

The New Brunswick Small Business HR CONNEXION

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WHAT IS HR?

Human Resources Management [HRM] consists of a group of policies and procedures whose objective is to mobilize and develop human resources in order to increase an organization's efficiency and effectiveness. The effective management of human resources is essential for all organizations that depend on personnel to produce goods and services.

HRM is especially concerned with:

- Identifying the best candidates for the positions to be filled (Recruitment)
- Making sure that new employees are adequately informed concerning the policies of the organization (Orientation)
- Optimizing workload organization (Efficiency and Effectiveness)
- Developing the knowledge and skills of both management and staff (Training, Skill Development and Career Management)
- Encouraging employee identification and involvement with the business
- Assuring that management oversee the performance of each employee and offer feedback
- Improving and/or maintaining a positive work environment (Conflict Resolution)
- Adequately rewarding employees for work accomplished (Salary and Benefits)
- Managing risk with the health and safety of employees in mind
- Assuring a balance between work and personal time

High Performance HR Policies and Procedures

The policies and procedures identified as *high performance* by researchers are those that provide a business with a competitive edge:

- Salary and Benefits (especially pay linked to performance and competitive salaries)
- Decentralization (especially participation in decision making and group autonomy)
- Training (especially extensive training involving all employees together with an evaluation of the effectiveness of the training)
- Information Sharing
- Selective Recruiting
- Work Conditions (especially job security)

Studies show a link between high performance policies and procedures and the performance of a business. An equal emphasis on all HR policies and procedures will improve business performance more than focussing on only one or a combination of a few.*

Most studies show that the high performance policies and procedures (listed above) of small businesses are similar to those of larger ones and are equally the source of better performance. On the other hand, it was found that their use was more limited in small businesses than in larger ones. In smaller businesses, research shows that HR policies and procedures are often unwritten and are carried out informally with little documentation.*

* Guerrero, Sylvie, *Revue de littérature, Projet Pilote National RH, 3 mars 2008.*

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