

NEAR EAST UNIVERSITY



**THE FACULTY OF ECONOMICS AND ADMINISTRATIVE
SCIENCES**

**HUMAN RESOURCE MANAGEMENT
THE RECRUITMENT AND SELECTING PROCESS**

by

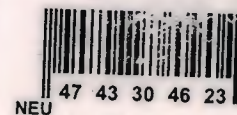
Yeliz KIZILTOPRAK

Dept: BUSINESS ADMINISTRATION

Supervisor: Mrs. Şerife Eyüpoğlu

MAN 400

September-2003





ABSTRACT

Human resource management is gaining increasing importance as the world economy is globalizing. While all the business organizations can obtain the similar technologies, facilities and raw materials similar to each other, the quality employees are the key factors for gaining success in the growingly competitive environment. Finding the right person to the right job is not an easy task. The process of matching the right person with the right job needs careful process at many levels. People can be trained and developed as they start to work in a specific job. But unless a careful selection is made it may take very long time until a person is productive. In many cases wrong selection means failures and people tend to leave their job and search for another. Both training, and employee turnover is expensive for the work place. Therefore the selection process must be done with utmost care.

ACKNOWLEDGEMENT

I wish to thank my supervisor Mrs. Şerife Eyüpoğlu and the other lecturers. I would like to thank my parents too. They give me morale and financial help, which is really important. Finally, my fiancé who always wait for me and give his patients.

TABLE OF CONTENTS

ABSTRACT

ACKNOWLEDGEMENT

I. INTRODUCTION.....	1
1.1 The Human Resource Management Concept.....	3
1.2 The Objective Of The Study.....	7
 II. THE RECRUITMENT AND SELECTION PROCESS.....	8
2.1 Recruitment.....	8
2.1.1 Channels Of Recruitment.....	10
2.2 Selection.....	15
2.2.1 The steps in the Selection Process.....	19
 III. A CASE IN FOCUS: ETI ENTERPRISES.....	22
3.1 Background of ETI.....	22
3.2 Problems of the Organization.....	23
3.3 Human Resource Aspect In ETI.....	24
 IV. RECOMMENDATION.....	30
 V. CONCLUSION.....	33
 VI. REFERENCES.....	35

I. INTRODUCTION

Human resource management (HRM) refer to policies, practices, and systems that influence employees' behavior, attitudes, and performance. Many companies refer to HRM as involving "people practices".

Key element in every business is the employees. A company can easily buy the highest technology machinery, they can build the most suitable buildings and they can provide the best raw materials. But what is more important than anything else is to hire the best employees. The company that can manage their human resources better are certain to make more profits. In many countries including ours, human resources are not taken as seriously as it should, and even the larger businesses do not employ human resource managers.

Employee performance is the key to organizational success. The first step to improve employee performance and success is to improve the quality level of the employees. The first step is when selecting and recruiting new employees. One of the main responsibilities of the HR Department and the managers is to recruit new employees to the work place. The responsibility does not finish there. They also have the responsibility of orienting them and prepare them for their responsibilities. Depending on the job, employee selection is done in a complex way. It is very important to select the right person to the right job. The satisfaction an organization's customers are mainly related to the treatment they get from the organization's employees. If the employee is well motivated and know what they are doing, the customer is usually satisfied. But if the employee is not happy with the work and does not have certain skills that are required to perform their responsibilities, then this means that they will not be able to perform well and satisfy the customers.

In Cyprus the human resource management is poor. They hire employees without any consideration and there is little concern about the skills and performance. In such organizations the productivity is low. There are many employees who are resigning and many new ones who come. There is a risk of accident and faulty products at the end of the day. On the otherhand the intelligent organizations are very careful to select the right people for the right job. HR department may initiate workshops and training to optimise the performance of the employees. HR department can also think of many ways of encouraging and motivating the employees so that they produce more and increase the profit of the company.

The quality of the workers and employees in general will mean better quality and higher production. To make sure that the work force and employees are adequate the HR department and management must carry out extensive studies. Some organizations just hire people to perform some responsibilities and what is expected from them. Two things are strategically important in HR management. First we have to know what the job is and what are required and second we must evaluate the capabilities and qualities needed to perform this job. The simple idea behind the strategic HR management is to compete with the competitors in the field of human resources.

