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HRM OPTIMIZATION FOR ECHOBIKE

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The purpose of this thesis was to help a Chinese manufacturing factory Echobike to increase its current productivity and offer guidance for its future expansion. Through the study of Chinese HRM in SMEs, it provided a general overview of advantages and difficulties of external economy condition and could be seen as the preparation for Echobike to implement a HRM system. On the other hand, the results of the qualitative research interview with its employees revealed the shortness of Echobike from its employees' point of view.

Based on the collecting information from the study and research, HR strategic suggestions and an 11-step recruitment process guide are introduced to Echobike. HR strategic suggestions are formed according to a theoretical model named Two Factor Theory by Herzberg. These suggestions allow Echobike to start HRM with a totally new and positive attitude – respecting employees in order to reach employees' expectations and increase both employee satisfaction and productivity. On the other hand, the 11-step recruitment process works as a guide or template for Echobike. It will increase the efficiency and effectiveness of recruitment and engage to a better HRM and lower employee turnover.

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1 INTRODUCTION

Due to the strong demand of global economic expansion in the recent years, the advantages of China in human resources and mass production are gradually reflected. Thus, China is known as the biggest workshop in the world and attract lots of foreign companies to cooperate with Chinese contract manufacturers. Along with the growth of Chinese manufacture industry, everywhere in the world, there are stuff labeled with 'Made in China' and mostly they are low-tech, poor quality, large production and cheap. At the same time, news such as suicides in Foxconn factory in China were reported from time to time. More and more problems showed up as well, for instance trustworthiness of Chinese manufacturers. Features like these make Chinese manufacture industry as an interesting topic. People started to talk about the low wage, abundant labor, poor management, fiercely competitive circumstances, product quality and etc. Some even came to China to make studies on Chinese production industry and compared it with European and other Asian countries, and more detailed analyses gave people factors of current situation and issues.

From 1978 to 2007, along with the rapid economic growth in these 30 years, Chinese contract manufacturing factories developed at an incredibly fast speed. After this, these foundries finally met their development problems. These problems were more integrated and long lasting. For example, compared to the iPhone profit margin of 15.4% in 2007 and 30.8% in 2013, its workshop, Foxconn's profit rate is 2.7% in 2007 but down to 1.5% in 2013. (Finance People, 2013)

It has been found that small and medium-sized enterprises (SMEs) in China are suffering a dead of winter, which means Chinese SMEs are struggling to survive in this challenging economic environment.(Sang Yan, 2008) In the first half year of 2008, there were more than 67,000 SMEs finished up in failure. This amount was about 8.5% of total enterprises in China, which was already over the standard bankruptcy rate between 5%-8% per year.(Zuo Xiaolei, 2008) Until now, this dead of winter is still at the beginning stage. In current Chinese economy situation, SMEs are facing

multiple difficulties. The biggest difficulty is the continuous increasing costs and the slowly decreasing customer demand, said by Chinese Chief Economist Liang Hong. (Liang Hong, 2008) In 2009, Chen Naixing, the director of small and medium-sized enterprises research centre in Chinese Academy of Social Sciences, indicated that 40% of the SMEs went bankrupt, 40% of the SMEs were suffering and only the rest 20% of them were not influenced by the economic crisis. (Oriental Morning Newspaper, 2009)

All numbers above told people that, it is not easy for Chinese SMEs to survive in this increasingly competitive environment, even until now. It is not only because of the climbing cost, neighboring countries competition and the lack of technical support, the national laws are also keeping certain amount of foreign companies away from signing contracts with Chinese manufacturers.

These make people realized the necessity of revolution in order to survive. Producing cheap and low quality goods are no longer enough to support the factories, especially those small and medium-sized contract manufacturing factories. They need to absorb new techniques, new ways of managing the production and business itself, so that they could increase the quality, efficiency and profit.

1.1 Objectives of thesis

For most Chinese manufacturing factory managers, they commonly misunderstand managing as rewards and punishments. Usually the whole factory is all about production but no processes optimizing. Production is the only assignment to Chinese engineers but not strategic projects.(The Supply Chain Management Review, 2012) They believe that there is no need to respect their employees but more militarized. The reasons of such kinds of thoughts are because most employees are low-educated and not qualified and parts of them are migrant employees which means there is no need for any long-term plan for them. However, without any encouraging and pushing, these low-educated people could not find their enthusiasm to work, get loyal and do their best for the company. Therefore how to increase the labor efficiency and get higher return on investment is one main study object for companies.

The main objectives of this thesis is to improve the communication between the Echobike and employees and activate the employees to carry their own responsibilities of the work in order to increase the quality and capacity of the production line. To accomplishing these objects, sub-objectives for collecting information for preparation are required, such as studies on the current situation of Chinese HRM in SMEs and discovering unsorted trivial issues of human resource management (HRM) inside Echobike factory through interviewing its employees and prioritize issues into topic list.

From the issue list of the research, the findings will help Echobike to get feedback from its employees and understand if jobs are satisfying employees or not. Moreover, shortages will be told to improve the company management and the gaps between company and employees will be seen as a reflection of HRM in Echobike. The research analysis in this thesis will combine the studies of HRM in SMEs with special situation and development needs of Echobike to recommend practical solutions for the company to implement. The studies of HRM in SMEs are focused on the companies under a standards of 1,000 employees or 400,000,000 RMB turnover.

And based on the research and studies mentioned above and as well as the current situation of Echobike, human recourses(HR) strategic suggestions and a whole recruitment process will be introduced to Echobike. HR strategic suggestions is working for weakening employee dissatisfaction, activating employees and gain more output. Recruitment process guide is to help Echobike reach an overview of recruitment process, hire reliable employees and get prepared before the factory expands.

1.2 Background of Echobike

1.2.1 The setup

EchoBike was established in 1998 by two bicycle enthusiasts. Before that year, the sport of Bike Trial was rarely known in China. And bikes and components were way too expensive for young bike lovers. Deng and Huang are two of them. These two person thought that the only way of popularizing this sport was to find cheaper bikes for the starters. Soon they realized it couldn't be any cheaper than producing in China

due to the cheap labor and materials. But at that time, they couldn't estimate the amount of actual customer demand. For insurance purposes, they decided to look for an existed bicycle manufacturing factory to be in charge of producing and had a try of 100 bikes. The result was good, and as it should be, they started to grow.

Until the year of 2010, they found OEM couldn't ensure the quality of products, and some even rejected their orders because the amount was so little. Producing became restricted by those OEMs. Thus, based on the earnings, they invested more capital and set up the factory of EchoBike in Guangzhou City of China.

A big step forward occurred since the factory was founded. Now they are able to design and produce all components of bikes with special needs of the sport. On this point, EchoBike is the first and only company with such a ability in this field even today. Furthermore, they have got a huge advantage of its low price. It brought EchoBike the biggest market share and took the company to the second best of this industry. Besides the huge Chinese market, there are over 40 EchoBike dealers in 39 countries.

1.2.2 Current strategies

Currently Echobike factory is applying zero-inventory control and they produce based on demands, which is mostly known as Just-in-Time (JIT) management. Every considerable processes including material purchasing, components producing and whole-bike assembling, are based on customer orders, which means the material flow has to be kept pace with the information flow during the production to ensure the proper amount of materials are able to go to the proper producing department at the proper time and produce proper quality goods. It also means every man, machine, material and information elements have to run under zero tolerance. Only if JIT management runs properly, it will reduce the inventory, shorten the working hours, decrease the costs and improve the production efficiency. Therefore, Echobike realized employees, as the most uncertain factor among the whole processes, is the key of the production quality assurance and how to gain more labor efficiency is the most difficult challenge.

2 HUMAN RESOURCES MANAGEMENT IN SME

2.1 What is HRM?

Human resources, just as its name implies, can be explained that human abilities are considered as one kind of resources and property. The essence of human resource is the combination of manual and mental labor, which is usually collectively known as work capacity. In Echobike, except the factory manager, accountant and two sales, most workers provides only physical labor. In economics, human resources is regarded as a dedicator like physical resources, financial resources, information resources, time resources and other resources and be used to create wealth by communities, from country or certain area to a small workshop. Since human beings, as a carrier of knowledge, information, techniques and etc, is the most active element of essential productive factors and the most valuable resources of all. In essence, the core technologies of companies are carried out by human and then innovated and developed by them as well. Any operation of business could not work out without human. Thus enterprises competition in the end comes down to human resources competition or talent recourse competition. HRM is also getting significant useful so that it becomes the critical factor of development and success for a company and draws great attention from managers. While management in human resources field is to get the utmost out of human resources to achieve good work. Without an effective management and full usage of these human resources, it may bring both directly and indirectly losses. Sometimes its hug losses are even unaffordable for smaller SMEs.

The final goal of HRM is to acculturate the achieving of company targets, through HRM activities such as duty analysis and design, human resources plan, recruitment, performance evaluation, payment management, employee motivation, education and development, career plan and labor relationship management, HRM manager could guide new employees into new organizations, train new employees to adapt new work positions, configure proper people to the proper positions, improve job performance of every new employee, fight for achieve creative cooperation and set up harmonious work environment, control labor cost and develop working skill of every employee.

