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Contents

Glossary

Disclaimer: NSW Department of Family and Community Services (FACS) does not warrant that these definitions are legally correct. Directors should seek professional legal advice relevant to their issues.

award – sets out the legally enforceable terms and conditions of employment in a particular sector or industry.

capability – underlying abilities of a person that enable them to do their job, such as physical, mental and emotional capacities, knowledge, aptitudes and behaviour.

capability development – activities that enable a person to gain skills and knowledge relevant to their work, such as training, career and succession planning and performance review.

competence – the ability to perform work to a set standard.

employee – person employed and paid by the organisation.

employment Law (Labour Law) – legislation about employment matters (such as contracts between employers and employees) and industrial relations (the way in which employees and employers relate to one another).

equal employment opportunity (EEO) – provides that all individuals are treated equally irrespective of sex, disability, race, age, or religion.

guidelines – written documents that assist employers and employees/ volunteers to understand their roles and responsibilities, such as policies and procedures.

grievance – an issue or difference that arises between an employer and employee.

human resources management (HRM) – an effective, legal, fair and consistent approach to personnel administration.

human resources planning – the process of analysing the business environment, forecasting demand (future needs) and developing and supplying a plan to ensure the right people are employed to deliver the organisation's objectives.

human resources strategies – plans that include, but are not limited to, recruitment and selection, capability development, performance management, employee relations, payroll, record keeping, reward, recognition and succession planning.

merit – capabilities, experience and knowledge of candidates against the pre-established standards for a role *Government Sector Employment Act 2013* (NSW).

monitor – to check, supervise, observe critically, or record the progress of an activity, action or system on a regular basis to identify change.

objectives – what an organisation or an individual wants to achieve as a result of its planned activities. Broadly, the term 'objective' is often used interchangeably with the terms goals or aims.

organisation chart – diagram showing the main departments and positions in an organisation and the reporting relations between them.

organisation culture – the values, beliefs, customs and practices that are shared by an organisation's people.

performance – relates to the achievement or non-achievement of specific agreed objectives.

performance appraisal – a systematic review of a person's work and achievements.

performance management – a process to ensure that an individual meets the requirements of their job and performs to the best of their ability.

policy – a general statement of a principle that guides decision making.

procedures – specific statements that detail what steps or actions are to be taken in a particular situation.

purpose statement – an organisation's high level statement which defines succinctly the scope (the who and what) of their business. The 'who' identifies the boundaries of the target group the organisation aims to provide services for and the 'what' defines the services provided (also sometimes called Mission Statement).

recruitment – process of attracting and employing suitably qualified people.

selection – choosing on merit, from a pool of applicants, the person best qualified for the job.

stakeholders – any person or organisation with an interest in the operations of an organisation.

strategic human resources management (SHRM) – a strategic approach to human resources planning and management (HRM).

strategic human resources management plan – the written document resulting from the SHRM planning process.

values – the core principles that guide an organisation's service delivery and management.

vision – an organisation's compelling statement to define the organisations aspirations for long term social impact. Can also act as a key promotional tool to differentiate the organisation.

volunteer – an individual who willingly gives time for the common good and without financial gain (based on Volunteering Australia's definition, *www.volunteeringaustralia.org*, 2016).

work health and safety – concerned with providing a safe and healthy workplace.

workplace – the environment, employer's premises and other locations where employees are engaged in work and work related activities.

About this chapter

As a director, you need to be aware of the obligations and responsibilities that you have accepted in regard to issues that may arise within your organisation.

This chapter has been designed to address human resource issues as they impact on the responsibilities of directors. It is not an operational guide to recruiting and managing staff.

A policy checklist is included at the end of this chapter. It can be copied and worked through by your entire board on an annual basis, or as required.

5.1 An introduction to strategic human resources management

5.1.1 What is strategic human resources management?

Strategic human resources management is the coherent approach to managing staff in order to achieve the organisation's objectives.

In strategic human resources management it is good practice to consider:

- the strategic and business objectives of the organisation

- employment law – implementing and adhering to those duties and obligations defined under relevant industrial law and other legislation

- human resources planning – reviewing the organisation's needs to ensure the recruitment of employees with the right knowledge and skills

- recruitment and selection – seeking and attracting a pool of qualified applicants from which the best person for the vacancy can be selected

- personnel management – ensuring a consistent, fair and ethical management process for employees and volunteers

- development of human resource capability – providing support and guidance to ensure employees and volunteers can do their job

- the workplace environment – providing a productive, safe, healthy, equitable and diverse work environment.

