A. SENIOR HR MANAGER POSITION DESCRIPTION AND CANDIDATE SPECIFICATIONS

POSITION: Vice President, Human Resources
COMPANY: Nationwide Clothing Retailer
LOCATION: Midwestern United States
REPORTS TO: President

Company

Is an exciting, high-growth, publicly held specialty retailer of quality casual, classic American sportswear that appeals to customers of all ages yet specifically targets people in their twenties. As the “keeper of the culture,” the ideal candidate must strongly embody and reinforce their unique brand image, which is casual, classic, and all-American.

Given the company’s distinctive culture and strong brand image, the Human Resource Department (HRD) is critical to the continued success of the company. The ideal candidate will bring a fresh and creative approach to the Human Resource Department to further the brand position through the recruitment, training, and motivation of all employees. The candidate must also be nonpolitical and able to diplomatically voice his/her opinions while operating in a team-oriented environment.

Ideal Candidate Specifications

• Build on a premier recruiting program that reflects energy, vitality, and a team-oriented atmosphere.
• Establish a process to identify and recruit the very best brand representatives (sales associates) to ensure an ongoing flow of future talent for the business.
• Institute a program of design training and establish a reputation in programs that ensures that the company becomes the number one choice of design graduates from the best schools in the country.

Professional Characteristics

• Has built a strong career with either a “best-of-class” consumer or technology company that places a premium on attracting top talent or a premier organizational consulting firm that has a strong human resource focus.
• Quickly understands the critical organizational structure and unique culture to ensure the future growth of the business and its supporting mechanisms, i.e., recruiting, training, and succession planning, as well as other key human resource aspects to accomplish this objective.
• Successfully tailors a new compensation program that reflects shareholder value, corporate profitability, and individual unit/group objectives.
• Able to partner with top management to bring a critical human resources perspective that complements the strategic, merchandising, business, and financial acumen of the company.
• Has a passion for the company’s distinctive and powerful lifestyle brand.
• Has a “sixth sense” that allows him/her to grasp the inherent uniqueness of the company’s brand image and identify those same great qualities in prospective employees at all levels of the organization.
• Thrives in a team-oriented and creative atmosphere, yet has the ability to bring a tough perspective to top management in human resources and other business issues.
• Takes a creative approach as a leader and partners with the company’s top management team.

B. DESIRED COMPETENCIES FOR HR PROFESSIONALS

Strategic management competencies regarding
• Industry and environment knowledge.
• Company understanding.
• Financial understanding.
• Global perspective and knowledge.
• Strategic visioning.
• Triad orientation.
• Multiple stakeholder sensitivity.
• e-Business orientation and thinking.

Leadership and managerial competencies relevant to
• Strategic analysis.
• Managing diversity.
• Problem solving.
• Creating a learning culture.
• Decision making.
• Planning skills.
• Adaptability.
• Resource allocation.
• Shaping value.

Change and knowledge management competencies for
• Consulting and communicating.
• Group process facilitation.
• Organizational diagnosis.
• Partnering and relationship building.
• Designing and monitoring planned change efforts.
• Assessing impact.
• Managing learning transfer.
• Negotiating.

Professional and technical competencies in
• Organization and job design.
• Workforce planning, staffing, and workflow management.
• Performance management.
• Education, training, and development.
• Compensation, reward, and recognition systems.
• Employee communications and involvement.
• Succession planning.
• Employee and labor relations.
• Safety, health, and wellness.
• Diversity management.
• Technological awareness.
• Strong personal and professional ethics.

C. PROFESSIONAL CERTIFICATION

The Society for Human Resource Management (SHRM) has established the Human Resource Certification Institute to certify human resource professionals. The institute’s purposes are to

• Recognize individuals who have demonstrated expertise in particular fields.
• Raise and maintain professional standards.
• Identify a body of knowledge as a guide to practitioners, consultants, educators, and researchers.
• Help employers identify qualified applicants.
• Provide an overview of the field as a guide to self-development.

The certification institute has two levels of accreditation: (1) basic (PHR) and (2) senior (SPHR). The basic accreditation is the professional in human resources (PHR). The examinations for the PHR and SPHR focus on the same six major areas. The difference between the two examinations is the weight given to each area. The six major areas and their weights given to each area for the PHR and the SPHR are shown in section D of this appendix. Detailed contents of each area are also provided on the institute’s Web site. You will see that the contents are consistent with the materials covered in all of the chapters of the textbook. The senior-level accreditation (SPHR) is designed for the senior professional in human resources and focuses more on the strategic and policy-related aspects of HR and the roles for the effective HRD shown earlier.

