Proposal

Establishment of Human Resources Department within
The Egyptian Commercial Service

(November 2005)

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Terminology

ADDIE	Assessment, Design, Development, Implementation and Evaluation System
ATR	Assistance for Trade Reform: a USAID project
CD	Central Department
ECS	Egyptian Commercial Services
GD	General Department
HR	Human Resources
HRD	Human Resources Development
HRIS	Human Resources Information System
HRM	Human Resources Management
ID	Institutional Development
MOFTI	Ministry of Foreign Trade and Industry
SAT	System Approach to Training
SOPs	Standard Operating Procedures
T&D	Training and Development
TNA	Training Needs Assessment that used synonymously with Training Needs Analysis

1- Introduction

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Background

The Egyptian Commercial Service is undergoing a wide-scale institutional development plan to enhance the capabilities of the organization and help it achieves its goals. It is through proper utilization of human and administration related-resources that 'ECS' will be able to carry out effectively the statutory and policy functions assigned to it.

Simplification and streamlining of work processes connected with personnel administration, financial and office support services, is considered a priority area in the implementation plan.

Scope of Work

The scope of work of the Human Resources Specialist will be to work with the Head of the Information and Export Service Department and his delegates to:

1. Document the current HR practices in ECS related to:
   - Staff recruitment and deployment (vacancy announcement, short listing, interview and selection, placement and orientation, job assignment, performance evaluation, etc)
   - Staff general administration (leave records and approval, payroll, retirement, etc.)
   - Staff training system (e.g. planning, design, implementation of training activities).
   - Staff career planning and promotion recommendation.

2. Develop a proposal for the structure of a new HR office, including an organizational chart;

3. Establish job descriptions for the key staff of the proposed HR office (e.g. selection, training, performance evaluation, career planning, and assignment/promotion recommendation). The last system will be in collaboration with the Corps Affair Board.

4. Make specific recommendations regarding:
   - Staff recruitment and deployment of the proposed HR department; and
   - Improving efficiency and effectiveness of the HR staff and administrative services.

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Expected Results

The main expected outcome of ATR's activity in this area will be the establishment of a modern and effective human resources system for ECS. More specifically, the expected results of this particular phase of ATR's activity are:

a. Documentation of the current HR system is developed;

b. A detailed proposal for a Human Resources Department for the ECS is developed, including:
    - An organizational chart
    - Job descriptions of the key personnel
    - An outline of the pertinent administrational systems

Approach used in conducting the work

Human resource utilization plays a critical role in enhancing organizational capabilities to achieve its goals. The main objective of this consultancy is to recommend and establish an effective human resources system for ECS.

In order to accomplish this objective, the following approach will be used in conducting this study.

1-Diagnosis:
The objective of this phase is to diagnose the context in which current human resources practices occur. Human Resources Specialist and ECS top management should diagnose the problems in managing HR organization – wide. All ECS managers should diagnose the problems in their own division, department or area (Descriptions of the existing system, jobs, employees and environment).

This requires determination of the needs and goals of employees and assess how well the HR practices meet these needs and help accomplish goals and ultimately fit the practices to the situation.

2-Evaluation:
ECS managers & Human Resource Specialist should evaluate the practice organizational members currently use. It is important to assess the value of these practices and procedures to employees, their cost and their effectiveness in accomplishing organizational goals

3-Design:
The Human Resource Specialist will formulate a comprehensive human resources system for ECS.

He should ensure that the approach to human resource management throughout the organization is a coherent one. He can assist managers in adopting and integrating organizational policies to the management of subordinates. Managers should specify procedures that fit with their own and subordinates' needs.

At top level, he should help design general policies and practices to implement. At an operational level, he should identify, evaluate and select specific alternatives, i.e., Decision about recruitment would relate to the specific sources of recruitment to use (Correct deficiencies in existing system).

4-Implementation:
 Human resource specialist will formulate plans for monitoring implementation; specify people responsible; determine schedule; and implement resulting system, Figure-1.

- Analyze the governmental environment and the organization. - Identify ECS needs or deficiencies in the current system.	**Diagnosis**
- Specify relevant criteria - Assess current practices - Assess state-of-the-art practices	**Evaluation**
- Propose revisions to existing system - Integrate state of –the- art – practices - Determine cost benefits. -Formulate comprehensive system for ECS.	**Design**
- Specify people responsible - Determine implementation schedule - Formulate plans for monitoring	**Implementation**

The Egyptian Commercial Service Background

The Mission of The Egyptian Commercial Service is "To build upon Egyptian Economic Relations to promote trade and investments between Egypt and other countries world wide ".

The following objectives have been set, to achieve this mission:-
- Developing the volume of exports from commodities and services ,
- Import procurement in a rational manner ,
- Establishing an effective channel for economic and trades cooperation with other countries , and
- Assist in handling and conducting bilateral and multilateral trade negotiations with other countries and international organizations.

In order to achieve these objectives the Egyptian Commercial Representation, through all its 55 overseas offices (used to be 68 offices) has applied many technical tools to identify best market opportunities and distribution channels through:-
- Organizing trade missions ; providing Egyptian companies with the information of generalized and specialized trade exhibitions internally and internationally and facilitating the Egyptian participation in them ; commercial counseling ;introducing potential partners and agents ;developing effective market strategy and market studies ; developing the commercial awareness program for the business sector ; providing information about world market for the sake of import procurement ; conducting bilateral and multilateral trade negotiations with other countries and international organizations ; and establishing technical cooperation agreements with international organizations and developed countries .

In July 2002, through a Ministerial Decree No. 411, a new Trade Agreements Sector (TAS) was created with the responsibility for WTO, Bilateral and Multilateral Agreements. This has direct effect on the mission, function and structure of the ECS. In start, the ECS becomes the "external arm "of Ministry of Foreign Trade (MOFTI) and has a crucial role to play in enabling other agencies of the Ministry (i.e. TAS, CD/WTO, FTPS, ITPS...etc) effectively carry out their foreign trade related external functions. The ECS also works with a number of other specialized ministries, and other private sector and non-government agencies for promoting trade and investments.

This situation necessitates the need for redefinition of mission and functions as well as structure and operational systems of ECS to make it relevant to the current needs and priorities of the ministry.

Human resources play an important role in helping the ECS to achieve its goals. Commercial representatives have the role of representing the economic interest of Egypt in other countries, in international organizations, and in different gatherings

and forums. They are also the agents that help Egyptian exporters through the different services they provide.

The design of the HR department will take into consideration the very special nature of ECS and the impact of this nature on typical HR systems: recruitment & selection; development and training, performance evaluation; etc.

This report provides a proposal for establishing a world – class Human Resource Department at ECS according to international standards and best practices ,especially in recruitment and selection ; training and development ; promotion and career planning ; performance appraisal ; job analysis and skills inventory .

2- Current Human Resources Practices in Focus

The Key Players

There are three bodies governing the whole human resources practices:
1.Personnel Affairs Department, 2.Commercial Service Affairs Committee and 3.Employees Affairs Committee. In addition to Laws No. 47/1978 for non technical staff and law No. 45/1982 for technical members, all governing work flow in ESC.

I. Personnel Affairs Department

1.1. Purpose

The reason of establishment of Personnel Affairs Department was to help in implementation of the Egyptian labor law and legislations, especially;
- Law Number 45/1982, concerning Commercial Service Affairs Technical members
- Law Number 47/1978 concerning Civil Workers (Other ECS members)

1.2. Organizational Chart

Personnel Affairs Department is considered one of three departments under direct supervision of Commercial Services Affairs – Corps affairs "El- Silk Department" headed by one of the senior technical staff - currently "Mr. Samy Awaad – Plenipotentiary Commercial Minister", Figure - 2.
This department serves the whole members of the ECS: 199 commercial representatives (Governed by law 45/ 1982); 220 workers (Governed by law 47/ 1978).

1.3. Organizational Structure

Personnel Affairs Department is considered to be one of the General Departments in ECS headed by General Manager – currently - (Mr. Yousef Israel).
It is divided to four subdivisions as follows:
- Employment division
- Payroll division
- Pensions and insurance division
- Filing and Documentations division

