

Differences in the Perceived Impact of an Economic Recession on Local Government HRM Practices: A Comparison of Economic Downturns

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Abstract

The perceived impact of the 2001 and the 2008-09 economic recessions on Human Resource Management (HRM) systems and practices in 238 (2001) and 232 (2008-09) municipal, village, and township governments was measured. While for both samples the overall perceived impact of the economic conditions was defined as "a minimal negative effect," using a combined sample the number of recognized bargaining units was significantly and positively related to several HRM practice and process impact ratings. Comparing the dataset from 2001 to that of 2008-09 there were significant differences in perceived impact, most notably with regard to predicting changes in work, frequency of demotions, and career counseling. Findings were interpreted in terms of the differences in the context of the economic recessions and areas most related to HRM practices and processes and whether these findings would be applicable to current economic woes.

Keywords: recession, human resource management, unionization

1 Introduction

1.1 The Economic Context

1.1.1 The 2001 economic recession. The 2001 recession lasted eight months. It began in March 2001 and, according to national economic indicators, ended in November (National Bureau of Economic Research (2003). Even though the economy recovered in the fourth quarter of that year, the impact lingered in certain ways. For example, national unemployment climbed to 6% by June 2003 (U.S. Bureau of Labor Statistics, 2018).

Some economic experts believe that the Y2K scare, at least in a small way, started the 2001 recession. It may be recalled that computer users and programmers believed that there would be significant disruptions on December 31, 1999. This thinking led many to purchase a wide range of computing equipment, leading to an economic boom in that industry. Once the expectations for a disruption faded, the stock market dropped, beginning in March 2000. Many dot-com corporations went bankrupt. The Federal Reserve may have contributed to the decline as they raised the federal funds rate several times, hoping to cool down the economy (Board of Governors of the Federal Reserve System, 2002).

The 9/11 attack exacerbated the downturn. With the markets closed for several days after the attack, upon opening, the Dow Jones Industrial Average had its largest one-day drop, falling 7.1% (Dow Jones Industrial Average: Index History, 2022).

In an attempt to end the recession President George W. Bush and Congress began to cut taxes, retroactive to January 2001. In addition, the Earned Income Tax Credit was expanded, the standard deduction was doubled, the threshold for the 15% tax bracket for married couples was raised, along with a doubling of the child tax credit. Perhaps learning a lesson from prior years, the Federal Reserve began lowering interest rates in January 2001, continuing to do so each month (Federal Reserve Bank of San Francisco, 2001).

1.1.2 The economic recession of 2008-09. The 2008-09 financial crisis and subsequent economic downturn was different in nature and scope. Much of the impact came directly from the mortgage markets. Some accounts indicate that the financial downturn which was full bore in 2008 began with the subprime mortgage crisis caused by the unregulated use of derivatives (i.e., profits from interest earned on mortgage loans). With increasing home values and low mortgage rates, houses were purchased as investments. Fannie Mae and Freddie Mac, both government entities, guaranteed mortgages even if they were subprime or given to people who normally wouldn't qualify for such a loan. The financial industry was heavily invested in mortgage-backed derivatives. Thus, when the housing industry tanked, there was a direct and, in some cases, magnified negative impact on the performance of financial institutions of all kinds (Board of Governors of the Federal Reserve System, 2007).

There were a number of factors which contributed to the economic troubles lasting for a couple of years. These included: the Federal Reserve was more concerned about inflation, than mortgage failures; rather than face reality, Fannie Mae and Freddie Mac focused on helping subprime mortgage holders keep their homes; the National Association of Realtors forecasted a decline in home sales; and when the Federal Reserve finally reduced interest rates, it only spurred more subprime lending (Board of Governors of the Federal Reserve System, 2007).

The final straw of the recession stuck out in 2008 when the banking crisis escalated. Banks and other financial institutions that were highly exposed to mortgage-backed securities found that no one would lend to them to stave off collapse. Both the Federal Reserve and President Bush's Administration plied them with money, barely slowing the number of collapsing institutions (CNN Money, 2008).

