

Good Practices and Digitisation Concept to Support Human Resource Policy and Personnel Management in SMEs



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1. Introduction

Companies and organisations¹ depend on employing people with the most appropriate competences (skills, abilities, knowledge) to produce marketable products and services.

In line with the market means that the products and services are demanded by customers, the company can survive in competition, and sufficient profits are generated.

This includes that employment can be secured and, if necessary and possible, new jobs can be created.

In working life people as subjects are objects carrying work power. Their knowledge and skills are the most important production factors. Capital (including work equipment) and the environment (natural resources) are means of production in the sense of "coagulated labour".

From a company's point of view, it is important to develop, increase and maintain the assets of labour (competence and possession) as good as possible. The organisational term "human resource" refers to the connection with the production, allocation and distribution of knowledge and skills.

But personnel policy is more than the use of manpower. It has to:

- put the subject, the individual, the person, in the focus of human resource development and leadership.
- take care of appropriate framework conditions in human resources management (labour law, contracts, remuneration, leave, etc.).
- ensure proper working conditions to maintain the workforce (occupational health and safety, promotion of work ability, staff deployment, establishment of the psychological employment contract, etc.).

With different functions and tasks in each case, the aim is, among other things, to

- inspire and attract people for employment in the company (recruitment and hiring).
- train and familiarise them so that they can build up and develop routine and experience.

¹ In the following, all economic units in which products and services are created are referred to as "company", even if they have a different legal status, e.g. are a private company, a business, a corporation or similar.

- develop their skills and give them career prospects so that they can, want to and are allowed to stay in the company as long as possible, gladly (motivated, committed), healthy and productively.
- participate in developments so that they understand interrelationships, have the conviction of being able to shape and cope with their own life and professional demands and believe that the tasks have a sense of meaning (see: sense of coherence; Antonovsky).
- facilitate the transition to the post-employment phase.

Formulated as tasks of the company, this means to organise work (in the sense of work requirements and working conditions) over the entire course of employment in such a way that

- it is harmless, feasible, tolerable, and conducive to learning and personal development.
- the work ability and the employability are maintained and promoted.
- the company and individual values match - the psychological employment contract is concluded.

Close interactions and interrelationships with organisational development and other functional areas of the company have all the opportunity to make employers and employees happier, hence more committed.

1.1 Innovative HR Management as subject of the REGROW project

The topic and subject of the project "Recruiting the Young Generation Workforce: Innovative Human Resources Management" (REGROW) is on the one hand designed to focus on the recruitment of (young) junior staff, on the other hand there is a broad opening for a general orientation towards innovative HR policies.

In the recruitment phase, it is important to interest people in the profession, to let them try out the job and the company (internship), to inspire them for the profession, to win them for the company, to make a consensual selection according to the desired and required qualifications and competences (hiring), to train them and/or to familiarise them with the job.

The choice of a profession and the entry into a profession are decisive decisions for a person's private and professional life. Here, in the sense of secondary socialisation, the essential imprints for the personality are made. The aim is to achieve the greatest possible agreement between

personal ideas about life and career and individual attitudes on the one hand and the values and culture of the company on the other hand.

From a company and individual perspective, this phase is an investment in the future. Its long-term impact should not be underestimated. In this respect, it is advisable not to stop at recruiting, but to integrate it strategically and procedurally into the overall HR policy construct. This corresponds to the main **objectives** of the project, "to provide owners, managers and HR managers from SMEs with key competences for the realisation of modern HR Management and to provide them with the necessary tools, methods and (digital) application systems for this purpose". To do this, the aforementioned groups of people have to "deal with the competences and life concepts of young employees and compare these with the company's goals in order to discover similarities and differences at an early stage".²

The lack of skilled workers limits the development opportunities of small and medium-sized enterprises due to size disadvantages (among other things, no specialist departments for Human Resources Management) and a partly lower level of awareness in the labour market. This is compensated for by SMEs through a pronounced proximity to the local market and, above all, to all employed persons with correspondingly close relationships between company management/owner and employees (rather like forming family relations).

At the same time, it is also known that the interaction of several generations in a company is not per se free of conflicts. A suitable system and mindful and appreciative Human Resources Management should be geared towards respecting the needs and competences of all employees, installing functioning intergenerational communication and cooperation, preventing or eliminating discrimination based on ethnic origin, gender, religion or belief, disability, age or sexual identity, and ensuring age- and ageing-appropriate activities.

1.2 Digitisation Concept to Support Personnel Management

The **tasks** in the work package dealt with in more detail here (Work package 2, Output 1) are briefly named:

² Both quotes refer to the project proposal, p. 76

- Compilation of (transferable) practical examples, instruments and digital models for modern Human Resources Management in SMEs with special consideration of younger generations as well as
- Development of practical examples and models for the use of digital tools in Human Resources Management.

Both results lead to the material Output 2 (WP 3) of a toolbox suitable for SMEs to match personal competences and life concepts with company goals. A central focus of the tools should be that they serve as support for functions and tasks and are aligned with given or required structures, and that the company organisation is not aligned with algorithms.

The personnel policy strategies and processes as well as the procedures and instruments flow into a further training programme for managers (WP 5). Teachers, SME advisors and career counsellors are qualified in advance for its application in a train-the-trainer programme (WP 4). A further training and coaching programme for experienced professionals who take on mentoring and training tasks for junior staff is also being developed, tested, evaluated and completed (WP 6).

1.3 Content and structure of the report - Overview of the individual chapters

Chapter 2 provides an overview of the essential elements and tasks of Human Resources Management. In 2.1 an introduction to the HRM strategy is given; in 2.2 essential processes of PM are shown.

Chapter 3 deals with the tasks of human resource planning in recruitment, hiring and induction. The sub-chapters explain, for example, processes and instruments for approaching potential applicants, but also deal with aspects of employer attractiveness and branding.

Administrative tasks of Human Resources Management are explained in chapter 4. Remuneration management is covered in chapter 5 and benefits management in chapter 6.

Further tasks of human resource development refer to the in-service retention and further development of persons (chapter 8) as well as their qualifications and competences (chapter 9), to corporate culture and aspects of employee participation (chapter 10), to the design of work requirements (chapter 11), to aspects of safety and health (chapter 12) and finally to labour law

regulations and company agreements on social responsibility and non-discriminatory diversity management (chapter 13).

Digital support tools are named for some aspects of modern Human Resources Management and examples of practical applications are presented. This report follows the idea to present different aspects of the HRM for SMEs and to list numerous examples of how companies can implement small, but also very powerful changes to make their HR management fit for the future. This means that a company does not to implement all the presented solutions for a more future-oriented and digital HR management, but to select according to the individual needs of the company, which solution to implement and which not.

2. Personnel Management and the Generation Z

A central question that concerns many small and medium-sized companies even before the corona pandemic is:

What Human Resources Management requirements will SMEs have in terms of recruiting suitable trainees and skilled workers?

From a scientific perspective, some considerations can be made, and findings can be shown.

Dealing with Generation Y and especially Generation Z plays a major role in attracting young people to small and medium-sized companies. Generation Z in particular (people born around the end of the 1990s - 2010) sometimes focuses on different values with regard to professional requirements than previous generations. **They attach great importance to a healthy lifestyle and have grown up with mobile devices (especially smartphones), which are everyday companions for them, whether in their professional or private life.**

For companies and especially for personnel management, leading members of the different generations is a special challenge. Different values and attitudes in the generations of employees lead to different behaviours and actions and often cannot be managed productively with a “one fits all” idea without creating tensions and conflicts.

Therefore, in the more recent discussions on the role of personnel management, great importance is attached to taking the different needs of employees from all generations (X, Y and

Z and previous) into account. With regard to Generation Z, their expectations of a future employer are particularly emphasized due to the shortage of skilled workers.

Above all, recruiting is about changing its perspective. The company applies to potential applicants or future employees, this is the reverse of the earlier idea when there was no or only a minor shortage of skilled workers.

The special needs of Generation Z can hardly be consistently identified for all young people belonging to this generation. In one of the first comprehensive studies (Gen Y vs. Gen Z Workplace Expectations), the differences between Generation Z and Generation Y were particularly highlighted. The key messages and recommendations for executives in this study are as follows:

„Gen Z has more of an entrepreneurial spirit.

17% of Gen Z vs. 11% of Gen Y wants to start a business and hire others.“

For Gen Z, it's not about the money ... yet.

Only 28% of Gen Z said money would motivate them to work harder and stay with their employer longer, as opposed to 42% of Gen Y.

Gen Z prefers face-to-face communication over technology.

Gen Z grew up with technology, yet 53% percent prefer in-person communication over tools like instant messaging and video conferencing. (...)

If you're the leader, be honest!

Take note business leaders:

- One-half (52%) of both Gen Z and Gen Y state that **honesty is the most important quality for being a good leader.**
- The generations agree that after honesty, leaders should **exhibit a solid vision** (Gen Z 34%, Gen Y 35%), followed by **good communication skills** (Gen Z 32%, Gen Y 34%).

Let's talk. In person.

- Contrary to the assumption that younger workers want “constant connection” to technology, a majority of Gen Z respondents **say they prefer in-person communications** with managers (51%), as opposed to emailing (16%) or instant messaging (11%).
- The same trend applies to Gen Y: in-person (52%), emailing (18%), instant messaging (11%).
- And few believe that technology actually enhances personal relationships with co-workers (Gen Z 13%, Gen Y 14%).

Technology is a distraction

- Slightly more than one-third (37%) of Gen Z ranked instant messaging as the biggest work distraction, followed by Facebook (33%) and email (13%).
- Gen Y reports being most distracted by email (31%), Facebook (28%) and instant messaging (25%).

And not all of us like to multitask, after all

- When asked if they like to multitask, just over one-half (54%) of Gen Z responded in the affirmative, while two-thirds (66%) of Gen Y said yes.
- Gen Z is not as inclined to work in a fast-pace environment: 59% of Gen Z report liking a fast pace, while 68% of Gen Y says the same.“³

In a further comprehensive study, the following characteristics of Generation Z were identified with reference to various studies:

„Characteristics“ of Generation Z

- According to the Institute for Emerging Issues (2012), the Gen Z is the most ethnically diverse and technologically sophisticated generation.
- Gen Z has an informal, individual and very straight way of communicating and social media is a vital part of their lives.
- They are a Do-It-Yourself generation.

³ Schwabel, D: Gen Y and Gen Z Global Workplace Expectations Study. Post – Online <http://workplaceintelligence.com/geny-genz-global-workplace-expectations-study/>

- In the study conducted by Dan Schawbel (2014), Gen Z tend to be more entrepreneurial, trustworthy, tolerant and less motivated by money than Gen Y.
- They are more realistic about their work expectation and more positive about the future.
- Based on the findings of Generational White Paper (2011), Gen Z tends to be more impatient, instant minded, lacking the ambitions of previous generations, have acquired attention deficit disorder with a high dependency on the technology and a very less attention span, individualistic, self-directed, more demanding, acquisitive, materialistic and entitled generation so till now.
- Max Mihelich (2013) describes that the Gen Z is **very much concerned with environmental issues, very conscious of looming shortages and water shortages which indicates that they have a high sense of responsibility towards the natural resources.**
- Amanda Slavin (2015) finds the Gen Z wants to be heard irrespective of their young age.
- Technology is a part of their identity and they are tech savvy but lack problem-solving skills and have not demonstrated the ability to look at a situation, put in context, analyze it and make a decision (Joseph Coombs, 2013).
- They also appear to be less inclined toward voting and to participating in their communities than earlier generations (Institute for emerging issues, 2015).⁴

As a further and at this point the last look at Generation Z, the results of a study are cited that compiled some findings on the subject of recruiting and retention that can be found in other studies in this way or similar.