1.4. Staff

Staff members of the department are thirty persons, Table-1. They are allocated to the four divisions as follows: Employment (12), Payroll (10), insurance & insurance (5) and Filing & Documentation (3)
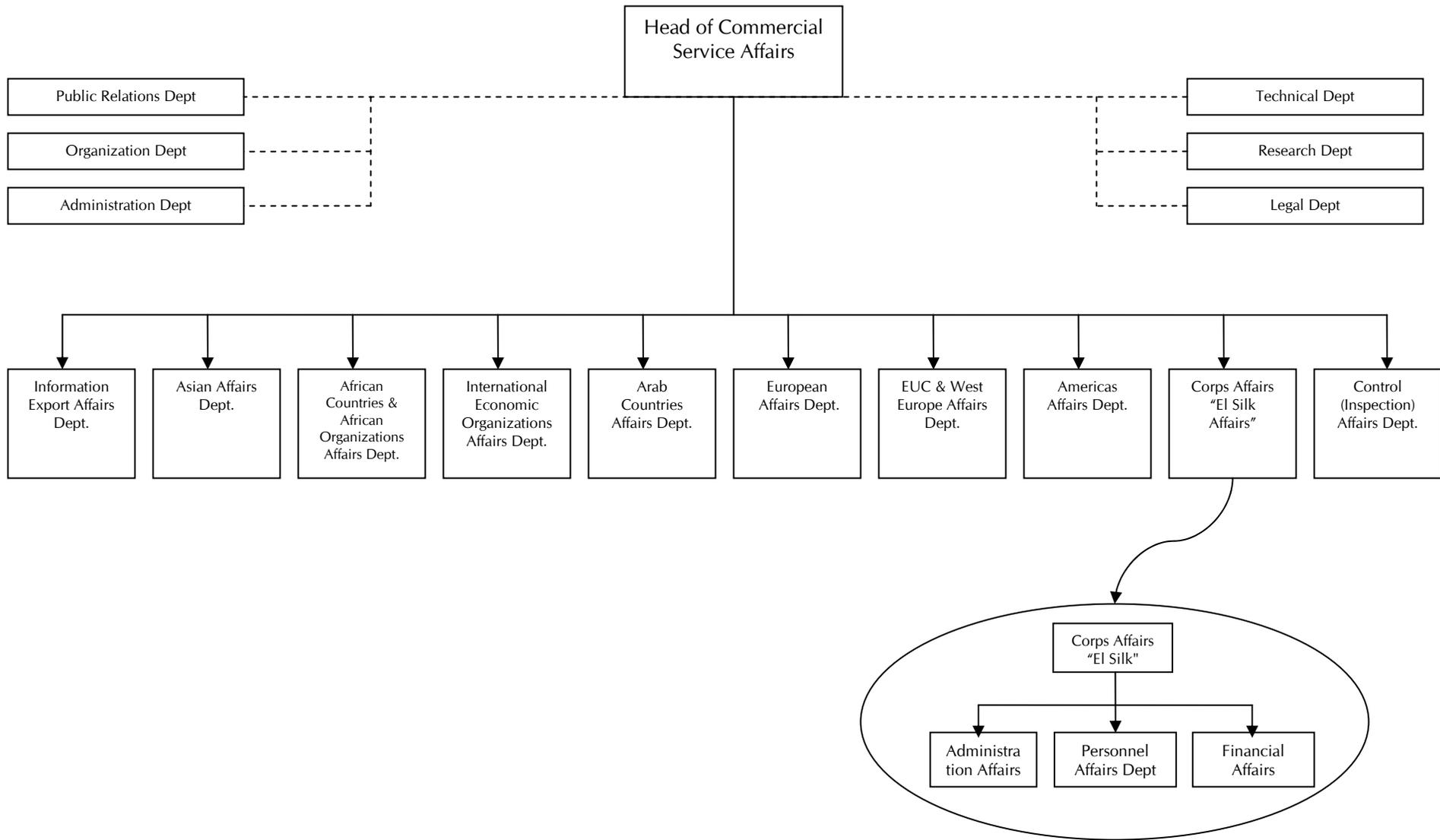
Figure-2 ECS Current Organizational Chart

Almost 50 % of the current staff attained college degrees mostly in the fields of business, political and legal studies.

- Only three of them have already passed the necessary exams needed to be administrative attaché abroad.
- The rest of the staff attained secondary degrees (general secondary certificate "Thanaweya Amma" and commercial secondary certificate).

There is a certain degree of internal conflict among staff members within the department due to the clear differences in educational levels, unclear specializations, unclear authority and diversified backgrounds.

Table-1 Staff members of the personnel department

No.	Name	Job	Financial Grade	Others
1	Yousef Israel	Head of the dept	General Manager	Admin. Attaché
2	I. Personnel & Files: Mohamed Raafat	Managerial Development specialists	First	Admin. Attaché
3	Mamdouh Adly	Head of the Managerial Development specialist	General Manager	------------
4	Mona Hamdy	Managerial Development specialist	Second	------------
5	Samiah Hassan	Administration	Clerk Fourth	------------
6	Ihab Abdel Halim	Legal Researcher	Second	Adm. Attaché
7	Mohamed Bakry Ibrahim	Legal Researcher	Third	------------
8	Soheir Abdel Rahman	Legal Researcher	Third	
9	Karimah Hamdy	Administration	------------	------------
10	Fatma Ahmed Ali	------------	------------	------------
11	Hussain Saaid Mehana	Legal Researcher	Third	------------
12	Karim Hassan Mohamed	Administration	------------	------------
13	Ali Helmi Mohamed	Clerk	Clerk- Fourth	------------
	II.Pensions & Insurance:			
14	Wiliam Girgis Ghali	Head of the Dept	Head of Clerk	------------
15	Mohktar Osman Ahmed	------	------------	------------
16	Mervat Mofid	Administration	Clerk - First	------------
17	Nagat Abd El Malek	------------	Clerk-Second	------------
18	Soraiah Abdel Rahman	------------	Clerk-Second	------------
	III.Compensation & Salaries:			
19	Qadreyya Abdel Azim	Head of the Department	General Manager (Clerical Group)	
20	Nabilah Mina	Personnel Affairs Administration	First (Clerical Group)	------------
21	Insherah Fouad Eid	Perssonel Affairs Administration	First (Clerical Group	------------
22	Rokaiah El Kholly	Managerial Development Specialist	First	------------
23	Naeimah Kamal	Administration	Clerk-Second	------------
24	Rawiah Farag	Finance & Accounting	Third	------------
25	Hoda Abdel Khalik	Accounting	Clerk-Second	------------
26	Mostafa Nasar	Accounting	Clerk-Second	------------
27	Afaf Abdel Aal	------------	------------	------------
28	Reda Bayomy	------------	------------	------------
	IV.Management & Org			
29	Ahmed Hassan	------------	------------	------------
30	Emad Farouk	------------	------------	

1.5. Job Design

There are **no well-defined job designs** for all positions or titles within the personnel department, the designs that do exist are outdated, having been laid down by the Central Agency for Organization and Administration, long time ago.

1.6. Job Analysis & Description:

For **technical positions (i.e. secretaries; attachés, commercial counselors, and plenipotentiary commercial ministers) there is no job analysis or description**.

For other positions (Non technical jobs) the existing descriptions are outdated, vague, and ill-defined jobs that were laid down by Central Agency for Organization and Administration (CAOA) long time ago for financial purposes (to create and finance jobs needed by organizations).

Inevitably, there are unclear job allocation; unclear responsibilities and role ambiguity. Therefore, tasks, duties, responsibilities are not specified or not clear. Most likely it is management orders and decisions to let people do very specific types of task and duties which – sometimes – are not related to their qualifications, i.e. people with legal background dealing with organizational issues and not with legal cases.

Also, that will lead to difficulty in recruiting or selecting new comers. Job specifications are not clear because there is no updated information about job (job descriptions, job specifications and human qualifications). Accordingly, there is no application of the main human resources activities:

I.   **To obtain and use human resources:**
       Recruitment,
       Selection, and
       Placement.

II.   **To keep & maintain human resources:**
       Compensation,
       Promotion,
       Motivation,
       Training, and
       Assessment.

III.   **To develop human resources:**
       Performance Appraisal, and
       Development Programs.

1.7. Human Resource Planning

There is **an absence of human resources planning concept**, which systematically forecasts organization's future demand for and supply of employees. It enables managers and human resources specialist to develop staffing plans that support the organizations' strategy by allowing it to fill job openings proactively.

1.8. Authority

Although the prevailing staff authority type (the right to advise and support) with the organization, the role of personnel affairs department has to be empowered and optimized in terms of providing direct assistance and expertise to other functional departments which are already headed by technical managers. **More cooperation between line (especially technical people) and staff managers will improve the overall organizational effectiveness**.

1.9. Training and Development

The attention given to training and development is insufficient, especially to members who are governed by law 47/ 1978. This is proved by **the absence of professional trainers or training specialists within the personnel department.**

However, there are training and development programs provided by the technical bureau mostly directed to technical staff. It is noticeable; also, the **absence of scientific training needs assessment**, in addition to the subjective performance appraisal criteria.

1.10. Performance Appraisal

The Human Resources Specialist found some forms for performance appraisal but, it is clear that they are **neither accurate nor objective in measuring employees' actual performance**.

1.11. Compensation and Rewarding

There is a noticeable state of dissatisfaction with the rewards systems and their great impact on productivity. Perhaps the main reasons for employees' dissatisfaction are the government influence (wages and salaries tables with minimum and maximum for each group and grade) and the absence of job evaluation system inside ECS.

There is need for salary review of each subordinate (usually annually) in order to determine what increments to award or recommend.

Generally, salary increase is determined by some factors like: changes in the cost of living, adjustments occasioned by changes in the wage structure as a result of jobs evaluations, adjustments related to the individual's performance appraisal "merits" adjustments of the whole structure as a result of compensation and benefit surveys and ability of the organization to pay.

1.12. Human Resources Information System (HRIS)

There is *no human resource management information system for the whole organization*. Few attempts have been made by some of the subsystem but with no integration which will allow for a full utilization of the existing data base system

There is a real need for Human Resources Information System (HRIS) to evaluate the quality and motivation of human resources. This will, in turn, increase the productivity of the human resources and the whole productivity for the organization. Also, HRIS will provide information for long-range planning and for responding to external requests for human resources information by government agencies.

The human resources information system is designed to link the operations of the human resources management   and the storage of data and information, which includes all reports and forms that enter the HRM system, and are transferred and generated within the system, and that flow out from the system.

The bottom line is that the HR activities in ECS are not performed at a level that meets the challenge that ECS facing right now of attracting Foreign Investment and promoting exports. There is an urgent need to revisit most of these activities and revamp/initiate/reengineer HR structure, processes and systems.

II. Commercial Service Affairs Committee

Commercial services Affairs Committee has full line authority to deal with all decisions concerning technical employees falling under law No. 45/1982.

These decisions are those, which are pertinent to all the administrational and financial aspects, i.e. performance (operational-level) evaluation, nominations of candidate for overseas offices, establishment of the seniority schedules, promotion, etc.

III. Employees Affairs Committee

In addition to the Personal Affairs Department, there is the Employees Affairs committee which will have the final say in all decisions concerned all employees falling under law No. 47/1978.

It has been noticed that there is no clear relationship between the ECS objectives and the sub functions of human resources management. Personnel programs do not flow out of the ECS objectives (for instance, whoever is doing training planning within personnel department (if any) does not know precisely what the objectives of the organization are? And the organization's actual training needs, before s/he establishes training and development programs, and so on). They are, of course, vaguely aware of the business objectives, but often they cannot specify a precise one-to-one relationship between each personnel program and a specific business objectives.

