



# HUMAN RESOURCES MANAGEMENT FUNCTIONS

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## ■ LEARNING OBJECTIVES

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After completing this chapter, students should be able to

1. Explain the importance of human resources management in providing high-quality pharmacist services.
2. Describe the role of the Civil Rights Act of 1964 in managing human resources.
3. Identify critical steps in the recruitment and selection of employees.
4. Compare and contrast job orientation, training, and development.
5. Discuss the roles of motivation and rewards in employee performance feedback.
6. List the steps involved in progressive discipline.

## ■ SCENARIO

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Scot Phinney has just accepted a position as pharmacy director for a 200-bed community hospital in a fast-growing suburb of a southern city. Scot has a doctor of pharmacy degree and 3 years of work experience as staff pharmacist at another hospital across town. Scot's responsibility

in his new position is to take care of the operations of the inpatient pharmacy department and an ambulatory care pharmacy. He is responsible for supervising approximately 20 full- and part-time employees on the day and evening shifts.

After just 1 month on the job, Scot is faced with several personnel problems. Three pharmacists have left the department recently for other jobs. Many of the remaining pharmacists and technicians have expressed dissatisfaction with their jobs by complaining constantly about the smallest problems. Two frequent comments made by employees are “It’s not my job” and “I don’t get paid enough for this.” Some of the discontent has even led to serious arguments. Two times in the last week Scot had to break up shouting matches between employees. In addition to their complaining, the pharmacists show little initiative and appear to be only going through the motions of their jobs. Technicians are not supervised properly and are allowed to disappear from the department for extended periods. To top it off, nursing administration has filed several formal complaints regarding rude behavior and poor service by pharmacy personnel.

The tenures of pharmacists and technicians in their positions range from 5 to 20 years, making Scot the only newcomer to the department. Prior to Scot’s arrival, the pharmacy director, a man who retired recently after 20 years of service to the hospital, gave minimal feedback or guidance to employees. The former pharmacy director avoided confrontations, so he typically let personnel problems simmer until they got out of control. Without much guidance from their director, pharmacy employees developed bad work habits and unprofessional behaviors. Scot would like to turn things around in the pharmacy department but is not sure where to begin.

## ■ CHAPTER QUESTIONS

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1. How might poor human resources management in pharmacies cause (a) job stress and burnout, (b) medication dispensing errors, and (c) pharmacist shortages?
2. Describe basic human resources tasks. What are key elements associated with each?
3. Why are job descriptions and performance standards important in human resources management?
4. Why is human resources management a crucial element of a pharmacy’s image in the eyes of its patients?

## ■ HUMAN RESOURCES MANAGEMENT AND PHARMACY PRACTICE

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The scenario depicts an all too common situation in health care organizations, in which employees lack direction and guidance in their jobs. As a result, the quality and quantity of work suffers, and the work environment becomes intolerable. Without human resources management, even professionals such as pharmacists can lose direction.

The practice of pharmacy management consists of a wide range of complex tasks that involve either managing people or managing nonhuman resources such as property and information. Managing nonhuman resources consists of such activities as inventory control, computer systems design and maintenance, and financial management. This chapter deals with managing people. Managing people, known by the formal name of *human resources management* (HRM), is an essential duty for any pharmacist who must interact with or supervise others. HRM is important because it can make the difference between a smoothly running pharmacy and a dysfunctional, unsuccessful one.

*Human resources management* (HRM) is defined as the process of achieving organizational objectives through the management of people. Tasks associated with HRM include recruiting, hiring, training, developing, and firing employees. When these tasks are done well, pharmacy employees know their responsibilities and receive sufficient feedback to meet them successfully. When these tasks are done poorly, pharmacy employees are given little or inconsistent direction in their tasks and often are frustrated in their jobs.

HRM is critical to the pharmacy profession because many pharmacists and pharmacy employees

probably are capable of much higher performance levels than they are providing currently. The negative consequences of this lost performance can be substantial to both pharmacists and their patients.

Many problems in the pharmacy profession result at least partially from the fact that pharmacists often are poorly managed and led. For example, overwork and stress occur often because pharmacy personnel waste time and effort in their jobs owing to unclear directives from management, poor teamwork, insufficient training, inadequate feedback about productivity and quality of work performance, and conflicts between people. If this wasted effort could be rechanneled into productive activities, then the burden and stress of overwork could be relieved. It can also be argued that many medication errors result from poor personnel management. A manager may contribute to medication errors by emphasizing quantity of work over quality of work. Medication errors may occur when poorly managed pharmacists are permitted to develop poor dispensing habits, provide inadequate supervision of technicians, or maintain incomplete medical documentation. Poorly managed technicians contribute to medical errors when they are permitted to develop bad work habits or do not communicate with pharmacists. If personnel were supported by better HRM practices, fewer errors likely would result, and lives might be saved.