"The Gen Z is ready to perform but also has clearly defined desires:

When choosing an employer, the company's image is less important than recommendations about personal surroundings and social media. Overall, the working atmosphere is the most important criterion. **Clear tasks, clear boundaries and a strict separation of professional**

⁴ Gaidhani, S./Kumar Sharma, B./ Arora, D.: Understanding the attitude of generation z towards workplace. Jan. 2019. Online ([PDF](#)) [UNDERSTANDING THE ATTITUDE OF GENERATION Z TOWARDS WORKPLACE \(researchgate.net\)](#); cf. also the discussions and research on Generation Z of Prof. Christian Scholz in [The-Generation Z \(the-generation-z.com\)](#)

and private life are important. Incidentally, this seems to be a difference to Gen Y, which is more inclined to mix professional and private life.

Also unlike Gen Y, for whom desk sharing is not a problem, Gen Z seems to want its own, well-equipped workstation.

The possibilities of flexible working hours from home office, job sharing, part-time work (...) remain attractive for Gen Z.

Equipped with a healthy self-confidence in their own technological abilities and aware of the importance of rapid knowledge acquisition, Gen Z expects that their expectations will be met.

They are largely resistant to pressure - such as internal competition - ("If I don't like it, I'll look for something else"). The mobility of young workers is likely to surprise conventional companies. It is therefore to be expected that companies will increasingly have to apply for young employees.

Companies have to ask themselves **how they manage and motivate these people, how they optimally use their performance potential and how they reward them for it.**

Once again, the mindsets and behavior of Gen Z are likely to rub off on other generations with only a short delay.

Conclusion: Recruiters are advised not to post any employer branding empty phrases on poorly maintained company Facebook accounts. Gen Z expects a highly personal person-to-person dialogue. Companies that do this awkwardly have to expect to give up on social media."

Special attention should be paid to the different expectations and ideas of Generation Y compared to Generation Z for the recruiting process.

With a view to the information and results of the preceding studies, it can be stated that some fundamental differences between the generation and other generations can be seen, which also affect the way in which this young generation should be recruited by the company.

In this context, the topic of digitization plays a very important role in their lives for this generation. Even if it is not to be expected that this generation will have acquired extensive, professionally usable competencies in the field of computer science and digitization technologies due to their previous life, it can be assumed that a large number of private or professionally relevant information and knowledge components are used about digital technologies.

In this context, it is also known, on the basis of the above-mentioned findings, that there is a particular expectation of receiving relevant authentic information via digital media and thus satisfying many needs through the use of digital media.

This plays a crucial role in the exchange between companies and potential applicants and employees and sometimes poses very great challenges for personnel management in companies. This is because the expectations of Generation Z outlined above also apply to all processes and activities related to getting to know and receiving authentic information from a potential employer.

This is an essential reason why companies should deal with the topic of digitization of personnel management tasks in relation to recruitment activities. Because in the worst case, they will not reach the interesting target group of Generation Z and / or they will not be able to meet their expectations with regard to the digital exchange of authentic information about the workplace, development and career opportunities, the actual working atmosphere and many other topics. The topic of digitization is therefore directly related to a central task of personnel management.

Conclusion for companies

As a contribution to the REGROW project, the following non-selective questions could be considered in the analysis of small and medium-sized companies for the recruitment of Generation Z:

- Are we making Generation Z aware of our company with the appropriate (digital) information?
- Are the job profiles in our company also suitable for people from Generation Z or would they have to be adapted once?
- Do we consider Generation Z in our recruiting activities in the company and their expectations of employment?
- Do we have suitable digital information from the company that is interesting or important for Generation Z, e.g. lived values, actual leadership culture, dealing with feedback and criticism, consideration of individual needs for flexible working hours, etc.
- Are our personnel selection procedures suitable for identifying good applicants from Generation Z?

- Does our company have a personal contact for applicants from Generation Z?
- Do we have a suitable generation management system that takes into account the different needs of the employees of generations X, Y and Z during their employment in the company?

3. Personnel Management

Modern Personnel management is characterized by a strong focus on the employee and his or her needs in different phases and situations of life. Work should be harmless, feasible, bearable and conducive. The competences should be applicable. Participation in decision-making is desired. The compatibility of professional activity and private life is required. On the labour market not sufficient well-educated specialists and skilled workers are available, leading to an intense competition among companies. SMEs need to implement modern personnel management actions to reach prosperity and prevail against the large companies.

In many SMEs the owner leads the personnel management by her- or himself. Sometimes the lack of appropriate knowledge or perceived lacks of time are the reasons for which the owner cannot find a solution for the development of a HR strategy. The here compiled schemes/scenarios/handbook/case studies with ideas about the HR Management and possible problems and solutions may be helpful.

Every company will try to have the right staff for the specific products and services. Right means: qualified, competent, motivated, committed, productive and innovative. Attracting this staff and keeping them fit for work throughout their careers is the central task of strategic human resources policy - everything else, such as personnel administration and compliance with legal regulations, is everyday work.

3.1 Personnel Management Strategy

HR management is challenged to actively shape the processes of strategic implementation and value creation in the company through appropriate HR strategies. **It is helpful to describe the expected objectives, tasks, functions and responsibilities of the personnel management.**

The longer-term planning of goals and measures is based on a company's idea (vision) of how it wants to be successful in competition.

A strategy describes what the company wants to do and what it does not want to do. It formulates the ways and means to achieve the defined goals. The clearer the framework for action is described, the more confident those involved can be in their actions. The challenges are, on the one hand, to be adaptable in the strategy through regular reviews and, on the other hand, to allow sufficient room for manoeuvre in everyday life for implementation.

For strategy development, there are tried and tested instruments with which both the resources (strengths and weaknesses in relation to the competitors) and the opportunities and threats (in relation to the markets) are recorded and assessed. Such a SWOT analysis (Strength, Weaknesses, Opportunities, and Threats) is a common and particularly useful tool. It is important to consider both the internal view (employees, stakeholders, owners) and the external view (customers, suppliers).

Some companies develop the strategic concept along the elaboration of a Balanced Scorecard. At the core of the HR Scorecard are goals, not metrics. The focus is on the goal and what should be measured along the way - not on what can be measured. The balanced HR Scorecard focuses on the following four perspectives:

- Financial perspective: What do our capital providers expect from us and how do we want to position ourselves here?
- Customer perspective: What added value do we want to create for the various customer groups?
- Process perspective: What do we need to excel at in our processes in order to successfully implement our strategy?
- Potential perspective (learning and development): How do we ensure our long-term success through growth and change?

For each HR scorecard perspective, strategic HR goals, metrics for the goals, target values for the metrics, measures and milestones as well as budgets for the measures are defined and documented. Progress is usually reviewed on a quarterly basis.

The goal of the company as a client of the HR department is to regularly analyse central HR key data and to receive support for optimisation. These include, for example: turnover per employee, training and further education costs per employee and year, recruitment costs per entry as well as

for the replacement of personnel after fluctuation, health and attendance rates, performance-related portions of remuneration, employee profit-sharing, etc.

At each strategy level (long-term framework, medium-term rough and more short-term fine goals), it is important to apply the SMART principle (specific, measurable, accepted/achievable, realistic and time-bound/scheduled) in order to be able to make adjustments, concretisations and the like if necessary.

In order to develop a strategy, it is first necessary to carry out a meaningful analysis of the current situation. A distinction must be made between two interrelated strategy elements, namely

- (1) the recording of structures and
- (2) the assessment of developments.

Ad (1) it is important,

- a) to have a constantly updated status with characteristic data of the existing personnel, i.e.

distributions per employed person according to

- qualification (profession, competence/experience)
- current and previously exercised - if applicable also: possible other - activities
- age; expected retirement age
- length of service with the company
- and, if relevant: gender, health-related restrictions

- b) and a description of the jobs and job requirements:

- qualification or experience required (also through other activities),
- duration of training/skill adaption and familiarisation
- physical and mental hazards
- assessment of age-critical job elements (e.g., high physical stress) or work requirements (e.g., shift/night work)
- possible career paths (entry, development, retention).

For a) in particular, a medium to longer-term forecast is useful to be able to assess development and replacement needs.

Ad (2), it is necessary to assess developments and trends in five market areas:

- a) Demand for products and services
- b) Customers (customer structures)

- c) Suppliers
- d) Technology development and technical applications
- e) Labour market.

The HR strategy is often derived from the corporate strategy. However, it requires an independent orientation of the HR goals including descriptions of the purposes, the function as well as the role of HR management and the guiding principles of leadership.

Conclusions are to be drawn from the information (1) and (2). The data are included in the SWOT analysis and are qualified - if possible in a multi-stage participatory process - i.e. evaluated in relation to the corporate goals.

A Human Resources Management strategy in the sense of an investment in human resources must be at least as clearly calculated as investments in machinery or equipment.

For example, it must be examined and assessed: Which developments can be managed with the existing staff? Are additional qualifications needed? Can these be achieved internally through further training or do they have to be acquired on the labour market? Do the developments have an impact on investments in the spatial or technical area - with consequences for qualification? Is the organisational structure and process organisation adequate? Does this change anything in the job descriptions or in the risk assessment?

Digital Support:

The processes of personnel management can be described by a suitable organisational manual. This should also regulate the routine coordination with the operational managers. The tasks may be supported with suitable instruments, e.g., **Balanced Scorecard**, **SWOT analysis** or others.

The preparation of strategic planning in a participatory process can be supported (illustrated, structured, documented) with common applications such as **Excel** and **PowerPoint**.

The quantitative key data should be updated continuously and, if possible, quasi-automatically; the collection and compression of qualitative key data should be functionally regulated in order to ensure a continuous adjustment process within the framework of a regular review.

It is helpful if critical threshold values are created in the system in order to recognise indications of urgent need for action in good time. Examples: the attendance rate falls below x%, training costs exceed the budget, the fluctuation rate is x% higher than in the last three years.

3.2 Personnel Management Processes

Strategic process management looks at the "big picture" of the company. It includes the planning, controlling and steering activities that are necessary to align the company's processes with the corporate strategy. This applies equally to the processes in human resource management.

In the sense of a continuous improvement process, the data basis of strategic Human Resources Management must be continuously checked for accuracy and the market information must also be assessed in terms of its importance for the further development of the company. Regular monitoring should be used to revise the SWOT analysis, for example in an annual strategy review process.

The essential HR processes are the recruitment, hiring and professional development of staff. Other tasks include Remuneration, Performance Management, Benefits Management, Professional Development and Training, Corporate Culture, Job Design, Occupational Safety and Health, Labour Law Compliance, and more. For all functions and tasks, it is shown whether, to what extent and, if so, with which digital applications support for efficient personnel management can be provided.

4. Recruiting, Hiring, Onboarding and Personnel Planning

Recruiting and hiring talents is one of the key HR responsibilities, and it goes beyond checking resumes and employment references. Workforce planning, writing job descriptions, advertising openings, screening and interviewing applicants, and helping managers make the best hiring decisions are all part of this critical HR function. HR managers need to do this while accomplishing the company's wider goals of attracting a diverse, multigenerational motivated and innovative workforce.

Personnel planning requires knowledge of the current personnel structure (personal data, gender, age, qualifications, length of employment, previous activities, further training, etc.). With an assessment of the market development and technical changes, a projection for the next few years brings clarity about quantitative and qualitative personnel requirements.

Before recruiting it is important to have a labour market overview: how big is the target group of the position you are looking for and which channels are best suited for attracting the attention of potential applicants to hire the desired talents.

4.1 Advertising

Advertising an open job position is crucial for companies. The more you advertise a position the more people may apply and the greater chance you have in finding the right candidate. Traditional advertisement is often based on newspapers and the state employment office, but the younger generations are not using these offers exclusively, but increasingly use other media. Personal contact is often sought at speed dating job fairs and the like. Nevertheless, the offer of student internships or holiday jobs is not to be neglected either. Nowadays SMEs should use a variety of channels for advertising job positions and keep their eyes open for new developments in the recruiting sector.

