete the session.



Begin step-by-step instructions

Indicates that the step-by-step instructions for an activity are beginning.



Think about it

Indicates additional information for the participants to think about.

Indicators

The box(es) below guides you in understanding which measurement indicator(s) this module is related to. It also helps you understand how to measure and evaluate the impact that taking this module can have in your factory.

Indicator 1	Turnover rate (%)
Definition	The amount of employees who leave the factory over a period of time and must be replaced, as a percentage of the total amount of employees.
Purpose	To understand how high your turnover rate is, set a turnover reduction target, and identify solutions to reduce turnover in your factory.
Calculation	$(\text{\# of employees who left and must be replaced} / \text{average \# of employees}) \times 100\%$ <p>Note: $\text{Average \# of employees} = (\text{\# of employees at the start of the time period} + \text{\# of employees at the end of the time period}) / 2$</p>
Frequency	Calculate monthly.
Responsible	HR manager

Indicator 2	Overtime as a percentage of total hours worked (%)
Definition	The amount of overtime hours your employees worked over a period of time, as a percentage of the total amount of time (hours) they worked during that time.
Purpose	To understand how much overtime your employees work and its cost for your factory, and to set an overtime reduction target.
Calculation	$(\text{\# overtime hours worked} / \text{total \# hours worked}) \times 100\%$
Frequency	Calculate monthly.
Responsible	HR manager



Session 1

Business case study

Goals

Preparing you for the type of discussions you will have with other group members throughout the learning module and understanding the benefits of being exposed to different perspectives.

Understanding better why having good human resources management practices is important in the factory.

Session 1

Overview



One member should read the full session out loud to the rest of group



15 minutes



Learning manual, pens, markers and poster paper

A business case study presents a real-life situation for learners to reflect on and discuss with other group members. By discussing the case, students learn from others' ideas and perspectives, and develop an understanding of the topic at hand within the workplace.



One group member reads the case study out loud



The whole group discusses the case study



Everyone develops a deeper understanding of the topic

Activities

Activity

1



15 minutes

Case study

The case study below presents a situation that could happen in real life.



Instructions:

- 1) As a group, listen to one member read the case study below while following along in your learning module.

Nila is a new HR manager at the HS garment factory. She thinks that its staff management system is quite poor. Managers post vacancy notices outside the factory gate, then hire the first applicants who show up, without evaluating their skills or experience. There is no performance assessment system in the factory. Workers learn by watching other workers do the job. Those who have been in the factory for the longest time get promoted, regardless of how well they do the job. As a result, productivity and quality are low in the factory. Staff is demotivated, and turnover is very high.

To solve these problems, Nila sets up new HR recruitment and performance systems. First, she talks to managers and workers to understand skills or experience needed for each job. She takes it into account when recruiting new staff, making them take a test or an interview. Then, Nila asks supervisors to assess all their workers' performance on each important skill, using specific criteria. She uses this to identify who needs to improve, and who should get promoted.

Thanks to these changes, Nila can hire the right person for the job. The best employees stay at the factory and continue to develop their skills. As a result, productivity and quality improve. Motivation and job satisfaction increase, and turnover is lowered.

- 2) Together, discuss Nila's situation by answering the three questions in table 1 on the next page.

Table 1. Questions about Nila's situation

1. What problems has Nila identified? What impact do these problems have on the factory and its staff?

2. What does Nila and the staff do or change in order to solve these problems?

3. What are the results of these solutions for the factory and its staff?

This page has been intentionally left blank and can be used for note taking.



Session 2

Learning about the topic

Goals

Understanding what HR management is, its key pillars, and its benefits for staff and the factory.

Discussing your recruitment process, and learning how to use a job description to find and select good candidates.

Learning how to use a skills matrix to evaluate and improve employees' performance in the factory.

Session 2

Overview



One member should read the full session out loud to the rest of group



90 minutes



Learning manual, pens, and markers

This training module will help you improve your factory operations by improving the way you manage human resources (your employees). Human Resources (HR) management means having a system to attract, develop and retain good, skilled employees. Effective HR improves quality and productivity, and creates a working environment that is safe, fair and healthy for all. Throughout this module, you will work on the three steps of HR management below.

