

LESSON 1

Key functions in HR Management.

Human Capital.



- 1. PART 1: THINK – communication exercises**
- 2. PART 2: VOCABULARY exercises**
- 3. PART 3: READING exercises**

Version without a key.

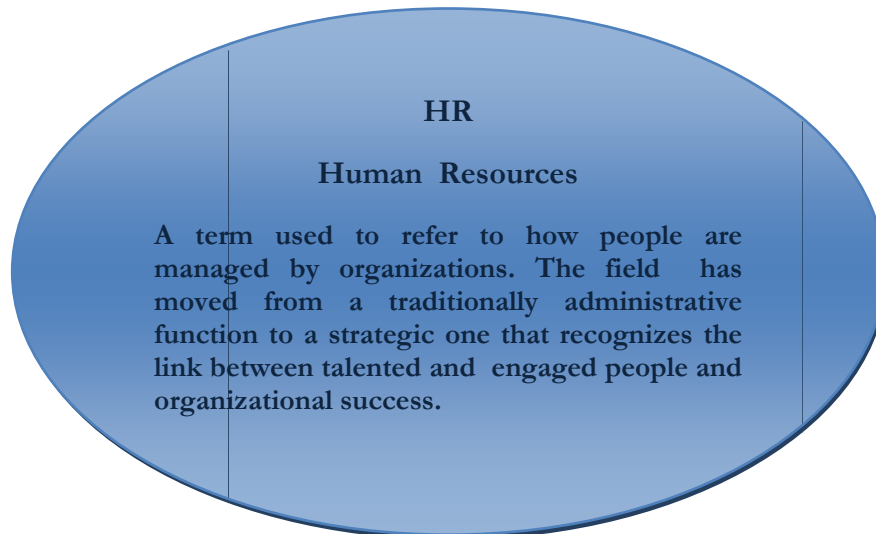


THINK: What does „HR” stand for?

to stand for – to mean



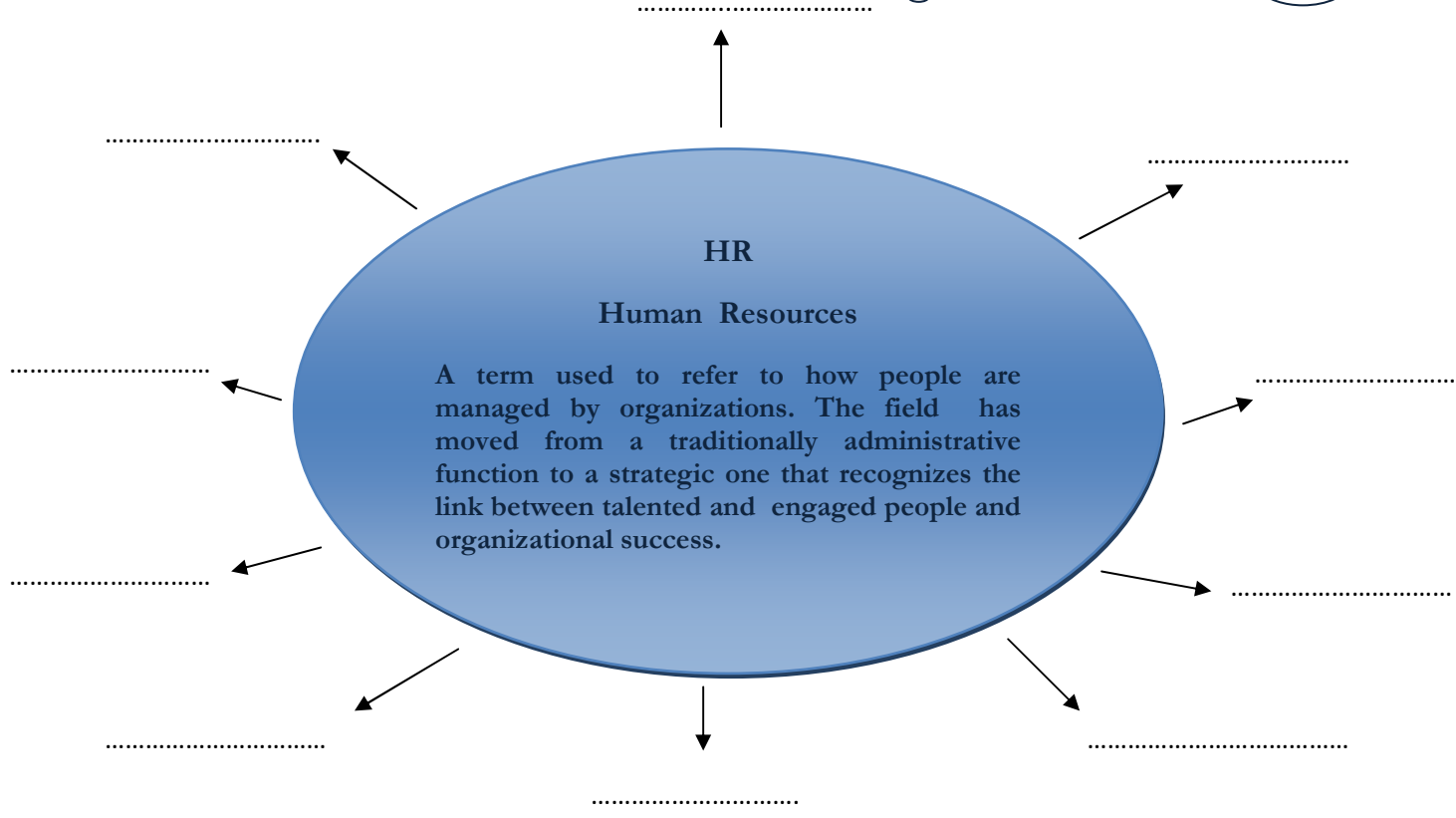
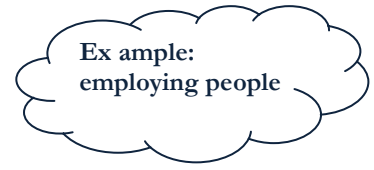
THINK: What does “HR” mean for you? What is your own definition of “HR”?