Digital support is highly recommendable and very possible. Traditional advertisements can be supplemented using media such as **Facebook, Instagram, LinkedIn, Xing**, etc. Also, current employees can play an important role in promoting their company through authentic descriptions of the fascination of their work - be it through texts, podcasts or short videos.

In cooperation with local general education schools, presentations of companies can be carried out, for example also in the form of virtual events in online conferences with usual systems like **GoToMeeting, Fast Viewer, WebEx, Zoom, Microsoft Teams, Skype** or similar.

Somewhat more ambitious is the use of **virtual reality systems**, which can be used to show tours of companies or work processes. Universities can offer helpful support here in cooperation with company organisations/chambers.

4.2 Pursue Diversity

For many businesses, diversity in practice is a critical success factor. As a result, an increasing number of businesses are implementing diversity management strategies. Two-thirds of businesses in Germany, for example, are already working toward this target, and the number is increasing. Nobody is exactly like the other, which is a good thing, particularly in the workplace. After all, every employee has different talents and skills that a company or organization can make use of. The different generations in the workplace must also be taken into account. For this reason, it is particularly important in Human Resources Management- where diversity management is implemented - to be aware of this diversity of people in order to be able to take full advantage of the benefits associated with it.

Joining Diversity Charter by signing a diversity declaration is one simple, yet effective way to testify that the organization values diversity. These charters exist in all EU member states and provide a valuable network of companies who value, cherish and work on improving diversity within their organizations. Now, there are lots of free of charge webinars available as well to get you guided into the topic.



Bias is often systemic rather than intentional. If a company is not getting diverse applicants, probably the company needs to cast a wider net. Look out for job fairs, schools, and marketing platforms with diverse audiences.

Digital support is possible. A structural picture of the workforce according to age, origin, gender, educational and professional qualifications, language competence, etc. can illustrate the quality of diversity. Nevertheless - the most important thing for the perception of the treasures of diversity are the lived values in the corporate culture.

To enlarge the number of possible applicants, use social media recruiting sites like **LinkedIn** or **Xing**.

4.3 Innovative Recruitment Processes

To get the most suitable candidates for an open job position the advertisement for the position must be focusing on a distinct target group.

Recruiters often face the problem of how to create attractive job adverts and recruitment campaign landing pages. With recruitment software it is possible to create attractive job ads and share them on social media and job search websites. There are also other digital tools to use during the recruitment process.

Digital support is possible. There are numerous solutions on the market, some very promising are presented below:

- **recruitlab.co.uk:** Offers applicant tracking, recruitment metrics, flexible applicant forms and social recruiting, which in the end gives you more control over the recruitment process.
- **hcm4all.com:** HCM4Recruiting (HCM:= Human Capital Management) lets job postings be clearly defined. All requirement profiles are based on competencies that are divided into "must haves" and "nice to haves".
- **heyjobs.co/en-us:** Uses performance marketing and artificial intelligence to find qualified candidates on over 1,000 pages and 50+ channels. As a result, a company can receive 2.5 times more applicants than on traditional job boards.

- **www.jobufo.com:** Developed a recruiting assistant, which is implemented via a button - directly on your career page. This recruiting assistant provides a unique candidate journey, and the applications are sent directly to your applicant tracking system. As a result, the company receives complete and checked applications. Including verified contact information.
- **www.kenjo.io:** Is an all-in-one human resources software, also offering recruitment services.

4.4 Target Group and Job Market Overview

To get the most suitable candidates for an open job position the advertisement for the position must be focusing on a distinct target group. This distinct target group spends time on different social networks. If, for example, a clothing company is looking for a marketing expert **Instagram** can be a good platform for job advertisement. In case the clothing company is looking for a controller maybe **LinkedIn** is a better source for candidates and if it is looking for a programmer maybe advertisement on **reddit** or **Glassdoor** is more successful. The huge number of different possible recruiting platforms makes it necessary to select the most promising ones to keep the process economically reasonable. This is important to keep in mind, when defining the recruitment strategy and the tools to be used.

TO BE CONSIDERED: Since there are so many platforms available, external help while recruiting can be discussed since it'll end up saving lots of time and resources needed to get familiar with different platforms and its specifics.

Digital support is available. This activity is supplementing the recruitment process and should use tools like online research, digital targeted personnel search and recruiting campaigns. Check the settings on the recruiting websites like **LinkedIn** or **Xing**, when posting an open position.

4.5 Attractive Employer Branding

Employer branding is important to manage and influence the reputation as an employer among job seekers and employees in competition with other companies. Attractive and correct employer brand helps to attract and recruit the right people. An employer brand includes the market's view of your business as an employer, but also defines your promise (or employee value proposition) to workers in return for their expertise, abilities, contacts, or skills. Employer branding is essentially the process of marketing your business to potential employees. This can be accomplished by highlighting the

“Work Rules” by Lazlo Bock is a book with great insights into HR management of Google. There’s a special chapter dedicated on high-quality recruitment, making the process viable and yet bullet proof for candidates. It also reflects on how company could capitalize on attracting talent via existing employees.



company's unique cultural differentiators and then striving to amplify them to position yourself as a top place to work.

A good, structured campaign can help you to communicate your value propositions, but any campaign, no matter how well thought out, will come to naught if it is not authentic. Then all the effort was for nothing. And secondly, you definitely don't want to risk damaging your corporate reputation by making false promises. Ask your employees what additional benefits they would like to see. Listen carefully and put into practice what is possible.

Employer brand ambassadors are members of the company’s staff. They can be a valuable module of your employer branding strategy. Employees are very authentic brand ambassadors. For externals they are the most trusted source of truth about how the company works. If a company wants to tell their story, these ambassadors are the best storytellers.

Digital support is possible. Use your company’s social media, like **LinkedIn**, **Facebook** and **Instagram** and make sure your **website** is existing, graphically appealing, and up to date.

Employer brand ambassadors can use their **LinkedIn** profiles and other **social media** to spread the word.

Also, professional support is possible and depending on your resources and experience advisable. Several employer branding agencies are established and helping companies to put their own employer branding into place. However, you might feel more confident to work with an agency that has a proven track record and forms part of international professional network (such as European Employer Branding Agencies Association).

Further thinking: Have you established a mentoring program to promote the junior staff of the future in your own company? Then publish an interview with mentor and protégé in which both have an equal say. You can't clarify the phrase "good career opportunities" in a more authentic way.

4.6 Onboarding and induction program

The onboarding process serves to welcome new hires to the business, helps them transition into their new role, and supports them in familiarising themselves with the operational conditions and the work requirements. Most employers believe that a positive onboarding experience is crucial in shaping a new hire's decision to remain with the company. Delivering a personalized employee induction program that embodies the company's culture and trains new employees for the path ahead is critical to truly setting them up for success at your company. Effective onboarding and induction services go beyond simple welcome emails and include a positive employee experience. This encompasses everything from smashing the new hire video to personalizing their desk with thoughtful pieces and laying out a straightforward roadmap to success. For SMEs the onboarding process can take one- or two-days with an experienced colleague as “godparents” or mentors. For craft enterprises it is essential to show how the production/work process looks like.

Usually, both for persons who have completed vocational training and for newcomers from other companies, an induction into the activities must be provided. This phase of initial routinisation and habitualization lasts from a few days for repetitive tasks to several weeks or even months for complex tasks.

The entry into the company also serves to get to know the company values, the usual behavioural repertoire and the attitude of managers and colleagues. This socialisation phase is used by the company as well as by employees to test the stability of the psychological employment contract.

For all tasks, it makes sense to have a feasible plan:

- Onboarding checklist and responsible person.
- Induction manual, mentors, regular feedback with supervisor and mentor (what is good? What needs improvement? What do you need to do well/better?).
- Mindful conversations to explore mood.
- ... And subsequently appreciative annual dialogues for development wishes and perspectives.

Hint: No size fits for all but starting with a short yet engaging video message by the CEO or owner could be a great starting point.



The complete onboarding and induction process is to be understood as an essential investment in the future.

Digital support is possible. You can use an **eBook** or **pdf** and a variety of different internal **communication channels** to reach your employees. **Videos** and (online) **workshops** are also possible to include.

A full software solution worth to consider using is **hierology.com**. With this software solution you can capture critical hiring materials during the interview process while starting new hires on the right foot with an onboarding program they can complete online before their start date. Other alternatives are **Freshteam**, **Personio**, **Userlane**, **Wrike** or **Newired**.

4.7 Including the Staff in the Recruitment Process

In SMEs it is possible to include all staff into the recruitment process. The owner can have a conversation with his employees and then he or she can get information about what competences and skills are needed in the team to draw some conclusions for the concrete description of the

requirements and desired competences. Even though the owner has very specific ideas about the position and the new employee it can be worth to ask the other employees to get a new perspective.

Digital support is possible. In general, this task includes a lot of personal interaction, but results can be summarized via digital tools like an **online survey** and/or **excel spread sheets**.

4.8 Develop some “tasks to do” for applicants

Especially in small craft enterprises it is essential to have practical skills. When hiring someone experienced with skills it is important to verify the skills. Therefore, a company can ask the applicant to present her or his skills by performing a practical task. For this purpose, the company or an experienced team should develop some small practical tasks in advance. These tasks should differ, depending on the profession and the age/experience of the applicant. Urgent to note: In the case of practical trials as well as other internships, the insurance of the persons must be ensured.

If short work samples during the job interview are not sufficient to determine suitability, applicants may be offered a work placement lasting several days. This serves both sides to find out whether the company, the task and the person fit together.

It can be quite a challenge to ensure that the interview process is unbiased. Lots of companies, big and small have struggled with it. Google has shared publicly how they run the process and resources are available.

EntreComp - a EU based competences mapping tool can help to identify your employees competences.

Digital support: It is not necessary to use a digital solution for this task.

4.9 Electronic Handbooks

All personnel policies should be clearly spelled out in an employee handbook, and it should be required reading for all new employees. Communicate the important points in person and have employees sign a document before contracting confirming that they have read the handbook and agree to abide by its terms.

Useful information for the new employee before the first day of work might include the following:

- Welcome letter
- Employment contract
- Other contractual agreements
- Info sheet, which data are needed for the first working day or in advance
- Agenda for the first working day, meetings during the first week
- Information about the company, products, markets, customers and competition
- Information on finding an apartment
- Site plan, directions, public transport connections
- Parking ticket
- Note: Please check in on the first day of work here ...

Accordingly, to make a good impression and to welcome the new employee, his/her workspace should be prepared properly in advance. Also, the colleagues should be informed some days before and a schedule for the first day and the first week is worked out.

Lately, more and more companies opt to replace a written handbook with short videos which are entertaining yet educative. Some companies have also tested using gamification methods to make the process more engaging for newcomers.

Digital support is possible. The handbook should be available as pdf document for all employees. It should be sent out to new employees via email. It can be complemented by short videos, interactive features or gamification.

4.10 Best Practice Example from Johs. Møllers Maskiner A/S

Johs. Møllers Maskiner A/S is a company consisting of 4 companies in the group.

The company produces many different products in the iron industry. The companies are geographically distributed in southern Denmark. The company is an old company that has grown by the company having acquired the other companies because they supplemented the main company.

Problem: As the company has grown and placed in different places, it has been difficult to get control of HR tasks and get them done uniformly throughout the company and you have done things differently in the 4 companies and it became a problem as you bought the other companies into the Group.

Solution: Right after the course, the company has invested in a joint HR program (EasyCruit) which is used as a common platform in connection with, recruitment, employee development and general HR data management of all employees in the 4 companies, so that all HR tasks are solved equally on the common platform. A number of work instructions for the various work functions have also been incorporated into a common system so that managers can draw the various descriptions when new employees are hired.

