



RACGP

*General practice
management toolkit*

Managing people

Module

8

General practice management toolkit: Managing people

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Contents

<i>Acknowledgements</i>	<i>i</i>
<i>Introduction</i>	<i>v</i>
<i>1. Recruitment and selection</i>	<i>1</i>
1.1 Recruitment	1
1.2 Job analysis	2
1.3 Attracting applicants	3
1.4 Selection	4
<i>2. Employment contracts</i>	<i>6</i>
2.1 Job offer	6
2.2 Contract regulations	6
<i>3. Staff induction</i>	<i>8</i>
3.1 Pre-arrival	8
3.2 The first day	9
3.3 The first week	9
3.4 The first month	9
<i>4. Staff training and development</i>	<i>10</i>
4.1 Competency training	10
4.2 Training needs analysis	11
4.3 Learning styles	11
4.4 Staff development activities	11
4.5 Performance appraisals	12
<i>5. Managing staff problems</i>	<i>14</i>
5.1 Performance issues	14
5.2 Conflict resolution	16
<i>6. Rewarding staff</i>	<i>17</i>
6.1 Motivation	17
6.2 Superannuation	18
6.3 Salary packaging and fringe benefits tax	18
6.4 Remuneration	18
<i>7. Occupational health and safety</i>	<i>19</i>
<i>References</i>	<i>20</i>
<i>Resources</i>	<i>21</i>
<i>Activities</i>	<i>22</i>
Activity 1. Recruiting and selecting staff	22
Activity 2. Staff induction processes	30
Activity 3. Staff training and development – developing a training plan	32

Introduction

Medical practices are complex small business enterprises. To be successful as a business, good people management skills are required. We easily recognise poor managers and the damage they can inflict on the business and staff. Identifying examples of good people management is more difficult as it is often less visible and it can appear that the enterprise is almost running itself.

General practitioners (GPs) are usually more productive when they engage others to perform both administrative and clinical activities. However, participating in practice management is essential for all practice owners and, to a lesser extent, non-owners as well. Improving your efficiency and effectiveness can be achieved by adopting work patterns that use the knowledge, skills and attributes of others. *Module 6 – Practice teams and leadership* discusses aspects of leadership and group dynamics.

Human resource (HR) management describes the management of people who apply their knowledge and skills to achieve the objectives of the organisation or entity. In small and medium-sized businesses such as a medical practice, HR management is the responsibility of the manager and owner(s). This module will provide an overview of the tasks required to successfully manage people in the practice.

Learning outcomes

After completing this module, you will be able to:

- understand the processes of recruiting and selecting staff
- recognise the steps for introducing staff into the work environment
- discuss and develop policies and procedures for managing staff performance
- identify responsibilities and issues in workplace safety.

1. Recruitment and selection

The people you employ in your medical practice will have a major influence on the quality of service provided to patients. The staff, not the doctor, create patients' first impressions of your practice. Your staff will also be the ones who conclude most interactions.

Of greater importance are the skills, knowledge and competency of your mix of staff, which will allow you to develop and sustain a thriving practice. Employing staff should not be a reactive process. To obtain the best results, managers must be able to identify the human resources required to achieve the desired business direction of the practice. This cascades down to the staff mix and individual position requirements. All of this must be considered within the financial constraints of the practice and employment law.

Recruiting staff is about building the organisation's overall competency and ability to achieve its business objectives. These competencies are important as they allow the practice to excel in its given field. Within general practice, as for other industries, we need to be good at dealing with change.

Poor staff selection negatively affects performance, morale and operational costs, and contributes to interpersonal conflicts. The cost of a bad hire has been estimated to be 40–60% of the annual pay of the position.

In contrast, positive staff selection by means of identifying the right position, the right distribution of resources to support that position and the working environment creates a powerful part of providing quality services. Good performers can outperform poorer ones by factors of up to three-fold.¹

1.1 Recruitment

Recruitment involves locating and attracting appropriately qualified applicants. The recruitment process requires a clear understanding of the needs of the job. The requirements may be determined in a job description/specification or through a competency profile.

There are many ways to attract applicants. While print media is still used, the Internet has become a standard tool in broadening national exposure for advertised positions. It also provides the ability to deliver position descriptions and other relevant material quickly and easily so you can filter possible applicants.

Traditionally, most recruitment has focused around a specific set of skills required by a person to complete a task (eg. the ability of a receptionist to type a certain number of words per minute). This is often a reactive approach to someone leaving and the need to fill their position. What happens to the practice during this recruitment process? Does it still function at the same level before the staff member left?

In this context, good recruitment is about being pro-active: examining the workflows and job roles before a need arises in your practice. In this way you develop an understanding of what makes a person right for the role and a good fit for the team. In some cases, a better understanding may mean adjustments to workflow and using human resources already present, rather than hiring new staff.

Informal roles

Cross and Prusak describe the use of informal contacts in developing an organisation through focusing on employees who play four key linking roles (*Table 1*).²

Linking role	Description	Examples
The central connector	Often considered the go-to person for information in an informal sense.	GP or practice nurse
The boundary spanner	Often link different informal networks through acting as an information conduit.	Business manager
The information broker	In large informal networks, these people often connect different sub networks.	Practice manager
The peripheral specialist	Often serving as experts, they have no direct connections and operate as possessing technical knowledge.	Specialist consultant /IT technician/accountant

Using this model, you can begin to see what a particular position might be linked to, and the key skills and knowledge of the position that will help to support informal networks. For example, a position such as a practice manager will need to have good communication skills and the ability to effectively manage information sharing. On the other hand, a central connector will need to be able to develop ideas and be approachable for staff asking questions and seeking help.

Formal roles

While informal roles help make an organisation go forward, formal roles are vital in keeping the momentum structured. Having too many informal roles leads to dispersed information, which can filter across multiple levels of the organisation and eventually cause confusion.