This chapter discusses the recruitment, selection, training, disciplining, and termination of pharmacy employees. It describes the steps involved in HRM and some of the constraints placed on managers. It also offers recommendations to pharmacists for practicing more effective personnel management.

## ■ LAWS AND REGULATIONS INFLUENCING HRM

The HRM process is influenced by laws and regulations passed by local, state, and federal governments. These laws and regulations were put in place to protect workers from certain employer practices and biases. The Federal Civil Rights Act of 1964 is the primary piece of legislation affecting HRM practices (Donnelly, Gibson, and Ivancevich, 1995). The act and subse-

quent amendments to the act prohibit discrimination in employment hiring, promotion, compensation, and treatment of protected employee groups. Protected groups are those who might be discriminated against based on their gender, race, age, religion, sexual preference, height, weight, arrest record, national origin, financial status, military record, or disability. Laws that amend or supplement the act include (Donnelly, Gibson, and Ivancevich, 1995):

- *Title VII of the Civil Rights Act of 1991*. This amendment to the original 1964 act prohibits discrimination on the basis of race and places the burden of proof on the employer.
- *Age Discrimination Act of 1967*. This act protects employees 40 years of age and older from discrimination.
- *Americans with Disabilities Act of 1990 (ADA)*. The ADA prohibits employer discrimination against qualified individuals who are labeled as “disabled.” It requires employers to make reasonable accommodations for disabled employees to permit access to their jobs.
- *Family and Medical Leave Act of 1993 (FMLA)*. FMLA requires employers of 50 or more employees to guarantee employees 12 weeks of unpaid leave each year for special family duties such as childbirth, adoption of children, illness of family member, or personal illness.

The Equal Employment Opportunity Commission (EEOC) was created in 1972 with an amendment to the Civil Rights Act. The EEOC was given the authority to monitor discrimination and file lawsuits to correct discriminatory practices in the workplace. This amendment was also responsible for *affirmative action*, an activist approach to correcting discrimination. Affirmative action pressures employers to actively recruit and give preference to minorities in order to correct previous prejudice in employment. Although highly controversial, affirmative action is practiced commonly in business.

Every process of HRM is influenced in some way by EEOC oversight. Hiring practices require that

diversity in the workplace be considered. Interviewing is constrained by limits on questions that may be legally asked of job candidates. Disciplining employees requires that certain procedures be followed and documentation kept that ensures that discrimination does not occur on the job. Although some managers may chafe at the restrictions, federal employment laws act primarily to enforce what any good manager should already be doing, for example, developing fair and explicit HRM procedures.

In addition to the Civil Rights Act, other laws and regulations affect the management of human resources. For instance, the Occupational Safety and Health Act of 1970 established the U.S. Occupational Safety and Health Administration (OSHA) to develop and enforce workplace standards designed to prevent work-related injuries, illnesses, and deaths (OSHA, 2007). Of particular relevance to pharmacy are OSHA's ergonomic workplace standards and its rules for preventing exposure to hazardous chemicals and bloodborne pathogens.

## ■ RECRUITMENT AND PLACEMENT

### Importance of Recruitment and Placement

Recruitment and placement of pharmacy personnel are two of the most important tasks a manager can undertake. If a manager finds and hires competent, self-motivated professionals, issues such as motivation and performance are less of a problem. Good hiring practices also diminish employee dissatisfaction and turnover by matching the right person with the right job.

Pharmacy organizations need to exercise great care in recruitment and placement because each employee represents the organization and the profession. All employees who interact with customers help to determine the image they have of your organization. In fact, pharmacy clerks, technicians, and pharmacists are more likely to determine a pharmacy's image than any advertising or promotional events (Holdford, 2003).

Pharmacy employees can also be a source of competitive advantage in the marketplace. A good phar-

macist can generate significant revenue for a firm by maintaining a loyal patient base and drawing others from competitors. In addition, satisfied patients are more likely to recommend a pharmacy to friends and family and purchase greater quantities of merchandise.

Choosing the wrong employee for a position can be quite expensive. If that employee leaves after a short time, the employer must bear the cost of recruiting, selecting, and training a replacement. It has been estimated to cost businesses, in general, from \$1,000 to \$2,000 to replace service workers and from \$4,000 to \$8,000 to replace professionals (Reynoso and Moores, 1995; Weinberg and Brushley, 1997). Including the money lost from lowered productivity and lost business, the cost of losing established professionals and managers can rise to as much as \$100,000 (Fitz-Enz, 1997). Table 9-1 shows some of the costs that might be seen with the loss of a pharmacist.

Hiring problem employees can also be expensive. Hiring employees who are unproductive or have personal problems can be a nightmare for managers. Many of these employees are able to keep their jobs by riding the line between minimal acceptability and termination. Even problem employees who eventually are terminated can sow conflict within an organization, reduce job enjoyment, increase workplace tension, hinder teamwork, and cause a host of other problems. Problem employees also can take up significant managerial time in counseling, dispute mediation, and oversight. Therefore, it is essential that pharmacy managers do all they can to choose the right employees.