1.1 Human Resource Management Concept

Human resource management philosophy, is a system of motivating concept of principles to maximize the output, with maximized benefits to the employees. Human resource management concept begins with the decision of acquiring a new personnel. Management starts to think in that stage, about the quality of the candidate, and the benefits that the organization is prepared to give. Even the simplest jobs need some qualities. As an example, a simple road worker must be physically healthy and strong in order to do his work successfully.

After the decision of how many and where the employee is needed, a clear job description and job requirement plan is made. Benefits of the job is also outlined. Then comes the selection procedure. This can be done in many ways. In some cases questionnaires may be enough. In some cases interviews are carried out.

Employing a person or recruitment is only the first stage of human resource management. After a person is employed, the next think to consider is to use the employee as efficiently as possible. That is to maximize the output. This does not necessarily mean that harder work. There are many cases that hard work does not necessarily mean higher output. The purpose from efficiency is to produce more at a more comfortable atmosphere.

To achieve productivity, there are many think to be considered. Amongst these, the most important thing is motivation. A management who can motivate their employees ger better results. An employee who is proud of his organization is more successful. Improved skills and better production is also a motivating factor for an employee. Knowing that fulfilling the

basic requirement will mean a promotion is another motivating factor. Good relations amongst the employees and management creates a sense of belonging, and this is again a positive factor.

Human resource managers in industry serve many roles. In the personnel office, they assist in hiring through testing and interviewing, in developing training programs, in evaluating employees, and in maintaining good employee relations and communications. Some managers do research for marketing and advertising departments. Others work in the field of human engineering, which involves designing machines and workplaces to make them more suitable for people.

There are many improvements and successful developments in Turkey in the aspect of human resource management and quality. Many Turkish firms, such as Brissa, Nataş and Lassa has won prizes for total quality of working conditions, efficiency, benefits of workers and so on.

I think the worst situation in human resource management is at the state level. State owned enterprises and government offices are always working inefficiently, specially in TRNC. A lot of work has to be done to improve the efficiency at all levels. But I do not think this can be possible at present system, since political priorities are in front of efficiency and improvement.

There are several steps to be taken in a succesful HRM process. The management must estimate the future employee needs for the verious positions. They must also keep a close tract of the developments around them. Trend projection forecast is an important part of the

human resource management. Who wants to open a factory and find out that half of the workers are missing that day. This may happen due to many reasons. A new factory may open nearby and they can offer better employment. If, as human resource managers about the future we are always likely to end up with trouble.

According to the Morden (266) "The human resource plan comprises two stages. The first is one of audit and analysis. The second is one of forecasting."¹

Pearson (124) suggest that, "before forecasting we have to make some analysis about the present trends and then look for the future. The process of human resource analysis may identify and examine demographic trends, such as the availability of people in the 18-to-30 age cohort, or the likelihood of the need to recruit more employees aged 50 or older."

I believe that the trend projection forecast can be used to examine the implications of unrestricted mobility within a free trade zone such as the option of the Turkish Cypriots to work in Turkey. Or it may look at the implications of increasing the proportionate take-up by school leavers and women returners of further and higher education and training opportunities.

It then relates this human resource analysis to corporate objectives, competitor analysis, technology assessments, etc., associated with strategic plans and business development, the implementation of which is proposed over the time-scales and time horizons used as the basis for enterprise planning and management. This then permits:

¹ Morden Tony, 1993, Business Strategy and Planning, McGraw Hill, New York

The human resource analysis is related to corporate objectives, strategic choices, and business development plans. Forecasts may then be constructed for the relevant planning periods into the future.

According to Pearson (124) "These forecasts may have two main constituents, namely:²

1. Forecasts of enterprise demand for the various personal skills, competences and capabilities required to achieve corporate objectives over the planning period under consideration.
2. Forecast of the likely availability or supply of these skills and competences within the relevant geographical locations or countries. Such forecasts may then lead to the consideration of such issues as employee mobility and relocation; and the timescales and commitments required to train and develop staff to reach the required standard of performance. This in turn raises the related issue of staff appraisal."

I believe that the trend projection forecasts are of particular importance in countries that there are scarce human resources. Unless we can make good predictions we may face some serious problems. The Turkish business community, for example, depend on the labour that comes from South eastern Turkey. This is due to low economic conditions and high unemployment in that country. With the completion of the Gap Project and the establishment of new factories in the region will mean more jobs in the future. We, as Cypriots, may not be able to find workers in the textiles and construction industry in a few years time.