Effective recruitment moves beyond the finding and hiring of new staff; you want to invest and develop the talents in your practice. Part of this involves looking at management and leadership staff, who can bring down your practice potential if not chosen and managed well.

Axelrod, Handfield-Jones and Michaels describe these staff as 'C performers', characterised by delivering barely acceptable results for the position and not inspiring others.³ While not a reflection of the person, this term is more of a reflection of the person in a given job. Hence, when looking at your talent pool, effective recruitment is performance focused and should promote a performance-focused culture.

1.2 Job analysis

The first task in recruitment is to assess the tasks that need to be performed in the job. In examining the necessary tasks, consider the following questions:

- Does the job need to be simplified?
- Does the job need to be enlarged?
- Is it a matter of job rotation or enrichment?
- Is it easier to make it a simple job that needs to be completed?

Work re-design is often a cost-effective method of solving simple tasks within the practice. It is important to consider that some positions may require more engaging work or job rotations to increase the productivity of your employees.

By interviewing people doing the same work, it is possible to build a set of tasks required to perform the work well. This is distinguished from the attributes of the person. Providing a questionnaire to job holders is another way of developing this information. Other sources include manuals developed by professional bodies such as the Australian Association of Practice Managers (AAPM), former Divisions of General Practice, the Australian Medical Association (AMA) and the RACGP.

Job descriptions/specification

Job descriptions describe the duties, working conditions and other key aspects of the job. A job specification refers to the skills, knowledge, abilities, qualifications and prior experience required to perform a particular job. A list of what should be included in the job description is shown in *Table 2*. As well as assisting with recruitment and selection, it may help the practice protect itself against claims of discrimination. It will also help in writing a job advertisement. All current positions should have a position statement that is periodically updated.

Table 2. Job description list

- Title
- Who the position reports to
- Purpose statement (what are the end results or objectives of this position)
- Duties and responsibilities
- Knowledge, skills and attitudes
- Credentials and experience required
- Full time or part time
- Standard hours of work
- Physical skills required (if any)
- Job location, working conditions and environment
- Probationary period (if any)
- Date job description was prepared
- What award the position is paid under

Competency profile

A more complex process for recruitment involves the development of a profile of competencies required in the position. Competencies may be simple (eg. the ability to use a computer program to issue patient accounts) or complex (eg. the ability to use a range of methods to resolve interpersonal conflict).

1.3 Attracting applicants

Having determined your practice's requirements, the next task is to attract people to the position. Like all businesses, word of mouth as a good employer and a good reputation, in most cases, attracts the best applicant. An effective example of the power of word-of-mouth advertising is the professional trade services.

Advertising is commonly used to attract applicants. Place advertisements in the media most appropriate for the type of position you are recruiting. The advertising copy should be worded to attract attention, but must remain factual.

You need to decide whether to undertake the selection process internally or to use an employment agency. An advantage of using an external service is that they will usually have expertise in conducting selections. It also reduces the demand on your time. You may feel you can do this effectively, but be mindful that the traditional interview approach is often unreliable.

1.4 Selection

You may be inundated with applications for some positions. You need to be able to filter out unsuitable applicants and develop a short list of potentially suitable candidates. The wording of the advertisement and the provision of job descriptions, which include the job requirements, will allow some people to filter out themselves. Requiring people to complete a standard application form may assist in the selection process as it ensures the important questions are answered and allows easy comparison of applicants.

A telephone interview or a brief preliminary interview can assist in determining suitable interview subjects. A structured approach is important.

The following techniques can be used in selection.

Interviews

A standard interview involving the interviewer (often the manager or employer) is frequently used, but has a low level of reliability and validity. The interview can be improved by using a selection panel, which reduces positive or negative biases of the interviewer. A structured approach also increases reliability. This involves asking the same set of questions to all applicants.⁴

Other factors that increase interview reliability include:

- scoring or recording comments as the interview progresses
- training interviewers
- asking questions relating to the job.

The reliability refers to the consistency of the approach that will produce the same outcome when used repeatedly. The validity describes how well the test will measure the attributes being sought.

When conducting an interview:

- Prepare by writing specific interview questions that will help you discover the applicant's ability to fulfil the key requirements of the job. Focus on past experiences rather than hypothetical situations. Start with open-ended questions. Allow a specific amount of time for each part of the interview so you will cover all areas equally.
- Develop a scoring system to rate the responses and prepare an interview sheet to use during the interview.
- Commence by making the applicant comfortable, discussing general issues and positioning the chairs in the least threatening arrangement. Try to get the applicant to do most of the talking. Provide a balanced view of what they should expect in the position. Overselling the position increases the possibility that the person you select is not retained once they start the job. As well as promoting the practice in the way you conduct the selection process, make sure you do no harm to the applicant's self-esteem. While it is inappropriate to give false expectations, there are

opportunities to provide encouragement. Even unsuccessful applicants can potentially be part of your future workforce.

- Close the interview by thanking the applicant and explaining the next steps in the selection process.

Testing

Testing an applicant's ability to do the tasks required in the job has a good level of reliability and validity. This can range from personality and psychological testing to general aptitude and specific skills tests. For example, observing a person responding to telephone calls would be relevant for a medical receptionist.

Practical tests are a valuable indicator of how well a person will handle a given job. While testing may extend the time taken to fill the position, it will help save future recruitment cost if the new employee is not appropriately matched to the task.

Reference checking

A good predictor of future performance is past performance. Contacting previous employers is a valuable source of information. Many people will reveal more when contacted by telephone than when providing a written reference. However be aware that they may feel constrained by loyalty or potential litigation to be forthright with their views.

At this point you are concluding the recruitment and selection process. In most cases, your short-listed applicants will have applied for a number of positions. Therefore, it is important you manage your time efficiently to get the right candidate for your position. You should also develop a list of preferred candidates in the order in which you will offer the position.