It is clear from the previous discussion that there is an urgent need for establishing a specialized modern unit for Human Resource Management, because human resource department is responsible for ensuring high productivity, performance, satisfaction, commitment, and involvement.

Accordingly, the department should adopt these five approaches:
- **Strategic Approach**
  HR management must contribute to the strategic success of ECS.
- **Human Resource Approach**
  HR management is the management of people.
- **Management Approach**
  HR Management is the responsibility of every ECS manager.
- **Systems Approach**
  HR management takes place within a larger system: the ECS.
- **Proactive Approach**
  HR management can increase its contribution to the ECS and its employees by anticipating challenges before they arise.

3- Proposed Human Resource Unit

3-1 HR Concepts and Principles: Reflection on ECS HR Unit

3-1-1 Purpose, Vision & Objectives of Human Resources

Purpose

The purpose of establishing HR unit is to improve the productive contribution of employees to the ESC in ways that are strategically, ethically, and socially responsible. This purpose should guide the practice of HR activities.

Vision

The HR unit within ECS is envisioned as a modern (moving from the traditional Personnel Affairs Department) world-class Human Resources Department with a prime objective of empowering ECS staff -through managing HR activities like selection, training, evaluation, and career planning- to achieve effectively ECS ultimate goal of attracting foreign investment and promoting exports.

Objectives:

a. Organizational Objective

To recognize that human resources department exists to contribute to ECS effectiveness. It helps all managers at different levels to achieve ECS objectives. It exists to serve the rest of the organization.

b. Functional Objective

To maintain the department's contribution at a level appropriated to ECS needs. Inevitably resources are wasted when human resources management is more or less sophisticated than any organization demands.

c. Personal Objective

To assist ECS staff to achieve their dynamic personal goals. The goals of staff have to be met if they are maintained, retained and motivated.

3-1-2. The Integrated Human Resources Management System

What we recommend for the future of Egyptian Commercial Service is an integrated system of human resources management that is dependent on the objectives of the organization (short and long range ones).

At the start of every planning performance and feedback cycle, technological forecasts, market forecasts, financial forecasts, labor market forecasts and forecast of what organization is capable of, are combined in the Egyptian Commercial Service planning process to produce objectives (Figure 5). These objectives make up the performance goals of the Egyptian Commercial Service. For convenience, they can be thought of as annual performance targets, although any other time span could be used.

The statement of the Egyptian Commercial Service objectives then becomes one of the major inputs into the human resources management system (HRM Department). The overall objectives are then used to plan for the human resources management system. These plans (human resources) consist of the actions that must be taken by the human resources management system if the objectives are to be fully met. These actions may be thought of as consisting of two principles types: 1) staffing the organization and 2) modifying the internal environment within which the Egyptian Commercial Service performs.

The human resources' plans that are pertinent to the manpower requirement are combined with the inventory of manpower resources to produce the staffing plans for the organization. This cannot be accomplished unless the inventory of internal manpower and the statement of manpower requirements are both defined in terms of skills, training needs, expected performance level, and other requirements.

The subsystems that are pertinent to modification of the internal environment are the organization development system, reward system, communication system, and labor relations system.

According to this system approach of human resources management, plans and actions for all subsystems are determined in relation to each other to make certain that they are complementary rather than overlapping or conflicting.

Thus, the Egyptian Commercial Service will not embark on programs to improve managerial style or revise organizational structure merely because it is fashionable to do so, nor would changes be made in the training system, for example, merely

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because they would lead to" better" training. That is to say, activities in any subsystem are inappropriate unless they accomplish organizational objectives.

The main criterion for evaluating a subsystem plan or a program should be its contribution to the total human resources management system.

In each performance cycle, two kinds of outputs are produced: the organizational output, which consists of the services provided; and the individual output, which consists of needs fulfilled, satisfactions, development, and motivation for future cycles of performance.

The human resources management system is not yet complete, however. Feedback from performance is needed for control and self regulation of the system. Thus, feed back for individual and organizational output flows into the appraisal and reward system and from there into the analysis and control system.

The Egyptian Commercial Service objectives are compared with results (outputs) as a first step in organizational appraisal. Individual objectives are also compared with individual results in the appraisal system. This preliminary appraisal is modified to take into account both external conditions that affect the results (that is, unforeseen circumstances) and the quality of objectives, producing final appraisals of both organizational and individual performance.

The appraisal results are then used by managers (Silk Committee, Human Resources Department) to appropriately reward individuals in relation to their performance.
The appraisal results also, get analyzed and its output becomes fan input to the manpower inventory and the internal capabilities forecast.

Ideally, of course, each performance cycle of the human resources management system will enhance the organization's capabilities and consequently improve its output.

This conceptual model should help managers visualize relationships among the separate manpower subsystems and enable them to determine logical consequences for planning and action. It is hoped that the model will help managers - at all levels within the Egyptian Commercial Service - to make sure that the various subsystems and programs are consistent and whether they support organizational objectives

INPUTS:
- ENVIRONMENT
- TECHNOLOGY
- CLIENTS
- FINANCIAL RESOURCES
- INTERNAL CAPABILITIES

ORGANIZATIONAL OBJECTIVES

HUMAN REOURCES PLANNING

HRM PROCESS:

ORGANIZATIONAL DEVELOPMENT SYSTEM
- Structure

REWARD SYSTEM
- Compensation
- Non financial

COMMUNICATIONS SYSTEM
- Formal
- Informal

LABOUR RELATIONS SYSTEM

STAFFING SYSTEM
- Recruitment
- Selection
- Placement

INDIVIDUAL TRAINING & DEVELOPMENT SYSTEM
- Promotion /Transfer
- Planned Work Experience
- Counseling
- Development

MANPOWER INVENTORY
- Personnel Data
- Performance
- Potential
- Skills
- Career Goals
- Career Plans

INDIVIDUAL & ORGANIZATIONAL PERFORMANCE

APPRAISAL & REWARD SYSTEM
- Results vs Objectives
- Quality of Objectives
- Distribution of Rewards

ORGANIZATIONAL ANALYSIS & CONTROL SYSTEM
- Causes of results
- Strengths
- Problems
- Implications

OUTPUTS:

INDIVIDUAL OUTPUT
- Need Fulfillment
- Satisfaction
- Motivation
- Development

ORGANIZATIONAL OUTPUT
- Productivity
- Development

Figure 5- Human Resources Management/ A System View

3-1-3. Human Resources Management Responsibilities

From our previous discussion, it has been noticed that there is a real need for HR department within ECS to provide the assistance, specialized knowledge and advice to line mangers and directors of the ECS. While doing so, the human resources manger[1] carries out three distinct functions:

1. **A Line Function:**

First, the HR manager performs a line function by directing the activities of people in his department. He is, also, likely to exert implied authority. Why? Because line managers know that the HR manager often has access to top management in personnel areas like testing and affirmative action.

2. **A Coordinate Function:**

Second, the HR manager also functions as coordinator of human resources activities, a duty often referred to as functional control. Here, the HR manager and HR department act as "the right arm" of the Head of the Commercial Service Organization to assure him that HR objectives, policies, and procedures that have been approved and adapted are being consistently carried out by all line managers at the head office and abroad.

3. **Staff (Service) Function:**

Serving and advising line managers is the "bread and butter" of the HR managers' job. He assists the hiring, training, appraising, rewarding, promoting and firing of members. And he plays an important role with respect to the grievances and labor relations. Also, he helps in providing career planning for members.

In assisting line managers, through, HR cannot forget its employees' advocacy role. Among other things this means HR must take responsibility for clearly defining how management should be treating employees, make sure that employee have the mechanisms required to contest unfair practices, and represent the interests of employees within the frame work of its primary obligations to senior management.

The strategy underlying these practices needs to be considered to maximize their influence on ECS performance. HRM practices include analyzing and designing work, determining human resource needs (HR planning), attracting potential employees (recruiting), choosing employees (selection), teaching employees how to perform their jobs and preparing them for the future (training and development), rewarding employees (compensation), evaluating their performance (performance management), and creating a positive work environment (employee relations).

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[1] most probably will be a plenipotentiary commercial Minister or Commercial Counsel depending on whether Alternative-1 or Alternative-2 will be selected as in section 3-2.

Effective HRM practices are strategic in the sense of enhancing organizations performance by contributing to employee and customer satisfaction, innovation, productivity, and development of a favorable reputation in the ECS's Egyptian community.

Employment and recruiting	Interviewing, recruiting, testing, temporary labor coordination
Training and development	Orientation, performance management skills training, productivity enhancement
Compensation	Wage and salary administration, job descriptions, executive compensation, incentive pay, job evaluation
Benefits	Insurance, vacation leave administration, retirement plans, profit sharing, stock plans
Employee services	Employee assistance programs, relocation services, outplacement services
Employee and community relations	Attitude surveys, labor relations, publications, labor law compliance, discipline.
Personnel records	Information systems, records
Health and safety	Safety inspection, drug testing, health, wellness
Strategic planning	International human resources, forecasting, planning, mergers and acquisitions

Table-2: The responsibilities of human resource departments

What Responsibilities and Roles Does HR Department Perform?

The HR department is solely responsible for outplacement, labor law compliance, record keeping, testing, unemployment compensation, and some aspects of benefits administration. The HR department is most likely to collaborate with other ECS functions on employment interviewing, performance management and discipline, and efforts to improve quality and productivity. Large organizations are more likely than small ones to employ HR specialists, with benefits specialists being the most prevalent. Other common specializations include recruitment, compensation, and training and development.

Many different roles and responsibilities can be performed by the HR department depending on the size of the organization, the characteristics of the workforce, the organization management style and the corporate/organization culture.

The roles and responsibilities of the HR department are summarized in Figure-6

Future/Strategic Focus

Management of transformation and change	Management of strategic human resources
Management of organization infrastructure	Management of employee contribution

Processes   **People**

Day-to-Day/Operational Focus

The vertical dimension represents the focus of a future or strategic orientation versus a day-to-day operational orientation. The activities are shown as people versus process along the horizontal dimension. The figure shows the HR function can play roles in the management of strategic human resources (strategic partner[2]), the management of organization infrastructure (administrative expert[3]), the management of transformation and change (change agent[4]), and the management of employee contribution (employee advocate[5]).

