



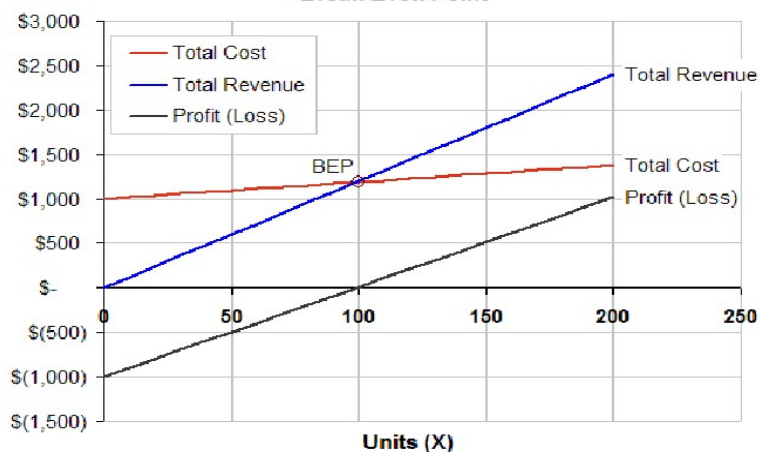
MERGERS AND ACQUISITIONS



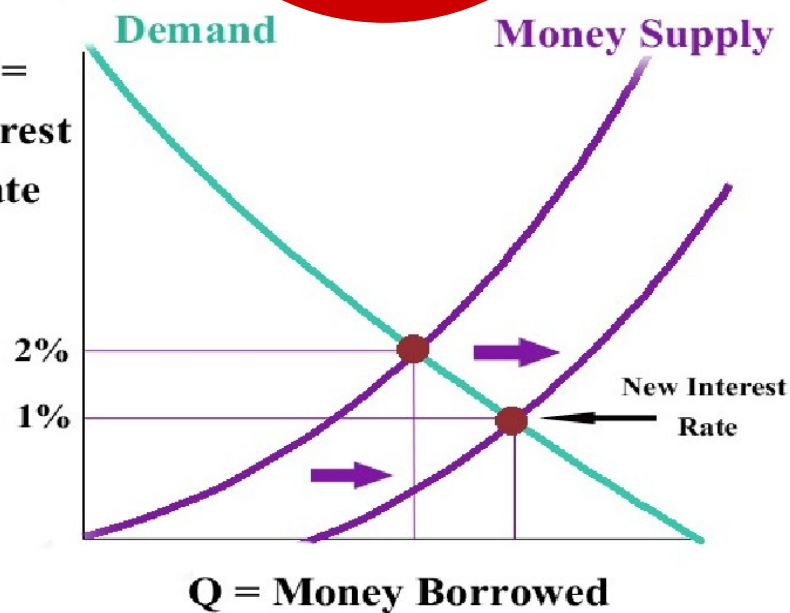
Lecture

11

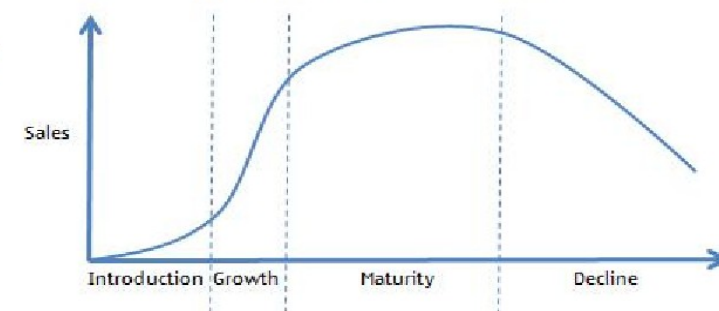
Break-Even Point



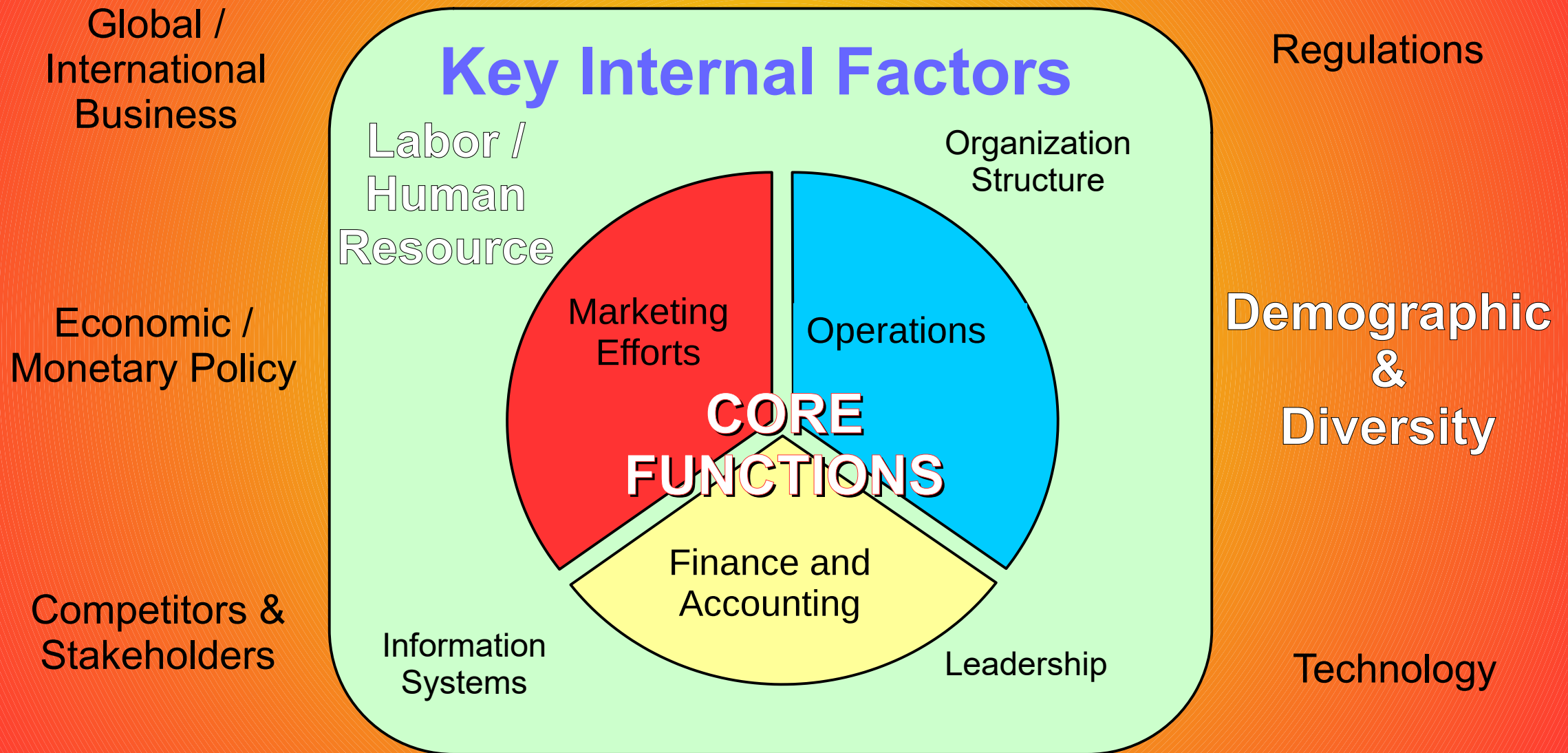
P =
Interest
Rate



Product Lifecycle Stages

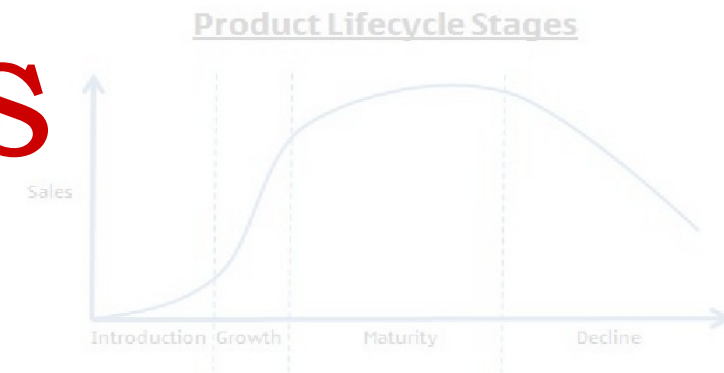
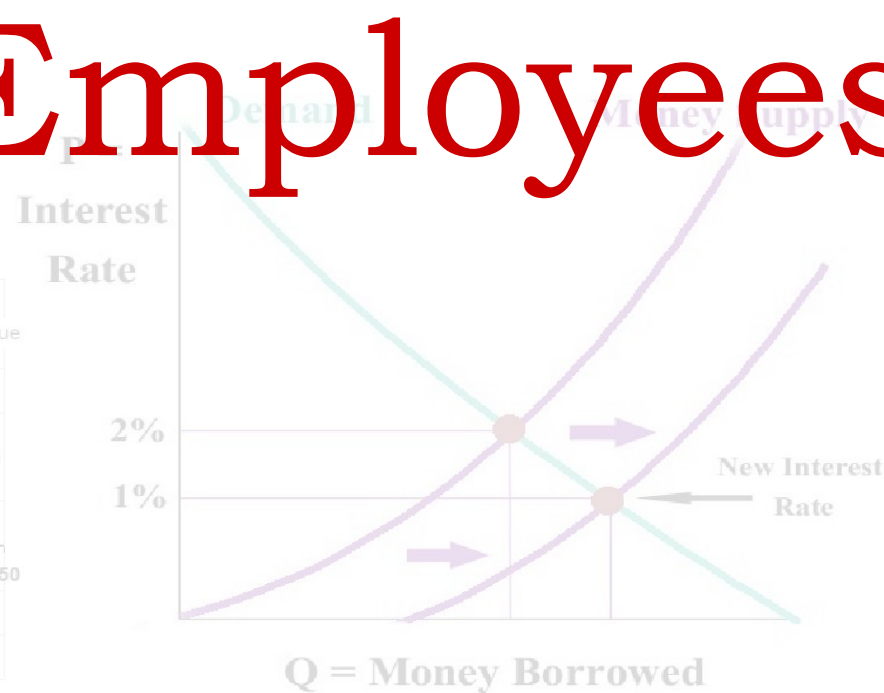
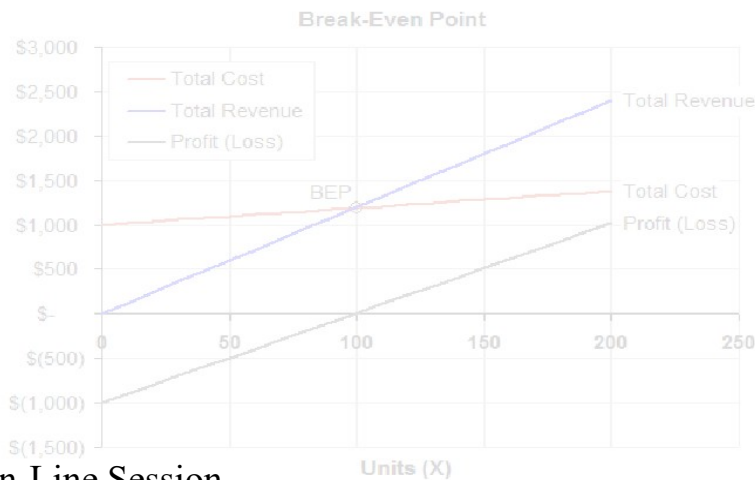


External / Social Forces



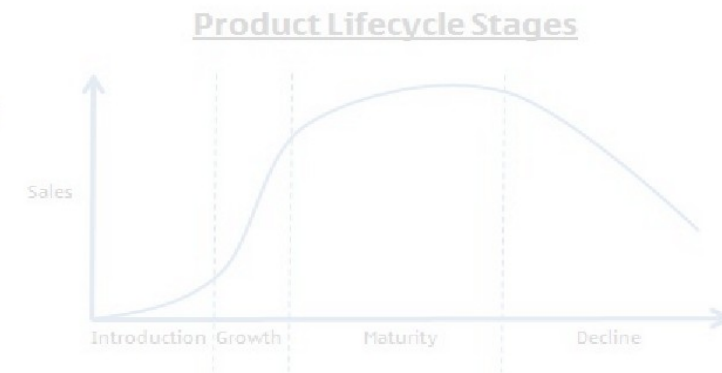
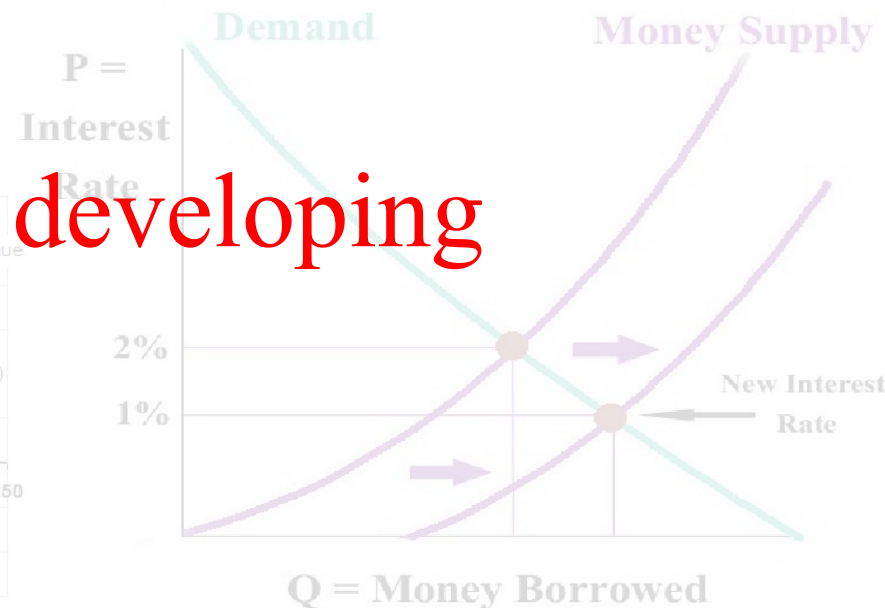
Introduction to Business

Human Resource Recruiting & Keeping Employees