² Pearson, R. (1991), *The Human Resource*, McGraw Hill, London

1.2 Objective of the Study

The aim of the following study is to critically evaluate the role of the human resource management in modern business life. It is hoped that the readers of this report will realize the importance of the human resource management and allocate funds and expertise to make better recruitment, training and compensation activities to become more compatible in their field of activity.

Selection process is the initial stages in the human resource management. Knowing the fact that the basic and mistake in the HRM in TRNC is in the selection process. The main objectives of this study will be to provide a guideline for organizations to use for selection process and to emphasize the positive relationship between successful selection and organizational performance.

II. THE RECRUITMENT AND SELECTION PROCESS

2.1 Recruitment

Once an organization has completed its human resource planning, two broad approaches exist to fulfill that plan. Job openings can be filled internally. Internally, the organization relies on a blend of training, development, and career planning, which are discussed in the next part of the text. Externally, the jobs are filled through recruitment and selection. This chapter discusses recruitment and the chapter describes the selection process.

Recruitment is the process of finding and attracting capable applicants for employment. The process begins when new employees are needed and ends when they submit an application for employment.

The responsibility for recruitment rests with the manager who has the opening to fill. However, when a personnel department exists, recruitment is one of the first functions assumed by the department. Recruiters usually follow the process outlined in Figure 7-1. They first must identify the job opening from either the human resource plan or specific requests of managers. The recruiter then learns of the job's requirements through job analysis information or comments from the manager who has the opening. Based on this information, the recruiter uses one or more methods of recruitment to secure qualified applicants. To be successful, recruitment takes place within a series of constraints.

The constraints faced by recruiters arise from the organization, the recruiter, and the external environment. Some of the more noteworthy constraints are discussed in the following paragraphs.

Organizational policies exist to ensure uniformity, economies Public relations benefits, legal compliance, and other objectives: For example, some organizations have “ promote-from-within” policies that give preference to filling job openings, particularly entry level positions, recruiters are expected to ensure internal applicants are not overlooked. Likewise, compensation policies also affect recruitment. Pre-established pay ranges may limit the number of viable recruits, particularly if the pay ranges are low in comparison with market rates. Policies on hiring part-time and temporary workers and policies on hiring relatives may expand or limit a recruiter’s options. When the employer operates internationally, policies favoring local nations also shape recruitment possibilities.

Human resource plans and affirmative action programs give guidance and constrain recruiters.

The human resource plan should help identify likely candidates for internal promotions and transfers. At the same time, the human resource plan may summarize future recruiting needs, so that recruiters can plan to fill future openings proactively. Affirmative action plans usually contain goals recruiters are expected to pursue through their efforts. When severe underutilization exists in some areas, recruiters often are under considerable pressure to find applicants that further the affirmative action plan.

Recruiters develop habits. They become used to looking for certain types of applicants through specific sources. Although such habits save time and effort, they may perpetuate past discrimination or create an imbalance with recruits who have similar backgrounds.

Environmental conditions also affect recruitment. The stage of the economic/business cycle, the relative scarcity of particular skills, and competition in the labor market from other employers limit the options available to recruiters.

Of course, the requirements of the job are a constraint. Operating managers may be seeking someone with a considerable number of years of experience. These same managers may not believe someone's background is suitable to the job. In general, the more skilled the position and the greater the experience desired by operating managers, the more difficult the position is to fill. Costs are a limitation because personnel departments must operate on a budget. Careful human resource planning allows recruiters to be more efficient.

Incentives such as recruiting or sign-up bonuses may also be challenging, especially when a recruiter must overcome the use of inducements by competitors.

2.1.1 Channels Of Recruitment

Within the wide net of constraints recruiters, a variety of sources or channels are used to find new workers. Since research indicates most applicants use two or more channels to find out about employment, most recruiters use multiple channels, also. The mix of sources by recruiters obviously depends on their assessment of which approach will be most successful for the different types of applicants they seek.

Walk-ins and Write -ins

Walk-ins are applicants who appear seeking employment; write-ins are those who apply by mail. Most of these applicants are unskilled or semi-skilled. However, for public relations reasons and because some walk-in applicants are appropriate for the company's openings, most employers use this source of applicants.