2. Employment contracts

2.1 Job offer

After conducting the selection process, you need to make a job offer. This will usually be done by telephone and, importantly, followed up in writing with a letter of offer. Meet with the candidate as soon as possible after confirmation, as you want them to be committed to your practice. Remember that people usually apply for a number of jobs, so act promptly to ensure you secure the best applicant. Until the applicant formally accepts, you will need to maintain a short list of suitable applicants. All unsuccessful applicants should be notified as soon as possible with a letter that thanks them for their time and interest in the position.

2.2 Contract regulations

Industrial relations law exists in a dynamic regulatory environment requiring constant awareness by the GP or practice manager. All employment relationships are on the basis of a legal contract between the employer and the employee. The employee agrees to serve the employer in return for reward, usually as remuneration. Alternatively, a contract may be agreed between a principal and an independent contractor who is required to provide services.

In 2010, the *Workplace Relations Act* was replaced by the federal *Fair Work Act 2009 (the ACT)*. This Act requires employers to provide employees with 10 legislated National Employment Standards (NES) relating to:

- hours of work
- right to request flexible working arrangements
- parental leave
- personal/carer's and compassionate leave
- community service leave
- annual leave
- long service leave
- public holidays
- notice of termination and redundancy pay
- fair work statement.

Awards

In addition to changes to the Act, federal awards were reviewed and consolidated. State and territory governments transferred their industrial relations regulatory powers to the Commonwealth. These include employees working in private medical practice. The following awards apply in general practice:

- **Health Professionals and Support Services Award 2010** – covers employees working in private industry in the health sector; the Award does not cover medical practitioners and nurses.
- **Nurses Award 2010** – applies to all Division 1 and 2 nurses including those employed as practice managers.
- **Medical Practitioners Award 2010** – covers GPs working as employees; frequently, doctors are engaged as independent contractors and the award does not apply in those circumstances.

Medical practices are required to comply with state and territory legislation where it exists. Information is available from organisations such as the AMA, as well as representative employer bodies in each state and territory.

Distinguishing employees and independent contractors is not always straightforward. The most important test a court would consider is the aspect of control. The employer has the right to exercise control over the manner in which work is done, even though in a medical practice the right may not be exercised and the doctor is required to use their professional judgement.

A second test is the organisation test, where it is determined whether the service provider ('contractor') is carrying on a business in his or her own right. This would involve issues such as business risk, providing their own equipment, separate letterheads, business cards and the like. Business risk implies the contractor could suffer a financial loss. The issue is significant if a court finds that the employer, in treating an employee as an independent contractor, has denied them entitlements such as leave, superannuation contributions and workers compensation.

The employer could also be found in breach of requirements in relation to taxation.

Advice from a solicitor, an employer organisation or the AMA should be used in developing employment contracts. It can lead to significant problems and costs later if it has been found that the contracts were in breach of legislation.

Anti-discrimination

There is extensive legislation at a federal, state and territory level that makes discrimination and harassment unlawful. The process of recruitment and selection needs to abide by this legislation. It is unlawful to discriminate against any person or group on the basis of gender, age, race, marital status, religion, pregnancy or potential pregnancy, and a range of other personal characteristics including associations with groups.

Federal laws

- *Age Discrimination Act 2004 (Cth)*
- *Disability Discrimination Act 1992*
- *Human Rights and Equal Opportunity Commission Act 1986*
- *Racial Discrimination Act 1975*
- *Sex Discrimination Act 1984*

State and territory laws

- *Australian Capital Territory Discrimination Act 1991 (ACT)*
- *New South Wales Anti-Discrimination Act 1977 (NSW)*
- *Northern Territory Anti-Discrimination Act 1996 (NT)*
- *Queensland Anti-Discrimination Act 1991 (QLD)*
- *South Australia Equal Opportunity Act 1984 (SA)*
- *Tasmania Anti-Discrimination Act 1998 (TAS)*
- *Victoria Equal Opportunity Act 1995 (VIC)*
- *Western Australia Equal Opportunity Act 1984 (WA)*

Fact sheets are available from the Human Rights and Equal Opportunity Commission at www.hreoc.gov.au

3. Staff induction

Induction is the process of introducing and integrating a person into the workplace so they can perform their role effectively and safely. Usually, a new job in a new workplace is stressful until the induction process has been completed. The lack of an appropriate induction process increases staff turnover and results in lower productivity.

An induction process should be documented and a checklist created to ensure all aspects are covered and signed off by the employee at the completion of the induction.

The process of induction can be considered to go through four phases:

- pre-arrival
- the first day
- the first week
- the first month.

Note

The RACGP *Standards for general practice* (4th edition) – Human resource system (Criterion 4.1.1) outlines a preferred system of developing induction processes in human resource management. While it is not the complete answer, we encourage its use as a guideline to developing human resources management approach.

It is available at www.racgp.org.au/your-practice/standards

3.1 Pre-arrival

Key issues

The employee must confirm their acceptance of the position and terms of employment in writing prior to commencement. You may need to see copies of qualifications and other documentation relating to the position.

Arrange for the employee to have a dedicated work area, ID badge/card, keys, telephone and IT access as required.

Providing an orientation pack to the new employee will allow them to start understanding more about the practice, the people they will be working with and the policies of the practice. It will make their first day easier and create a positive impression about their new employer. The pack should include administration forms such as those required for tax declarations, superannuation contributions and personal information that may be needed for payment of wages, personal contacts such as next of kin and any special health information the employer may need to consider.

Advise the current employees about the person who is starting and what induction arrangements have been made. In some situations, appointing a person to be a mentor can make the induction process run more smoothly.

3.2 The first day

Welcome the new employee personally and introduce them to their co-workers. In a larger practice, providing a sheet of 'who's who' with photographs can make it easier to fit into the work group. The success of the first day will strongly influence the employee's work attitude and job satisfaction.

