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HUMAN RESOURCES BEST PRACTICES

Audit Tool

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HUMAN RESOURCES BEST PRACTICES

AUDIT TOOL

USAID JORDAN ECONOMIC DEVELOPMENT PROGRAM

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DELOITTE CONSULTING LLP

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AUTHOR: ZWEIGWHITE CONSULTING

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BACKGROUND

Human resources systems and procedures are an indicator of best practices in the architecture and engineering (A&E) sector. While this sector in Jordan has an accumulated experience that spans decades, one of the weaknesses found in most of the firms is the lack of appropriate human resource (HR) systems. The following survey is designed to help the local consultants and Zweig White analyze the top five needed areas of HR that companies in the A&E sector need. It will be sent to all member firms of the A&E Business Council, to be filled electronically on an internet site.

Overview

Overview

Confidential Questionnaire:

The A & E Business Council, supported by USAID Jordan Economic Development Program - SABEQ, is conducting a comprehensive and unique study of HR practices in A&EBC member architecture and engineering firms in Jordan.

We appreciate your involvement in this effort. The A&EBC will retain this information and keep it confidential. By filling in this survey, no one will be able to identify your firm as a participant.

This project is expected to achieve the following main results:

- Improve HR systems, processes, and practices
- Improve ability to attract, retain, improve and motivate good employees
- Achieve better understanding of needed HR related actions needed mostly in times of economic slowdown
- Improve efficiency and productivity of A & E targeted firms, which is expected to reflect on their revenues, exports, and ability to attract and retain good employees.

Please read before beginning:

Are you the human resources (HR) director or manager at your firm?

- If so, please complete the survey by answering the questions that are relevant to your firm to the best of your knowledge.
- If not, please ask the appropriate person in your firm to complete this questionnaire or collaborate with the appropriate departments.

The questions are not difficult but will require working knowledge of your firm's policies and procedures. It should take approximately 45 minutes to complete the questionnaire. If you need assistance with any of the questions, or would like more information, contact Christine Brack at (312) 368-6002 or cbrack@zweigwhite.com.

FIRM BACKGROUND

Firm Background

This section has several questions relative to your firm's background and position.

1. Which of the following best describes your firm?

- ☐ Architecture or Interiors
- ☐ A/E (primarily architecture)
- ☐ Single-discipline Engineering
- ☐ Multidiscipline Engineering (two or more disciplines, but not full-service)
- ☐ Full-service Engineering or E/A (civil, structural, mechanical, & electrical; other services may include architecture, etc.)
- ☐ Design/Build (more than 50% of revenue from design/build services)
- ☐ Environmental Consulting (engineering and/or science; environmental focus)
- ☐ Other (please specify)

2. Approximately how many employees work at your firm?

- ☐ 1 - 24
- ☐ 25 - 49
- ☐ 50 - 99
- ☐ 100 - 249
- ☐ 250 - 499
- ☐ 500 +

HR STRATEGY AND ORGANIZATION

HR Strategy and Organization

We are interested in the department that manages human resources. These questions relate to the director and the staff within the group.

3. Does your firm have a human resources (HR) director or any full-time, dedicated human resources staff?

☐ Yes

☐ No

4. Are you the HR director or manager?

☐ Yes

☐ No

5. If not, what is your title or the title of the person in your firm who has the most responsibility for your firm's overall human resources functions?

☐ Head of Finance / Administration

☐ Operations / Office Manager

☐ President / CEO / Managing Partner

☐ Other finance / Administrative employee

☐ Vice President / Principal

☐ Other (please specify)

6. Do you participate in your firm's business planning process?

☐ Yes

☐ No

☐ Not Sure

7. How many staff members work in the personnel / HR department in your firm?

8. To whom does the HR Director or Manager report?

- ☐ President / CEO / Managing Partner
- ☐ Head of Finance / Administration
- ☐ Head of Operations
- ☐ Vice President / Principal
- ☐ Executive Committee
- ☐ Other (please specify)

9. How long have you or the HR Director or Manager been with your firm?

**10. For which of the following tasks is the HR Department responsible?
Please check all that apply.**

- ☐ HR strategy and organization
- ☐ Performance appraisals
- ☐ Recruitment and selection
- ☐ Training and development
- ☐ Compensation and benefits
- ☐ Personnel
- ☐ Legal
- ☐ Health and safety
- ☐ Other (please specify)

