

CEO reputation and appearance

There is a strong association between appearance and success in business organizations according to a study by Duke University published online by the National Bureau of Economic Research. The study paired photographs of chief executive officers (CEOs) of large and small companies with those of non-executives with similar facial features, hair-styles and clothing. Researchers found that those in CEO positions are more likely to be assessed as appearing competent, but less likely to be considered likeable. CEOs who appear competent earn more than their peers, even though there is no measurable association between appearance and company profitability.

John Graham, professor of finance explained:

"Other researchers have found links between beauty and workers' pay, and demonstrated that politicians benefit from good looks at election time. We wanted to see whether appearance also plays a role at the corporate executive level."

In a series of online experiments, researchers asked nearly 2000 participants to assess paired photographs of more than 100 white male CEOs and non-executives. One study involved 765 participants who ranked each pair according to attractiveness, competence, trustworthiness and likeability. CEOs were rated as more competent-looking and attractive. However, they tended to be rated as less trustworthy and likeable than their non-executive pairs. Similar results were found when 762 participants were asked to compare CEOs of large and small firms. Executives of large organizations were rated as appearing

more competent 55 per cent of the time, while their small-firm counterparts were assessed more trustworthy, likeable and attractive.

Manju Puri, professor of finance commented:

"It would be fascinating to study the role appearance may play in the careers of women and minorities. However, because there are fewer female and minority CEOs, including them in our set of photos would have increased the odds of participants recognizing a CEO, which could have inadvertently influenced their rating of the person's characteristics."

Researchers found that CEOs rated competent by appearance alone tended to receive a higher income. Those rated four or above on a five-point scale had an average total compensation 7.5 per cent higher than those scoring three out of five on competence. Researchers found no evidence that a CEO's appearance is related to company profitability.

Campbell Harvey, professor of finance said:

"I thought the appearance thing was possible for politicians winning elections -- but for CEOs, no way. We are told that CEOs are very carefully vetted by boards of directors and professional consultants - as they should be for their multi-million dollar jobs. The fact that our research shows that appearance is unquestionably significant turns my stomach. Given there is no relation between appearance and company performance, I hope our research changes the way we select our corporate leaders: 'looks' should not be a factor!"



Are social networking sites really infantilising our teenagers?

Adults should be wary of criticising young people for spending time on the internet. They are taking control of their lives.

There are some strange things being said at the moment about the mind-warping dangers of young people using the internet too much, especially for social networking purposes.

Some "experts" have told us that young people are missing out on

crucial benefits of physical proximity because of their enthusiasm for virtual social worlds, forgetting, perhaps, that they also spend several hours a day crammed into classrooms together. We've also been told that they are compromising their attention spans by spending so much time on sites such as Bebo and Facebook.

These questions are entirely legitimate and deserve to be asked, but ideally not in the spirit of setting off another moral panic. It is not, after all, as if no-one has thought of them already. A considerable number of social scientists have



been

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Many

working in this area throughout the world for quite a few now.

A team of us at Oxford University's department of education are involved in such research, as part of a programme of work organised by Becta (a government body) in support of its "harnessing technology strategy".

Our project is looking at how young people aged 8 to 19 use technologies in their own time, at home. For the most part, what we are seeing is far from the anxiety-inducing picture presented in the media.

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Overcoming top myths

What makes the best in HR really the best? Human resources is a complex, multifaceted field that requires professionals to have the ability to juggle priorities and excel at a number of tasks - from the sometimes tedious to the often strategic. It takes knowing what to hone in on and what to delegate, staying on top of the latest trends in compensation and always having a finger on the pulse of employee relations. And, often, with so many misconceptions about HR, it involves staying ahead of the curve through continuous education in an attempt to drive what the role will entail for the company. Being in HR requires having a number of talents and is not for the faint of heart. The role brings with it the potential to make a big impact on the lives of individuals working for the company - its most important assets - and, simultaneously, can leave managers feeling less than appreciated, when contributions to the bottom line are questioned. Perceptions of HR as a cost center and others, explained below, are just a few of the myths that often surround HR and can prevent practitioners and companies from getting the most from this important role.

HR as a cost center

The view of HR as a cost center may be one of the hardest to overcome. How executives view the HR department and its role often plays a huge part in its perception and function, including whether the job is managed in-house to begin with. Frequently HR must take every opportunity to be its own proponent in providing greater education on the value of its offerings.

Other companies realize that HR managers contribute more directly in taking care of their most valuable assets, handling a range of responsibilities, including: recruiting; interviewing; providing, presenting, and delivering medical, dental, vision, life, and other ancillary benefits; job training; instituting programmes for retention and growth of employees; establishing tools and guidance for management reviews; and reviewing and selecting technology to support HR func-



tions, to name a few. Each of these, in fact, contributes greatly to the bottom line when all hard and soft costs of doing business are considered.

Group benefits, for instance, are a major part of the compensation employers offer to entice and retain productive and reliable employees and maintain the organization's competitive nature. The methods by which these compensation elements are derived and presented are key to a company's success. In retaining good employees, companies can save thousands, if not more, in rehiring and training costs. HR must be prepared to justify its case with a strong knowledge of its employee base and a rationalization of these types of obvious and not so obvious costs.