EXPLAIN the definition using your own words.



WHAT do you associate “HR” with? Write down your own ideas.



■ **HOW DO YOU PUT** “employing people” IN A SPECIALIST LANGUAGE?

■ **MATCH** your ideas with the key functions in HR management.

Recruitment & Selection →	example: employing people
Training & Development (people or organization) →	example: organizing trainings
Performance Appraisal/Performance Evaluation →	example: assessing employees
Promotions/Transfer →	example: promoting
Redundancy →	example: firing, dismissing people, making people redundant
Record keeping of all personal data →	example: keeping the personal data
Total Rewards: Employee Benefits & Compensation →	example: rewarding employees
Career development →	example: planning career

VOCABULARY EXERCISE 1



Complete these sentences with suitable words or expressions.

recruitment	total rewards	record keeping of personal data
redundancy	performance	training and development
appraisal	selection	development and career

- _____ is the process of identifying that the organization needs to employ someone up to the point at which application forms for the post have arrived at the organization. then consists of the processes involved in choosing from applicants a suitable candidate to fill a post.
- At the end of every 6 months a _____ review or _____ takes place.
- If you are made redundant you may be entitled to _____ pay if you have worked for your employer for at least two years.
- _____ provide employees with the opportunity to develop their skills and talents, which can contribute to career growth and advancement within the company.
- Good _____ is an important part of a professional's task. Records should use clear, straightforward language, be concise, and accurate.
- _____ include everything the employee perceives to be of value resulting from the employment relationship.
- There are five elements of total rewards:
 - Compensation
 - Benefits
 - Work-Life
 - Performance and Recognition
 - _____ opportunities



Check for the meaning and then check for the Polish equivalents.

RECRUITMENT / SELECTION	
PERFORMANCE / APPRAISAL	
REDUNDANCY	
TRAINING AND DEVELOPMENT	
RECORD KEEPING OF PERSONAL DATA	
TOTAL REWARDS	
DEVELOPMENT AND CAREER	

VOCABULARY IN USE



Using the words and expressions from the exercises above describe your job.
To describe your job use the following words:

- my job title is ...
- I deal with ...
- my duties involve ...
- I am responsible for ...
- I develop (e.g. training programmes)
- I work closely with
- I prepare, carry out (e.g. screening & interviews)
- I analyze, select, conduct the 2nd interview
- I shortlist applicants from the 1st interview
- I monitor, check, support



READING EXERCISES

BEFORE READING → THINK: WHAT IS HUMAN CAPITAL?

NOW READ THE TEXT:

Human Capital by Gary S. Becker
The Concise Encyclopedia of Economics

TITLE NUMBER →

To most people, capital means a bank account, a hundred shares of IBM stock, assembly lines, or steel plants in the Chicago area. These are all forms of capital in the sense that they are **assets** that **yield** income and other useful **outputs** over long periods of time.

But such **tangible** forms of capital are not the only type of capital. Schooling, a computer training course, expenditures on medical care, and lectures on the **virtues** of punctuality and honesty are also capital. That is because they raise earnings, improve health, or add to a person's good habits over much of his lifetime. Therefore, economists regard expenditures on **EDUCATION**, training, medical care, and so on as investments in human capital. They are called human capital because people cannot be separated from

their knowledge, skills, health, or values in the way they can be separated from their financial and physical assets.