1.2 Human Resource Management (HRM) Under Adversity

Many authors have attested to the impact on HRM practices and processes during recessions in the 2000's (e.g., Gunnigle, Lavelle, & Monaghan, 2019; Ridgway, 2019) and in the 1900s (Uchitelle, 1991). During this time, the popular media strongly implied that administrative and managerial control systems, such as those under the HRM umbrella, must change to keep organizations functioning efficiently and profitably. Yet, a great deal of controversy surrounded the exact strategies and change mechanisms which were needed, as well as which HRM practices and processes should be changed (e.g., quality control, organization communication, human resource management practices, etc.).

The calls for improved organization functioning under recessionary conditions, however, did not solely target private industry. Calls for greater service efficiency and quality came forward for public sector agencies, such as municipal governments, law enforcement agencies, and social service providers. These mandates were expressed in spite of the realities of continued decreased taxpayer support which has resulted in smaller operating budgets and staffing levels for several decades.

1.3 The Recession's Impact on Human Resource Management Systems

As "service oriented" businesses, public sector agencies have a higher percentage of total operating costs tied to staffing levels (Baron, Dobbin & Jennings, 1986; Jacobson & Sowa, 2016). Thus, changes in HRM practices and processes due to adverse economic conditions (e.g., employee layoffs, wage and hiring freezes, etc.) may affect the organizational effectiveness of a public sector agency more significantly than a similarly sized, private sector manufacturing organization.

Little systematic research, however, has addressed the impact of economic conditions on specific HRM practices.

Unfortunately, most published work is quite generalized in its statements regarding the potential impact of economic conditions on any aspect of HRM (e.g., IPSOS, 2009; Lytle, 2017; Mizra, 2009; Singh, 2020). Few studies have offered specific projections beyond simply stating broad categories of impact, such as: a hiring freeze; a pay freeze; reducing work hours; temporary layoffs; and asking workers to go on unpaid leave (Renosa, 2020). Decades ago, Jackson, Schuler, and Rivero (1989) stated that environmental factors, such as an economic recession, has a significant impact on HRM practices and processes. Jackson et al. (1989) argued that the constraints placed on HRM practices and processes through union contracts made these systems less responsive to changing economic conditions, thus providing few ways of adapting to a different organization environment. Moreover, Jackson et al. (1989) reported that in a private sector organization the presence of a single union significantly affected HRM practices for both hourly and managerial employees. The impact was strongest for hourly personnel.

For many years it has been stated that responses to adverse environmental conditions, such as an economic recession, must involve an adaptation of HRM practices and processes, not only by management, but by unions as well (Lawler & Mohrman, 2003). Thus, through joint management-union agreement, increased flexibility in the utilization of human resources may provide the greatest tool to minimize the negative effects of adverse economic conditions on HRM practices.

The Present Study

The present study measured the perceived impact of the economic recessions of 2001 and 2008-09 on municipal, village, and township government HRM practices. Given the two datasets, a comparison of perceptions of the impact of two different economic recessions (i.e., 2001 and 2008-09) was possible. Both 2001 and 2008-09 economic conditions have been classified as "a recession,"

As reviewed above, professional speculation as to the perceived impact of a recession on HRM practices and processes is negative and generalized. To add to the small body of literature regarding the impact of economic conditions on HRM practices and processes, the present study was designed to explore areas of differences without specific hypotheses as to directionality of the findings. Thus, the current study was descriptive and exploratory in nature.

2 Method

2.1 Survey Sample

Each dataset was constructed in the same manner. Using publicly available directories, 532 local governments (i.e., municipalities, villages, and townships) within a northern Midwest state were asked to complete a questionnaire designed to measure the degree to which respondents perceived the current economic recession to affect HRM practices and processes within their organization. The questionnaire was to be completed by the individual most responsible for HRM functions within that respective local government agency.

2.1.1 2001 Dataset. In 2001, a total of 238 useable surveys were returned, a return rate of 44.7%. The average number of employees working within the local governments was 199.6. The number of parttime workers averaged 83.2. Sixty percent (60%) of the fulltime employees belonged to a union. There was an average of 2.5 bargaining units within the local government.

2.1.2 2008 Dataset. A total of 232 questionnaires were completed in 2008, a return rate of 43.6%. The average number of fulltime employees within these local governments was 73.6 workers. Number of parttime workers averaged 34.8. Of the local governments responding, 77.0% of the fulltime employees belonged to a union, with an average of 1.7 bargaining units present within a local government entity.