Employee Referrals

Some applicants are referred to the employer by present employees. In fact, some personnel departments encourage employee referrals. This approach is especially effective when trying to locate hard-to-find workers because job incumbents often know others with similar skills. Of course, those firms that rely heavily on this method risk perpetuating any past discrimination against protected groups.

Advertising

Most people are familiar with newspaper ads. Other types of advertisements include those placed in specialized journals that reach specific groups of workers with identifiable skills. Some firms have experimented with electronic media, particularly radio.

When an ad is placed that does not identify the employer, it is called a "blind ad." These ads are useful to avoid large numbers of walk-in applicants and phone calls. Also, they let the

personnel department seek recruits without alerting competitors or worrying present employees about their job security.

State Employment Security Agencies

Every state has some form of employment security agency or state run unemployment office. These agencies seek to match job openings with applicants. Although they often are viewed as a source of unskilled workers, more and more employers are listing all their job openings with these agencies to publicize they are an equal opportunity employer. Since matching applicants with openings can reduce unemployment levels, the funding and success of these agencies is likely to grow in coming years.

Private Placement Agencies

Private placement agencies are organizations that exist to match applicants and job openings for a fee. The fee is paid by either the applicant upon being made a job offer, or by the employer. (Usually the fee is at least ten percent of the first year's salary.) These agencies use advertisements and other methods to ensure a steady flow of applicants who can be referred to employers with job openings.

Professional Search Firms

Professional search firms, sometimes called “headhunters” help employers locate recruits with particularly hard-to-find technical or managerial skills. They differ from placement agencies because search firms actually contact specific individuals, who are usually employed at the time by other firms, and ask them to apply for openings. Their success is based in part on the fact that many desirable applicants are satisfied where they are working presently and are unaware of openings in other companies.

Educational Institutions

When employers seek entry level workers who are not required to have extensive experience, educational institutions are another source of potential applicants. Unskilled employees from high schools, skilled and semi-skilled workers from trade schools, technical employees from community colleges, and technical or professional workers from universities are sought large employers.

Professional Associations

When highly skilled professionals are needed, one source is professional associations. Many such associations operate placement services for members. The big advantage to recruiters is these associations have a high concentration of skilled professionals.

Labor Organizations

When employers seek workers with trade skills, particularly those related to the building trades, labor unions are a logical source. Most trade unions maintain a roster of out-of-work trades people who have the desired skills. Union hiring halls are a common source of employees for union contractors.

2.2 Selection

One of the most important role of the Human Resource Manager is to select the most suitable employees for the organization. Once applications have been received (and references where appropriate) they have to be sifted to decide which candidates will be interviewed. This process demands great care, matching the information provided against the personnel specification, for when a large number of people have applied there is always the possibility of excluding better candidates than those who manage to secure an interview. This is partly a matter of the time and expense an employer is prepared to incur to get the best person, weighing this against the seniority or importance of the job.

While the selection program and process are typically the responsibility of the HR department, managerial and supervisory personnel in all departments of an organization also have an important role play. Thus it is imperative that they understand the objectives and techniques relating to selection. They should be thoroughly trained in the most effective and acceptable approaches for evaluating applicants and should be motivated to use them. Selection also calls for reliability, consistency and validity, i.e. accuracy of the selection process in assessing the candidate. The final decision to select a candidate should be based entirely on performance, and not be discriminated on grounds of sex, race national origin or other considerations.

The selection process begins with qualified applicants and ends with the hiring decision. In many organizations, the recruiting and selection processes are viewed as the key roles of the personnel department. With the growing legal complexity of the personnel department. With the growing legal complexity of equal employment opportunity, conducting this activity in a

way that yields effective employees in a legally permissible manner is a critical role for all personnel departments.

To be effective at selection requires sound information about the firm's jobs. This information is provided through job descriptions, position specifications, and job performance standards. Only through effective job analysis information can personnel specialists reasonably expect to have the minimum information needed to select employees effectively.

Human resource plans, if they are done by the organization, can give personnel specialists an understanding of the organization's strategy for meeting its short- and long-term human resource needs. Specific employment goals also are found in the firm's affirmative action plan.

The role of recruiting is particularly important to understand, because the quality of those hired cannot be any better than the quality of the people who are recruited.

Besides the value of understanding objectives, external challenges, equal employment needs, job analysis information, human resource and affirmative action plans, and recruitment, employment managers must meet supply, ethical, and organizational challenges.