Understanding HR management

Recruiting staff

Evaluating & improving performance

Firstly, you will learn more about HR management and its benefits. Then, you will learn about recruitment processes and job descriptions. Thirdly, you will practice using a new tool to evaluate performance in your factory.

Activities

Activity

2a



20 minutes

Understanding HR management

Human Resource (HR) management is a system that helps you attract, develop and retain a good workforce. It increases productivity and quality, and improves staff's well-being. In this activity, you will learn more about what HR management is, and why it is important.



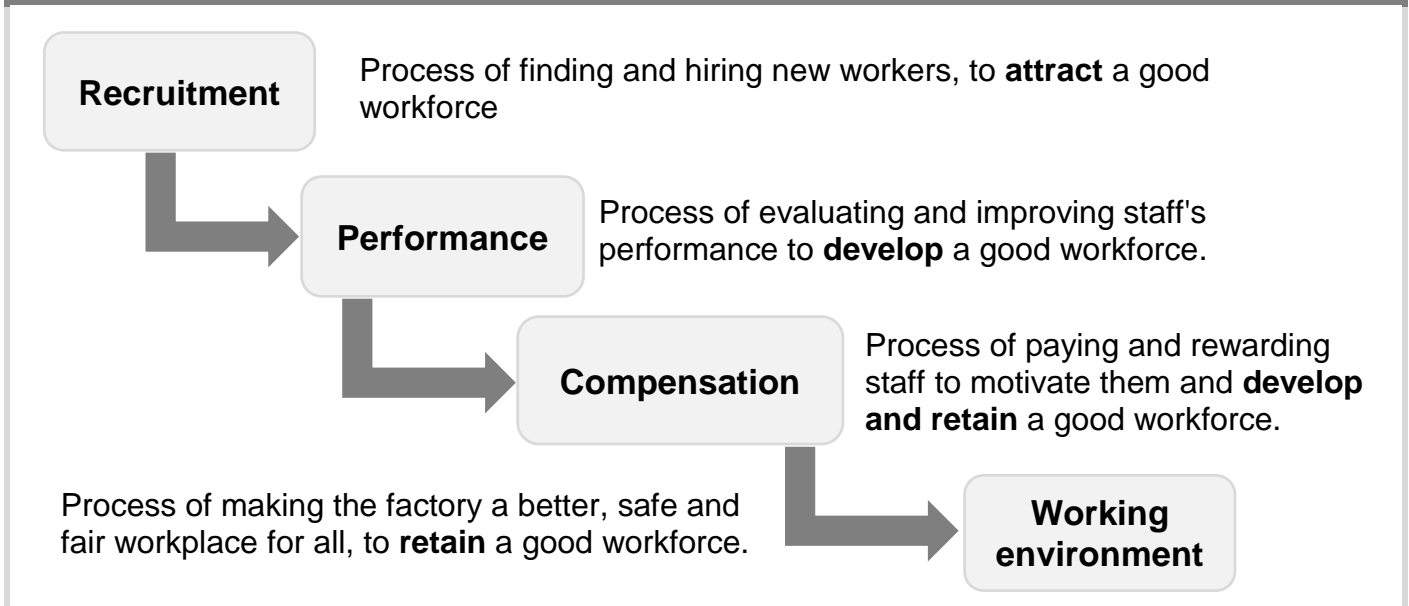
Instructions:

- 1) Together, discuss: Who is your workforce? (How many? Age? Men/Women?). Then, together, look at the word cloud of problems in table 2, and circle it if you encountered this challenge with staff in your factory over the last few months.
- 2) Together, look at the four pillars of HR management in table 3. Then, discuss the following questions: How could HR practices help you solve staff management challenges discussed in step 1)?
- 3) Together, look at table 4 listing the benefits of good HR practices, and put a ✓ on the right if you think it is important for your factory.

Table 2. Challenges with factory staff

High turnover rate	High absenteeism rate
Difficulty finding good workers	Low performance
Poor communication	Poor worker-supervisor relationships
Harassment (sexual or others)	Low motivation of employees
High cost of overtime	Misunderstandings about pay
Staff misbehaviour (theft, alcohol, etc.)	No qualified staff to promote
Many complaints from staff	Low job satisfaction of employees
Staff leaving for better pay	Poor working environment

Table 3. The four pillars of HR management



In this module, you will work on the first two pillars of HR. To learn more about the other two, ask for the “HR management 2” module! Good HR practices can help reduce turnover, but this is not always sufficient. To learn more, ask for the “Reducing turnover” module!