2.2 Survey Instrument

Each survey questionnaire requested a set of demographic data -- number of fulltime/parttime employees, number of employees currently belonging to unions, total number of unions represented within the local government -- as well as ratings measuring the perceived impact of the economic recession on 25 HRM practices and processes. A five-point graphic rating scale was used to assess perceived impact using these anchors: (1) The economic recession has had no effect on this area; (2) . . . minimal negative effect . . .; (3) . . . slight negative effect . . .; (4) . . . definite negative effect . . .; (5) . . . serious negative effect . . .

The perceived impact of the economic recession was measured on the following HRM systems and practices: communicating organizational goals; worker interest in organizational goals; worker acceptance of assigned tasks; delegation of authority; classification; wages and salaries; identification of future labor pool; projecting changes in work; recruiting; selection; placement; training; career counseling; organizational change; job satisfaction; supervision; use of authority; motivation of workers; worker perceptions of the organization; performance level; collecting accurate information on worker skills/abilities; transfers; demotions; promotions; and turnover.

2.3 Procedure

The person identified as the head of the local government entity (e.g., Mayor, Township Supervisor, County Executive, etc.) was emailed a copy of the survey questionnaire with instructions to forward the instrument to the individual with primary responsibility for HRM systems and practices (e.g., HRM/Personnel Director, City Manager, Village/Township Administrator, etc.). The survey was provided as an attachment to the email. All completed questionnaires sent back to the researcher as an email attachment.

3 Results

3.1 Perceived Impact of Economic Conditions on HRM Practices and Processes

Overall, for both the 2001 and 2008 datasets, the respondents perceived only a "minimal negative effect" or "slight negative effect" due to the economic recession on HRM systems and practices (see Table 1). Those areas perceived as affected beyond the "slight negative effect" were: "worker interest in the goals of the organization;" "providing appropriate wages and salaries;" "identification of future workers and their availability for employment;" "projecting changes in what workers will do in the future;" "selection of new workers;" "providing orientation training and required skill training to workers;" "ability to change things within the organization with little disruption and maximum communication to workers;" "the job satisfaction or workers (employee morale);" "motivating workers to maintain/improve performance;" and "worker perceptions of the organizational environment."

3.2 Relationships Among Perceived Impact Ratings – Intercorrelations and Factor Analyses

As shown in Table 2, the perceived impact ratings were significantly intercorrelated across the 25 HRM systems/practice areas. This finding held for both the 2001 and 2008 datasets. Based on upon the significant and similar pattern of intercorrelations among the rating areas, the two datasets were combined (n = 470).

Principal components factor analyses were performed to identify primary groupings of HRM practices and process categories of perceived impact. Using an oblique rotation, after 21 rotations, the following factors emerged (see Table 3 for factor loadings): (1) Supervisory responsibility (Eigenvalue = 11.53, % of variance = 46.1); (2) Movement of human resources (Eigenvalue = 1.86, % of variance = 7.4); (3) HRM functions (Eigenvalue = 1.27, % of variance = 5.1); and (4) employee reactions to the work environment (Eigenvalue = 1.21, % of variance = 4.8).

Based upon the findings of Jackson et al. (1989), the number of bargaining units within the local government entity were seen as a possible predictor of the perceptions of economic recessionary impact on HRM systems and processes. Using the factor scores as a set of predictors, multiple regression analysis indicated there was no significant relationship between the perceived impact on HRM practices and processes and the number of recognized bargaining units. However, the Beta weight for Factor 4, "employee reactions to the work environment," was statistically significant (Beta weight = .27, $p \leq .05$).

As a follow up set of analyses, significant correlations between "providing appropriate wages or salaries" ($r = .14, p \leq .05$), "ability to change things within the organization with little disruption and maximum communication to workers" ($r = .19, p \leq .01$), "worker performance" ($r = .20, p \leq .01$), "worker transfers" ($r = .16, p \leq .05$), "job satisfaction of workers" ($r = .18; p \leq .01$), and "promotion of present employees" ($r = .16, p \leq .05$) and the number of recognized bargaining units were found.