Figure-6 HR Roles in Building a Competitive Organization

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[2] **Strategic Partner** is one of the most important roles that HRM can play today is that of a strategic partner. Aligning HRM strategies to business strategies is important to help ECS executes its business strategy.

[3] **Administrative Expert** is playing the role of administrative expert requires designing and delivering efficient and effective HRM systems, processes, and practices. These include systems for selection, training, developing, appraising, and rewarding employees.

[4] **Change Agent** The role as a change agent requires that HRM help transform ECS to meet the new competitive conditions. In today's fast-changing competitive world, organizations need to both constantly change and develop a capacity for change. HR managers must help identify and manage processes for change

[5] **Employee Advocate** The employee advocate entails managing the commitment and contributions of employees. No matter how skilled employees may be, if they are alienated or angry, they will not contribute their efforts to the organizational success. Thus the role of employee advocate is of great importance for organizations seeking to gain competitive advantage through people**.**

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In this context, the roles and responsibilities - for the HRD department in ECS - could be grouped into three main jobs, namely, manpower planning specialist, compensation specialist and labor relation specialist.

The manpower planning specialist is responsible for the HR needs assessment (including replacement, development and rationalization); employment (attraction, selection and placement); training and development and performance management

The compensation specialist is responsible for job evaluation, administration of wages and salaries, incentive pay, insurance, vacation leave administration, retirement plans and the like.

The labor relation specialist is responsible for employees services; employees and community relations; personnel records and health and safety issues.

3-1-4. Line and Staff Aspects of Human Resources Management in ECS

All managers and directors (technical and non-technical) within the ECS are, in a sense, HR managers, since they all get involved in activities like recruiting, interviewing, selecting, and training. Yet, the ECS has a human resources department (used to be called personnel department). The urgent query in this pursuit is *how do the duties of HR department relate to line managers and directors within the context of ECS?*

Let us answer this question, starting with short definitions:
- **Authority:** Is the right to make decisions, to direct the work of others, and to give orders.

- **Line Authority:** Line authority consists of right to make decisions and to give orders to subordinates. It reflects existing superior–subordinate relationships.

- **Staff Authority:** Staff authority consists of right to advice or assists those who possess line authority as well as other staff personnel. It enables those responsible for improving the effectiveness of line personnel to perform their required tasks.

- **Functional Authority:** Functional authority consists of right to give orders within a segment of the organization in which the right is normally nonexistent. Functional authority generally covers only specific areas and is operational only for designated amounts of time.

  Typically, functional authority is possessed by individuals who in order to meet responsibilities in their own areas, must be able to exercise some control over organization members in other areas (for instance, the financial manager in an organization is an example of someone with functional authority[6]).

  So, one may conclude that although authority can exist within the ECS in various forms, these forms should be used in a combination that will best enable individuals to carry their assigned responsibilities and thereby best help the management system accomplish its objectives in a very efficient way.

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[6] Among the financial manager's responsibilities is the obligation to monitor the financial information continually flowing in from various segments of the organization The financial manager, therefore, is usually delegated the functional authority to order various departments to furnish the kinds and amounts of information he needs to perform an analysis
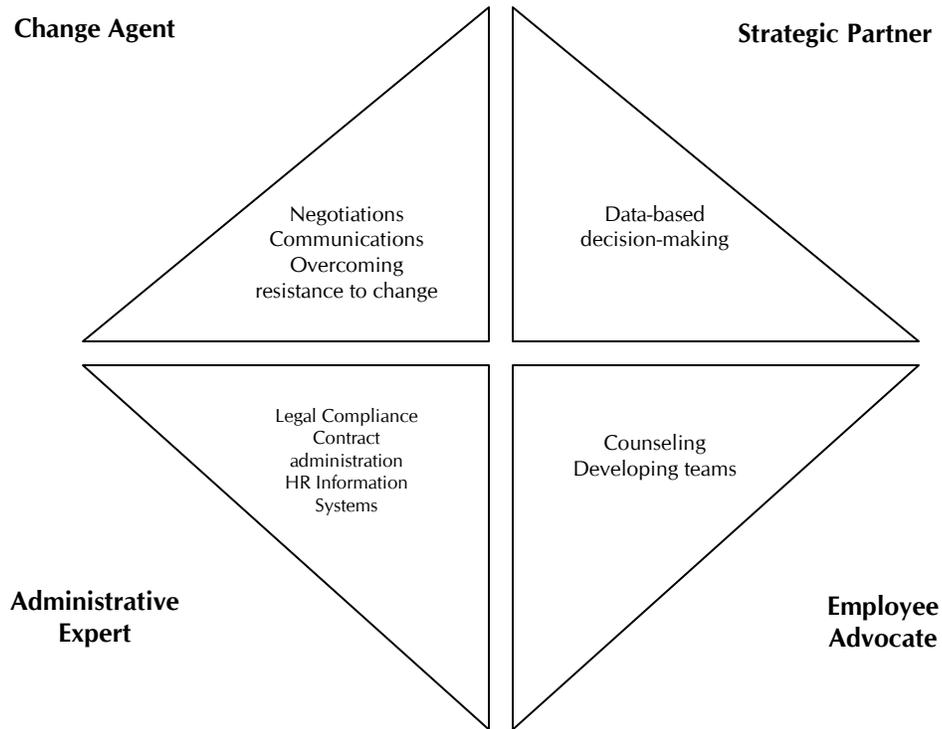
Cooperative Line and Staff Human Resources Management in ECS

Exactly which of human resources activities are going to be carried out by the Commercial Affairs Department (Line Authority) and Human Resources Management Department (Staff Authority)?

1. ***The area of recruiting and selection*** in the area of recruitment and selection it is the Commercial Affairs Department's responsibility to specify the qualifications members need to fill specific positions within the ECS organization. Then, the human resources department to take over. The staff members of HR department develop sources of qualified applicants and conduct initial screening interviews. They administer the appropriate tests. Then, they refer the best applicants to the commercial Affairs manager, who interviews and select the ones he wants.

2. ***The area of compensation*** in the area of compensation, it is the Commercial Affairs Department's responsibility to assist HR by providing information regarding the nature and relative worth of each job, to serve as the basis for compensation decisions. Also, it decides on the nature and amounts of incentives to be paid to members. Then the Human Resources Department will conduct job evaluation procedures aimed at determining relative worth of each job in the ECS. Also, staff members will conduct salary surveys to find out bases upon which other employees are paying the same or similar positions. It is the Human Resources Department responsibility to advise the commercial Affair Department regarding financial incentives and pay plan alternatives. Also, develop in consultation with Commercial Affairs members, the ECS' benefits and services package including health care options.

3. ***The area of training and development*** in the area of training and development, it is the Commercial Affairs Department's responsibility to orient employees regarding the ECS and their jobs and train and instruct new comers. Also, it is the responsibility of the line members (Commercial Affairs Department) to evaluate and recommend managers for developmental activities. Also, use the ECS' appraisal forms to appraise employee performance and assess subordinates' career progress and advice them regarding career options. Then, it is the responsibility of Human Resources Department to prepare the training materials and orientation documents and outlines. Also, advice the head of the ECS regarding development plan for managers based on the head's vision of the ECS' future needs. Human Resources Department serves as a resource for providing information regarding how to institute and operate quality improvement programs and team building efforts. Also, develops performance appraisal tools and maintain records of appraisal

3-1-5. What Competencies Do HRM Professionals Need?

The competencies that HRM professionals need are organized according to the four roles (strategic partner, administrative expert, employee advocate, and change agent), Figure.-7.

Change Agent

Strategic Partner

Negotiations
Communications
Overcoming
resistance to change

Data-based
decision-making

Legal Compliance
Contract
administration
HR Information
Systems

Counseling
Developing teams

**Administrative
Expert**

**Employee
Advocate**

Figure-7 Human Resource Roles and Competencies

These competencies include the ability to consider current and future business goals and how HRM can contribute, as well as being able to analyze turnover, retention, productivity, and customer service problems to recommend potential HRM solutions (strategic partner).

They also include overcoming resistance to new HRM policies and procedures, technology, and work designs (change agent); coaching and counseling employees and representing their views to management (employee advocate); and designing and delivering effective HRM systems and understanding how technology can make HRM systems more efficient and less costly (administrative expert).
These competencies constitute the core training needs for the HR key assignees.

3-1-6. Skills Inventory System

A skills inventory system represents a catalog of each employee's skills and abilities. A summary of this sort gives ECS planners a comprehensive understanding of the capabilities that are to be found in the organization's workforce.

A skills inventory form is shown in Figure-8. It is divided into four parts;
Part I can be completed by the HR Department from employee records; it is identifies the employee's job title, experience, age, and previous jobs.

Part II seeks information about the skills, duties, responsibilities, and education of the individual. From these questions, planners learn about the mix of employee abilities. The HR Department may collect these data through face-to-face interviews, or the questionnaire sent periodically to employees to update their information when significant changes occur.

In Part III, the employee's future potential is briefly summarized by the immediate superior. Performance, readiness for promotion, and any deficiencies are noted here.

Part IV is added as a final check for completeness and for the addition of recent employee evaluations, which can provide more insight into past performance.