2.2 Necessity of HRM in SME

SMEs have taken a very important place of national economy. Currently there are over 10,000,000 SMEs with commerce registration in China, which means the percentage of SMEs in the total companies with commerce registration is about 99%. Thus it provides approximately 75% employment opportunity in cities and towns. Even though there are such huge amount of SMEs, management development is still unfavorable. (The webpage of chinaacc, 2011)

Due to the lack of talented managers, management methods are mostly out-dated and a big part of management systems are unsound. Some percentage of SMEs in China are used to the traditional production-oriented management. This leads the shortage of adaptive capability and control of market. Besides, the blindness of production is huge, the educational and cultural quality of staff are relatively low, technical personnel and managers are absent and a great many SMEs can only work in labour intensive industries and rough-only fields. Surviving with only product itself, it is not competitive for SMEs anymore.

In current global knowledge economy, four major challenges - globalization, technology synchronization, intellectual capital and rapid change, are brought in and make enterprises face more complicated and fierce competition. Simply applying traditional strategies such as products, promotion, costs, technology, production or others could not generate a steady flow of advantages and benefits any more. One major reason is relying on these modes to gain competitive advantages is easy to be simulated by competitor peers. Nothing but only finding its own development reasons and values could become companies' competition advantages and support company to develop continuously.

Nowadays more and more small and middle-sized firms realize the importance of HRM for company development little by little. This is because the market competition is growing in intensity and the competition environment becomes more and more complexity. Those traditional businesses models and concepts could no longer fit the demand of modern business management methods.

On the other hand, SMEs are confronting that the law of employment is getting strict and aiming. There are more probability of suffering staff complaints and employee lawsuits in SMEs than bigger enterprises because of the lack of professional HR knowledges. And SMEs are more likely to lose cases and be influenced by public critical opinions. Therefore, compared with bigger firms, the relative cost of abiding by the law in SMEs is even excessively high and still remained in rising.(Chen Encai, 2007) But unlike larger or famous companies, there is usually no such solid financial grounds and strong human capital storage in SMEs. Any negative or improper employment or HRM activities such as illegal hiring, wrong financial plan on recruiting, wastage of labor or undesirable element, could lead a heavy loss or even failure without any chance of standing up.

As SMEs, unlike bigger or famous companies, yet have remarkable selling points or features themselves and they neither could bring any great career future, sense of achievement and self-esteem to their employees from job they offered. The treatments SMEs could offer are not attractive enough for top talent employees and with this, SMEs are hard to recruit excellent employees. On the other hand, they usually rely on certain essential employees more than larger companies do because a key staff usually helps with the most work of company and once the key employee leaves the companies, it will bring huge losses to the company and it is also almost impossible to get someone to take the place of them. Therefore strategic HRM for hiring, training and keeping potential employees and enhance group cohesiveness are more needed in SMEs comparing to famous companies. Through proper HRM strategies, SMEs may not only satisfy these targets employees, let them find their self-value and also motivate them to work better and harder.

2.3 Major difficulties of HRM development in SME

In the case of Chinese SMEs, their key features are massive in amount, wild in fields, low in starting level or point, and mostly in labour intensive industries. Facing both major challenges of global economic integration in new century and domestic economic transformation. The core problem of development in SMEs is human resources. The short of human resources, especially the short of highly qualified management talents and high-level technical personnels, has already restricted the sound

development of Chinese SMEs. Hence generally improving the quality of workers in SMEs area, building a large high-quality talent team and training, attracting and well using talented personnels are viewed as a serious strategic mission for acculturating the development of SMEs. Based on what people have found and learned from current human resources in Chinese SMEs field, few major difficulties of setting and operating HRM in SMEs could be analyzed into two main aspects – objective causes and subjective causes. (The webpage of chinaacc, 2011)

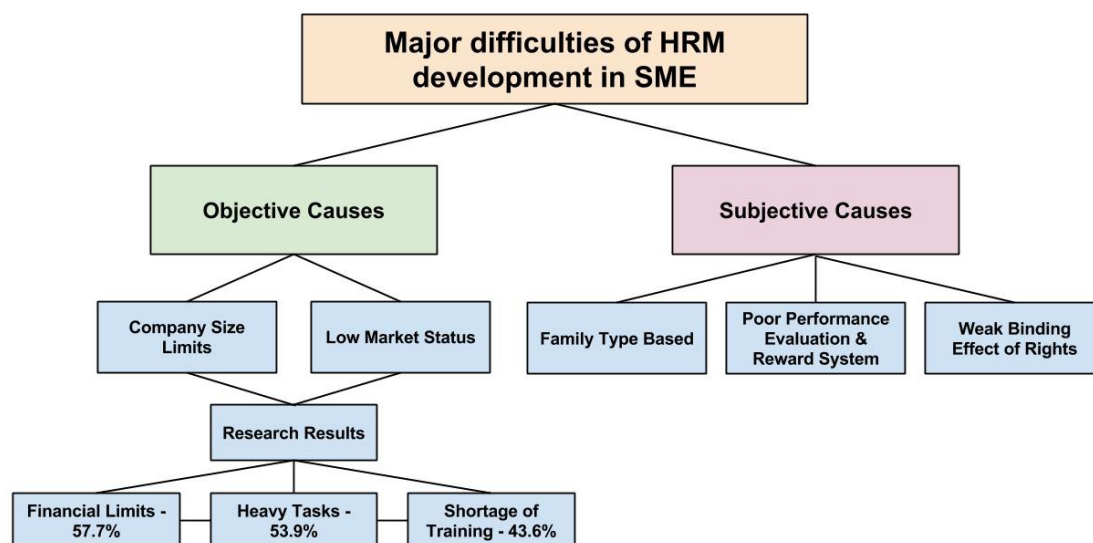


Figure 1: Major difficulties of HRM development in SME.(Shiyuan Pan, 2013)

Objective causes are formed by own characteristics of SMEs. First to say is the size of SMEs. Small or medium size in some ways means little funds and there is usually no professional human resources department or human resources professionals because of the capital limitation. Even though there is HR applied in SMEs, it is far less systematical and methodical.(Alexander Michalski, 2011, p.1-8) And due to its low market status, SMEs are majorly submissive and being pushed in this tough market competition. Its disadvantages objectively make its staffs, especially knowledge staffs, get low wages. But more importantly than all of that, SMEs could not provide as many opportunities of personal development as larger or foreign or famous companies. This is not good for fully developing employees' abilities and expanding their potential.

Subjective causes come from its unreasonable employee management model of SMEs.(The webpage of chinaacc, 2011) This limits its HRM activities. One main problem is a sizable majority of SMEs are family type and there are usually much cronyism in such kind of management model. Simply it means managers and key staffs are not appointed to their position according to its professional knowledge but personal favor. Such kind of phenomenon are very common in small private enterprises. The change of personnel is not associated with work performance and makes workers who are away from the core layer of company hard to apply their knowledge and abilities. Another phenomenon of seniority is fairly serious as well. This results in a huge amount of mediocrities occupying key job positions of the company, promotion opportunities of new employees shrinking and promotion period lengthening. The final consequence of these is a great number of excellent staffs running away.

The second subjective cause is the blur relationship between performance evaluation and rewards management system. Usually the performance evaluation standard and its process are unreasonable and as for rewards management system, SMEs emphasize material reward over non-financial encouragement. Hence the income gap of low, middle and high-level talents is small and value of labor is reflected unreasonably. This reduces employees' passion of work then it will give a rise to both the wastage of human resources and financial resources and causes hidden danger of the development of companies.

The restriction mechanism and the working environment of SMEs are also regarded as one subjective cause. The top management of SMEs doesn't have strong binding effect and it can not ensure the power of HRM could be applied properly.

3 QUALITATIVE RESEARCH INTERVIEWS

The composition of a company employee team must be various and there could be gender difference, age differences, regional differences, educational differences, idea differences, demand differences and more. These differentiators are usually the un-

harmonious factors inside the companies. How to properly adjust the relationships of different employee interests and finally achieve the goal of harmonious development to increase the production efficiency and profit is the most common difficulty for almost all enterprises. Especially in China, the country where people are complicated in social interaction. And as for the companies like Echobike, on one hand. Just-in-time planning requires whole production process should be under zero mistake or at least the mistakes could be covered immediately. On the other hand, producing amount based on customer orders may influence company internal situation. These features require Echobike factory a peaceful teamwork with better communication and no accidents and conflicts. This is why nowadays people realize the importance of question 'what are my employees thinking'. Hence, a research will be needed to support Echobike to understand about this question.

3.1 Why qualitative research interview?

Qualitative research interview is one of the most effective and direct methods to gain the first-hand information and provides a fresh insight into a social phenomenon. Qualitative research interview could let interviewees to respond and give reasons in a wide range of subjects and different way, thus it will sure help companies to understand the actual situation in the company and the deeper real feel among the employees. It can combined with observation to get a better comprehension. An informal face-to-face interview conducted by a person outside the company will decrease worries of employees. A half-ended topic will lead employees to the wanted topic and let them talk freely. (Bjarte Folkestad, 2008, p.1-8)

Through the qualitative research interview, the findings may help Echobike monitor the internal current trends and the process of risk-building, so that the company may find out solutions before the problems show up and control the situation. On the other hand, Echobike can get positive and negative feedbacks to get improve not only the internal and external communication, but also the production such as producing line, work assignment, time management and etc. Even though some of these issues could be noticed from employees' daily behavior, still manager may not quantify them, for instance the company may not know how many employees and which kind

of employees are involved in certain problem, or the problems are in which level already.

3.2 Interview research design

Due to Chinese personality, it is hard to persuade someone to tell his thoughts directly, especially to their managers, bosses or elders who may bring direct or indirect benefit to themselves. To hide certain personal ideas for the purpose of self-protection is not only the nature of Chinese people, but also all human beings. Hence it is badly crucial to create a safety conversation environment for interviewees through the ways such as emphasizing the importance of telling the truth from heart and revealing the benefit the interviewees will get by telling the real feeling. And Echobike should show its strong willing of improving and make promises to the employees that company has no interest in 'who said what' but real constructive opinions. Based on the given opinions, company promises to make improvements in a short time. After these, the first must-do of the next step is to anonymize the interview research and carry out privately and separately. The format of the whole interview process record should only be text since text is the most unrecognizable comparing to audio and video.