11. What is the highest degree the HR Director holds?

- ☐ Tawjihi
- ☐ Bachelor or Diploma
- ☐ Master
- ☐ PhD

12. Please indicate areas of specialization the HR Director holds, if any:

13. Does your firm have published job descriptions?

☐ Yes

☐ No

14. When does the company share job descriptions with staff? Please check all that apply.

☐ When the employee is hired

☐ Discussed again during reviews

☐ Shared when the employee is promoted

☐ Not beyond the initial hiring

☐ Other (please specify)

15. Does your firm have a documented HR strategy?

☐ Yes

☐ No

☐ Not Sure

16. Is the firm's organizational structure aligned with the firm's overall strategy?

☐ Yes

☐ No

☐ Not sure

17. Does your firm have a written code of ethics?

☐ Yes

☐ No

☐ Other (please specify)

18. To what extent does top management support the HR department and value their contribution?

- ☐ Very supportive
- ☐ Supportive
- ☐ Somewhat supportive
- ☐ Neither supportive nor unsupportive
- ☐ Somewhat unsupportive
- ☐ Unsupportive
- ☐ Very unsupportive

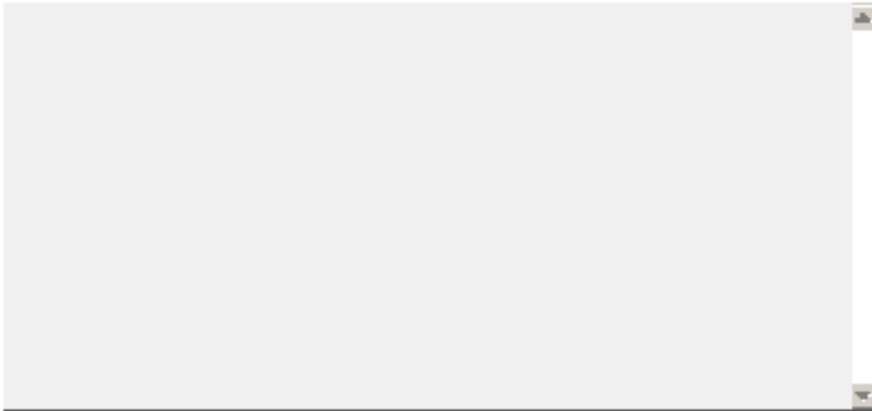
19. Do you currently use an HRIS system? (Human Resource Information System)

- ☐ Yes
- ☐ No

20. If Yes, what are the main features of the HRIS implemented and used?

- ☐ Workforce Planning
- ☐ Recruitment
- ☐ Performance Management
- ☐ Training and Development
- ☐ Succession Planning
- ☐ Self-Service
- ☐ HR Dashboard / KPIs

21. Within an HR Department, various types of reports are often produced and analyzed for making decisions or for reporting to upper management. List or describe all that are generated in your firm along with the frequency of publication and the target audience. (for example: Quarterly benefit summary for the Chief Financial Officer)



PERFORMANCE APPRAISAL

Performance Appraisal

This section relates to performance review policies and expectations the firm has of employees.

22. Does your firm have clearly defined and documented policies and procedures in place for performance appraisals?

- ☐ Yes
☐ No

23. Does your firm communicate performance expectations for all employees at least on an annual basis?

- ☐ Yes
☐ No
☐ Unsure

24. How often are performance reviews conducted?

- ☐ Annually (entire staff evaluated simultaneously)
☐ Annually (on anniversary of date of hire)
☐ Every 6 months (entire staff evaluated simultaneously)
☐ Every 6 months (on anniversary of date of hire)
☐ Every 3 months
☐ Irregularly
☐ Other (please specify)

25. If so, who gets reviewed? Please check all that apply.

- ☐ All firm members
☐ Professionals / technical staff
☐ Secretarial / clerical staff
☐ Department heads
☐ Associates / senior associates
☐ Vice presidents / principals
☐ President / CEO / managing partner

26. Who reviews staff performance? Please check all that apply.

- ☐ Immediate supervisors
- ☐ Department managers
- ☐ Vice Presidents / principals
- ☐ President / CEO / Managing partner
- ☐ HR Director
- ☐ Office manager
- ☐ Peers
- ☐ Other (please specify)