SKILLS INVENTORY FORM

PART I (To be completed by human resource department)
1. Name_____   2. Employee Number: _____
3. Job Title _____   4. Experience: _____years
5. Age_____   6. Years with ECS _____
7. Other Jobs Held:
    With ECS   Title: _____from: _____to_____
                Title: _____from: _____to_____
    Elsewhere: Title: _____from: _____to_____
                Title: _____from: _____to_____

PART II (To be completed by employee)
8. Special Skills. List below any skills you possess even if not used on your present job, Include types and names of machines or tools with you are experienced.
    Skills:_____
    Languages: _____ Fluency: Speak   Read   Write
    Machines:_____
    Computer: _____
9. Duties. Briefly describe your present duties _____
_____.
10. Responsibilities. Briefly describe your responsibilities for:
    Equipment: _____
    Funds: _____
    Employee Safety _____
    Employee supervision_____
11. Education. Briefly describe your education and training background:
    Academic: (Circle highest grade) 6 7 8 9 10 11 12 Fr So Jr Sr Gr
    Job Training: _____
    Special Courses:_____
    Military Service:_____

PART III (To be completed by human resource department with supervisory inputs)
12. Overall Evaluation of Performance_____
_____
13. Overall Readiness for Promotion _____
    To What Job(s):_____
    Comments: _____
14. Current Deficiencies_____
_____
15. Supervisor's Signature: _____Date:._____

PART IV (To be completed by human resource department representative)
16. Are the two most recent performance evaluations attached? ___yes ___no
17. Prepared by _____Date_____

Figure-8 Skills Inventory Form

3-2 Institutionalizing HRD Department within ECS Organizational Chart

3-2. Human Resources Department Position within ECS Organizational Chart

There are three alternatives for institutionalizing HR department within ECS organizational chart. These alternatives are: 1) Central Department of Human Resources Development (CD/HRD), 2) General Department of Human Resources Development (GD/HRD) and 3) Gradual evolvement from GD/HRD to CD/HRD. It goes without saying that the previously mentioned HR concepts are the pillars upon which the three alternatives are established.

In the following section, the three alternatives will be discussed in some details while presenting their advantages and disadvantages.

Alternative #1: CD/HRD

The recommended human resources development department is going to be at the level of central department. It is going to be at the same managerial level as other central departments, i.e. Commercial Service Affairs; Europe affairs Department; Information Department, etc, Figure- 9.

Advantages of Alternative #1

2. Moving from the traditional personal affairs department to a modern world-class human resource department.

3. Being visible and near to the decision maker, HR management will have the ability to respond effectively to needs and challenges in the Egyptian and international environments.

4. Helping ECS top management to visualize relationships between different human resources subsystems and enable it to determine logical consequences for planning actions.

5. Assisting employees to achieve their dynamic goals and improve their moral and increase their satisfaction.

6. Effective designing and delivery of human resources practices and processes.

Head of Commercial Service Affairs

Public Relations Dept

Organization Dept

Administration Dept

Technical Dept

Research Dept

Legal Dept

Human Resources Dept.

Information Export Affairs Dept.

Asian Affairs Dept.

African Countries & Organizations Affairs Dept.

International Economic Organizations Affairs Dept.

Arab Islamic Countries Organizations Affairs Dept.

Europe Affairs Dept.

EEC & West Europe Affairs Dept.

American Affairs Dept.

Commercial Service Affairs "El Silk Affairs"

Control (Inspection) Affairs Dept.

Administration Affairs Dept

Financial Affairs Dept

Figure-9 Recommended Organizational Chart for ECS: Alternative #1

A Proposal for Establishment of Human Resources Department

7. Helps in building the necessary skills needed for human resources staff to be able to play their designated roles:
   - The ability to consider current and future ECS goals.
   - The ability to analyze human resources practices, problems and recommend potential human resources management solutions to such problems.
   - The ability to overcome employees' resistance to new human resources management policies, procedures, technology and design.
   - The ability to coach and counseling employees and representing their view to top management.
   - The ability to design and deliver effective human resources management systems.

Disadvantages of Alternative-1

1. Resistance to change.

2. Preparing human resources staff for new roles, responsibilities and new skills needed for change.

Alternative #2: GD/HRD

Adopting this alternative, the department will be entitled "General Department of Human Resources Development", inevitably this means the traditional role of the personnel affairs will cease to exist, Figure - 10.
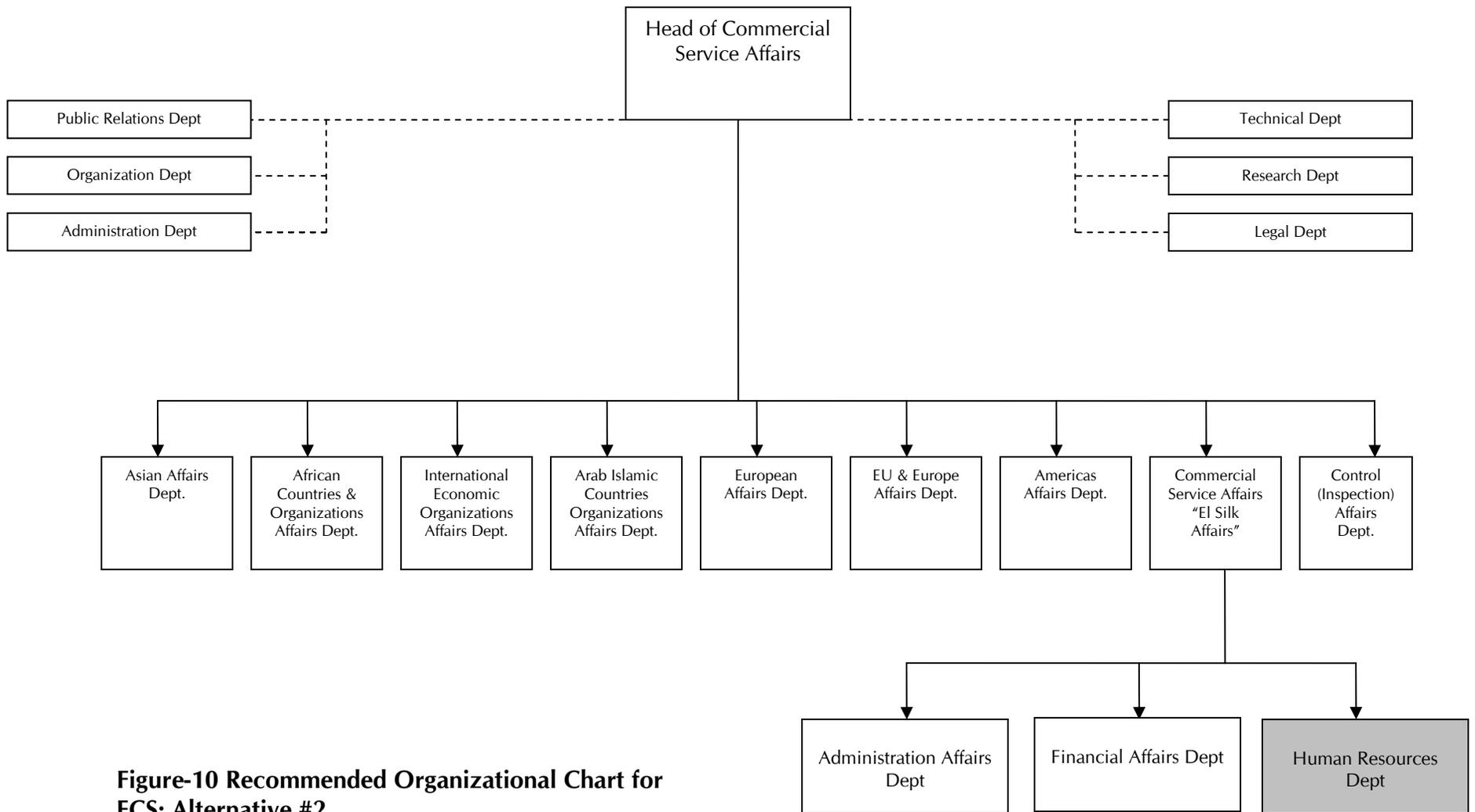
The human resource department will have a higher position than before. It will be headed by one of the technical staff (most probably a commercial counselor).

Advantages of Alternative -2

1. It follows the same traditional and the managerial style currently applied at ECS.

2. There will be a less degree of resistance from the ECS employees, particularly the technical staff.

3. The line authority will be delegated only to one of the technical staff.

4. Offering unprecedented opportunities to "promote from within" for all ECS employees.

Disadvantages of Alternative -2

1. It does not adopt the strategic view for the human resources practices previously explained in section 1 (Current human resources practices in focus).
2. Less degree of specialization for the human resources department employees.