Interviews were divided into two parts – manager level and worker level. The first was to interview the only acting manager in the Echobike factory so that to know factory current situation in his point of view and his wanted research topic. Then we decided to design the interview as follow:

Fixed questions in the beginning are as follows:

Q - How many years have you already been working here/in Echobike factory?

Q - How did you get to know the job opportunity of Echobike?

Q - How will you evaluate your current position, including your workmates, working environment, treatments, management and etc?

Q – Have you worked in any other firms in the same industry and what are the differences between previous ones and Echobike?

Q - Is there any dissatisfaction that you hope company will get them improved? And all opinions from every interviewees will be summarized and present to Echobike, and company promise to make improvement in a short time.

Q – What's your suggested solutions for Echobike basing on the current situation?

Q – How do you feel about the future of company?

3.3 Research results

Qualitative research data format is different than quantitative research data. Qualitative research data is not as categorized as quantitative data and it is also lack of guidelines of data analyzing, because qualitative research is always carried out in a open topic or semi-structured process, which means the original data is exactly the interview dialogues and makes the data too specific, detailed and diverse. Therefore facing a large number of clear conversation notes, researcher takes the major responsibility of making decisions of coding the interview content into a meaningful themes or categories. (Tilahun Nigatu, 2009) To categorized the data is comparatively subjective and perhaps the most contested part of the whole interview research process. The first step is to enumerate plenty of classification tags while reading up the dialogues over times and times. And researcher should make notes to self, list thoughts and mind-maps when notice.

3.3.1 Diversity of interviewees

12 employees from different work ages in each department of the factory have been chosen as representative samples for a 15-minute individual interview. Half of them are under 6-month working-age to present new graduates and employees while the other half are between the working age 2-6 years and to present experienced loyal employees. From the organized answers it shows the feedbacks from these two groups emphasized on different areas.

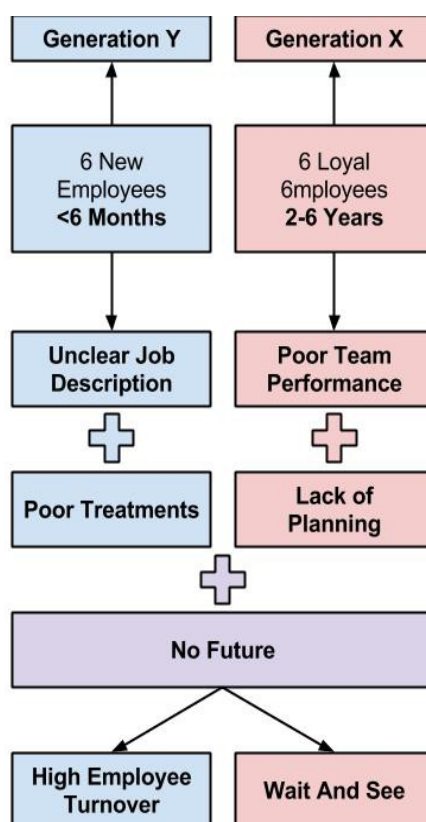
Having such way of grouping is the features of generation X and Y increasingly differ by year. And these two groups emphasize on comparatively different areas. The group of new employees belongs to generation Y. They are young so they do not take the pressure such as raising children and they have the youth of the capital to afford makings mistakes; They are inexperienced so they hardly make suitable decisions

and need guides and warns; They are restless so they barely get satisfied and ignored the reality of work and life. To sum up, these are the reasons that explain the high mobility of the new employees.

On the other side, the loyal employees are usually of the generation X. Unlike generation Y, they are mostly married. Even though not married yet, they need to buy apartments and prepare for the marriage. So they need a steady job and wages to have life guaranteed. Furthermore, they have working experience which makes them clearly know what the desired job should be. These show why when a person of generation X comes in the company and rarely leave.

3.3.2 The most mentioned issues

According to the interview contents of each employees in different interviewee group, an categorized overview of mentioned issued could be displayed as the following graph.



Categorized Issues Based On Qualitative Research Data

Figure 2: Categorized issues based on qualitative research data.(Shiyuan Pan, 2013)

The most mentioned problem for those employees under 6-month working experience in the company is the unclear job description.

One of the worst results relating to the unclear job description is that the work young employees are doing now is far different from what they expected. For this gap between the ideal and reality, 4 of these 6 young employees have already decided to leave the company for a better job or even change to a new industry in the next 3 months. Their complains showed that they hadn't received enough information about the job from the employer before getting in the company. There is even no company signboard at the front door, and the very basic and necessary facts such as 'what Echobike sales', 'what factory manufactures' and 'what the work is going to be' were ignored during the job interview. These ignorances misled and made these new employees confused and hard to get used to the work in the beginning.

Another highly mentioned issue for these new employees is the treatments of Echobike. One major complain of treatments is about sick leave. They said that company requires an official proof of diagnosis from hospital, not clinic, to approve one's sick leave, which is very hard and meaningless to get. To go to see a doctor in China, it can take three or four hours due to Chinese big population. In addition, employees get no pays while on a sick leave but they still have to pay for the official medical proof if they want one. From the above it is clear that once employees get sick, they have to face multiple losses – time, salaries, money and health. Even though the facts are like this, employees in Echobike's factory, or even in China, are all used to it.

What's more, other poor treatments are, for example, poor working environment and less salary comparing to the factories nearby. In Echobike factory, which is just like a huge warehouse, annoying noises, materials and wastes are together with these 30 workers. There is no warming system during the winter and only electric fans offered in certain pointed area, which means one electric fan per person could not be ensured. And as Echobike is locating in the major industry area of Guangzhou city, which makes many other manufacturing factories around Echobike factory. Situ-

ations of other factories are usually easy to be told to the employees of others. Thus, salary level, working hours, working skills and other key aspects of working become popular topics. One of these six interviewed employees said the salary Echobike is offering is way lower than the factories around. For instance, employees in one garment factory next to Echobike can get around 4,000RMB while Echobike provides an average of 2500RMB. More than this, there are busy season and slack season in a year in garment industry and it allows employees to have more vacation. All these factors are making employees of Echobike feel unfair and passive.

Half of these new employees also complained that they rarely feel the future and spaces of improving in Echobike. For instance, there are serious communication problems between employees and their manager and leaders. One interviewee said: "When I asked questions about my work, I felt like our department leader was trying to get rid of me and sometimes I gave my opinion to him, he always rejected without giving any reasons. Sometimes I could not get any reply of what I asked". This phenomenon made young workers think there is nothing they can learn to improve themselves during the work. Young workers are the ones having most ambitious and no self-improvements means no future for them. This is also one main reason for young employees' leaving.

In general, young group cared more about the work itself, working environment, company treatments and the future. They usually come in the company without careful consideration and leave without a notice. These 'unstable youths' are confused and still in a stage of seeking and changing. They are like mirrors reflecting the weakness of the Echobike. Unlike this, loyal employees are more like supervisors and giving actual useful advices to the company.

As experienced employees in the Echobike factory, these six interviewees unanimously agreed that management is the biggest problem currently. One even used words as 'no management at all' to describe the situation of factory today. From all that they saw and heard, the drawbacks can be categorized as follows.

First to mention is the lack of communication and cooperation. Poor team performance happened both inside and among the departments. Due to this, company couldn't have any effective planning and principles based on reality. For instance, operation standards of work differs in every department which means if a work has been done wrongly, the workers in the next process have to redo it again. Such kind of extra unnecessary work causes dissatisfaction among the employees. And workload differs randomly. Interviewees mentioned that very big order always came without notices in advance and it made employees have to work overtime at any time. The final result of this is that, one moment the machines are free and the next it is employees need to wait in a queue. This is exactly why supply shortage of materials and products happen all the time. With these sudden huge amount of orders, employees always worked with complaints and failed to meet the deadline. Over time they could not have any sense of achievement. It is another reason affecting company productivity.

And without proper communication, employees are unclear about duties and workloads of each other. This caused misunderstanding among the workers and made them believe they were treated unfairly. Besides the quality and passion of work decreased.

The other thing that loyal employees care specially is the growth of company. One said every time he saw the finished products stored in the factory over years, he felt worried and disappointed. They don't know about company sales, in addition to the poor management performance, it is really hard to let employees feel secure while working in the company.

For the entire, all interviewed employees mentioned the treatment of job is poor, for instance the overtime pay is too low and basic salary is way lower than the factories around. Even like this, loyal employees still indicated that they have no plan of leaving Echobike, as long as the things they worried did not go worse and exceed their limits of tolerance. They have pressure from living and family therefore they prefer to stay, wait and see if there is any changes of the company. From this point, it is totally different from the new employees. They may leave without doubt for their im-

patience, innocency and young age. That's why young employees are leading this serious high employee turnover inside Echobike.

3.3.3 The positive prospects of research results

Young employees have all satisfied with the team atmosphere, which is that every workmate is getting along well with the others and there isn't much pressure from the manager and company policies. For instance, the only things they have to obey is the working time and working quality. As for the first one, employees come and leave with punching cards, even though there is a strict rule that no late for work is required, employees could still be tolerated for a late time within 10 minutes. Everyone is greatly happy for such high level of tolerance. And as to the second, interviewed employees reported the working quality of the whole company is quite high only except the welding group, in where there are only two welding operators as members. To sum up from this aspect, Echobike did providing an pleasant working environment through highlighting its characteristics of flexibilities, relaxation and simple employee relations.