The quality of the selection decision depends in large part on the availability of applicants. The selection ratio, which is the ratio of applicants hired to the total number of applicants, gives personnel specialists some insights into the quality it should seek in the final hiring decision. Obviously, if there are many more applicants than openings, the personnel department can be more selective in filling those positions.

Since personnel departments often hold the “keys” to employment and the benefits that jobs make available, they have an important role to play. This important position may lead to situations that raise ethical questions. Should a personnel manager hire the children of executives? What is the difference between a considerate memento and a bribe? (Although there are no definitive answer to these ethical questions, students might wish to consider these issues in an environment free of pressures to comply.)

Objectives must be achieved within the constraints imposed by the organization. Of particular concern are budgets. Personnel departments are cost centers. They add to cost but donot generate directly any offsetting revenues. To minimize costs and remain competitive, personnel departments seldom have all the financial resources their members would like.

An ongoing challenge to all phases of personnel work is equal employment opportunity. However, given the high visibility of the selection process, careful attention must be paid to equal employment opportunity laws and regulations. In an attempt to reduce discrimination in selection, the Equal Employment Opportunity Commission created the Uniform Guidelines on Employee Selection. A primary goal of the guidelines is to prevent adverse impact. A simple, quick and widely used test to check for adverse impact is the four-fifths rule. Adverse impact is assumed when the selection ratio of protected class applicants is less than 80% (or four-fifths) of the selection ratio for majority applicants.

Employment interview has a very important role in the selection process. Interview comes in many forms,,: group interview, panel interview, one-on-one interview etc. Interview board may also consist of one person or several members of the organization.

Among the many interview methods currently in vogue the most common are:

on-directive interview, depth interview and patterned or structured interview. Non-directive interview allows the candidate freedom in expressing his experiences and viewpoints with a minimum of interruption by the interviewer other than to channel him to the main bounds of the exercise. Such method helps understand the candidate's attitude, disposition which may tend to be concealed in structured type questioning. Such method is useful to interview candidates for high-level positions. Depth interview goes a little deeper to bring out the critical areas of the candidate's life and experiences, and his rationality. Patterned interview evolves around highly structured and detailed set of questions prepared format.

Employment tests also occupy a viable position in the HR programs. These tests are used to highlight psychological, personality aptitude, mechanical aptitude and dexterity, management and industrial skills and proficiency, as well as secretarial and clerical skills. It is employed as an objective and standardized measure of a sample of behavior to gauge a candidate's abilities, aptitudes, interests or personality traits in relation to other individuals. Skill tests are conducted in many different ways, such as group-testing, individual testing paper-and-pencil testing, instrumental testing. With the development of computer technology, more sophisticated mode of testing to bring out cognitive, conceptual and psychomotor abilities are used by research psychologists in selecting the most qualified candidates for the organizations.

2.2.1 The Steps in the Selection Process

1. Preliminary Reception

Selection starts when the applicant arrives to the organization to fillout an application form and hand in his CV. When the applicant appears in person it helps the HR department to screen out obvious misfits.

2. Rewiew of Applications

Candidate application forms are reviewed along with CV's to judge their degree of to the job and organization.

3. Employment Test

Assess the probable match between applicants and job requirments. We make small test to understand that person suitable or not. Characteristic of employment tests:

Validity: We define validity as the extent to which performance on the measure is related to performance on the job. A measure must be reliable if it is to have any validity. On the other hand, we can reliable measure many characteristics (e.g., height) that may have no relationship to whether someone can perform a job. For this reason, reliability is a necessary but insufficient condition for validity.

Reliability: The consistency of scores obtained by the same person when retested with the identical or equivalet tests.

4. The Selection Interview

This is a formal, in-depth conversation conducted to evaluate the applicants acceptability. The interviewer basically seeks to answer the following:

- Can the applicant do the job?
- Will the applicant do the job?
- How does the applicant compare with others who are also being considered for the job?

5. Reference and Background Check

What type of person is the applicant? Is the applicant a good reliable person? Are the job accomplishments, titles, aducational background, and other facts on the CV and application form true?

6. Medical Evaluation

Applicants have to tell if they have any healt problem only give information about if he has allergy against some medicine.

7. Supervisor Interview

It is immediate supervisor that is ultimately responsible for the newly hired/employed worker, they also have in put into the hiring decision. The supervisor is often able to better evaluate the applicant's technical abilities and likewise, the supervisor can often better answer the applicant's specific job-related questions.