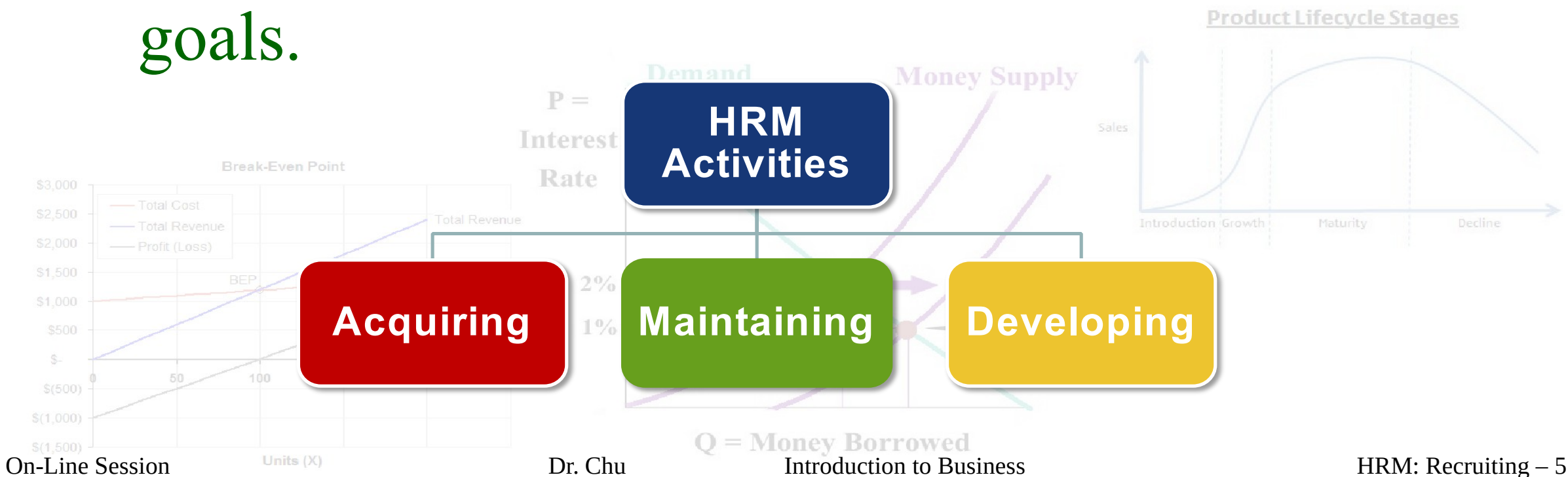
Learning objectives

- ❖ What do Human Resources Management (HRM) do?
- ❖ Legal environments
- ❖ Acquiring
- ❖ Maintaining
- ❖ Training and developing
- ❖ Appraisal



What is HRM?

- ◆ The process of determining human resource needs and then recruiting, selecting, developing, motivating, evaluating, compensating and scheduling employees to achieve organizational goals.



Legal environment

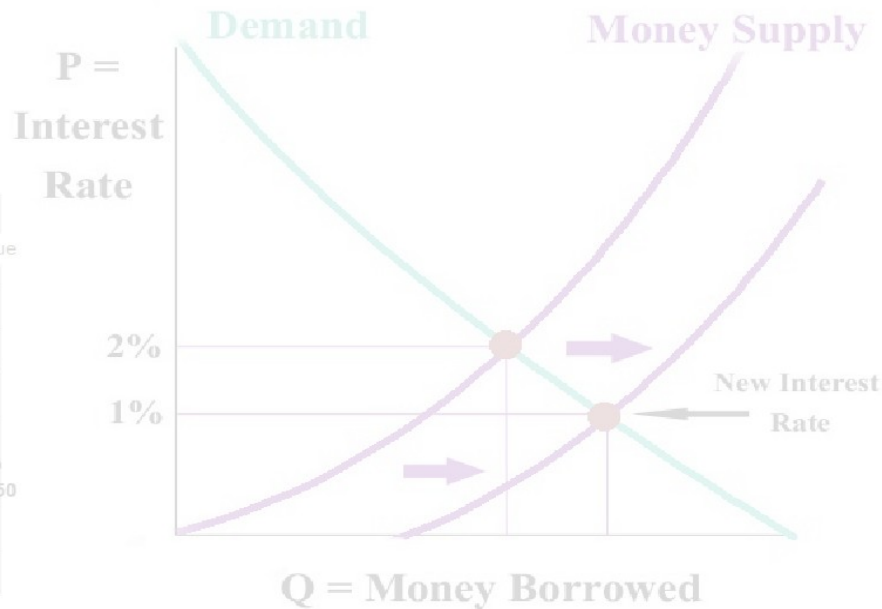
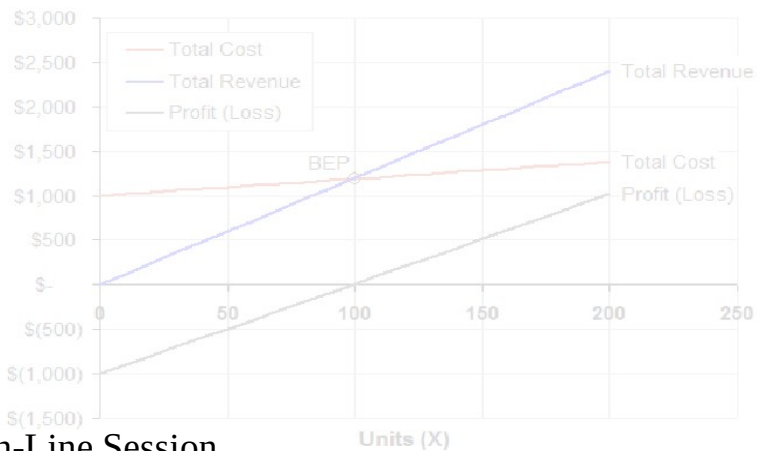
◆ Important legislation