27. On what basis are employees evaluated?

- ☐ SMART Objectives (targets)
- ☐ Competencies
- ☐ Both

Other (please specify)

28. Are performance appraisals linked to pay or incentives?

- ☐ Yes
- ☐ No

29. What is the role of the HR Department in the performance appraisal process?

- ☐ Initiator
- ☐ Controller
- ☐ Administrator
- ☐ Facilitator
- ☐ Approver

30. Which of the following are taken into account for performance reviews of professional / technical staff?

- ☐ Technical skills
- ☐ Ability to work well with others
- ☐ Project management skills
- ☐ Ability to complete projects on time and within budget
- ☐ Attitude
- ☐ Oral and written communication skills
- ☐ Client satisfaction with projects on which employee has worked
- ☐ Chargeability / number of hours worked per week
- ☐ Ability to sell work
- ☐ Other (please specify)

31. Is the performance appraisal form the same for all employees?

- ☐ Yes
- ☐ No
- ☐ Not Sure

32. If not, is the format.....?

- ☐ Different for managers versus non-managers
- ☐ Different for each position or job description
- ☐ Different for technical versus administrative staff
- ☐ Different for each employee
- ☐ Unsure
- ☐ Other (please specify)

33. What types of recognition for exceptional work does your firm give its employees?

- ☐ We do not recognize individual work
- ☐ Money (separate from regular paycheck)
- ☐ Extra vacation time
- ☐ Gifts
- ☐ Personalized gifts
- ☐ Public announcement (at meetings or in company newsletter)
- ☐ Informal party
- ☐ Letter of appreciation or thanks
- ☐ Dinner
- ☐ Other (please specify)

34. Which of the following actions can lead to employee recognition?

- ☐ Outstanding leadership skills
- ☐ Bringing in a large project or a new client
- ☐ Exceptional client service
- ☐ Getting published or speaking at an industry event
- ☐ Earning notoriety for a project
- ☐ Contribution to a charitable organization
- ☐ Extraordinary contributions to a project
- ☐ Working extra hours
- ☐ Contribution to professional organizations
- ☐ Team player attitude
- ☐ Technical excellence
- ☐ Other (please specify)

RECRUITMENT AND SELECTION

Recruitment and Selection

This section relates to your firm's recruiting and retention policies and procedures.

35. Does the firm have clearly defined and documented policies and procedures in place for recruitment and selection?

☐ Yes

☐ No

36. Do you consider clearly defined competencies (skills and abilities) in your selection review process?

☐ Yes

☐ No

☐ Other (please specify)

37. What are the tools used in the Screening process at your firm?

38. Who participates in the interviewing process?

☐ HR

☐ Manager of department new employee will work under

☐ Future co-workers

☐ Other managers

Other (please specify)

39. Who in your firm makes the final selection decision for a candidate?

☐ Firm owner

☐ Concerned department

☐ HR

☐ Upper management

Other (please specify)

40. What is the firm's success rate for candidates accepting offers from your firm? For example, 5 out of 10 offers are accepted, the success rate is 50%.

41. What is the percentage of new hires that stay with the firm beyond the three month probation period?

42. What is the percentage of new hires that reach a status of 12 months of service?

43. Does your firm compensate employees for referring candidates?

- ☐ No
- ☐ Yes, if candidate is hired and stays employed for a set time
- ☐ Yes, if candidate is hired (no stipulations)
- ☐ Yes, if candidate is interviewed
- ☐ Other (please specify)

44. What was the greatest source of new hires for your firm in 2008?

- ☐ Company website
- ☐ Referrals and word of mouth
- ☐ College recruitment
- ☐ Recruiting agencies
- ☐ Newspaper advertisements
- ☐ Internal recruiting or promotion
- ☐ Other (please specify)

45. What do you think is your firm's biggest reason for success with hiring?

- ☐ Firm name and recognition in the industry
- ☐ Good work environment
- ☐ Competitive salaries
- ☐ Effective recruiting program
- ☐ Challenging and interesting projects
- ☐ Other (please specify)