Good practice in each of these areas will help build a robust and responsive workforce.

In addition directors should keep a focus on external workforce trends – the factors which will impact the pool of skilled workers available. Many human services sectors continue to transition from an organisation-centric to a customer-centric environment, as a result of significant government policy reforms and long term demographic changes. As organisations transform, it becomes critical to align business strategy to workforce acquisition and development to ensure that staff's skills, qualities, attitudes and diversity are the best fit for the organisation's strategy and customers.

5.1.2 What is the board's role and accountability?

The board is responsible for:

- ensuring that the organisation's approach to human resources management supports its current and future plans and needs

- ensuring that the costs of staff have been accurately budgeted for and that funds are available to cover these costs

- ensuring appropriate policies and procedures are in place to guide the recruitment and work of employees and volunteers

- providing a fair, equitable and safe workplace

- meeting legislative and contractual requirements in relation to the employment

- understanding, monitoring and ensuring the effectiveness of the organisation's human resources management strategy.

A board ensures that its legal obligations as an employer are being met by:

Endorsing guidelines for action

Such as policies and procedures that inform decision-making and give direction to staff. Effective policies and procedures are:

- compliant with legal requirements

- reasonable and fair

- consistently applied

- distributed and explained to relevant staff.

Identifying delegations of authority

The board delegates much of the human resources responsibility to staff to manage. However, the board will approve:

- salary level of the most senior manager (in some cases also of the leadership team)

- policies and procedures related to recruitment, employment and personnel management

- conditions of employment

- content of job contracts

- recruitment and appointment of senior staff

- policies related to the engagement of volunteers.

Receiving reports on human resources activity

As part of a risk management approach to human resources, the board should monitor indicators of any HR issues including:

- staff turnover (staff resignations and filling of vacancies)

- changes in conditions of employment or industrial legislation

- staff disputes, grievances and disciplinary issues that may have an industrial implication.

5.1.3 How does the board know if its approach to human resources management is successful?

The board can monitor the effectiveness of human resources management by monitoring:

- whether strategic and business plan objectives are being met

- key risks in human resources such as high staff turnover, poor policy and practice, low staff morale

- the true cost of providing a unit of service and the true cost of administration, management and direct delivery as a percentage of the cost

- ability of staff to adapt to changes or challenges now and in the future

- level of commitment by employees and volunteers to the organisation

- staff satisfaction levels

- feedback and complaints by clients

- attractiveness as an employer

This information will assist the board to review the organisation's approach to human resources and make strategic human resources decisions that are aligned with its purpose and business objectives.

5.2   Human resources management legal issues

Board members must be aware of the obligations and responsibilities that are provided under both the Federal and State statutory framework, as well as under contracts, statutory agreements and awards.

5.2.2   Employment law

Legal obligations relating to employment law come from several sources, including:

- **statutes** – Federal, State and Territory Governments have laws that prescribe the minimum conditions of employment that apply to paid staff.

- **awards** – these are legally enforceable terms and conditions of employment in an industry or employment sector. The Social, Community, Home Care and Disability Services Industry (SCHADS) Award is the main award that applies to staff in non-government community services employment. Some community organisations also employ staff whose job roles may be covered as part of other industry sector awards.

- **contracts** – an employment contract will exist between the employer and the employee in all types of employment relationships. The contract must be well-drafted and meet minimum legal and award requirements, clearly describe the specifics of the job and the organisation's requirements of the employee.

- **agreements** – Agreements (Enterprise Agreements or Other Agreements) set out minimum employment conditions, are the product of negotiations between an organisation and a group of employees or a union(s) that are subsequently registered by an industrial tribunal. Negotiating an agreement has the advantage of considering the inclusion of provision(s) that are specific to the needs of an organisation. Specific provisions may be included as a result of the negotiations but these cannot disadvantage employees, that is, they must provide the minimum requirements provided for under an award or relevant statute.

- **common law** – this is case law that is developed in the court system. Previous judgements guide how laws are interpreted. The general duties of the parties in an employment relationship are prescribed by common law.

5.2.3 National Employment Standards (NES) and minimum wage

The NES and the national minimum wage define the minimum entitlements for employees in Australia. Awards, employment contracts, enterprise agreements or other registered agreements cannot include conditions that are less than the NES or national minimum wage.