On the first day, ensure that you:

- check all forms provided in the orientation pack are completed and signed
- discuss job description and work hours to confirm understanding
- take the person on an 'orientation tour' that includes toilets, staff amenities, work areas
- advise on the expected behaviour and appearance of staff, and tea room 'norms', eg. washing your own cups
- demonstrate how to use office equipment such as telephones, IT systems, photocopier
- explain procedures to create a safe working environment and what to do in an emergency
- explain the confidentiality requirements of the practice.

3.3 The first week

The program for the first week should provide the employee with initial training so they can effectively perform their job. Develop a structured program that will cover all of the aspects of their work.

Where possible this will involve having the new staff member as an extra on the roster. A badge with 'trainee' can be helpful during the first week as it reminds people to provide extra consideration for the newcomer.

At the end of the first week, the manager/employer should develop a training plan that identifies the needs of the new employee and the activities that will be used to address these. Ask about problems they may have experienced and any observations that they have made that could improve the work environment or processes. This is also a time to discuss the probation period of the position.

3.4 The first month

Good communication between the manager/employer and the employee is essential for an efficient and productive workplace. Starting the relationship in a positive and enthusiastic manner will provide long-term benefits. Ask the employee for feedback on the induction process and encourage them to regularly ask questions about their work.

Meet on a weekly basis during the first month to discuss progress and address any issues quickly.

It is also worth considering the different methods available in delivering information to staff such as intranets, which give quick and easy access to forums; information management from an HR view; and information relating to the organisation.

4. Staff training and development

The corollary of the aphorism 'our staff are our greatest asset' is 'training pays'. The benefits of providing staff training include:

- improved productivity
- expanded skill and knowledge base, providing increased capability and flexibility
- higher staff morale
- reduced staff turnover
- increased loyalty
- enhanced public reputation
- greater profit.

It is difficult to measure return on investment (ROI) for training in pure economic terms. This is because the results are due to more than just the training element. While it may be difficult to assign a dollar amount, such as with safety training, it is best to measure training in relation to desired outcomes.

4.1 Competency training

In Australia, most training programs are focussed on the development and assessment of competency. Competencies are concerned with what people are able to do and the ability to perform in a range of contexts. They emphasise outcomes and the application of skills and knowledge, not just their specification.

The concept of competency includes all aspects of work performance, not only narrow task skills. The four components of competency are:

- **task skills** – the capacity to perform required workplace tasks (eg. render a patient account using MYOB accounting program)
- **task management skills** – involve the requirement to manage a number of different tasks, capturing the skills people use as they plan and integrate a number of potentially different tasks to achieve a complete work outcome (eg. manage a multiline telephone system for patient appointments)
- **contingency management skills** – cover the requirement to respond to irregularities and breakdowns in routine, encompassing the skills used in day-to-day employment and allowing for dealing with irregularity, imperfections and the unknown (eg. able to effectively respond to a patient complaint about extended waiting time)
- **job/role environment skills** – those skills used to deal with the responsibilities and expectations of work environment and in working with others. This can include interacting with people from within and outside the practice such as colleagues, patients, carers, secondary care providers, couriers, company representatives and the public. The capacity to work with others and to adapt to different situations and the varied demands of employment across the practice is central to successful performance (eg. demonstrated ability to resolve staff conflicts).⁴

Job competencies are also referred to as work skills and were the focus of research into the needs of employees conducted by Allen Consulting.⁵ *The Employability Skills Framework* specifies eight skill groupings to describe and define employability skills, these are:

- **communication** – skills that contribute to productive and harmonious relations between employees and customers
- **teamwork** – skills that contribute to productive working relationships and outcomes

- **problem solving** – skills that contribute to productive outcomes
- **initiative** and **enterprise** – skills that contribute to innovative outcomes
- **planning** and **organising** – skills that contribute to long term and short term strategic planning
- **self-management** – skills that contribute to employee satisfaction and growth
- **learning** – skills that contribute to ongoing improvement and expansion in employee and company operations and outcomes
- **technology** – skills that contribute to effective execution of tasks.⁵

You can understand the skill requirements of your practice and assess training needs using the above frameworks.

To understand the training requirements for staff, it is useful to seek information from associations and training providers. Other avenues include registration boards that maintain competency standards for their profession (eg. nurse registration).

4.2 Training needs analysis

Conducting a training needs analysis (TNA) is a critical step in the development of a training plan. The TNA allows you to prioritise and target training to the areas that align with the practice objectives.

You can gather information for a TNA through:

- interviews with individual staff
- focus groups
- questionnaires.

In interviews and focus groups, you should aim to create a non-threatening environment to encourage discussion of attitudes and opinions on a range of areas relating to the job demands and the work environment. The information you gather from these can be analysed to identify the key skill areas required in the various work positions and the areas where most benefits are likely to be gained by further training.

You can then perform a skills audit, which allows a comparison of current skill levels with desired skill levels. This then forms the basis of your training plan. In determining the training approach, you should consider the learning styles of the employee and the resources available for training.

4.3 Learning styles

People have preferred learning styles, although they usually learn best using a number of learning approaches. David Kolb, who developed a learning style inventory, has been very influential in the design of training programs.⁷ His model and inventory has been subject to criticism. The visual, auditory and kinaesthetic (VAK) system has long been used as the basis of training techniques. 'Visual' people learn readily by direct observation, diagrams and flow charts, 'auditory' learning relates to speech and sound, while 'kinaesthetic' relates to hands on experience, learning by doing.

4.4 Staff development activities

There are three groups of activities that can assist with staff development:

- ad hoc activities
- group learning activities
- formal development activities.

Ad hoc activities

These include unplanned and unstructured learning opportunities that are normally task focussed. Examples include:

- observation of other experienced workers performing a task
- modelling behaviour
- task delegation
- involvement in a project group
- staff meetings
- networking.

