Personnel Audit

**Personnel audit** is a term used for a case study of human resources in the organization. Personnel audit may have different objectives and benefits according to the current needs of the organization's management. This is a kind of audit, its subject is an objective and independent review and assessment of the condition and suggestion of solutions to increase the effectiveness of individuals, organizational units and whole organization. It is one of the tools to increase the effectiveness and efficiency of the organization which uses both soft and hard techniques (e.g. Assessment Centre, mystery methods, individual interviews) to find needed information. The objective of a comprehensive personnel audit is the answer to three basic questions:

- **How many** workers should the organization have to handle the current volume of work?
- **Which** worker is the best for the given job?
- **How** is the system for managing people set?

**Use of the personnel audit in practice**: Personnel audit is typically used in situations where it is necessary to evaluate the condition of the people and improve the functioning of the organization. However, personnel audit is often abused by management to reduce the number of workers. The most common reasons for the implementation of personnel audit are as follows:

- Improving the performance of the organization as a whole and the optimization of human resources
- Cost optimization and reduction of the number of workers
- Improving the management system of human resources in an organization, including incentive system
- Create a foundation for individual development and career plans of employees
- Strengthening the system use of motivational tools in the organization

Personnel audit is aimed in particular at:

- Personnel processes
- Evaluation of the current state of human resources in the organization
- The level of personnel quality (competencies, capabilities, skills)
- Correct settings of scope of the powers and responsibilities of workers
- Efficient use of human resources
- Adequacy of the amount of human resources (deficiency or excess) - determining the optimal staffing capacities

Typical outputs from personnel audit are:

- Optimized and updated job descriptions, including a new job specifications
- Process and activities map in the organization - map of workers and organizational units competencies
- Identification of qualification deficits
- Competency Model
- Staff performance audit
- Overview of utilization of selected parts of the organization
- Assessment of the level of management maturity
- Proposal to reduce unnecessary and contrary proposal to create new jobs where they are needed according to the audit
- Identification of weaknesses (description and warning the deficiency in processes, use of human potential, use of people with the wrong skills, qualities and knowledge, lack of communication, etc.)
- Recommendations and proposals for improvement (final report contains descriptions and statements of the state, and also suggestions for improvement)
- Implementation - support in implementation (includes a proposal of the workers involvement to change, help in conducting interviews with workers, etc.)
- and more
Personnel audit can be focused on the entire organization or only a selected part of the organization (selected organizational units). To target people or parts of the organization involved in the audit, process map is used. Personnel audit is usually conducted by a group of experts or external company, which in accordance with the definition of audit uses a reference model or experience with which compares the reality. As part of the audit some of the methods of process analysis is used.