In addition, Linda, who participated in the course, has developed a new onboarding plan that is common to all 4 companies and the managers are taught the importance of the onboarding being carried out.

Furthermore, their trainee training has been made uniform for all 4 companies in the way that all trainees have a similar trainee training plan which applies to the entire company and the managers have also been trained in how to follow up on the trainee's training during their training.

5. Remuneration Management

Establishing salary ranges for jobs, in the case of collective agreements, which may only be deviated from in cases of better treatment, putting workers within the ranges based on their credentials, and modifying compensation to reflect achievements and accomplishments are all tasks performed by the HR department. Managing performance rewards, such as year-end bonuses and sales commissions, is another common HR action in this field. The HR manager will be in charge of developing a corporate compensation plan and collaborating with supervisors and managers to ensure that compensation policies are competitive and equal throughout the company.

In most cases, payroll accounting is outsourced. There are suitable application programmes and software-based employee administrating systems for internal use.

It is also good to keep track of your salaries and compare them to other companies. In many countries periodical salary reports are available, which gives you a great insight where does your company stand in comparison with your competitors.

5.1 Audit salaries for bias

Setting policies and providing training isn't enough to keep prejudices out of an organization's pay structure. Conducting routine audits through gender, age, capacity, and other characteristics covered by antidiscrimination legislation is one way to ensure that pay practices are equal and legal. This can be certified and used as part of an employer's branding strategy. Salary differences must be justified in order to maintain industrial peace. In no case should they have any discrimination based on individual characteristics such as age, gender or origin, but could at most relate to work requirements and competence in this respect.

Yet, there are companies, who have taken a completely different approach to it. For example Google reasons that one exceptional engineer can do the work of 300 mediocre engineers and therefore has announced publicly that their salaries range significantly.

5.2 Payroll Automation

Excel-based payroll processing is used by many small companies that are just getting started and only have a few employees. Employee supervisors may use mathematical formulas to help with the staff management scheme. There is a high chance of clerical and mathematical errors since data is entered manually and the risk that you'll end up with duplicate or missing info. Entrepreneurs' lives are made simpler by automation. In the automated payroll method, software is used to measure all wages. The electronic program handles hourly, double-time, salaries, commissions, bonuses, salary increases, overtime, wage deductions, auto payments, and tuition reimbursements. Manually performing resource-intensive procedures such as federal, state, and local tax reporting, processing direct deposits, generating reports, and calculating withholdings takes a long time. Payroll automation for salary scheduling, on the other hand, saves you time and effort.

- 24% of SME owners spend four or more hours per week on payroll administration equating to a minimum of 16 hours per month.
- 32% of SME owners have made a payroll mistake at least once.
- 42% of SME owners use their own created payroll solutions, which can be a waste of time and paves the way for mistakes.⁵

Digital support is possible and recommendable. There are numerous software solutions on the market, some of them are especially designed for SMEs, for example

zenefits.com

gusto.com

paychex.com

adp.com

onpay.com

surepayroll.com.

All presented solutions offer from one till up to three months of free trial, so make sure to try out different solutions before purchasing the final one.

⁵ <https://smallbiztrends.com/2020/07/surepayroll-compliance-survey.html>

6. Benefits Management

As part of benefits management, additional remuneration or non-monetary benefits for employees are planned and granted in a company. The strategic orientation and the definition of overarching goals, e.g. transparency, fairness (keyword: equal pay) take place in the personnel management or in the company management.

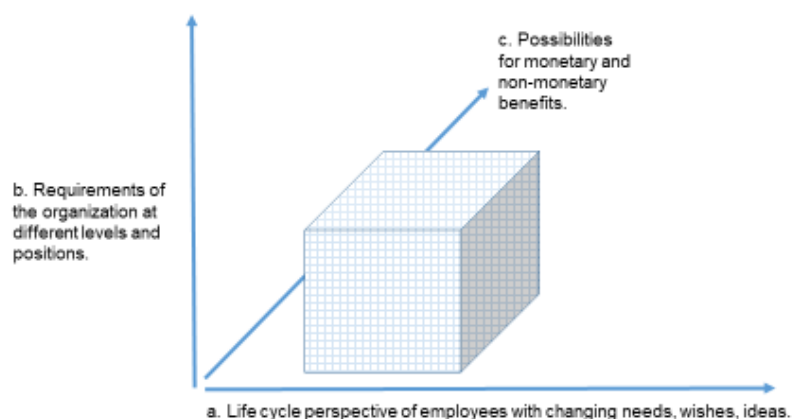
The usual structure of earnings is not a subject of benefits management, but there can be overlaps between these areas. Measures to design and improve the workplace or working conditions, which are already required by law, are not part of benefit management.

Central goals of benefits management:

- Attract employees
- Keep employees
- Improve the company's internal and external reputation.

There are many options for granting employees additional monetary compensation and / or other benefits (including non-monetary benefits), e.g. in the areas of health measures at work or outside the company (sports clubs), old-age provision, insurance, employee participation, nutrition, childcare etc.

Benefits Management – analysis options - Consideration of the relationship between life cycle perspective, job requirements and benefits -



Overall, it is about the creation of favourable conditions for maintaining a good physical and mental condition of the employees for the duration of the service and in some cases also beyond.

For a suitable design of the benefits management for employees, (at least) the interrelation should be considered between (a) the changing needs of the employees, (b) the partly changing requirements of the positions in the company and (c) the existing possibilities for monetary and non-monetary benefits.

6.1 Create a Benefit Management Plan

A company can offer a catalogue of benefits to its employees, from which the employees can choose their favourite one. Some benefits are more attractive to some employees than others, but for other people it might be reverse. A company can create a catalogue of benefits and assign points to each benefit. Each employee gets a budget of points to “spend” on his benefits. For example:

Credits per employee: **6**

Benefit	Credits	David	Elisa	Jasmin
Mobile Phone	3	x		
GYM Membership	2		x	x
20€ Amazon voucher	1	x		x
Public Transport Ticket	2		x	
Bike	1			x
One day extra vacation	2	x	x	x
Additional dental insurance	1		x	
Total		6	6	6

Digital support: A benefit plan can be easily supported by a software solution. In fact, it's recommendable to use software to increase the employee's flexibility. Benefits management is often included in different salary management software solutions. One example for software including benefits management is **WorkforceHub**

6.2 Best Practice Example from an Automotive Centrum in Poznań

The centrum offers products adaptable to the power supply gas of any type of engine. The company cooperating with many entrepreneurs from Italy are moving to Polish market and implements all ideas and innovations to improve the quality of installation assembly and the quality of the devices themselves. The Centrum operates on the automotive market gas installations for 15 years. Issues related to the HR in the company is delt by managers directly. The company's personnel policy it is not formalized and no is clearly defined. Personal function is implemented at the executive level and is mainly limited to administrative tasks.

Problem: Carried out in the company diagnosis of the status of Resource Management has shown, among others, by that one of the important problems is the low level of competence of the managerial staff in terms of HRM - no suitable ones competences in the field of: motivating, evaluation and development of subordinates, team building and interpersonal communication.

Solution: Non-financial employee motivation system was implemented what enabled more efficiently and integrated employees with the management staff, created a friendly atmosphere in the workplace, and moreover shaped the image of the company as caring for its own staff. Despite of the fact, there is no ready recipe for the best non-financial incentives because every employee and every band is different. Effective motivation begins from a detailed examination of the employee's needs, which depend on his personal characteristics, life situation, work environment, knowledge, beliefs and expectations.

A tool for testing satisfaction and commitment employees carried out online with digital tools, this is common tool used that allows you to know the level of satisfaction of the employed persons, in relation to selected areas of the company's operation.

Benefits for the employer:

- The ability to identify influencing factors for growth and lowering satisfaction and commitment of employees.
- Learning about the opinion of employees on the current one applied incentive system in company.

7. Performance Management

Performance management is a continuous process of evaluating how individual employees are performing, identifying areas of improvement, and recognizing achievement. Many organizations conduct performance reviews on a regular schedule, often annually, with additional reviews as desired by the employee or manager.

If an employee is underperforming or violating policy, employers need to identify the reason for this and find ways of helping the employee to get back on track. Disciplinary policies should be transparently spelled out in the handbook, and managers should be trained to implement them accordingly.

A digitized performance management solution helps set individual goals and prioritizes workflows. Additionally, when employees understand how their performance contributes to the overall business objectives, they become more engaged and motivated to achieve the assigned goal(s).

In conclusion, we can say that small businesses can drive employee engagement, increase productivity, and stimulate growth with automated performance management software. SMEs can have access to all organizational objectives and employee performance at their fingertips by catalysing growth and innovation through digital performance management.

7.1 Weekly Feedback Round

Employee strengths are celebrated and opportunities to learn and develop are identified when excellent feedback is given. Employee feedback is when members of a team use a mix of informal and structured feedback mechanisms to communicate, collaborate, and achieve their goals. Especially for younger employees constant feedback is very important. They might demand it in a more constant way than many senior managers are used to (for example once per week). This feedback should be two-sided. The employee can say what type of help he or she needs and the manager can say how he or she performs.

For SMEs a 360° feedback model can be suitable. In this model each employee gets feedback from all his co-workers with whom he works every day. Then the second part of the model is the self-assessment of the employee.

Digital support is possible. Nowadays video calls and/or shared documents can be used for these feedback rounds. Online surveys can be used for the 360° feedback: Each employee gets feedback from all his/her co-workers with whom he/she works every day. Then the second part of the model is the self-assessment of the employee and a - e.g. quarterly, semi-annual, annual - development talk or appreciative exchange of experience with the supervisor.

We should not impose specific applications or messengers on companies. The programs they will use should be tailored to their needs, but above all tailored to their capabilities. We can provide examples of solutions for the use of Microsoft Teams, Skype, etc.

When choosing a messenger, the business owner will be guided by the following features / parameters:

- Does the program have a free version?
- Is the program available for mobile devices?
- Is the program available for Windows and/ or Apple computers?
- What is the meeting time limit in the free version?
- What is the meeting participant limit in the free version?
- Is it necessary to install special software?
- Does the program have a built-in chat?
- Can files be displayed for simultaneous viewing?
- Does the program allow you to send files as attachments?
- Is it possible to record the meeting?
- Can the meeting be shared via a direct link?
- Is the program in the language of the country of the owner of the company, e.g. Polish, German etc.?

We cannot rule out that there will be also companies that decide to use paid software.

7.2 Performance Management Checklist

Performance management puts a focus on what the company wants to achieve on a long-term basis and provides employees manageable expectations to succeed.

The best way to launch a new performance management process is to create a checklist to identify key areas where the biggest impact can be made. A performance management process checklist is a great start for both employees and managers to monitor performance, meet expectations, and provide critical information about the status and growth of the company.

The performance management appraisal should place focus on organizational goals and employee development. As part of the performance management and development process, a checklist can guide managers and staff through the process and initiate productive communication during and after a performance review. The performance management process checklist is a logical and consistent way to prepare and deliver performance audits of staff.

Changing to a performance management framework should be considered if the true aim of the performance assessment is employee growth and organizational change. You should use a checklist as part of the framework to direct participation in the performance improvement and growth process.

The performance management checklist, when executed effectively, can improve the quality, increase standards and productivity, enhance job satisfaction, and develop expertise that benefits both employees and the entire company. It is necessary and required to find a fine balance between compassion and accountability of personal performance. Be mindful that performance management is more a continuous process rather than just a once-a-year process. Note: performance appraisal can mislead to stereotyping and partiality if the criteria (or algorithms) do not sufficiently reflect diversity.

Because the time it takes for mistakes to have an impact in small and medium businesses is much shorter than it is in large businesses, periodic reviews are essential to avoid them. As a result, the performance management system in SMEs should

- correlate to the company's culture
- match the maturity level of the company and its staff
- be process-oriented rather than compliance-oriented.

