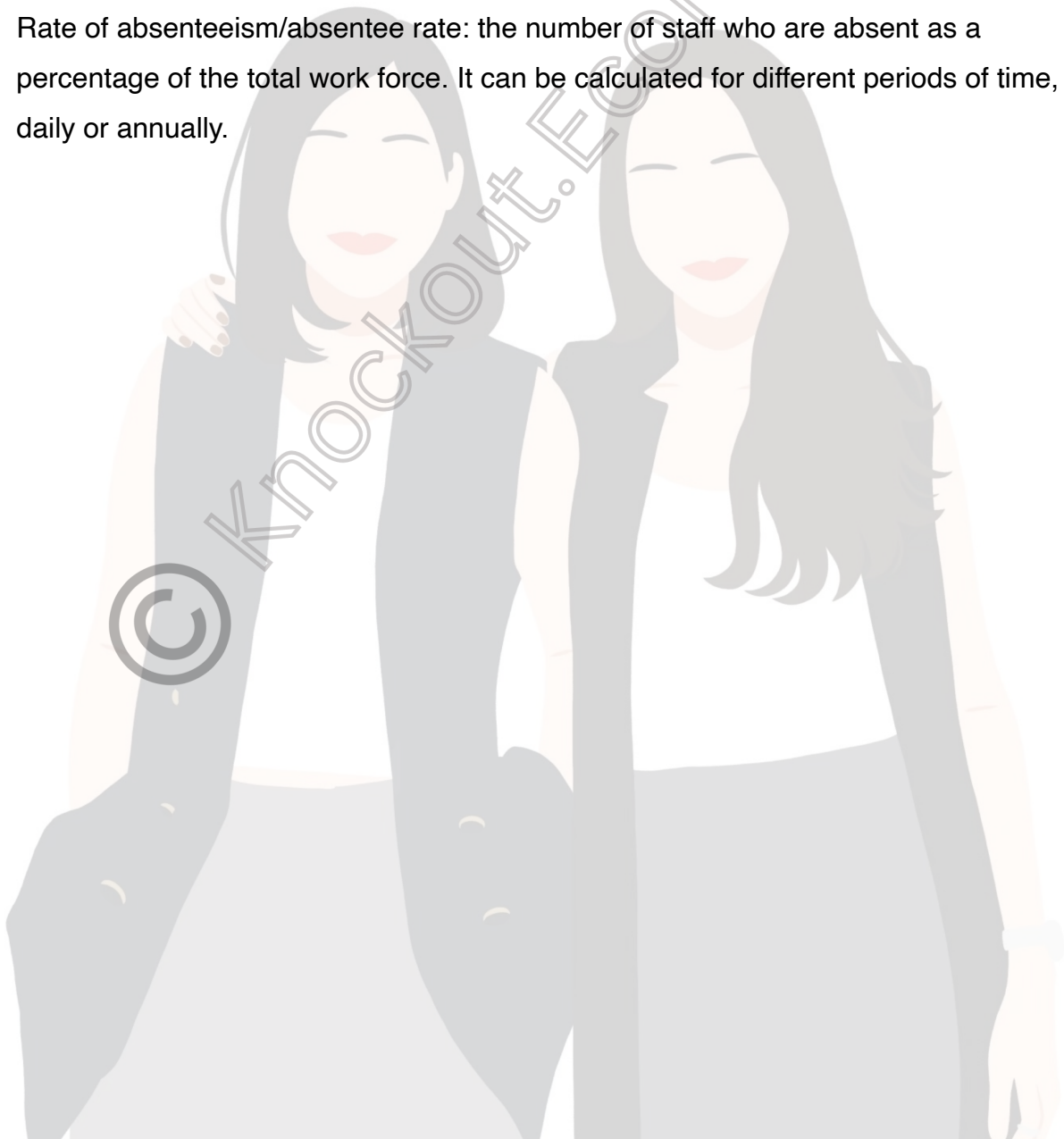


Chapter 19 Human Resources

Key terms

1. Absenteeism: where workers fail to turn up for work with our good reason.
2. Capital gain: the profit made from selling a share for more than it was bought for.
3. Labour productivity: output per worker in a given time period.
4. Labour retention: the number of employees who remain in a business over a period of time.
5. Labour turnover: the rate at which staff leave a business.
6. Quality circles: where workers are given time to meet regularly to discuss work issues such as solving problems.
7. Rate of absenteeism/absentee rate: the number of staff who are absent as a percentage of the total work force. It can be calculated for different periods of time, e.g. daily or annually.



1. Labour productivity

- **Labour productivity** ; output per worker per period of time.

$$\text{- Labour productivity} = \frac{\text{Total output (per period of time)}}{\text{Average number of employees (per period of time)}}$$

2. Labour turnover (looking at the rate at which employees leave a business)

- **Labour turnover** is the proportion of staff leaving a business compared to the number of staff staying over a period of time.

$$\text{- Retention rate} = \frac{\text{Number of staff leaving(over a time period)}}{\text{Average number of staff in post(in the time period)}} \times 100$$

3. Absenteeism

- Absenteeism where workers fail to turn up for work without good reason.

$$\text{Rate of absenteeism} = \frac{\text{\# of Staff absent on a day}}{\text{\# of staff employed}} \times 100$$

4. Strategies to increase productivities and retention and reduce turnover rate and absenteeism

1. Financial rewards
2. Employee share ownership
3. Consultation strategies: allow workers to involve decision making to motivate them

↳ 3 types of consultation

1) Pseudo-consultation; where management makes a decision and informs employees of that decision through their representatives.

2) Classical consultation; a way of involving employees through their representatives in discussions on matters which affect them.

3.) Integrative consultation; it can motivate workers by allow them to make decision.

4. Empowerment strategies