### Recruiting

*Recruiting* consists of all activities associated with attracting qualified candidates to fill job vacancies. The purpose of recruiting is to attract the most qualified candidates to interview for vacant job positions. Recruiting is easier when employers are proactive in their recruitment efforts. Proactive recruitment occurs when employers (1) continually recruit and network, (2) maintain a pleasant work environment where people want to be employed, and (3) establish a positive image in the minds of potential recruits.

**Table 9-1. Negative Consequences Associated with Losing a Pharmacist**

- The pharmacy may have to reduce store hours until a replacement can be found.
- Patients may go to competitors.
- The remaining pharmacists and employees have to cover the responsibilities of the missing pharmacist. This can increase employee stress and lead to more overtime costs to the pharmacy.
- The employer incurs costs to replace the pharmacist. The employer may pay to advertise the position in newspaper want ads or professional journals. Salary costs are spent on personnel involved in related clerical and interviewing tasks.
- Personnel need to be freed up from normal responsibilities to train newly hired pharmacists.
- The new pharmacist may spend up to 1 year or more before becoming 100 percent productive to the employer. Productivity is reduced while the pharmacist learns job details such as the location of drugs, computer system procedures, and proper handling of insurance forms.

Source: Used with permission from Holdford, 2003, p 70.

Proactive recruiting of pharmacy employees should be a continuous activity that takes place regardless of whether a position is open or not. Well-run pharmacies continually develop contacts with potential employees who can be approached once an opening occurs. Contacts can be developed at professional meetings and social gatherings or through work. A pharmacy employer can also cultivate potential employees by hiring pharmacy students for part-time work and mentoring pharmacy students in advanced-practice experiences (i.e., clerkships).

Proactive recruiters also recognize that it is easier to find candidates the more desirable the job, so they attempt to build a desirable work environment. These employers try to improve conditions such as

employee rewards and recognition, inclusion of employee input into work decisions, benefits, and quality of daily work life. Employers who treat employees well have fewer problems with job turnover because employees do not want to leave. When vacancies occur, they are filled quickly and with less effort because potential employees seek them out. In many cases want ads are unnecessary because applicants apply as a result of word-of-mouth recommendations from current employees.

Employers who are successful in offering the most desirable jobs often develop a reputation as *employers of choice*. Employers of choice have a positive image in the community and can pick and choose among the best candidates for positions. For example, Ukrops is a small grocery chain in central Virginia that employs pharmacists. The company has been twice voted to be one of *Fortune Magazine's* "Top Employers" (Tkaczyk et al., 2003). The company's annual voluntary job turnover rate is under 10 percent for its 5,500 employees. Thus there is strong competition for the limited number of job openings that arise, permitting the company to select the most qualified applicants from a ready supply of excellent candidates

In addition to word-of-mouth recommendations, advertisements are a common way of recruiting pharmacy employees. The first step in advertising is deciding how big of a net to cast for potential employees. Will local advertising bring in sufficient numbers of qualified candidates, or should advertising be regional or national? The answer to this question will be influenced by issues of reach and cost; that is, the more people reached by the ads, the greater is the cost. If local advertising is chosen, then advertisements can be placed in hometown newspapers or state professional journals. For regional or national advertisements, employers can use national newspapers (e.g., *New York Times*), national professional journals (e.g., *Journal of the American Pharmacists Association*), or Internet job Web sites (e.g., [www.careerbuilder.com](http://www.careerbuilder.com)). The decision on where to advertise depends partly on the amount budgeted for advertising the position. The organization must consider the cost-effectiveness of the various advertising media. It has to determine whether there

are enough sufficiently qualified persons in the local area to justify local advertising. If so, then local advertising probably is more cost-effective, especially because qualified candidates from distant areas would be reimbursed for travel for the interview. Another consideration is targeting an appropriate demographic. For example, if an organization is seeking a pharmacist with considerable years of experience for a management position, it need not advertise in a newspaper or magazine that targets teenagers. On the other hand, if an organization consistently recruits for a large number of positions, it should be conscious about trying to reach populations diverse in age, gender, and race/ethnicity.

After choosing the advertising medium, an advertisement is written. When writing any advertisement, it is important to keep it simple. It should not make false promises and should not use hyperbolic rhetoric or technical jargon. It should only capture the eye of qualified candidates and persuade them to contact the pharmacy.

### Placement

*Placement* refers to candidate application, screening, interviewing, selection, and hiring processes. In many organizations, pharmacists are assisted in this process by corporate personnel offices. Personnel offices offer valuable assistance in advertising positions, managing applications and paperwork, screening candidates, advising about legal and policy questions, checking references, and extending job offers. They free pharmacy personnel to develop criteria for selecting employees, to interview qualified candidates, and to make the final choice.

