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17CMU501A   HUMAN RESOURCE MANAGEMENT   6 2 - 6

Scope

Human Resource Management is very wide. This is concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training and development, layoff and retrenchment, remuneration, incentives, productivity etc.

Objective

The objective of the course is to acquaint students with the techniques and principles to manage human resource of an organization.

Unit I

Introduction: Human Resource Management - Concept and Functions- Role - Status and Competencies of HR Manager - HR Policies - Evolution of HRM - HRM vs HRD. Emerging Challenges of Human Resource Management- Workforce Diversity - Empowerment; Downsizing – VRS - Human Resource Information System.

Unit II

Acquisition of Human Resource: Human Resource Planning-Quantitative and Qualitative dimensions - Job Analysis –Job Description and Job Specification - Recruitment –Concept and Sources - Selection –Concept and Process - Test and Interview - Placement and Induction

Unit III

Training and Development: Concept and Importance - Identifying Training and Development Needs - Designing Training Programmes - Role-Specific and Competency-Based Training - Evaluating Training Effectiveness - Training Process Outsourcing - Management Development - Career Development.

Unit IV

Performance Appraisal: Nature - Objectives and Importance - Modern Techniques of Performance Appraisal - Potential Appraisal and Employee Counseling - Job Changes - Transfers and Promotions – Compensation - Concept and Policies- Job Evaluation - Methods of Wage Payments and Incentive Plans - Fringe Benefits - Performance-Linked Compensation.

Unit V:

Maintenance : Employee Health and Safety - Employee Welfare - Social Security - Employer-Employee Relations-an Overview - Grievance Handling and Redressal - Industrial Disputes-Causes and Settlement Machinery.

Suggested Readings

Text Book

1. S.S.Khanka. (2013), *Human Resource Management*, New DelhiSultan Chand & Sons

Reference Books:

1. Gary Dessler. *A Framework for Human Resource Management*. (2013), 7th edition, Pearson Education.
2. DeCenzo, D.A. and S.P. Robbins, *Human Resource Management*, 11th edition, Pearson Education.
3. Bohlendar and Snell,(2010), *Principles of Human Resource Management*, 16th edition, Cengage Learning

KARPAGAM ACADEMY OF HIGHER EDUCATION

(Deemed to be University)
(Established under section 3 of UGC Act 1956)
Coimbatore-641021
Department of Management

Name: **DR.S.JEGADEESWARI**
Department: COMMERCE
Subject Code: **17CMU501A**   Semester: **V**   Year: **2017-20**
Batch
Subject: **Human Resource Management** - Lesson Plan

UNIT- I

S. No.	LECTURE DURATION (Periods)	TOPICS TO BE COVERED	SUPPORT MATERIALS
1.	1	HRM-Introduction	R1:1.1-1.4
2.	1	HRM concept and its functions	R1:1.4-1.7
3.	1	Role of HRM	W1
4.	1	Status and competencies of HR manager	R1:1.16-1.19
5.	1	HR policies and its importance	R1:1.23-1.24
6.	1	Evolution and growth of HRM	R1:1.21-1.23
7.	1	HRM Vs HRD	W2
8.	1	Group activity regarding need and importance of HRM	Management games
9.	1	Emerging challenges of HRM	R1:1.20
10.	1	Workforce diversity and empowerment	W3 & W4
11.	1	Downsizing and VRS	W5
12.	1	HRIS-introduction and importance	2.1-2.3
13.	1	HRIS-scope, merits and demerits, step of implementation	2.4-2.7
14.	1	Tutorial 1: Group discussion regarding importance of HRM	R1: 1.4-1.7
15	1	Tutorial 2: Group activity on need and importance of HRM	W1
16	1	Tutorial 3: Role play on Downsizing and VRS	W5
17.	1	Tutorial 4: Group discussion on important of Empowerment	W4
18.	1	Recapitulation and discussion of important questions	
		Total no. of hours planned for Unit-I	**18 Hours**

UNIT-II

S. No.	LECTURE DURATION (Periods)	TOPICS TO BE COVERED	SUPPORT MATERIALS
1.	1	HR planning-An overview	R1:3.1
2.	1	Steps or process of HR planning	R1:3.10-3.13
3.	1	Quantitative and qualitative dimensions	W6
4.	1	Job analysis and its techniques	R1:4.1-1.2
5.	1	Job description – An overview	R1:4.2-4.3
6.	1	Job specification- An overview	R1:4.2-4.3
7	1	Job evaluation and methods	R1: 4.3-4.7
8	1	Recruitment –An overview	R1: 5.2-5.5
9	1	Steps and sources of recruitment	R1: 5.5-5.7
10	1	Selection process and Stages of selection process	R1:5.12
11	1	Psychological test- Features, Types and Benefits	R1:5.15-5.17
12	1	Interview – Objectives, Types and guidelines	R1:5.18-5.22
13	1	Role play of interview process	Activity
14	1	Placement and Induction	R1:6.1-6.3
15	1	Tutorial 1: Group discussion on importance of HRP	R1:3.1
16	1	Tutorial 2: Group discussion on Do's and Don'ts during interview	R1:5.18-5.22
17	1	Tutorial 3: Mock Interview- Role play	R1:5.18-5.22
18	1	Tutorial 4: Activity regarding psychological test	R1:5.15-5.17
19	1	Recapitulation and discussion of important questions	
		Total no. of hours planned for Unit-II	**19 Hours**

UNIT-III

S. No.	LECTURE DURATION (Periods)	TOPICS TO BE COVERED	SUPPORT MATERIALS
1.	1	Training and development- concept and its importance	R1:7.1-7.2
2.	1	Identifying training needs	R1:7.2-7.4
3.	1	Designing training programmes	R1:7.5-7.6
4.	1	Steps involved in training	R1:7.6-7.7
5.	1	Methods of training	R1:7.8-7.9
6.	1	Executive development and its methods	R1:7.9-7.10
7.	1	On the job executive development method	R1:7.10-7.11
8.	1	Off the job executive development method	R1:7.11-7.12

9.	1	Advantages of training to company and employees	W8
10.	1	Role specific and competency based training	W7
11.	1	Assessing effectiveness of training and development programmes	R1: 7.14 – 7.15
12.	1	Training process outsourcing-meaning and need	W8
13.	1	Pros and cons of training process outsourcing	W9
14.	1	Activity based on training and development	Activity
15.	1	Career planning objectives and importance	R1:13.2-13.4
16.	1	Tutorial 1: Management development and career development	R1:13.6-13.9
17.	1	Tutorial 2: Career development programmes	R1:13.2-13.4
18.	1	Tutorial 3: Activity based on training and development	R1: 7.1-7.2
19.	1	Tutorial 4: Group discussion on importance of Career development programmes	R1: 13.7-13.9
20.	1	Recapitulation and discussion of important questions	
		Total no. of hours planned for Unit-III	**20 Hours**

UNIT-IV

S. No.	LECTURE DURATION (Periods)	TOPICS TO BE COVERED	SUPPORT MATERIALS
1.	1	Concept of performance appraisal and its nature	R1:14.1-14.2
2.	1	Performance Appraisal- Objectives, Advantages and Limitations	R1:14.2-14.4
3.	1	Modern techniques of performance appraisal	R1:14.11-14.13
4.	1	Potential appraisal and employee counseling	W10
5.	1	Process and types functions of employee counseling	R1:26.8
6.	1	Functions of employee counseling	R1:26.9
7.	1	Job changes	W11
8.	1	Transfer- Objectives, Purpose and Reasons	R1:15.8-15.9
9.	1	Types of Transfer	R1:15.9-15.10
10.	1	Merits and Demerits of Transfer	R1:15.10-15.11
11.	1	Promotion-An overview	R1:15.1-15.4
12.	1	Compensation- concept and policies,	R1:9.2-9.3
13.	1	Job evaluation-Concept, Principles and Objectives	R1:4.3-4.6
14.	1	Methods of wage payment and incentive plans	R1:10.1-10.6
15.	1	Tutorial 1: Fringe benefits and its types	R1:9.9-9.11
16.	1	Tutorial 2: Performance linked compensation	W13
17.	1	Tutorial 3: Importance of employee counselling	R1 : 26.9
18.	1	Tutorial 4: Merits and demerit of job changes	W2
19.	1	Recapitulation and discussion of important questions	

S. No		Total no. of hours planned for Unit-IV	19 Hours

UNIT-V

S. No	LECTURE DURATION (Periods)	TOPICS TO BE COVERED	SUPPORT MATERIALS
1.	1	Employee health –An overview	R1:24.1-24.2
2.	1	Employee safety- An overview	R1:24.4-24.5
3.	1	Industrial accidents and its causes	R1:24.5
4.	1	Negative impact and measures to reduce industrial accidents	R1:24.5-24.6
5.	1	Provisions relating to health and safety	R1:24.4-24.5
6.	1	Employee welfare measures	R1:24.2-24.4
7.	1	Social security and its components	R1:24.6
8.	1	Objectives of social security and its measures	R1:24.7-24.8
9	1	Employer-Employee relationships-An overview	W14
10.	1	Grievance handling and redressal	R1:19.1-19.4
11.	1	Forms of Industrial disputes	R1:23.2-23.3
12.	1	Tutorial1: Types of strikes and causes of industrial disputes	R1:23.3-23.4
13.	1	Tutorial 2: Authorities for prevention and settlement of disputes	R1:23.4-23.5
14.	1	Tutorial 3: Settlement machinery for industrial disputes	R1:23.5-23.7
15.	1	Tutorial 4: Group discussion on welfare measures	R1:24.2-24.4
16.	1	Recapitulation and discussion of important questions	
17.	1	Recapitulation and discussion of important questions	
18.	1	Discussion of ESE question papers	
19.	1	Discussion of ESE question papers	
20.	1	Discussion of ESE question papers	
		Total no. of hours planned for Unit-V	**20 hours**

SUPPORT MATERIALS

Text Books:
1. S.S. Khanka. (2013), Human Resource Management, New Delhi Sultan Chand & Sons

Reference Books:
1. C.D. Balaji, Human Resource Management. (2016), Margham publications, Chennai
2. Gary Dessler, A framework for Human Resource Management. (2013), 7th edition, Pearson education
3. De Cenzo, D.A. and S.P. Robbins, Human Resource Management, 11th edition, Pearson Education.
4. Bohiendar and Snell, (2010), Principles of Human Resource Management, 16th edition, Cengage learning

Website Reference:
W1: https://www.differencebetween.com/difference-between-hrm-and-vs-hrd/
W2: http://smallbusiness.chron.com/role-human-resource-management-organizations

W3: http://smallbusiness.chron.com/importance-diversity-management-24857.html

W5: https://study.com/academy/lesson/employee-empowerment-definition-advantages

W5: http://smallbusiness.chron.com/downsizing-impact-role-human-resource-management

W6: http://managementation.com/quantitative-aspect-of-human-resource-planning/

W7: https://www.nps.gov/training/uc/whcbt.htm

W8: https://tensix011/01/why-role-based-training-works/

W9: http://smallbusiness.chron.com/disadvantages-outsourced-training-36809.html

W10: http://www.businessdictionary.com/definition/management-development.html

W11: http://www.whatishumanresource.com/potential-appraisal

W12: http://workingwisdom.blogspot.com/2007/10/working-life-changing-jobs-within-

W13: http://www.naukrihub.com/appraisals/linking-compensation.html

W14: https://www.irmi.com/articles/expert-commentary/the-employer-employee-relationship-in-workers-compensation

UNIT-I-Introduction to Human Resource Management

SYLLABUS

Introduction: Human Resource Management - Concept and Functions- Role - Status and Competencies of HR Manager - HR Policies - Evolution of HRM - HRM vs HRD. Emerging Challenges of Human Resource Management- Workforce Diversity - Empowerment; Downsizing – VRS - Human Resource Information System.

Meaning and Definition

Human Resource Management is the process of recruitment, selection of employee, providing proper orientation and induction, providing proper training and the developing skills, assessment of employee (performance of appraisal), providing proper compensation and benefits, motivating, maintaining proper relations with labor and with trade unions, maintaining employee's safety, welfare and health by complying with labor laws of concern state or country.

Edwin Flippo defines- HRM as "planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved."

Features of HRM

The features of human resource management can be highlighted as follows:

1. It is an inherent part of management:

Human resource management is inherent in the process of management. This function is performed by all the managers throughout the organisation rather that by the personnel department only. If a manager is to get the best of his people, he must undertake the basic responsibility of selecting people who will work under him.

2. It is a pervasive function:

Human Resource Management is a pervasive function of management. It is performed by all managers at various levels in the organisation. It is not a responsibility that a manager can leave completely to someone else. However, he may secure advice and help in managing people from experts who have special competence in personnel management and industrial relations.

3. It is basic to all functional areas:

Human Resource Management permeates all the functional area of management such as production management, financial management, and marketing management. That is every manager from top to bottom, working in any department has to perform the personnel functions.

4. It is people centered:

Human Resource Management is people centered and is relevant in all types of organisations. It is concerned with all categories of personnel from top to the bottom of the organisation. The broad classification of personnel in an industrial enterprise may be as follows: (i) Blue-collar workers (i.e. those working on machines and engaged in loading,unloading etc.) and white-collar workers (i.e. clerical employees), (ii) Managerial and nonmanagerial personnel, (iii) Professionals (such as Chartered Accountant, Company Secretary,Lawyer, etc.) and non-professional personnel.

5. It involves Personnel Activities or Functions:

Human Resource Management involves several functions concerned with the management of people at work. It includes manpower planning, employment, placement, training, appraisal and compensation of employees. For the performance of these activities efficiently, a separate department known as Personnel Department is created in most of the organisations.

6. It is a continuous process:

Human Resource Management is not a "one shot" function. It must be performed continuously if the organizational objectives are to be achieved smoothly.

7. It is based on Human Relations:

Human Resource Management is concerned with the motivation of human resources in the organization. The human beings can't be dealt with like physical factors of production. Every person has different needs, perceptions and expectations. The managers should give due attention to these factors. They require human relations skills to deal with the people at work. Human

relations skills are also required in training performance appraisal, transfer and promotion of subordinates.

Functions of Human Resource Management

Operative Functions

Recruitment: This is the most challenging task for any HR manager. A lot of attention and resources are required to draw, employ and hold the prospective employees. A lot of elements go into this function of recruitment, like developing a job description, publishing the job posting, sourcing the prospective candidates, interviewing, salary negotiations and making the job offer.

Training and Development: On the job training is the responsibility of the HR department. Fresher training may also be provided by some companies for both new hires and existing employees. This Fresher training is mainly done to make the employees up to date in their respective areas as required by the company. This function makes the employees understand the process and makes it easy for them to get on their jobs with much ease. During the process of the training and development, the results are monitored and measured to find out if the employees require any new skills in addition to what he/she has.

Professional Development: This is a very important function of Human Resource Management. This function helps the employees with opportunity for growth, education, and management training. The organization undertakes to sponsor their employees for various seminars, trade shows, and corporal responsibilities. This, in turn, makes the employees feel that they have been taken care by their superiors and also the organization.

Compensation and Benefits: A company can attain its goals and objectives if it can acclimatize to new ways of providing benefits to the employees.

Performance Appraisal: The employees of any organization will be evaluated by the HR department as per the performance. This function of Human Resource Management is to help the organization in finding out if the employee they have hired is moving towards the goals and objectives of the organization. On the other hand, it also helps the company to evaluate whether the employees needs improvement in other areas. It also helps the HR team in drawing certain development plans for those employees who have not met the minimal requirements of the job.

Ensuring Legal Compliance: To protect the organization this function plays a crucial role. The HR department of every organization should be aware of all the laws and policies that relate to

employment, working conditions, working hours, overtime, minimum wage, tax allowances etc. Compliance with such laws is very much required for the existence of an organization.

Managerial Functions

Planning: This function is very vital to set goals and objectives of an organization. The policies and procedures are laid down to achieve these goals. When it comes to planning the first thing is to foresee vacancies, set the job requirements and decide the recruitment sources. For every job group, a demand and supply forecast is to be made, this requires an HR manager to be aware of both job market and strategic goals of the company. Shortage versus the excess of employees for that given job category is determined for a given period. In the end, a plan is ascertained to eliminate this shortage of employees.

Organizing: The next major managerial function is to develop and design the structure of the organization. It fundamentally includes the following:

- Employees are grouped into positions or activities they will be performing.
- Allocate different functions to different persons.
- Delegate authority as per the tasks and responsibilities that are assigned.

Directing: This function is preordained to inspire and direct the employees to achieve the goals. This can be attained by having in place a proper planning of career of employees, various motivational methods and having friendly relations with the manpower. This is a great challenge to any HR manager of an organization; he/she should have the capability of finding employee needs and ways to satisfy them. Motivation will be a continuous process here as new needs may come forward as the old ones get fulfilled.