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                              ┌─────────────────┐
                              │ Head of Commercial │
                              │  Service Affairs  │
                              └─────────────────┘
┌──────────────────┐                  │                    ┌──────────────────┐
│ Public Relations Dept │- - - - - - - - - - - - - - - - - - - │ Technical Dept │
└──────────────────┘      ┆           │              ┆      └──────────────────┘
┌──────────────────┐      ┆           │              ┆      ┌──────────────────┐
│ Organization Dept │- - - ┆           │         - - -┆      │ Research Dept │
└──────────────────┘      ┆           │              ┆      └──────────────────┘
┌──────────────────┐      ┆           │              ┆      ┌──────────────────┐
│ Administration Dept │- - -           │          - - -      │ Legal Dept │
└──────────────────┘                  │                    └──────────────────┘
```

| Asian Affairs Dept. | African Countries & Organizations Affairs Dept. | International Economic Organizations Affairs Dept. | Arab Islamic Countries Organizations Affairs Dept. | European Affairs Dept. | EU & Europe Affairs Dept. | Americas Affairs Dept. | Commercial Service Affairs "El Silk Affairs" | Control (Inspection) Affairs Dept. |

| Administration Affairs Dept | Financial Affairs Dept | Human Resources Dept |

Figure-10 Recommended Organizational Chart for ECS: Alternative #2

A Proposal for Establishment of Human Resources Department

Alternative #3: The Gradual Evolvement

This alternative will be pursued in two phases; the first phase is, in essence, the complete implementation of alternative #2. When the HRD department reaches the maturity, i.e. after the staff receives the needed training and most of the administrational systems are developed and implemented, the second phase comes into effect. The second phase is an upgrading of the HRD department from general department to a central department. The time elapsed between the two phases is expectedly 12-18 months. But still the implementation of the second phase hinges on ECS approval and perspective at that time according to the internal and external working environment

This alternative inherits advantages of both alternative 1 and alternative 2; meanwhile minimizes the drawbacks of both alternatives.

A Proposal for Establishment of Human Resources Department

3-3 Human Resource Department: Internal Structure

The human resources department will be headed by one of the senior technical staff – most probably a plenipotentiary commercial minister-, with an administrative assistant from non-technical members –preferably HR specialist who either get placed from within or recruited from outside, Figure-11.

For the rest of the HR staff, in lower administrational levels than depicted in Figure 11 will be assigned as required from the personnel affairs department and compensation department
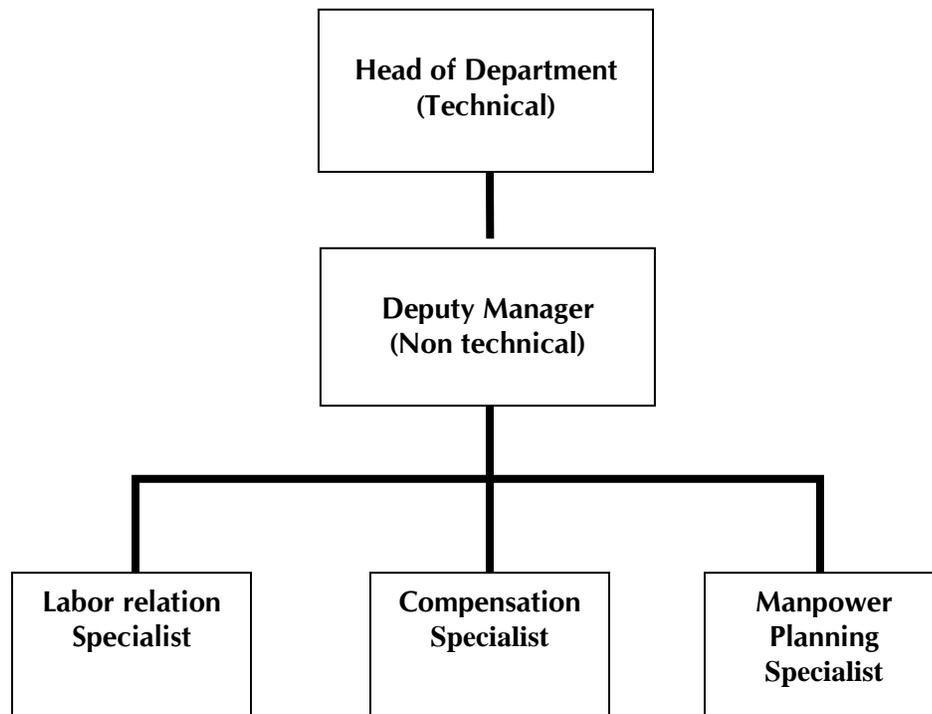
```
                    ┌─────────────────────┐
                    │  Head of Department │
                    │     (Technical)     │
                    └─────────────────────┘
                              │
                    ┌─────────────────────┐
                    │   Deputy Manager    │
                    │   (Non technical)   │
                    └─────────────────────┘
                              │
        ┌─────────────────────┼─────────────────────┐
┌──────────────┐      ┌──────────────┐      ┌──────────────┐
│ Labor relation│     │ Compensation │      │   Manpower   │
│  Specialist  │      │  Specialist  │      │   Planning   │
│              │      │              │      │  Specialist  │
└──────────────┘      └──────────────┘      └──────────────┘
```

Figure-11 The recommended Internal Structure of the HRD Department

4- Job Description of the Key Personnel

4- Job Description of the Key Personnel

The job descriptions of the key personnel in HRD will be presented in the following section:

Head of the Human Resources Department (CD/GD)

General Description:

> This position lies in the top of the ECS organizational structure. The holder of this position is reporting directly to the Head of Egyptian Commercial Services

Duties & responsibilities:

- Participate with other line managers in the strategic planning process of ECS.
- Set human resources strategies to achieve the ECS' mission in a very efficient way.
- Analyze the environmental factors inside and outside the ECS (Conduct SWOT Analysis) that may or may not affect the organization's ability to meet its goals now and in the future.
- Ensure consistency in planning throughout the managerial levels of the ECS. Functional goals and strategies should be consistent with the ECS goals and strategies and vice versa.
- Approve the strategies of the department as a whole. Possesses up to date knowledge regarding regulations that apply to equal opportunity in recruitment, selection, appraisal and other aspects of personnel administration.
- Directs and maintains various activities designed to achieve and maintain a high level of employee morale.
- Presents the ECS in the community and promotes the ECS' goodwill interest in community activities.

Qualifications of the Job Occupants

- Experience in similar managerial post (10-15 years)
- Must posses an ability to understand human behavior and be able to lead and motivate people.
- Must have mature judgment and decision-making ability.
- Considerable Knowledge of HR Law(s) and regulations, principles, systems, policies, procedures, and tasks
- Complete awareness of the nature of commercial service and Commercial diplomacy.

Deputy Human Resources Manager

General Description:

The holder of this position finds the best methods to organize and manage human resources, thus, achieving the ECS goals and mission. S/he reports directly the human resources manager. On the other hand, s/he directly supervises manpower planning manager, labor relations manager, compensation manager

Duties & responsibilities:
- Monitor and evaluates existing planning practices.
- Select, train, develop and organizes a subordinate staff to perform and to meet department responsibilities and objectives effectively.
- Participate with the human resources manager by giving inputs to the planning process on the departmental and organizational levels.
- Approve the operational strategies for all departments/sections under his supervision.
- Supervise, evaluate and approve all activities of human resources sections.
- Determine or, in questionable cases, recommends whether grievance cases appealed to the arbitration stage should be settled by concession or arbitrated.
- Cooperate with other line managers as regards to:
    - Performing a periodical audit of their human resources.
    - Collecting accurate data for job analysis.
    - Cooperating in the implementation of the planning system.
    - Developing and implementing a schedule of recruitment activity to ensure the availability of a pool of recruits when needed.
    - Developing new sources of recruits.
    - Updating their interviewing skills.
    - Suggesting and implementing appraisal systems in an effective manner.
    - Assisting in their subordinates' needs for training.
    - Acknowledging the rights of management and employees in dealing with issues related to employees.
    - Facilitating career transitions, building relationships and helping their subordinates master the basics of their jobs.
    - Implementing incentive plans..

Qualifications of the Job Occupants
- College graduate, Higher Degrees in HRD is preferable
- Experience in HR specialization (8-12 years)
- Must posses an ability to understand human behavior and be able to lead and motivate people.
- Must have mature judgment and decision-making ability.

Manpower Planning Specialist

General Description:

The holder of this position finds the best methods to organize and manage human resources in the areas of planning, employment and training and development, thus, achieving the ECS goals and mission. S/he reports directly the human resources deputy manager. On the other hand, s/he directly supervises concerned subordinates

Duties & responsibilities:

1. Diagnose the current situation, focusing specifically on the requirements for planning and the existence of planning practices. Diagnosis should also examine the results of the situational audit and job analysis.
2. Ensure the existence of current job descriptions, specifications, and performance standards for all positions.
3. Prepare and conduct manpower needs assessment regarding replacement, growth and rationalization.
4. Combine the needs identified by individual managers into an organizational needs assessment. The professionals can identify sources and methods that would benefit more than one department, and thus reduce the relative cost to each group.
5. Consider diverse sources of recruits and use diverse methods for tapping these sources. Establishing a network of contacts that lead to useful external sources should be a high priority and innovation in identifying new sources is essential.
6. Coordinate in-house recruitment programs such as posting, and introduce incentive programs for filling positions with high turnover.
7. Identify sources of information about the supply of various types of employees, internally and externally, in the short, medium, and long run. They should also know the types of recruitment activities that other organizations have used successfully.
8. Assist managers in selecting instruments to measure various criteria. They should maintain a comprehensive list of standardized instruments useful in selection; perform reliability and validity studies for particular groups; monitor the legality of questions asked in instruments.
9. Develop instruments for measuring unique criteria, study the reliability and validity of these instruments, and administer them as necessary. They can design and implement assessment centers, for example.
10. Maintain a data base of individual performance on various selection criteria and instruments.
11. Assure that the performance appraisal program is rationally designed. And establish means of encouraging consistency in ratings and feedback across the organization.

A Proposal for Establishment of Human Resources Department

12. Train the appraisers. The ongoing training should focus on managers' understanding of the intricacies of the performance appraisal system, documenting performance accurately, and communicating information to employees effectively.
13. Participate in an analysis of the environment and organization to ensure that the performance evaluation system respond to their significant aspects.
14. Maintain current job descriptions, specifications, and performance standards for all jobs for use in appraisals.
15. Design and/or supply appraisal formats to managers. They should alert managers to the potential drawbacks of any forms used.
16. Check periodically managers' and employees' attitudes toward appraisal; and conduct activities to decrease negative attitudes if necessary.
17. Perform or supervise the performance of regular environmental, organizational, and job analyses.
18. Assist managers in analyzing the needs of their employees. They can then summarize the needs across the organization in preparation for identifying the types of training they should offer organization-wide.
19. Establish training plan that is congruent to the needs assessment and overall objectives of the organization
20. Organize in-house and off-the-job training and oversee on-the–job training.
21. Assist in evaluating all training activities. Where possible, evaluation should focus on reactions, learning, behavior, and results.

Qualifications of the Job Occupants
- College Graduate (Art, Law, Commerce)
- Experience in HR specialization (3-5 years)
- Must posses an ability to understand human behavior and be able to lead and motivate people.
- Must have mature judgment and decision-making ability.

Compensation Specialist

General Description:

The holder of this position finds the best methods to manage human resources in the areas of compensation (wage and salary administration, job descriptions, executive compensation, incentive pay, job evaluation) and benefits (Insurance, vacation leave administration, retirement plans, profit sharing, stock plans), thus, achieving the ECS goals and mission. S/he reports directly the human resources deputy manager. On the other hand, s/he directly supervises concerned subordinates

