

**Identify 3 national equal employment opportunity laws that impact JetBlue's hiring practices.**

The Equal Employment Opportunity (EEO) law provides framework for developing HR systems that are consistent with legal requirements and make HR decisions that is legally defensible. Jetblue Airways consistently implement equal race, nationality and gender policies. Gary Bryner stressed out that equal employment authority (EEA) exemplify the goal that employment decisions be free of considerations of race, color, national origin, religion, and sex. It is based on the standard of nondiscrimination --- that employees and applicants for employment are not to be judged on factors other than merit and qualifications (Bowman, 1988). Substantial research on sex differences in ethics fails to provide a consistent pattern of results. Sometimes men and women differ from one another, sometimes they do not. We suggest that men and women may perceive that there are differences in moral development, ethical values, ethical sensitivity, and ethical behavior, and that these perceived differences have important implications for practice and research (Schminke, 1999).

Job analysis is a basic requirement for developing valid selection procedures according to both professional and legal (Equal Employment Opportunity Commission 1979) testing guidelines. Its value for interviews structuring was recognized by McMurry (1947). It is not expected to enhance reliability, but there might be a weak positive relationship if it limits the interview domain. The Conway, Jako, & Goodman (1995) meta-analysis showed a low positive relationship between job analysis and reliability, which they interpreted as an indirect effect expected to influence all three types of validity. Job analysis should enhance job-relatedness, partly because it allows the interviewer to obtain job-related samples of applicant behavior (Dipboye & Gaugler

1993). Job analysis should enhance the amount of job information brought into the interview, thus decreasing deficiency. Similarly, by focusing the interview on job-related content, it should reduce contamination. Without a job analysis to provide a common frame of reference, interviewers might base the interview on idiosyncratic beliefs about job requirements (Dipboye 1994).

## B. Recruitment efforts:

### ***Internal Recruitment***

Human-resource planning is the first step in effective human-resource management as it involves forecasting the human-resource needs of the organization and planning certain useful and important steps that the organization must take in order to meet those human resource needs that will contribute a high percentage for its overall success as human-resource planning should be connected to the organization's strategic objectives and mission. (Butensky and Harari, 1983) It can be said that human-resource planning is a challenge as the needs of the organization are constantly changing and sometimes do not converge --- such challenge can be greater if the recruitment pool is limited or if the people in charge of human-resource management have not been trained to forecast the Jetblue Airways needs to maintain and achieve success in all areas of concern. (Butensky and Harari, 1983)

### ***External Recruitment***

According to Daniel and Metcalf (2001), recruiting is part of the overall management function of staffing that serves a major role in ensuring that company strategies will be implemented. Spencer (2004) also emphasized that staffing requires both attracting and selecting prospective personnel's capabilities and competencies from

the company's position. Jetblue Airways projects an image to the community which determines the attractiveness of the company to qualified employees. It may be either a potential barrier or a significant advantage depending on the ability of the HR team to effectively advertise its job vacancies. The second factor is attractiveness of the job which refers to the job description (Mullins, 2005). Any job that is considered as interesting, dangerous, stressful, low-status, low-paying or lacking in promotion potential will have a hard time attracting the right people. Cost is also an important factor for Jetblue Airways, because recruitment is expensive to the organization. Thus, every company needs to assess the costs involved in each proposed methods of recruitment. The fourth issue is recruitment goals of the program which have to serve many different purposes. However, the overall purpose should be to fulfill the definition mentioned earlier. The last issue to be considered is the recruitment philosophy which depends on the emphasis of recruitment practices, depth of commitment in seeking and hiring a diverse range of employees and the ethical aspect of fairness in the recruitment process (Sims 2002).

3. Explain the effects of these methods on JetBlue`s recruitment efforts.

### ***Personnel Selection***

Selection is the partner of recruitment in HR planning. This is a critical process for the organization because good selection decisions ensure the company's sound financial investments in their employees (Dean & Snell 1993). The wrong selection process can lead to frustration, repetitive training, documentation, low morale and a waste of time and financial resources. Moreover, an effective selection also decreases the risk of lawsuits of either discriminatory or criminal in nature. Jetblue Airways has a

selection system, wherein the applicants are subjected to both the basic criteria of an employee in the organization and the specific criteria for the job description. For selection procedures, interview was the most common technique used by organizations. However, in order to screen the applicants more effectively with fewer errors, multiple selection techniques had also been employed.

There are several factors which influence recruiting efforts namely: organizational reputation, attractiveness of the job, cost of recruiting, recruiting goals and recruiting philosophy (Sims, 2002). This process is important to be investigated in Jetblue Airways. because it is evident that the company places such high value to its employees. This is manifested through the high level of loyalty shown by staff and the recruitment of new employees by recommendation of the existing staff members. The recruitment process of the company, though not entirely wrong because it has yielded such good results, can be aligned to better suit its HR practices.

Jetblue Airways, as an owner of a retail store, has an established selection process and criteria for full and fair assessment of its applicants (Torrington and Taylor, 2005). Thus, the recommendation policy discussed earlier would be in line with an integration of the respected company culture and the streamlined actions of the company.