The 10 minimum entitlements of the NES include:

- maximum weekly hours

- requests for flexible working arrangements

- parental leave and related entitlements

- annual leave

- personal carers leave and compassionate leave

- community service leave

- long service leave

- public holidays

- notice of termination and redundancy pay

- fair work information statement

For further information on the NES refer to *www.fairwork.gov.au*

5.2.4 Relevant statutes (legislation)

Key obligations under employment legislation are featured in the following statutes:

- *Fair Work Act 2009* **(Cth)** – which governs the employee / employer relationship in Australia. It sets the minimum entitlements, enables flexible working arrangements and fairness at work and prevents discrimination against employees.

- *NSW Industrial Relations Act 1996* **(NSW)** – which sets out the minimum requirements for employment for State government and Local government employees.

- *Annual Holidays Act 1944* **(NSW)** – which sets out minimum provisions for annual leave which employees must be allowed to take.

- *Long Service Leave Act 1955* **(NSW)** – which sets out minimum provisions for long service leave which eligible employees must be allowed to take.

- *Work Health and Safety Act 2011* **(NSW)** – which deals with health, safety and welfare of people within workplaces.

- *Workers Compensation Act 1987* **(NSW)** – which stipulates that an employer must obtain an appropriate level of insurance to cover employee claims.

- *Superannuation Guarantee (Administration) Act 1992* **(Cth)** – which outlines the amount of superannuation that an employer must pay an employee.

There is also a range of **anti-discrimination legislation** that prohibits discrimination in employment on the grounds of such characteristics as race, sex, gender, sexual preference, age, disability, marital status, family responsibility, pregnancy, religion, political opinion, national extraction or social origin.

This legislation has application to human resources activities such as hiring (job advertisement, job description, application form and interview), remuneration, promotion and termination. The legislation includes:

- *NSW Anti-Discrimination Act 1977*, including *'Carers Responsibilities' Amendment,* March 2001 which prohibits certain forms of discrimination and harassment in the workplace

- *Racial Discrimination Act 1975* (Cth)

- *Sex Discrimination Act 1984* (Cth)

- *Human Rights and Equal Opportunity Commission Act 1986* (Cth)

- *Disability Discrimination Act 1992* (Cth)

The board and senior management must ensure that the organisation implements and adheres to those duties and obligations defined under relevant human resources legislation and law. (*www.humanrights.gov.au/employers/good-practice-good-business-factsheets*)

5.2.5 Employee relations: the role of Employer Associations and Trade Unions

The employer/employee relationship is key to the success of an organisation. Employer Associations and Unions are often involved in guiding and supporting employers and employees in developing their working relationship.

- employer associations represent employer interests and provide advisory services.

- trade unions provide advisory services to employees in the organisation, industry or occupation they represent.

The board should decide whether the organisation joins an employer association.

5.2.6 Other legal principles affecting the management of human resources

Privacy

The invasion of privacy and the misuse of personal information is unlawful. Boards should review the *Privacy Act 1988* (Cth) and *NSW Health Records and Information Privacy Act 2002* to determine if their organisation has obligations under these acts.

Duty of care/negligence

Duty of care is a term referred to in Work Health and Safety legislation. It sets out the legal obligation for directors to have thought or regard for those who may be affected by actions or omissions. If these actions are not made with watchfulness, attention, caution and prudence they can be considered negligent.

In general, an individual is liable for his or her own unlawful acts. However, if these acts occur in the course of the employee's work then the board may also be liable.

A board must consider the services an organisation provides and:

- identify the risks

- take the necessary steps to ensure the work area, tools and equipment are safe for employee use

- ensure that employees and volunteers are able to perform their roles with understanding of the circumstances and needs of their clients (particularly vulnerable clients such as young children, older people and people with disabilities).

Confidentiality

Service user, employee or volunteer information must only be made available on a 'need to know' and personal information must be kept safe and secure. Organisational information must also be protected and in some cases a confidentiality agreement, in addition to a code of conduct, may be required. For more information see the *Privacy Act 1988*.

Conflict of interest

A situation in which a director's personal interests overlap with the interests of the company. In this situation, directors are expected to promote the interests of the company above their own to avoid actual or potential conflicts of interest. For more information refer to the *Corporations Act 2001 (Cth)*.