Controlling: This is concerned with the apprehension of activities as per plans, which was formulated on the basis of goals of the company. The controlling function ends the cycle and again prompts for planning. Here the HR Manager makes an examination of outcome achieved with the standards that were set in the planning stage to see if there are any deviations from the set standards. Hence any deviation can be corrected on the next cycle.

Advisory Functions

Top Management Advice: HR Manager is a specialist in Human Resource Management functions. She/he can advise the top management in formulating policies and procedures. He/she can also

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recommend the top management for the appraisal of manpower which they feel apt. This function also involves advice regarding maintaining high-quality human relations and far above the ground employee morale.

Departmental Head advice: Under this function, he/she advises the heads of various departments on policies related to job design, job description, recruitment, selection, appraisals.

Qualities and characteristics of successful Human Resource Managers

Below are the qualities and characteristics of successful Human Resource Managers:

Knowledge and expertise in Human Resources: HR Managers should possess foundation on the functions of human resources. And not only this, successful HR Managers have a zeal to update their knowledge on latest practices and trends in human resources. With their knowledge and expertise, they deal with the daily challenges that arise in the organization.

Communicator: Communication plays a vital role in any organization and HR takes a major role in this. HR managers play a major role in this. One of the quality of a good communicator is to have good listening skills. Employees come to HR managers on various issues. Listening to employees with full attention is one of good quality of a successful HR Manager.

Presenter: Great presenters attract their audiences' attention, keep them engaged and deliver the message in a positive manner. Presentations skills are important quality of successful HR Managers as they handle several trainings and present the information to management.

Innovation: Not every issue has a same or easy or ready solution. Successful HR Managers think out of the box and deliver the best solution to their employees and the organization.

Approachable: HR handles various aspects of employees. Successful HR Managers have an open door policy and are approachable to their employees.

Time Management and Self Discipline: Successful HR Managers are good at managing their time. They plan their day not just to complete their day-to-day activities but also cater time for sudden issues.

Delegator: It's not possible to do all the work by one person. And this is understood by successful HR Managers. HR Managers delegate work to their team members so that they get learned and grow as a professional.

Decision maker: Successful HR Managers are strategic planners and take decisions which are apt and considering all the facts. They are not afraid to make the hard decisions for the benefit of the organization.

Business Acumen: Business acumen is keenness and quickness in understanding and dealing with a business situation in a manner that is likely to lead to a good outcome. Successful HR managers possess good knowledge and understanding of the financial, accounting, marketing and operational functions of an organization.

Trust Advisor: Employees will open to someone they trust and seek advice on various areas. This may not be limited to their career but also can be from their personal life. Successful HR Managers advice employees by creating an environment of trust. Successful HR Managers build trust through straight forward communications and interactions.

Motivator: Every employee has different goals and objectives to achieve. Successful HR Managers are committed to motivate. Successful HR Managers know and understand what motivates employees and strive to give it to them.

Leader: A leader is one who visualizes big picture, focus on people, progress and achievements, does the right thing and encouraging a rewarding culture. And this is what the successful HR Managers possess.

Metric Oriented: Successful HR Managers have a flair for metrics as these are useful in improvising various process in the organization.

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HR policies

Human resources policies provide the framework by which employees are expected to behave in the workplace. These policies are written statements of the company's standards and objectives and include all areas of employment, including recruitment, compensation, termination, benefits, employee relations and leaves of absence. They contain rules on how employees must perform their jobs and interact with each other. Managers, employees and the HR department all have roles in ensuring that HR policies are effectively implemented.

Importance of Human Resource Policies

Here are few most common reasons why any kind of organization needs HR policies and the main purpose of a HR policy.

1. HR policies are not only for effectively drawing rules for employees but also to recognize their needs, respect their thoughts.

2. HR policies are needed because every individual has a different opinion on all things. Not all need to accept others view. Hence, HR policies will make everyone respect and follow same rules.

3. A well-written HR policy will reduce the conflict among employees as well as help the higher officials in the organization to take correct decisions based on the official rules and regulations.

4. A good HR policy will not only maintain the wellness of the organization inside but it also will create a good corporate image among the society as well as job seekers too.

Even before employees are hired into a company, the HR team must sit and draft out its set of policies and procedures. It is these policies which every employee of an organization is bound to follow, in order to assure harmony in the organization.There are four major key elements that an organization must keep in mind when drafting out their HR Policies and Procedures. These major elements are: Roles, Rules, Consequences and Tools.

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Evolution and Development of Human Resource Management

In fact, the seed of HRM were sown during the industrial revolution 1850s in Western Europe and USA. The wind gradually reached to India as well in the beginning of twentieth century. Since then to the present era, the development of HRM may be classified as follows:

Trade Union Movement Era:

The conditions of workers in the aftermath of factory system as an outcome of industrial revolution were very pathetic. The First World War further worsened their conditions. This was the period when state intervention to protect the worker s interest was felt necessary.

Social Responsibility Era:

In the starting decade of 20th century, some factory owners/employers started showing humanistic approach towards the workers. Robert Owen, a British industrialist towards workers. He viewed that the principal social and economic environments influence the physical mental and psychological development of workers. Therefore, in order to improve the productivity, it is necessary to improve, conditions of employees by removing them from an adverse environment or by changing the environment with the provisions of more satisfactory living and working conditions.

Scientific Management Era:

The concept of scientific management was introduced by Fredrick Winslow Taylor' in the USA early in the 20th century as an alternative to the prevailing system of management by initiative and incentive.

Human Relations Era:

By 1920, it was felt that earlier approaches to human resource management were incomplete as these did not recognize workers as human beings having their feelings, attitudes and needs. It was between 1925 and 1935; many experts expressed their opinions towards the human aspects of organisational activities. A psychologist namely Hugo Munsterberg in his book "Psychology and

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Industrial Efficiency" suggested the use of psychology in selection, placement, testing and training of employees in an organisation. Elton Mayo and his associates conducted a series of experiments from 1924 to 1932 at the Hawthorne plant of the Western Electric company in the USA.

Behavioural Science Era:

It is seen that human relations era assumes that a happy worker is a productive worker. As a corollary to this, the behavioural science era assumes human behavior as a means to achieve efficiency in performance. Behavioural approach to HRM is based on the findings of intensive research carried out by behavioural scientists belonging to the disciplines of sociology, social psychology, anthropology and management experts.

The major contributions made by the behavioral scientists are in the areas of motivation, leadership, communication, organisational change and development, organisational culture, and individual and group dynamics On the whole, behavioural science approach of HRM was concerned with the social and psychological aspects of human behaviour in organisations.

Systems Approach Era:

A system may be defined as a set of interdependent parts forming an organised unit or entity. The system is defined as "an organised and complex whole: an assemblage or combination of things or parts forming a complex unitary whole." The parts, also known as sub-systems, interact with each other and are subject to change. These sub-systems are inter-related and interdependent.

Contingency Approach Era:

Contingency refers to die immediate circumstances. Contingency approach believes that there is no one way of managing that works best in all situations. According to this approach, the best way to manage varies with the situation. Hence, this approach is also called 'situational approach'.

HRM Vs HRD

BASIS FOR COMPARISON	HRM	HRD
Meaning	Human Resource Management refers to the application of principles of management to manage the people working in the organization.	Human Resource Development means a continuous development function that intends to improve the performance of people working in the organization.
What is it?	Management function.	Subset of Human Resource Management.
Function	Reactive	Proactive
Objective	To improve the performance of the employees.	To develop the skills, knowledge and competency of employees.
Process	Routine	Ongoing
Dependency	Independent	It is a subsystem.
Concerned with	People only	Development of the entire organization.

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Human Resource Management Challenges (HR Challenges)

1. Environmental Challenges
2. Organizational Challenges
3. Individual Challenges

Following are the list of human resource management challenges that considered as the environmental challenges.

1. **Rapid Change**

The world is changing at a faster rate because change is constant from several centuries. So the management of the organizations should be quickly adaptive to the changing requirement of the environment otherwise they become obsolete from the market. The human resource management of an organization plays a basic role in response to the environmental change. The HR department should adopt such policies that can avail the new opportunities of the environment & keep the organization away from the newly emerging threats.

2. **Work Force Diversity**

The changing environment provides both the opportunities & threats to the human resource management of the organization. The HR manager should adopt such policies that can make possible the diverse work force of employees. Although on one hand diversity creates big problem but in the long run, the survival & performance of the organization is flourished.

3. **Globalization**

One of the serious issue that today's organizations are facing is the issue of globalization. The world is converting into global business and severe competition is started between domestic & foreign companies. Such competition results in the laying off the effective workforce of the organization. The HR department can play an important role in keeping the culture of the organization as global & wider.

4.   **Legislation**

It is the old environmental challenge that is faced by organization since many decades. There are certain labor laws that are declared by the government for the benefits of the working employees. Some of these laws are disadvantageous to the interests of the organizations so it is a one of the big challenges for the HRM to implement all those labor laws within the organizations. If any of such law is violated, serious actions are taken by the relevant government authority that may result into serious penalty for the management of the organization.

5.   **Technology**

The technology is also growing with great speed especially in the field of computer & telecommunication. New methods are emerging that quickly dominates the older ones & makes them obsolete. Therefore the skills required by the employees also changes with the changing technology & this would compels the worker to advance the skills three to four times throughout their working lives. So there comes a burden on the HR department to constantly update the skills & expertise of their employees.

6.   **Job & Family Roles**

In recent years, dual-career families are increasing in which both the wife & husband work. This creates a serious burden on the women that they have to give time to their families also. In many organizations the policies of HR favors the employment of more than 10 years. The working hours of the organizations are also strict and tight for the employees. Moreover, the selection & training procedures are two tough and time consuming so most of the talented women hesitate to join any organization which would result in the wastage of talent and potential. Even working men also suffer from these employment policies because they do not properly give time to their families. So the challenges for the HRM increases with this particular issue & special favorable working policies are needed to be employed in all organizations.

7.   **Lack of Skills**

The service sector development is expanding due to many reasons like change in the tastes & preference of customers, technological change, legal change etc. All of this affected the structure and managing style of the business organizations. The skills required in the employment of service sector is also advancing but the graduates of the technical colleges & universities are groomed according to the latest requirements. Therefore most of the employees lack the standard required skills to perform their duties and it becomes a big challenge for HRM to properly train these new & old employees to become an efficient & effective workers.

Organizational Challenges

The organizational challenges for the HRM are related to the factors that are located inside the organization. Although these challenges are evolved as a byproduct of the environmental challenges but these can be control by the management of the organization to much extent. The proactive HR managers take notice of such challenges in advance and take corrective measures before these would convert into serious issues. The human resource management challenges within the organization include competitive position & flexibility, organizational restructuring & issues of downsizing, the exercise of self managed teams, development of suitable organizational culture etc.

1. **Controlling Costs**

An organization can avail the competitive position by lowering its cost & strengthening its cash flows. For this purpose, the labor cost of the organization is minimized through effective compensation system that adopts innovative reward strategies for good performances. In this way the favorable behaviors of the employees are rewarded so the organization would get the ultimate advantage. Moreover the policies of compensation should keep the labor cost under control. The effective employees should be selected that keep with the organization for a longer duration & proper training should also be provided to these employees. The HR department should also restore the work of the employees along with the improvement in the health & safety issue of working environment. All of these efforts would limit the cost of labor.

2. **Improving Quality**

The quality improvement can lead an organization towards competitive advantage. The total quality management programs are employed that improves all the processes within the organization which would ultimately result in the improvement of the final product or service.

3. Developing Distinctive Capabilities

Another method of gaining competitive advantage is to employ the people that have distinct capabilities to develop extra ordinary competence in specific area.

4. Restructuring

Another technique is the restructuring of the organization in which the methods of performing different functions are altered positively. In case of HR department, the majority of functions are still performed within the organization.

In some organizations the major functions of HR department are now transferred to the other parties in the shape of outsourcing, shared service center etc. The sizes of HR department in those organizations are shrinking because most of functions are performed by outsiders. But in most of the organizations the HR manager performs all the relevant functions of HRM. The HR department is now involved in the mission oriented & strategic activities.

Individual Challenges

The decisions related to the specific individual employees are included in the individual challenges for the HRM. The organizational issues are also affected by the fact that how employees are treated within the organizations. The problems related to the individual level are as follow.

1. Productivity

Productivity is defined as the measure of the value that an employee can add to the final product or service of the organization. The increased output per employee is reflected as increased productivity. Ability & motivation are two important factors that affect the employee productivity. The ability of the employee can be improved by the hiring & replacement along with the proper

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training & career development. On the other high quality of work life serves as accelerator to the motivational factor of the employees.

2. **Empowerment**

In the modern days many organizations make changes in such a way that their individual employees exert more control on their work as compared to their superiors. This individual control of employees is called empowerment which helps the employees to work with enthusiasm, commitment & learn new skills because they are more make normal decisions about their work by themselves & hence enjoy their work.

3. **Brain Drain**

One of the challenges for HRM is the detachment of the key potential employees from the organization which link with the competitors for higher remunerations etc. In such cases the organization loses its intellectual property & in many situations the leaving employees at the higher levels also take with them the potential lower level employees. This brain drainage is becoming serious issue in the high-Tec companies.

4. **Ethics & Social Responsibility**

Under this challenge, the organizations make an effort to benefit some portion of the society. This is now considered to the social responsibility of the organization to show favorable behavior towards the society. The ethics serves as the basic principle for the socially behavior of the organizations. Within organizations, the HR departments develop a code of conduct & principles of code of ethics that serve as the guidance for the personal behavior of the employees of the organizations. The employees also expect from the management to show favorable decisions.

5. **Job Insecurity**

In the recent years, restructuring & downsizing develops the sense of insecurity of job within the employees of the organizations. Now many employees only desire to get a steady job rather than

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a job with promotional future. Even most successful organizations lay off its employees in the period of cut throat competition. The stock market also shows favorable results when layoffs has been made. All these things create a fear among employees about the insecurity of their jobs which would hinder their effective performance.

Work force diversity -Meaning

People from all walks of life come together in today's business world. Many companies pride themselves on having a diverse workforce, one that is made up of individuals with a wide range of characteristics and experiences. Some of the key characteristics of **workforce diversity** include race, ethnicity, gender, age, religion, ability, and sexual orientation. A company that embraces diversity can broaden its skill base and become more competitive and innovative. Workforce diversity also brings with it a number of issues and challenges.

Issues and Challenges

It is common that someone who has experienced unfair treatment based on a personal characteristic. **Discrimination** occurs when someone is denied opportunities on the basis of a personal characteristic that has no bearing on job performance. Discrimination causes great harm and is illegal in most cases.

It's natural that tensions will arise among individuals in a diverse workforce, so it's important for employers to have diversity management policies in place. Most large organizations have taken steps to promote diversity awareness and understanding. These **diversity initiatives** contribute to a positive work environment that is free from discrimination. There are some of the specific issues that arise among the diverse groups in the workforce.

Race and Ethnicity - Racial and ethnic minorities may have different perspectives, customs, or approaches to communication in the workplace. These differences can pose challenges for organizations that seek harmonious employee relations. Such challenges can be addressed through appropriate training and education.

Gender - Women have long struggled to obtain equal pay for comparable work and to remove the glass ceiling, an invisible barrier that keeps women and other minorities out of the top

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managerial ranks. Women also face gender discrimination and **sexual harassment**, i.e. sexual advances or other unwelcome conduct of a sexual nature. Although much progress has been made to prevent such conduct, there is still a need for training and education.

Age - Today's diverse workforce reflects generational differences and differing perspectives about the relationship between age and ability or professional worth. While complaints about age discrimination are not as prevalent as complaints about gender and racial discrimination, managers must still promote awareness and understanding of age differences in the workforce.

Religion - Religious diversity in the workplace raises freedom of expression issues and can lead to conflicts over employee leave for religious observances. Religious discrimination suits are on the rise, so this is another important area for managerial attention.

Empowerment- Definition

A management practice of sharing information, rewards, and power with employees so that they can take initiative and make decisions to solve problems and improve service and performance. Empowerment is based on the idea that giving employees skills, resources, authority, opportunity, motivation, as well holding them responsible and accountable for outcomes of their actions, will contribute to their competence and satisfaction.

The advantages of Employee Empowerment

There are a number of definite advantages of embedding a strategy and culture of employee empowerment:

Faster problem solving: First, because empowered employees are so close to issues and problems that require resolution, response times should decrease.

Increased morale and productivity: People who are given the autonomy to make their own decisions feel trusted and that their contributions are a direct factor in their company's success. This is a direct determinant of employee morale. For example, 91% of Google's employees say that they carry meaningful responsibilities within the organization: for six years running Google has been

ranked by Fortune as the best company to work for. With less need for supervisorial approval, workflow speeds up and productivity increases.