Group learning activities

Group learning is usually a planned process with a specific task or learning objective. Training in the workplace is usually more effective when it relates to actual work requirements. The associated discussion about new knowledge or skills can be applied in a practical way that makes this often a preferred training technique. Activities can include:

- peer teaching
- guest speakers
- group discussions
- action learning
- project teams.

Formal development activities

Formal development is usually arranged with clear training objectives. This is predominantly done on an individual basis and includes:

- performance review or appraisal
- job rotation
- external courses
- practice visits
- relief work in more senior position.

4.5 Performance appraisals

The use of performance appraisal systems has varying levels of support. The objectives are to assess the performance of the individual and to determine how they would benefit from further training and development. The performance appraisal process involves:

- setting standards for performance
- assessing performance against the standards
- providing and receiving feedback in relation to job performance
- agreeing on actions to further develop performance.

Proponents of performance appraisal claim it provides an objective and comprehensive system of review of work performance. It is more commonly used in larger organisations as a means of performance control. Critics, including Peter Scholtes, claim that there is no evidence that it improves business performance and that it frequently damages staff morale.⁸

If you decide to introduce performance appraisals, it is important to consult with staff to ensure the process is practical, fair and accurate. Organisations who claim it has been successful have spent a lot of time training the managers and employees involved in the process. You should use performance appraisals to manage serious performance deficiencies as these require a different review process.

Scholtes recommends these alternatives to performance appraisal:

- Work on the system rather than the individual.
- Pay people a market rate not pay based on 'merit' (or performance bonuses).
- Provide feedback.
- Provide training and promotional systems.⁸

5. Managing staff problems

5.1 Performance issues

It is inevitable that occasions will arise when an employee is not carrying out their work according to the expectations of the manager/owner. There will also be times when an employee is upset by the way they are treated by other staff or management. A procedure for managing grievances is recommended so that all parties understand how issues will be resolved.

The following elements should be included in such procedures:

- clear standards for performance and behaviour
- procedural fairness
- prompt investigation including the opportunity for persons to respond to allegations or complaints.

Feedback

Remember that feedback should emphasise positive encouragement for good performance. Motivating people to continue with good performance requires regular affirmation.

Feedback on poor performance should be given directly to the person in private. Criticising staff in public may cause embarrassment and humiliation. This will inevitably damage relationships and lead to long-term performance problems.

The most common situation relates to something of a minor nature that if it were to continue, could become more significant. The purpose of the exchange is to raise the issue and encourage the person to change.

The One Minute Manager is a business classic on people management.⁹ It describes the process of reprimand as consisting of three parts:

- Start by telling the employee what you are going to talk about.
- First half – reprimand soon after the behaviour, be specific and let the employee know how you feel; give a few seconds in silence to let it sink in.
- Second half – reaffirm that you think well of them but not their performance in this situation.

A significant discipline or performance matter requires a more formal approach. You need to gather facts relating to the situation. You then need to put these facts to the employee to allow them an opportunity to respond before a decision is made regarding the validity of the facts or their interpretation. When a complaint has been received, it may be appropriate to advise the employee immediately regarding the matter and explain what is going to be done to investigate the allegation. Ideally, a third person should be present to verify that the process is being dealt with fairly. This may be important in protecting the employer from claims of harassment or bullying. After thorough investigation, you should discuss the matter with the employee and document the expected outcomes. The focus should be on helping the employee to achieve the expected behaviour.

Warnings

Warnings are required when an employee's behaviour or performance does not improve. A warning consists of verbal or written advice about the specific issue and the consequences for failing to change or improve. Usually the process is one of escalation, where it moves from a verbal but documented warning, to a written warning and then a final written warning, allowing sufficient time and support between warnings to allow the employee to make necessary changes. When you believe there has been adequate opportunity to change and the employee has failed to make the necessary change, termination may be required.

Termination

Termination is the last resort and should only be taken when all other reasonable steps have been taken. The impact of termination on the employee, both financially and emotionally, is serious. If the evidence supports a decision to terminate an employee, they should be given an opportunity to respond to this evidence.

An employee has been unfairly dismissed if the Fair Work Commission (FWC) finds that:

- they were dismissed, and
- the dismissal was harsh, unjust or unreasonable
- the dismissal was not a case of genuine redundancy.¹⁰

It is not an unfair dismissal if the employer is a small business employer and they followed the *Small Business Fair Dismissal Code*. A small business employer is an employer who employs less than 15 employees. The headcount includes casuals employed on a regular and systematic basis, employees of associated entities and the employee(s) being dismissed.¹⁰

The FWC has published a checklist for small business owners to follow to avoid an unfair dismissal claim. For a copy of the checklist, go to <http://www.fairwork.gov.au> and follow the links.

A wrongful dismissal case can be brought against an employer when there has been procedural unfairness. A warning given more than 12 months earlier will generally be considered to have lapsed and not constitute satisfactory justification for termination.

There are minimum periods of notice for termination required by the NES contained in the *Fair Work Act*. A notice period is the amount of notice an employer must give an employee if they plan to terminate the employee's employment. Under the NES, if an employer terminates the employment of a permanent employee they must provide at least the notice outlined in *Table 3*.

Period of continuous service	Notice period
Not more than 1 year	1 week
More than 1 year, but not more than 3 years	2 weeks
More than 3 years, but not more than 5 years	3 weeks
More than 5 years	4 weeks

If the employee is over 45 years old and has completed at least 2 years' continuous service with the employer, they are entitled to an extra week of notice. An employer can pay an employee instead of giving notice by providing an amount equal to the total amount they would have received had the employment continued until the end of the notice period.

In some situations, employment may be terminated without notice (ie. summary termination). This may occur where there is serious misconduct or breach of contract. The summary termination may be justified on the basis of wilful disobedience, dishonesty or occasions of misconduct such as fighting, drunkenness or drug use, sexual harassment or abusive behaviour.

Caution

The above information is of a general nature and should not be relied upon for individual situations. Legal advice is strongly recommended prior to termination of an employee.