◆ Related legislation

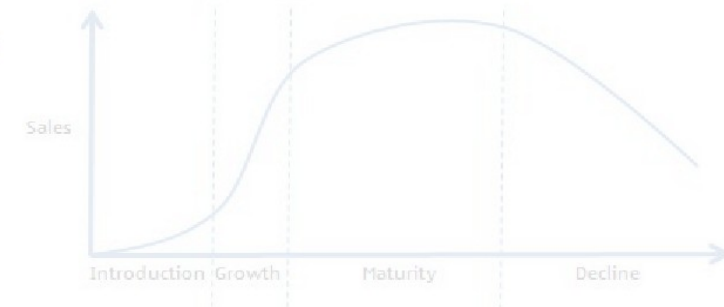
MERGERS AND ACQUISITIONS



Break-Even Point



Product Lifecycle Stages



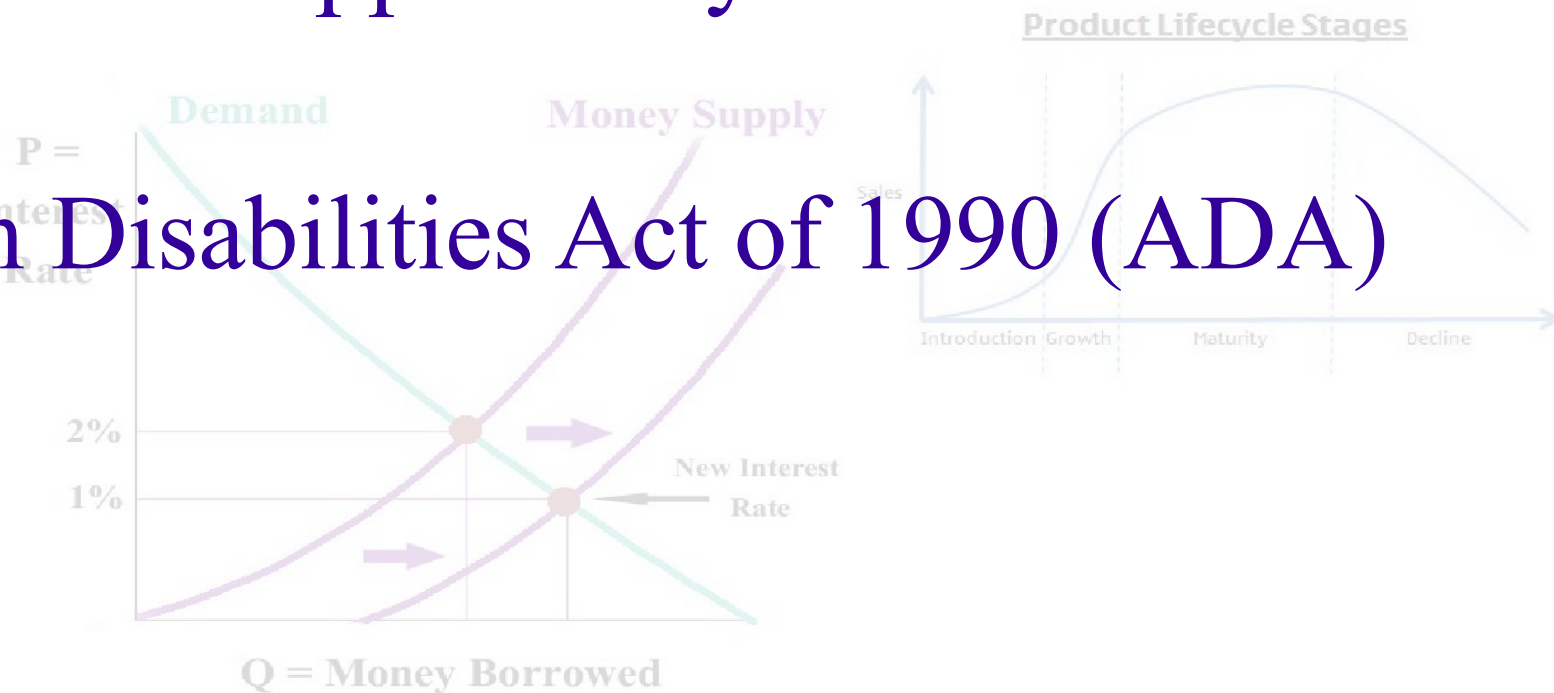
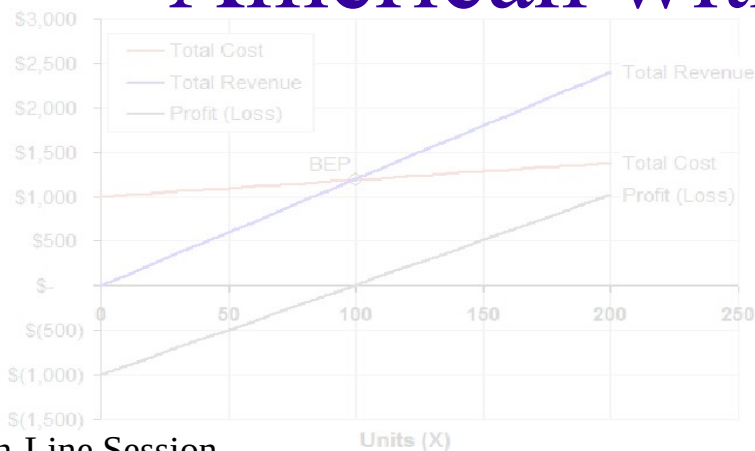
Important legislation

➤ Civil Rights Act of 1964

Prohibits discrimination in hiring, firing, compensation, etc.

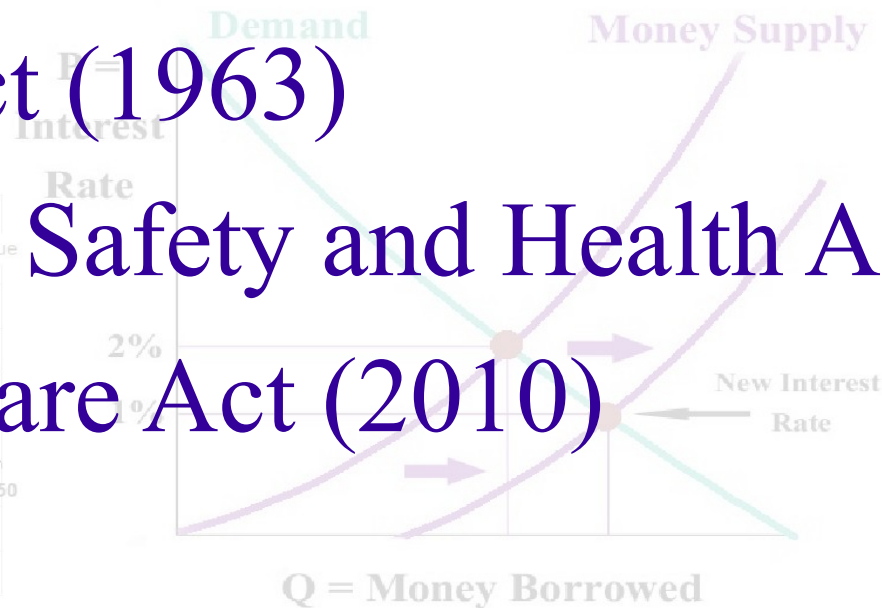
➤ Equal Employment Opportunity Act of 1972

➤ American with Disabilities Act of 1990 (ADA)



Related legislation

- National Labor Relations Act and Labor-Management Relations Act (1935)
- Labor-Management Relations Act (1947)
- Fair Labor Standards Act (1938)
- Equal Pay Act (1963)
- Occupational Safety and Health Act (1970)
- Affordable Care Act (2010)