3.3.4 Summary

Another two Interviews of manager and boss has been operated separately as well. The interview contents revealed several wide gaps among the employees, manager and boss. The boss's opinion is that there is nothing much to worry about since he believes every improvement action for all the dissatisfied feedback from employees is unworthy and useless. Because he thinks these are national problem and he has nothing to do with it. Meanwhile the manager was complaining Echobike factory is hard to manage and company should take steps to improve these issues but he could not persuade his boss to realize that how messy the current situation is.

Except the high employee turnover caused by poor company treatment, poor company development and poor management, communication barriers and broad gaps among the boss, manager and employees are another serious problem. Moreover, based on manager's words, company is facing inferior and passive situation while trying to hiring new employees. Most of time, company has no chance to choose better candidates for spare positions.

4 HUMAN RESOURCES STRATEGIC SUGGESTIONS

4.1 Introduction of Two Factor Theory by Herzberg

Factors for Satisfaction	Factors for Dissatisfaction
Achievement	Company Policies
Recognition	Supervision
The work itself	Relationship with Supervisor and Peers
Responsibility	Work conditions
Advancement	Salary
Growth	Status
	Security

Two Factor Theory: Herzberg

Figure 3: Two Factor Theory by Herzberg. (The webpage of Baidu, 2012)

Two factor Theory, also named as Motivation-Hygiene Theory, was raised by psychologist Fredrick Herzberg based on interview survey. It is used to help company managers to understand what people do want from their jobs in order to find the root of motivation and allow employees do their best for the company. First this theory emphasize some working factors lead employee satisfaction, while on the other side, some working factors can only guard against the causes of dissatisfaction. And he found in the end, the factors that produce employee satisfaction are mostly about the work itself or in the fields of job content; what causes employee dissatisfaction are largely belonging to the aspects of working environment and working relationships.

Through Herzberg's Two Factor Theory, company could find their ways of getting rid of things that are annoying employees and redesign the job to reach the maximum of employee satisfaction. In the process of implementing Herzberg's Two Factor Theory, two stages are needed to be adopted – remedy hygiene factors and address mo-

tivators. The first stage of remedying hygiene factors is to get rid of dissatisfaction causes and meet people's expectations of external condition. It is also called indirect satisfaction and makes people motivated by externalities. The second stage is to motivate employees – addressing motivators, or so-called job enrichment. It is to strengthen the work itself to satisfy expectations of work content. It is direct satisfaction and makes people motivated by internal factors.

4.2 Remedy hygiene factors

Hygiene factors are described as things which cause dissatisfaction of employees and concludes company policies, supervision, relationship with supervisor and peers, work conditions, salary, status, security and etc. These factors are usually related the negative work factors. In other words, compared to the work itself, these factors are external. Company could remedy these hygiene factors through shrinking the gap between the reality and employees' expectation.

4.2.1 View and policy changes of HRM

When Echobike, as one very common small-sized processing factory, was talking about HRM, it is obvious to see that they have very narrative voices of it. For instance, when they are asked by question “Have you already tried HRM somehow in your company?” and their answers are always like “There was a clear-defined series of behavior restrictions and punishments and these didn't work.” When being asked “How to encourage employees for a better work efficiency?”, they are likely to answer that there is no necessity for such kinds of activities and it would only spoil employees and lead to a worse case.

According to such typical viewpoints of Chinese SME bosses, it is apparent that the limitation of HRM development is not only objective external reasons, but most likely the issues of thoughts and concepts. Most Chinese SMEs can only see the difficulties and limits of capabilities of starting or doing HRM, but only very few of them have realized that how much they can benefit from the best practices. This limiting beliefs are keeping managers away from seeking the best possibilities and fully using their abilities. In other words, success of HRM improvements can only occur when the possibilities has been seen. Cause without believing the possibilities of im-

provements, there will not be plans and efforts; without plans and efforts, there will certainly be no success of improvements. Therefore changing the thoughts and concepts of management layer and seeking possibilities of HRM improvements become the first and most important step of improving HRM in Echobike.

4.2.2 Respect employees

Exactly as what has been talked about in the Chapter 2.1, human, which has been seen as the most important assets of a company, plays a core role in every business operation. It is supposed to mean more than what it means now for a manufacture. The most possible cause of this saying is that, unlike enterprises, manufactures usually don't see employees as developable ones because most of them are operating workers and manual workers, which means they offer far less mental power than their physical power. Since it is so, why it is still necessary to spend time and money on these workers?

To answer the question above, another question should be asked - what does a manufacture factory needs from its workers? The reply should be work products. Then a second question should be asked - will the performance of workers influences their work products? The answer must be Yes. With such an answer, the question of "should workers be negligible?" could be responded. Because work product quality could be influenced by the performance of workers, which means the needs of a manufacture may be influenced by its workers. Thus, as long as manufactures have willing to satisfy their own needs, they have to be able to control their workers.

The relationship between a manufacture and its workers is as the following graph in next page.

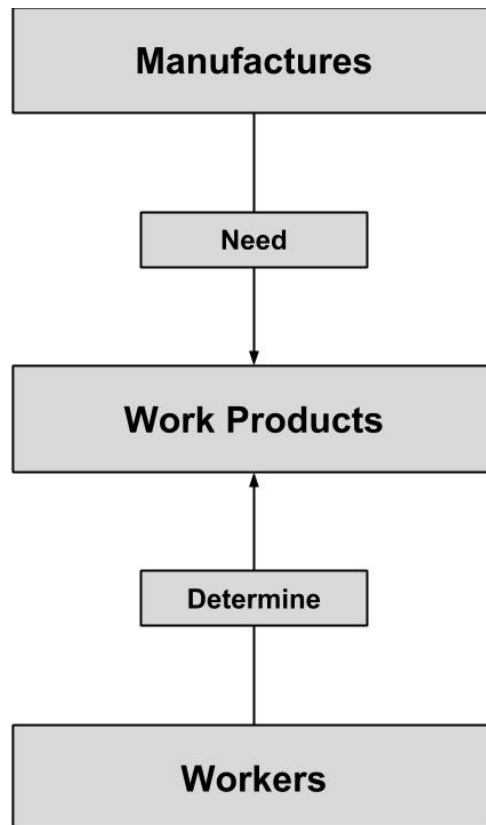


Figure 4: Relationship between manufactures and workers.(Shiyuan Pan, 2014)

From this graph, it may help Echobike to inspire that what their employees mean to the company – not only a part of production cost, but the insurance of productivity forces, product quality, brand reputation and investment returns as well. In more details, even operating workers are doing operating jobs, they are still human beings and there are still a great possibility of making mistakes. In some other worse cases, fully automatization could not come true due to its nature of working contents and financial weakness. As the result, workers, unlike machines, every emotional fluctuation may influence their work quality so the productivity forces, product quality may be changed.

One very basic, zero cost but most important way to ensure the needs of companies, is to respect employees. Respecting is one kind embodiment of modern management. Employee performance and productivity is raising along with the employee satisfaction and happiness, therefore the success of organizations means to motivate and satisfy employees and ensure the long-lasting employee satisfaction.(Diane Freeland, 2013) This is a massive challenge for managers, but as for Echobike, a SME, there

are advantages - it is much easier to balance the need of every employee and reach the employee satisfaction comparing to a company with thousands of employees. Another advantage of Echobike is that, not every processing factory has noticed this problem or decided to improve it. Thus, even a little improvement of the current situation could lead a big difference from other competitor factories.

Money is not the only way of making employees happy. Oppositely a reasonable raise from manager's side could be unreasonable from employees' side or could not keep pace of national recruitment policy or economic environment and result in new dissatisfaction. Therefore trying to remain employees by raising money isn't a long term solution. But on the other side, employees of Echobike are mainly young people and these Generation Y care the work condition and are easily attracted by surprises and fresh things. With these characteristics, innovative solutions may work than it should.

4.2.3 Suggestions

Here are suggestions to help Echobike weaken employee dissatisfaction through respecting employees:

- Get right person for the right position.

This is extremely common in Echobike especially in the Generation Y group cause 4 of 6 interviewed employees of this group have stated that they were going to quit the job. The reason they had was the job was nothing like their imagination before they got in the company. Some said machine works were too boring and they could not imagine what they would be like if continuing this job. Some even said they entered not only the wrong company, but the wrong industry. This result has reflected what the consequence will be like if putting a wrong person onto a unsuitable position – they will not work happily and they will choose to leave instead of staying for a long term. Oppositely, having a right person on a right position means the job and the employee is matching, accordingly employee will be willing to put efforts to his job even without any awards or other motivations.(David Mielach, 2012)

To implement this, company should start it from the very beginning – recruitment. While hiring people, company needs to give clear definition of jobs and pay special attention on candidates' tendency, willing, personality and ability. Offering a job after knowing well the needs of both the company and candidates should be ensured.

- Keep a relaxing and comfortable working environment.

Working environment was mentioned during the interview research as well. Generally poor points are, for example, insufficient cooling system during summer, dirty condition of factory and etc. There are always no reasons to reject an reasonable requests. But companies also have no reason to spoil employees at one breath. Inversely every little improvement of treatment may have a re-motivating effect on employees. For example if company choose proper timing to adopt improving plans, and with a cheerful meeting inside company, it could refuel energy to employees around the whole company. The best timing is the critical point of fatigue. Actionable treatment-improving plans could be changing current chair into comfortable ones; offering public radio with upbeat songs, placing hot-and-cold water dispenser and so on.