8. Realistic Job Preview (RJP)

Often the supervisory interview is supplemented with a RJP which shows the employee the job and the job setting before the hiring decision is made. Often this involves showing the candidate the type of work, equipment, and working conditioning involved. Research shows that employee turnover was lower when RJP are used. Unmet expectations about a job can contribute to initial job dissatisfactions. The RJP attempt by giving the applicant and insight in to the job.

9. The Hiring Decision/Employee Decision

The final choice is made, usually by the line manager of whom will be empolyed.

III. A CASE IN FOCUS: ETI ENTERPRISES

3.1 Background of ETI

Efforts to establish ETI began in 1961. It was registered as a company on the december 1963 but could not function due to the problems in 1963. ETI began their commercial activity in the first month of 1972. The main porpose of estabilishing ETI was to help the Turkish community to stand against the economic embargoes imposed by the Greeks. ETI carried out their responsibilities until 1974 when the Peace Operation took place and then the Turkish Cypriots were saved. As a state owned enterprises, ETI still functions effectively in the strategic products, and they try to stable and regulate the market in North Cyprus.

The bigger partner of ETI is the Tukish Community Council. The remaining shareholders are private individuals. The nominal paid up capital of ETI was raised to 9,000,500.000TL in 31.12.1997. 85% of the shares (5,716,510,200TL) belong to the state. The remaining 15% (987,681,780TL) belongs to the individual shareholders. Each share is worth 180TL.

ETI is one of the biggest employers in Cyprus. In all they have 197 employees at various levels. There are many university graduates who work at ETI. Sales volume of ETI has exceeded 25 million US dollars and they make business with five continents.

ETI is divided to different strategic business units with the aim of giving best services to the community.

ETI was set up with a vision to be the leading firm in the service of the Turkish community in international business. At the time of the establishment there was no big businesses in TRNC and there were hardly any international trade. ETI aim at working in large volumes to attract the attention of the international business organization and suppliers. They specialised in importing and distributing food products in the largest volume in North Cyprus. They later got involved in many other different business areas.

3.2 Problems of the Organization

One of the most important problems of ETI is the lack of human resource organization, appropriate selection process and excessive employment. ETI is not functioning like private sector and employing too many people. 65 billion TL is paid every month as salaries to the employees. 400 billion worth of sales is needed to be able to pay the employees. The employment and payment policy of ETI is very similar to the state. They use the incremental system just like the which allow a rise to the salaries automatically as the inflation rises.

ETI was a monopoly to begin with. They were alone in international trade. Today there are many organisations such as the Raşit Şirketler Grubu, Kazım Raşit, Toros, Peyak, Lanor and so on who import the very same products.

A problem that is a potential danger for the employees of the ETI is the efforts to privatise the organisation. There is a risk that the employees may be stopped from their work by the new owners.

As any state owned enterprise ETI is under political influence. Top management is usually changed as the governments change. This effects the performance of the organization. The managers are not selected for their abilities or skills but according to their political positions. The staffing of ETI is also politically effected. There has been efforts many time to adopt a personnel selection criteria but it has not been achieved. This is the most impotent aspect that has to be dealt with to have ETI as a successful organization.

3.3 Human Resource Aspect In ETI

ETI consist of Centrally organized centre with Accounting section, buying, personnel and market research center.

There are many branches of ETI who function independently.

As to this moment there are no important stratrgy of ETI towards Human Resource aspects. Human Resouce Management is one of the most important aspect to run an organization. Despite the most advanced technological changes in the world, industries and organizations heavily depend on human resources. Most critical element in the life is still the human factor.

ETI is one of the biggest and internationally recognized organizations of TRNC but through political influence they are deprived from the most modern tools of management skills, and are rarely involved in human resource management activities. While most of the companies spend time and effort in this aspect ETI are still not devoting enough time, or are not allowed to.

Although ETI is not a very successful organization, there are many benefits that are not existing even at the private sector. Compensation and Benefit, is a critical issue in an organization. The experience is that, the salary of an employee is important but more important is the relative income, that is how much one earn in regard of the other employees at the same company or in similar work at other companies. An employee must be satisfied that he is earning what he or she deserves.

The salaries at ETI vary in respect of experience and the importance of the work salaries or wages of the workers are arranged by the industrial coordination canter.