Product Lifecycle Stages



Acquiring

Planning

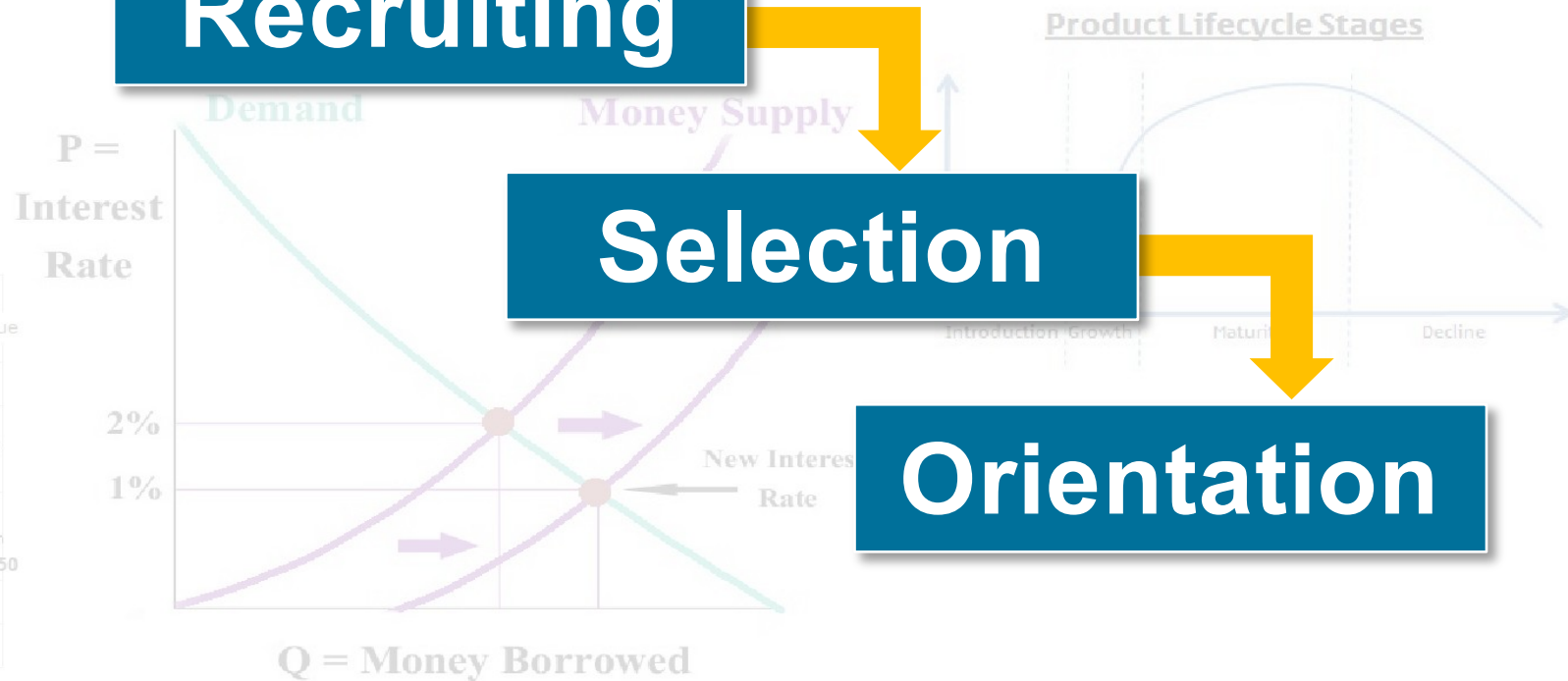
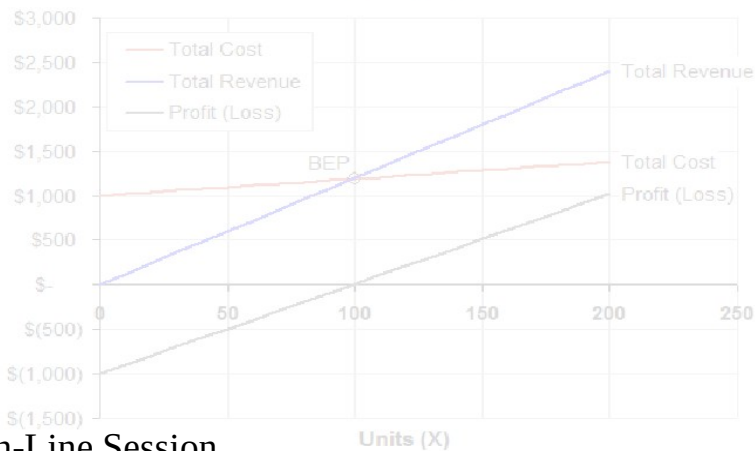
Job Analysis

Recruiting

Selection

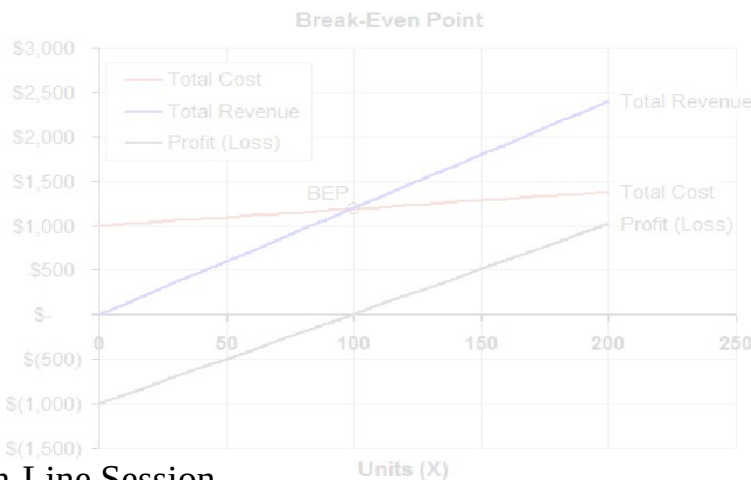
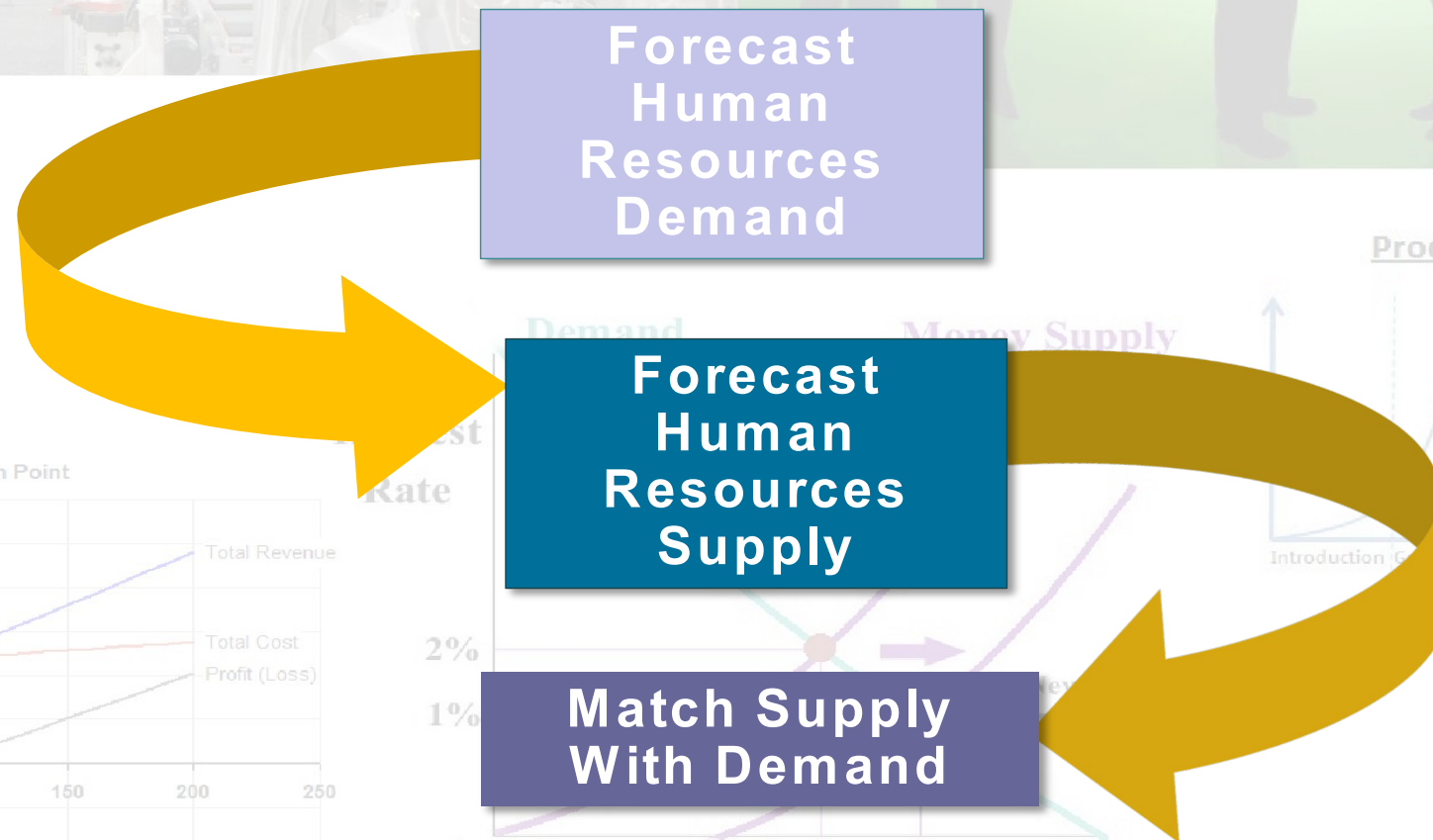
Orientation