Through improving the working environment, company could show their care to employees that they are helping employees live a better and healthier mode of life.

- Permit a 10-minute break to readjust employees.

A short break is also one way that allows employees to be able to refocus on a better job after many hours of working.(David Mielach, 2012) These preset short and trivial breaks could let employees smoke, play with their mobile phones, surf on the internet and enjoy the cool air in the air conditioning room. Such kinds of activities that happening in the short breaks, may allow workers to relax and calm their mind, revitalize themselves for a better concentration for a day's work and it leads to a higher employee productivity. As the new research result that organizations benefit from allowing their employ-

ees to use Facebook during a 10-minute break and gain higher productivity than those organizations prohibits Facebook. (David Mielach, 2012)

- Create harmonious and cheerful atmosphere with energy and innovation.

Solid relationships among workmates and leaders is one main reason that keeps employees, especially for Generation Y. If there is already friends inside the company has sometimes become one of consideration standards while looking for a job. They tend to have friends around especially when they work in an alien city. Echobike has already a good base from this aspect – most employees are about same age males and they have got mutual topics, interests and likes. To enhance this advantages and to maintain employees, Echobike could choose to offer constant surprising events holding on certain special date, celebrating birthdays inside the working group or employee-only parties. All these kinds of methods are able to create an strong relationships among workmates and turn employes to friends. Creativity and surprising points are the key factors to follow. Such as using updated internet slang while reminding company behavior norms could make employees feel the re-juvenation of the company.(Micheal Armstrong, 2008, p.193-204)

4.3 Address motivators.

Unlike the causes of dissatisfaction, motivators of Two Factory Theory means the needs of satisfaction through work tasks or during the work process. It can make employees learn new knowledge and skills, bring with interests and enthusiasm and feel honor, sense of accomplishment and responsibility. Therefore employees get internal motivation and generate great positivity of working. In Herzberg's Two Factory Theory, it believes only enriching the job it self can bring employees motivations for the better performance.

4.3.1 Drawbacks of Echobike

One drawback is there is nearly no way for promotion inside Echobike. Echobike is a small factory with only about 30 employees working in. Besides the organizational structure of Echobike is simple – basic level employees, department leaders, factory manager and the bosses. The current situation is that company decision makers are

trying to keep these experienced department leaders and this results in the small opportunities for basic level employees to get developed and promoted.

What's more, the lack of work diversity is also one drawback. The work of basic level employees is machine operating and bike assembling. These jobs are the most boring and toilsome jobs in this industry. But there is nothing much that Echobike could do about changing the nature of work.

4.3.2 Possible improvements

- Autonomy for regular workers.

This is to get basic level employees to participate into the company operation so that it would enhance their responsibilities and gain their self-esteem. Allowing autonomy for regular workers is to let employees to decide their ways of working based on their working experiences and preferences through company internal meetings. The reason of it is that the frontline workers always knows the working situation better and will give more precise opinions about work routine than the managers who only observe others working. This will not only allow employees to participate into company division making and make them feel themselves as one part of the company, be responsible of working, and gain self-esteem since their voices are listened by managers. It can also engage to seeking an effective way of increasing production efficiency.(David Mielach, 2012)

- Evaluate and Offer feedback.

This is to increase the employees' sense of accomplishment and let them get reward from their work, both material and immaterial. The evaluation of employees' performance will be a way of monitoring employees' work and give an overview of how their work is. It should especially show the manager's appreciation of employees' work and provide a chance for Echobike to offer reward and motivate employees. For example when workers have reach a lasting no-mistake record or haven't exceed the deadline in a certain length of period, they will get company rewards. This means their work are approved and it will make employees feel confident themselves. In this way, it could

also be a goal of other employees therefore to reach an effect of good examples.

- Incentive salary system

Here is a different thing which is necessary to mention, which is in Herzberg's Two Factor Theory, incentive salary system that concludes basic salary and bonus depending on one's work performance, is a part of hygiene factors driving employee dissatisfaction. But Herzberg's Two Factor Theory was raised in America and it is different than current Chinese national conditions. In China, problems of basic living are still not settled yet. From this aspect, it is unlike the situation when Herzberg researched cause his interviewees are 203 of accountants and engineers. Thus incentive salary does relate to personal vital interests and the achievement of self-worth. Setting a proper salary distribution system will not only be a cause of dissatisfaction but a motivator as well.

Echobike currently is offering fixed salary monthly to employees and the only chance of raising salarying is the annual raise for employees who do not leave as their working age is growing. But peer-factories mostly adopt incentive salary system that they offer a base salary and commission component which is depended on the performance of employees themselves. The reason of why the boss decided so is, without piece-rate pay, employees could concentrate more on the quality instead of hurrying to produce as many as they can to gain more commission components. But the fact isn't always like what people believe. With the poor management, this way not only slows down the productivity but also decreases the passion of employees. Hence here is a suggestion contributed to look after both output and quality.

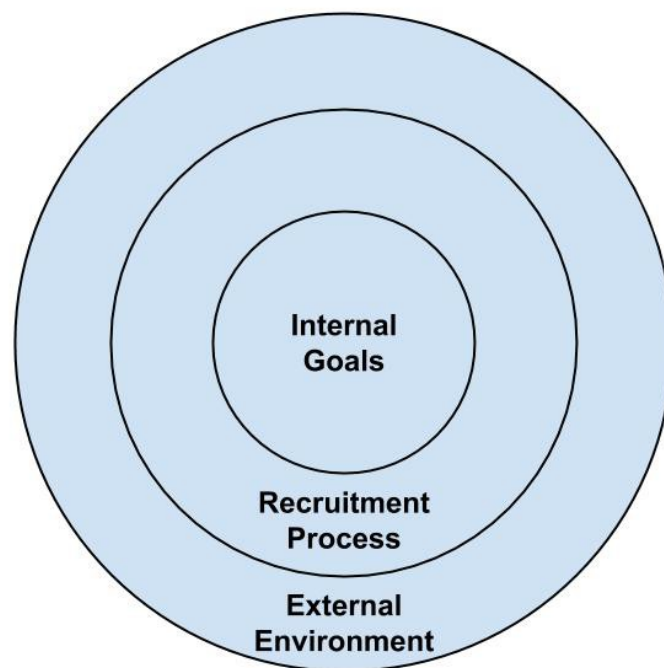
Echobike should first define a pass rate, and once the worker reaches the pass rate and fully fixes mistakes caused by himself in the end of month, certain amount of rewards will be given to him. This reward could be set as much as the cost of material loss while there is no incentive salary system, so in this way, even though the company implement the incentive salary system, the

cost of Echobike is still the same as before. But it will generate a great difference, because the cost money of material loss is becoming a part of employees' salary, employees will get motivated by their additional salary. And on this basis, once the worker exceeds the required amount of required order, the excess amount of his work will be rewarded as well.(Michael Armstrong, 2008, p.183-192)

5 RECRUITMENT PROCESS PLANNING

5.1 The recruitment process relationship

A recruitment process relationship indicates how a proper recruitment process would collaborate correctly with other important elements of both inside and outside an enterprise. Every element can be viewed as an effecting factor of the design of recruitment process.



The recruitment process relationship

Figure 5: The recruitment process relationship.(Shiyuan Pan, 2014)

As the graph shows, a perfect recruitment process should integrate the internal organizational goals and human resources plan with the external environment of labor market. This could ensure that the whole implementing process of recruitment fits in not only the company framework but also current reality of business circumstance. Therefore, analyses of external environment and internal effect factors should be stated before establishing organizational human resources strategy as the preparation of recruitment process setting.

5.1.1 External environment analysis

Chinese social and cultural background is one unchangeable effect factor that influencing the whole external environment of labor market. One kind of serious impact is that the psychological differences of working in a SME and a big company are way bigger than other countries, especially western countries. Since Chinese people have one common point is that they are very sensitive of their reputation and concerning much about face-saving. In results, the distinctions of the jobs in a SME and a big is not only about the salary differences, development differences but also the image differences and the image differences weight more than other differences. Nowadays more and more young Chinese realized the salary difference isn't big at all and big companies also have dreadful disadvantages, such as over mature and constant operation system and structure, so that it could be a long way to reach the intermediate and advanced positions. Moreover, working atmosphere could be less relaxing and working in a larger team could be more complex. Even though like this, competitiveness of SMEs is still too weak compared to the bigger and famous companies. In addition, the tremendous amount SME in one single industry and other characteristics of SME such as its limits of development, financial force, unstable working environment and etc also raise up a very fierce competition.

Another key impact of Chinese social and cultural background is due to the economy development, a very huge amount of companies showed up in cities of special economic zones such as Shanghai, Beijing, Guangzhou, which makes a mass of immigrant employees move in for better opportunities of work. These immigrant employees unlike local employees, they have very little chances to settle down in the city they

work. This means there will be one day they will leave and back to their hometown for living. It somehow explains why employee turnover is highly heavy today. This phenomenon of high employee turnover is already mentioned in the qualitative interview research of employees working in Echobike and typical in current SMEs of China, especially after a long break of Chinese spring festival, there is a significant percentage of employees, mainly migrant employees, are choosing to stay in their hometown or find a new area for any chances of a better living instead of going back and continuing the work. Such kind of work force loss of employees is extremely harmful for SMEs. Sometimes it could even cause the loss beyond the limit of affordability of some SMEs and lead a failure. The leaving of employee slows down the startups after Chinese spring festival cause the lack of work force and it brings much costs of employment, training for the new employees and overtime work for filling the vacancy.(Renaud Anjoran, 2012) This sort of disruption happens every year in Echobike as well, such as at the beginning of the year 2013, near one in three employees had left the company without any informing. And it took over two months to recover its production capacity and catch up with customer orders.