Greater involvement leads to greater commitment: With the greater involvement engendered by their increased responsibility, employees become more involved in organizational strategy. They begin to look at colleagues and customers differently, and their commitment to the company and its future grows. Satisfied employees lead to satisfied customers. Such commitment also leads to decreased staff turnover and reduced costs of hiring and training.

Lower levels of management stress: When employees are empowered with responsibility, managers become freed to concentrate on strategy and the bigger picture: daily stress declines.

The disadvantages of Employee Empowerment

Lack of experience increases risk: While the handing-down of responsibility promises to improve speed, agility, and productivity, a concern is that decisions are now being made by less experienced and less expert personnel. This can increase the number of mistakes made and also put reputation at risk.

Potential for decreased efficiency: When people are given the autonomy to make their own decisions, those decisions cease to be uniform. This lack of coordination can lead to problems down the line.

Blurred relationships: Empowerment inevitably leads to a flatter, more streamlined management structure. The risk here is that professional relationships become blurred, and boundaries of authority become broken. This might actually require greater control over employees, not less.

Downsizing: Definition

Downsizing refers to the process of reducing the size of workforce by terminating the employment of employees. It is also referred as layoff. Downsizing is common in a recessionary

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situation where downsizing helps to cut costs. Some companies also layoff a percentage of low performers every year to maintain a competitive and efficient work force.

Employees asked to exit are often compensated by paying a fixed amount or a few months salary. Downsizing not only affects the employees who have to exit the company, but also the remaining employees who may fear themselves to be in a similar situation at a later time.

Pros of Downsizing

• Cuts cost;

• Chance to restructure and reorganize departments;

• Opportunity to recreate company culture and ideals;

• Improved efficiency in the office;

• Increase in benefits and opportunities for those who stay with the company;

• Possible improvement in communication and decision making.

The cons to Downsizing:

• Criticism from the public;

• Possible lawsuits stemming from employee claims and litigation;

• The loss of reliable, talented and dedicated employees;

• Reputation is often destroyed due to a loss of trust and job security;

• Loss of trust between employer and the remaining employees.

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Voluntary Retirement Service (VRS)

Definition: Voluntary retirement scheme is a method used by companies to reduce surplus staff. This mode has come about in India as labour laws do not permit direct retrenchment of unionized employees.

Description: VRS applies to an employee who has completed 10 years of service or is above 40 years of age. It should apply to all employees (by whatever name called), including workers and executives of a company or of an authority or of a co-operative society, excepting directors of a company or a co-operative society.

It has to result in an overall reduction in the existing strength of employees. The vacancy caused by voluntary retirement is not to be filled up. The retiring employee shall not be employed in another company or concern belonging to the same management. The amount receivable on account of voluntary retirement of the employee does not exceed the amount equivalent to three months' salary for each completed year of service, or salary at the time of retirement multiplied by the balance months of service left before the date of retirement on superannuation of the employee. It is the last salary drawn which is to form the basis for computing the amount of payment. Most large public and private sector companies have implemented VRS in recent years.

Benefits of Voluntary Retirement for Companies

Here are a few ways voluntary retirement aid companies:

➢ Reduce workforce without holding a layoff event
➢ Rightsize the organization
➢ Retain knowledge from senior staff members
➢ Keep their reputation intact during a downsizing event
➢ Allow for workforce planning efforts

Human Resource Information System

According to Kavanagh, Guental and Tannenbaum, "A human resource information system (HRIS) is the system used to acquire, store, manipulate, analyse, retrieve, and distribute pertinent information regarding an Organization's human resources."

Human resource information system means the collection, recording, storing, analyzing & retrieving of data about the human resources. Different aspects related to the working life of

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employees are considered like salary, compensation, leave, payroll, accidents & other benefits. The information on all these areas of Human Resource is acquired by the human resource information system**.** The human resource manager utilizes this information to perform his functions in an effective way. In olden days the personnel officers in the organizations spent a lot of time & efforts to collect simple data of their employees about the leave entitlement and salary & wage aspects.

The reason is that all this system is managed manually which does not cover the latest advanced aspects of human resource. This manual information was maintained to ensure the proper wage & salary disbursement, the notification of leave entitlement of employees & compensation & superannuating claims of the employees. This human resource information was not properly utilized to ascertain the future trends, identify & solve problems like long term staffing etc.

The Scope of HRIS:

The scope of HRIS is very vast and it encompasses

 (i) Procurement

(ii) HR planning

(iii) Personnel administration

(iv) Training & Development

 (v) Maintenance information:

 (vi) Appraisal

 (vii) Pay roll

(viii) Industrial relations

(ix) Job analysis and design

Objectives of HRIS:

The basic objective of HRIS is to help and support the human resource management department to function as an efficient and responsible area for managing the human resource of the organization providing perfect, timely, accurate and dependable information for decision making, policy framing and analysis. The other secondary, though principal objectives of HRIS can be summarized as under.

• Identification of HR information need for every functional area of the organization.

• Creation of a comprehensive data base to fulfill these needs.

• To make the desired information available in the right form to the right person and at the right time.

• To develop complete functional specification for the HRIS.

• Designing necessary transaction processing and updated information.

• To use the most efficient method of processing data.

• To identify retrieved and reporting needs of information.

• Developing pertinent supporting documentation.

• To provide necessary security and secrecy for important and confidential information.

• To keep the information up-to-date.

Benefits of HRIS

➢ Expedition of recurring tasks through automation

➢ Improved ability to reach large candidate pools regarding new position openings

➢ Ability to quickly apply higher selection standards to a number of applications

➢ Speedy on boarding made possible by mobile accessibility

➢ Reduction of paper and related materials and storage – often yields cost savings

➢ Ease in distributing up-to-date materials concerning company policies and procedures

➢ Potential for greater employee engagement through self-service options

➢ Streamlining of open enrollment for benefits

➢ Empowerment of employees to change benefits information directly as changes occur

➢ Improved collaboration throughout organization, even when there are multiple company locations

➢ Improvements in training capabilities through integration with LMS and development tracking features

➢ Scheduling optimization with emphasis on compliance and immediate distribution to employees

➢ Reduction of errors in payroll and employee information database

➢ Improved time and attendance tracking abilities and accuracy

➢ Decrease in compliance woes aided by alerts and automatic reporting options

➢ Ability to make more informed decisions in real time by using analytics and integration of organizational data

Part A (ONE Mark)
Multiple Choice Questions
Online Examination

Part B
(2 Marks)

1. Define Human Resource Management

2. What is meant by HRM

3. What is meant by environment of HRM

4. Define HR policies

5. Is HR science or an Art?

6. Mention any two important challenges of HRM.

7. Define HRIS

8. What is HRIS?

9. State any two benefits of computers in the HR function.

10. What is the meaning of Staffing?

11. What is Job analysis?

12. What is Job description?

13. What is a Job specification?

14. What is Employee counseling?

15. What are the two types of environment of HRM?

16. Mention any two important duties of HR manager.

17. Mention any two important qualities of HR manager.

18. Write down the objectives of HRIS?

19. What are the limitations of HRIS?

Part C (8 Marks)

1. Elucidate the evolution of human resource management. Discuss its significance due to the emergence of large corporations.

2. What are the objectives and functions of HRM?

3. State the nature of HRM or explain the nature and scope of human resource

4. What are the challenges of HRM?

5. Human resource policies are guideposts to HRM. Explain this statement

6. Discuss the various functions of HRM.

7. Enumerate the principles of HRM and also discuss its merits and demerits

8. Briefly explain on HRM and HRD functions and state its differences

9. Explain the duties, responsibilities and qualities of HR manager.

10. Explain- "HRIS". What are the processes involved in HRIS?

11. Explain the objectives and merits of HRIS.

12. Discuss the merits and limitations of HRIS

13. Explain the steps involved in implementing a human resources information system.

14. Write notes on i) Empowerment ii) Downsizing iii) VRS

15. Explain downsizing and list out its merits and demerits

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Department of Commerce

Unit 1- Introduction to HRM-Multiple Choice Questions- Each Question Carry ONE Mark

S.No	Questions	Opt 1	Opt 2	Opt 3	Opt 4	Answer
1	organisation	asset	organization.	machine	loss	asset
2	competitive advantages.	Capital	Human	Mechanical	Electrical	Human
3	HRM is a concerned with_____.	machines	methods	people	raw materials	people
4	HRM is a_____process.	continuous	discontinuous	breaking	pending	continuous
5	_____is the conscious determination of future course of action.	Stopping	Planning	Directing	Controlling	Planning
6	_____are continuing guidelines on the approach of the organization which intends to adopt in managing its people.	Personnel Policies	Organizational Policies	Departmental Policies	Functional Policies	Personnel Policies
7	HR policies are formulated in context of_____objectives	individual	departmental	organizational	team	organizational
8	_____determines of future needs of man power in the light of organizational planning and structure.	HR planning	HR development	HR structure	HR system	HR planning
9	Early of 1920s human resource management status viewed as ----------------level	Administrative	Managerial	Clerical	Executive	Clerical
10	HRD aims at------------- part human resources in the organisation.	Development	Maintenance	Relationship	Execution	Development
11	HRD is ---------- of HRM	Subset	Main	Firm	None of the above	Subset
12	The human resource function has -------and ethical objectives	Finance	Customer	Social	Information	Social
13	While HRD is mainly concerned with development function, HRM is------------- in nature	Custom	Strategic	Ordinary	risky	Strategic
14	The-------------focuses his attention in providing and improving welfare facilities for employees	HR manager	Functional manager	Arbitrator	Adjudicator	HR manager
15	HRM is the systematic approach to achieve organisational objective through optimal use of ----------	Latest technologies	Advanced machines	Talented employees	Funds and space	Talented employees
16	HRM is --------------in scope	Broader	Small	No more	Very little	Broader
17	What tasks might the HR evolving HR organisation is involved with most?	Outsourcing	shared service centres	Line manager performing HR tasks	All of the above	Line manager performing HR tasks
18	Which of the following positions would be considered a human resource specialist?	Human resource manager	Compensation manager	Vice president human resources	Marketing manager	Vice president human resources
19	HRM is reactive where as HRD is ----------------	Sensitive	Proactive	Dynamic	Negative	Proactive
20	HRM is concerned with people only where as HRD is concerned with ----------	Development of the entire organisation	Finance	Marketing	Administration	Development of the entire organisation

21	HR policies promotes --------------------- work environment	Positive	Negative	Harmful	Unconstructive	Positive
22	HRIS as a, "system used to------------------------ information regarding an organisations human resources	Acquire	Store	Analyse	All of the above	All of the above
23	According to HRM employees are ----------------- of organisation	Costs	Assets	Liablity	Expenditure	Assets
24	Effective use of human resource will result in	goal achievement	goal failure	no changes	neutral	goal achievement
25	_____enable the employees to reach their full potencial	Environmenet	Training and development	recruetement	selection	Training and development
26	functions and ----------- function	financial	advisory	Marketing	banking	advisory
27	HRM is both an art and -----------	maths	science	biology	commerce	science
28	HRM improves employee----------- and loyalty to the organisation	turnover	retention	engagement	management	engagement
29	HRM encourages ---------- and co-operation among employees	team work	advice	retention	None of the above	team work
30	The personal onjectives of the employees should be allined with the --------onjectives	social	organizational	internal	external	organizational
31	HRM focuses on the attitude, behaviour, perceptions and -------- of employees	money	level	emotions	badness	emotions
32	HR department in tune with the--------of the organisation	vision and mission	turnover	share holders	None of the above	vision and mission
33	Reduction in labour costs due to ------------	training	automation	record work	selection	automation
34	HRIS used to gather, store and analyse information regarding organisations ------	human resources	gereral management	financial activities	financial functions	human resources
35	HRIS-------------- productivity of the systems	decreace	improve	stagnise	maintain	improve
36	_____evaluates and controls the performance of the HR department	investors	supervisors	hr manager	hr executive	hr manager
37	HRM department maintain records relating to -----------	recruetement	selection	training	All of the above	All of the above
38	Staffing includes ---------	recruetement	induction	interview and selection	All of the above	All of the above
39	HR planing is the------------- activity of HRM	primary	secondary	least	None of the above	primary
40	The role and responsibilities of the HR manager depends on the size of the --------------	organisation	market	employee	competitors	organisation
41	Successful HR Managers have an open door policy and are -------- to their employees	non-approachable	approachable	difficult	distance	approachable
42	Successful----------------- know and understand what motivates employees and strive to give it to them	Supervisors	Finance Managers	Marketing Managers	HR Managers	HR Managers
43	_____will make everyone respect and follow same rules in the organisation	customers	HR policies	shareholders	corporation	HR policies
44	The actual achievements compared with the objectives of the job is	Job performance	Job evaluation	Job description	None of the above	Job performance

45	Empowerment is a direct determinant of-------- morale	employee	employer	customer	shareholder	employee
46	Greater involvement leads to greater -----------	advise	commitment	communication	conflicts	commitment
47	Downsizing refers to the process of---------------- the size of workforce	increasing	reducing	maintaining	doing nothing	reducing
48	_____is also referred as layoff	recruitement	selection	Downsizing	rightsize	Downsizing
49	_____helps to cut costs	recruitement	Downsizing	training	interview	Downsizing
50	_____is a method used by companies to reduce surplus staff	VRS	empowerment	recruitement	transfer	VRS
51	VRS is a method used by companies to -------- surplus staff	increase	reduce	maintain	borrow	reduce
52	HRIS helps to keep the information -----------	outdated	up-to-date	follow	None of the above	up-to-date
53	_____ helps reduction of errors in payroll and employee information database	HRIS	HR policies	Hr manager	recruitement	HRIS
54	HRIS means the collection, recording, storing, analyzing & ----- of data about the human resources	retrieving	demolising	control	manipulate	retrieving
55	VRS applies to an employee who has completed ------------- of service	10 years	1 year	5 years	20 years	10 years
56	VRS should apply to ------------ of the organisation	only executives	cader	employees	all employees	all employees
57	Downsizing may get -------from the public	appreciation	support	criticism	comments	criticism
58	_____may increase the feeling of job insecurity among employees	promotion	transfer	downsizing	mergers	downsizing
59	_____will increase morale and productivity	downsizing	VRS	employee empowerment	selection	employee empowerment
60	When employees are empowered with responsibility, -----become freed to concentrate on strategy and the bigger picture	directors	shareholders	customers	managers	managers

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UNIT-II-Acquisition of Human Resource

SYLLABUS

Acquisition of Human Resource: Human Resource Planning-Quantitative and Qualitative dimensions - Job Analysis –Job Description and Job Specification - Recruitment –Concept and Sources - Selection –Concept and Process - Test and Interview - Placement and Induction.

Meaning Human Resource Planning:

Human resource is the most important asset of an organisation. Human resources planning are the important managerial function. It ensures the right type of people, in the right number, at the right time and place, who are trained and motivated to do the right kind of work at the right time, there is generally a shortage of suitable persons. The enterprise will estimate its manpower requirements and then find out the sources from which the needs will be met. If required manpower is not available then the work will suffer. Developing countries are suffering from the shortage of trained managers. Job opportunities are available in these countries but properly trained personnel are not available. These countries try to import trained skill from other countries.

In order to cope human resource requirements, an enterprise will have to plan in advance its needs and the sources. The terms human resource planning and manpower planning are generally used interchangeably. Human resource planning is not a substitute for manpower planning. Rather the latter is a part of the former i.e., manpower planning is integrated with human resource planning. Definition Human Resource Planning:

According to E.W. Vetter, human resource planning is "the process by which a management determines how an organisation should make from its current manpower position to its desired manpower position.

In the words of Leon C. Megginson, human resource planning is "an integration approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organisational objectives and satisfy the individual"s needs and goals of organisational members."

Here, human resource means skill, knowledge, values, ability, commitment, motivation etc., in addition to the number of employees. Though accomplishment of organisational objectives and goals is the primary concern of the human resource planning, concern for the aspirations of the people and their well-being has equal importance in it. In fact, the human resources planning must result in humanisation of work environment.

Features of Human Resource Planning:

1. Well Defined Objectives:

Enterprise"s objectives and goals in its strategic planning and operating planning may form the objectives of human resource planning. Human resource needs are planned on the basis of company"s goals. Besides, human resource planning has its own objectives like developing human resources, updating technical expertise, career planning of individual executives and people, ensuring better commitment of people and so on.

2. Determining Human Resource Reeds:

Human resource plan must incorporate the human resource needs of the enterprise. The thinking will have to be done in advance so that the persons are available at a time when they are required. For this purpose, an enterprise will have to undertake recruiting, selecting and training process also.