Break-Even Point



HRM planning

- The development of strategies to meet a firm's future human resources needs



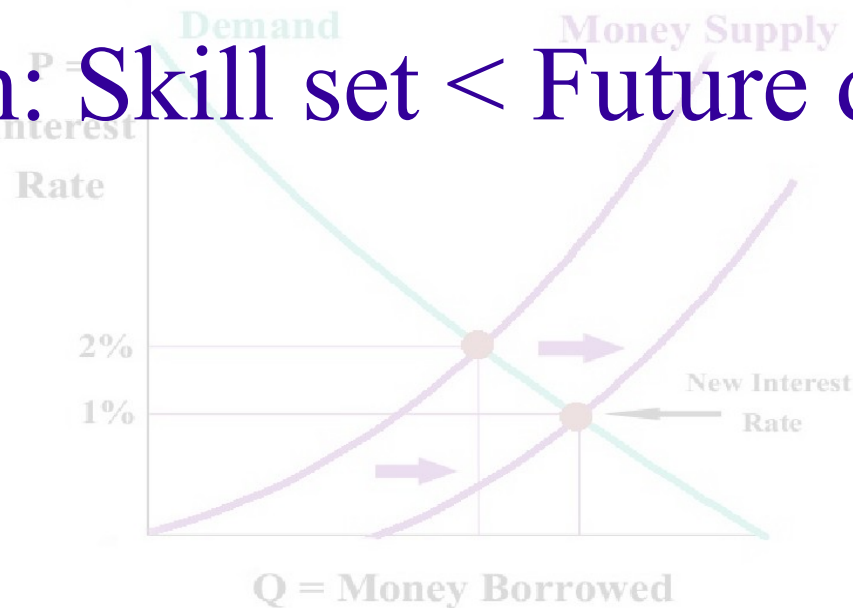
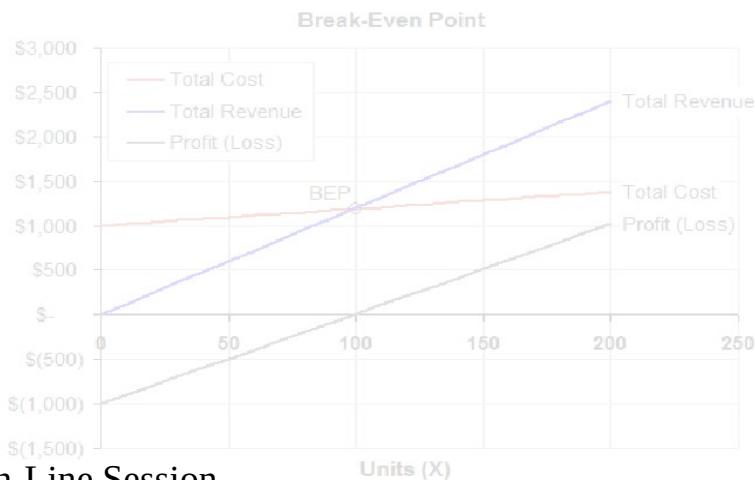
Product Lifecycle Stages



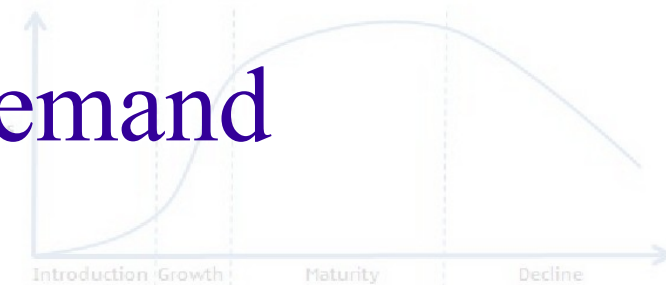
Q = Money Borrowed

Forecast supply & demand

- HR managers need to estimate the future needs of the organization AND
- Assess the current skill set (skills inventory)
- Match the skill set to future demand.
- Good problem: Skill set < Future demand



Product Lifecycle Stages



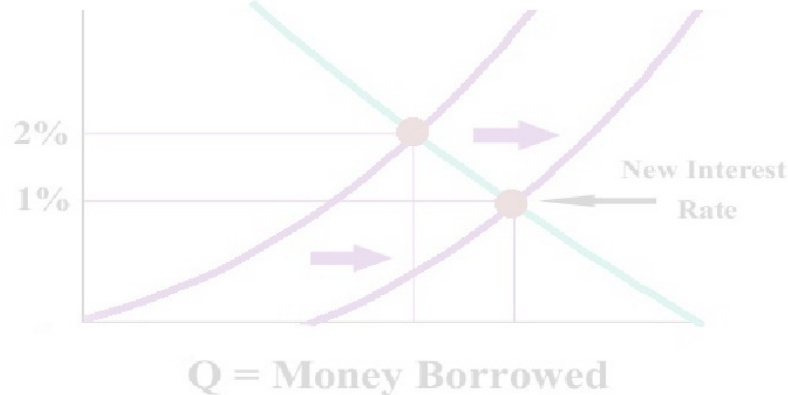
Bad problem: Skill set > Future demand

Layoff

Attrition

Firing

Early Retirement

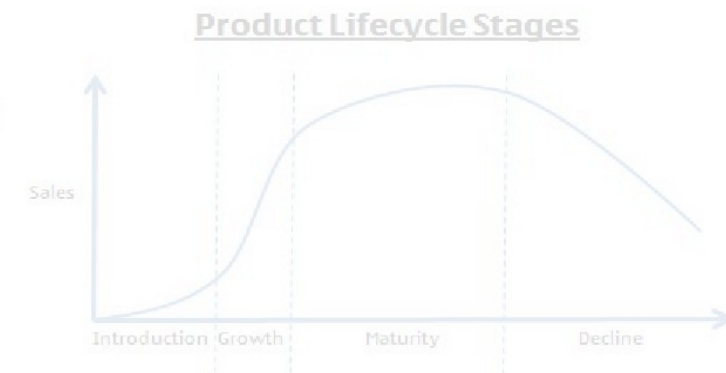
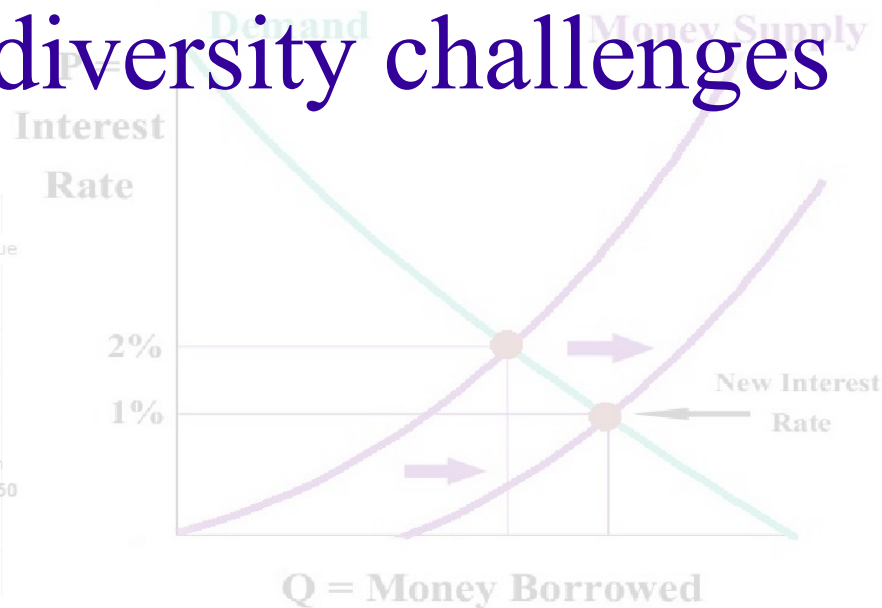
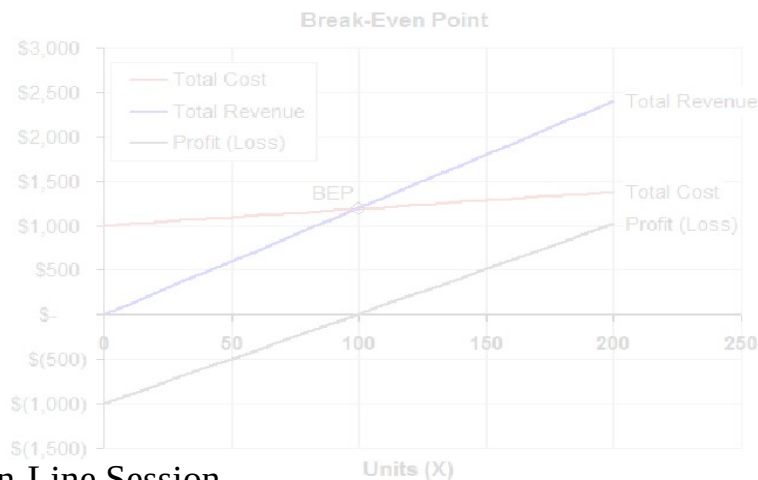


Diversity

- Differences among people in a workforce owing to race, ethnicity, and gender

Why not anything else?

- Diversity good?
- Coping with diversity challenges



Diversity good?

➤ Cost

Generally cost less because of less training needed.