In summary of above, SMEs, generally in a worldwide condition, is lack of competitiveness comparing with bigger and famous companies. But in this particular environment which caused by current Chinese social and cultural, things go even worse that it blocks Chinese SMEs from great talented candidates and causes SMEs can only hire low-educated employees.

5.1.2 Internal strategies

Because of the facts of external of labor market mentioned above, Echobike, as same as other SMEs, is facing an awkward, inferior and passive situation while recruiting, even though there are a tremendous amount of fresh graduates leaving school for work. Besides its internal heavy employee turnover, Echobike has been afflicted of keeping employees and looking for continuous and sufficient source of candidates. Hence to reduce the loss of the turnover of personnel has become one of aims of human resources strategies. It could be taken up from two aspects – one active way and one passive way.

The active strategy is a more permanent cure which is to reducing the number of leaving employees through improving the general degree of employees' satisfaction. It is a long-term method and relatively difficult to accomplish because it need to settle the roots of fundamental issues through various approaches. On the other hand, as a passive solution, it is to shorten the breaking of the position vacancy caused by the leaving of employees via enhancing the reserve force. This passive strategy is viewed as a more desirable way for its characteristics, such as less complexity, directness, quick fixes.

The combination of both strategies is suggested. Exactly like people took traditional Chinese medicine as a metaphor, two ways of curing the apparent symptoms and removing the root causes are both necessary and could not leave each other. If only curing the apparent symptoms, fundamental issues are still existing and it means loss of issues will occur continuously; conversely, if removing the root causes is the only treatment, strengths of the company may be consumed before problems are solved.

Meanwhile, Echobike factory decided its newest plan that company is going to purchase more processing machines in the year of 2014 in order to expand the production capacity, since current situation is production could not meet customer demand. Expanding production capacity represents that more posting positions for machine operators will be released and an increasing number of new employees will be required. Therefore human resources strategy should emphasize two aspects – the increasing number of new employees and a continuous source of candidates. Along with the affecting of business expanding plan, the best suggestion of human resources strategy is to start from the straight and quick-fix way – fully preparing for the production expanding and enhancing the reserve power and at the same time, starting the underlying issues solving from the beginning of recruitment process.

Taking these aspects above into consideration, there are two candidate target groups which Echobike could focus on. As the image shows, the two candidate target groups are the youth and older workers. They both are the main components of Echobike's workforce. Here will be analyses of pros and cons of it detailedly in recruitment side.

Should Echobike target the youth or older workers as their new employees?

	Pros	Cons
The youth	<ul style="list-style-type: none"> • Huge amount • Fixed graduation seasons • Employer is active 	<ul style="list-style-type: none"> • No experience • High quit rate • Waste costs of training
Older workers	<ul style="list-style-type: none"> • Skilled • Patient • Rarely leave 	<ul style="list-style-type: none"> • Few amount • Scattered spread • Employer is passive

Figure 6: Comparison of the youth and older workers.(Shiyuan Pan, 2014)

Should Echobike target the youth or older workers as their new employees? The group of the youth is called as generation Y. They are mostly fresh graduates from school and there are a huge number of them looking for jobs from March to June every year. Because of this feature that the graduation seasons are fixed, it is easy for company to take centralized recruiting plans, which allows company to spend less money but get a bigger scale of choices, have higher rate of hiring and hire better employees. Even though company miss the graduate seasons of the year, there are still a big amount of graduate students posting their resumes and waiting for job in recruitment website. In one word, the company could have a better control of recruitment and take a more active position through the whole process. But on negative sides, young graduates or candidates are less tied down by family life pressures. This makes them hardly bear the dissatisfactions from work and allows them to have courage to change – change their jobs, change the city of living or change the industry of their careers. And what's more, they are unclear of their life plan yet and inexperienced of making suitable decisions. All of these features are reasons of high employee turnover. Sometimes company spends one or two months of training new employees but they leave without bringing any actual returns to the company.

The older workers, who are known as generation X, are unlike those young employees. They are skilled, patient, mature. They also complain less and rarely leave. They are more like the ideal employees of Echobike. But one main drawback is the potential candidates source of generation X is few and scattered. This leads difficulties for the company to find the proper candidate groups – uncertain and decentralized channels of recruitment, different requires of individuals, disunity of skill levels and etc. So in conclusion, if Echobike aims to hire older and experienced workers, it is hard to control the whole recruitment process and the achievement of recruitment expectation is smaller comparing to the generation Y.

Through this analysis, it is clear that if Echobike need around 10 new employees for factory expansion. Looking for older and experienced workers could not meet the company's need – it is too slow and uncertain to complete the goal of recruitment. Hence it is suggested that Echobike could focus on those pre-graduated generation Y students to meet the emergency of the workforce needs, which is brought by the factory expansion.

5.2 11-step recruitment process guide

A suggested recruitment process will be introduced to Echobike not only for this expansion in the present moment, but also for its future needs when Echobike grows. It is edited from the common recruitment process according to Echobike's company characteristic and current situation. It includes a necessary and detailed explanation of where a recruitment process should start, how it should go during the process, how to end, the necessity of reviewing current recruitment process to improve the work of recruiting in the days to come.

5.2.1 General introduction of recruitment process

A recruitment process will be a guideline for Echobike to refer when they prepare to start a recruitment plan. It actually starts at the minute that Echobike realizes there will be any job vacancy inside the company. The recruitment process will help Echobike get easy to start and make a effective and suitable recruitment plan on their own, because the recruitment process itself is fixed and all elements should be in-

involved, but company could adjust by themselves every time when company recruiting. An effective recruitment will engage to a high value HRM and avoid a certain percentage of problems in the later HRM. (Henrietta Lake Ph.D, 2008, p8-14) Echobike could start as a trial for the expansion in the year of 2014 and gain experiences for the future.

11 - Step recruitment process guide

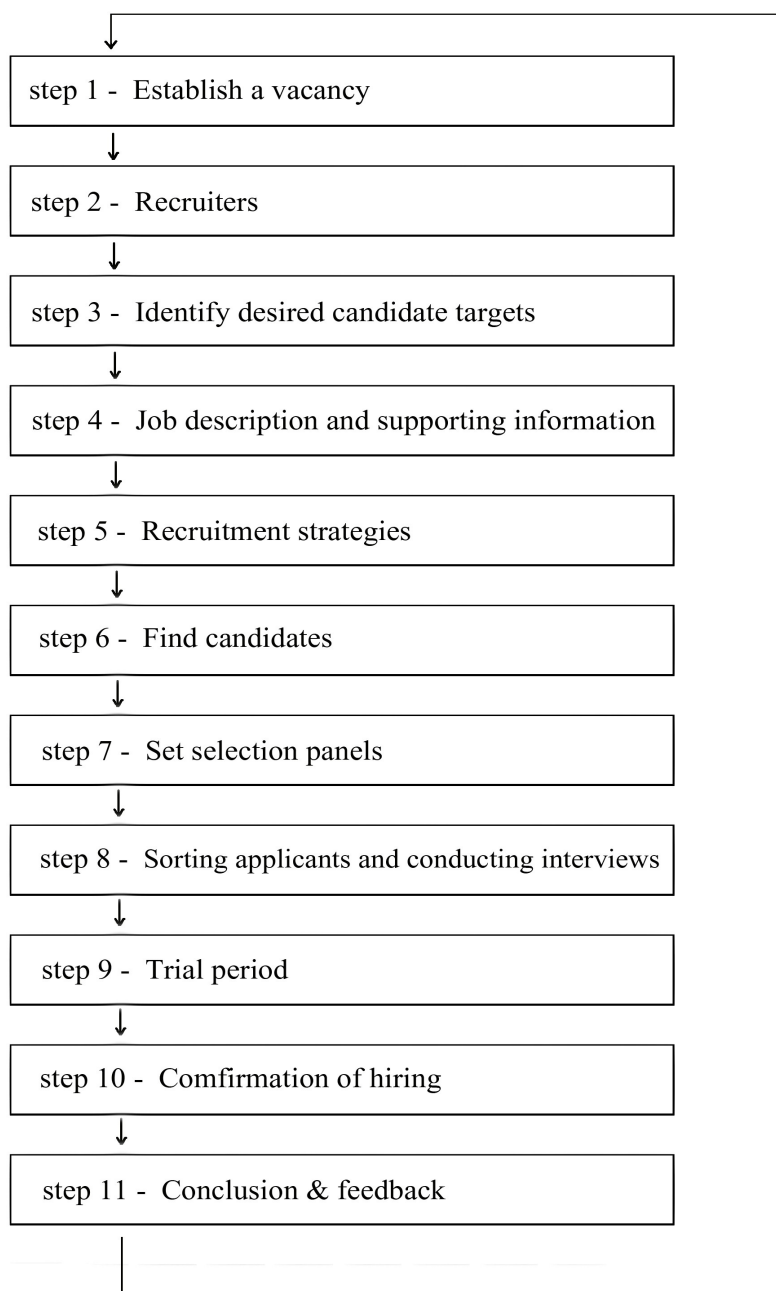


Figure 7: 11-step recruitment process guide. (Shiyuan Pan, 2014)

Step 1: Establish a vacancy.