Digital support is possible and advisable. You can use **excel** software, programs and applications to create checklists. The company should choose the best solution tailored to the needs and capabilities of the company. But be aware of designing it according to your individual and your company's needs.

7.3 Regular Functional Meetings

Regular Functional Meetings are designed to increase performance and revenues for the company. In these meetings managers should discuss the frontline activities to achieve the functional objectives set in the high impact business plan.

For example, your production manager should review how much work was done during the week vs. how much was planned vs. how much is needed to hit your revenue target. Sales should discuss how many deals they have closed to hit the goal and whether they have written enough offers to keep the sales engine running. The marketing department checks how many leads they generated from the week's campaigns to ensure that its activities are supporting the sales effort.

By monitoring business performance like this, you can adjust your level-of-effort week to week and influence the end outcome of your monthly financials.

Digital support is possible. Nowadays video calls (like **Zoom, Skype, GoToMeeting** or **MS Teams**) and/or shared documents can be used for regular functional

meetings. We should not impose specific applications or messengers on companies. The programs they will use should be tailored to their needs, but above all tailored to their capabilities.

A large part of the communication is happening non-verbally (around 65% of the communication). Managers need to be aware of this and consider meetings from time to time face-to-face with their employees.

Kim Scott is a big advocate for 1-1 meetings. She wrote a book called **"Radical Candor"**, a global bestseller, where she rationalizes WHY it's so important to give employees regular and fair feedback. The book contains a toolkit for leaders.



7.4 AI and Chatbots

A major concern for small and medium enterprises is the availability of capital. Most SMEs consider investment in a digital performance management system an added expense especially

when they have limited resources to monitor. HR functions often take a back seat to save expenses for small organizations.

A major example of how AI helps SMEs save expenses and increase performance are chatbots. A chatbot is an application that uses artificial intelligence to converse with people in natural language. Users can ask questions to which the system responds in natural language. It can support text input, audio input or both. Chatbots are installed on websites and applications to provide Intelligence-based response to users and customers. Small organizations save on the expense of hiring dedicated customer service personnel on their limited budgets.

Chatbots are used to improve the customer experience while shopping and support purchasing decisions. They can provide immediate answers to many common questions customers may ask when searching for a product, retaining customers and encouraging them to buy again, e.g. by sending them messages about sales or other products that may interest them, providing 24/7 support, reduce cart abandonment, e.g. by reminding customers of unfinished orders and answering common questions; increasing efficiency and at the same time reducing company expenses by reducing the number of customer service employees.

Digital support is possible and necessary. There are many companies that offer chatbot software. The choice of the appropriate software will depend on the company's business profile and its needs.

8. Professional Development and Training

Many employees want to grow and learn new things in their job. This is especially true for younger employees, who are changing companies more frequently nowadays. On-the-job training may include orientation training to introduce employees to company policies, procedures, and resources, training in job-specific skills and tools, safety training, company strategy meetings, and compliance training. Professional development is particularly necessary in the case of technical and organisational changes as well as professional developments (from new activities to career steps). Some companies provide education benefits to fund learning opportunities outside of work, which can range from conventions and seminars to college courses. In some countries this is supported by the legislation. At the same time, the employers can benefit significantly from better qualified workers.

8.1 Invest in Critical Skills

Some training is essential to a company's performance. Safety and compliance training, for example, are keys to protecting the employees. Skills training may be critical to production and quality. Make sure the company is covering all the basics required to properly equip employees for their work.

For special activities with high demands on explicit and implicit knowledge, skills and abilities (so called bottleneck competences), sufficiently qualified (junior) staff are not always available in time. Therefore, it is advisable to have a knowledge management system in place. Nevertheless, an early training process is necessary for the transfer of tacit knowledge (routine, experience). The assessment of the time needed for this should be included in the structural analysis tool.

Training abroad: In SMEs and craft enterprises it is essential to broaden the practical skills. The employer should enable the employees taking part in training sessions/seminars abroad, such as e.g. **Erasmus+ exchange**.

Capacity for innovation training: In addition to an innovation-promoting (open, participative) working atmosphere, creativity and the desire for change can be promoted through appropriate seminars.

Inviting trainers: SMEs should pay more attention to knowledge transfer and introducing innovations. That's why they should invite external specialists for trainings/shows/seminars – from abroad or from another company.

Digital support is possible via **videos**, **online training** and **eBooks**. A lot of educational content can be found online.

YouTube: Many people provide free tutorials on YouTube. A company can collect and organize helpful videos for their employees in playlists.

Udemy is a platform that allows instructors to publish online courses on their preferred topics, especially in video format. PowerPoint presentations, PDFs, audio files or zip files can also be uploaded. Course participants and instructors can interact via "questions and answers", "messages", and emails. There are both paid and free courses on Udemy.

LearnWorlds is a powerful, easy-to-use, and reliable training solution for individuals and enterprises. It is a fully customizable, white-label solution to train employees and associates, educate customers or sell online courses to a wide audience.

Thinkific is a powerful, all-in-one platform for educational courses. A corporate account on one of these platforms can offer educational courses for all employees on an affordable basis.

Wikiversity is a free-of-charge platform which contains many contents for learning and courses. That's the project of Wikimedia Foundation and it develops learning projects for all kinds of education: from pre-school to university. The platform is accessible in English, German, French, Russian and some other languages.

OpenLearn is a platform which contains free courses not only for pupils and students, but for employees as well. The life-based courses touch upon education and development, money and business, science and self-development. All courses are accessible in English.

TED is a great platform which enables watching many educational themes. The video are recorded and then everyone is free to watch them. The platform may be useful for employees especially in terms of themes related to leadership, innovations, business and entrepreneurship. All materials are available in English. TED is also the innovative platform which offers some free ideas blog.

Openstax is a free platform with many free books and courses for many themes such as e.g. biology, astronomy, anatomy, psychology. For entrepreneurs and employees, the materials about economics may seem to be useful. All materials are written in English.

Bookboon partially open resource for books, for university and for leading business, also for employers and employees.

Coerll – the Center for Open Educational Resources and Language Learning – is a platform which contains materials for foreign languages free available.

8.2 Educational Leave

Educational leave is a special form of leave that encourages professional or political further education and is regulated by law.

Germany:

For an educational leave, the employer must give its employees paid leave for further training. Employees have a legal right to this (in 14 of 16 federal states). Educational leave is granted **IN ADDITION** to regular leave entitlement - so no recreational leave is reduced or deducted for educational leave. The content of the further education does not necessarily have to be related to the professional activity.

As a rule, employees are entitled to five days of educational leave per year or ten days in two years.

The content of the continuing education does not have to be directly related to the professional activity. The spectrum ranges from language courses and specific technical training to political seminars or personality-building courses.

The prerequisite for the exemption is that the course is recognized as educational leave. During the educational leave, the employer continues to pay the wage or salary, as in the case of a regular vacation.

The employer does not pay the course fees, expenses for teaching materials, or costs for travel and accommodation. The employees must bear these themselves. However, they can claim the expenses in their tax return.

Poland:

The Polish Labour Code describes educational leave as a leave which can be granted to an employee who would like to acquire and enhance their professional competences, if the acquiring or enhancing results from the needs of employer or was arranged between the employer and employee. The employee can be granted the educational leave as follows:

- 6 days for employees who take an external exam;
- 6 days for employees who take high school exam;
- 21 days in the last year of studies for writing a bachelor or master thesis and preparing for final diploma exam.

The other conditions of the educational leave can be presented as follows:

- The educational leave is paid under the condition that the process of acquiring and enhancing of new competences ends up with the above mentioned exams;
- it can be granted only at the request of employee;
- an employee who has not been sent to the exams by the employer, just made the decision on his own, cannot request the educational leave;
- the main criteria for granting an educational leave are: employee should be hired on employment agreement and the employer should consent to the leave;
- the employer cannot reduce the number of days which can be granted as the educational leave.

Denmark:**Leave from work.**

There is no official system in Denmark on study leaves. An employee has no claim or right to take leave from a job to study and keep the possibility to come back to the same job or receive unemployment benefits. The rules for leave depend on whether you are a private or public employee, as well as what duties, if any, you will perform during the leave. Read here which rules apply to you.

Leave: If you are granted leave, it is your employer's responsibility to ensure that there is a vacancy for you within the same area of employment when you return. You can be terminated on the same terms as other employees during your leave.

There are different options for taking leave depending on whether you are a public or private employee. Special rules also apply if you are to be posted, do military service or perform civil duty. **As a rule, leave is granted without pay.**

If you are a private employee: As a rule, you are not entitled to leave as a private employee. However, it may be that you are covered by a collective agreement or a special personnel policy at your workplace that allows you to take leave as a private employee. Special rules apply if you are to carry out civil duty, which you can learn more about further down the page.

If you are not entitled to leave, you can negotiate your leave options with your employer.

If you are a public servant: As a public employee, you are entitled to leave of absence, provided that it does not conflict with the employer's interests. This means that your employer must justify a refusal of your request for leave. The refusal must argue that your leave will be detrimental to your employer or workplace. As a public servant, you have no time limit on your leave. However, it is most common to grant leave for one year at a time.

Estonia:

Estonian Adult Learning Act provides adult Learner's Right to Study Leave. The Act states the following:

§ 13. Application for and remuneration of study leave

(1) In order to participate in formal education or continuing education provided by a manager of a continuing education institution, study leave shall be granted to employees and officials (hereinafter together the employee) on the basis of an application thereof and a notice from the education institution for up to thirty calendar days in a year. In case of a training based on the interests of an employer, the provisions of clause 28 (2) 5) of the Employment Contracts Act or § 31 of the Civil Service Act shall be applied. Study leave shall also be granted for participating in formal education or continuing education of an equal foreign educational institution.

- (2) A note on staying on academic leave shall be made in the notice from an educational institution. An employer shall have the right to refuse to grant study leave for the passing or completion of the curriculum in which the studies have stopped due to academic leave.
- (3) During the study leave granted for participation in formal education and continuing education with the purpose of professional development, an employee shall be paid the average study leave pay based on a calendar day for twenty calendar days pursuant to the procedure provided for in subsection 29 (8) of the Employment Contracts Act.
- (4) For the completion of formal education, additional study leave of fifteen calendar days shall be granted for which the employee shall be paid study leave pay calculated on the basis of the minimum wage established under subsection 29 (5) of the Employment Contracts Act. Upon calculation of the study leave pay, the number of study leave days shall be multiplied by one month's average study leave pay rate per calendar day calculated on the basis of the minimum wage. In order to establish the month's average study leave pay rate per calendar day, the minimum wage shall be divided by the number of calendar days in a year and divided by twelve. An employer may refuse to grant study leave for the completion of formal education if he or she has already granted a leave to the same employee for the completion of the same curriculum.
- (5) In the application for study leave, an employee shall determine whether he or she wishes to be granted a study leave for participation in studies or for the completion of formal education.
- (6) An employee shall notify the employer of the use of study leave not indicated in the holiday schedule at least fourteen calendar days in advance in a format which can be reproduced in writing.
- (7) In addition to the specifications of subsection (1) of this section, a study leave for the completion of formal education shall be granted to participants in the external study of institutions of higher education on the conditions provided for in subsection (4) of this section and pursuant to the procedure provided for in this section.

8.3 Relief from age-critical burdens

Apart from health restrictions that cannot be excluded in principle, every person changes in the course of his or her life. At the beginning all physical and mental capacities grow. But with ageing, from the third decade onwards, physical capacities decline, the sensory organs become weaker, but mental, psychological and social capacities may grow and stay at a high level. Attitudes to life and work, motivation and commitment are subject to change in different phases of life (family, children, relatives to care for). Lifestyle has an influence on health, the personal environment has an influence on one's own values and behaviour.