Duties & responsibilities:

1. Perform a comprehensive situational audit to determine the environmental and organizational factors that are to lead to the amount, type, and apportionment of compensation given to employees.
2. Make sure that there are current job descriptions, specifications, and performance standards for all jobs.
3. Ensure that the organization has a systematic and equitable salary structure which motivates individual organizational members to perform in desired ways.
4. Conduct periodic salary surveys to determine market conditions for various positions in their organizations.
5. Recommend and introduce flexible benefits programs so that benefits respond to employees needs and meet organizational objectives: they should regularly audit the benefits program to ensure its cost-effectiveness and motivational characteristics.
6. Design individual and group incentive programs that emphasize the accomplishment of such organizational goals as cost reduction and productivity: and they should monitor the environment
7. Supervise work at the Dues department and accounting department

Qualifications of the Job Occupants

- College Graduate (Commerce)
- Experience in HR specialization (3-5 years)
- Must posses an ability to understand human behavior and be able to lead and motivate people.
- Must have mature judgment and decision-making ability.

Labor Relation specialist

General Description:

The holder of this position finds the best methods to manage human resources in the areas of employee services, employee and community relations, personnel records and health and safety, thus, achieving the ECS goals and mission. S/he reports directly the human resources deputy manager. On the other hand, s/he directly supervises concerned subordinates

Duties & responsibilities:

1. Plan for and assist in conducting attitude surveys and conduct activities to decrease negative attitudes if necessary.

2. Coach employees in situations of ongoing changes to overcome resistance to new HRM policies and procedures, technology, and work designs (change agent);

3. Coach and counsel employees and represent their views to management (employee advocate);

4. Plan for and assist in establishing HR information System (HRIS). Make sure that employees' records are accurate and updated.

5. Introduce policies that facilitate the effective interaction between work and family: they should help support dual career families by offering workshops and counseling addressing the dilemmas these couples face.

6. Establish employees' assistance program(s).

7. Provide guidance to and assist employees in relocation and outplacement services

8. Make sure that all the HR practices are in compliance with the Law 45/82 and Law 47/82 and the Labor Law

9. Plan for and implement periodic programs for Safety inspection, drug testing and health wellness.

Qualifications of the Job Occupants
- College Graduate
- Experience in HR specialization (3-5 years)
- Must posses an ability to understand human behavior and be able to lead and motivate people.
- Must have mature judgment and decision-making ability.

5- Staffing Recruitment and Deployment of the Proposed HR Department

5- **Staff Recruitment and Deployment of the Proposed HR Department**

It is advisable to fill opening with the proposed Human Resource Department from within (ECS) by promotion and/or transfer decisions. Promotion serves to reward the ECS members for past performance and is intended to encourage them to sustain efforts and be loyal and totally committed to their organization. It also gives other employees the trust that their efforts will be rewarded and will lead similarly to promotion, thus improving morale within the ECS.

The familiarity of the promoted/transferred member's with the organization and its operations can minimize or even eliminate the orientation and training costs that the recruitment from the outside would entail.

Most important, management knowledge is likely to be a more accurate predictor of the candidate's success than the data gained about outside applicants through the selection process.

On the other hand, recruiting from outside-for some jobs- will benefit ECS in having well-fledged employee(s) who will enrich ECS skills inventory with new, updated and essential skills and characteristics (HR and management skills). This, in turn, will contribute to slimming the part of training budget that devoted to enhancing HR and management competencies.

The proposed openings include jobs such as the head of HRD, deputy manager and three key HR specialists, each of them could be looked at– in congruence of the latest HR trends- a complete employee الموظف الشـامل, Figure-11.

It is highly recommended to assign the job; head of HRD department to a well-fledged Plenipotentiary Commercial Minister (Alternative-1; CD/HRD) or to a newly-promoted Plenipotentiary Commercial Minister or a Commercial Counselor (Alternative-2, GD/HRD). Since the occupant of the head of HRD position is on-the-move[7], the occupant of the deputy head position should be permanent/resident employee, therefore, s/he could be recruited from outside or being promoted/transferred from within[8] (e.g. the personnel affairs department.) Occupants of the three key positions, which constitute the span of control of the Deputy Head of HRD, Figure-11, will be promoted/transferred from within (ECS) and they should be resident employees.

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[7] ECS staff, according to Law 45/82, serve four years in ECS overseas offices and a designated number of years in the Head Office (Cairo), i.e. s/he would be reassigned to the head of the HRD position every 3-4 years

[8] There is conservation, here, that administrative attaches, also, might serve in ECS overseas offices for 2-3 years according to longer periodicity (5years).

For the remaining employees that are in the Personnel Affairs Department, we recommend urgent human resources analysis prior to either redistributing them under the assigned professionals, Figure 11, or transferring them within different department of the ECS or even MOFTI.

Regretfully, termination with appropriate compensation or early retirement may be mandatory in certain situations.

For overseas offices, we recommend a structure that encourages human resources professionals to act as generalists. In the ECS case, administrative attaches may be assigned to support all human resources activities for operating offices. These attaches should know all human resource functions to some degree, in addition to, learning about the activities of their operating offices. In their jobs, human resource generalists (Administrative attaches) emphasize the integration of human resources knowledge with their understanding of their jobs specifics. Often, human resources specialists act as consultants of these human resource generalists and provide them with the detailed, technical knowledge required to implement HR programs in different overseas offices.

6- Administrative Systems: Conceptual Design and Guidelines

6- Administrative systems: Conceptual Design and Guidelines

The pertinent administrative systems of the proposed HRD are: human resources planning, employment, performance appraisal, compensation and training and development. In the following section, the guidelines for establishing such systems are presented.

1- Human resource planning
- Determining the impact of the ECS' objectives on specific organizational units.
- Defining the skills, expertise, and total number of members (demand for human resources) that are required to achieve the organizational objectives.
- Determining the additional (net) human resources requirement in light of the ECS' current human resources.
- Developing action plans to meet the anticipated human resources needs.

2- Employment
Areas within the Employment discipline are:

I-Job Analysis
Job analysis entails establishing the specific requirement of individual jobs.
- a- Specifying the job to be analyzed.
- b- Assigning the job analyst.
- c- Developing job analysis questionnaire.
- d- Collecting data about job.
- e- Writing the description, specifications and performance standards.

II – Recruitment
1- Listing criteria for assessing potential recruits.
2- Identify potential sources of recruits
3- Specify possible techniques for tapping these sources, including writing advertisements, designing incentives programs for internal referrals, and implementing a job posting system.
4- Select the sources and techniques most appropriate for recruiting for each job.
5- List individuals eligible for the job.

III- Selection
1- Utilize various selection techniques such as tests, background investigations, interviews etc, to identify viable job candidates.
2- Send one or more viable candidates to the superior responsible for the job.
3- Have the candidates go through several and different screening processes in order to select the best fit (if any).

For overseas offices we need to consider the following criteria:

A- Job knowledge and motivation
- Managerial ability.
- Organizational ability.
- Imagination.
- Administrative skills.
- Responsibility.
- Initiative and energy.
- High motivation.
-Belief in ECS' mission and job.

B- Relational Skills
- Respect.
- Kindness.
- Confidence.
- Integrity.

C- Flexibility Adaptability
- Ability to deal with stress.
-Flexibility.
- Willingness to change.
- Adaptability.
- Independence.
- Political sensitivity.

D-Extra–cultural
- Varity of outside interest.
- Openness.
- Knowledge of local language.
- Overseas experience.

E-Family situation
- Adaptability of spouse and family.
-Spouse's positive opinion.
- Willingness of spouse to live abroad.
-Stable marriage.

A Proposal for Establishment of Human Resources Department

3- Performance appraisal

Performance appraisal is the process of determining and communicating to an employee how he is performing on the job, and ideally, establishing a plan for improvement.

One of the most common uses of performance appraisal results is for making administrative decisions relating to merit pay increases, layoffs and promotions. The output of the performance appraisal can also provide needed input for determining both individual and ECS training and development needs. Another important use of performance appraisal is to encourage performance improvement. ECS top management must recognize that an employee's development is a continuous cycle of setting performance goals, providing training necessary to active these goals, assessing performance as to the accomplishment of these goals, and then setting new, higher goals.

The development aspect of performance appraisal encourages employee growth. It addresses the developmental needs of ECS' members including skills, knowledge and experience required for an individual to perform the current job better and the skills and knowledge an individual must acquire to perform future jobs.

Performance appraisal measures must be:
1. Closely related to job analysis "job–related"
2. Made with regard to behaviors and performance not personality traits of job holder.
3. Free from random error.
4. Assess all the relevant aspects of job performance.
5. Give detailed guidance to employees about what is expected from them and how they can meet these expectations.
6. Objective and verifiable.

Criteria that could be used (individually and/or collectively) are:

1. **Job Knowledge**
The practical / technical skills and information used on the job. "Understanding of all phases of his / her work and related matters"
2. **Reliability**
It is the extent to which an employee can be relied upon regarding task completion and follow–up.
3. **Independence**
The extent of work performed with little or no supervision.
4. **Productivity**
The quantity and efficiency of work produced in a specified period of time.
5. **Quality**

The accuracy, thoroughness and acceptability of work performed.

6. Problem Solving & Taking Initiative

Ability to originate or developed Ideas and to get things started

7. Acceptability

