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**MANUAL ON
HUMAN RESOURCES
FOR COOPERATIVES**

ABSTRACT

The HR Manual is one of the 10 manuals commissioned by the NATCCO Network through partnership with Bayan Academy. The manuals will be used as learning materials to train cooperative leaders, managers and staff so that cooperatives can serve their members better.

The HR Manual is anchored on Dr. Morato's 8Rs of Human Resources: Recruitment, Retooling, Routing, Retaining, Reviewing, Rewarding, Recycling, and Resonating which would help cooperative leaders, managers and staff assess the alignment of the HR systems with the goals and strategies of the cooperatives.

Step by step guides, HR templates, and practice questions are provided to help train cooperative leaders, managers and staff implement HR processes and programs.

ACKNOWLEDGEMENT

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I. Foreword

The overall objective of this HR Manual is to provide cooperative leaders, managers and staff with guidelines and steps in writing and implementing HR processes and plans.

Effective HR policies and procedures reflect the philosophy of the cooperative, especially if they are clearly written and properly implemented. This can be achieved if the implementors would be able to thoroughly understand and properly communicate them to the employees.

The written manual is important to all cooperatives. As cooperatives mature and longtime directors and employees retire, many of the practices and systems may change because of new management. However, with the guidance of the manual, successors will be guided on how to effectively and strategically run HR.

II. HRM and Cooperatives

Human Resource Management is the organizational function that deals with the issues related to people such as compensation, hiring, performance management, safety, wellness, benefits, employee motivation, communication, administration and training. HRM is also a strategic and comprehensive approach to managing people and the workplace culture and environment. Effective HRM enables employees to contribute effectively and productively to the overall company direction and the accomplishment of the organizational development.

HRM, then, is engaged not only in securing and developing the talents of individual employees, but also in implementing programs that enhance communication and cooperation between those individual workers in order to nurture organizational development.¹

Cooperation is the common effort of a group for their mutual benefit. The cooperative institutions are now participating in all types of business with the service motive. The service providing activities are regulated by the policies and principles of cooperation. Every day, the needs and preferences of the people are changing. In this context, the management techniques should also change. The adoption and implementation of the management concept depends on the employees' perception and service mind. To sharpen and develop the attitude of the employees and to improve their involvement in the programs of the cooperative.

¹ Shantosha, Shetty G (2011) "Role of HRM in Value Creation with Specific Reference to Cooperative Banks in Udupi District of Karnataka State", Journal on Banking Financial Services & Insurance Research, Vol.1, Issue 8, November 2011

III. How to use the manual

The HR manual should serve as a learning guide and tool for cooperative leaders, managers and staff on how to effectively implement policies and procedures and how they can improve their current HR systems.

The manual would also help cooperative leaders, managers and staff better understand the cooperative's mission, vision and values in terms of strategic HR and how they can help in the success of the cooperative in achieving its goals and objectives.

MANUAL ON HUMAN RESOURCES FOR COOPERATIVES

The evaluation of the human resource management function is focused on the 8Rs of human resource: recruitment, retooling, routing, retaining, reviewing, rewarding, recycling and resonating. Each of the Rs is described below. Guide questions are also provided to help assess the alignment of your current HR systems:

A. Recruitment is the proper selection and hiring of people for the cooperative.

The HR Officer must ask the following:

1. What is the process of recruitment?
2. Does the process provide the unit considerably good choices for new hires or recruits?
3. Do the recruits have the right competencies, capabilities and values?
4. Do they fit to the culture of the unit?
5. Are they trainable and “promotable”?

B. Retooling is the training, education and building up of the skills, competencies and attitudes of individuals and teams within the unit.

1. The HR Officer must be able to determine the current competency gaps as well as the expected future gaps.
2. Retooling also enables people to reach their maximum potentials by understanding their strengths and weaknesses and making the corresponding behavioral adjustments.

C. Routing looks at the career paths of the people in the unit as well as their potential for upward and lateral mobility and flexibility.

Does the unit have a plan for management, faculty and staff progression and succession?

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- D. Retaining focuses on the ability of the unit to ensure that people remain very productive and quite happy to be with the school.
1. This includes doing an analysis of the unit's culture, work ethics, and style of management.
 2. The HR Officer must understand what satisfies and dissatisfies employees in the cooperative.
 3. The HR Officer must determine what makes people loyal and committed to the unit.
 4. Is there a general sense of belonging among workers and staff at all ranks?
- E. Reviewing looks at the performance management system of the unit. The system should essentially determine specific performance indicators (from the viewpoint of both external and internal stakeholders of the unit) for each group of people and evaluate the individual's (or group's) potential performance and participation levels.
1. There are tools that may be used to implement a review of the performance for a specified period of time.
 2. One of these tools is the 360 Degrees Evaluation System. It is a method and tool that provides each employee the opportunity to receive performance feedback from his or her supervisor, two to four peers, reporting staff members, co-workers and customers.
 3. Most 360-degree feedback tools are also responded to by everyone in a self- assessment process.
 4. In your unit, is there a performance review system in place?
 5. Describe how it was developed and how it is currently being implemented?
 6. Is the system linked to the performance indicators established for each group within the unit?
 7. Are fairness, justice and truth the guiding principles of assessment? (Note: Other methods include the Balanced Scorecard, and the Objective Performance Management System.)
- F. Rewarding is the sixth R that determines whether the unit's compensation and incentives package are commensurate to employees' potential, participation and performance levels.
1. Is your unit's compensation within market rates? Or better than market rates?
 2. Is there a recognition system for employees' significant contribution and good performance?