The changes have an impact on the stability of the relationship between human capabilities and work demands, i.e. on the ability to cope well with work. The fit between person and work can be measured (Work Ability Index) and should be done regularly - about every three years.

Since some activities, sub-activities or framework conditions (such as shift work/night work) (can) become critical due to the duration of the stresses and/or with increasing age, on the one hand the risk assessment must be geared to age and ageing-sensitivity and on the other hand relief must be provided in the work or by changing the activity. Older employees with limitations in physical requirements but a wealth of experience can be useful for example for training processes of younger colleagues, as internal mentors, or in customer advisory services.

If the work demands can no longer be met with increasing age, e.g. due to health impairments, then it must be examined whether relief is possible through changes in the burdens, e.g. with regard to the amount of work or the working hours. This serves to keep the employee employed and to ensure competence and loyalty from the company's point of view.

If possible, the exit from working life should not happen abruptly. The post-employment phase should be prepared - the company can support this with counselling services, seminars, checklists and personal discussions.

If you are interested in the topics "Promoting Work Ability" and "Ageing Management", the publications from the Erasmus+ project "Work Ability Management" are recommended:

- (1) Support of the aging in the workplace

https://www.agemanagement.cz/wp-content/uploads/2021/06/Support-of-the-aging_A5_final.pdf

- (2) Methodology for Managing Work Ability for Employed Persons or Considering a Change of Profession – Needs and Implementation Tips

https://www.agemanagement.cz/wp-content/uploads/2022/03/2022-02-methodology-for-managing-work-ability-A5-WEB-komprese_final_ang.pdf

8.4 Best Practice Example

With increasing age, knowledge, cognitive abilities and skills grow on average. At the same time, physical abilities (strength, mobility ...) decline. In order to avoid health impairments, excessive demands and under-challenges should therefore be avoided for both younger and older employees. An occupational career course oriented to age and ageing as well as to the duration and intensity of stresses can be systematically planned and realised.

Example Grinding

To enter the profession/job of a grinder, the employee is initially given smaller parts of up to 20 kg weight that require manual handling for familiarisation, habitualisation, and development of routine. Internally, this grinding is called "rough machining" because the permissible tolerances are about 1 mm.

After the workers have been proven and if they wish, the transition is made to larger parts that have to be moved with handling systems due to their shape and weight (up to 300 kg). This so called "fine machining" happens in a tolerance range of up to 1/10 millimetre. With increasing age, abilities of the sensory organs (here: seeing, hearing, touching) decrease and with them fine motor skills and precision. If necessary and/or personally desired, the workers then switch back to rough machining.

Example Craft business in construction and finishing

The 60-year-old old journeyman can no longer physically cope with the strenuous work on the building site. He is given a new task that matches his many years of experience and great knowledge. He becomes the company's senior advisor - internally he is a mentor for all new employees and in regular visits to the construction sites he ensures the quality assurance of the workmanship. Externally, he takes on the task of advising customers before and during manufacture and ensures close customer loyalty through quality control debriefings.

9. Corporate Culture and Relationships between leaders and managers and their employees

Organization's culture is a set of values, behaviours, written and unwritten rules that the company and its employees follow. The smaller the company, the more probable it is that those values and rules are not documented, but rather take place as actions by the founder / owner and the employees. However, the bigger the company, the more important it is to have them documented, in order to pass them on to newcomers of the organization and maintain the culture and values.

Employee relations are all the activities that influence a company's relationships with its employees. Positive employee relations create a satisfied workforce. This can provide a major competitive edge for a company. The World Economic Forum just confirmed in a new study that happy employees were 13% more productive than unhappy ones.⁶ The aim is to replace “work by the book” with fulfilling work.

Global start-ups have done a lot of testing and experimentation in this frame since their areas of expertise are so much in demand. Keeping the company cultures striving even if the company is growing fast is both a challenge and an opportunity. The good thing is that there is a lot of convincing science research that confirms to managers and leaders that spending time and effort in soft measures leads to higher engagement and more efficient work force.

Neuroscience has also gone a long way and has now built a track record with research showcasing those safe corporate cultures lead to more productive teams and employees. Last, but not least, leading teams around the world have tapped into how to create workspaces which will encourage employees to share and learn from each other.

Why it's worthy to invest in organization culture? - Because there are two type of motivation: extrinsic and intrinsic. Extrinsic motivation is short-term and follows the “carrot and sticks” method, where the ones who follow the rules are rewarded. The intrinsic motivation consists of 3 parts, according to Daniel H Pink, which are (1) autonomy, (2) mastery and (3) purpose. Intrinsic motivation lasts long term and brings viable results.

⁶ <https://www.weforum.org/agenda/2019/11/happy-employees-more-productive/>

Benchmarking is a common practice all around the world. The same applies for great work cultures. There are nominations of Great Places to Work listings in nearly all countries in the world. Although, the lists are dominated by global tech companies, don't be intimidated by it! Check out what they have done in order to build and maintain the unique corporate cultures. You'll be surprised how many things they bring out don't need much of money but just a will power and time for implementation.

9.1 Employee Surveys

Employee surveys and other anonymous communication channels can help one gauge employee relations and identify areas for improvement. Responding to the results can further boost morale by showing that the manager took the feedback to heart and has implemented optimising measures.

Appreciation: Immediate managers can get indications for improvement (behaviour and conditions) from annual interviews as an appreciative exchange on experiences and expectations.

More and more companies have turned to carrying out 1-1 conversations periodically. Who would like to wait for a year to discuss the points of improvement and other self-development related issues? While smart phones have made a grand proportion of people always online and tapping smoothly on changes, the employee's needs and appreciation should occur as an ongoing practice, not once per year meeting.

Digital support is possible. Anonymous questionnaires can be programmed by a variety of different tools, e.g., **SurveyMonkey**. But it should be noted that the informative value of the survey depends on the quality of the survey instrument. Quality criteria are:

- **Validity:** A measurement is valid if it actually measures what it is supposed to measure and thus provides credible results.
- **Reliability:** Reliability refers to whether the analysis (e.g. when carried out repeatedly) provides reliable results.
- **Objectivity:** An analysis is objective if there are no unwanted influences from people involved.

Therefore, it is advisable to use tried and tested instruments instead of self-designed questionnaires. This is especially true if comparisons are to be made with other companies. Employees must also have the impression that data protection and anonymity are guaranteed.

ReMesh is a new tool emerging which allows to tap into up to 1000 people's sentiment at the same time. The live session on web platform is facilitated with the help of artificial intelligence interface which helps the one carrying out the simultaneous questions to group answers and get the overall sentiment by respondents. More and more companies are using it instead of the yearly questionnaire.

Autonomy Audit is available free of charge by the author Daniel H Pink. The author advises to use the audit periodically in order to see the changes of behaviour in a longer term perspective. Check out more from: <https://www.danpink.com/audit/>

9.2 Employee-centric organizational culture

"Employees first" attitude has described the culture of tech start-ups in the latest decades, but not only. How would you evaluate the impact of trade union to the production company in early 20th of century? If not employee-centric, then how to classify all those initiatives run by trade unions? Long since the early 20th of century, the laws and their enforcement to protect employees has enabled the employees to enjoy more regulated work time, pay and safety issues. Visionary leaders such as T. Ford or Bruno Concinnely have long realized that only the companies who empower their employees and don't treat them like things will thrive.

Especially throughout the past few decades, with the rise of technology companies, the mindset of employee-centric organizations has grown. This also happened thanks to widely published scientific research showcasing that happier employees feel more engaged with the company, have more will power to learn new skills and execute new ideas.

But not only that - the rising living standards around the world have enabled many people to rise in the ladders of Maslow hierarchy higher than any generation before. Though, there are people who are still struggling for daily survival and access to food and shelter, more and more people are looking for self-fulfilment. And this has changed dramatically the expectations towards the workplace. It is no longer a place to earn money for covering needs of food & safety, but much more.

Digital Support:

happyme.ee/en is the world's most employee-friendly career and talent management tool. You can find out how much of your employees' potential is untapped, because people are somewhat dissatisfied, even though when being aware of it, it's actually easy for you to change it. Happy Workplace helps managers research well-being at workplace and design an employee-centric organizational culture.

9.3 Best Practice Example from a craft bakery in Mosina

One of the craft bakeries in Mosina agreed on sharing the best practice from their HR solutions. The bakery is led by the owner and is micro company, family business established 1984 by the owner. Apart from employees, the bakery hires 25 employees: 1 external person for social insurances, HR and remuneration management, 15 bakers and employees in 5 shops, 1 driver. All bakers have work agreement, driver and HR specialist are hired in part time dimension. The most decisive in that company is the owner – he often decides who will be employed and leads the job interviews.

Problem: The main issue diagnosed during analysis of the Human Resource Management system at bakery was the fact that despite the size of the enterprise resource department human beings actually does not exist as such. The main person deciding on the strategy and directions of staff development, as well as for some operational activities (employee development, promotions and career paths, remuneration methods) is the owner. The company's personnel policy is shaped by many people performing certain functions, mainly during meetings and tailor-made projects for current situations. There is no knowledge of how to identify talents in the company, how to educate them and prepare them for fulfill future roles in the organization.

Solution: The owner, in cooperation with a business consultant have diagnosed the above-mentioned problems and decided to implement solution for identifying talent – he outlined the employee evaluation form. First a questionnaire was developed. It contained questions about formal education, self-assessment of employee (how he regards his weaknesses and strengths), opinion of other colleagues and what factors is he successful at. The questionnaire was supported by the interview led quarterly. After making common corrections and possible of amendments, the correct document was created being a response to diagnosed problems. The advantages were:

- Getting practical serving tools to improve own results and the team.
- Improvement employee skills strive for success.
- Better adjustment for employee's educational and training needs.
- Receiving information feedback about assessed competencies and potential possibility of self-assessment and comparisons your solutions at work with others.
- Skilful monitoring results of employees.

9.4 Best Practice Example Employee Survey on Work Ability and Well-being at Work

A regular (every 1 to 3 years) survey of all employees on their assessment of their work makes sense if the company draws conclusions from the indications and implements supporting measures. Many companies do this, some with home-made questionnaires, others use instruments that have been scientifically tested for reliability and validity, to ensure that the answers are meaningful – which makes perfect sense if reliable findings are to be obtained.

From the multitude of different analytical instruments, the “Personal and Company Radar” to explore work ability and well-being at work is presented here. The validated instrument was developed in Finland. The essential statement for the necessity of its use is as follows: “The most important asset in the working life of employed persons is her/his work ability. A positive company result is only possible if the employees are able to work. As a result, the company has a certain role in maintaining and promoting the employees.”

Statistically evaluable results are obtained with 18 questions on the perception of working conditions in the areas of health, competence, values including motivation and commitment, leadership, work as well as work-life balance {How are you doing at work?} and 6 questions on the assessment of work ability {What is the balance between what is required of you at work and what you can currently achieve?}. With three open questions on what is good at work, what is particularly stressful and what is most important to change, additional qualitative information is collected.

Example Local Public Transport

The company made a first survey in 2015. A repeat survey was carried out in 2018 to check the effectiveness of change measures. It was found that the measures were too small-scale, were not

implemented in a timely manner and responsible managers did not perform their tasks adequately.

As an incentive for active change, part of the bonus was linked to successful implementation and improved results of the survey. Nevertheless, the 2020 analysis did not show any statistically striking changes. Only the fourth survey in 2022 shows significantly better assessments in both the cross-sectional and longitudinal analysis. The measures are more effective because they have a direct impact on working conditions. - Changes in the organisation and especially in the corporate culture require continuity, perseverance and staying power.