It is important to emphasize, however, that pharmacists need to monitor and influence the personnel office's performance in the placement process. One reason is that personnel employees do not understand as well as pharmacists the requirements of pharmacy practice. They may emphasize different knowledge and capabilities than pharmacists. A second reason is that the personnel office does not have to suffer as much from the consequences of a bad employee choice. Pharmacy personnel will bear the brunt of a bad employee selection. Therefore, it is incumbent on pharmacists to

maintain as much control over the process as necessary to ensure a good choice.

### *Application*

One of the first steps in hiring is for a candidate to fill out a job application. Job applications serve two purposes. The first is to help screen unqualified candidates. Applications can identify whether candidates have the necessary training, degrees, and experience for the job. The second purpose of applications is to provide background about the candidate for the interview.

### *Screening*

Once they have submitted an application, applicants are screened to see if they meet the requirements of the job. Screening is a process that attempts to weed out unqualified applicants from the pool of potential candidates. Common screening criteria include lack of job qualifications (e.g., license, degree, residency, or experience), poorly completed applications (e.g., misspelling, missing information, or sloppy writing), and negative applicant history (e.g., felony conviction, lying on the application, or frequent changes in employment).

Screening criteria are developed from job analyses. Job analyses are systematic reviews of the requirements of a job (Donnelly, Gibson, and Ivancevich, 1995). Job analyses attempt to identify some of the following aspects of a job:

- Behaviors, tasks, and outcomes required of the employee on the job
- Skills, capabilities, and knowledge required
- Physical requirements
- Required information, technology, and resources
- Expected interpersonal relationships
- Budget and managerial responsibilities

The job analysis provides useful information for both employees and managers. For managers, information from the job analysis is used in writing job descriptions, interviewing job candidates, screening candidates, and setting performance criteria. For employees, information from the job analysis tells employees how work is to be done and the outcomes expected.



### *Interviewing*

When qualified candidates are identified, interviews are scheduled. Qualified candidates normally are ranked according to desirability, with the top-ranked candidates receiving initial invitations to interview. If a candidate is not chosen from the first round of applicant interviews, a second round is scheduled, drawing from the remaining pool of applicants.

Preparation for an interview is as important for the interviewer as it is for the candidate. The following is a suggested list of interview preparation steps:

- *Send information about the position to the candidate.* It is helpful to provide candidates with specific information about the job description and standards for performance to help them prepare for the interview.
- *Identify interview objectives.* It is important to ask yourself what you want to achieve with the interviews. For example, if you have acute, immediate needs, you may only consider candidates who are available immediately. However, if your interest is long term, you may be willing to wait for an excellent candidate to graduate from pharmacy school or complete a commitment made to another employer.
- *Review the position description and performance standards.* The position description and performance standards will form the basis of your interview questions. Examples of a position description and performance standards are provided in Table 9-2.
- *Develop a list of interview questions.* Pay particular attention to assessing the requirements of the job specified in the performance standards.
- *Study the applications and résumés.* Look for accomplishments and credentials on which you want the candidate to expand. Also note frequent job changes, gaps in employment, demotions, inconsistencies in history, or incomplete information on references about which you want to learn more.
- *Schedule a quiet, uninterrupted interview.* It shows disrespect to the candidate if you permit interruptions and distractions from giving your full attention to the interview.
- *Alert coworkers whom you want the candidate to meet so that they can schedule a time to meet.*

Most interviews follow a relatively predictable number of steps. The first step consists of introductory small talk designed to put the candidate at ease. Rather than jumping immediately into the questioning, a few minutes may be spent developing some rapport with the candidate. After the small talk, interview questions are posed of the candidate. When the questioning phase is finished, the interviewer describes and promotes the job to the candidate. At this point, candidates typically ask questions of the interviewer about the job. At the end of the interview, applicants either meet with other interviewers or are given a tour of the facilities.

Interviews can be conducted in several different ways. The *traditional interview* attempts to engage candidates in a general discussion about themselves. A common question from a traditional interview might be, “Tell me a little about yourself” or “What are your strengths and weaknesses?” *Situation* (or *role-play*) *interviews* direct applicants to describe how they would handle a difficult imaginary situation. For example, “You are the pharmacy manager, and one of your employees has just told you that another worker is stealing merchandise. What would you do?” *Situation interviews* assess candidates’ problem-solving capabilities and communication. *Stress interviews* attempt to replace the polite conversation seen in traditional interviews with a deliberate attempt by the interviewer to unnerve the candidate with blunt questions (e.g., “Why would a woman like you want to work here?”), interruptions, and persistent pursuit of a subject. It attempts to discern candidate preparation and ability to handle stress. *Behavioral interviews* try to evaluate an applicant’s past behavior, experience, and initiative by asking for specifics about past events and the candidate’s role in those events. Classic behavioral questions start with “Give me an example when you . . .” or “Describe your worst . . .” Behavioral interviewing is based on the assumption that past behavior best predicts future behavior. In many cases interviewers employ more than one style in an interview. Other tools used by some employers to select candidates are standardized personality and skills tests. Their use stems from a belief that persons with certain personality traits (e.g., one who employs a particular leadership style) may be best