The purpose of this process is to make Echobike be sure that setting recruitment is the most suitable solution of all. Through reviewing the current workforce situation inside the company and the company recent plans and goals to recognize the necessity of recruiting and see if the company also have a clear workforce plan, especially when there is a structure change. And by examining as well as the company financial strength to see if Echobike's company financial status could meet the requirements of recruitment. The determination of a job vacancy should be made and agreed by relevant company leaders, such as senior managers.(Andrea Walters, 2007)

Echobike should start this process early if they can, for instance, as soon as a resignation is presented, an employee quitting agreed or the requirements for a new task or company expansion plan is approved. And once the vacancy has been proved, company will be able to start the recruitment plan and prepare for the job posting,

Step 2: Recruiters.

ECHOBike, as a small factory, doesn't have professional HR department manager or professional as recruiters. Echobike currently assigns the factory manager as the only recruiter. Even though the factory manager knows well about both the external and internal situation, but there is feedback from previous interview research shows that, the quality of new employees could not satisfy the department manager, because of the differences between managing experiences and operating experiences. Therefore, a change of recruiters is suggested – a cooperation of the factory manager and the leader of related department. In this case, it could avoid the un-conformity of new employee standards.

Step 3: Identify desired candidate targets.

The aim of this step is to let Echobike understand who the company should exactly focus on when recruiting. It contains the standards of various performance, experience, ages, personalities, the behaviors of company desired candidates when they look for jobs and etc. If the company could make a very proper understanding of the elements above, through matching the company recruitment process to meet the

prefers and needs of the desired candidate targets during their job searching. As a consequence Echobike could attract their attention.

Some companies failed in hiring suitable employees, not because they didn't try their best to analyze and meet their targets but they only care about the work itself, such as the content of job, company treatment, requirements and duties, but not the recruiting approaches have to fit the ways that the candidates targets are used to. As a result, some companies could offer suitable or even perfect jobs to their potential candidates but they chose an inappropriate channels or ways of job posting and ruined the visibility of jobs.(Dr. John Sullivan, 2010)

Step 4: Job description and supporting information.

Job description is to rule the proper job classification, salary, duties, responsibilities, performance expectations, technical competency, general competency and personal competency of the jobs that Echobike is going to offer. An effective job description should focus on the company desired targets instead of general candidates in the labor market.(Garven & Associates)

Obviously to attract the desired candidates of the company is one of the most important steps in the whole recruitment process. But without a fully understanding the key elements of desired candidate, such as the preferences and standards of making their decisions, a recruitment process could not be practical and efficient enough to convince the targets to apply and accept the jobs from Echobike. In the reality, usually most of companies like echo bike, what they write on the job description is more about what company needs, what the company could offer, what the general candidates need or what the company believes the desired targets are supposed to know from the company's point of view. These cause the less-effectiveness and even failure of the recruitment.(Griffith University, 2013)

Offering additional information is also one of the easy-forgotten things during the job description writing. The purpose of offering additional information is to offer convenience for potential candidates to find more positive information about Echobike and the jobs Echobike offers. These informations will play a role when the potential

candidates starts to consider Echobike but yet make any decision to apply. Echobike could through controlling its additional information to have a better control of its employer image of potential candidates. For certain active candidates, Echobike could also post articles with positive contents so that when candidates search from baidu or google for a better understanding of Echobike, they could get the information that Echobike is willing to let them know.

Meanwhile, relevant managers should also prepare a ready series of information which could support the recruitment in the later process, such as agreement of work, the application form, and

Step 5: Recruitment strategies.

Proper recruitment strategies will have a significant effect on absorbing attentions from potential candidates. This step should take company strategies in marketing, managing, human resource management fields into consideration to keep the integrity and relevancy.

Options for Echobike could be as follows:

- Cooperating with schools

If cooperating with professional high school, it will solve problems of both sides of employer and school. The explanation is that schools who guarantee student jobs, are easier to get student enrolled and on the other hand, for employers, there is a steady source of employees waiting for getting into job positions whenever the company needs. Moreover, cooperating with schools is easier for employer to build its employer image when it is focusing on a small scale. Company could still keep rights of the cooperation usually has to be fixed for time

- Recruit independently

It allows the company to touch with multiple kinds of candidates which conclude not only new graduate students but more experienced candidates as well. It will cost more time and efforts on looking for and choosing recruit-

ment channels. In addition, there will be also more percentage of special cases happening in the recruitment process and company has to spend time on dealing with them. It means recruiting independently will bring more uncertainties and difficulties to the company, especially in the beginning and lack of recruitment experiences.

Therefore two options works differently in the recruitment side. Cooperating with school will offer a wider impact and great number of pre-graduate students to the company but those young employees are not exactly what Echobike looks for. On the other hand, recruiting independently will offer freedom to Echobike but requires experience and professional knowledge on recruitment to search target candidates for a long-term goal.

There, of course, are other methods of recruitment to implement, such as employment agency, outsourcing and online or offline advertisement. They are obviously too costly for a small factory like Echobike. Internal recruitment is not suitable for Echobike either for its simple organizational structure. But they will be introduced as well for the future use of Echobike.

- Advertising

Advertising strategy is suggested for long-term recruitment, for example over 6 months, considering the expenses, advertising effectiveness. Sometimes it takes time for the advertisement to reach its maximum effectiveness, so the company has to ensure the job posts are valid longer than the advertisement. Some methods of advertising could be too costly for Echobike in certain ways of advertising, such as TV commercials, local radio, printable booklets, magazines or newspapers, employment agencies, research keyword services and etc. But posting on bulletin boards in campus, collage dormitories, local communities, and public boards such like these, could be afforded by Echobike. The drawbacks could be informal and easy-destroyed or covered by others. Due to this, free posting should be re-post weekly or every three to four days to unsure the post is valid.

- Ad-free

For a short-term recruitment ending within 6 months, advertising will not be fully effective. In this case, non-advertising is suggested to Echobike. A simply job posting on recruitment website or other channels would be enough.(Griffith University, 2013)

- On-campus recruitment

This is one of the most effective way of recruiting when the targets are focusing on students. It is more concentrated, efficient and usually free of charge. But it requires the time of company recruitment plan fits the open days of on-campus recruitment.

- Social recruitment

Through putting company official website as additional information, and creating an area for introducing company information, such as microfilms of company value and culture, factory situation and employees working situation, or a feedback forum for candidates to have chances to interact with top existing staff and let existing staff to help attract candidates. In this situation, company could choose the positive, valuable and attractive information as they want. This may lead strong confidence to candidates when they make decisions of applying jobs in Echobike.(Andrew Greenberg, 2013)

- Innovative recruitment

Innovative methods represents the company is lively, unique and even interesting and in this way, it may easily make Echobike stand out from its competitor factories while recruiting and attract top candidates. For instance, through private group interviewing instead of individual interviewing may allow candidates to inspire each other and motivate their competitive urge

Step 6: Find candidates.

Company should learn its desired candidates' job search process., for instance, which website they tend to use as their first choice. After this step, company should be able

to adjust its recruitment channels and strategies to increase its advertising opportunities and make its jobs more visible to the key candidates.

Step 7: Set selection panels.

Before starting selecting, recruiters should set up a proper selection panel by ruling up an agreed standard of essential quality requirements of applicants. A group of people who are involved in this decision contributing, as called panel members, should have professional knowledge in the field relating to the posing job, and understand what leads to an effective and efficient role in the area of posing job. At this step, panel members should also decide questions related to the selection standards for the formal interview. These requirements and questions should be prioritized in certain level to help the next sorting section.

Step 8: Sorting applicants and conducting interviews.

After collecting all the application requests, recruiters should start sorting applicants as soon as possible. In this section, all selection panel members are supposed to take part in. It is to shrink the scale of target candidates whom the company is interested in and prefer to know better in the interview section. In case there are no possible talents being screened out, the company should minimize their requirement standards. After this, recruiters will make a short phone conversation with the selected applicants to ask for additional information for a second sorting, such as if they are still valid for the job. The applicants who are approved after the phone interview will be informed to attend the interview according to the panel timetable.

Interview is the step to help Echobike recruiters get more job-related information about their selected applicants as evidence and have an idea of if they suit the job Echobike is offering. Since fixed questions on the interview panel, which will lead to the wanted topic, are decided, the main structure of the interview is ready. Interviewers should be sure that every applicant gets equal for all the questions to ensure the fairness and make comments based on the interview panel and award scores on each process of the panel. As every interview ends completely, results of applicants will be clear in the form of scoring and Echobike could determine which applicants will be accepted by score ranking list and additional notes. (RMIT University, 2010)

Step 9: Trial period.

Every approved applicant has to attend a trial period of a full month to get ready. It is for interns to get familiar with the work operating. And it is also a way of evaluation in the recruitment process. What is worth mentioning is that an entry statement is every necessary to be told to the interns. The statement will indicate in these days of trial, both employer and employee have rights to make decisions of canceling the employment and it also concludes the salary during the trial period, possible difficulties of work and reminds interns to make careful decision.

One noteworthy exception is that it is not granted that the applicants certainly appear and join the work, even though they may be promised to. With such a possibility, company should be careful and prevent the applicants from falling back in certain ways, such as constantly contacting the applicants and providing assistance so that it may enable them to become more productive.

In the end of the trial period, there should be a formal meeting among the relevant managers to have a conversation of feedback as the final review before the contract and accurately decide the final set of becoming employees.

Step 10: Confirmation of hiring.

In this step, the company will build the official employment relationship with its new hires by signing contracts. Since the work inside Echobike may cause danger to the employees' health, the company should consider which part of health losses should belong to Echobike's responsibilities and which part should not.