If conflicts of interest are not properly identified and managed, they can endanger the integrity of organisations and can potentially result in illegal practices. Examples include:

- an interviewee's relative is on the selection panel

- a family member supervises the work of another family member

- a gift is received from a contractor short-listed for a tender.

Natural justice and procedural fairness

In law, the rules of natural justice and procedural fairness must be observed in exercising statutory power that could affect the rights, interests or legitimate expectations of individuals. These include:

- individuals receiving notice and information of the case against them or their interests

- giving them a right to be heard (the 'hearing' rule)

- not having a personal interest in the outcome (rule against 'bias')

- acting only on the basis of logical evidence (the 'no evidence' rule). It is particularly important to follow these rules when handling employee grievance procedures and disciplinary matters such as suspension or termination of employment.

Probity in employment

Probity in employment refers to the requirement for service providers to incorporate appropriate probity checking in their employment practices. When employing or engaging workers or volunteers service providers need to ensure they are not employing prohibited individuals and that an ongoing approach to probity checking is incorporated in the organisation's policies and procedures.

5.2.7   Conclusion

Employment law provides a framework to manage human resources and there is extensive legislation to consider and comply with. Legal frameworks are a key resource in developing good practice in fostering staff commitment and in ensuring the long-term sustainability of the organisation.

5.3 Human resources planning

5.3.1 Introduction

Human resources planning involves considering the staffing resources needed to meet the organisation's business objectives. It is a means of ensuring that available talent is retained and correctly allocated to achieve priorities and deliver services. It is also a means of controlling staff costs, ensuring staff numbers are appropriate and to improve productivity.

> **TIP:** In the context of individualised funding and the NDIS, it is critical for service providers to adopt flexible working practices that ensure workforce utilisation while maintaining employee engagement and ongoing compliance with the Australian Industrial Relations System.

The board should ensure that the organisation has:

- an organisation chart

- job descriptions

- duties list

- a human resources plan.

5.3.2 Human resources planning considerations

Human resource planning requires an organisation to think about current and future staffing levels and the mix of skills that might be required. The board needs to:

- balance the short and the long term staff numbers and skill needs of the organisation

- recognise changing market demand and government policy contexts and the subsequent changing organisational needs in relation to staff skills and workforce flexibility

- recognise that good employees and volunteers are scarce

- make good use of internal resources

- tap into the external human resources market

- balance the budget

- plan for board succession and vacancies.

Effective human resource planning will enable an organisation to have the right people available at the right time to implement its strategic business plan. The effectiveness of human resource planning can be monitored by:

- level of staff changes

- service user feedback

- costs being within budget

- the quality and timely delivery of work

- level of staff changes

- staff satisfaction.

HR planning assists in making the best use of human resources in the short and long term.

TIP: Develop a comprehensive workforce plan/strategy (including projected workforce numbers, recruitment needs, capability requirements, training, and leadership) to build the capability of the workforce.

TIP: Review workforce rostering on a regular basis to ensure efficient deployment of staff and that staffing mix is optimised (i.e. permanent, part-time, casual, unpaid support, and volunteers).

TIP: Deliver regular training (including induction program for new staff) and review content to ensure it is tailored for NDIS and reflects a person-centred philosophy.

TIP: Establish and nurture a stable and experienced senior leadership team to ensure sustainability.

Chapter 5
Strategic Human Resources

5.4   Recruiting and selecting staff

5.4.1   Introduction

An organisation needs qualified individuals to carry out its work. The board plays a key role in ensuring and monitoring that recruitment and selection processes are fair, ethical and effective.

An effective recruitment and selection procedure will attract and match capable individuals to appropriate roles and provide a diverse team.

> **TIP:** Under the *Disability Inclusion Act 2014* (NSW) (DIA), disability service providers have obligations in relation to probity in employment or engagement of relevant workers and relevant board members. More detailed information is provided in Chapter 8 Probity in Employment. In overview, service providers must:
>
> • ensure that appropriate probity checking is carried out on individuals involved in the provision of disability supports and services;
>
> • not engage or employ individuals who have been convicted of certain offences
>
> • repeat employee criminal record checks every four years.

Relevant worker: a person who is engaged to provide disability supports and services directly to people with disability, in a way that involves face to face or physical contact with those persons (including employees, volunteers, self-employed people, agency staff, contractors, subcontractors, consultants, students undertaking training as part of an educational or vocational course or program other than school students on work experience).