5.2 Conflict resolution

Dealing with conflict is an important management skill. It is common for people to come into conflict in the workplace due to different values, priorities and expectations. Ongoing conflict in the practice can create a negative climate leading to loss of work satisfaction and increased staff turnover. Dealing with conflict early and effectively is important. Skills in resolving conflict can be learned. It requires a focus away from individuals towards the problem.

The following 12 skills are drawn from the guidelines available from the Conflict Resolution Network:

- **The win/win approach** – a change from being adversarial to cooperative.
- **Creative response** – involves looking for new possibilities.
- **Empathy** – developing an understanding of the other parties' position through active listening which involves exploration, acknowledgement, reflection and the defusing high emotions.
- **Appropriate assertiveness** – involves clear statements of personal perspective using 'I' statements.
- **Cooperative power** – responds to resistance by further exploration and reframing the problem in a positive context.
- **Managing emotions** – this requires understanding one's own emotional responses and those of others and taking steps to reduce their interference with resolving conflict.
- **Willingness to resolve** – involves accepting that some of the beliefs we have about the other party may be based on projections of our own past painful experiences.
- **Mapping the conflict** – the problem should be defined as an issue that each party will agree on and then stating from each parties perspectives their needs and concerns as per the table below.

Issue:	
Who:	Who:
Needs:	Needs:
Concerns:	Concerns:

- **Development of options** – to arrive at solutions it may be necessary to clarify the issue better by gathering more information, breaking the issue up into smaller parts or establishing goals. Ideas can be generated through brainstorming, lateral thinking or consensus.
- **Negotiation** – requires a win-win approach to find common ground. It may involve the skills above plus the ability to recognise the outcome of failure to reach an agreement.
- **Mediation** – requires the mediator to be neutral but supportive to both parties and guide the identification of common ground and generation of solutions.
- **Broadening perspectives** – requires people to step back and examine the broader context of the situation and a longer time frame. It requires participants to respect and value differences.¹¹

For more information, go to the Conflict Resolution Network at www.crnhq.org

Respect and value differences

It is important to consider that we are all unique and special. We all have distinctive viewpoints that may be equally valid from where we stand. Each person's viewpoint makes a contribution to the whole and requires consideration and respect in order to form a complete solution. This wider view can open our eyes to many more possibilities. It may require us to change the mind chatter that tells us, 'For me to be right, others must be wrong'.

6. Rewarding staff

Staff remuneration is the most obvious and important reward for work done. There are many ways of rewarding staff but for most people the pay received is the first and foremost motivator. Despite this, there are significant other items beyond pay, such as greater recognition and reward, that address these needs. The idea of a customised reward is a good way of individually recognising employee's contributions to a business.

Non-financial rewards encourage employees to take greater accountability for some of the services provided, leading to more efficient work to improve the service.

6.1 Motivation

As an employer you will be interested in the factors that improve work performance. The 'carrot and stick' analogy is often used to discuss motivation. Generally it is believed that negative consequences are effective in motivating performance, but they also produce behaviours that may sabotage the desired outcome over the longer term. For example, a severe reprimand may reduce the likelihood of a staff member arriving late for work, but it may lead to a reduced contribution in the job.

Positive consequences provide a more sustained effort.

Extensive research has been done around work factors and motivation. The drive for efficiency has caused jobs to be more repetitive. A highly influential model of job design developed by Richard Hackman and Greg Oldham – the 'job characteristics model' – describes five elements that are needed to provide a good job:

- **Skill variety** – using a mix of skills and knowledge.
- **Task identity** – the completion of a whole piece of work.
- **Task significance** – work that is recognised as important.
- **Autonomy** – the ability to control the pace and manner work is completed.
- **Feedback** – on performance.¹²

The discipline of organisational behaviour seeks to understand how people behave in work situations. In addition to examining how people work in groups, it considers issues relating to change, culture and climate in organisations. Improving your understanding of these areas can help address workplace performance and stress.

The human relations approach to organisational behaviour started in the 1920s as a response to William Taylor's *Scientific Management*, which focussed on breaking tasks down to create increased efficiency through repetition.¹³ Despite the human relations approach being over 100 years old, it is based on an understanding of the workplace that remains valid. This includes:

- work takes place in social systems, not just technical economic systems; the informal work group is a major factor in determining attitudes and performance of individual employees
- people are motivated by many needs; individual needs do not necessarily align with organisational needs
- managers require effective social skills, not just technical skills.

6.2 Superannuation

The *Superannuation Guarantee (Administration) Act 1992* requires employers to make compulsory superannuation contributions on behalf of their employees. This requires employers to pay a minimum amount of all eligible employees' base earnings into a complying superannuation fund or retirement savings account. Superannuation legislation is subject to change and it is essential to stay informed. Penalties apply for non-compliance. From 1 July 2013 the minimum superannuation contribution required by employers was 9.25% and this is legislated to progressively increase to 12% over the next few years.

Employees covered by modern awards must be given their choice of superannuation fund.

Information is available at www.ato.gov.au/super

6.3 Salary packaging and fringe benefits tax

It is possible to provide additional rewards to staff by providing the facility to sacrifice salary to take other forms of benefits. This may provide additional value including taxation benefits to the employee. Where the rewards are assessable for fringe benefits tax (FBT), the employer is liable for the tax unless there is an agreement that the employee will reimburse the amount of FBT. As FBT is set at a high rate, there is limited use of this facility outside of motor vehicle expenses. As it is an expense to the practice to administer FBT reporting, there is limited application outside of key employees.

Further information is available at www.ato.gov.au/Business/Employers

6.4 Remuneration

A practice will usually have a limited number ways of providing remuneration to staff. Most staff will be paid a wage (ie. an hourly or weekly rate) covered by a Commonwealth modern award. The award provides a minimum rate of pay. To attract and retain excellent staff, you may need to pay a rate higher than the award, offering an amount that is competitive in your local market.