Office personnel receive their salaries at the last day of every month. Some of the employees belong to unions. The salary increases of those are realized every year after an agreement with the Union. Those who do not belong to any Union, receive a salary increase at the end of every year.

New, increased salaries of each employee is supposed to be calculated taking into consideration, abilities and the performance, during the past year. But this is no the case in ETI. Compensation and benefits along with promotions are based on political favoritism. Principally there are no salary increases during the year apart for those who gets a promotion. Following are the benefits each employee that receives regardless to their contribution to the performance of the company:

Premiums

At the end of each year, board of directors may decide to reward some of the employees with a premium. They do not announce this, and various ways can be adopted in paying a premium

to an employee. Election time is the time for premiums and favors in ETI. Apart from many new recruits at each election the old employees get promotions and benefits and they are expected to support the political parties for this.

Bonus

ETI has a bonus system for the employees who are not members of any trade Union. They pay an extra salary worth a month salary, for twelve months work. Those who have not worked throughout the year are paid only partially.

Overtime Payment

There are certain times and areas that the workers are required to work overtime. A worker has to work forty two hours a week to become eligible for overtime. ETI pays extra salaries for overtime work according to the laws.

Allowances

There is an "ETI Rules and Regulations" for allowances. There is a booklet about the eligibility for allowances and procedures of payment. Travel allowances are most common, and usually the executives of the company are expected to keep to certain standards at their traveling business.

Executive Cars

Executive cars are limited to the General Managers. Otherwise ETI does not provide executive cars for their employees. Personnel department allocate allowance for the employees that use their private cars during their work. The general manager usually have an executive car.

Advance Payments

There are times when employees may need money. They may face an unexpected expense and they may fail to meet the costs. Every employee, provided that they have not developed a habit, is entitled for advance payment, after the fifteenth of each month, if the immediate superior approves. They have to put in an application at the tenth of the month to be entitled for advance payment at the middle of the month. The maximum advance payment can not exceed half of the monthly salary.

Social Incentives

Employees normally receive 12 months salary and four months salary as bonus. Apart from these they give a small sum of money at each of the two religious holidays. The employees and workers also receive small amounts of money towards their holidays, heating of their houses, children support, and educational support for the children.

Food is also provided for the workers, at the work place. There are also coaches and minibus facility for transportation of workers to and from works.

Eligibility for these support payments are made through the managers, and the most important point taken into consideration is the performance at work.

Holidays

There are certain laws regarding the minimum holiday needs of the workers. ETI abides to these laws. They have different holiday scheme for personnel according to their duration of employment. A person has to work for a year to have the right to take a holiday. The duration of holiday for the years of service is shown below.

Duration of Service	Duration of Holiday deserved
1-4 years	12 working days
5-14 years	18 working days
15+ years and more	24 working days

Casual leave is not expected from the workers. Workers who need time off their job, has to ask the manager of the department. Manager may permit workers to take leave. They may decide to give the permission paid or without pay. Unproved leaves are not paid for.

In special cases such as marriage, the employee receives seven days holiday, fully paid. In case of death of next to keen, the employee is eligible for 5 days leave. All the excuses must be supported by evidence.

Working Hours

Working hours vary from department to department. Central offices are open from 8.30 in the morning until 18.00 hours in the evening. There is no work in Saturdays. There is a coffee brake in the morning for fifteen minutes and one hour break for lunch at mid-day.

Transport Services

Employees are carried to and from the work place by minivans and coaches. Public transportation in TRNC is not very efficient. And it is usually tiresome to travel at the public transport. ETI expects their employees fit and morally in good condition when they come to work. Transporing them to and from the work is implementing this idea.

Health And Safety

All the employees are registered members of State Social Security schame. Their health aspects are taken care of by this organization. There also Doctors, appointed by the company who from time to time visits the work place and make check-ups for the employees.

Working conditions are as safe as possible, and each work place is equipped with necessary safety equipment and first aid material. Employees are provided with safety work-gear where necessary.

IV. RECOMMENDATION

Staffing ETI has been under political influence so far. There is no appropriate human resource management and the selection is not done appropriately. These are explained earlier. Therefore, in this section the study will be more about how the selection process should be rather than the selection process in ETI itself. It is about time that their take staffing seriously. My suggestion is that ETI Holding should select new personnel at two stages.

1. First interview (initial screening)
2. Selection interview

The objective of the first interviews should be to bring the number of applicants to a reasonable number. They should eliminate those who are not meeting the general requirements.