The Human Resources Certification Institute (www.hrci.org) recommends that HR professionals pursuing the SPHR designation have six to eight years of professional work experience before taking the examination, but two years is the minimum requirement. All professionals receiving accreditation are listed in the Register of Accredited Personnel and Human Resource Professionals. In 2004 the institute began offering certification in Global HR. See their Web site for a description of these competences. For a further discussion of them, also see D. R. Briscoe, R. S. Schuler and L. Claus, International Human Resource Management, 3rd ed. (London: Routledge, 2008).
D. SOCIETY FOR HUMAN RESOURCE MANAGEMENT’S TEST SPECIFICATIONS FOR THE PHR AND SPHR

<table>
<thead>
<tr>
<th>Certification Examination Programs</th>
<th>% PHR Exam</th>
<th>% SPHR Exam</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Management</strong></td>
<td><strong>12%</strong></td>
<td><strong>29%</strong></td>
</tr>
<tr>
<td>Responsibilities in Strategic Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Interpret information related to the organization’s operations from internal sources, including financial/accounting, marketing, operations, information technology, and individual employees, in order to participate in strategic planning and policy making.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Participate as a partner in the organization’s strategic planning process.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Provide direction and guidance during changes in organizational processes, operations, and culture that balances the expectations and needs of the organization, its employees, and other stakeholders (including customers).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cultivate leadership and ethical values in self and others through modeling and teaching.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Monitor legislative environment for proposed changes in law and take appropriate action to support, modify, or stop the proposed action (e.g., write to a member of Congress, provide expert testimony at a public hearing, lobby legislators).</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Knowledge in Strategic Management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of internal and external environmental scanning techniques.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of strategic planning process and implementation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of techniques to sustain creativity and innovation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Workforce Planning and Employment</strong></td>
<td><strong>26%</strong></td>
<td><strong>17%</strong></td>
</tr>
<tr>
<td>Responsibilities in Workforce Planning and Employment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Identify staffing requirements to meet the goals and objectives of the organization.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Conduct job analyses to write job descriptions and develop job competencies.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop a succession planning process.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Establish hiring criteria based on the competencies needed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Assess internal workforce, labor market, and recruitment agencies to determine the availability of qualified applicants.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Knowledge in Workforce Planning and Employment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of immigration laws (e.g., visas, I-9).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of recruitment methods and sources.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of staffing alternatives (e.g., telecommuting, outsourcing).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of planning techniques (e.g., succession planning, forecasting).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of reliability and validity of selection tests/tools/methods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of impact of compensation and benefits plans on recruitment and retention.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of international HR and implications of international workforce for workforce planning and employment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of downsizing and outplacement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Human Resource Development</strong></td>
<td><strong>17%</strong></td>
<td><strong>17%</strong></td>
</tr>
<tr>
<td>Responsibilities in Human Resource Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Conduct needs analyses to identify and establish priorities regarding human resource development activities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop training programs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Implement training programs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Evaluate training programs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Knowledge in Human Resource Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of training methods, programs, and techniques.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge of performance appraisal and performance management methods.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Responsibilities in Compensation and Benefits
- Analyze, select, implement, maintain, and administer executive compensation, stock purchase, stock options, and incentive and bonus programs.
- Analyze, develop, implement, and maintain compensation policies and a pay structure consistent with the organization's strategic objectives.

Knowledge in Compensation and Benefits
- Knowledge of federal, state, and local compensation and benefit laws (e.g., FLSA, ERISA, and COBRA).
- Knowledge of accounting practices related to compensation and benefits (e.g., excess group term life, compensatory time).
- Knowledge of job evaluation methods.
- Knowledge of benefit plans (e.g., health insurance, pension, education, health club).
- Knowledge of international compensation laws and practices (e.g., expatriate compensation, socialized medicine, mandated retirement).
- Knowledge of job pricing and pay structure.
- Knowledge of incentive and variable pay methods.

Responsibilities in Employee and Labor Relations
- Promote, monitor, and measure the effectiveness of employee relations activities.
- Assist in establishing work rules and monitor their applications and enforcement to ensure fairness and consistency (for union and nonunion environments).
- Develop grievance and disciplinary policies and procedures to ensure fairness and consistency.