Step 11: Conclusion & feedback.

Many companies have failed in some parts of the recruitment process by common mistakes and one of the most common mistakes is the lack of feedback and evaluating of each step in the recruitment process, for instance, because there is no feedback then the companies fail to figure out the reasons of why applicants are missed while sorting. (Dr. John Sullivan, 2010) Therefore, summary, feedback and analysis weigh the most of all. It allows the company to evaluate every step of the previous recruitment process.

about its planning, performance of execution and other factors. From these evaluation, companies will get information and be able to analyze the strengths and weakness of previous recruitment process. In the end, more experiences will lead improvements for a more effective, accurate and efficient recruitment process.

6 CONCLUSION

The Chinese current economy and national labor market have brought challenges and pressure to the SMEs, especially in manufacturing industry. On the other hand, Echobike is lack of attention and experiences in human resource management. All these reasons have resulted in the unsatisfied feedback in the qualitative research interview and dragged down the production ability of factory and returns on invest. Therefore it is fairly important for Echobike to change its mind and start putting time and efforts on human resource management.

After this thesis, Echobike could have ability to improve as the follows:

- Echobike could have general guidelines of regular inspections and use theoretical tools such as Herzberg's Two Factor Theory, to reach continuous improvements of factory operation. For instance, nowadays Echobike has implemented a suggestion mentioned previously, which is to hold weekly company meetings with designated employees and managers to have offer opportunities for the basic level employees to speak their voice out. With the gathered feedback, Echobike has clearer directions and specific goals while developing.
- More than this, Echobike should also have researches inside the factory in every fixed cycle. These researches are seen as “the thermometer of harmonious labor relations” to the company. This thermometer will reflects problems occurring or not occurring. (Zhou Fangsheng, 2012) Improvements and prevent measures can only be prepared after key factors are figured out first.

- Echobike should not only cure problems happening in the process of work but also optimize its workforce before the labor relation starts. The suggested recruitment process guideline which combines external situation and internal strategies, will allow Echobike to have a good start of human resource management.

Writer's note:

I believe after the most important changes of managers' point of view in managing and they started thinking of trying to find ways of improving, Echobike will have a great space and possibilities of improvement. Nothing will ensure a company from falling down but only unremitting efforts will do.

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JOB DESCRIPTION FORM

Job Description Form/职位描述表**Job Title/职位名称**

Time of release/发布时间

Company Information/公司信息

Company name/ 公司名称		Company type/ 公司性质	
Company industry/ 公司行业		Company size/ 公司规模	

Job Information/职位信息

Gender requirement/ 性别要求		Recruiting numbers/ 招聘人数	
Age requirement/ 年龄要求		Expiration date/ 截止日期	
Working experience requirement/工作经验		Working location/ 工作地点	
Educational requirement/学历要求		Salary treatment/ 薪资待遇	
Field requirement/ 专业要求		Employment type/ 雇用形式	

*These information are usually the necessary and strict requirements and could be clearly defined by uniform standards. Other special requirements, for instance, language requirements, could be considered to add when the job requires./以上职位信息及要求均属于必要的，硬性的且有统一标准以规范的。其他特殊要求，例如语音要求，可以在职位需要时添加。

Allowances & Benefits/岗位福利

List of allowances and benefits/岗位福利详情

Job Description/职位详情**Duties of position/岗位职责**

1. Basic work content/基本工作内容 - concluding criterion of acceptability./包括合格标准。
2. Extra work content/附加工作内容 - usually are company internal working requirements

Job Description Form/职位描述表

<p>shared by employees, such are environment cleaning./通常是员工分担公司内部工作要求，例如环境卫生。</p> <ol style="list-style-type: none">3. Working hours and work shifts./工作时间和轮班。4. Working enviroment./工作环境。5. Others if necessary./其他需要。
<p>Detailed performance competencies/具体任职资格要求。</p> <p>For example, it could be specific description of:</p> <ol style="list-style-type: none">1. Ability requirements./能力要求。2. Appearance requirements./外貌要求。3. Certificate requirements./证书要求。4. Personality requirements./性格要求。5. Experience requirements./经验要求。6. Physical requirements./身体要求。 <p>*These are usually specific and detailed requirements showing how to performance could be qualified. These are also supplementary for the previous requirements of job information./通常是具体的，细节的要求，可以体现出工作胜任的具体表现。也是前面职位信息里要求的补充。</p>
<p>Contact information/公司信息：</p> <p>Telephone number/电话号码：</p> <p>Mail address/地址：</p> <p>Email address/邮箱地址：</p> <p>Website/网站：</p>
<p>Further explanation/补充说明：</p> <p>*Offering instructions of resume delivery, recruitment flow which includes the date of result informing, and other preparation of future application./提供简历投递指南，以及招聘流程，其中包括结果告知日期和进一步申请的准备。</p>

Company Intro/公司简介

Contents of company intro/公司简介内容。

INTERVIEW SCHEDULE FOR INTERVIEWERS

INTERVIEW SCHEDULE FOR INTERVIEWERS/

面试官的面试日程安排

Interview Schedule/面试日程安排

<Position Title/职位名称>

<Department/部门>

Information/信息:

- Date/日期: YYYY-MM-DD
- Time/时间: 00:00 – 00:00
- Venue/面试地点:

Interviewers List/面试官名单:

- <Name/姓名>
<PositionTitle/职位>
<Department/部门>
- <Name/姓名>
<PositionTitle/职位>
<Department/部门>

Schedule/日程安排:

9:00 - 9:25 a.m.	<Name of Applicant/应聘者姓名>
9:30 - 9:55 a.m.	<Name of Applicant/应聘者姓名>
10:00 - 10:25 a.m.	<Name of Applicant/应聘者姓名>
10:30 - 10:55 a.m.	<Name of Applicant/应聘者姓名>
11:00 - 11:25 a.m.	<Name of Applicant/应聘者姓名>
11:30 - 11:55 a.m.	<Name of Applicant/应聘者姓名>

REGISTRATION FORM FOR APPLICANTS

REGISTRATION FORM FOR APPLICANTS/应聘人员登记表

Applicant's Information/应聘人员基本信息

Date/日期:	Position applied/应聘职位:
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REGISTRATION FORM FOR APPLICANTS/应聘人员登记表

Describe your work achievement/ 描述工作成就	
Describe reasons of leaving/ 描述离职原因	
<p>I certify, all information above is true and correct. If there is any false declaration, I will accept the responsibilities of caused losses./本人承诺，以上信息均属实。如不属实，本人愿意承担其所造成的所有损失。</p> <p style="text-align: right;">Signature: _____ Date: _____</p>	

HR Examination Report/人力资源处审核意见

Audit materials/资料审核	<ul style="list-style-type: none"> • ID copy/身份证复印件 • Certificate/资格证书 • Diploma/学历证书 • Proof of quitting/离职证明 <p style="text-align: right;">Signature: _____ Date: _____</p>
Nots/备注	

INTERVIEWEE EVALUATION FORM

INTERVIEWEE EVALUATION FORM/面试考核表

Date: _____

Name/ 姓名:		Gender/ 性别:		Age/ 年龄:	
Education/ 学历:		Study field/ 专业:		Job applied/ 应聘职务:	

<p>Overall image/整体形象</p> <p>The results of this section are not from specific questions, but the whole process of interviews. Related options should be edited to the form based on job's requirements./这部分的结果不是来自具体的问题，而且整个面试过程。并且应该根据工作需要来添加相关选项。 *Mark with '√'/用'√'标注。</p>					
Appearance/仪表	Excellent/良好		Normal/一般		Poor/较差
Attitude/态度	Excellent/良好		Normal/一般		Poor/较差
Language expression/ 语言表达	Excellent/良好		Normal/一般		Poor/较差
Health condition/ 健康状况	Excellent/良好		Normal/一般		Poor/较差
<p>Abilities/能力</p> <p>It should conclude every specific required abilities of employees. The more detailed the options are, the better the interviewers could prioritize applicants. Through prepared questions, interviewers should be able to score applicants' relevant performance./应该包括每一项对员工能力的具体要求。越详细的选项，面试官越能更好地对面试者进行优先排序。通过准备好的问题，面试官应该有能力对面试者相关表现进行评分。 *Mark with '√'/用'√'标注。</p>					
Related knowledges/ 专业知识	Rich/丰富		Normal/一般		Absence/缺乏
Working experiences/ 工作经历	Rich/丰富		Normal/一般		Absence/缺乏
Self-evaluation/ 自我评价	Excellent/良好		Normal/一般		Poor/较差
Matching degree/ 匹配程度	Rich/丰富		Normal/一般		Absence/缺乏

INTERVIEWEE EVALUATION FORM/面试考核表

Other evaluation/其他考核 This part is focusing on the abilities and qualities outside the working requirements, for example, to discover if there is any factors could effect applicants' willing of long-term working. 这部分是关于对工作之外的要求，比如试着找出有没有哪些因素会影响面试者长期工作。 *Mark with '√'/用'√'标注。					
Hometown location/ 家乡所在地	Advantage/有益		Future career plan/ 未来职业规划	Advantage/有益	
	Disadvantage/无益			Disadvantage/无益	
Marital status/ 婚姻状况	Advantage/有益		Desired salary/ 期望薪资	Advantage/有益	
	Disadvantage/无益			Disadvantage/无益	
Notes/备注:					
Interviewers/面试人: _____				Date: _____	

*This form is only an example based on an every regular job. It should be edited every time when being used./此表是基于普通工作而制的案例。而在每次使用前，都应该对此表格进行重新编辑。