3. Keeping Manpower Inventory:

It includes the inventory of present manpower in the organisation. The executive should know the persons who will be available to him for undertaking higher responsibilities in the near future.

4. Adjusting Demand and Supply:

Manpower needs have to be planned well in advance as suitable persons are available in future. If sufficient persons will not be available in future then efforts should be .made to start recruitment process well in advance. The demand and supply of personnel should be planned in advance.

5. Creating Proper Work Environment:

Besides estimating and employing personnel, human resource planning also ensures that working conditions are created. Employees should like to work in the organisation and they should get proper job satisfaction.

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Objectives:

The main objective of having human resource planning is to have an accurate number of employees required, with matching skill requirements to accomplish organisational goals.

1. Ensure adequate supply of manpower as and when required.

2. Ensure proper use of existing human resources in the organisation.

3. Forecast future requirements of human resources with different levels of skills.

4. Assess surplus or shortage, if any, of human resources available over a specified period of time.

5. Anticipate the impact of technology on jobs and requirements for human resources.

6. Control the human resources already deployed in the organisation.

7. Provide lead time available to select and train the required additional human resource over a specified time period.

Need and Importance of HRP:

The need for human resource planning in organisation is realised for the following reasons:

1. Despite growing unemployment, there has been shortage of human resources with required skills, qualification and capabilities to carry on works. Hence the need for human resource planning.

2. Large numbers of employees, who retire, die, leave organisations, or become incapacitated because of physical or mental ailments, need to be replaced by the new employees. Human resource planning ensures smooth supply of workers without interruption.

3. Human resource planning is also essential in the face of marked rise in workforce turnover which is unavoidable and even beneficial. Voluntary quits, discharges, marriages, promo•tions and seasonal fluctuations in business are the examples of factors leading to workforce turnover in organisations. These cause constant ebb and flow in the work force in many organisations.

4. Technological changes and globalisation usher in change in the method of products and distribution of production and services and in management techniques. These changes may also require a change in the skills of employees, as well as change in the number of employ•ees required. It is human resource planning that enables organisations to cope with such changes.

5. Human resource planning is also needed in order to meet the needs of expansion and diver•sification programmes of an organisation.

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6. The need for human resource planning is also felt in order to identify areas of surplus personnel or areas in which there is shortage of personnel. Then, in case of surplus personnel, it can be redeployed in other areas of organisation. Conversely, in case of shortage of personnel, it can be made good by downsizing the work force.

Human resource planning is important to organisation because it benefits the organisation in several ways.

The important ones are mentioned below:

1. Human resource planning meets the organisation need for right type of people in right number at right times.

2. By maintaining a balance between demand for and supply of human resources, human resource planning makes optimum use of human resources, on the one hand, and reduces labour cost substantially, on the other.

3. Careful consideration of likely future events, through human resource planning might lead to the discovery of better means for managing human resources. Thus, foreseeable pitfalls might be avoided.

4. Manpower shortfalls and surpluses may be avoided, to a large extent.

5. Human resource planning helps the organisation create and develop training and succession planning for employees and managers. Thus, it provides enough lead time for internal succession of employees to higher positions through promotions.

6. It also provides multiple gains to the employees by way of promotions, increase in emoluments and other perquisites and fringe benefits.

7. Some of the problems of managing change may be foreseen and their consequences mitigated. Consultations with affected groups and individuals can take place at an early stage in the change process. This may avoid resistance for change.

8. Human resource planning compels management to asses critically the strength and weaknesses of its employees and personnel policies on continuous basis and, in turn, take corrective measures to improve the situation.

9. Through human resource planning, duplication of efforts and conflict among efforts can be avoided, on the one hand, and coordination of worker"s efforts can be improved, on the other.

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10. Last but no means the least, with increase in skill, knowledge, potentialities, productivity and job satisfaction, organisation becomes the main beneficiary. Organisation is benefitted in terms of increase in prosperity/production, growth, development, profit and, thus, an edge over its competitors in the market.

Levels of Human Resource Planning

Human resource planning is useful at different levels.

1. At the National Level:

Human resource planning by Government at the national level covers population projections, programme of economic development, educational and health facilities, occupational distribution and growth, mobility of personnel across industries and geographical regions.

2. At the Sector Level:

This would cover manpower requirements of the agricultural sector, industrial sector and service sector.

3. At the Industry Level:

This would forecast manpower need for specific industries, such as engineering, heavy industries, textile industries, plantation industries, etc.

4. At the Level of Industrial Unit:

It relates to the manpower needs of a particular enterprise.

Steps in Human Resource Planning

Human resource planning is a process through which the right candidate for the right job is ensured. For conducting any process, the foremost essential task is to develop the organizational objective to be achieved through conducting the said process.

Six steps in human resource planning are presented

1.Analysing Organizational Objectives:

The objective to be achieved in future in various fields such as production, marketing, finance, expansion and sales gives the idea about the work to be done in the organization.

2. Inventory of Present Human Resources:

From the updated human resource information storage system, the current number of employees, their capacity, performance and potential can be analysed. To fill the various job

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requirements, the internal sources (i.e., employees from within the organization) and external sources (i.e., candidates from various placement agencies) can be estimated.

3. Forecasting Demand and Supply of Human Resource:

The human resources required at different positions according to their job profile are to be estimated. The available internal and external sources to fulfill those requirements are also measured. There should be proper matching of job description and job specification of one particular work, and the profile of the person should be suitable to it.

4. Estimating Manpower Gaps:

Comparison of human resource demand and human resource supply will provide with the surplus or deficit of human resource. Deficit represents the number of people to be employed, whereas surplus represents termination. Extensive use of proper training and development programme can be done to upgrade the skills of employees.

5. Formulating the Human Resource Action Plan:

The human resource plan depends on whether there is deficit or surplus in the organization. Accordingly, the plan may be finalized either for new recruitment, training, interdepartmental transfer in case of deficit of termination, or voluntary retirement schemes and redeployment in case of surplus.

6. Monitoring, Control and Feedback:

It mainly involves implementation of the human resource action plan. Human resources are allocated according to the requirements, and inventories are updated over a period. The plan is monitored strictly to identify the deficiencies and remove it. Comparison between the human resource plan and its actual implementation is done to ensure the appropriate action and the availability of the required number of employees for various jobs.

Quantitative aspect of human resource planning

Quantitative aspect of human resource planning involves demand forecasting and supply forecasting.

1. Demand forecasting: demand forecasting means estimating the future requirement of the employees. It can be done on the basis of estimating sales, number of proposals company get or on the basis of estimating the number of orders the company has.

The main three methods of demand forecasting are:

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a) **Statistical techniques**: it is one of the reliable source for long range forecasting of employees.

b) **Managerial judgment**: in small companies generally this method is used where the managers sit down, think about the future work load and decide how many people they need. It can be done on bottom up basis where managers give the proposal to the top management and can be done on the top down basis where top management make the forecast and give it to the departmental managers for review.

c) **Work load forecasting**: it means how long the operation would take and how much labor is required.

2. **Supply forecasting**: Supply forecasting is another quantitative aspect of human resource planning. It is concerned with estimating the supply of manpower by analyzing the current resources and future availability. For this purpose the external supply and internal supply of manpower must be considered by human resource planner.

a) **Simulation technique**: it means alternative flows which are examined for effects on future manpower supplies.

b) **Renewal analysis**: this technique measures future flow and supplies of manpower by calculating vacancies created by the organization.

c) **Goal programming**: here the planner tends to optimize the goal.

d) **Markov analysis**: in this method the likelihood of a person in a particular job is estimated.

Thus, the above discussed are the Quantitative aspect of human resource planning.

Qualitative aspect of human resource planning

Qualitative aspect of human resource planning means that after determining the number of personnel for each department in the organization, it is required to determine the nature of job, which will further help in the minimum acceptable qualities required by the personnel. Determining the nature of job along with the minimum acceptable qualities of the personnel is called job analysis.

Job analysis is divided into two parts:

Job description: This contains the information relating to the job

Job specification: This contains the information relating to physical, educational, and other qualification required by the individual to perform the job. Thus, it is about studying the

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information relating to a particular job and then the requirement by personnel to achieve the goal of the organization.

Thus it is the qualitative aspect of human resource planning.

Job Analysis: Concept, Uses and Process of Job Analysis

Before proceed to explain the concept of job analysis, let us first understand the meaning of the term „job" itself

Job:

In simple words, a job may be understood as a division of total work into packages/positions. According to Dale Yoder „„ "A job is a collection or aggregation of tasks, duties and responsibilities which as a whole, is regarded as a regular assignment to individual employees and which is different from other assignments". Thus, a job may be defined as a group of positions involving some duties, responsibilities, knowledge and skills.

Each job has a definite title based on standard trade specialisations within a job. Each job is different from other jobs like peon, clerk, supervisor, and accountant, manager, etc. A job may include many positions. A position is a particular set of duties and responsibilities regularly assigned to an individual.

Job Analysis:

Job analysis refers to the process of collecting information about a job. In other words, it refers to the anatomy of the job. Job analysis is performed upon ongoing jobs only. It contains job contents. For example, what are the duties of a supervisor, grade II, what minimal knowledge, skills and abilities are necessary to be able to adequately perform this job? How do the requirements for a supervisor, grade II, compare with those for a supervisor, grade I? These are the questions that job analysis answers.

Definition of job analysis.

According to Jones and Decothis "Job analysis is the process of getting information about jobs: specially, what the worker does; how he gets it done; why he does it; skill, education and training required; relationship to other jobs, physical demands; environmental conditions".

There are two major aspects of job analysis:

These are: **1. Job Description and 2. Job Specification**

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Job Description:

Job description is prepared on the basis of data collected through job analysis. Job description is a functional description of the contents what the job entails. It is a narration of the contents of a job. It is a description of the activities and duties to be performed in a job, the relationship of the job with other jobs, the equipment and tools involved, the nature of supervision, working conditions and hazards of the job and so on.

All major categories of jobs need to be spelled out in clear and compre•hensive manner to determine the qualifications and skills required to perform a job. Thus, job descrip•tion differentiates one job from the other. In sum, job description is a written statement of what a job holder does, how it is done, and why it is done.

Purposes of Job Description:

Job description is done for fulfilling the following purposes:

1. Grading and classification of jobs
2. Placement and Orientation of new employees
3. Promotions and transfers
4. Outlining for career path
5. Developing work standards
6. Counseling of employees
7. Delimitation of authority

Job Specification:

While job description focuses on the job, job specification focuses on the person i.e, the job holder. Job specification is a statement of the minimum levels of qualifications, skills, physical and other abilities, experience, judgment and attributes required for performing job effectively. In other words, it is a statement of the minimum acceptable qualifications that an incumbent must possess to perform a given job. It sets forth the knowledge, skills and abilities required to do the job effectively. Job specification specifies the physical, psychological, personal, social and behavioural characteristics of the job holders.

Usages of Job Specification: The usages of job specification include:

1. Personnel planning
2. Performance appraisal

3. Hiring

4. Training and development

5. Job evaluation and compensation

6. Health and safety

7. Employee discipline

8. Work scheduling

9. Career planning

Contents of Job Description and Job Specification:

Job contents

Job Description	**Job specification**
A statement containing items such as ● Job title ● Location ● Job summary ● Duties ● Machines, tools, and equipment ● Materials and forms used ● Supervision given or received ● Working conditions ● Hazards	A statement of human qualifications necessary to do the job. Usually contains such items as ● Education ● Experience ● Training ● Judgement ● Initiative ● Physical effort ● Physical skills ● Responsibilities ● Communication skills ● Emotional characteristics ● Unusual sensory demands such as sight, smell, hearing.

Job Evaluation:

Job evaluation is a comparative process of establishing the value of different jobs in a hierarchical order. It allows one to compare jobs by using common criteria to define the relationship of one job to another. This serves as basis for grading different jobs and developing a suitable pay structure for them.

It is important to mention that job evaluation cannot be the sole determining factor for deciding pay structures because job evaluation is about relationships, and not absolutes. The techniques used for job evaluation include ranking, job classification, points rating, etc.

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Importance Job Analysis

Job analysis is useful for overall management of all personnel activities. Those are

1. Human Resource Planning:

The estimates the quantity and quality of people will be required in future. How many and what type of people will be required depends on the jobs to be staffed. Job-related information available through job analysis is, therefore, necessary for human resource planning.

2. Recruitment and Selection:

Recruitment succeeds job analysis. Basically, the goal of the human resource planning is to match the right people with the right job. This is possible only after having adequate information about the jobs that need to be staffed. It is job analysis that provides job information. Thus, job analysis serves as basis for recruitment and selection of employees in the organisation.

3. Training and Development:

Job analysis by providing information about what a job entails i.e., knowledge and skills required to perform a job, enables the management to design the training and development programmes to acquire these job requirements. Employee development programmes like job enlargement, job enrichment, job rotation, etc.

4. Placement and Orientation:

As job analysis provides information about what skills and qualities are required to do a job, the management can gear orientation programmes towards helping the employees learn the required skills and qualities. It, thus, helps management place an employee on the job best suited to him/her.

5. Job Evaluation:

The job evaluation refers to determination of relative worth of different jobs. It, thus, helps in developing appropriate wage and salary structures. Relative worth is determined mainly on the basis of information provided by job analysis.

6. Performance Appraisal:

Performance appraisal involves comparing the actual performance of an employee with the standard one, i.e., what is expected of him/her. Such appraisal or assessment serves as basis for awarding promotions, effecting transfers, or assessing training needs. Job analysis helps in

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establishing job standards which may be compared with the actual performance/contribution of each employee.

7. Personnel Information:

Increasing number of organisations maintain computerised information about their employees. This is popularly known as Human Resource Information System (HRIS). HRIS is useful as it helps improve administrative efficiency and provides decision support^ Information relating to human resources working in the organisation is provided by job analysis only.

8. Health and Safety:

Job analysis helps in identifying and uncovering hazardous conditions and unhealthy environmental factors such as heat, noise, fumes, dust, etc. and, thus, facilitates management to take corrective measures to minimise and avoid the possibility of accidents causing human injury

Process of job analysis:

Job analysis is as useful is not so easy to make. In fact, it involves a process. Though there is no fool-proof process of making job analysis, following are the main steps involved in job analysis:

1. Organisational Job Analysis:

Job analysis begins with obtaining pertinent information about a job". This, according to Terry is required to know the makeup of a job, its relation to other jobs, and its contribution to performance of the organisation.

Such information can be had by dividing back•ground information in various forms such as organisation charts i.e., how the particular job is related to other jobs; class specifications i.e., the general requirement of the job family; job description i.e., starting point to build the revised job description, and flow charts i.e., flow of activities involved in a particular job.

2. Selecting Representative Jobs for Analysis:

Analysing all jobs of an organisation is both costly and time consuming. Therefore, only a representative sample of jobs is selected for the purpose of detailed analysis.

3. Collection of Data for Job Analysis:

In this step, job data features of the job and required qualifications of the employee are collected. Data can be collected either through questionnaire, observation or interviews. However, due care should be taken to select and use the method of data collection that is the most reliable in the given situation of the job.

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4. Preparing Job Description:

The job information collected in the above ways is now used to prepare a job description. Job description is a written statement that describes the tasks, duties and responsibilities that need to be discharged for effective job performance.

5. Preparing Job Specification:

The last step involved in job analysis is to prepare job specification on the basis of collected information. This is a written statement that specifies the personal qualities, traits, skills, qualification, aptitude etc. required to effectively perform a job.

Recruitment: Meaning, Definition, Process and Factors influencing Recruitment Meaning:

Recruitment is a positive process of searching for prospective employees and stimulating them to apply for the jobs in the organisation. When more persons apply for jobs then there will be a scope for recruiting better persons.

The job-seekers too, on the other hand, are in search of organisations offering them employment. Recruitment is a linkage activity bringing together those with jobs and those seeking jobs. In simple words, the term recruitment refers to discovering the source from where potential employees may be selected. The scientific recruitment process leads to higher productivity, better wages, high morale, reduction in labour turnover and enhanced reputation. It stimulates people to apply for jobs; hence it is a positive process.

Recruitment is concerned with reaching out, attracting, and ensuring a supply of qualified personnel and making out selection of requisite manpower both in their quantitative and qualitative aspect. It is the development and maintenance of adequate man- power resources. This is the first stage of the process of selection and is completed with placement.

Definition:

According to Edwin B. Flippo, "It is a process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organisation." He further elaborates it, terming it both negative and positive. He says, "It is often termed positive in that it stimulates people to apply for jobs, to increase the hiring ratio, i.e. the number of applicants for a job. Selection, on the

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other hand, tends to be negative because it rejects a good number of those who apply, leaving only the best to be hired. "

Need for Recruitment

Every Company in the world knows the important of recruitment step in increasing the performance of the company and increasing the productivity of the products. In this part of the project we will mention some important point about the importance of recruitment step in any organization:

➢ It helps organization by found of the need of requirements by job analysis activities and personnel planning.