**Table 9-2. Sample Job Description and Performance Standards for a Hospital Pharmacist**

<b>Description</b>	
Responsible for safe distribution and drug administration for patient care, supervising technicians, order entry, drug monitoring, and providing drug information to nurses and physicians.	
<b>Qualifications</b>	
Bachelor's degree (5-year program) or advanced pharmacy degree (Pharm.D. or M.S.) from an accredited college of pharmacy, hospital pharmacy experience preferred, licensure or eligibility for licensure.	
<b>Performance Standards</b>	
Dispensing	Dispenses medications in accordance to all state and federal laws
Clinical skills and professional judgment	Integrates clinical, procedural, and distributive judgments using acceptable standards of practice to achieve positive patient outcomes.
Productivity	Prioritizes work to ensure that all tasks are completed in a timely manner.
Service	Fosters favorable relations between hospital personnel, patients, coworkers, families, visitors, and physicians. Accepts chain of command, supervision, and constructive criticism.
Written documentation and communication	Follows all state and federal laws, regulatory agency rules, and hospital policies and procedures regarding written documentation. Consistently, clearly, and concisely communicates oral and written information to all hospital personnel, physicians, and patients.
Technical supervision	Provides oversight and feedback to pharmacy technicians that ensures quality care and adherence to departmental policies and procedures.
Attendance and punctuality	Meets all hospital policies regarding attendance and punctuality.

suiting for a position or may fit best within a company's culture. Similarly, a person may have to demonstrate one or more particular abilities on a skills test to minimally qualify for a job. The use of standardized tests has limitations, and thus such tests may not be used to a great extent in health care.

Most interviewers have limited experience and are prone to common interview mistakes (Umiker, 1998). One is lack of preparation. Managers who are very busy with immediate problems may be tempted to skimp on interview preparation. However, that savings of time is not a bargain if it leads to a bad hire. Another typical mistake occurs when the interviewer does most of the talking and does not give the candidate an opportunity to speak. It is hard to learn much about a candidate

when the interviewer is talking. In other situations, interviewers treat the interview as an inquisition designed to squeeze the candidate into revealing his or her flaws. Although this may reveal some insights about the candidate, it is also likely to drive the candidate to another employer. Finally, some interviewers assume that the candidate wants the position, so no attempt is made to sell its benefits. Any of these mistakes can result in either losing a desirable candidate or choosing the wrong one.

#### *Selecting Candidates*

During the interview process, it is important to keep good notes about each candidate. This is essential for keeping details about candidates organized and for



**Table 9-3. Interview Mistakes That May Immediately Exclude a Job Candidate from Consideration**

- Arriving late
- Dressing inappropriately
- Poor body language
- Arrogance
- Self-serving questions
- Ignorance about the hiring organization and job itself
- Irritating speech patterns, such as not speaking clearly or an overreliance on slang words
- Failing to answer questions asked

Source: Used with permission from Medley, 1984.

documenting the selection process in case any claims of discrimination should occur. It is better to save note taking until immediately after the interview to avoid distracting the candidate during the interview. It is also helpful to develop an interview checklist to structure interview notes. Table 9-3 lists several interview mistakes candidates make frequently that can exclude them immediately from further consideration (Medley, 1984).

The final choice of the interviewer often comes down to how well a candidate can address the following questions:

- *Can this person do the basic job?* This addresses the ability of the candidate to contribute to the organization's performance. For instance, a good clinical pharmacist who has little dispensing experience may not be chosen for a position in a community pharmacy setting. Although good clinical skills may be helpful in a community position, basic dispensing capabilities are essential.
- *How well do the candidate's skills and capabilities mesh with the organization's needs?* Sometimes the best employee for a position does not have the greatest credentials or the most talent. In many circumstances, the best employee is the one who can fill skill de-

ficiencies in the organization and complement the talents of other employees.

- *Will the candidate make my job easier?* Everyone has some self-interest in the selection of a candidate. Successful applicants often highlight how they will be able to solve problems of individuals and the organization.
- *Would I want to work with this person?* This question deals with the rapport between the applicant and the interviewer. If the rapport is good, the chances of selection are enhanced significantly.

### Hiring

In most cases, a candidate cannot be hired until the personnel department completes a reference check. If everything is found to be acceptable, a compensation package is put together, and an offer is extended. Once again, it is important that the pharmacy department be involved in the process to ensure that an offer is not mishandled. For example, if an uncompetitive compensation package is put together for the candidate, pharmacy personnel may need to argue for a better one. Once an applicant accepts a position, the hard part of HRM begins.

Hiring is just the first step in the HRM process. Once hired, employees must be given the training and feedback necessary to do their jobs. There are many reasons why employees may not perform their tasks as they should. Table 9-4 gives a list of them (Fournies, 1999). A quick scan of the list indicates that employees either do not know (1) what they are supposed to do or (2) how to do it and/or (3) they benefit from not doing it. Managers must communicate to employees what is expected of them, train them to do it, and provide feedback about how well they are doing and how they might improve. The remainder of this chapter addresses how employees can achieve these goals.