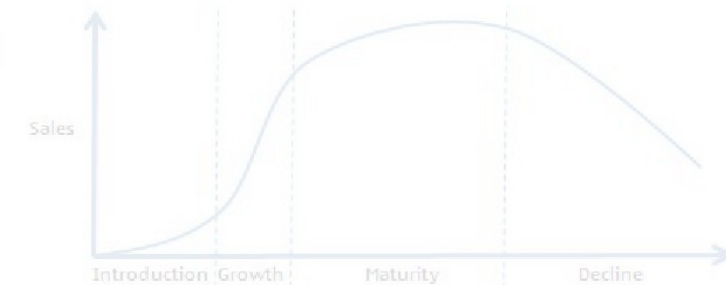
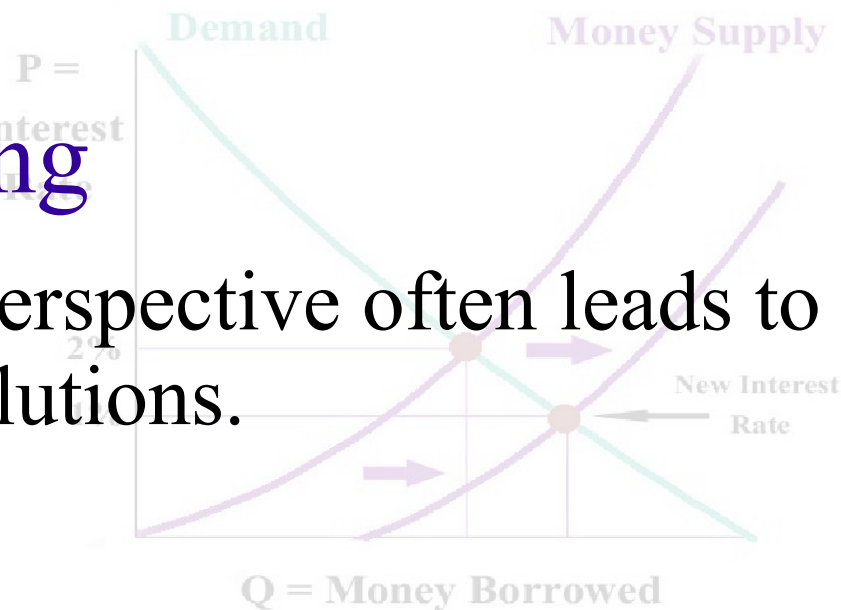
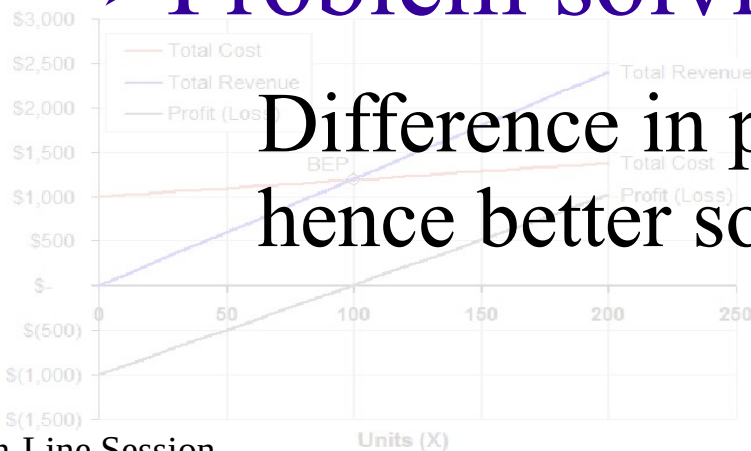
➤ Creativity

Difference in background often result in more innovations

➤ Problem solving

Difference in perspective often leads to more alternatives, hence better solutions.

MERGERS AND ACQUISITIONS



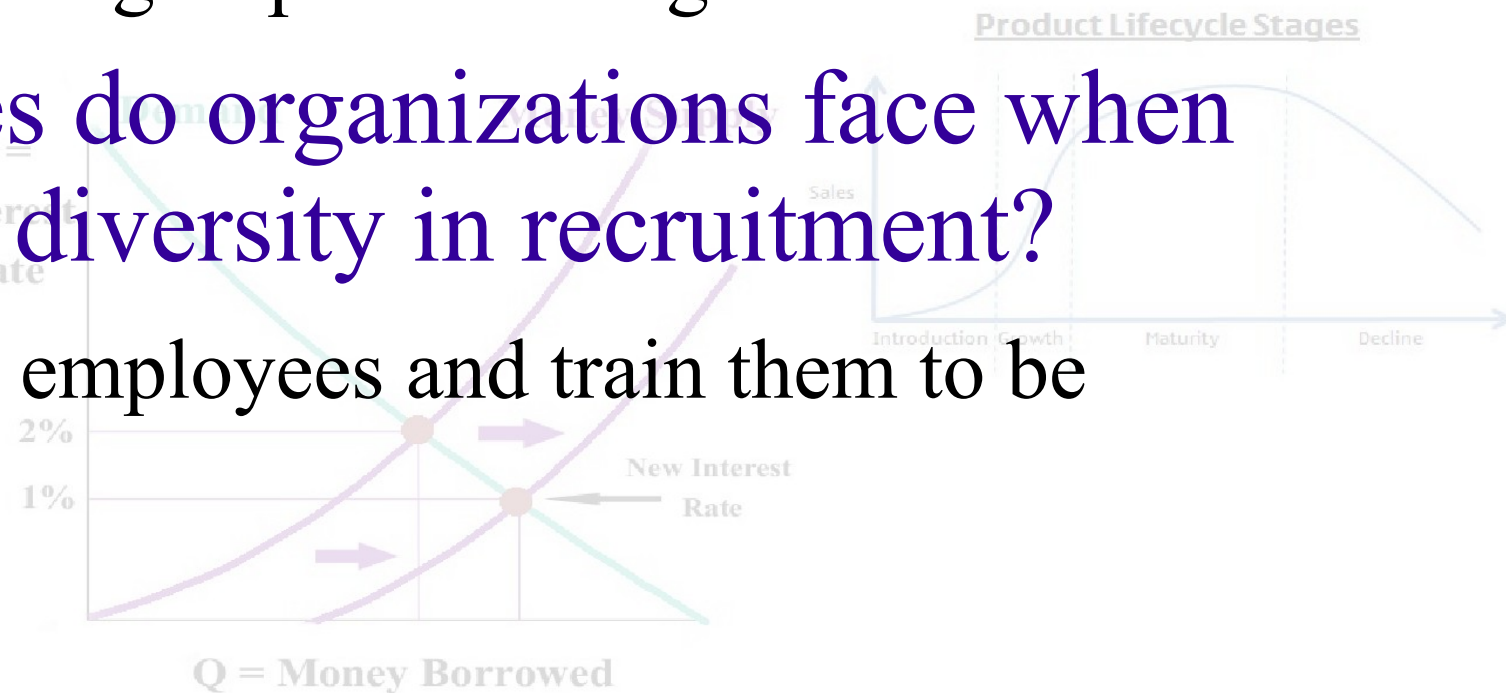
Diversity challenges

➤ What are the challenges that people from minority communities face in organizations?

- ❑ Train managers to value diversity
- ❑ Facilitate support groups for immigrants

➤ What challenges do organizations face when they encourage diversity in recruitment?

Recruit minority employees and train them to be managers



Job analysis

➤ Job Analysis

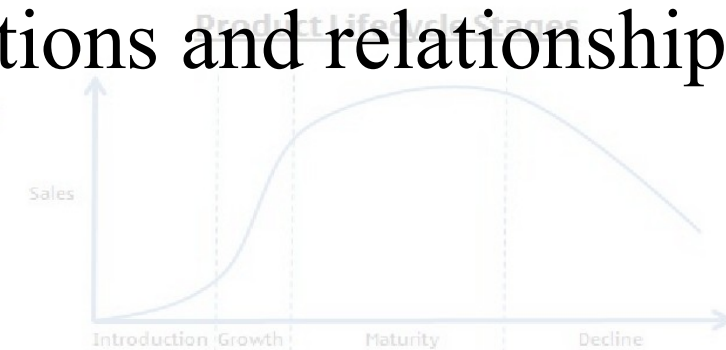
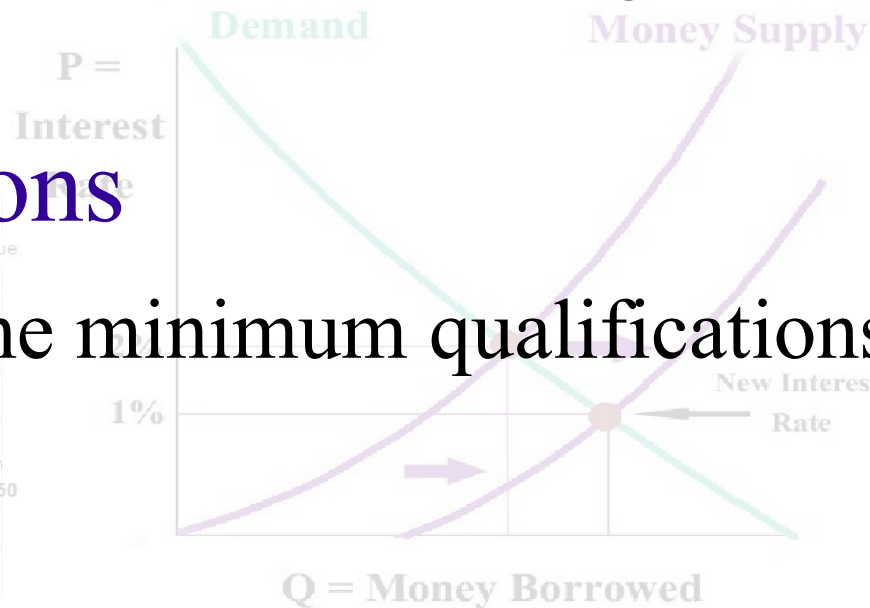
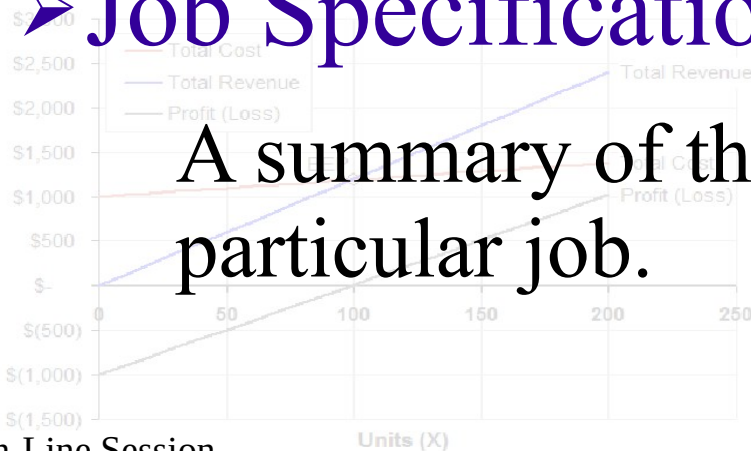
A study of what employees do who hold various job titles.