Relevant board member: a member of the governing body of the organisation who works, or is likely to work, directly with persons in the target group in a way that involves face to face or physical contact with those persons.

All people working in positions or preferred applicants for positions that involve child related work must have a Working with Children Check (WWCC) clearance from the Office of Children's Guardian.

5.4.2   Recruitment and selection processes

Recruitment and selection processes may be delegated to senior staff, although board members are sometimes involved as panel members. An organisation's policy may stipulate that board members and an independent person external to the organisation comprise the selection panel for the purposes of probity.

> **TIP:** Disability Service Providers should consider involving service users in the selection process of board members.

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The board is responsible for ensuring that appropriate procedures are used in the recruitment and selection process.

The organisation's recruitment and selection procedure should include the following steps:

1. strategic review of the position(s)

2. advertisement of the position(s)

3. provision of a package of information about the organisation and the position for applicants

4. nomination of a convenor who will coordinate the recruitment process and convene a diverse selection panel

5. conduct interviews and a selection process in a fair, consistent and confidential way using the merit principle

6. checking of referees

7. conduct or obtain a National Criminal Record Check (NCRC) and WWCC if applicable for a relevant worker or board member approval of the preferred candidate

8. offer of employment

9. appointment and orientation for the recruited staff member

10. completion of all relevant paperwork, including reference checks, relating to the employment process.

5.4.3 Recruiting and selecting volunteers

The recruitment and selection of volunteers should also be conducted in a systematic and planned manner that takes into consideration:

- the appropriate role(s) for volunteers within the organisation, distinct from paid staff

- the types of skills required

- the resources that will be needed to train, coordinate and manage volunteer staff

- the funds that may be needed for their expenses (such as reimbursements for out of pocket expenses).

5.4.4 Conclusion

Systematic recruitment and selection processes that eliminate discriminatory practices, encourage diversity and ensure that disadvantaged groups are given fair access to job opportunities are a feature of a successful organisation. At a time when competition for talented, skilled employees and volunteers is considerable, boards must ensure that their organisation's employment practices are a source of competitive advantage.

5.5 Personnel management

5.5.1 Introduction

Personnel management is governed by a range of legal requirements.

The board must ensure that the organisation has fair and equitable policies and procedures for personnel management that cover:

- expectations and conditions of work, including workplace behaviour and requirements related to conditions of work

- record keeping and meeting employer obligations related to employee entitlements and taxation

- managing workplace issues such as disputes and grievances, complaints, performance management problems, discipline and dismissal.

5.5.2 Expectations and conditions of work

In establishing the policy framework for expectations and conditions of work, the board should consider the following:

- a common code of conduct or behaviour for all personnel

- ensuring clarity about contracts of engagement and conditions of employment

- conditions of employment should include:

  - duties

  - salary/wages

  - hours of work

  - work location

  - duration of employment (permanent or fixed term)

  - probation period

  - leave

  - notice periods

  - supervision

  - superannuation

  - overtime and time in lieu

  - benefits

- other workplace policies such as seeking approval for leave, roster systems, completing time sheets or other paperwork

- options for remuneration to attract and retain good staff

- the creation and implementation of policies and strategies in relation to the retention and development of talent.

5.5.3   Record Keeping and meeting employer obligations

It is the board's responsibility to ensure that:

- personnel records and records of staff entitlements (such as leave owed) are kept
- wage related tax is paid and staff are provided with pay slips
- superannuation is paid
- staff entitlements such as long service leave are budgeted for.

5.5.4   Managing disputes, grievances and complaints

The board should ensure that there are clear procedures for identifying and managing:

- **Grievances** that staff individually or as a group take up with the management of the organisation. Procedures for handling these situations should be based on requirements within awards, enterprise agreements and industrial legislation.
- **Complaints** about individual staff (go to *www.ombo.nsw.gov.au* for more information).
- **Work performance or disciplinary issues** – these are essentially performance management issues that could result in dismissal proceedings, and procedures for these need to be based on award, enterprise agreements and industrial legislation requirements.
- **Disputes between staff** – these are often the result of disagreements or personality clashes where 'right and wrong' are very difficult to ascertain. Procedures for handling these types of disputes need to focus on mediation and managing behaviours where mediation fails.