Salaries are annual payments for services, paid progressively (ie. monthly or fortnightly). They are usually provided for more senior positions when there is discretion regarding times of work. A salary provides flexibility for the employee to adjust the amount of work done according to the job requirements.

In most medical practices, staff pay will be on a fixed basis. While some practices pay an annual bonus, this does not usually relate to particular performance outcomes and is a goodwill payment. The reason for paying this type of bonus is that some believe it is a way to reward staff for effort across the year.

There is little evidence to support bonuses as a motivator for better performance. Performance pay (or variable pay) is provided in addition to fixed pay on the basis of reaching certain targets. It is controversial as a motivator, but may be considered for senior positions where there is control over the work outcomes achieved.

7. Occupational health and safety

Employers have a responsibility to provide a safe workplace for staff. This is legislated under state and territory jurisdiction. In comparison to many workplaces, medical practices are by their nature relatively safe. However, hazards include risk of infection, dangerous substances and office activities. Practice owners are liable and managers can also be held liable for harm that may occur to an employee.

Employers are required to provide insurance cover for employees under a workers' compensation scheme. When a work injury or accident occurs, it must be recorded and managed to rehabilitate the person to their usual occupation, where possible.

Best practice requires all organisations to adopt a formal approach to managing workplace safety through a systematic assessment and minimisation of risk, consultation and appropriate training of staff. A safety manual is a useful way of documenting and implementing an occupational health and safety (OH&S) policy for the practice.

Bullying has been recognised as a serious workplace issue that causes distress and injury to staff. It is likely to reduce staff performance and lead to increased staff absenteeism and turnover.

Bullying includes deliberate acts to humiliate or embarrass an employee, setting unrealistic workloads and excluding persons by denying access to information or entitlements that others receive. Intimidation through personal attacks, belittling comments or public and unjustified criticisms is a common form of bullying.

A practice policy on bullying should be developed as part of an overall staff management policy and should include:

- a code of conduct
- equal opportunity policy
- grievance policy
- occupational health and safety policy
- sexual harassment policy.

Each state has legislation in relation to these areas and information is readily available from OH&S websites:

- **Victoria** – The Victorian Workcover Authority, www.workcover.vic.gov.au
- **New South Wales** – Workcover Authority of New South Wales, www.workcover.nsw.gov.au
- **Queensland** – Workplace Health and Safety, www.whs.qld.gov.au
- **Northern Territory** – NT Worksafe, www.worksafe.nt.gov.au
- **South Australia** – Workcover Corporation, www.workcover.com
- **Western Australia** – Worksafe Western Australia Commission, www.safetyline.wa.gov.au
- **Tasmania** – Workplace Standards, www.wst.tas.gov.au

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Resources

Further reading

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- Hills L. What is professionalism? A training tool for medical practice staff. *J Medical Practice Management* 2007;22(6):364–7.
- Royal Australian College of General Practitioners. *The RACGP Employment Kit: Reaching a Fair Deal*. 2nd ed. South Melbourne: RACGP, 2006.
- Scholtes P. *The Team Handbook: How to use teams to improve quality*. Wisconsin: Joiner Associates, 1995.

Websites

- New South Wales Department of Commerce – Office of the Industrial Relations, www.industrialrelations.nsw.gov.au/workplace/practice/mge_people.html
- Australian Primary Health Care Research and Information Service, www.anu.edu.au/aphcri
- Fair Work Small Business Fair Dismissal Code (check list), www.fairwork.gov.au/ArticleDocuments/2247/Small-Business-Fair-Dismissal-Code-2011.pdf.aspx?Embed=Y
- Mind Tools, management and leadership training, www.mindtools.com

Activities

Activity 1. Recruiting and selecting staff

This activity is split into five sections, each of which make up a part of developing the right process that suits your practice to get the right employee, if one is needed. You may find that it is a matter of workflow and that it is not necessary to hire a new staff member.

Part 1. Identify problems and errors

In this activity, you are asked to perform a situational analysis of your practice in regards to filling a possible new position.

1. Identify problems and errors that need to be addressed

There are a number of ways you can achieve this, such as holding focus groups with staff members or performing a walk through the practice to observe the patient flow.

The advantages of discussing the problems with staff members are that it allows you to gain their perspective of what problems exist in the practice and identify where errors occur that you may not be aware of.

This is also important as a way of developing whether or not a new position is needed or if job roles can be redesigned or the workflow altered.