## ■ TRAINING AND DEVELOPMENT

### Training

A manager's job is to help staff members succeed at their jobs. One key task in employee success is training.

**Table 9-4. Reasons Why Employees Do Not Always Do What They Are Supposed to Do**

- They don't know what they are supposed to do.
- They don't know why they should do it.
- They don't know how to do it.
- They think something else is more important.
- There are no positive consequences for them doing it.
- There are no negative consequences for them not doing it.
- They are rewarded for not doing it.
- They are punished for doing what they are supposed to do.
- They are not and will never be capable to perform as desired.
- They have personal problems that get in the way.

Source: Used with permission from Fournies, 1999.

The purpose of training is to help employees meet the changing demands of their jobs. Training benefits both the organization and the employee. For the organization, it improves the quality and quantity of work provided by each employee. For the employee, it can make the job more interesting and meaningful and lead to greater morale and sense of accomplishment (Holdford, 2003). Excellent pharmacy service organizations invest in the training and development of their employees.

Training and development serve different purposes. *Training* is meant to improve employee performance with current tasks and jobs, whereas *development* prepares employees for new responsibilities and positions. Therefore, training is essential for meeting current needs, and development is an investment in future needs.

Training comes in two primary forms: orientation and job training. The purpose of *orientation training* is to welcome new employees, present a positive first impression, provide information that will permit them to settle into their new responsibilities, and establish early expectations of performance and behav-

ior (Umiker, 1998). It also involves familiarizing new hires with the company's/department's mission, goals, cultural norms, and expectations. Examples of things covered in orientation training include coworker introductions, a tour of the facilities, discussion of employee benefits, review of departmental policies and procedures, discussion of performance objectives for the job, description of behavioral expectations, demonstration of the computer system, and special organizational training (e.g., HIPAA, sexual harassment, and discrimination). It is a good idea to develop a checklist that covers all orientation topics to ensure that nothing is overlooked.

*Job training* helps current employees learn new information and skills to do their jobs and refresh capabilities that may have diminished over time. Although pharmacists are highly trained professionals, the changing nature of medical and business practice requires continual training throughout their careers. Job training is a responsibility of both the individual and the organization. For example, a pharmacist might attend a continuing-education program offered by a pharmacy school to fill a perceived gap in knowledge about a disease state and its treatment. Alternatively, a pharmacist may be asked by an employer to receive on-the-job training in customer-service methods to fulfill a perceived employer need. Job training can be used to develop habits (e.g., time management), knowledge (e.g., new drug treatments), skills (e.g., blood pressure monitoring), procedures (e.g., handling drug insurance claims), and policies (e.g., sexual harassment).

Pharmacy organizations formally or informally may employ a type of training called *job rotation* (also known as *cross-training*). Job rotation is designed to give an individual broad experience through exposure to different areas of the organization. In a hospital pharmacy, for example, newly hired technicians can be trained in filling carts, outpatient dispensing, intravenous admixture preparation, inventory management, billing and crediting, and working in one or more satellite pharmacy units. Such training would diversify technicians' skills, allowing them to work in any number of areas should one be short-staffed, and may help to improve their self-esteem and sense of

contribution to the organization (see Chapter 12 on skill variety and task significance).

## Development

Development requires a long-term focus by preparing for future needs of the individual or organization. Professional development typically consists of answering the following questions: (1) What is my present situation? (2) Where do I want to be? (3) What skills, knowledge, and training do I need to get where I want to be?

Development differs from training in that it requires a greater intensity of education and instruction. Whereas job training might be met sufficiently with continuing-education programs, on-the-job instruction, and short courses, professional development may require formal education and structured experiences such as college courses, multiday seminars and certificate programs, residencies, or fellowships.

## ■ PERFORMANCE FEEDBACK

### Types of Performance Feedback

While training and development prepare employees for current and future jobs, performance feedback communicates how well they are doing in their jobs and how they can improve. Managers commonly provide employee feedback in three ways. The first and most important is the *day-to-day feedback* provided on the job. This refers to the verbal and visual messages provided daily to employees through conversations, body language, and behaviors. Daily communication is the most effective performance feedback because it is immediate and often. Other forms of managerial feedback are provided less frequently and often long after the behavior occurred. The following is a list of suggestions for providing useful daily feedback to employees:

- *Practice management-by-walking-around (MBWA).* This management approach consists of getting out the office or from behind the desk and interacting with employees. It is hard to provide feedback to individuals without frequent personal contact.
- *When practicing MBWA, listen more than talk.* The purpose of MBWA is to learn what is happening within the organization and to solicit input and advice from others. That information is then acted on to improve the organization and the work of employees.
- *Focus on the positive.* Encourage people by catching them doing something right, *not* catching them doing something wrong. Employees get enough negative feedback. Surprise them with positive comments specific to an action that you want them to continue doing, for example, “I liked how you went out of your way to listen to the concerns of that patient and find exactly the right solution for her needs.”
- *Take notes.* When people make suggestions or you make promises, write them down. Provide a deadline for getting back to them about any documented issue. Then keep your promise to get back to them by that deadline.
- *Make individuals see your presence as helpful.* Try not to waste peoples’ time, interrupt their work, nit-pick, complicate things, or do anything that makes their day-to-day job more difficult. The purpose of MBWA is to assist and support employees, not to criticize and inspect their work.