The board must ensure that the organisation:

- demonstrates procedural fairness, including investigation of complaints and claims
- documents each incident, including the steps taken and outcomes
- balances the interest of the organisation with the duty to act as a fair employer.

Personnel management is most effective when problems are detected early and dealt with fairly. Fair and equitable practices provide an effective framework for handling challenging human resource situations.

Guides to policies and practices for managing volunteers can be found on Volunteering Australia's website *(www.volunteeringaustralia.org)*.

Effective managers are aware of their rights and responsibilities as well as those of their employees or volunteers.

5.6   Developing human resources capabilities

5.6.1   Introduction

Effective, ongoing employee or volunteer skill development and performance management requires a framework in which every employee or volunteer:

- **Knows and understands their contribution** to the purpose and strategic objectives of the organisation

- **Is clear about their role** and agrees on their work objectives with their supervisor

- **Receives regular and constructive feedback** on their performance

- **Can access training and development**.

Developing workforce capability and aligning workforce and business strategy can improve productivity and service delivery and can be a critical factor for the success and sustainability of organisations providing services under reforms such as the National Disability Insurance Scheme (NDIS).

5.6.2   Considerations in developing human resource capability

It is the board's responsibility to ensure that the organisation has:

- an induction or orientation for new staff and volunteers

- staff and volunteer training and development opportunities

- performance management processes (appraisal and review)

- career and succession planning opportunities

- management and leadership development opportunities

- opportunities for developing board member capabilities.

In a person-centred service delivery context, training and support should be provided to staff and volunteers to ensure they understand, respect and act in the interests of people with a disability.

This could include providing training to raise awareness of diversity and cultural competency amongst staff and volunteers or developing a better communication and training strategy to enhance staff skills on complaint and feedback handling.

A number of useful tools have been developed and are publicly available to assist organisations develop their workforce capabilities and aligning them with their strategy. Some of these tools are listed below:

- IDF Workforce Capability Framework *(www.idfnsw.org.au/people-and-capability-career-planning-capability-framework)*

- Victorian Government Human Services Workforce Capability Framework *(www.dhs.vic.gov.au/for-business-and-community/not-for-profit-organisations/workforce-capability-tools)*

- NSW Public Sector Capability Framework *(http://www.psc.nsw.gov.au/workforce-management/capability-framework)*

5.6.3   Conclusion

Developing staff capability has an important role to play in generating improved organisational performance. Training should begin when an employee starts work with an organisation and continue throughout their term of employment.

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5.7 Workplace Environment

5.7.1 Introduction

Organisations have ethical, legal and business obligations to provide employees and volunteers with a productive, safe, healthy and equitable work environment.

5.7.2 Work Health and Safety (WHS)

In NSW, the *Work Health and Safety Act 2011* (NSW) and associated regulations define what is required to keep a workplace legally safe and healthy. It applies to all places of work in NSW and covers employers and employees as well as visitors, clients, volunteers, contractors and suppliers.

Employers must ensure that they have:

- WHS policies and procedures that implement duty of care for everyone that comes to the workplace

- a risk management plan dealing with workplace hazards

- a current workers compensation policy that is adequate to cover all staff

- adequate insurance for the office building and vehicles

- adequate public liability insurance

- an arrangement to consult employees about health and safety.

Employees and volunteers are required to follow instructions and rules in the workplace and behave in ways which are safe and do not endanger the health and safety of anyone in the workplace.

5.7.3 Equal Employment Opportunity (EEO) and workplace diversity

It is a legal requirement to ensure that no one in an organisation is subjected to direct or indirect discrimination or harassment on the basis of race, sex, religion, nationality or other non-job related factors. An organisation's policies and practices must be based on the concept of equal opportunity and no unlawful discrimination for all staff.

5.7.4 Recognition and staff morale

A workplace culture of celebration, recognition of achievement and regular feedback from the board to staff – both planned and spontaneous – will foster good staff morale.

It is important that the board invests in staff training, development and retention and values staff and demonstrates that the work that they do is appreciated by:

- maintaining effective communication with staff

- ensuring that work conditions are flexible and responsive to staff needs

- ensuring that the work environment is pleasant and comfortable

- acknowledging individual staff and volunteers or staff team achievements.

5.7.5 Conclusion

Organisations have ethical, legal and business obligations to provide their employees and volunteers with a work environment that supports and encourages productivity and job satisfaction.