3.3 Dataset Comparisons: The Perceived Impact of the Economic Recessions of 2001 Versus 2008-09

Using paired T-tests (two-tailed) the means of the perceived impact ratings were compared for 2001 versus 2007 across the 25 HRM system/practice areas (see Table 1 for comparative mean ratings). The economic recession of 2001 was seen to exert a significantly greater negative impact on the following HRM system/practice areas, when compared to the 2008: "projecting changes in what workers will do in the future" ($t(115) = 2.73, p \leq .01$); "employee career counseling" ($t(115) = 2.41, p \leq .05$); and "frequency of demotion of employees" ($t(115) = 2.09, p \leq .05$). Conversely, the 2001 economic recession was perceived to impact the following area more negatively: "using organizational authority to control day to day operations" ($t(115) = 6.12, p \leq .01$).

4 Discussion

Overall, the perceived impact of the economic recessions of 2001 and 2008 was undifferentiated. That is, there were more similarities between the perceived impact during these two recessions than significant differences. An examination of the paired T-tests of the perceived impact ratings indicated a handful of differences which showed that the earlier recession of 2001 brought with it more negative issues for HRM systems and practices.

The recession of 2001 saw greater concern about the future work of employees, the ability to counsel them regarding their careers, and how often they would need to demote them. Apparently, by 2008 HRM professions had made inroads to address these issues. For 2008, the single difference from 2001 was the ability to control day-to-day operations through mandated authority. Given the broad characterization of each recession it is difficult to identify specific economic conditions which correlated with these differences.

What can be stated, however, is that for most any local government agency the largest organizational costs are tied to the number of employees (see Jacobson & Sowa, 2016). In other words, the generic impact of economic decline has a broad-based negative impact across HRM systems and practices. Given that employee compensation and benefits constitute the largest payout for local governments, it would make sense that any HRM policy, practice, system, etc. would bear the greatest negative impact.

4.1 Degree of Unionization

Given the factor analyses, it is appropriate to focus on the role that unionization plays in the perceptions of HRM systems and practices under recessionary conditions. Consistent with Jackson et al. (1989) and the later work of Ridgway (2019), the number of bargaining units within the local government agency was a predictor of a number of perceptions. The factor analysis led to the conclusion that the more unions within the local government agency, the greater the perceived negative impact. This was especially true for providing appropriate wages or salaries, the ability to change things with little disruption, and the promotion of employees.

A simple explanation for this finding would center around the typical areas covered within a union contract. A union contract would certainly include language which specifies how wages and salaries are determined, what HRM systems can and cannot be changed, and the means through which employees are promoted (see Jackson & Sowa, 2016 and Gunnigle et al., 2019).

Jackson et al. (1989) outlined how organizational characteristics may predict personnel systems and practices. The present study provided some indication that economic recessionary conditions may be buffered or moderated by the number of bargaining units within the local government organization. Degree of unionization should be considered an organizational characteristic equal to the levels within the organizational structure, the size of the organization, etc. Given that local government entities are so employee centric, the number of bargaining units may be the most important organizational characteristic.

4.2 Study Limitations and Future Research

Extrapolating the present study findings to future economic recessionary conditions would be easier were there specific aspects of the economic conditions which could be linked to the label of “recession.” Unfortunately, within the field of economics the determination of a so-called recession is a very generic determination, a combination of a range of metrics. And there is little agreement among economists as to what these metrics should be (Singh, 2020).

Future research in this area has to move beyond a reliance on anecdotal reports of what aspects of HRM systems and practices should be examined for possible recessionary impact (Lytle, 2017, Mirza, 2009). While organizations such as the Society for Human Resource Management (SHRM) fill that role, it would be prudent for them to sponsor more detailed, in-depth research on the role economic factors play in the success or failure of HRM systems and practices (see Kahlil, Mehrangiz, Amin, Bhagyashree, Gunaskedara, Ghassan, & Zachery. 2020). And, the fact that local government organizations are a unique subset of the range of private and public entities needs to be acknowledged.

While the present study dug down within the data to examine the impact of unionization on HRM practices during a recession, given the steady decline in the number of unions across industries, it would seem prudent that analyses go in a different direction.

Overall, the present study supports the notion that economic downturns have a detrimental impact on HRM systems and practices, especially in the public sector. It demonstrates that we do not have empirical linkages between specific economic factors and this impact. This failure is incumbent on the plethora of economic indicators which are combined to label something a recession. And that these indicators change from recession to recession.