46. What do you think are your firm's biggest challenges with hiring?

- ☐ Lack of qualified candidates
- ☐ High salary demands of candidates
- ☐ Our geographic location
- ☐ We are a specialized company
- ☐ Lack of HR staff to do full time recruiting
- ☐ Lack of time to do full time recruiting
- ☐ Orientation and induction
- ☐ Retention
- ☐ Other (please specify)

47. Does your firm conduct Exit Interviews?

- ☐ Yes
- ☐ No
- ☐ Not Sure

48. Does your firm measure employee turnover?

- ☐ Yes
- ☐ No
- ☐ Not Sure

49. What were the top three causes for voluntary turnover in your firm in 2008?

- ☐ Employee moved to another geographic area
- ☐ Unmet compensation demands
- ☐ Personality conflict
- ☐ Position was not challenging
- ☐ Stronger reputation at another firm
- ☐ Perceived lack of opportunity
- ☐ Retirement from the firm
- ☐ Long hours / too many work demands
- ☐ Other (please specify)

TRAINING AND DEVELOPMENT

Training and Development

This section relates to employee career and professional development at your firm.

50. Does the firm have clearly defined and documented policies and procedures in place for training and development?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

51. Does the firm have an orientation program established for all newly hired employees?

- ☐ Yes
- ☐ No

52. Does the firm have a formal career planning process?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

53. If Yes, who manages the career development process?

- ☐ HR Department
- ☐ Manager supervising individual employees
- ☐ Employee self-manages

Other (please specify)

54. How was the program developed?

55. What support is given to employees in the training and development program?

56. To what other areas is training and development tied?

- ☐ Performance management
- ☐ Salary increase
- ☐ Promotion
- ☐ Succession planning
- ☐ Leadership training

Other (please specify)

57. What are the techniques used to determine training needs for employees? Please check all that apply.

- ☐ Performance evaluation results
- ☐ Managers identifies training needs
- ☐ Employees identifies training needs
- ☐ HR identifies training needs
- ☐ Owner or GM identifies training needs
- ☐ Job descriptions
- ☐ Employee attitude surveys
- ☐ Exit interviews
- ☐ No formal process is used to identify training needs

Other (please specify)

58. Who is eligible for firm-provided training?

- ☐ All employees
- ☐ All professional / technical employees
- ☐ Some professional / technical employees
- ☐ All administrative employees
- ☐ Some administrative employees
- ☐ N/A - firm does not reimburse for training
- ☐ Other (please specify)

59. What types of training does your firm offer to staff?

- ☐ We do not offer any type of training
- ☐ In-house training by firm employees
- ☐ In-house training by an outside consultant
- ☐ Online training
- ☐ Reference books or materials for self-study
- ☐ Outside training seminars, conferences or classes
- ☐ Executive coaching
- ☐ Corporate university program
- ☐ User groups or roundtable discussions
- ☐ Yes, Other (please specify)

60. What specific areas of training does your firm offer?

- ☐ Design / technical training
- ☐ CADD and BIM training
- ☐ Leadership training
- ☐ Project management training
- ☐ Business management training
- ☐ Marketing and business development training
- ☐ Information systems training
- ☐ Human resources training

Other (please specify)

61. How is the effectiveness of training evaluated?

- ☐ Evaluation survey
- ☐ Employee's verbal opinion
- ☐ Manager's opinion
- ☐ No specific follow up is performed

Other (please specify)

62. Does your firm have a formal mentoring or coaching program in which experienced staff are paired with new staff to help mentees gain skills and/or to assist with career development?

- ☐ Yes, for all new employees
- ☐ Yes, for new professional / technical employees
- ☐ Yes, for new administrative employees
- ☐ No
- ☐ Yes, Other (please specify)

63. What percentage of operational expenditures does the firm budget for training purposes?

64. What is the percentage of employees trained during 2008?

65. On average how much was spent per employee for training in 2008?

66. What is the average number of training hours employees receive in 2008?

67. What percentage of the firm's employees have gone through some type of training in 2008?

68. On average, what has been the feedback from employees regarding their satisfaction with training at the firm?

- ☐ Excellent
- ☐ Very good
- ☐ Good
- ☐ Some improvements needed
- ☐ Poor

SUCCESSION PLANNING

Succession Planning

This section has several questions related to your firm's practices with succession planning.