➢ To collect many of job candidates with less cost.

➢ It helps to organize application by divided them by under qualified or overqualified, to increase the possibility of increasing and choosing the success person to the right place.

➢ Employing new and better qualified staff often the only effective long-term strategy for improving operational performance.

➢ Capabilities and commitment of employees ensure an organisation"s success.

➢ Raise organizational and individual value in the short term and long term.

Factors Influencing Recruitment:

All enterprises, big or small, have to engage themselves in recruitment of persons. A number of factors influence this process.

Some of the Main Factors are being discussed below:

1. Size of the Enterprise:

The number of persons to be recruited will depend upon the size of an enterprise. A big enterprise requires more persons at regular intervals while a small undertaking employs only a few employees. A big business house will always be in touch with sources of supply and shall try to attract more and more persons for making a proper selection. It can afford to spend more amounts in locating prospective candidates. So the size of an enterprise will affect the process of recruitment.

2. Employment Conditions:

The employment conditions in an economy greatly affect recruitment process. In under-developed economies, employment opportunities are limited and there is no dearth of prospective

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candidates. At the same time suitable candidates may not be available because of lack of educational and technical facilities. If the availability of persons is more, then selection from large number becomes easy. On the other hand, if there is a shortage of qualified technical persons, then it will be difficult to locate suitable persons.

3. Salary Structure and Working Conditions:

The wages offered and working conditions prevailing in an enterprise greatly influence the availability of personnel. If higher wages are paid as compared to similar concerns, the enterprise will not face any difficulty in making recruitments. An organisation offering low wages can face the problem of labour turnover.

The working conditions in an enterprise will determine job satisfaction of employees. An enterprise offering good working conditions like proper sanitation, lighting, ventilation, etc. would give more job satisfaction to employees and they may not leave their present job. On the other hand, if employees leave the jobs due to unsatisfactory working conditions, it will lead to fresh recruitment of new persons.

4. Rate of Growth:

The growth rate of an enterprise also affects recruitment process. An expanding concern will require regular employment of new employees. There will also be promotions of existing employees necessitating the filling up of those vacancies. A stagnant enterprise can recruit persons only when present incumbent vacates his position on retirement, etc.

Others factors are i) recruitment policy, ii) working conditions, iii) image and reputation of the employer, iv) image of the job, v) competitors, vi) environmental factors, vii) human resource planning and viii) cost of recruitment.

Purpose and Importance of Recruitment

➢ Determine the present and future requirements of the organization on conjunction with its personnel planning and job analysis activities.

➢ Increase the pool of job candidates at minimum cost.

➢ Help increase the success rate of the selection process by reducing the number of visibly under qualified or overqualified job applicants.

➢ Help reduce the probability that job applicants, once recruited and selected, will leave the organization only after a short period of time.

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➢ Meet the organization‟s legal and social obligations regarding the composition of its work force.

➢ Begin identifying and preparing potential job applicants who will be appropriate candidates.

➢ Increase organizational and individual effectiveness in the short term and long term.

➢ Evaluate the effectiveness of various recruiting techniques and sources for all types of job applicants.

Steps in Recruitment process

The five steps involved in recruitment process are as follows: (i) Recruitment Planning (ii) Strategy Development (iii) Searching (iv) Screening (v) Evaluation and Control.

1. Recruitment Planning:

The first step involved in the recruitment process is planning. Here, planning involves to draft a comprehensive job specification for the vacant position, outlining its major and minor responsibilities; the skills, experience and qualifications needed; grade and level of pay; starting date; whether temporary or permanent; and mention of special conditions, if any, attached to the job to be filled ‟

2. Strategy Development:

Once it is known how many with what qualifications of candidates are required, the next step involved in this regard is to devise a suitable strategy for recruiting the candidates in the organisation.

The strategic considerations to be considered may include issues like whether to prepare the required candidates themselves or hire it from outside, what type of recruitment method to be used, what geographical area be considered for searching the candidates, which source of recruitment to be practiced, and what sequence of activities to be followed in recruiting candidates in the organisation.

3. Searching:

This step involves attracting job seekers to the organisation. There are broadly two sources used to attract candidates. These are:

    1. Internal Sources, and

    2. External Sources

4. Screening:

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Though some view screening as the starting point of selection, we have considered it as an integral part of recruitment. The reason being the selection process starts only after the applications have been screened and shortlisted. Let it be exemplified with an example.

In the Universities, applications are invited for filling the post of Professors. Applications received in response to invitation, i.e., advertisement are screened and shortlisted on the basis of eligibility and suitability. Then, only the screened applicants are invited for seminar presentation and personal interview. The selection process starts from here, i.e., seminar presentation or interview.

Job specification is invaluable in screening. Applications are screened against the qualification, knowledge, skills, abilities, interest and experience mentioned in the job specification. Those who do not qualify are straightway eliminated from the selection process.

The techniques used for screening candidates vary depending on the source of supply and method used for recruiting. Preliminary applications, de-selection tests and screening interviews are common techniques used for screening the candidates.
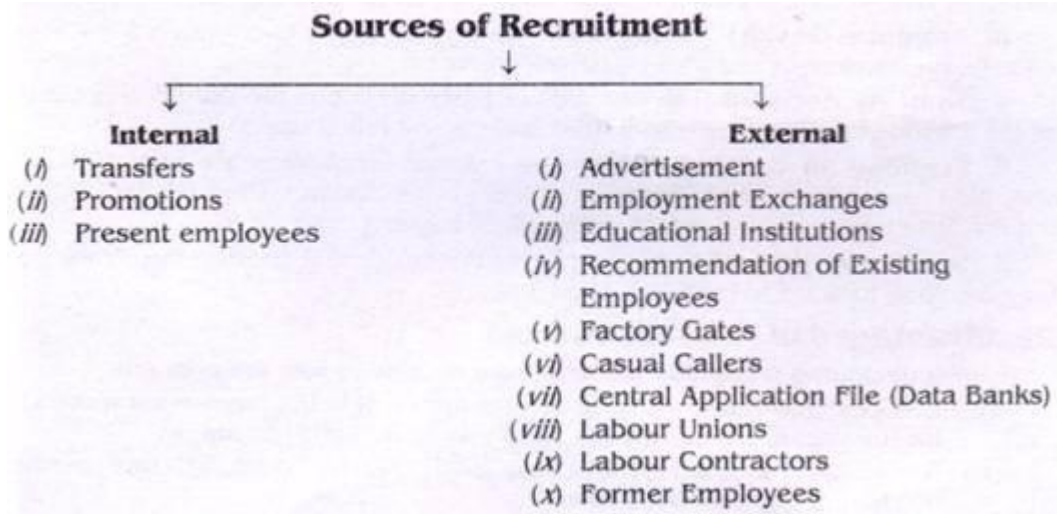
5. Evaluation and Control:

Given the considerable cost involved in the recruitment process, its evaluation and control is, therefore, imperative.

Sources of Recruitment of Employees

The searching of suitable candidates and informing them about the openings in the enterprise is the most important aspect of recruitment process. The candidates may be available inside or outside the organisation. Basically, there are two sources of recruitment i.e., internal and external sources.

(A) Internal Sources:

Best employees can be found within the organisation… When a vacancy arises in the organisation, it may be given to an employee who is already on the pay-roll. Internal sources include promotion, transfer and in certain cases demotion. When a higher post is given to a deserving employee, it motivates all other employees of the organisation to work hard. The employees can be informed of such a vacancy by internal advertisement.

Sources of Recruitment

Internal	External
(i) Transfers	(i) Advertisement
(ii) Promotions	(ii) Employment Exchanges
(iii) Present employees	(iii) Educational Institutions
	(iv) Recommendation of Existing Employees
	(v) Factory Gates
	(vi) Casual Callers
	(vii) Central Application File (Data Banks)
	(viii) Labour Unions
	(ix) Labour Contractors
	(x) Former Employees

The Internal Sources Are Given Below:

1. Transfers:

Transfer involves shifting of persons from present jobs to other similar jobs. These do not involve any change in rank, responsibility or prestige. The numbers of persons do not increase with transfers.

2. Promotions:

Promotions refer to shifting of persons to positions carrying better prestige, higher responsibilities and more pay. The higher positions falling vacant may be filled up from within the organisation. A promotion does not increase the number of persons in the organization. A person going to get a higher position will vacate his present position. Promotion will motivate employees to improve their performance so that they can also get promotion.

3. Present Employees:

The present employees of a concern are informed about likely vacant positions. The employees recommend their relations or persons intimately known to them. Management is relieved of looking out prospective candidates.

The persons recommended by the employees may be generally suitable for the jobs because they know the requirements of various positions. The existing employees take full responsibility of those recommended by them and also ensure of their proper behaviour and performance.

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Advantages of Internal Sources:

1. Improves morale:

When an employee from inside the organisation is given the higher post, it helps in increasing the morale of all employees. Generally every employee expects promotion to a higher post carrying more status and pay (if he fulfills the other requirements).

2. No Error in Selection:

When an employee is selected from inside, there is a least possibility of errors in selection since every company maintains complete record of its employees and can judge them in a better manner.

3. Promotes Loyalty:

It promotes loyalty among the employees as they feel secured on account of chances of advancement.

4. No Hasty Decision:

The chances of hasty decisions are completely eliminated as the existing employees are well tried and can be relied upon.

5. Economy in Training Costs:

The existing employees are fully aware of the operating procedures and policies of the organisation. The existing employees require little training and it brings economy in training costs.

6. Self-Development:

It encourages self-development among the employees as they can look forward to occupy higher posts.

Disadvantages of Internal Sources:

(i) It discourages capable persons from outside to join the concern.

(ii) It is possible that the requisite number of persons possessing qualifications for the vacant posts may not be available in the organisation.

(iii) For posts requiring innovations and creative thinking, this method of recruitment cannot be followed.

(iv) If only seniority is the criterion for promotion, then the person filling the vacant post may not be really capable.

Inspite of the disadvantages, it is frequently used as a source of recruitment for lower positions. It may lead to nepotism and favouritism. The employees may be employed on the basis of their recommendation and not suitability.

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(B) External Sources:

All organisations have to use external sources for recruitment to higher positions when existing employees are not suitable. More persons are needed when expansions are undertaken.

Methods of External Sources:

1. Advertisement: It is a method of recruitment frequently used for skilled workers, clerical and higher staff. Advertisement can be given in newspapers and professional journals. These advertisements attract applicants in large number of highly variable quality. Preparing good advertisement is a specialised task. If a company wants to conceal its name, a „blind advertisement" may be given asking the applicants to apply to Post Bag or Box Number or to some advertising agency.

2. Employment Exchanges: Employment exchanges in India are run by the Government. For unskilled, semi-skilled, skilled, clerical posts etc., it is often used as a source of recruitment. In certain cases it has been made obligatory for the business concerns to notify their vacancies to the employment exchange. In the past, employers used to turn to these agencies only as a last resort. The job-seekers and job-givers are brought into contact by the employment exchanges.

3. Campus interview: Direct recruitment from educational institutions for certain jobs (i.e. placement) which require technical or professional qualification has become a common practice. A close liaison between the company and educational institutions helps in getting suitable candidates. The students are spotted during the course of their studies. Junior level executives or managerial trainees may be recruited in this way.

4. Recommendation of Existing Employees: The present employees know both the company and the candidate being recommended. Hence some companies encourage their existing employees to assist them in getting applications from persons who are known to them. In certain cases rewards may also be given if candidates recommended by them are actually selected by the company. If recommendation leads to favouritism, it will impair the morale of employees.

5. Factory Gates: Certain workers present themselves at the factory gate every day for employment. This method of recruitment is very popular in India for unskilled or semi-skilled labour. The desirable candidates are selected by the first line supervisors. The major disadvantage of this system is that the person selected may not be suitable for the vacancy.

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6. Casual Callers: Those personnel who casually come to the company for employment may also be considered for the vacant post. It is most economical method of recruitment. In the advanced countries, this method of recruitment is very popular.

7. Central Application File: A file of past applicants who were not selected earlier may be maintained. In order to keep the file alive, applications in the files must be checked at periodical intervals.

8. Labour Unions: In certain occupations like construction, hotels, maritime industry etc., (i.e., industries where there is instability of employment) all recruits usually come from unions. It is advantageous from the management point of view because it saves expenses of recruitment. However, in other industries, unions may be asked to recommend candidates either as a goodwill gesture or as a courtesy towards the union.

9. Labour Contractors: This method of recruitment is still prevalent in India for hiring unskilled and semi-skilled workers in brick klin industry. The contractors keep themselves in touch with the labour and bring the workers at the places where they are required. They get commission for the number of persons supplied by them.

10. Former Employees: In case employees have been laid off or have left the factory at their own, they may be taken back if they are interested in joining the concern (provided their record is good).

11. Other Sources:

Apart from these major sources of external recruitment, there are certain other sources which are exploited by companies from time to time. These include special lectures delivered by recruiter in different institutions, though apparently these lectures do not pertain to recruitment directly. Then there are video films which are sent to various concerns and institutions so as to show the history and development of the company. These films present the story of company to various audiences, thus creating interest in them.

Various firms organise trade shows which attract many prospective employees. Many a time advertisements may be made for a special class of work force (say married ladies) who worked prior to their marriage. These ladies can also prove to be very good source of work force. Similarly there

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is the labour market consisting of physically handicapped. Visits to other companies also help in finding new sources of recruitment.

Merits of External Sources:

1. Availability of Suitable Persons: Internal sources, sometimes, may not be able to supply suitable persons from within. External sources do give a wide choice to the management. A large number of applicants may be willing to join the organisation. They will also be suitable as per the requirements of skill, training and education.

2. Brings New Ideas: The selection of persons from outside sources will have the benefit of new ideas. The persons having experience in other concerns will be able to suggest new things and methods. This will keep the organisation in a competitive position.

3. Economical: This method of recruitment can prove to be economical because new employees are already trained and experienced and do not require much training for the jobs.

Demerits of External Sources:

1. Demoralisation: When new persons from outside join the organisation then present employees feel demoralised because these positions should have gone to them. There can be a heart burning among old employees. Some employees may even leave the enterprise and go for better avenues in other concerns.

2. Lack of Co-Operation: The old staff may not co-operate with the new employees because they feel that their right has been snatched away by them. This problem will be acute especially when persons for higher positions are recruited from outside.

3. Expensive: The process of recruiting from outside is very expensive. It starts with inserting costly advertisements in the media and then arranging written tests and conducting interviews. In spite of all this if suitable persons are not available, then the whole process will have to be repeated.

4. Problem of Maladjustment: There may be a possibility that the new entrants have not been able to adjust in the new environment. They may not temperamentally adjust with the new persons. In such cases either the persons may leave themselves or management may have to replace them. These things have adverse effect on the working of the organisation.

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Selection- Meaning

Finding the interested candidates who have submitted their profiles for a particular job is the process of recruitment, and choosing the best and most suitable candidates among them is the process of selection. It results in elimination of unsuitable candidates. It follows scientific techniques for the appropriate choice of a person for the job.

The recruitment process has a wide coverage as it collects the applications of interested candidates, whereas the selection process narrows down the scope and becomes specific when it selects the suitable candidates.

Definition

Stone defines, „Selection is the process of differentiating between applicants in order to identify (and hire) those with a greater likelihood of success in a job".

Steps Involved in Selection Procedure:

A scientific and logical selection procedure leads to scientific selection of candidates. The criterion finalized for selecting a candidate for a particular job varies from company to company. Therefore, the selection procedure followed by different organizations, many times, becomes lengthy as it is a question of getting the most suitable candidates for which various tests are to be done and interviews to be taken. The procedure for selection should be systematic so that it does not leave any scope for confusions and doubts about the choice of the selected candidate

Steps involved in selection process

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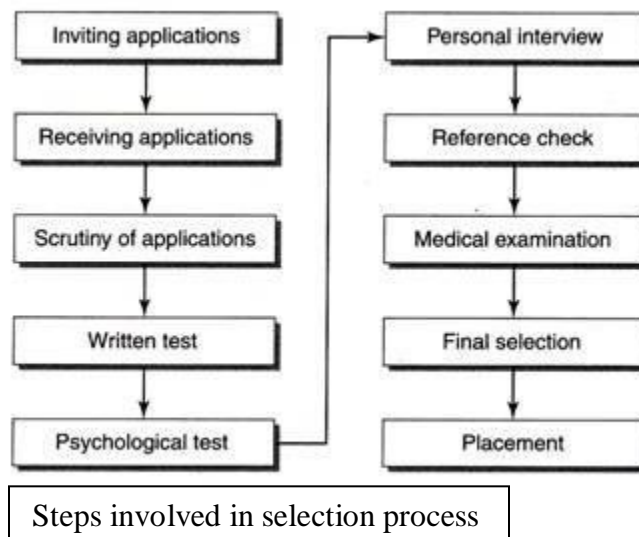
Difference between Recruitment and Selection

Recruitment and selection are part from the same phases of employment, each one is complete the other but there are five points different between them:

➢ Recruitment is the first part of the employment phase, which is looking and collecting more than one applicant, the second part of the employment phase is selection which start to look for applicants and evaluate them.