Table 4. Benefits of good HR practices

Benefits	✓
1. Better workforce means better quality.	
2. Better workforce means higher productivity.	
3. Workplace communication increases.	
4. Workers tend to stay in your factory longer, so turnover decreases.	
5. Workers are more motivated, absenteeism decreases.	
6. Staff become more motivated to perform well.	
7. Staff feel valued and become more committed to your factory.	
8. Factory reputation improves, attracting more buyers.	
9. The factory becomes a better, safer workplace for all.	
10. Discrimination is prevented in the factory.	

Activity

2b



25 minutes

Recruiting staff (1)

Recruitment is the process of finding and hiring the right person for each job. If done well, it helps you attract a good workforce. In this activity, you will learn more about the recruitment process and how to use job descriptions to plan for your needs and find good candidates.

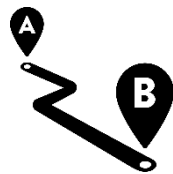
Instructions:

- 1) Together, discuss:
 - How do you recruit workers and managers in your factory?
 - Do you have any system or selection criteria in place?
- 2) Together, look at the four steps of the recruitment process in table 5, and put them in the correct order by writing down the step # in the space provided. Solutions are at the bottom of the page.
- 3) Have a participant read aloud the text box on the next page, and look at the sample job description (JD) in table 6. Then, together, think of a specific job in your factory, and practice writing a JD for that job by filling in the second part of table 6.
- 4) Together, look at table 7 explaining two ways to search for job applicants and their advantages. Then, discuss the two questions in the table and write down your answers in the space provided.

Table 5. The recruitment process

Plan: Consult with managers to plan your recruitment needs, and prepare for recruitment by writing a job description.

Step # _____



Contract: Prepare a written contract and have it signed by the new hire. It should be in a language they understand.

Step # _____



Select: Assess the applicants based on the job description and select the one(s) that best fit the job requirements.

Step # _____



Search: Publish a job description and share it through recruitment channels (internal or external) to attract qualified applicants.

Step # _____



Solutions: Plan → Search → Select → Contract



A **job description** is a document that lists responsibilities and required qualifications for a specific job. It helps you:

- Clearly plan, establish and communicate job requirements.
- Attract candidates who fit the job requirements
- Ensure that you select the right person for the job.
- Avoid discrimination by evaluating applicants strictly based on skills.
- Evaluate your staff's performance later on.

Table 6. Job descriptions

Sample job description

Job title: Junior sewing operator	Reports to: Line supervisor
Department: Sewing department	Salary: 220\$ / month
Roles & responsibilities: <ol style="list-style-type: none"> 1. Remove bundles off stacks and pull cut parts to sewing machine. 2. Operate a sewing machine to assemble quality garments in the allotted time. 3. Adjust machine settings according to garment style and operation. 4. Repair defective products according to repair tickets. 5. Perform basic sewing machine cleaning and maintenance tasks. 	Skills & qualifications: <ol style="list-style-type: none"> 1. At least 18 years of age. 2. At least 1 year of experience as sewing operator. Training certification a plus. 3. Primary school diploma preferred. 4. Proved ability to operate industrial sewing machines. 5. Ability to follow work instructions and work independently. 6. Ability to communicate information clearly to others.

Job description practice

Job title:	Reports to:
Department:	Salary:
Roles & responsibilities:	Skills & qualifications:

Table 7. Searching for applicants

Internal recruitment	External recruitment
<p>Recruiting applicants from inside the factory (who are already working for you).</p> <p>Advantages:</p> <ul style="list-style-type: none">• Helps motivate employees• Less training and adaptation time needed	<p>Recruiting applicants from outside the factory (who are not currently working for you).</p> <p>Advantages :</p> <ul style="list-style-type: none">• There will be more applicants• New employees can introduce new skills or techniques

Discussion questions

1. How could you attract qualified applicants from within your factory?

Example: Posting the job description on notice boards.

2. How could you attract qualified applicants from outside your factory?

Example: Posting a vacancy list on the factory gate.