➤ Job Description

A summary of the objectives of the job, the type of work, the responsibilities and duties, working conditions and relationship to other jobs.

➤ Job Specifications

A summary of the minimum qualifications needed to do a particular job.



Recruiting / selection / orientation

➤ Recruiting

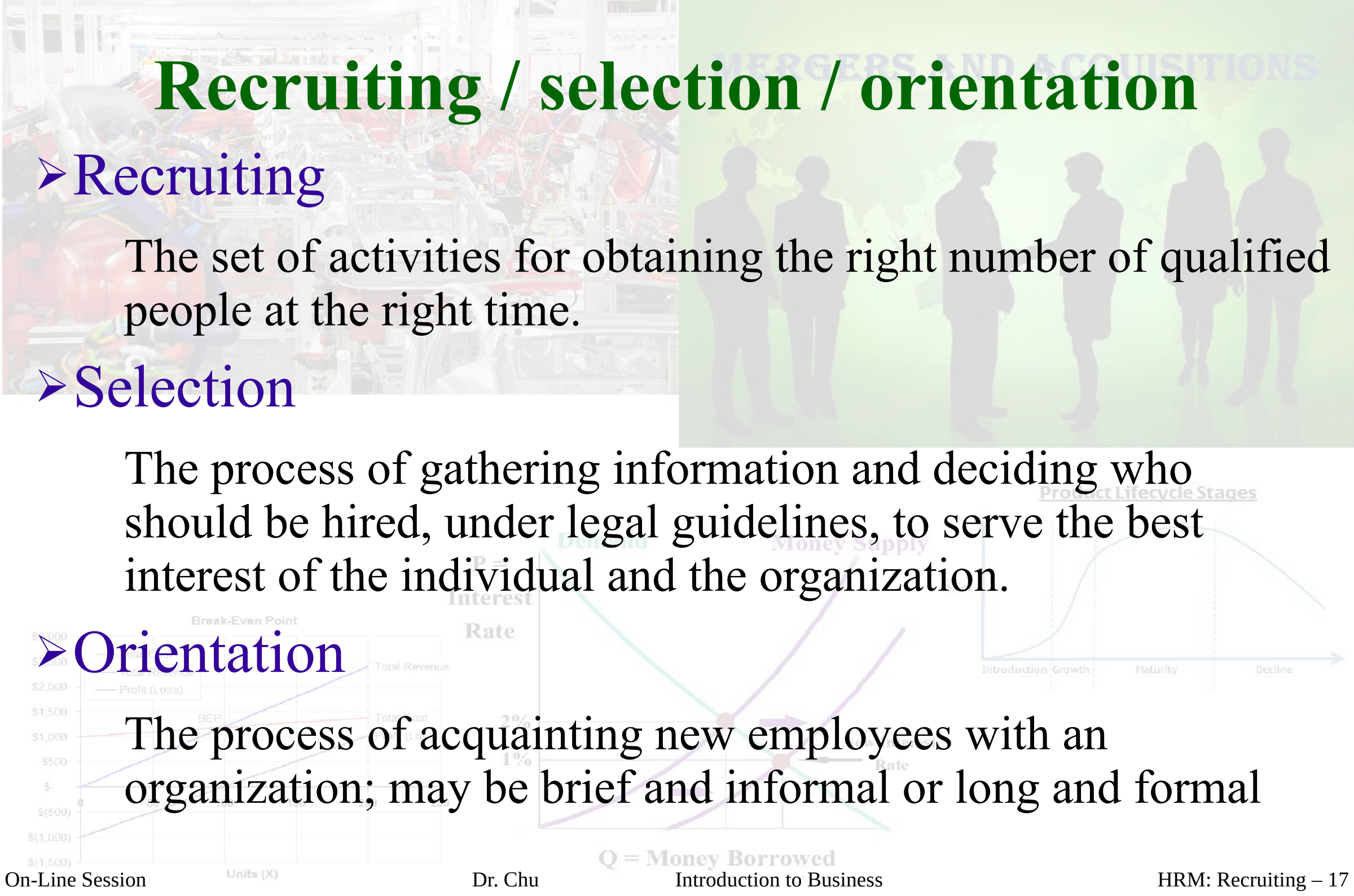
The set of activities for obtaining the right number of qualified people at the right time.

➤ Selection

The process of gathering information and deciding who should be hired, under legal guidelines, to serve the best interest of the individual and the organization.

➤ Orientation

The process of acquainting new employees with an organization; may be brief and informal or long and formal



Recruiting

➤ External recruiting

(+) Brings fresh perspectives to the company

(-) May be expensive and may cause resentment among existing employees

➤ Internal recruiting

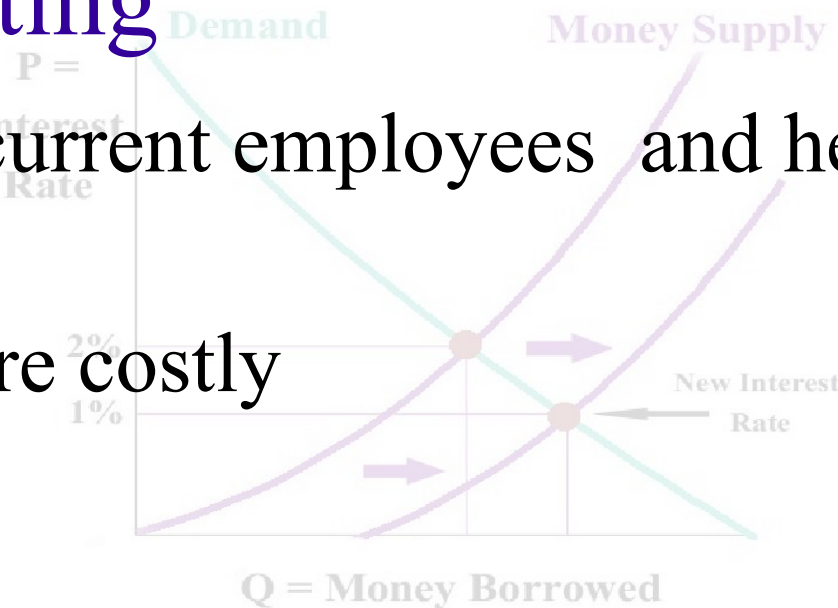
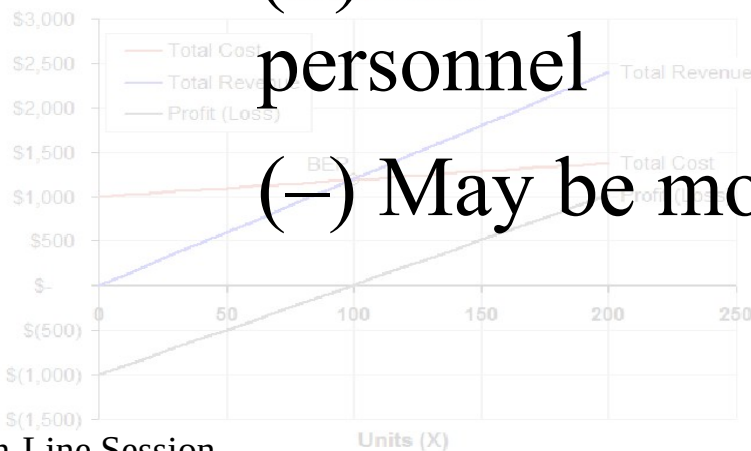
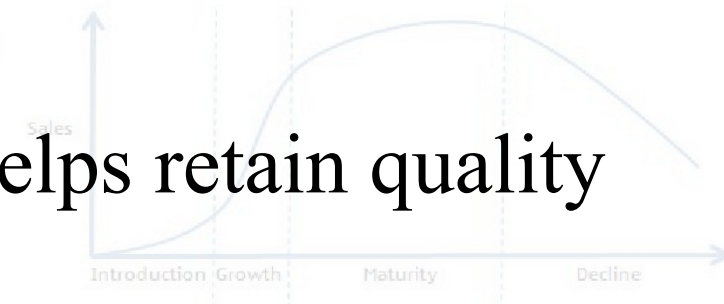
(+) Motivates current employees and helps retain quality personnel