➢ The goal of Recruitment is to create the differentiation and creativity applicants to give the organization more options. The main goal for selection is to choose the best one to fill the position.

➢ Since recruitment searching for more employees to apply for a position, it is consider as a positive process, and the negative process will be in selection since is reducing the applicants to one for each position.

➢ The source of human resources is most important part to recruitment, but in selection the most important part is choosing the person via interviews or through tests.

➢ There no contract between applicant and organization in recruitment process, but there is an signing a contract between an applicant and organization.

Testing

A variety of tests may be given upon successful completion of an interview. These employment tests can gauge a person"s KSAOs in relation to another candidate. The major categories of tests include the following:

1. Cognitive ability tests
2. Personality tests
3. Physical ability tests
4. Job knowledge tests
5. Work sample
6. Interest tests
7. Aptitude tests
8. Achievement tests

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Benefits of tests

Pre-employment tests offer wide ranging benefits that not only streamline the hiring process, but also strengthen an entire organization by increasing the likelihood that new employees will be successful in their positions. Pre-employment testing can help ensure alignment between the employee selection process and desired business outcomes such as lower turnover, increased sales, and higher customer satisfaction. The most significant benefits a company may experience by implementing an effective employee testing solution include:

➢ Higher productivity

➢ Increased employee retention and reduction in costs associated with turnover (e.g., hiring and training costs)

➢ More efficient, less time-consuming hiring process

➢ Increased defensibility of the hiring process through the use of objective, validated metrics

Interview

Definition: Interview refers to a formal, in-depth conversation between two or more persons, wherein exchange of information takes place, with a view of checking candidate"s acceptability for the job.

Objectives of Interview

➢ To evaluate applicant"s suitability.

➢ To gain additional information from the candidate.

➢ To provide general information about the company to the applicant.

➢ To create a good image of the company, among applicants.

It is an effective tool for selection. It is a two way communication between interviewer and interviewee, wherein the former seeks information, by way of questions and the latter provides the same, through his/her verbal responses. However, the information flows in both directions.

Types of Interview

➢ **Structured Interview**: The interview in which preset standardised questions are used by the interviewer, which are asked to all the candidates. It is also known as a patterned or guided interview.

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- **Unstructured Interview**: The unstructured interview is one that does not follow any formal rules and procedures. The discussion is free flowing, and questions are made up during the interview.

- **Mixed Interview**: It is a combination of structured and unstructured interview, wherein a blend of predetermined and spontaneous questions are asked by the interviewer to the job seeker. It follows a realistic approach which allows the employer to make a comparison between answers and get in-depth insights too.

- **Behavioural Interview**: It is concerned with a problem or a hypothetical situation, put before the candidate with an expectation to solve. It aims at revealing the job seeker‟s ability to solve the problem presented.

- **Stress Interview**: The employer commonly uses stress interview for those jobs which are more stress prone. A number of harsh, rapid fire questions are put to the interviewee with intent to upset him. It seeks to know, how the applicant will respond to pressure.

- **One to one Interview**: The most common interview type, in which there are only two participants – the interviewer (usually the representative of the company) and interviewee, taking part in the face to face discussion, in order to transfer information.

- **Panel Interview:** Panel interview is one, in which there is a panel of interviewers, i.e. two or more interviewers, but limited to 15. All the members of the panel are different representatives of the company.

- **Telephonic Interview**: Telephonic interview is one that is conducted over telephone. It is the most economical and less time consuming, which focuses on asking and answering questions.

- **Video Interview**: An interview, in which video conference is being employed, to judge or evaluate the candidate. Due to its flexibility, rapidity and inexpensiveness, it is used increasingly.

Induction and Placement

Meaning of Placement

Placement is a process of assigning a specific job to each of the selected candidates. It involves assigning a specific rank and responsibility to an individual. It implies matching the requirements of a job with the qualifications of the candidate.

The significances of placement are as follows: -

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- ➤ It improves employee morale.
- ➤ It helps in reducing employee turnover.
- ➤ It helps in reducing absenteeism.
- ➤ It helps in reducing accident rates
- ➤ It avoids misfit between the candidate and the job.
- ➤ It helps the candidate to work as per the predetermined objectives of the organization.

Meaning of Induction

Once an employee is selected and placed on an appropriate job, the process of familiarizing him with the job and the organization is known as induction.

Induction is the process of receiving and welcoming an employee when he first joins the company and giving him basic information he needs to settle down quickly and happily and stars work.

Objectives of induction

Induction is designed to achieve following objectives: -

- ➤ To help the new comer to overcome his shyness and overcome his shyness nervousness in meeting new people in a new environment.
- ➤ To give new comer necessary information such as location of a café, rest period etc.
- ➤ To build new employee confidence in the organization.
- ➤ It helps in reducing labor turnover and absenteeism.
- ➤ It reduces confusion and develops healthy relations in the organization.
- ➤ To ensure that the new comer do not form false impression and negative attitude towards the organization.
- ➤ To develop among the new comer a sense of belonging and loyalty to the organization.

Advantages of formal Induction

The advantages of formal induction are: -

- ➤ Induction helps to build up a two-way channel of communication between management and workers.
- ➤ Proper induction facilitates informal relation and team work among employee.
- ➤ Effective induction helps to integrate the new employee into the organization and to develop a sense of belonging.

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➢ Induction helps to develop good relation.

➢ A formal induction programme proves that the company is taking interest in getting him off to good start.

➢ Proper induction reduces employee grievances, absenteeism and labor turnover.

➢ Induction is helpful in supplying information concerning the organization, the job and employee welfare facilities.

Contents of induction programme

A formal induction programme should provide following information: -

➢ Brief history and operations of the company.

➢ The company"s organization structure.

➢ Policies and procedure of the company.

➢ Products and services of the company.

➢ Location of department and employee facilities.

➢ Safety measures.

➢ Grievances procedures.

➢ Benefits and services of employee.

➢ Standing orders and disciplinary procedures.

➢ Opportunities for training, promotions, transfer etc.

➢ Suggestion schemes.

➢ Rules and regulations.

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Part A (ONE Mark)

Multiple Choice Questions

Online Examination

Part B

(2 Marks)

</div>

1. Define Human Resource planning

2. Write short note on HRP.

3. Specify the advantages of HRP.

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4. State any two importance of HRP

5. What is job analysis?

6. What is job description?

7. What is job specification?

8. What are the contents of job specification?

9. What is meant by recruitment?

10. Define recruitment

11. What are the two major sources of recruitment?

12. Name any three important external sources of recruitment

13. What is selection?

14. What is an interview?

15. State the objectives of interview.

16. Mention any two types of interviews used in selection

17. What is stress interview?

18. Define selection.

19. Name the types of selection tests.

20. What are the uses of test in selection?

21. Why is the medical examination of a candidate necessary?

22. What is personality test?

23. What is placement?

24. Define induction program.

Part C (8 Marks)

1. Explain the process of human resource planning

2. Explain the need and importance of HR planning

3. Explain the objectives and process of human resource planning

4. What are the barriers of effective human resource planning and discuss on pros and cons of human resource planning?

5. Define job analysis and describe various methods of job analysis

6. Explain the various sources of recruitment

7. Elaborate the steps in the process of selection

8. Write short notes on i) interview ii) selection iii) test

9. Briefly explain various types of tests

10. Explain the meaning of selection and its importance

11. Discuss the objectives , purpose, and sources of recruitment

12. State and explain the basic steps involved in selection procedure

13. Discuss the steps involved in induction and orientation program and its importance

S.No	Questions	Opt 1	Opt 2	Opt 3	Opt 4	Answer
1	Human resources planning are the important ------------ function.	logical	technical	Managerial	none of the above	Managerial
2	_____ensures the right type of people to do the right kind of work	marketing	human resources planning	middle management	top management	Human resources planning
3	Human resource needs are planned on the basis of ------	company's goals	employee goal	employer goal	shareholders goal	company's goals
4	_____must incorporate the human resource needs of the enterprise	financial plans	Human resource plan	marketing strategy	none of the above	Human resource plan
5	_____ensure adequate supply of manpower as and when required	Human resources planning	marketing planning	financial planning	internal planning	Human resources planning
6	_____ aspect of human resource planning involves demand forecasting and supply forecasting.	qualitaive	quantitative	quantitative and qualitative	none of the above	quantitative
7	Supply forecasting is another _____aspect of human resource planning.	qualitaive	quantitative	quantitative and qualitative	none of the above	quantitative
8	Nature of job along with the minimum acceptable qualities of the personnel is called ---------	job analysis	job description	job specification	all of the above	job analysis
9	_____contains the information relating to the job	job analysis	job description	job specification	all of the above	job description
10	_____ contains the information relating to the skills required from the candidates	job analysis	job description	job specification	none of the above	job specification
11	Job analysis is the process of getting information about -------	jobs	worker	customer	market	jobs
12	While job description focuses on the job, job specification focuses on the ------	company's goals	job	person	time	person
13	_____is about relationships, and not absolutes	recruitement	job evaluation	interview	selection	job evaluation
14	Goal of the human resource planning is to match the right people with the----.	company's goals	company vision	right job	none of the above	right job
15	The job evaluation refers to determination of _____worth of different jobs	disconnected	relative	not related	permonent	relative
16	Performance appraisal involves comparing the actual performance of an_____with the standard one	employee	employer	shareholders	customers	employee
17	Analysing all jobs of an organisation is both_____and time consuming	money	waste	costly	none of the above	costly
18	Recruitment is a_____process of searching for prospective employees	positive	negative	neutral	none of the above	positive
19	Selection is a_____process of searching for prospective employees	positive	negative	neutral	none of the above	negative
20	When more persons apply for jobs then there will be a scope for recruiting --- persons	moderate	better	worst	none of the above	better
	_____process helps to collect many of	development	training	recruitment	transfer	recruitment

21	job candidates with less cost					
22	_____ is a linkage activity bringing together those with jobs and those seeking jobs.	recruitment	training	transfer	promotion	recruitment
23	_____ is the first stage of the process of selection	interview	tests	recruitment	none of the above	recruitment
24	Capabilities and of employees ensure an organisation's success	illness	commitment	family	failure	commitment
25	The number of persons to be recruited will depend upon the--- of an enterprise	customer	shareholders	size	asset	size
26	The conditions in an economy greatly affect recruitment process	market	economy	employment	none of the above	employment
27	If the availability of persons is more, then_____from large number becomes easy	interview	selection	promotion	screening	selection
28	The working conditions in an enterprise will determine ------ of employees.	mindset	job satisfaction	salary	none of the above	job satisfaction
29	The first step involved in the recruitment process is -----------	organising	enrolling	implimenting	planning	planning
30	Job specification is_____in screening	invaluable	valuable	not considered	not important	invaluable
31	Internal recruitement sources include promotion and -------	transfer	advertisement	labour union	campus interview	transfer
32	_____is comes under the external recruitment sources	transfer	campus interview	promotion	employee referals	campus interview
33	_____involves shifting of persons from present jobs to other similar jobs	promotion	transfer	demotion	none of the above	transfer
34	_____refer to shifting of persons to positions carrying better prestige, higher responsibilities and more pay	selection	transfer	promotions	demotion	promotions
35	_____will motivate employees to improve their performance	selection	promotion	recruitment	demotion	promotion
36	_____discourages capable persons from outside to join the concern	Internal sources	External sources	Transfer	Promotion	Internal sources
37	_____can be given in newspapers and professional journals	Advertisement	Promotion	Recruitment	Demotion	Advertisement
38	Direct recruitment from educational institutions for certain jobs is known as ----------	campus interview	behavioural interview	stress interviwe	personal interview	campus interview
39	Finding the interested candidates who have submitted their profiles for a particular job is the process of ----------	recruitment	selection	transfer	promotion	recruitment
40	Choosing the best and most suitable candidates among them is the process of ___	selection	recruitment	transfer	promotion	selection
41	A variety of tests may be given upon successful completion of an _____	selection	interview	promotion	demotion	interview
42	Effective test result in ------------	Higher productivity	Increased employee retention	reduction in costs	All of the above	All of the above
43	_____is effective tool of selection	Interview	production	marketing	none of the above	Interview

44	The ____ is one that does not follow any formal rules and procedures.	structured	unstructured interview	stress interviwe	all of the above	unstructured interview
45	____is combination of structured and unstructured interview	Mixed interview	Stress interviwe	One to one interview	Panel interview	Mixed interview
46	____is a process of assigning a specific job to each of the selected candidates	Induction	Placement	Training	none of the above	Placement
47	There no contract between applicant and organization in -------- process	Training	recruitment	Induction	selection	recruitment
48	The main objective of interview process is ------------	reject appicant	to train the applicant	to give stress	none of the above	evaluate applicant's suitability
49	Interview is a two way communication between interviewer and ------------	employer	interviewee	customer	employee	interviewee
50	The employer commonly uses ____interview for those jobs which are more stress prone	unstructured	stress	structured	none of the above	stress
51	Placement ensures------------	employee morale	reducing employee turnover	reducing absenteeism	all of the above	all of the above
52	____is the process of receiving and welcoming an employee when he first joins the company	Placement	Selection	Interview	Promotion	Induction
53	____develop among the new comer a sense of belonging and loyalty to the organization	Induction	Selection	Interview	none of the above	Induction
54	Proper induction facilitates informal relation and team work among ---------	employers	employee	customers	all of the above	employees
55	Proper induction reduces -----------	employee grievances	absenteeism	labor turnover	all of the above	all of the above
56	Induction programme should contain information about------	history of the company	Policies and procedure of the company	Products and services of the company	all of the above	all of the above
57	Placement avoids misfit between the candidate and the -------	employer	job	training	none of the above	job
58	The most common interview type is------------	video Interview	one to one interview	mixed interview	behavioural Interview	one to one Interview
59	____concerned with a problem or a hypothetical situation, put before the candidate with an expectation to solve	behavioural Interview	video Interview	mixed interview	one to one interview	behavioural Interview
60	Interview refers to a _____, in-depth conversation between two or more persons	formal	informal	casual	unofficial	formal

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UNIT-III- Training and Development

SYLLABUS

Training and Development: Concept and Importance - Identifying Training and Development Needs - Designing Training Programmes - Role-Specific and Competency-Based Training - Evaluating Training Effectiveness - Training Process Outsourcing - Management Development - Career Development.

Training: Meaning

Training constitutes a basic concept in human resource development. It is concerned with developing a particular skill to a desired standard by instruction and practice. Training is a highly useful tool that can bring an employee into a position where they can do their job correctly, effectively, and conscientiously. Training is the act of increasing the knowledge and skill of an employee for doing a particular job.

Primary reasons for training in an organization

- ➢ Increased productivity and adherence to quality standards
- ➢ Increasing organizational stability and flexibility
- ➢ Reduced supervision and direction
- ➢ Economical use of resources & Heightened morale
- ➢ Increase in productivity & Better industrial relations
- ➢ Role & career flexibility & Reduced learning time
- ➢ Future manpower needs
- ➢ Reduced accidents at workplace
- ➢ Globalization & speed of change
- ➢ New appraisal techniques
- ➢ Reduction of errors & accidents
- ➢ Reduction of turnover and absenteeism

Effects of ongoing training on the organization

> ➢ It helps the employee to feel confident in delivering from their end, even when technology changes.
> ➢ It helps the employees to actively respond to the changes that created out of organizational restructuring.
> ➢ Work to facilitate career development.
> ➢ Provide the employees with an ability to respond to changes occurred due to diversity in the manpower.
> ➢ Help to meet your employee's need for continued growth.

Training and Development

It's part of performance management system in the workplace. Which is carried out when the technology changes in the market or new strategies are implemented or change in resources or manpower or when new software or hardware are used in the projects in these cases the employer must need to provide the training to the employees so that they can learn and implement the same in the projects. This improves the individual skills and increases the performance level of an organization.

Objectives of Training and Development

Every business looks for productivity, quality improvement, Industrial safety, reduction of turnover and learning time and ability to maintain an effective management team. These are the main objectives of any training and development program in an organization.