Your observations	Staff observations

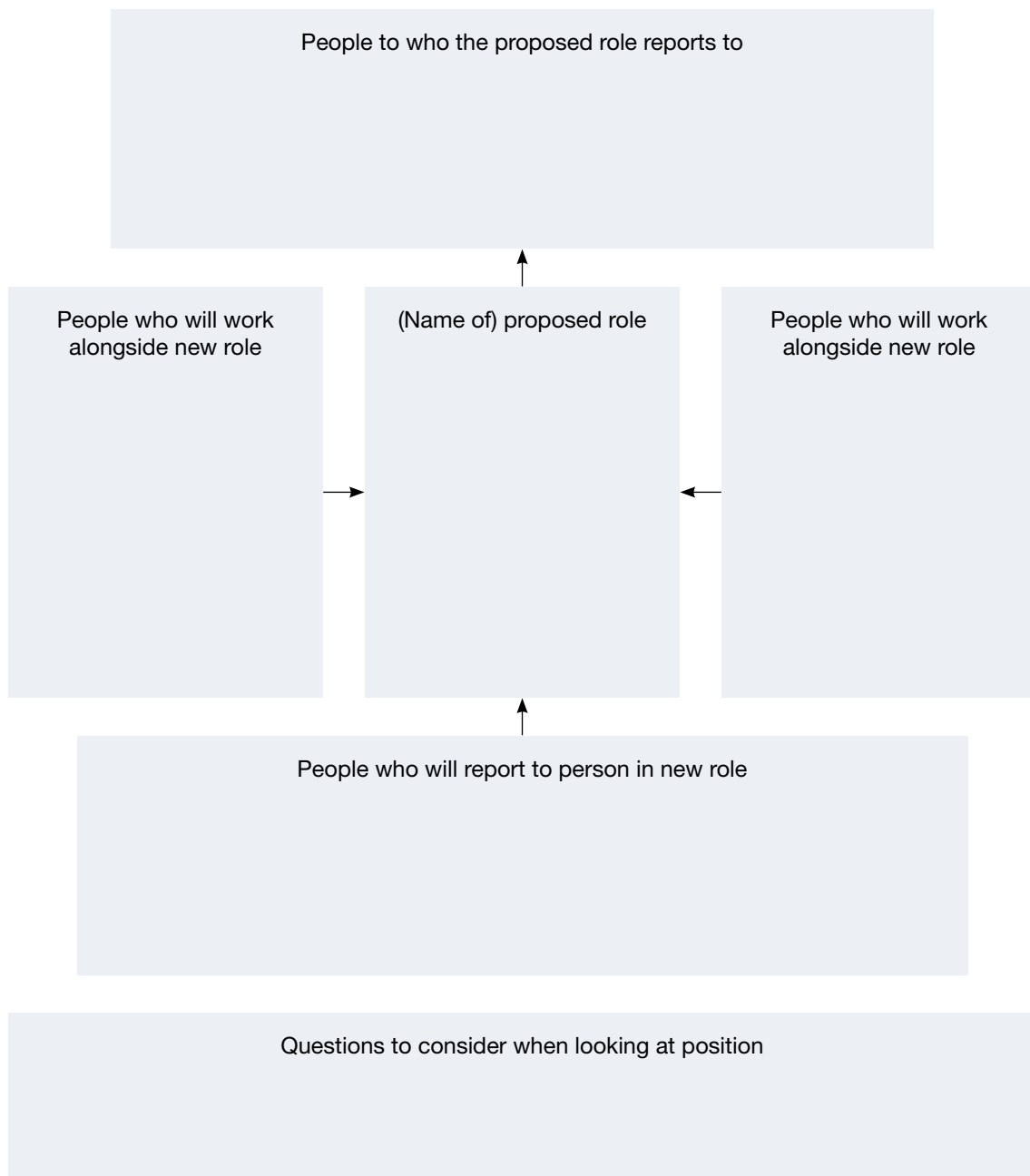
Once you have made observations of the problems and errors that exist, ask yourself and your team some of the following questions. Keep track with notes at the bottom.

- What is required to overcome these problems?
- Do any of the staff possess the skills/knowledge required?
- How much time is required to manage the problem (eg. 2 Full-time equivalent or 1 day)?
- Is a new staff member required? If yes, move to next activity.

Part 2. Identify the position and those involved

In this section, you are asked to identify the position, whom the position will report to, the position's peers and who will report to the new position. It is important to keep this in mind, as the effectiveness of the new position will be affected by the ability to work with the positions around it.

2. Identify the position and who will be involved in the process and the duration of the role.



Part 3. Building a competency profile

Now that you have identified the problems that exist and established the need for a new position, and you have worked out who will interact with the new position, you can begin to build a competency profile of what you want the new employee to achieve.

3. Build a competency profile

In developing a competency profile, it is important that you reflect on your business strategy (see *Module 5 – Business plans*) and the services you want to provide to the community. Taking a more strategic direction with what your new employee will be able to do allows you flexibility to build the competency of the entire practice to achieve a business objective and plans.

For example, consider you are going to hire a practice nurse.

Rather than specifying that the person must be able to safely administer needles, a more appropriate competency may be that the person be able to demonstrate an ability to administer vaccinations for children and adults, with the skill to follow as required. This requires more competence in terms of record management, dealing with children and adults, and being able to identify appropriate vaccines.

Your business direction	Knowledge required by prospective employee to achieve business direction

Your business direction	Skills required by prospective employee to achieve business direction

	Attributes required by prospective employee to achieve business direction

Part 4. Build a job description

Now that you have completed the first three sections, you should be able to build a job description template for the position. It is important you continue to develop and review the job description with staff, as the new employee will affect how they work.

4. Build a job description

Use the headings below to create a template that will suit your practice. Some space has been provided to record key notes from the module and activity.

Position title

Who the position reports to

Purpose statement

Duties and responsibilities

Knowledge, skills and attributes

Credentials or experience required

Full-time or part-time work

Standard hours of work

Physical skills required (if any)

Job location, working conditions and environment

Probationary period (if any)

Date job description was prepared

What award the position is under

Part 5. Developing interview questions

After developing the job profile, you need to develop interview questions for the position. These are useful in further developing the job profile by comparing real life scenarios to the skills, knowledge and attributes of the previous sections.

In this activity, consider the key selection criteria for the position and use it to develop questions in an interview scenario. A useful method is to present a hypothetical scenario you can use to gauge how a person would manage it. Open-ended questions are useful as they allow the person being interviewed to demonstrate communication and interpretation skills.

Selection criteria/attribute	Question	Evidence/notes

The first day

It is important to give a good impression of the practice and how it works is left on the new employee. Part of this is going through overviews of the various functions of the practice. A few examples have been provided below; again use your staff and other resources in developing more.

Overview	Completed
<i>Size and services of practice</i>	Yes/No
<i>Conditions of employment</i>	Yes/No

Identifying competencies in position/group		
The purpose of this task is to identify the skills required in a number of fields of competency.		
Communication		
Problems involving communication	Competencies required to resolve	Ways of developing competencies
<i>Eg. patient arrives at wrong time</i>	<i>Clear ability to communicate via variety of ways</i>	<i>Day courses or communication seminars</i>
Teamwork		
Problem solving		
Initiative and enterprise		

Planning and organising

Self-management skills

Learning skills

Technology skills



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