10. Job Design

The work must be appropriate for the person. Work ability is the balance between a person's capacity and the demands of the job. Work must be harmless, feasible, tolerable and conducive, but also challenging enough for the person to find motivation in the job. The existing competencies must be required in the work, and the work must match the person's competencies and health status. The competencies must be kept up to date at all times so that the person can master his/her job and the company can make optimal use of the competencies in relation to the company's strategy and future plans.

Job Design Methods

Job rotation: Job rotation is a technique of job design in which employees are exposed to a variety of responsibilities and profiles throughout the firm. Employees are rotated through numerous job profiles to see which occupations are most suited to them.

Job simplification: Job simplification is a way of job design that is based on the complexity of the work. Identifying mechanical processes, repetitive labour, one-product development, tools, and talents necessary are all part of this process.

Job enlargement: Job enlargement is a job design technique that adds new duties and value to an existing job profile. Aside from the core skills and talents required to accomplish the basic work, job expansion provides the employee with more duties to complete.

Job enrichment: The job enrichment method of job design focuses on enhancing an employee's work by giving them additional responsibility, value, and decision-making authority. This benefits a person's professional development as well as their personal development.

10.1 Employee Development Interview

Employee Development Interview (EDI) is an important tool to get an overview of the expectations from the employee to the job and how it fits in with the company's expectations and strategy and where the gaps might be. When using EDI, you must take it seriously and act on the outcome of EDI and continuously follow up on whether the employee is coming in the desired direction in relation to the agreements. It is necessary to have a fixed schedule to gather the information about the employee's current competencies and future competencies. During this

meeting the specific tasks of the employee can be discussed in detail. Dissatisfaction with the current tasks can be countered by using the described job design methods.

Digital Support: Currently there are no obvious digital systems available to support job design. There are no "finished" IT systems here. The companies most often use windows excel or a "database system" where data is collected about the individual employee's competencies and their tasks. Based on these "database systems", the companies then draw overviews that are used in the training planning.

10.2 Job Rotation

Job rotation means "job change" and is a measure for workplace design. Employees change their jobs and the associated tasks at predefined intervals. This could be an insurance salesperson, for example, who switches between field and office work. Job rotation is, among other things, a measure to make work content and conditions more people-friendly. In this way, monotonous tasks and one-sided stresses are avoided and the employee gains qualifications in different areas. The employee's scope of activity expands through job rotation and the company can deploy him/her in different areas in the future. Job rotation pursues different goals. If relatively short job rotations take place, this contributes, for example, to a reduction in stress. Additional recovery periods may no longer be necessary and fatigue can be easily counteracted. Job rotation can also help to make work less monotonous and provide variety. Employees with varied tasks perceive their tasks as more interesting overall and identify more strongly with the company. This leads to greater employee satisfaction and higher employee loyalty. The fluctuation rate is significantly reduced and companies save on recruiting costs. Especially in times of massive shortages of skilled workers, it is important to retain employees in the long term.

Job rotation can aim at different effects:

- Developing and deepening the expertise gained so far
- Gathering new experiences
- Avoidance of work monotony
- Qualification of employees for new work areas.

In personnel development, job rotation is a common method, for example, to promote the next generation of managers, to train and increase the flexibility of selected employees, or to promote

understanding between individual departments - with the aim of improving the working atmosphere and common processes.

The all-important thing for a job rotation to serve its purpose is to be found in the little word "systematic" to which it is inextricably tied.

First of all, HR departments need to know: Basically, the range of tasks for each job between which employees rotate remains unchanged. Job rotation can happen in a fixed rhythm as well as in a flexibly kept change. In this case, employees who hold equivalent jobs usually change jobs.

However, it is also possible to rotate between jobs with different levels of requirements. And: Whereas in the past, job rotation was only carried out within a single department or specialist area, in times of globalization, when companies often have many locations, job rotation is no longer bound by departmental or national boundaries.

Job Enlargement: This is ideal for areas with fluctuating order volumes, for example. Here, job rotation can help to increase the flexibility of employees. If the workload in their own department is low, employees can get to know processes in other departments through job rotation. If the workload in one area is high, any personnel gaps that arise can be filled with precisely these employees. The advantage: On the one hand, the monotony in the daily work routine is reduced, on the other hand, the economic utilization is improved.

Job Enrichment: In this form of job rotation, employees are assigned tasks with higher requirement levels. In this way, for example, prospective managers can be successively prepared for their new role. They gradually learn to take on more responsibility and experience what it means to have greater scope for action and decision-making. In addition, skills that a prospective manager needs in his or her everyday life are trained: Personnel management, making decisions and conflict tolerance, for example.

Job rotation can also take place from a higher position to a lower position. For example, the job rotation of managers who occasionally take on executive tasks in their own specialist area has been proven to promote foresight and understanding towards their own team.

Digital Support: Is not necessary for this measure - unless the variety of different activities and requirements is so high that a tabular list (e.g. Excel) helps to keep track.

10.3 Best Practice Example Job Rotation

There are many jobs in crafts and industry that are physically demanding (heavy/large parts, heat, noise, dust, dirt), cognitively demanding (complex work content, concentration, teamwork, structural cooperation) and mentally/psychologically demanding (risk of accidents, time pressure). In order to avoid excessive demands and for variations in the workloads, systematic changes in activities through job rotation are recommended.

Example Drop Forge

The tasks of three workers require smooth structural cooperation in the interplay of people and machines: the tool is sprayed with an oil emulsion, the conveyor inserts the warm raw material, the machine operator moves the die, the conveyor removes the workpiece, the sprayer ... The tasks are regularly rotated by all workers. The changes can take place e.g. during a shift, from day to day or weekly. In order for this to function effectively, everyone must master all activities. Continuity in the staffing of the team is advantageous.

Example Unit Assembly

In an assembly unit with 6 subtasks, each subtask is performed in 70 seconds. The tasks require, among other things, working overhead, kneeling and twisting the spine. To reduce monotony and for physical and cognitive load alternation, the tasks are changed every 35 minutes so that each worker performs each subtask 2 times per day. - This works as frictionless as each worker has mastered all subtasks in terms of qualification and can perform them in terms of health. Because this was not fully guaranteed, an additional person was provided for the full qualification phase to compensate for absences for the training sessions. For further relief, a more complex sub-task was divided into two sub-tasks, so that the tight cycle binding was reduced for this activity and "micro-breaks" were introduced.

11. Mental Illness Prevention

Modern working life is complex, dense with information and often requires quick decisions. Employees are required to deliver quick results, flexible solutions and customer friendliness. This requires above all mental and emotional work from people - in other words, mental skills. The

psyche has become our Achilles' heel in the modern working world. Work can endanger our mental health in two ways:

- 1) The demands and working conditions themselves can be so unfavourable that they contribute significantly to our becoming mentally ill.
- 2) Or we may be mentally distressed for other reasons and notice that our performance at work is limited because of it.

This, in turn, leads to additional stress because performance is a top priority in our society. Stigmatization and discrimination against people with mental illnesses are unfortunately still common. Mental stress is generally taboo in our society and at the workplace.

But the prevention of mental illness is as important as the prevention of accidents at the workplace. Psychological well-being needs the same attention as physical well-being. Employers should therefore take the appropriate measures to prevent mental illness of their employees.

11.1 Recognize Early Warning Signs

Some early warning signs show up with multiple psychological stresses, others are more specific in nature. For the manager, it is a matter of extending the antennas of perception and getting mental disorders on the radar as a possibility in the first place. This applies to signs that you recognize in others as well as those that may become apparent in yourself.

General signs: Fluctuations in performance, unpredictability, thin-skinnedness, increased irritability, susceptibility to conflict, tension, exhaustion.

Early warning signs of high stress levels: The neck is tense, the stomach is on fire, the heart is pounding, or the chest is tight. Negative thoughts are circling and cannot be stopped. At work, the head is suddenly empty. Physically, you are tired and exhausted, but sleep is still hard to find.

Early warning signs of burnout: You only see mountains in front of you. A feeling of heaviness spreads. You put things off - even at home. You don't really recover during sleep or on weekends. And the vacation effect is gone again after a few days.

Early warning sign of depression: You feel tired and exhausted, no matter how long you've slept. Some sufferers wake up very early in the morning and/or lie awake for a long time before falling asleep. One is quickly irritated, feels criticized or rejected. Conflicts accumulate.

Concentration is difficult, one seems absent and scattered. Consistency in performance is no longer present: Sometimes nothing works at all, and those affected may even call in sick. The next day, everything goes on as usual. Nothing is fun anymore.

Early warning signs of addiction: Those affected show thin-skinnedness or even fits of rage. On the other hand, they are often over-friendly. Conflicts and performance fluctuations increase. Short absences are more frequent. An odour of alcohol is noticeable (breath, skin).

11.2 Talk with your Employee

It is a challenge to have a talk with one of your employees about mental stress, but it is important to know that there is never a perfect moment to have this talk. If you have unpleasant feelings, the first thing to do is not to wait, but to act. Seek out the conversation. If there really is psychological stress, early action is crucial. It not only improves the affected person's chances of recovery. It also largely prevents those around you from having to take the blame, because you can take supportive measures in good time.

Holding a conversation in such a confusing situation is indeed a challenge. You may be uncertain, you may not want to hurt your employee, and you may also lack the right words. Two things are important: Firstly, that you name your perception value-free, but clearly; secondly, that you express your appreciation at the same time.

Such conversations are easier if they don't have to take place in a complete vacuum. As a manager, therefore, get into the habit of regularly giving your employees space to talk about their mental state. If someone is walking around the company with a stiff back and a pain-streaked face, ask about it. Take advantage of a quiet minute and ask the project manager, for example, how he is getting on with the task and the new team.

Don't expect it to be done with a single conversation. It usually takes several attempts before the employee is willing to talk to you about mental stress and to talk to you about psychological stress. If you feel uncertain: There are professional counselling options (e.g. from health insurance institutions) ranging from "how do I carry out such a conversation" to offers to the worker for therapy where you can get information and support.

11.3 Make Mental Health Self-Assessment Tools Available to all Employees

A first step for improving your employees' mental health can be the availability of mental health self-assessment tools. By providing your employees with these tools you show them that they are in an environment that cares about their mental health and that potentially emerging problems are taken seriously. Of course, you should offer the employees to take the online screening in the privacy of their home.

The employees will be provided with referral information directly upon receiving their results. Please remember that a screening is not a diagnosis and make sure everyone's aware of this too. A screening may simply indicate a need for further assessment and treatment by a qualified mental health professional.

If the relationship of trust between employer and employees is good enough, company supervisors can be available as a contact person. In any case, it is advisable to have a list of institutions and persons who can offer support (e.g. social counselling, diagnosis, therapy) as externals.

Digital support: There are many associations, groups and websites offering free mental health self-assessment tools. You can provide one of the following solutions to your employees or look for national offers:

- <https://www.admboard.org/addiction-mental-health-self-screening.aspx>
- <https://screening.mhanational.org/screening-tools/>
- <https://www.psychologytoday.com/us/tests/health/mental-health-assessment>
- <https://www.thinkmentalhealthwa.com.au/mental-health-self-assessment-checklist/>

11.4 Host Seminars

Another possibility to spread awareness of mental health issues in your company is to host seminars or workshops that address depression and stress management techniques, like mindfulness, breathing exercises, and meditation, to help employees reduce anxiety and stress, and improve focus and motivation. It is important to identify unwholesome mental stress at an early stage (risk assessment) and to take appropriate company measures to avoid or at least reduce conditions that cause illness or to create conditions that promote health.

The earliest possible identification of negative high mental stress can also be done by colleagues and supervisors when they notice conspicuous changes in behaviour. Constant complaining and a general negative view of things, even sarcasm, frequent mood swings, depressed moods, excessive irritability, impatience or nervousness can/should be a reason to investigate the causes and think about possible solutions with the person. This requires trust and a mindfulness-based conversation. This can also be learned.