It is the extent to which a performance measure is deemed to be satisfactory or adequate by those who use it.

8. Teamwork

The extent to which the individual is able to work effectively in teams whether in his immediate work group or with people in other divisions. This will assess the degree of cooperation, the extent of ideas sharing and the ability to put the team requirements above his

9. Communication

It measures the ability of the individual to communicate orally and in writing using all the available media in both Arabic and English languages.

10. Time keeping

The punctuality and attendance of the individual and the way that procedure for informing colleagues and supervisors about unexpected lateness and authorizing absence is adopted

For overseas offices, obviously, there is a need to modify the stated performance criteria used for a particular position to fit the overseas positions and characteristics of those particular locations. The main Key Result Areas that performance Criteria should capture are attraction of foreign investment, promote exports and commercial diplomacy.

4- Compensation

Compensation is the biggest overhead expense for organizations. Careful determination of the costs and making compensation cost-effective are important.

A comprehensive compensation program assigns pay according to a prescribed, systematic structure, which includes range of benefits to fit individual need, and involves incentive programs for directly rewarding performance.

Human resources department should oversee the design and implementation of compensation system. The following are the practice of human resources concerning the compensation:

1- Conducting a salary survey of what other employers are paying for comparable jobs (to ensure external equity)

2- Determining the worth of each job in the ECS through job evaluation (to ensure internal equity)
   a. Identifying the need for job evaluation.
   b. Getting employee to cooperate in the implementation of the evaluation.
   c. Forming job evaluation committee.

3- Grouping similar jobs into pay grades
4- Price each pay grade by using pay curves
5- Designing discipline and grievance handling systems

5- Training and Development

Human resources department should design training and development programs (Following the ADDIE System- Assess, Design, Develop, Implement and Evaluate) and help in implementing them effectively in the following ways:-

A- Assessing the training and development needs of the ECS' members using some renowned methodology such as the System Approach to Training (SAT):

    1- Observing performance or asking members where they feel deficiency.

    2- Analyzing:

        a. Organization (objectives, strategies and resources)

        b. Operations (what employees must do in order for job to be performed effectively).

        c. Individuals (knowledge, skills and attitudes) and that would be achieved by using the following techniques :

            1- Interviews.

            2- Surveys

            3- Questionnaires

            4- Focus Groups.

            5- Document Examination (I.e. performance appraisal, accident rates, turnover, etc.)

B- Instructional design:

    1- Gather Instructional material: objectives, methods, exercises and activities and organize them into a curriculum.

    2- Make sure all details completed each other, are written clearly, and blend into unified training geared directly to the stated learning objectives.

C- Validation

    Introduce and validate the training material before implementation phase..

D- Implementation

    When applicable, boost success with a train–the-trainer workshop that focuses on presentation knowledge and skills in addition to training content.

F- Evaluation and Follow-up

    Assess program success according to reaction, learning, behavior and results

7- Conclusion

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General
- The human resources are ECS' competitive edge as in most of intellectual organizations. ECS needs leaders rather than managers. Leaders whose work built on innovation and creativity to grasp opportunities of attracting foreign investment and promoting exports.
- Individuals are well-educated and experienced in the diplomacy general aspects but need to work through HR systems in order to maximize their potentials and the whole organization moves from individual productivity to team/organization productivity
- In absence of some essential HR systems (e.g. training that based on real needs and performance management), the HR activities and practices in ECS come short of the standard ones and way behind the recent concepts and practices adopted by world-class HR departments.

Personnel Affairs Department
- There is certain degree of internal conflict among staff members within the department due to the clear differences in educational levels, unclear specializations, unclear authority and diversified backgrounds. (Only 50 % of the current staff attained college degrees mostly in the fields of business, political and legal studies.)
- There is no training and development (T&D) specialist as such, but most of the T&D activities are assigned to (1-2) attaches and/or secretaries from the technical staff in addition to their normal duties. This situation creates a problem for these individuals who have no line, staff and functional authorities to do effectively their job.
- There is no scientific and documented Training Needs Assessment (TNA) system and no documented, updated job descriptions for the ECS staff.
- The evaluation system for the technical staff includes (according to the existing evaluation forms and procedure) mostly operational indicators rather than performance indicators. The performance appraisal for civil workers under Law 47 is the typical official one, which is full of subjectivity. In additions, the same management syndromes[9] found in the training area are applied for the performance management area.
- The number of employees in the specializations of employment (12), payroll (10), and insurance & insurance (5) is more than required for the ECS staff (400: 199 Commercial Representatives and about 200 administrations). Half this number can do it (It is an overstaffing dilemma)
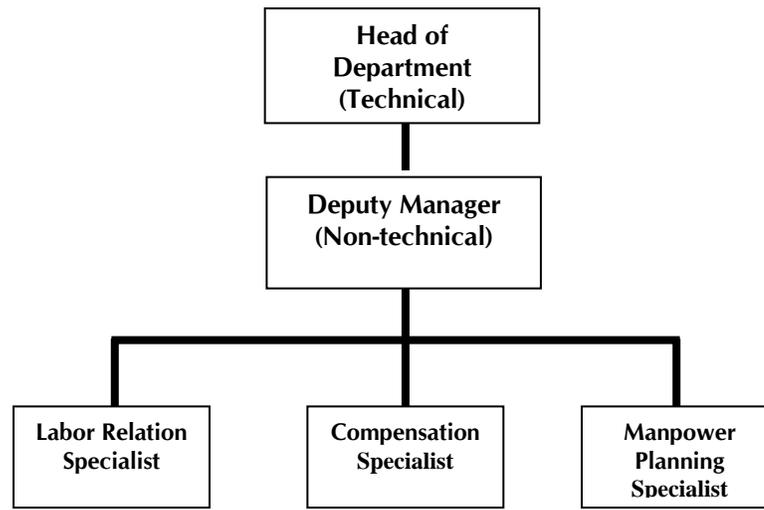
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[9] No specialized individuals and Lake of all types of authority

A Proposal for Establishment of Human Resources Department

8- Recommendations

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- ECS *should establish HR unit* that includes all the HR activities like Strategic planning (Manpower planning), Employment and recruiting, Training and development, (including performance management), Compensation and Benefits, Employee services, Employee and community relations, Personnel records, and Health and safety.

- *Clear and written authority and responsibility should be assigned to every proposed job* within the HR unit.

- All the HR specializations are grouped into *three main categories/departments (jobs)*:
    - **The manpower planning** is responsible for the HR needs assessment (including replacement, development and rationalization); employment (attraction, selection and placement); training and development and performance management
    - **The compensation** is responsible for job evaluation, administration of wages and salaries, incentive pay, insurance, vacation leave administration, retirement plans and the like.
    - **The labor relation** is responsible for employees services; employees and community relations; personnel records and health and safety issues.

- There are *three alternatives to institutionalize the proposed HR unit within ECS*:
    - **Alternative#1: *CD/HRD*** this gives the HR its status/relative importance that it deserves- as it is seen from global perspective- and enables the HR management to be near ECS decision making circle. On the other hand, it is premature to institutionalize the HR unit as a central department because of the difficulties of staffing, ECS management reluctance (internal image of any activity comparing to the commercial service activities) and
    - **Alternative#2: GD/HRD** institutionalizing HR unit as a general department under/within the span of control of the Corps Affairs Dept. sounds more easier to implement and gets the acceptance of the ECS management
    - **Alternative#3: *Gradual Evolvement from GD/HRD to CD/HRD*** it combines both alternative #1 and alternative #2 in a way that guarantees smooth implementation at the beginning and steady growth towards maturity.

A Proposal for Establishment of Human Resources Department

– The *internal structure of the proposed HRD* department:

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                    ┌─────────────────┐
                    │    Head of      │
                    │   Department    │
                    │   (Technical)   │
                    └─────────────────┘
                             │
                    ┌─────────────────┐
                    │ Deputy Manager  │
                    │ (Non-technical) │
                    └─────────────────┘
                             │
         ┌───────────────────┼───────────────────┐
┌─────────────────┐ ┌─────────────────┐ ┌─────────────────┐
│ Labor Relation  │ │  Compensation   │ │    Manpower     │
│   Specialist    │ │   Specialist    │ │    Planning     │
│                 │ │                 │ │   Specialist    │
└─────────────────┘ └─────────────────┘ └─────────────────┘
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The proposed internal structure includes the key positions; as depicted in the Figure above, the rest of the positions will be assigned according to the real needs and importance, frequency and difficulty of activities within each specialization.

– The scenarios for *staffing* the key positions should be as follows:
   ▪ **Head of the Department**: It is highly recommended to assign this position to a well-fledged Plenipotentiary Commercial Minister (Alternative-1; CD/HRD) or to a newly-promoted Plenipotentiary Commercial Minister or a Commercial Counselor (Alternative-2, GD/HRD).
   ▪ **Deputy Head of the department:** It is highly recommended to assign this position to permanent/resident employee; therefore, s/he could be recruited from outside or being promoted/transferred from within (e.g. the personnel affairs department.)
   ▪ **Occupants of the three key positions:** it is recommended that the three key positions, which constitute the span of control of the Deputy Head of HRD will be promoted/transferred from within (ECS) and they should be resident employees.
   ▪ **Rest of the HR staff:** they will be assigned as required from the personnel affairs department and compensation department.

– It is recommended to establish and document the following *systems*:
   ▪ **Organizational Chart** that includes complete job descriptions for ECS staff
   ▪ **Training** that follow one of the renowned techniques e.g. ADDIE and/or System Approach to Training (SAT) including Training needs assessment subsystem

- **Performance Management**
- **Human Resources Information System**

– It is highly recommended that the assigned staff to HRD department proposed positions- after going through a TNA process- will receive a *comprehensive training* to acquire HR competencies. The competencies are:
    – Data-based decision-making,
    – Negotiations,
    – Communications,
    – Overcoming resistance to change,
    – Counseling,
    – Developing teams
    – Legal Compliance,
    – Contract administration,
    – HR Information Systems,
    – Performance management
    – Training management

It goes without saying that these competencies will enhance their capabilities managing The HRD department in a more effective way.

– In order to put the recommendations into effect, ECS management should:
    – Start with writing up a **charter of the HRD department**, meaning administrational decree to declare the HRD department position in relation to other administrative units in ECS, the internal department organizational chart, mission and objectives of the department, jobs and job duties (brief and general descriptions), etc.
    – **Outsource Institutional Development (ID) experienced identity** to implement recommendations in this report (Walk the Talk).