A second form of feedback comes through the employees’ *annual* (or *semiannual*) *performance reviews*. Annual performance reviews act as long-term planning sessions where managers help employees to review their previous progress, identify successes and areas that need improvement, and establish goals and objectives for the next year (Umiker, 1998). Annual performance reviews augment and summarize feedback provided by managers on a day-to-day basis. Annual performance reviews are discussed in greater detail in Chapter 10.

The final form of managerial feedback comes from reviews scheduled ad hoc in response to certain particularly good or bad performances. Good *ad hoc performance reviews* are designed to provide recognition for outstanding performance and may be accompanied by some award or gift. Bad ad hoc reviews are designed to address unacceptable employee behavior or

performance immediately. These negative ad hoc reviews are part of a process called *progressive discipline*.

### Progressive Discipline

*Progressive discipline* is defined as a series of acts taken by management in response to unacceptable performance by employees. The role of progressive discipline is to escalate the consequences of poor employee performance incrementally with a goal of improving that behavior. Responses by management to undesirable behavior become progressively severe until the employee either improves, resigns, or is terminated from the position. Although punitive in nature, the purpose of progressive discipline is not to punish. Rather, the aim is to make explicit to an employee the consequences of unsatisfactory behavior in order to encourage improved behavior. Indeed, improved behavior is always the preferred outcome, never the loss of an employee through resignation or termination. Progressive discipline may be initiated in response to employee behaviors such as discourtesy to customers or coworkers, tardiness, absenteeism, unsatisfactory work performance, and violation of departmental policies. Progressive discipline usually consists of the following steps: verbal warning, written warning, suspension, and termination.

#### *Verbal Warning*

A *verbal warning* is a formal oral reprimand about the consequences of failing to perform as expected. A manager might verbally warn a technician that she is performing below expectations in regard to tardiness and that if performance is not improved, further disciplinary action may be warranted. Verbal warnings are relatively common and often the only action needed to correct unacceptable employee performance.

#### *Written Warning*

If an employee does not respond to a verbal warning, a more formal written warning is issued. A *written warning* is the first formal step in progressive discipline that may result in eventual discharge of the employee. It differs from verbal warnings, which are relatively informal acts that only require the manager to note the time and place of the reprimand and what

was discussed. A written warning is a legal document that can end up as evidence in a court case. If an employee is discharged and any disciplinary step is handled inappropriately, the employer can be sued successfully for financial damages by the employee. Therefore, written warnings should be crafted carefully with help from superiors and the human resources department.

The written warning should describe the unacceptable behavior clearly, previous warnings, specific expectations of future behavior to be achieved by a precise deadline, and the consequences of not meeting expectations. For example, "You were verbally warned about tardiness on January 16 of this year. You have continued to be tardy at a rate above that specified in your performance standards. If you are late for work more than twice within the next month, you will be suspended for one day without pay." As shown by this example, it is essential for a manager to keep good records of previous warnings because they will be used as the basis for potential written warnings.

#### *Suspension*

Suspensions are punitive actions meant to demonstrate the seriousness of a situation. Sometimes written warnings do not result in improved employee performance and need to be backed up by actions. Suspensions are meant to act as a final warning that current behavior is unacceptable. Like written warnings, they must be crafted carefully to include previous warnings, requirements for future actions, and consequences for not improving behavior (e.g., termination).

## ■ TERMINATION OF EMPLOYEES

Some managers are hesitant to terminate employees because it can be a difficult circumstance for all involved. For the terminated employee, it can have a tremendous impact on self-esteem, reputation, and personal finances. For the manager, it can be an emotionally charged event that results in an unpleasant confrontation. It also can lead to legal action for the business and individual manager. Therefore, some managers avoid

dealing with such situations by insisting wrongly that laws and rules make it impossible to fire anyone.

However, if employees are provided clear performance standards and the procedures for progressive discipline are observed, firing bad employees usually is not difficult procedurally. This means that every step leading up to the termination must be appropriate and documented.

Procedures for terminating employees differ depending on the circumstances. For newly hired employees who are on probation (i.e., a trial period for assessing new employees), the process of progressive discipline ordinarily does not need to be followed. The employee can be terminated at any time during the probationary period if it is clear that the employee will not succeed in the job. The steps of verbal warning, written warning, and suspension are not necessary before termination. The same is true for employees who commit acts that can lead to immediate termination, such as fighting on the job, drug or alcohol use at work, stealing, vandalism, or periods of absence without notice.