69. Does your firm have clearly defined and documented policies and procedures in place for Succession Planning?

- ☐ Yes
☐ No
☐ Not Sure

70. If yes, is it communicated to all employees?

- ☐ Yes
☐ No
☐ Not Sure

71. Does your firm officially identify critical and important jobs(positions) across your firm to be used for the succession planning process?

- ☐ Yes
☐ No
☐ Not Sure

72. Does your firm officially identify potential successors for critical and important jobs (positions)?

- ☐ Yes
☐ No
☐ Not Sure

73. If yes, who identifies them?

- ☐ HR
☐ Firm owner
☐ Concerned department
☐ General manager
☐ Don't know

Other (please specify)

74. If you answered yes to Question 70, does the potential successor know they are chosen?

- ☐ Yes
- ☐ No
- ☐ Not Sure

75. Do you identify competencies required for critical and important jobs (positions)?

- ☐ Yes
- ☐ No
- ☐ Not Sure

76. Do you have formal training and development plans for the potential successors?

- ☐ Yes
- ☐ No
- ☐ Not Sure

77. Do the potential successors participate in setting their training and development plans?

- ☐ Yes
- ☐ No
- ☐ Not Sure

HUMAN RESOURCES PLANNING

Human Resources Planning

This section has several questions relative to your firm's practices on human resources planning.

78. Is there a formal and documented process for planning human resource needs?

- ☐ Yes
☐ No
☐ Not Sure

79. What are the sources of input used to assess future human resource needs? Please check all that apply.

- ☐ Strategic plan
☐ Yearly plan
☐ Human resource planning is short term and is carried out on a project basis
☐ Discussion with department managers

Other (please specify)

80. How often does human resource planning take place?

- ☐ Annually
☐ Bi-annually
☐ Quarterly
☐ No human resource planning takes place
☐ We hire on immediate needs

Other (please specify)

81. Does your firm study and analyze employees' files and information to determine the expected movement of employees such as retirement, transfer, attrition, etc?

- ☐ Yes
☐ No

82. If yes, do you determine this using:

☐ Statistical analysis tools

☐ Judgement

Other (please specify)

83. Who identifies the required number and qualification of human resource requirements?

☐ HR

☐ Concerned departments

☐ Firm owner

☐ GM

Other (please specify)

84. When are these requirements identified?

☐ At the end of each year

☐ They are part of the corporate strategy

☐ They are not planned, but done according to circumstances

COMPENSATION AND BENEFITS

Compensation and Benefits

This section relates to the compensation program at your firm.

85. Does your firm have clearly defined and documented policies and procedures regarding compensation and benefits?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

86. Are these processes followed consistently?

- ☐ Yes
- ☐ No

Please explain

87. To what level is the compensation strategy aligned with the rates present in the market?

88. Do you reference any industry data (such as salary scales) when establishing salaries?

- ☐ Yes
- ☐ No

89. If not, how are salaries set?

90. Does your firm ever provide cost of living increases? (ie adjustments to salary based on inflation)

- ☐ Yes, every year
- ☐ Not regularly
- ☐ Unsure
- ☐ Other (please specify)

91. Does your firm tie salary increases to performance appraisal results?

- ☐ Yes
☐ No
☐ Not Sure

92. Does your firm budget for staff pay increases independent from annual appraisals?

- ☐ Yes
☐ No
☐ Unsure

93. Does your firm include bonuses in its annual budget?

- ☐ Yes
☐ No
☐ Not Sure

94. How does your firm determine raises?

- ☐ Through formal salary and wage review process
☐ Raises are given at the discretion of management
☐ Annual, across the board raises are given
☐ Unsure
☐ Other (please specify)

95. What criteria do you use to evaluate salary increases?

- ☐ Job performance
☐ Salary surveys
☐ Attitude
☐ Firm growth or profit
☐ Inflation
☐ Employee's office or department growth
☐ Other (please specify)

96. If your firm gives bonuses, how often are bonuses paid out?

- ☐ Annually
- ☐ At discretion of management
- ☐ Semi-annually
- ☐ Quarterly
- ☐ Monthly
- ☐ Upon project completion
- ☐ Other (please specify)

97. Are bonuses contingent on any of the following?

- ☐ Company profits
- ☐ Individual performance
- ☐ Position in the firm
- ☐ Department profits
- ☐ Component of employment contract
- ☐ Other (please specify)

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PERSONNEL

Personnel

This section relates to the characteristics of staff at your firm.