HR's role: strategic and/or tactical

Whether dictated by management, assumed by the practitioner, a function of "fighting fires" on a daily basis, or a combination of the

above, HR's role in the organization is all too often tactical over strategic, often to the dissatisfaction of practitioners themselves. This point is illustrated by USC Professor Edward E. Lawler III, who noted that HR professionals reported spending only 23% of their

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time in 2005 "being a strategic business partner" - no more than they reported in 1995. And line managers, he found, said HR is far less involved in strategy than HR thinks it is.

Though company culture often sets the stage, HR practi-

tioners must actively seek key areas for improvement for themselves, their roles and for the company and take action to defend their role where possible.

Employee capabilities/technology's prevalence

If employees and executives are guilty of downplaying HR's role, often so too is HR in assessing employees' ability to manage information. Computers first appeared in schools over 12 years ago and today are used by 75 percent of Americans to access the Internet for three hours a day on average. Still, many in HR are reluctant to give up basic self-service benefit management tasks that would save a tremendous amount of time and allow them to better address company objectives.

While it is true that online benefits management can be a scary prospect for those who may be less computer savvy, having access to employee benefits online is another way to provide greater employee satisfaction through accessibility and choice. In fact, many employees will expect online access, especially today's younger generation for whom iPods and IM are part of everyday life.

Self-service HR has become so invaluable that a September 2006 Forrester Research report termed it "an essential core application" for businesses. The report pointed to the ability of Human Resource Management Systems (HRMS) to help manage personnel costs, operate efficient business processes, comply with regulations and manage legal exposures, and optimize the value of human capital.

Not all HR tools are created equal

Another way that HR can heighten its role and increase strategic input is by using technology to better access, manage, and report on information. But, as with any industry, it is hard to cut through the clutter and hype surrounding proposed solutions to select the best technology to meet organizational

needs. Though one provider may declare it offers self-service capabilities, for instance, it may not be the same level needed or offered by others, providing disappointing results. For an HR manager that has met with false promises in the past, doing the homework on proposed solutions is even more important.

Selecting the best tools requires assessing key factors, such as the ability to:

- Grow and scale with the organization
- Provide full ownership of the data
- Simplify processes through wizards
- Provide full security for backups, servers, added protective layers, etc. and transfer data within secure encrypted sessions, secure sockets layer (SSL) (128 bit encryption), or be encrypted prior to being sent
- Provide authority to decide who will be allowed access and to what degree
- Offer a robust eligibility engine for company enrollment activities and rules
- Link with carriers with clean, validated transfers, beyond basic ANSI files
- Offer 24-hour service from a direct contact that can help.

In conclusion, though managing human resources is certainly not without its challenges, perhaps individuals are drawn to this role in the first place because of "the challenge" and the opportunity to make a difference at companies and in the lives of individuals. Frequently, HR managers can accomplish more and further prove their worth to the company by relying more heavily on employees and technology that can help them to focus on the most important issues.

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Art Brooks is vice president of BeneTrac, a Paychex company and provider of powerful, web-based electronic enrollment and employee benefits administration software online at www.BeneTrac.com. The company has relationships with over 400 carriers and providers and is used to manage the benefits of hundreds of thousands of members in about 900 groups.

What recruiters want

August 20 2010 - A recent study from leading North American recruitment firm Rosenzweig & Company highlights how potential employees can best respond to increased use of recruiters as the economy recovers.

Jay Rosenzweig, managing partner said:

■ It's been a long while since many people have been in these interviewing situations making it even more important than ever to have a firm grasp of the process well before the interview begins."

The report offers key advice for individuals recruited for a job opportunity:

■ The headhunter works for the employer, but can also be your friend - The report points out that recruiters can provide general advice and be used as a sounding board. The recruiter can act as an intermediary between candidates and potential employers, responding to comments or concerns before direct contact takes place.

■ Retainer v. contingency - Clarify the basis on which recruiters are being employed. Retainer-based contracts where payment is assured tend to be less focused on quick results and commission, reducing the risk of inappropriate placements.

■ Sell yourself - Convey your skills, experience and career plans without overstating your accomplishments. Provide recruiters with sufficient information to promote your candidacy to a potential employer.

■ Be yourself - Recruiters and potential employers can detect insincerity. Trying to redefine your background or personality in an attempt to fit a specific role is unlikely to be successful.

■ Do your homework - Research your prospective employers including recent financial and operational developments. However, do not present yourself as an expert on the organization.

■ Try to relax - Attempting to anticipate questions and preparing answers is likely to be counter-productive. Candidates may be unsuccessful if over-eagerness is interpreted as desperation.

■ Be honest about any other opportunities you are considering - Both recruiters and potential employers will understand that you may be considering other options but will not appreciate being misled.

■ Come clean - Be honest with the recruiter about any past issues that could affect the attitude of a prospective employer. It is better to volunteer potentially negative information than risk it emerging at a later date.

■ Accept constructive criticism - If recruiters or potential employers provide constructive criticism, use it as a learning opportunity.

Jay Rosenzweig commented:

■ Job seekers have had lean years and very little movement on the jobs front, including at the higher levels. Some people who've survived the recession with their job intact may think they hold all the cards if a company or recruiter calls. But now, more than ever, the best advice is to check your ego at the door and understand the 'buy and sell' process when presented with dream job opportunities. One of the most fundamental rules in this business is to know when to talk and know when to listen."