(-) May be more costly

MERGERS AND ACQUISITIONS



Product Lifecycle Stages



Selection

- Various means of obtaining information about applicants' qualifications

Employment
Applications

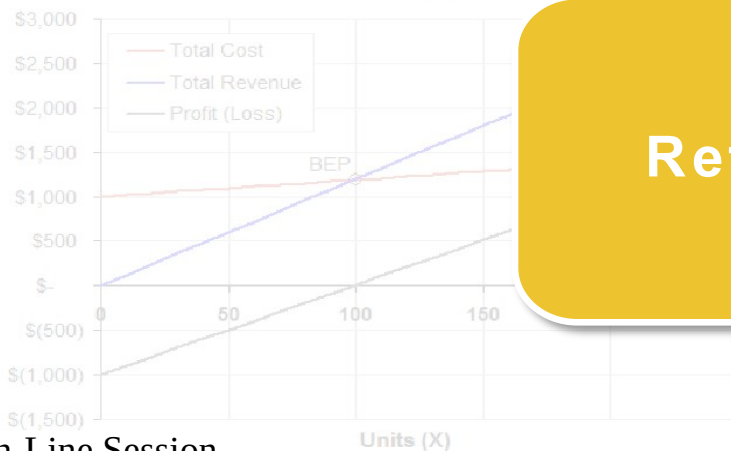
Employment
Tests

Interviews

References

Assessment
Centers

Break-Even Point

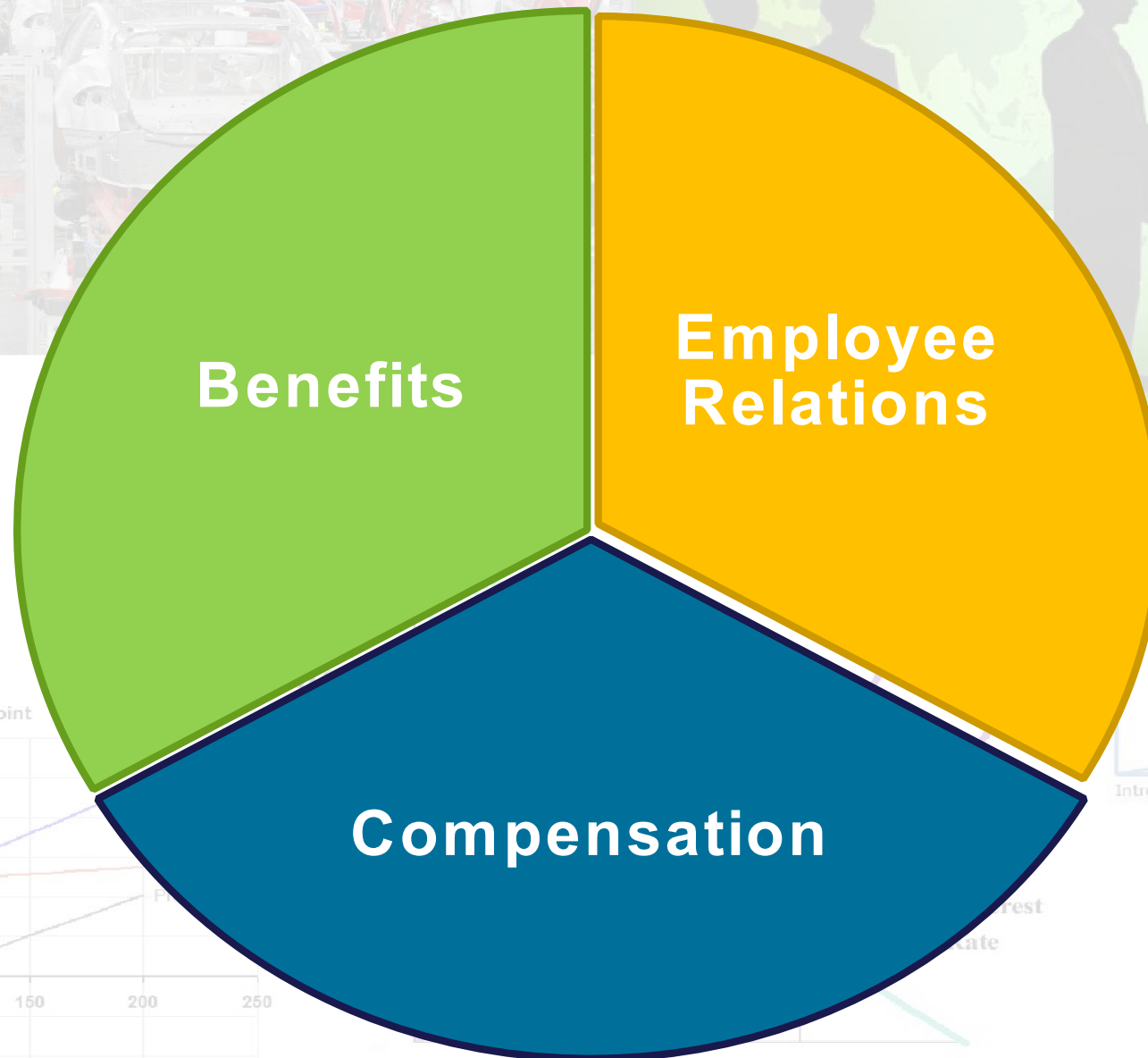


Lifecycle Stages



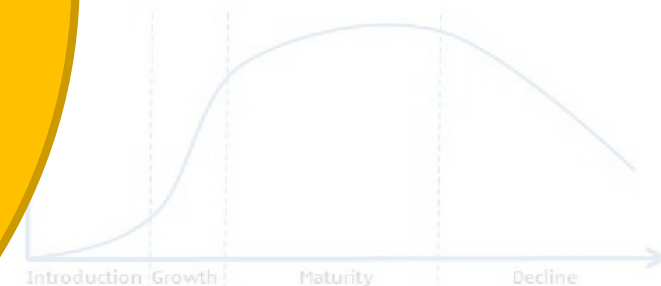
Q = Money Borrowed

Maintaining

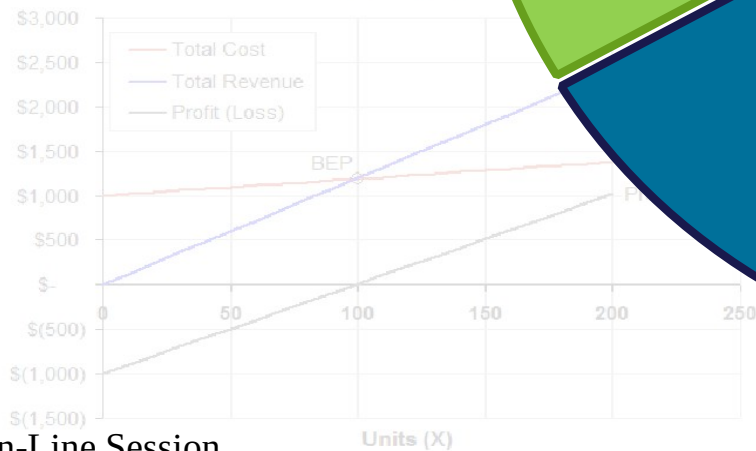


MERGERS AND ACQUISITIONS

Product Lifecycle Stages



Break-Even Point



$Q = \text{Money Borrowed}$

Training and development

◆ Training

Teaching operations employees how to do their present jobs more effectively and efficiently

◆ Development

Preparing managers to assume increased responsibility in both present and future positions

◆ Techniques

On-the job, simulation, classroom teaching, conferences, role-playing

MERGERS AND ACQUISITIONS



Product Lifecycle Stages



Rate

2%

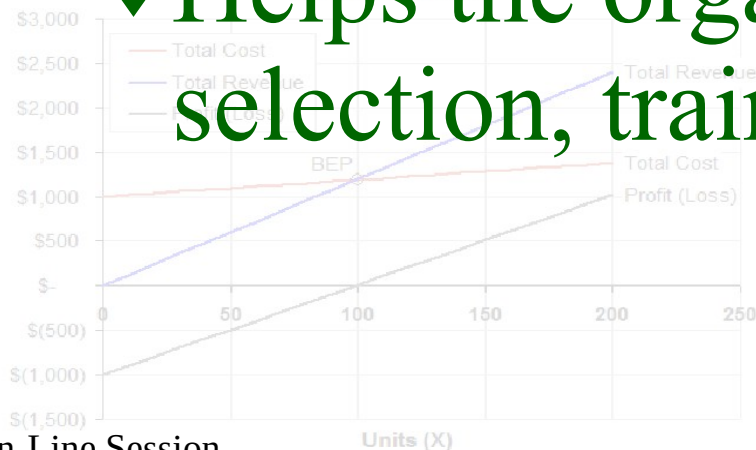
Q = Money Borrowed

Appraisal

◆ Lets workers know how they are doing and how they can do better

◆ Provides the basis for distributing rewards

◆ Helps the organization monitor employee selection, training, and development activities



Exercise

◆ From the NY Times article on Uber:

https://www.nytimes.com/interactive/2017/04/02/technology/uber-drivers-psychological-tricks.html?_r=0

Answer the following questions

- Is Uber's practice legal? Is the practice ethical?
- Are they beneficial?
- Should anything be changed?

◆ Answer these questions from Uber, Uber's driver, passenger, and government perspectives.