Activity

2c



20 minutes

Recruiting staff (2)

Once you have identified job requirements and found a number of potential applicants, you can move on to assessing candidates and selecting the best person for the job. In this activity, you will learn how to select and contract the right candidate.



Instructions:

- 1) Have a participant read aloud the text box below. Then, together, look at table 8 listing two methods to assess candidates, and discuss: Do you use any other method in your factory?
- 2) Together, discuss the two questions in table 8, and write down your answers in the space provided.
- 3) Have a participant read aloud the text box below table 8. Then, discuss: How can you improve contracting practices in your factory?



The best person for the job is often the person that best fits the job requirements listed in the job description. Assessing candidates means assessing whether they have the skills, knowledge and experience listed. This helps ensure that you select the right person, which reduces the amount of training needed before the person can perform the job and quality costs!

Table 8. Assessing candidates

Interviews

Discussion around a set of questions asked to determine whether the candidate has the knowledge required for the job.



Work tests

Applicants have to perform tasks similar to those required for the job in order for HR to assess whether they have the skills required for the job.



Discussion questions

1. In your factory, for which jobs would you assess candidates using interviews (list 3 examples)? Who should interview the candidates?

Example: Storerooms manager. HR manager and production manager should interview the candidates.

2. In your factory, for which jobs would you assess candidates using tests (list 3 examples)? Who should test the candidates?

Example: Sewing operator. A line supervisor should test the candidates.



Contracts should be in written form, and signed by each employee. They should be in a language that the employee understands, and include information on the nature and place of work, start and end date, salary, and terms and conditions. If the employee cannot read, assign a third party to read it to them and make sure they understand the content.

Activity

2d



25 minutes

Managing performance

Managing performance means evaluating how well your employees do their job, and helping them improve their performance. It helps develop a good workforce, and increase job satisfaction. In this activity, you will learn how improve performance and promote employees using a skills matrix.



Instructions:

- 1) Together, discuss: In your factory...
 - How do you evaluate your staff's performance?
 - How do you decide who should get promoted?
- 2) Have a participant read aloud the text box below. Then, look at the two examples of a skills matrix in table 9, and make sure everyone understands.
- 3) Together, look at table 10 listing steps for using a skills matrix, and put them in the right order by writing a number from 1 to 8 in the column on the right. Solutions are at the bottom of the page.
- 4) Have a participant read aloud the scenario in table 11. Then, discuss the three questions in the table based on the two skills matrix. Solutions are at the bottom of the page.



A **skills matrix** indicates performance (high / medium / low) of each worker on a set of skills (sewing skills, communication, etc.) that are important in a specific job. It helps you evaluate each worker's performance, identify training needs, and select who should be promoted. Performance is shown using grades (A/B/C).



To learn more on how to organize and run training sessions in your factory, ask for the "Training workers" module!

Table 9. Skills matrix

SEWING SKILLS MATRIX 1 – before training

Job title: Sewing operator		Department: Sewing floor			Date: 4 Jan 2020		
Reports to: Line supervisor		Line: 3			Prepared by: Line supervisor		
Operator name	Skill (operation)	Shoulder join	Neck rib tuck	Neck join	Label make	Back neck binding	Front neck top
Anna		B	A				
Bim		C	B	B			
Neha			B				A
Chy				A	B		
Dora					A		
Eli				A	A		A
Faran		C				B	B
Gani				B		C	B

Note: A = 100% efficiency; B = 60% efficiency; C = 40% efficiency

SEWING SKILLS MATRIX 2 – after training

Job title: Sewing operator		Department: Sewing floor			Date: 24 Jan 2020		
Reports to: Line supervisor		Line: 3			Prepared by: Line supervisor		
Operator name	Skill (operation)	Shoulder join	Neck rib tuck	Neck join	Label make	Back neck binding	Front neck top
Anna		A	A				
Bim		B	B	B			
Neha			B				A
Chy				A	B		
Dora					A		
Eli				A	A		A
Faran		B				A	B
Gani				B		B	B

Note: A = 100% efficiency; B = 60% efficiency; C = 40% efficiency



Using skills matrixes also helps avoid discrimination by helping you identify training needs and promotion opportunities based on skills and performance, rather than based on individual characteristics such as gender, that do not reflect a person's performance.