> ➢ To provide job-related knowledge to your staff.
> ➢ To provide skill, knowledge systematically
> ➢ To develop the productivity of the employees and the organization
> ➢ To maintain safety standards
> ➢ To improve equipment handling practices
> ➢ To develop the employees for advancement

Importance of Training and Development:

Training and career development are very vital in any company or organization that aims at progressing. Training simply refers to the process of acquiring the essential skills required for a

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certain job. It targets specific goals, for instance understanding a process and operating a certain machine or system. Career development, on the other side, puts emphasis on broader skills, which are applicable in a wide range of situations. This includes decision making, thinking creatively and managing people.

1. Help in addressing employee weaknesses: Most workers have certain weaknesses in their workplace, which hinder them from giving the best services. Training assists in eliminating these weaknesses, by strengthening workers skills. A well organized development program helps employees gain similar skills and knowledge, thus bringing them all to a higher uniform level. This simply means that the whole workforce is reliable, so the company or organization doesn't have to rely only on specific employees.

2. Improvement in workers performance: A properly trained employee becomes more informed about procedures for various tasks. The worker confidence is also boosted by training and development. This confidence comes from the fact that the employee is fully aware of his/her roles and responsibilities. It helps the worker carry out the duties in better way and even find new ideas to incorporate in the daily execution of duty.

3. Consistency in duty performance: A well organized training and development program gives the workers constant knowledge and experience. Consistency is very vital when it comes to organizations or company's procedures and policies. This mostly includes administrative procedures and ethics during execution of duty.

4. Ensuring worker satisfaction: Training and development makes the employee also feel satisfied with the role they play in the company or organization. This is driven by the great ability they gain to execute their duties. They feel they belong to the company or the organization that they work for and the only way to reward it is giving the best services they can.

5. Increased productivity: Through training and development the employee acquires all the knowledge and skills needed in their day to day tasks. Workers can perform at a faster rate and with efficiency thus increasing overall productivity of the company. They also gain new tactics of overcoming challenges when they face them.

6. Improved quality of services and products: Employees gain standard methods to use in their tasks. They are also able to maintain uniformity in the output they give. This results with a company that gives satisfying services or goods.

7. Reduced cost: Training and development results with optimal utilization of resources in a company or organization. There is no wastage of resources, which may cause extra expenses. Accidents are also reduced during working. All the machines and resources are used economically, reducing expenditure.

8. Reduction in supervision: The moment they gain the necessary skills and knowledge, employees will become more confident. They will become self reliant and require only little guidance as they perform their tasks. The supervisor can depend on the employee's decision to give quality output. This relieves supervisors the burden of constantly having to give directives on what should be done.

Need for Training of Employees arises due to the following Factors:

1. Higher Productivity: It is essential to increase productivity and reduce cost of production for meeting competition in the market. Effective training can help increase productivity of workers by imparting the required skills.

2. Quality Improvement: The customers have become quality conscious and their requirement keep on changing. To satisfy the customers, quality of products must be continuously improved through training of workers.

3. Reduction of Learning Time: Systematic training through trained instructors is essential to reduce the training period. If the workers learn through trial and error, they will take a longer time and even may not be able to learn right methods of doing work.

4. Industrial Safety: Trained workers can handle the machines safety. They also know the use of various safety devices in the factory. Thus, they are less prone to industrial accidents.

5. Reduction of Turnover and Absenteeism: Training creates a feeling of confidence in the minds of the workers. It gives them a security at the workplace. As a result, labour turnover and absenteeism rates are reduced.

6. Technology Update: Technology is changing at a fast pace. The workers must learn new techniques to make use of advance technology. Thus, training should be treated as a continuous process to update the employees in the new methods and procedures.

7. Effective Management: Training can be used as an effective tool of planning and control. It develops skills among workers and prepares them for handling present and future jobs. It helps in reducing the costs of supervision, wastages and industrial accidents. It also helps increase productivity and quality which are the cherished goals of any modern organization.

Benefits of Training and Development in an organization

1. Addressing Weakness: Every employee is weak at certain skills every employee will not be perfect, which you need for the position. If the employee certain skills match and if you know you can strengthen its skill by training, hire them or assign tasks to them, definitely your employee will work hard to stand on your expectations.

2. Improving Performance: Once the employee gets the desired skills required for the task to execute. Their weakness will turn into their strengths and they get the better understanding what and how to execute with better ideas.

3. Fostering Growth: The main aim of any organization is to get development and growth for the effects they put on. Growth can be achieved if all the workforce of an organization pays equal attention to development. That requires the skilled and ambitious employees to handle the situation. By providing training to your employees, you're providing them the space to learn and grow.

4. Enhancing Satisfaction: Employees feel confident in gaining skills. Training helps the employees to perform tasks easily and also they can innovate new strategies to execute the task. This builds some level of satisfaction in employees.

5. Reducing Turnover: Initially, when you train your staff, it will cost you time and money. Once the employee gets skilled in their role they can provide you better revenue than before. It reduces the frustration level of both the employee and the employer. Expertise brings the quality of the work and development of the organization. Colleagues

6. Additional Benefits

> ➢ Increase in Productivity
> ➢ Employee satisfaction, confidence, and retention are built, development of the team of skilled professionals, team organization & morale.
> ➢ Employees quality performance leads to improved customer satisfaction and service.
> ➢ Employees get updated on the trending technology and advanced methods. Employees get different ideas to implement their tasks to reach organizational goals.
> ➢ Companies get different ideas to implement and they experience different perspectives of business to execute the same task.
> ➢ The Employee gets the job satisfaction, motivation, and morale. Which reduces employee turnover.

➢ Process gains efficiency, standardization, and flexibility.

Approaches to training

There are three approaches to training: (1) the traditional approach, (2) the experiential approach, and(3) the performance-based approach.
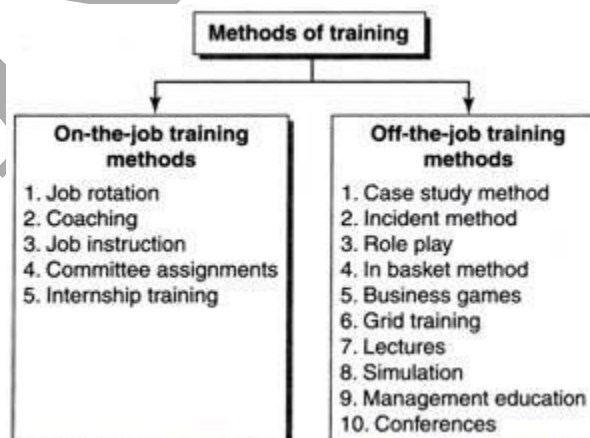
In the **traditional approach**, the training staff designs the objectives, contents, teaching techniques, assignments, lesson plans, motivation, tests, and evaluation. The focus in this model is intervention by the training staff. In the experiential approach, the trainer incorporates experiences where in the learner becomes active and influences the training process.

Unlike **the academic approach** inherent in the traditional model, experiential training emphasizes real or simulated situations in which the trainees will eventually operate. In this model, the objectives and other elements of training are jointly determined by the trainers and trainees. Trainers primarily serve as facilitators, catalysts, or resource persons.

In the **performance-based approach** to training, goals are measured through attainment of a given level of proficiency instead of passing grades of the trainees. Emphasis is given to acquiring specific observable skills for a task.

Training Methods: On Job Training and off the Job Training Methods

A large variety of methods of training are used in business. Even within one organization different methods are used for training different people. All the methods are divided into two classifications for:**Methods of Training**

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A. On-the-job Training Methods:

      1. Coaching

      2. Mentoring

      3. Job Rotation

      4. Job Instruction Technology

      5. Apprenticeship

      6. Understudy

B. Off-the-Job Training Methods:

      1. Lectures and Conferences

      2. Vestibule Training

      3. Simulation Exercises

      4. Sensitivity Training

      5. Transactional Training

A. On-the-job training Methods:

Under these methods new or inexperienced employees learn through observing peers or managers performing the job and trying to imitate their behaviour. These methods do not cost much and are less disruptive as employees are always on the job, training is given on the same machines and experience would be on already approved standards, and above all the trainee is learning while earning. Some of the commonly used methods are:

1. Coaching:

Coaching is a one-to-one training. It helps in quickly identifying the weak areas and tries to focus on them. It also offers the benefit of transferring theory learning to practice. The biggest problem is that it perpetrates the existing practices and styles. In India most of the scooter mechanics are trained only through this method.

2. Mentoring:

The focus in this training is on the development of attitude. It is used for managerial employees. Mentoring is always done by a senior inside person. It is also one-to- one interaction, like coaching.

3. Job Rotation:

It is the process of training employees by rotating them through a series of related jobs. Rotation not only makes a person well acquainted with different jobs, but it also alleviates boredom and allows to develop rapport with a number of people. Rotation must be logical.

4. Job Instructional Technique (JIT):

It is a Step by step (structured) on the job training method in which a suitable trainer (a) prepares a trainee with an overview of the job, its purpose, and the results desired, (b) demonstrates the task or the skill to the trainee, (c) allows the trainee to show the demonstration on his or her own, and (d)follows up to provide feedback and help. The trainees are presented the learning material in written or by learning machines through a series called 'frames'. This method is a valuable tool for all educators(teachers and trainers).   a. To deliver step-by-step instruction

b. To know when the learner has learned c. To be due diligent (in many work-place environments)

5. Apprenticeship:

Apprenticeship is a system of training a new generation of practitioners of a skill. This method of training is in vogue in those trades, crafts and technical fields in which a long period is required for gaining proficiency. The trainees serve as apprentices to experts for long periods. They have to work in direct association with and also under the direct supervision of their masters. The object of such training is to make the trainees all-round craftsmen. It is an expensive method of training. Also, there is no guarantee that the trained worker will continue to work in the same organization after securing training. The apprentices are paid remuneration according the apprenticeship agreements.

6. Understudy:

In this method, a superior gives training to a subordinate as his understudy like an assistant to a manager or director (in a film). The subordinate learns through experience and observation by participating in handling day to day problems. Basic purpose is to prepare subordinate for assuming the full responsibilities and duties.

B. Off-the-job Training Methods:

Off-the-job training methods are conducted in separate from the job environment, study material is supplied, there is full concentration on learning rather than performing, and there is freedom of expression. Important methods include:

1. Lectures and Conferences:

Lectures and conferences are the traditional and direct method of instruction. Every training programme starts with lecture and conference. It's a verbal presentation for a large audience. However, the lectures have to be motivating and creating interest among trainees. The speaker must have considerable depth in the subject. In the colleges and universities, lectures and seminars are the most common methods used for training.

2. Vestibule Training:

Vestibule Training is a term for near-the-job training, as it offers access to something new (learning).In vestibule training, the workers are trained in a prototype environment on specific jobs in a special part of the plant. An attempt is made to create working condition similar to the actual workshop conditions. After training workers in such condition, the trained workers may be put on similar jobs in the actual workshop. This enables the workers to secure training in the best methods to work and to get rid of initial nervousness. During the Second World War II, this method was used to train a large number of workers in a short period of time. It may also be used as a preliminary to on-the job training. Duration ranges from few days to few weeks. It prevents trainees to commit costly mistakes on the actual machines.

3. Simulation Exercises:

Simulation is any artificial environment exactly similar to the actual situation. There are four basic simulation techniques used for imparting training: management games, case study, role playing, and in-basket training.

(a) Management Games:

Properly designed games help to ingrain thinking habits, analytical, logical and reasoning capabilities, importance of team work, time management, to make decisions lacking complete information, communication and leadership capabilities. Use of management games can encourage novel, innovative mechanisms for coping with stress. Management games orient a candidate with practical applicability of the subject. These games help to appreciate management concepts in a practical way. Different games are used for training general managers and the middle management and functional heads – executive Games and functional heads.

(b) Case Study:

Case studies are complex examples which give an insight into the context of a problem as well as illustrating the main point. Case Studies are trainee centered activities based on topics that

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demonstrate theoretical concepts in an applied setting. A case study allows the application of theoretical concepts to be demonstrated, thus bridging the gap between theory and practice, encourage active learning, provides an opportunity for the development of key skills such as communication, group working and problem solving, and increases the trainees" enjoyment of the topic and hence their desire to learn.

(c) Role Playing:

Each trainee takes the role of a person affected by an issue and studies the impacts of the issues on human life and/or the effects of human activities on the world around us from the perspective of that person. It emphasizes the "real- world" side of science and challenges students to deal with complex problems with no single "right" answer and to use a variety of skills beyond those employed in a typical research project. In particular, role-playing presents the student a valuable opportunity to learn not just the course content, but other perspectives on it. The steps involved in role playing include defining objectives, choose context & roles, introducing the exercise, trainee preparation/research, the role-play, concluding discussion, and assessment. Types of role play may be multiple role play, single role play, role rotation, and spontaneous role play.

(d) In-basket training:

In-basket exercise, also known as in-tray training, consists of a set of business papers which may include e-mail SMSs, reports, memos, and other items. Now the trainer is asked to priorities the decisions to be made immediately and the ones that can be delayed.

4. Sensitivity Training:

Sensitivity training is also known as laboratory or T-group training. This training is about making people understand about themselves and others reasonably, which is done by developing in them

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Comparison between Training and Development:

Terms	Training	Development
Focus	Short-term	Long-term
Mode	Group of individuals	An individual
Purpose	Realization of the task at hand	Personal and professional growth of an employee
Skills	Acquisition of new skills	Harnessing the existing skills
Knowledge	Knowledge is gained through training.	Development provides for an expansion of one's knowledge.
Vis-à-vis	Training is a means to development.	Development comprises of training.
Tenure	Training is time bound.	Development is unending.
Frequency	Training is conducted as and when needed.	Development happens inadvertently and doesn't need to be conducted.

Assessing effectiveness of employee training programs

Level 1: Reaction

This level measures how your learners feel about the training. This is the first data you need to understand how well the training was received, how the learners react to it and identify any gap that needs improvement. Although the data won't give you immediate or obvious insights into your ROI, this level is the foundation of any development of your employee training programs in the future.

Methods: Gathering feedback using questionnaires or through informal conversations with learners.

Level 2: Learning

The second level of evaluation measures the knowledge and skills learners gain from the training. Based on the metrics gathered from different assessment methods, you can then evaluate whether the course has met its set objectives and identify what needs to be improved within the scope of content and delivery method.

Methods: Pre-test and post-test or quizzes.

– Using data from learning management system to identify course completion rates and how long it takes learners to complete the course.

Level 3: Behavior

The third level of evaluation measures how employees apply what they have learned. This assessment is an extension of level 2, where you can determine whether the training has an impact on your learners' behavior, attitude, and performance at work.

Methods: Self-assessment questionnaires, Employee interviews, On-the-job observation, Supervisor report and feedback, Informal feedback from peers, Feedback from customers (comment or complaints)

Level 4: Results

This level is the most practical way to calculate the ROI of your training as it measures tangible results that the training brings to your business. The key metrics you'd want to take into account are:

– Improved work quality and productivity

– Improved business results (e.g. sales, customer satisfaction and retention)

– Increased employee engagement, satisfaction and retention

– Reduced production cost, duration, error and rework

Competence based Training: Introduction

Even though Competency Based Training (CBT) is a concept that has been around for decades, it has only recently gained mainstream attention for both its effectiveness and ability to create competitive advantage through human talent. Many organisations claim to have fully implemented competency based training models, but the reality is that few do. This is because significant time and resources must go into developing and maintaining a fully functioning competency based training programs. It truly takes years for a dedicated team of HR and Learning and Development managers to create and deploy organisation-wide competency based training. While the undertaking is significant, there are still many examples of organisations that have taken practices of competency based training to develop talent and exceed organizational targets.

Meaning of Competency based training

Before we define and explain competency based training, let's break it down to define 'competency'. The term competency refers to individual characteristics that contribute to acceptable or outstanding performance. Competencies can be anything from a set of knowledge, skills, behaviours, attitudes and characteristics that lead to producing distinguished results. Competencies

lie at the core of successful performers so it is important to understand that the analysis of high-achieving talent is one way to identify competencies that allow success over others.

Advantages of Competency-Based Training for Employees:

➢ Enables employees to be more proactive beyond their individual roles by learning additional skills that are valued by the organization

➢ Ensures that individual professional development and training milestones are recorded and acknowledged by the organization

➢ Gives employees insight into the overall strategy of their team, department, and organization, leading to greater engagement and motivation

➢ Increases the potential for job satisfaction

➢ Offers a reference resource for day-to-day job requirements

➢ Provides a mechanism for the recognition of employees' abilities

➢ Provides clear direction for learning new job skills

➢ Sets clear expectations for employees, enabling them to make better decisions and work more effectively

Benefits of training process outsourcing

1. Reduce Costs – The number one reason why companies outsource training is to save money. Our experience shows that can save up to 30%.

2. Speed to Market – Planning on bringing a new product to market? Your success may be dependent on getting resellers trained on how to sell or service your product. With #training you can quickly get your product into your customers' hands, without scaling up internal resources.