Knowledge in Employee and Labor Relations
- Knowledge of applicable federal, state, and local laws affecting employment in union and nonunion environments (e.g., antidiscrimination laws, sexual harassment, labor relations, privacy).
- Knowledge of individual employment rights issues and practices (e.g., employment-at-will, negligent hiring, defamation, employees' rights to bargain collectively).

Responsibilities in Occupational Health, Safety, and Security
- Ensure compliance with all applicable federal, state, and local workplace health and safety laws and regulations.
- Implement injury/occupational illness prevention program.
- Implement workplace injury/occupational illness procedures (e.g., workers' compensation, OSHA).

Knowledge in Occupational Health, Safety, and Security
- Knowledge of potential violent behavior and workplace violence conditions.
- Knowledge of workplace injury and occupational illness compensation laws and programs (e.g., workers' compensation).
- Knowledge of employee assistance programs.

**E. SALARIES, INCENTIVE PAY, AND VARIATION IN PAY**

HR professionals are making strides on the earnings front. According to the 2007/2008 Survey Report on Human Resources Personnel Compensation by Watson Wyatt and the Society for Human Resource Management, annual cash compensation ranged from the low of $36,600 (human resources assistant) to a high of $218,000 (top HR executive with industrial relations experience). The survey covers over 88,000 HR professionals at nearly 2,000 organizations.
Salaries

Pay growth for the most common HR positions was about the same as the rate of inflation, with some somewhat higher and others somewhat lower. Compensation supervisors received the largest pay increases at 12.0%, followed by the employee benefits planning analyst and the professional and technical staff recruiter at 5%. Pay for top HR executives (without industrial relations experience) went down 7%. The median salary for the top HR executive (without industrial relations) was $170,000; the median salary for employee benefits managers was $89,200; the median salary for HR managers was $80,700. Other median salaries were as follows: Compensation supervisors received $78,700. Compensation analysts received $62,400. Professional and technical staff recruiters received $62,100. Employee benefits planning analysts received $60,000. Human resource generalists received $55,900. Human resource specialists received $55,500. And human resources assistants received $36,600.

Incentives and Bonuses

Growth in HR compensation has come more from increases in incentive pay rather than increases in base pay. All 15 categories of executives saw an increase in the percentage who were eligible for long-term incentives. Of the 25 categories of HR managers, only one (EEO manager) saw a decrease in the percentage of managers eligible for long-term incentives. This reflects a growing trend over the past few years of putting more pay at risk at lower levels in the organization. Companies are more frequently using variable pay to differentiate their strongest performers, and they are extending this pay philosophy to their HR professionals.

The survey examined the use of both short-term and long-term incentives for all HR positions in the survey. Not surprisingly, executives are more likely than others to be eligible for both types of incentives. About one-third of HR executives are eligible for long-term incentives, which usually include non-qualified stock options, incentive stock options, and restricted stock. About two-thirds of all HR executives are eligible for short-term incentives, such as annual bonuses.

Variations by Industry, Size, and Geography

Factors such as industry, company size, and geography also affect pay levels for HR professionals. Employers in health care, in nondurable goods manufacturing, and in the retail and wholesale trade sectors generally are on the low end of the pay scale for all HR positions, whereas the highest pay levels are found in banking and financial services and in the utilities and energy sectors. There is tremendous pay variation across sectors. For example, median total cash compensation for compensation and benefits managers was highest in banking and financial services ($119,700), compared to health care ($86,500), and to nondurable goods manufacturing ($84,200). Similar pay variations were found for all HR positions in the survey.

Pay also varies by company size. Usually, larger firms pay more than smaller firms, although this general pattern is not perfect. For instance, median total cash compensation for HR managers in companies with fewer than 500 employees was $70,000, compared to $88,400 in companies with 20,000 or more employees.
Geography also plays a role in determining pay for HR professionals. Regionally, the highest pay is found in the Northeast and the West Coast. An HR generalist, for example, would receive median total cash compensation of $62,300 on the West Coast region of the United States, $58,500 in the Northeast, $57,300 in the South Central, $55,200 in the Southeast, and $53,500 in the North Central Region. These variations in pay are similar to those found for jobs in other specialty functions.

Compensation data were reported in J. Dooney and E. Esen, “Incentive Pay Fuels HR Salaries,” HR Magazine (November 2007). 34–43. Annual compensation data for HR professionals in the United States can also be found at the Bureau of National Affairs in Washington, D.C. (http://hrlibrary.bna.com).