In these seminars your employees can learn about mental stress, its concept, causes and consequences. They learn to recognizing stress and burnout and about legal starting points for works council work. Often topics like dealing with those affected and how to develop a resilience as a way of dealing with crises and difficult situations are addressed as well. By creating an environment of awareness about mental illness at the workplace you can achieve that the employees take care of each other and therefore take of a burden from the manager's

Digital Support: Many of these Seminars are now also available as webinars. Check out the options and choose a solution most suitable for your company and your employees.

12. Occupational Safety and Health

Ensuring a safe and healthy work environment is a fundamental function of Human Resources Management. Based on the European Framework Directive on Safety and Health at Work and the respective country-specific laws, regulations and standards, the regulations contain, for example, obligations to engage Occupational Safety and Health specialists and duties such as creating safety guidelines, carrying out risk assessments, or conducting emergency planning.

12.1 Appoint an Employee Safety Leader

No matter the size of your company or the nature of your work, it is important to have a point person for workplace safety. A safety leader is someone who not only practices personal safety but also encourages others to do so. There are individuals who not only adhere to safety guidelines to the letter, but also speak out in a positive manner when they see someone doing things in a safer manner. Anyone who demonstrates these characteristics may be a safety leader:

- Security protocols must be understood and followed.
- Reporting safety concerns as soon as they emerge and proactively avoiding safety concerns.
- Putting in place new procedures to boost protection.
- Inspiring others to prioritize protection.

Managers and supervisors are not required to be safety leaders. It may be someone with a positive social impact on their colleagues and a desire to improve workplace safety. It is important to remember that a safety leader can act more like a cultural influencer than a hall monitor.

Digital support is not necessary in general. But the employee safety leader can use a variety of digital tools for accomplishing his purpose and informing his co-workers.

12.2 Risk Assessment

In most countries, risk assessment is required by law. An age, ageing- and gender-sensitive assessment of physical, psychological, cognitive, emotional and social stresses and strains is helpful. Suitable measures for change are to be derived from the results and implemented.

There are a larger number of checklists and tools for risk assessment. They range from very rough assessments by the manager to more elaborate and thus meaningful evaluations. The assessment of mental risks as well as the recording of stresses should not refer to similar activities, but must be individually oriented. A rough screening with valid instruments is the first step. The main objective is to derive measures that lead to a reduction or avoidance of undesirable workload and stresses.

Digital support: Risk assessment (RA) in itself can of course only be carried out on site and by qualified persons. There are a number of offers for RA tools on the internet. In any case, it is advisable to choose tools that are assessed as valid and action-instructive by an official body (ministry or subordinate institutions for occupational safety and health, employers' liability insurance association or similar). For the compilation of results and derived measures - as far as the commercial offers do not contain it - self-made applications can also be suitable, e.g. by using Excel or a project management application.

12.3 Instruction in Occupational Safety and Health

In many countries (e.g. Denmark, Estonia, Germany, and Poland) there is a legal obligation for the employer to inform all employees of injuries and hazards at the workplace and in the work environment. Instructions ensure that employees receive appropriate explanations and guidance to minimise the risk of danger. In several sectors (e.g. construction), such trainings should be repeated.

This concept of frequent mandatory training sessions can be implemented as corporate policy for all employees. Expected results are fewer accidents at work and thus less days of sick leave. Also, many employees will feel safer at their job.

Digital support: For the trainings, ready-made materials such as computer-based self-learning systems or instructional videos can be used in part.

12.4 Additional Insurance for Employees

The enterprise could organise additional insurance for employees in the case of accident at work. This can reduce the risk for the company and increase the attractiveness of the job for the

employee. The company is protected against lawsuits from employees and can reduce its financial risk arising from compensations or absenteeism.

Digital support: Insurance policies can be bought via the traditional insurance agent or online/via an app. In addition, updating and comparing the corporate insurance policies can save a lot of money for the company.

12.5 Checking the technical condition of machines and equipment frequently

In many SMEs and especially in craft enterprises, employees use specialized machines and equipment. In order to ensure the safety of the employees, the enterprise should – in many cases must – regularly check the technical condition of all machinery and equipment. This action can reduce the overall maintenance costs, increase employee's satisfaction with the workplace and mitigate the risk of injuries and resulting financial costs for companies.

Digital support is possible. The company can use tools, like automated reminders and digital checklists to ensure a frequent check of the machines and equipment.

12.6 Best Practice Example

Risk assessment taking into account age, ageing, life phase and life situation as well as gender.

Evidence from several disciplines (including occupational science, ergonomics, medicine, physiology, psychology) shows that with increasing age and due to long-term stress, the ability to cope with various activities becomes difficult. This mainly concerns physical abilities (decreasing strength, endurance, etc.), but is also evident in cognitive, psychological, social and emotional stresses. At the same time, it is known that gender-specific conditions are not sufficiently taken into account either ergonomically (frequent orientation towards male standard sizes) or in terms of work organisation (e.g. working hours) and that needs due to life situations (e.g. care of children or relatives requiring care) are neither systematically recorded nor led to suitable relief and support measures in a regulated procedure.

In several stations of a hospital, the - predominantly female - nursing staff demanded that more attention should/must be paid to their working and living conditions such as age-related restrictions, gender (female characteristics) , relatives to be cared for, among others.

The existing risk assessment did not provide for these requirements to a sufficient extent. Therefore, pilot tests of an extended risk assessment were carried out in three wards (between 23 and 30 persons, heterogeneous age structure with approx. 10% of the staff under 30 and over 60 years), which included aspects of age and ageing as well as gender-specific conditions and life phases.

Examples for content extensions and for approaches to solutions:

- **Vision:** With age, the adaptability of the eyes changes → individually adaptable illuminance levels
- **Hearing:** With increasing age, the hearing ability decreases → Reduction of background noise, differentiated frequencies of acoustic signals
- **Indoor climate:** Sensitivity to heat/cold changes with age and during the menopause → Individual adaptability at workplaces; information and procedures for communicative understanding when working in mixed age teams
- **Ergonomics:** consideration of different body sizes → height-adjustable tables, ladders, steps and standing aids
- **Gender-specific conditions:** During menopause, hormonal changes cause physical and psychological consequences such as complaints like hot flushes, sleep disorders or mood swings → Clarification and procedures for communicative understanding when working in mixed-age and mixed-gender teams
- **Life phases** → Reliable duty scheduling, no fetching from non-working time & taking individual needs into account in duty scheduling in terms of work organisation
- **Psychological and social stress**, especially in crisis situations → Rapid crisis intervention, offer of individual and collective supervision.

13. Labour Law Compliance and Diversity Management

Ensuring that corporate practices comply with state and federal regulations is critical to safeguarding the employees and your company. A compliance program should include policies to prevent harassment or discrimination based on race, religion, sex, pregnancy, national origin, age, disability, and genetic information. These characteristics are protected under federal law. Many states also protect employees from discrimination based on sexual orientation and gender identity. Harassment and discrimination complaints often focus on hiring and firing decisions, pay equity, promotions, employee conduct, employee leave administration, relationships among staff, and retaliation for complaints.

13.1 Communicate the Corporate Social Responsibility Policies in writing

The Corporate Social Responsibility (CSR) handbook should include policies prohibiting discrimination and harassment and provide a means for employees to report infractions.

CSR for SMEs is the title of an EU project developed and carried out by the Hanse-Parlament with the aim of training owners and managers of SMEs in CSR measures. The training and advisory programme provides participants with essential skills such as personal responsibility, innovation and cooperation ability, communication skills, identification, participation, etc. A developed manual, as well as further education regulations are available in German, English and Polish.

<https://www.csr-smes.eu/>

Digital Support is possible. The document with the CSR policies should be available as electronic document (e.g. pdf). Additionally, a company can supplement the documents with explanatory videos and interactive features.

13.2 Labour Laws and Regulations

Checking compliance with all labour laws (e.g. working hours and holidays), state regulations (e.g. on workplaces and hazardous substances), collective and company agreements should be regularly reviewed and applied in practice in the company.

13.3 Diversity Management

The technique of planning, strategizing, communicating, and executing the idea of diversity and inclusion in a group is known as diversity management. A group can be a firm, an organization, a religious entity such as a church or temple, a government, or even a country. At the end of the day, being more diverse and inclusive can improve anything. Diversity management is defined as taking steps to address, support, and accommodate the requirements and lifestyles of identified groups. Educating, promoting, and providing support for diverse diversity kinds are all part of diversity management tasks. Race, gender, religion, ethnic and visible minorities, LGBTQ (lesbian, gay, bisexual, transgender, queer), indigenous peoples, and many others are examples.

It has already been proven in numerous studies, for example the Page Group study, that companies that practice successful diversity management have the following business advantages, among others:

- They have a stronger corporate culture.
- Employee morale is boosted and the sense of belonging is intensified.
- Work processes are advanced.
- Talents and potentials are used in the best possible way.
- Work-life balance comes into focus and absenteeism is reduced.
- The fluctuation rate is lower.
- You have a more open feedback culture.

Diversity management requires the targeted awareness and use of the diversity of individuals, thereby creating structural and social conditions under which all employees can develop their full potential.

It is therefore important to go through one's own company with one's eyes open. Specifically, the following competencies are required for successful diversity management:

- Perception: Who does what work in the team? What makes individuals stand out in particular?
- Sense of responsibility: Whoever leads a team is responsible for ensuring that the processes work and the atmosphere is right.

- Sensitivity: Gender mainstreaming and diversity management require a sensitive, empathetic approach to people.

What to do:

- 1) **Listen and look:** Supervisors usually have a different view of everyday work than their employees. Proper diversity management therefore often fails due to the fact that supervisors do not know what their team really needs. If they are aware of where the problems lie, it is easier to provide targeted support to the employees.
- 2) **Pay attention to your own language:** It is important to include everyone present in the daily work routine, and language is already the first step here. For example, when talking about families, both mothers and fathers should be addressed to encourage them to take advantage of family support programs, too!
- 3) **Show no tolerance for exclusion:** If a colleague likes to make a sexist remark in a meeting, makes racist statements, inappropriate comments about a co-worker's homosexuality, or similar verbal or physical abuse it is important as a supervisor (and colleague) to show no tolerance and to ask the employee concerned to talk to them and make it clear that such statements and behaviour will not be tolerated.
- 4) **Offering support for disadvantaged groups:** Whether women, people of other ethnic origins or people with disabilities - in most companies there are groups that might need special support. In such cases, it can be worthwhile to set up special points of contact here, for example a women's network or an LGBT group, where those affected can find support.

14. Other Best Practice Examples

Børnehuset Evigglad APS

The children's house Evigglad consists of 2 kindergartens located in Bov and Åbenrå in southern Denmark. The children's houses are privately owned kindergartens that are run with great focus on the children's well-being and are open around the clock. The kindergartens have started in Bov and then been expanded with the kindergarten in Åbenrå. They are run by 2 co-owners of the kindergartens.

Problem: When the kindergarten Evigglad got the department in Åbenrå, there were suddenly many more employees that you had to be the manager of and there were now 2 locations, so you also had to set guidelines, routines, structures for the 2 companies - also in the entire HR area.

Solution: The 2 managers, Camilla and Anne, have after the course recognized that there was a need for structure, more uniformity, descriptions for the teachers' work and how you want the company to run.

You have hired 1 general manager in Åbenrå and then one of the managers has the responsibility for Bov as well as the pedagogical responsibility for the entire company. The other manager has taken care of all the administrative, marketing, job descriptions and how the structures should be.

They have NOT wanted to buy an HR IT system yet – they believe they can manage their HR and personnel tasks with the programs that are the Microsoft Office suite.

They have had their work instructions made on all functions and all employees know where they are and they are reviewed with everyone. There is a common vision and goals for both children that are hung visibly in the kindergartens and everyone knows what the goals mean. An employee handbook has been prepared for kindergartens.