For employees who do not fall into the preceding categories, termination should not come as a surprise. Following progressive discipline procedures should give employees explicit expectations of what is going to occur when performance is not improved. Many employees will resign before being terminated. Employees who do not resign are asked to attend a termination meeting.

Prior to the termination meeting, the manager must be certain that all the following statements are true:

- The employee is not being terminated for anything but poor job performance or breaking major rules (e.g., theft or fighting).
- The reason for termination can be stated in measurable, factual terms.
- The employee has been given specific feedback regarding the performance deficiency in measurable, factual terms.
- The organization's policies and procedures regarding discipline have been observed and actions documented.
- The employee has been given ample opportunity to correct the poor performance.
- Employee treatment is consistent with similar situations of employee performance.
- The personnel department has been kept informed throughout the disciplinary process and is currently aware of plans to terminate the employee. If there is no personnel department with whom to confer, a lawyer should be consulted.

Most businesses have a procedure for terminating employees, so the manager simply follows that procedure. Most termination procedures require that a witness be present during the meeting to verify conversations and actions.

The primary goal of the termination meeting is to terminate the employee compassionately and in a manner that maintains the employee's dignity and self-respect. This is better achieved by being direct and to the point by stating something such as, "You have not achieved the performance objectives specified in our last meeting, so we have decided to terminate you from your position."

The employee may respond in multiple ways (e.g., anger, tears), but your response should be neutral. You should not argue with or criticize the employee or engage in any negotiations. It is essential to state that this decision is final. Let the employee vent any frustrations, but do not permit abusive or violent behavior. Be ready to discuss a severance package or direct the person to the human resources department, and then end the meeting.

Since an employee may be upset and not thinking very clearly after termination, it is useful to offer recommendations on what he or she should do next. For instance, the employer may tell the employee that he does not need to complete his shift and that his belongings will be packed and left for him to pick up the following day at some designated place.

After termination, several final steps need to be concluded. Documentation of final actions should be completed and filed. All people involved should be reminded about the confidentiality of discussions and actions. Finally, the manager should reflect on how

the process went and what changes may be necessary to prevent further terminations.

## ■ REVISITING THE SCENARIO—TACKLING HUMAN RELATIONS

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Scot Phinney's problems in the scenario revolve around HRM. There appear to be three related problems: (1) There are three pharmacist position vacancies that need to be filled, (2) employee morale is low, and (3) current employee productivity and behavior are unacceptable. Scot has identified several specific employee behaviors that hinder the performance of the pharmacy, including frequent arguments, excessive complaints, pharmacists not supervising technicians, and rude behavior and poor service to nursing. He has decided to focus on these problems first.

Scot's first step should be to examine the current job and performance descriptions of the employees to see if they address the problem behaviors described. If they do, then he can use them to illustrate that specific behaviors are documented as unacceptable. If job descriptions and performance standards do not address problem behaviors, then they need to be updated. With clearly defined duties and performance standards for all employees, Scot can start a dialogue with employees about expected behavior using specific examples. For instance, if a pharmacist states that it is not her job to supervise technicians, Scot can review the performance standards that relate to her supervisory duties. Scot needs to communicate clear expectations of employees and provide feedback in day-to-day discussions, annual reviews, and disciplinary actions.

Scot should realize that changing entrenched employees is a long process, so he should be patient and persistent. Some employees may not accept his efforts immediately and may refuse to alter their conduct. Scot will have to apply pressure through progressive discipline to encourage them to change or find a new employer. If he is consistent and fair, most employees will go along with and even embrace the changes. With successful change, employee morale should also increase and the turnover rate slow down.

## ■ CONCLUSION

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Good HRM is an important requirement for providing excellent pharmacy services. Pharmacy personnel who are well managed are more likely to be satisfied in their jobs, effective, and productive. Good HRM in health care fields enhances the likelihood that patients will be better served and achieve better health outcomes. Any pharmacist who is serious about serving patients and the profession needs to be committed to good HRM.

## ■ QUESTIONS FOR FURTHER DISCUSSION

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1. What are the potential advantages and limitations of affirmative action to a pharmacy organization?
2. What knowledge and skills are employers looking for in pharmacists?
3. What questions might an interviewer ask of a candidate for the job described in Table 9-2?
4. Which interview method do you think is most effective? Least effective? Why?
5. When should the job search process for pharmacist jobs start for pharmacy students? What actions should be taken?
6. How effective would you be at terminating an employee for poor job performance? Why or why not?
7. Think about your last job search and employment. Rate your employer's performance in the areas of
  - a. Recruitment and selection
  - b. Interviewing
  - c. Orientation and training
  - d. Performance feedback
8. What type of performance feedback have you received from previous employers? Describe a specific example in which an employer did a particularly good or bad job of providing feedback.

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