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http://www.antidiscrimination.justice.nsw.gov.au/

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www.ahri.com.au

Equal Employment and Opportunity
www.humanrights.gov.au

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www.fwc.gov.au

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www.fairwork.gov.au

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www.idfnsw.org.au

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www.workcover.nsw.gov.au

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www.govolunteer.com.au

Resources

Developing a strategic human resources plan

A strategic approach to human resources management should be documented in a plan. Working through the following steps will help the board prepare a strategic human resources plan.

Step 1: Initial preparation

- Ensure the board is committed

- Identify the key stakeholders to be involved

- Organise planning session times

- Collect relevant information on factors that will affect human resources (future work trends, trends in the sector, legal issues, audit of existing HR policies and practices, competencies in the organisation, current approach to capability development, workforce profile, service user feedback and stakeholder feedback).

Step 2: What is our organisation's future strategy and goals?

- Ensure those participating in this planning process have a clear and agreed picture of the organisation's purpose, vision and values.

- Ensure that there is an endorsed and up to date strategic plan that can be used as a guiding document for all organisation activities including HR.

Step 3: What are the future human resources needs of the organisation?

Consider and answer the following questions:

- What will be the main type of work?

- What type of work environment will support people working effectively?

- What skills and attributes do we need?

- What size organisation is needed?

- What systems and processes will we need?

- What challenges do we face in achieving this vision?

Step 4: With an eye to our organisation's future, what is the current human resources capability situation?

Consider and answer the following questions:

- What is the nature of work we do today?

- How does that compare to our future aims?

- What skills will we need in the future market?

- What skills do we have now?

- What are our skill strengths and weaknesses?

- How do our current systems support or hinder our ability to do work?

- Are there legal requirements we need to consider?

- What are we doing well now that we need to do more of in the future?

- What are our challenges?

Step 5: In terms of human resources, what are the gaps between how we currently work and how we would like to work in the future?

- How do the answers to Step 2 and Step 3 compare?

- What gaps are there between current capability and our future needs?

- How strategically important is it to fill this gap?

Step 6: How do we bridge the human resources gaps?

- Identify strategies that will bridge the gaps:

    - Human resources planning

    - Recruitment and selection

    - Developing capability

    - Personnel management

- Workplace environment

- Prioritise gaps and strategies

- How do these strategies fit with budgets?

- What strategies will have most impact in short term?

- How long will this strategy take to effect change?

Step 7: Develop and document a strategic human resources plan

- Draft plan based on Step 6

- Include timeframes, costs, responsibilities and performance measures

- Ensure board approval.

Step 8: How do we monitor the strategic HR plan?

- Regular reporting to the board

- Recommend changes

- Annual review and evaluation of plan.

Checklist

Checklist: Strategic Human Resources Management (Strategic HRM)

This checklist contains issues your board should consider in developing and implementing a strategic approach to Human Resources Management.

Tick 'Yes' or 'No' to indicate your organisation's status for each item.

DIRECTOR'S NOTE

This checklist might be used by the board to identify the areas to be considered in developing a strategic approach to human resources management and related planning.

Questions	Yes	No	Comments/Actions
Understanding of strategic human resources management			
Our board:			
• Has adopted a strategic approach to Human Resources Management that will meet our needs and/or understands what a strategic Human Resources Management plan is			
• Understands the benefits for our organisation of having a strategic approach to Human Resources Management and going through a planning process			

Questions	Yes	No	Comments/Actions
Human resource management and the law (Refer to 5.2)			
We understand the sources of legal obligation that interact to form the law of employment: • contracts • statutes • statutory agreements • enterprise agreements • awards • common law			
We have a broad understanding of the major employment legislation and our key obligations as an employer			
We have delegated authority using a signed instrument of delegation and ensure that: • responsibilities and limitations of the delegate are clearly defined • delegation use is monitored and audited regularly • delegation usage is reported regularly to the board			
We authorise all HR guidelines (policies and procedures) to ensure that are our legal obligations are met and ensure that these are issued to all employees and volunteers			

Questions	Yes	No	Comments/Actions
We review and authorise updated HR guidelines (policies and procedures) in keeping with legislative changes and strategic business plan objectives			
We have a broad understanding of other legal principles impacting the management of human resources • duty of care/negligence • confidentiality (privacy) • conflict of interest • natural justice and procedural fairness • probity			
Human resources planning (Refer to 5.3)			
We understand that HR planning is a continuous process of shaping the employee/volunteer profile to ensure that it is capable of delivering the organisation's objectives now and in the future			
We appreciate that HR planning is integrated and aligned with the business planning process			