The present study findings are limited by the nature of the sample, local government agencies. The defining features of these organizations as service-oriented public sector entities further limits the generalizability of the study findings. Future research needs to more expansive as to the organizational facets measured and the range of organizations and industries included in the research.

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Table 1
Perceived Impact Ratings

	<u>2001</u>		<u>2008</u>	
	<u>Mean</u>	<u>SD</u>	<u>Mean</u>	<u>SD</u>
(1) Being able to communicate organizational goals	1.97	1.20	1.90	1.06
(2) Worker interest in the goals of the organization	2.00	1.12	2.04	1.06
(3) Worker acceptance of assigned tasks	1.73	1.03	1.74	.97
(4) Delegating responsibility/ authority to people in lower level jobs	1.70	.99	1.74	.98
(5) Classifying workers into job classes	1.62	1.01	1.68	1.01
(6) Providing appropriate wages or salaries	3.14	1.36	2.87	1.27
(7) Identification of future workers and their availability for employment	2.49	1.48	2.27	1.32
(8) Projecting changes in what workers will do in the future	2.63	1.41	2.34	1.22
(9) Recruiting a diverse range of qualified workers (women and minorities)	1.92	1.34	1.98	1.24
(10) Selection of new workers	2.17	1.51	2.06	1.23
(11) Placing workers in the correct jobs	1.68	1.07	1.69	1.08
(12) Providing orientation training and required skill training to workers	2.12	1.35	2.09	1.22
(13) Employee career counseling	1.93	1.29	1.75	1.15

Table 1 (cont.)
Perceived Impact Ratings

	<u>2001</u>		<u>2008</u>	
	<u>Mean</u>	<u>SD</u>	<u>Mean</u>	<u>SD</u>
(14) Ability to change things within the organization with little disruption and maximum communication to workers	2.13	1.27	2.14	1.15
(15) The job satisfaction of workers (employee morale)	2.56	1.32	2.44	1.29
(16) Ability to effectively supervise workers	1.76	1.05	1.86	1.07
(17) Using organizational authority to control day to day operations	1.57	.88	1.67	.95
(18) Motivating workers to maintain/improve performance	1.94	1.13	2.15	1.17
(19) Worker perceptions of the organizational environment	2.05	1.20	2.24	1.20
(20) Worker performance	1.74	.95	1.86	1.02
(21) Ability to collect accurate information on present worker skills and abilities	1.55	.96	1.57	.86
(22) Worker transfers	1.64	1.11	1.48	.93
(23) Frequency of demotion of employees	1.40	.91	1.25	.71
(24) Promotion of present employees	1.99	1.31	1.90	1.23
(25) Worker turnover and its possible causes	1.65	1.11	1.65	1.04

Table 2
Intercorrelations Among Perceived Impact Rating Areas *

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25		
(1) Being able to communicate organizational goals	-																										
(2) Worker interest in the goals of the organization	65	-																									
(3) Worker acceptance of assigned tasks	47	60	-																								
(4) Delegating responsibility/authority to people in lower level jobs	53	55	70	-																							
(5) Classifying workers into job classes	45	41	62	73	-																						
(6) Providing appropriate wages or salaries	35	41	27	41	32	-																					
(7) Identification of future workers and their availability for employment	42	38	30	37	29	53	-																				
(8) Projecting changes in what workers will do in the future	48	46	38	50	38	56	63	-																			
(9) Recruiting a diverse range of qualified workers (women and minorities)	27	32	33	37	38	58	50	52	-																		
(10) Selection of new workers	33	35	33	39	42	39	55	48	80	-																	
(11) Placing workers in the correct jobs	38	37	49	59	56	31	45	43	62	67	-																