At the second stage they make intensive interviews to learn the experience and abilities of the candidates.

Job Assessment

Job assessment should be carried out to describe the work. What is the work all about? What is the basic work to be carried out? What are the secondary duties? What are the minimum requirements in education, and what kind of skills are needed to perform? Are some of the questions that has to be answered.

3. Interviewer must not take any telephone calls, accept visitors or leave the place for a while.
4. A comforting question regarding the weather, or whereabouts they live, helps the candidate to relax and respond more clearly to the questions.
5. Interviewer must help the candidate ease the tension. Something of common interest may be found that they can talk about.
6. Interviewer must always be polite and friendly.
7. There is no point in getting into unnecessary arguments.
8. A part of the interview is to check the correctness of the information on the application form.
9. Another aim of interview is to learn more about the candidate, that is not written on the application form.
10. No promise must be made.
11. The interview under no circumstances should live before completing the interview.
12. The interviewer must take notes, which may be helpful at the second interview.

Second Interview

The second interview should be made directly by the person who will employ the personnel. Same rules are applicable as for the first interview. The interviewer can ask more specific questions and they can direct the candidate. How do the candidate match with the job? What are their skills, experiences? What is their educational background? Are they members of any club or organization? Do they know any foreign languages? Are they free to travel? Are some of the questions asked at this interview.

V. CONCLUSION

There are uncertainties about the future of ETI. Although there are serious talks about privatization there are no real action in this direction. As it is understood from the above information main problem of ETI is political influence and intervention. They are also giving excessive benefits in comparison to their private competitors. As they are weakening they should not recruit new employees. However they must use the right methods for employee selection that they may possibly make. ETI, to put things right and develop, has to get involved in training and development activities. These activities are intended to get most out of the employees, and at the same time create a healthy and happy working atmosphere. To achieve this, they must have orientation programs for new employees, programs for efficiency improvement, measurement of abilities and hidden values of the employees. They should have activities in the following aspects:

- Orientation programs for new employees.
- Periodical and systematic workshop and seminars in the related subjects of the employees.
- Courses for improvement of skills, knowledge and languages, in their field. The programs are sometimes arranged abroad.
- Programs for managers and sub-managers to improve their skills, and learn most up-to-date management techniques.
- Translate and publish books and magazines that will help employees to improve themselves.
- Education committee of ETI Prospect Club arranges seminars and workshops on social, technical and cultural fields.

The company can get lots of benefit by doing these activities. There are certain effects of training and development on an employee. Basic ones being;

- They feel a part of the company, increased attachment
- They feel proud because the management thinks that it is worth while to invest in them.
- They have prospect of promotion.
- They feel their importance and responsibilities.

ETI is a state owned enterprise under the consideration for privatization. The management should use all the knowledge and experience to improve the productivity of the organization. To be able to do this, they have to use their resources in the best way. They must on one hand improve the quality of man power that they have and at the same time introduce new ideas to select the most suitable people for their new recruitment.

VI. REFERENCES

1. Akabas, Sheila and Kunzman, Paul. Work, Workers and Work Organizations, Prentice Hall, 1982
2. Armstrong M., A Handbook of Human Resource Management, Kogan Page, 1988;
3. Cole G.A., (1990), Management: Theory and Practice, DP Publications, London
4. Cuming M. W., (1994), The Theory and Practice of Personnel Management, Seventh Edition, Clays Ltd., GB
5. Danah Zohar, "Organizasyonlar beyin Gibi Çalışmalı" CAPITAL, Mayıs 1990, Yıl 7, Sayı 5
6. Davis and Werther W., Human resources and Personnel Management, McGraw Hill, 1993;
7. Dessler G., Human Resource Management, Ninth Edition, Prentice Hall, 2003
8. Klarreich, Francek and Moore, The Human Resources Management Handbook, Preager, 1984
9. McClellan, Keith, Changing EAP Services, EAP Digest Vol.2, 1982
10. Modern Tony, 1993, Business Strategy and Planning , McGraw Hill, New York

11. Noe A., Hollenbeck R., Human Resource Management, Irwin-McGraw Hill, 2000
Pearson, R. (1991), The Human Resource, McGraw Hill, London

12. Şirin Vicdan, “İnsan Kynakları”, Capital, Mayıs 1999, Yıl 7, Sayı 5