Questions	Yes	No	Comments/Actions
We are able to answer each of the following questions: • what is our current workforce profile? • what is our anticipated future workforce profile? • what is our current internal supply of employees? • what will our future demand for employees and volunteers be? • what is the labour market situation? • what budget constraints are there?			
We monitor our people's capacity to deliver service, activities and projects on time, to the expected standard and within budget			
We have authorised a policy and procedure to guide HR planning decisions			

Questions	Yes	No	Comments/Actions
Recruitment and selection (Refer to 5.4)			
We understand that effective recruitment and selection facilitates the appointment of qualified and capable employees and volunteers that will support an organisation's values and the achievement of current and future goals			
We have a broad understanding of the challenges faced in ensuring the best match for both the organisation and the individual. We will address this challenge by: • clearly defining the work to be done • using job advertising to ensure a diversity of potential candidates • understanding the principle of merit • understanding the grounds for discrimination and its application to this process • implementing merit selection			
We monitor our effectiveness and fairness at recruitment and selection regularly			
We have authorised a policy and procedure to guide recruitment and selection decisions			
We understand our obligations in relation to mandatory probity checks			

Questions	Yes	No	Comments/Actions
Personnel management (Refer to 5.5)			
We appreciate that the nature and handling of the employer/employee relationship has direct consequence on an organisation's productivity and its reputation			
We understand that volunteers require some form of agreement that outlines the conditions under which they will work and the expectations of the way they will perform the work			
We understand our obligations in regards to mandatory volunteer screening			
We have a broad understanding of the essential conditions of employment and the value of a well planned and written contract			
We ensure a structured and consistent approach to remuneration ensuring that performance (achievement of objectives) not just completion of a task is recognised			

Questions	Yes	No	Comments/Actions
We have authorised a range of policies and procedures to ensure that the employee relationship is handled with integrity and fairness For example: • remuneration policy • recognition and reward policies • code of conduct • grievance procedures • disciplinary procedures			
Developing human resources capability (Refer to 5.7)			
We understand that organisational objectives are achieved through employees/ volunteers applying their skills, knowledge and experience to the completion of work and delivery of services			
We have a broad understanding that fundamental to individual achievement is having management support, systems, procedures and tools required to get the work done			

Chapter 5
Strategic Human Resources

Questions	Yes	No	Comments/Actions
We ensure that all individuals receive: • induction • compliance and regulatory training • have a individual development plan • understand and participate in the performance management process			
We recognise that the transition from 'peer to boss' is challenging and provide skills development and support			
We recognise that some roles are critical to the organisation and have in place a succession and/or talent retention plan			
We recognise that capability development is an ongoing investment and not just a cost			
We have authorised a capability development policy and procedure			
We have authorised a capability development policy and procedure			

Questions	Yes	No	Comments/Actions
Responsive workplace environment			
We appreciate that the workplace environment reflects an organisation's strategic concern for employee/volunteer productivity and quality of work life			
We understand that there are ethical, legal and business obligations to provide employees and volunteers with a productive, safe, healthy, equitable and diverse work environment and have ensured that there are policies and procedures in place to reflect this			
We encourage Work Health and Safety mindfulness as being part of the way an organisation operates on a daily basis, ensuring that work is conducted in a safe and healthy way and issues are promptly identified and addressed to reduce illness and injury			
We understand that we can be liable for breaches under the Work Health and Safety legislation			
We are committed to giving people in our organisation a fair chance to succeed without discrimination or harassment			

Questions	Yes	No	Comments/Actions
We appreciate that Equal Employment Opportunity and fair treatment of all in the community applies to all organisational people practices			
We expect that employee grievances or problems are dealt with ensuring the basic principles of procedural fairness, confidentiality, the keeping of accurate and complete documentation and balancing the interests of the organisation with the duty to act as a fair employer			
We value the good business sense it makes to have a diverse workforce and give regard to those groups that have had to overcome past and present disadvantage			
Strategic human resources management reporting			
We ensure that there is a strategic Human Resources Management (HRM) plan in place			
We monitor progress on the strategic HRM plan			
We receive useful and up to date information on HRM in staff reports			
The strategic HRM plan is reviewed annually			