Table 10. Using a skills matrix

Steps	#
List the names of all the staff members in that role vertically on the left of the matrix.	
Assess your staff's performance level after the training, and write down the results in a new skills matrix.	
Determine what grades mean for this specific skills – for instance, A = 100% target achievement, etc. You should use clear, measurable criteria.	
Evaluate training efficiency and your staff's progress by comparing their performance level before and after the training.	
Determine what skills are important for the job using the job description developed with the relevant department's inputs.	
Identify who needs to be trained in what skill based on assessed performance levels.	
For each skill, assess each worker's current performance level and write down the results (A/B/C) in the skills matrix. This should be done by the supervisor.	
List the required skills in the upper horizontal part of the skills matrix.	

Solutions: 3, 7, 4, 8, 1, 6, 5, 2

Table 11. Practice questions

Scenario: HS factory's sewing manager Pam wants to improve the sewing room's performance by improving her sewing operators' skills. Together with the HR department, she develops a skills matrix for the sewing operator for each line. Line supervisors assess the operators' performance, and fill in the matrix (Matrix 1). Then, together, they decide who needs what training. After the training, they assess the operators' performance again to evaluate the results (Matrix 2).

1. Look at the Skills Matrix 1. Which employees could improve their performance to improve performance of Line 3?
2. Look at the Skills Matrix 2. Do you think that the training helped improve the performance of Line 3? Why, or why not?
3. If you were the sewing manager (Pam), who would you promote to line supervisor of line 3?



Promotions are a key way to motivate staff to perform well. They should always be based on performance, never on characteristics such as gender or age. You should discuss the details of the promotion with the employee, and explain what you expect from them. Staff should have the option not to take a promotion if they do not want to.

Solutions: 1. Bim & Faran (Shoulder join), Gani (Back neck binding); 2. Yes – C grade operators improved; 3. Eli



Session 3

Action items

Goals

Summarizing and revising the new knowledge gained.

Identifying concrete applications of the new knowledge that benefit your factory.

Session 3

Overview



One member should read the full session out loud to the rest of group



20 minutes



Learning manual, pens, and markers

Throughout this module, you gained new knowledge on how to improve your human resources management systems by improving your recruitment and performance management practices.

Understanding HR management

Recruiting staff

Improving performance

In this session, you will think of ways to apply your new knowledge to improve human resources management in your factory by reviewing best practices and drafting your own action plan.



Job description and skills matrix templates are available online for you to print out and use in your own factory. To obtain it, contact your factory's FIT coordinator!

Activities

Activity

3a



5 minutes

Best practices checklist

In this activity, you will review best HR management practices as a next step for evaluating your own and implementing improvements.



Instructions:

- 1) Together, look at the list of best practices in table 12, and put a ✓ in the column on the right if you use these practices in your factory.

Table 12. Human resources management (1)

Best practices	✓
1. HR staff prepare a job description for each role after consulting with various members of the relevant department.	
2. HR staff use job descriptions to assess each candidate and select the applicant which best fits job requirements.	
3. HR staff prepare skills matrixes for each role, and have them filled in by supervisors to evaluate staff performance.	
4. HR staff use filled-in skills matrixes to identify how to improve employees' performance in the factory.	
5. HR staff use filled-in skills matrixes to select who should be promoted based on skills and performance level.	

Activity

3b



15 minutes

Your action plan

In this activity, you will think of ways to apply your new knowledge to improve your HR management systems by drafting your own action plan.



Instructions:

- 1) Together, fill in the action plan (table 13) on the next page. Identify a key problem that you want to solve and write down the solutions you identified while working on this module.

Table 13. HR Management – Action Plan

Problem identified				
Solutions identified	Action(s) to be taken	Person responsible	By when?	How will improvements be measured?

Human resources management – 1

The Factory Improvement Toolset (FIT) is an innovative self-facilitated, activity-based learning approach designed by the International Labour Organization (ILO) to create more decent and sustainable employment. FIT supports manufacturers in global supply chains to improve productivity, competitiveness and working conditions by upgrading production systems and factory practices.

FIT is being piloted in Asia under the regional Decent Work in the Garment Sector Supply Chains in Asia project funded by the Government of Sweden.

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