TITLE NUMBER →

Education, training, and health are the most important investments in human capital. Many studies have shown that high school and college education in the United States greatly raise a person's income, even after **netting out** direct and indirect costs of schooling, and even after adjusting for the fact that people with more education tend to have higher IQs and better-educated, richer parents. Similar evidence covering many years is now available from more than a hundred countries with different cultures and economic systems. The earnings of more-educated people are almost always well above average, although the **gains** are generally larger in less-developed countries.

TITLE NUMBER →

Of course, formal education is not the only way to invest in human capital. Workers also learn and are trained outside schools, especially **on the job**. Even college graduates are not fully prepared for the labor market when they leave school and must be fitted into their jobs through formal and informal training programs. The amount of on-the-job training ranges from an hour or so at simple jobs like dishwashing to several years at complicated tasks like engineering in an auto plant. The limited data available indicate that on-the-job training is an important source of the very large increase in earnings that workers get as they gain greater experience at work. Bold estimates by Columbia University economist Jacob Mincer suggest that the total investment in on-the-job training may be well above \$200 billion a year, or about 2 percent of GDP.

TITLE NUMBER →

New technological advances clearly are of little value to countries that have very few skilled workers who know how to use them. Economic growth closely depends on the synergies between new knowledge and human capital, which is why large increases in education and training have **accompanied** major advances in technological knowledge in all countries that have achieved significant economic growth.

The outstanding economic records of Japan, Taiwan, and other Asian economies in recent decades dramatically illustrate the importance of human capital to growth. Lacking natural resources - they import almost all their energy, for example - and facing discrimination against their exports by the West, these so-called Asian tigers grew rapidly by relying on a well-trained, educated, hardworking, and labor force that makes excellent use of modern technologies. China, for example, is progressing rapidly by mainly relying on its **abundant**, hardworking, and ambitious population.



Match the titles with the paragraphs.

1. THE ECONOMIC GROWTH VS INVESTMENTS IN HUMAN CAPITAL
2. THE IMPORTANCE OF THE ON-THE-JOB TRAINING
3. THE MOST IMPORTANT INVESTMENTS IN HUMAN CAPITAL
4. TWO TYPES OF CAPITAL



Match the words with their definitions

■ ASSET	a. an amount of something produced by a person, machine or a country
■ TO YIELD	b. a useful or valuable quality, skill or person
■ OUTPUT	c. a good moral quality in a person
■ TANGIBLE	d. when you get something useful or positive
■ VIRTUE	e. to supply or produce something positive such as profit
■ NET OUT	f. real or not imaginary, able to be touched
■ GAIN	g. more than enough
■ ON THE JOB	h. to cancel out positive and negative amounts
■ ACCOMPANY	i. putting a lot of effort into your work
■ CONSCIENTIOUS	j. happening while you are working
■ ABUNDANT	k. to go with / to be provided with



Complete the sentences with the proper word from exercise above:

1. He and his knowledge will be great _____ to our team.
2. Cheap consumer goods are _____ (= exist in large amounts) in this part of the world.
3. Last year British manufacturing _____ fell by 14%.
4. Other _____ benefits include an increase in salary and shorter working hours.
5. The minister was sacked for abusing power for his personal _____.
6. Patience is a _____.
7. The investigation _____ some unexpected result.
8. No formal qualifications are required for the work – you will get _____ training.
9. The course books are _____ by four cassettes.
10. He is a very _____ worker.
11. In finance you might _____ an account by cancelling amounts owed against amounts due in order to eliminate offsetting transactions.



Make the questions and answer them.

Questions to paragraph 1.

- What / to be / of / the / capital / types / two?

QUESTION →	
ANSWER →	

- What / economists / some / as / investments / regard / human / capital / in ?

QUESTION →	
-------------------	--

ANSWER →	
-----------------	--

Questions to paragraph 2.

- What / a / person's / raise / USA / income / the / in ?

QUESTION →	
ANSWER →	

- What / many / and how / countries / to be / available / the / from / evidence / the / correlation / higher education / between / higher / income / for / from ?

QUESTION →	
ANSWER →	

Questions to paragraph 3.

- What / to be / apart from / education / formal / example / another / of / human / in / capital / investing ?

QUESTION →	
ANSWER →	

- What / GPD / for / stand ?

QUESTION →	
ANSWER →	

Question to paragraph 4.

- What / economic / on / depend / growth?

QUESTION →	
ANSWER →	

- Why / the / to be / so-called / tigers / Asian / of / good examples / investing / the importance / of / human capital / in?

QUESTION →	
ANSWER →	



Follow-up discussion. Think of the issues below:

1. Do you see the importance of investing in human capital?
2. Is human capital indeed so important?
3. To what extent does your country invest in human capital?
4. What's the attitude of your company towards investing in human capital?