Table 2 (cont.)
Intercorrelations Among Perceived Impact Rating Areas

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25		
(12) Providing orientation training and required skill training to workers	46	40	38	55	51	50	44	44	41	42	63	-															
(13) Employee career counseling	33	32	39	50	38	35	47	42	48	49	63	67	-														
(14) Ability to change things within the organization with little disruption and maximum communication to workers	57	49	45	56	51	52	47	59	41	48	54	60	54	-													
(15) The job satisfaction of workers (employee morale)	55	56	52	55	46	65	51	54	38	41	46	61	48	71	-												
(16) Ability to effectively supervise workers	49	50	65	62	50	42	41	49	39	41	54	47	48	65	69	-											
(17) Using organizational authority to control day to day operations	43	47	62	71	62	37	40	51	40	37	53	43	40	54	54	69	-										
(18) Motivating workers to maintain/improve performance	48	55	54	54	46	53	46	55	37	39	44	47	37	62	76	67	68	-									
(19) Worker perceptions of the organizational environment	60	61	55	55	51	54	46	57	42	44	44	48	34	65	76	63	59	75	-								
(20) Worker performance	45	55	73	58	57	33	34	37	38	42	52	44	39	46	60	64	53	67	67	-							
(21) Ability to collect accurate information on present worker skills and abilities	39	43	66	61	54	25	30	37	37	35	57	54	58	48	43	64	56	49	42	65	-						

Table 2 (cont.)
Intercorrelations Among Perceived Impact Rating Areas

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25		
(22) Worker transfers	31	28	49	54	57	18	24	37	41	42	60	43	52	48	34	48	43	30	38	41	59	-	-	-	-	-	
(23) Frequency of demotion of employees	27	30	51	50	51	13	15	24	30	31	52	42	47	41	32	49	47	39	33	47	61	65	-	-	-	-	-
(24) Promotion of present employees	35	39	35	44	41	48	42	45	41	45	50	50	47	61	61	53	44	57	54	49	39	47	47	-	-	-	-
(25) Worker turnover and its possible causes	27	35	42	39	41	36	31	37	42	43	49	38	36	50	51	55	48	49	49	43	37	47	47	59	-	-	-

* All correlations $p \leq .01$

Table 3
Factor Loadings

	<u>Factor 1</u> Supervision	<u>Factor 2</u> Movement of Human Resources	<u>Factor 3</u> HRM Functions	<u>Factor 4</u> Employee Reactions to the Work Environment
(1) Being able to communicate organizational goals	<u>.73</u>	.17	.44	.37
(2) Worker interest in the goals of the organization	<u>.79</u>	.17	.39	.43
(3) Worker acceptance of assigned tasks	<u>.84</u>	.24	.38	.41
(4) Delegating responsibility/ authority to people in lower-level jobs	<u>.82</u>	.22	.55	.40
(5) Classifying workers into job classes	<u>.70</u>	.32	.51	.41
(6) Providing appropriate wages or salaries	<u>.59</u>	.39	.54	<u>.44</u>
(7) Identification of future workers and their availability for employment	.43	.31	<u>.77</u>	.39
(8) Projecting changes in what workers will do in the future	.56	.25	<u>.70</u>	.47
(9) Recruiting a diverse range of qualified workers (women and minorities)	.37	.08	<u>.84</u>	.42
(10) Selection of new workers	.37	.08	<u>.85</u>	.46
(11) Placing workers in the correct jobs	.53	.38	<u>.78</u>	.47
(12) Providing orientation training and required skill training to workers	.56	.14	<u>.68</u>	.51
(13) Employee career counseling	.44	.30	<u>.73</u>	.42
(14) Ability to change things within the organization with little disruption and maximum communication to workers	.66	.02	.61	<u>.72</u>

Table 3 (cont.)
Factor Loadings

	<u>Factor 1</u> Supervision	<u>Factor 2</u> Movement of Human Resources	<u>Factor 3</u> HRM Functions	<u>Factor 4</u> Employee Reactions to the Work Environment
(15) The job satisfaction of workers (employee morale)	.69	.21	.54	<u>.79</u>
(16) Ability to effectively supervise workers	<u>.74</u>	.11	.47	.69
(17) Using organizational authority to control day to day operations	<u>.75</u>	.14	.50	.53
(18) Motivating workers to maintain/improve performance	.74	.11	.47	<u>.76</u>
(19) Worker perceptions of the organizational environment	.71	.21	.50	<u>.74</u>
(20) Worker performance	<u>.77</u>	.15	.43	.57
(21) Ability to collect accurate information on present worker skills and abilities	<u>.72</u>	.45	.46	.40
(22) Worker transfers	.48	<u>.62</u>	.53	.45
(23) Frequency of demotion of employees	.53	<u>.71</u>	.40	.50
(24) Promotion of present employees	.44	<u>.84</u>	.11	.53
(25) Worker turnover and its possible causes	.35	.19	.43	<u>.83</u>