98. Is there a formal and effective record keeping system for employee files?

☐ Yes

☐ No

99. What was the employee turnover rate in:

2006

2007

2008

100. For 2008, what was the average years of service in the firm on a total staff basis?

101. What is the age distribution of the employees in your firm? Please indicate in numbers of employees.

20 - 29

30 - 39

40 - 49

50 - 59

60 - 69

70+

102. What is the gender breakdown of employees in your firm? Please indicate in numbers of employees.

Female

Male

103. Have you conducted an employee satisfaction survey? If so, what is the level (percentage) of employee satisfaction?

104. In 2008, how many grievances did you receive?

105. Does your firm have a formal process for managing grievances?

- ☐ Yes
☐ No
☐ Unsure

106. Are there any outstanding grievances yet to be resolved?

- ☐ Yes
☐ No

107. What is the average time required to research and solve a grievance?

LEGAL

Legal

This section relates to certain legal situations within your firm.

108. Does the firm have any outstanding or pending cases of litigation in regards to Labor Law?

☐ Yes

☐ No

☐ Other (please specify)

109. What was the total monetary amount paid out for Labor Law cases in 2008?

110. How many Labor Law cases have been filed against the firm with the last three years?

HEALTH AND SAFETY

Health and Safety

This section relates to safety records and cases within your firm.

111. How many accidents have been reported in your firm during:

2008

2009

112. What percentage, if any, of all accidents have been fatal in:

2008

2009

113. What has been the lost time (in hours) due to non-fatal accidents during:

2008

2009

114. What has been the lost time (in hours) due to all accidents (fatal and non-fatal) during:

2008

2009

OPINIONS

Opinions

This section relates to issues and challenges your firm encounters relative to human resource policies and procedures.

115. What is the most important thing your firm could do to improve its human resources policies and procedures?

- ☐ Dedicate more financial resources to developing stronger policies
- ☐ Establish a strategic plan for HR
- ☐ More executive support to current plans
- ☐ Add more staff to the HR group
- ☐ Provide better technology
- ☐ Communicate HR's value to the firm
- ☐ Other (please specify)

116. What are the biggest challenges you or your firm faces in regards to its human resources policies and procedures?

117. If you could change or improve three things relative to the HR department or policies or procedures, what would they be?

One	
Two	
Three	

EMPLOYEE HANDBOOK

Employee Handbook

These should be added to the Strategy and Organization section.

118. Does your firm have a published employee handbook?

- ☐ Yes
- ☐ No
- ☐ Unsure

119. If so, when was it last updated?

- ☐ Within the last year
- ☐ At least three years ago
- ☐ It has not been updated

Other (please specify)

120. What is the availability of this handbook to all employees?

- ☐ All employees are given the handbook when they begin at the firm
- ☐ The handbook is always available on the firm's intranet
- ☐ Employees can refer to the HR department for any questions
- ☐ Employees can refer to their supervisor or manager for any questions

Other (please specify)

121. What policy and procedure information is included in this handbook?

- ☐ Firm information and mission statement
- ☐ Employee relations information
- ☐ Legal information and compliance
- ☐ Compensation
- ☐ Attendance and punctuality
- ☐ Dress code
- ☐ Business travel
- ☐ Confidentiality agreements
- ☐ Computer network, email, and usage policies
- ☐ Telephone usage policies
- ☐ Disciplinary actions
- ☐ Termination of employment
- ☐ Performance evaluations
- ☐ Personnel information, privacy and file access
- ☐ Professional development
- ☐ Employment categories (full or part time, hourly or salary)
- ☐ Allowable expenses and reimbursement
- ☐ Safety and emergency information
- ☐ Sick leave, vacation time, special leave
- ☐ Insurance and other benefits
- ☐ Timesheets

Other (please specify)

USAID Jordan Economic Development Program
Deloitte Consulting LLP
Salem Center, Sequleyah Street, Al-Rabiyeh
Amman, 11194 Jordan
Phone: + 962-6 550-3050
Web address: <http://www.SABEQ-Jordan.org>