#### D. Identify 3 factors that influence a performance appraisal system.

Performance appraisal system is a process of assessing whether organizational objectives are met. The process evaluates how the employee's performance has fared to satisfy the organization (Debrah, et al., 2003). Evaluation seeks to monitor and improve effectiveness by giving the employee feedback on his/her performance. This

process should be carried out at regular intervals and should follow specific protocols to maintain objectivity of the evaluation process.

The concept has its strengths as defined by Caruth & Handlogten, (1997) as it helps the manager to identify individual performance along with the employee's future potential. Evaluation also assesses the weaknesses, providing a basis for possible disciplinary actions (Torrington and Taylor, 2005). The third positive point of the concept is that it can determine which training aspects should be developed for a particular employee. It also increases the communication between the employer and the employee because of the feedback and evaluation process.

According to Spencer (2004), evaluation is also a way for the organization to assess the role of the manager, i.e. a tool for measuring supervision. Another advantage of evaluation process is that it aims to establish trust relationship among the entire organization because objectivity and fair play present in the process. Lastly, the evaluation process is a good way of providing employee satisfaction and maturation, which will improve the performance in the long term.

#### E. 360-degree feedback evaluation:

The emergence of 360-degree feedback systems provides an alternative to traditional appraisal systems that are used by Jetblue Airways (Greller and Jackson, 1998). The 360-degree can be seen as an attempt to improve the process by expanding the information available (Thomas & Bretz, 1994), but limitations and failures specific to 360-degree systems have been noted as well (Antonioni, 1996).

The 360-degree feedback process encompasses creation and execution of employee development plans (Jackson and Greller, 1998). The HR department of Jetblue Airways have seen 360-degree feedback used in a number of ways, including (1) to develop business strategy and culture change by clarifying the behaviors that are required to support these initiatives by "re-focusing the workforce to attain changed organizational goals through changing their behavior" (Lepsinger, 1997, p. 19); (2) to enhance team effectiveness by identifying gaps in team skills' sets in organizations seeking to implement a team structure (Lepsinger, 1997, p. 20); and (3) as part of human resource management systems. "Just as individuals use 360-degree feedback to determine their own development needs, organizations can use aggregate reports to create a profile of training and development needs across the company" (Lepsinger, 1997, p. 20).

These 360-degrees appraisal systems in Jetblue Airways serve two main purposes. They may assist in the individual's development, or they may be used administratively to help the organization make decisions (Heneman, 1992). Alternatively, a company may try to have one appraisal system do both jobs. There seems to be little disagreement as to the appropriateness of 360-degree feedback for development ---in fact, this is the most common use for 360-degree (Bracken, 1994; Timmreck, 1995). Sharing data gathered from co-workers and subordinates has been a key element of many training and development programs.

#### F. Identify 4 employee-related factors that are essential in determining financial compensation.

Employee compensation and benefits, for Jetblue Airways, constitute a substantial expense that is burdensome but not crushing. For some companies the costs are so great they cannot remain viable without change (Hronsby and Kuratko, 1990), while for others,

unless wages and benefits are increased to attract and hold employees, the business cannot grow or survive. Due diligence is reviewed by Jetblue Airways for actual compensation and benefits and causative factors such as competition, affordability, government regulations, customs, employee demands, levels necessary to recruit and retain employees and industry standards. Knowledge of these key factors is particularly important if the investment results in a merger necessitating the integration of operations and work forces. Jetblue Airways often have a general policy regarding employee compensation that may be written or unwritten, but nevertheless followed. The policy may be to pay superior compensation to employ and retain superior employees, pay substandard rates and expect high turnover, or simply pay rates comparable to those paid in the field. Wage surveys are usually available from industry associations, chambers of commerce and trade groups or can be conducted (Burack, 1986). The primary concerns of Jetblue Airways are whether the compensation philosophy makes good business sense and if management's and the investor's approach are compatible.

Wage and benefit cost differentials between the Jetblue Airways and some or all competitors become significant when the cost of the product or service sold is affected to a material degree. Benefit costs have become so large that cost comparisons must include both wages and benefits (Mondy et al, 2005). Since a competitor with a significant labor cost advantage can underprice his competition, the investor's concern is whether a serious competitive advantage or disadvantage exists.

#### G. Discretionary employee benefits:

The terms of employment contracts of Jetblue Airways vary widely but usually cover compensation and job responsibilities, while providing for termination, non-

competition and confidentiality. In many countries, the government establishes the terms and sums of separation pay with amounts so large that significant changes in the business are discouraged (Mondy et al, 2005). This potential liability probably will not appear on financial statements but must be considered in any reorganization plans. Because some separation pay plans are interpreted as contracts, a change of ownership may trigger separation pay benefits even though employees do not actually lose their jobs. If the investor is planning reductions or consolidation of operations, separation pay costs must be included in financial projections. Jetblue Airways also gives vacation and sick leave benefits. Along with this, an investor should determine if days not taken in one year can be carried over into the next and whether unused days are paid when the employee terminates. This practice has permitted employees to build huge nest eggs, working contrary to the purpose of vacation and sick leave policy goals and creating large, unrecorded employer liabilities (Mondy et al, 2005). If such accumulation has been permitted, the records should be reviewed and verified to calculate the liability and avoid controversy with employees.

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