3. Geographic Reach – When Cisco needed to train local employees in China, they simply outsourced training to The Learning Factor. We have resources in China who already understand the Chinese culture.

4. Access to Talent – The most strategic way to source the best training talent at the best possible price is to outsource. Instantly you have a pool of trainers and facilitators, who are industry experts in their field. This commercial experience brings training to life.

5. Improve Scalability of Resources - Running an internal training department takes a number of people with different skills and talents. Internal staff a fixed resource. But training is a variable activity. When you work with a training outsource company, you are able to scale up or scale down the number of resources you need– just when you need them most.

Management development

Management development is the overall concept that describes the many ways in which organizations help employees develop their personal and organizational skills, either as managers in a management job or with an eventual management job in mind. Organizations need a process for developing the skills of their managers as these employees direct and organize the work of all of your other employees. Additionally, if you want to retain your best managers and potential managers, most significant among their needs from work is the opportunity to continue their personal and professional growth and the growth of their careers.

Executive development means not only improvement in job performance, but also improvement in knowledge, personality, attitude, behaviourism of an executive, etc. It means that executive development focuses more on the executive's personal growth. Thus, executive development consists of all the means that improve his/her performance and behaviour.

Executive development helps understand cause and effect relationship, synthesizes from experience, visualizes relationships or thinks logically. That is why some behavioural scientists suggest that the executive development is predominantly an educational process rather than a training process.

When employees think of management development they are likely to think about university classes and MBA programs, consultant-led external training, and attendance at conferences, trade shows, workshops, and seminars. These are frequent ways in which employers invest time and money in developing their managers.

Definition of Management development

Gary Dessler: Any attempt to improve current or future management performance by imparting knowledge, changing attitude or increasing skills.

Flippo has viewed that "executive/management development includes the process by which managers and executives acquire not only skills and competency in their present jobs but also capabilities for future managerial tasks of increasing difficulty and scope".

According to S.B. Budhiraja, former Managing Director of Indian Oil Corporation. "Any Activity designed to improve the performance of existing managers and to provide for a planned growth of managers to meet future organisational requirements is called management development"

Objectives of Management Development:

1. To ensure the availability of competent managers to achieve the goals of the organization.

2. To ensure optimum utilisation of human capital.

3. To prepare present employees for higher assignments.

4. To replace retiring executives with younger talents.

5. And as a result, to promote progress, productivity and profits of the enterprise.

6. Understand the problems of human relations and improve human relation skills.

7. Improve the thought processes and analytical abilities.

8. Improve the performance of managers at all levels.

Dasgupta has given the level-wise objectives of the executive/ management development as follows:

(a) Top Management:

1. To improve thought processes and analytical ability in order to uncover and examine problems

and take decisions in the best interests of the country and organisation;

2. To broaden the outlook of the executive in regard to his role, position and responsibilities in the organisation and outside;

3. To think through problems this may confront die organisation now or in the future;

4. To understand economic, technical and institutional forces in order to solve business problems;

5. To acquire knowledge about the problems of human relations.

(b) Middle Line Management:

1. To establish a clear picture of executive functions and responsibilities;

2. To bring about an awareness of the broad aspects of management problems, and an Acquaintance with and appreciation of interdepartmental relations.

3. To develop the ability to analyse problems and to take appropriate action;

4. To develop familiarity with the managerial use of financial accounting, psychology, business statistics;

5. To Inculcate knowledge of human motivation and human relationships; and

6. To develop responsible leadership.

(c) Middle Functional Executives and Specialists:

1. To increase knowledge of business fractions and operations in specific fields in marketing production, finance, personnel;

2. To increase proficiency in management techniques such as work study, inventory control, operations research, quality control;

3. To stimulate creative thinking in order to improve methods and procedures;

4. To understand the functions performed in a company;

5. To understand industrial relations problems; and

6. To develop the ability to analyse problems in one's area or functions.

Importance of executive development:

Executives, or say, managers manage/run organizations. It is managers who plan, organize, direct and control the resources and activities in every organization. An organization is like a vehicle of which managers are drivers. Without competent managers, other valuable resources such as men, material, machine, money, technology and others remain of not much significance for the organization. Thus, managers are a vital cog in the success of any organization. That's why executive/ management development has become indispensable to modern organizations.

Techniques of Management Development:

Management development techniques may be classified as:

(i) On the Job Experience and Teaching Techniques:

- (a) Coaching and assigning challenging tasks.
- (b) Rotational assignments e.g., rotation among managerial training positions, creation of 'Assistant to…..', positions etc.
- (c) Multiple management, e.g., Committees, junior boards etc.
- (d) Conference programmes and problem solving committees.
- (e) Understudy for management succession.
- (f) Management workshop programmes.
- (g) Temporary promotions.
- (h) Planned reading programmes.

(ii) Off-the-Job Teaching Techniques:

- a. Lectures and programmed instructions.
- b. Case study and case problems.
- c. Role playing
- d. Business games.
- e. Conference, seminars, etc.

  f. Project study.

  g. Brain-storming method.

  h. Observations tours and visits abroad, etc.

The process:

Like any learning programme, executive development also involves a process consisting o) certain

steps. Though sequencing these various steps in a chronological order is difficult, behavioural

scientists have tried to list and sequence them in six steps.

These steps, also called the **components of the executive development programme**, have been-

discussed in the succeeding paragraphs.

I. **Identifying Development Needs:**

Once the launching of an Executive Development programme (EDP) is decided, its implementation

begins with identifying the developmental needs of the organisation concern. For this, first of all, the

present and future developmental needs for executives/ managers ascertained by identifying how

many and what type of executives will be required in the organisation at present and in future.

This needs to be seen in the context of organisational as well as individual, i.e. manager needs.

While organisational needs may be identified by making organisational analysis in terms of

organisation's growth plan, strategies, competitive environment, etc., individual needs to be

identified by the individual career planning and appraisal.

II. Appraisal of Present Managerial Talent:

The second step is an appraisal of the present managerial talent for the organisation. For this

purpose, a qualitative assessment of the existing executives/managers in the organisation is made.

Then, the performance of every executive is compared with the standard expected of him.

III. Inventory of Executive Manpower:

Based on information gathered from human resource planning, an inventory is prepared to have

complete information about each executive in each position. Information on the executive's age,

education, experience, health record, psychological test results, performance appraisal data, etc. is

collected and the same is maintained on cards and replacement tables. An analysis of such inventory
shows the strengths and also discloses the deficiencies and weaknesses of the executives in certain
functions relative to the future needs of the concern organisation. From this executive inventory, we
can begin the fourth step involved in the executive development process.

IV. Developing Development Programmes:

Having delineated strengths and weaknesses of each executive, the development programmes are

tailored to fill in the deficiencies of executives. Such tailor made programmes of development focus

on individual needs such as skill development, changing attitudes, and knowledge acquisition.

V. Conducting Development Programmes:

At this stage, the manager actually participates in development programmes. It is worth mentioning

that no single development programme can be adequate for all managers. The reason is that each

manager has a unique set of physical, intellectual and emotional characteristics.

As such, there can be different development programmes to uniquely suit to the needs of an

executive/ manager. These development programmes may be on-the-job or off-the-job programmes

organized either by the organization itself or by some outside agencies.

VI. Evaluating Development Programmes:

Just as with employee training programme, executive development programme is evaluated to see

changes in behavior and executive performance. Evaluation of programme enables to appraise

programme's effectiveness, highlight its weaknesses and aids to determine whether the development

should be continued or how it can be improved.

Methods of executive development

Methods of development or executive development can be broadly divided into two categories.

1) On the job development or executive development: it means increasing the ability of the executives while performing their duties, to develop them in real work situation. It includes the following methods:

a) On the job coaching: under this method superior only guides his subordinate about various methods and skill required to do the job. Here the superior only guides his subordinate he gives his assistance whenever required. The main purpose of this type of training is not only to learn the necessary skills but to give them diversified knowledge to grow in future. The superior is responsible for subordinate's performance. So the superior must always provide the subordinate necessary assistance whenever required.

b) Understudy: under this method of development the trainee is prepared to fill the position of his superior. He in the near future will assume to do the duties of his superior when he leaves the job due to retirement, transfer or promotion.

c) Job rotation: here the executive is transferred from one job to another or from one plant to other. The trainee learns the significance of the management principles by transferring learning from one job to another. This method helps in injecting new ideas into different departments of the organization.

d) Committee assignment: under this method committee is constituted and assigned a subject to give recommendations. The committee makes a study of the problem and gives suggestions to the

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departmental head. It helps the trainees because every member of the committee gets a chance to learn from others.

2) Off the job development or executive development: here the executives gets the training off the job means not when they are doing the job. It involves following methods:

a) Special courses: here the executives attend the special courses which are organized by the organization. Under this experts from professional institutions provide them the training. Now days it is becoming popular but it is difficult to say whether these courses improve the performance of the employees or not.

b) Specific readings: here the human resource development manager provides copies of specific articles published in the journals to the executives to improve their knowledge. The executives study such books or articles to enhance their knowledge.

c) Special projects: under this method the trainee is given a project related to the objective of the department. The project helps the trainee in acquiring the knowledge of the particular topic.

d) Conference training: here the organization conducts a group meeting. In which the executive learn from the others by comparing his opinion with others.

e) Sensitivity training: it is also known as T group training or laboratory training. It is conducted under controlled conditions. T group help in learning certain things, they help the participants to understand how group actually work. It helps in increasing the tolerance power of the individual and ability to understand others. T group generally sits together and discuss for hours where the members learn about their own behavior and behavior of others.

Definition: Career Development

Career development is the series of activities or the on-going/lifelong process of developing one's career. Career development usually refers to managing one's career in an intra-organizational or inter-organizational scenario. It involves training on new skills, moving to higher job responsibilities, making a career change within the same organization, moving to a different organization or starting one's own business.

Career development is directly linked to the goals and objectives set by an individual. It starts with self-actualization and self-assessment of one's interests and capabilities. The interests are then matched with the available options. The individual needs to train himself to acquire the skills needed for the option or career path chosen by him. Finally, after acquiring the desired competency, he has to perform to achieve the goals and targets set by him.

Career Development is defined as the efforts that are made by the organization to equip its employees with the skills, knowledge & experience that help them to perform the duties of their current as well as future jobs effectively. The organization develops and implements certain policies including counseling the employees, promotion & opportunities to attain excellence that facilitate the employee to prepare their career. Development of career actually promotes the knowledge, skills, and experiences along with the behavior modification & techniques of refinement that promotes the addition of value for the employees by improving their work.

In career development, human resource management has the vital importance that centers the entire efforts of the organization. It is relatively different from the training in such a way that it has wide scope, longer frame of time & broader focus. Moreover the purpose of training is limited to the performance improvements but the goal of development is to make employees more capable and enriched.

In modern days the careers development not only fulfills the needs of the organization but also the needs of the employees.

The career development is looked as essential by the organizations due to the following reasons.

1. It is a method of prevention from job burnout
2. The career information is provided to the employee
3. The quality of work life is improved
4. The affirmative action goals are met

In short the careers development becomes essential for the organizations to be sustained in the competitive global environment.

There are many methods that are used extensively for the purpose of careers development. But mostly these are used in combination of more than one method. **Following are the commonly used methods of career development.**

1. Discussion with Knowledgeable Individuals:

In this method the subordinate is combined with his superior to agree on the best career development activities. In certain cases guidance counselors & psychologists provide this service. In case of academic institutions like colleges & universities, specialized career planning & development guidance is provided to the students. Professors are usually responsible for such guidance.

2. Company Material:

There are certain organizations that have developed certain specific material for the development of its employees. The developed material is in accordance with the needs of the organizations. Moreover the job descriptions can be considered as good material that show the employees to decide either their strengths & weakness match with the requirement of any offering job within their own organization.

3. Performance Appraisal System:

The performance appraisal system in the organizations can also be regarded as good source of career development. When the strengths & weaknesses of employees are discussed with their relative supervisors than the needs for the development of employees emerged clearly. If there is not possibility to overcome the weakness of certain employee, then there can be a solution of alternative career path for that employee.

4. Workshops:

Certain organizations offer the workshops for their employees that last for two or more days so that the employees can be able to develop their career within the organization. The career objectives are described & match by the employees with the needs of the organizations. In other situations, the workshops are presented at the community level so that the employees may be sent or they may start the visit themselves.

5. Personal Development Plans (PDP):

There are some organizations that encourage their employees to present their own plans of personal development. Such plan consists of summary of needs of personal development of employees along with the specified action list for the achievement. So the management encourages the employees to analyze their weakness & strengths.

Importance of Career Development in an Organization

1. Attracting top talent: Although the recently the US has been faced with a tight job market, in competitive fields employers must focus their efforts on attracting the top talent. Competitive employment packages that go beyond traditional compensation and benefits can be key to their success. Research shows that career prospects and learning opportunities are influencing factors when potential employees are choosing between job offers. In addition employees who perceive their employer to provide career growth opportunities show a greater commitment to their organizations.

2. Job satisfaction: Employees who participate in required training courses and worked-based development activity during work time reported higher job satisfaction and organizational commitment. These findings can be explained by social-exchange theory, which posits that employees will remain with and work harder for an organization if the organization shows it values the employees by taking on the responsibility of shaping their career. Retaining employees/reducing turnover: Through organizational commitment, career development opportunities help to retain employees and thus prevents turnover. When estimates of the costs involved in replacing a skilled employee have been reported to be as high as 150% of that employee's salary retention of quality employees is a strong business decision.

3. Productivity and Financial Returns: Employers can also increase productivity and financial returns by investing in their employees via career development. Perceived growth opportunities offered by an employer have been linked to higher job performance and lower turnover which, as discussed above, contributes to higher quality products and prevents monetary loss due to turnover. Moreover, evidence suggests a positive relationship between financial performance and organizations that encourage and support continuous knowledge acquisition and dissemination.

Because organizations have to stay current in technology, business practices, and in advances in their industry, an organization that embraces career development processes can keep employees informed of advancements and maintain their competitive edge in the market.

Part A (ONE Mark)
Multiple Choice Questions
Online Examination
Part B
(2 Marks)

1. What is Training?
2. What is the importance of training?
3. What are the two major types of training?

4. What are the advantages of training?

5. What are the methods of On the job training?

6. What are the methods of Off-the job training?

7. What is competency based training?

8. Write down the meaning of training process outsourcing.

9. Define management development

10. Define career development

Part C (8 Marks)

1. What is training? Explain the method of training

2. List out the importance and benefits of training.

3. State and explain the various training methods

4. Explain the need for training and distinguish between training and development

5. Explain briefly on management development and career development and its importance

6. Explain on competency based training program and its advantages to the organization

S.No	Questions	Opt 1	Opt 2	Opt 3	Opt 4	Answer
1	Training is the act of increasing the -------- of an employee for doing a particular job	Recruitement	Turnover	Knowledge and skill	Status	Knowledge and skill
2	Primary reasons for training is/are ------------	increased productivity	reduced supervision	reduced accidents	all of the above	all of the above
3	Training helps in reducing--------	employee turnover	profit	customers	conflicts	employee turnover
4	The major outcome of training is---------	learning	time management	commitment	involvement	learning
5	_____improves the individual skills and increases the performance level	Induction	Placement	Training and development	promotion	Training and development
6	Main objective of training an ddevelopment is to ----------	provide incentives	provide job- related knowledge	provide comfort zone	none of the above	provide job-related knowledge
7	Employees weakness will turn into their strengths when they get --------	higher positions	Training and development	transfers	high salary	Training and development
8	_____ helps the employees to perform tasks easily.	Induction	Promotion	Transfers	Training	Training
9	Once the employee gets ----------- in their role they can provide better revenue than before	roles	skilled	resposibilities	promotion	skilled
10	When the employee gets the job satisfaction, motivation, and morale, which reduces----------.	socialisation	employee turnover	negative feedbach	learning	employee turnover
11	Induction training also known as ------------	orientation training	job instruction training	vestibule training	apprenticeship training	orientation training
12	_____is the training on actual work to be done by an employee but conducted away from the work place.	job instruction training	vestibule training	orientation training	none of the above	vestibule training
13	____training is offered in order to incorporate the latest development in a particular field	Induction	Refresher	Vestibule	Apprenticeship	Refresher
14	_____method comes under the on-the job training	Job rotation	Role play	Lecture	Business games	Job rotation
15	_____method comes under the off-the job training	Simulation	Coaching	Internship training	Job rotation	Simulation
16	Which of this is a step in training process?	KSA deficiency	Provide proper feedback	Obstacles in the system	Use of evaluation models	d. Use of evaluation models
17	_____method comes under the on-the job training	Job rotation	Coaching	Internship training	all of the above	all of the above
18	_____method comes under the off-the job training	Job rotation	Coaching	Internship training	none of the above	none of the above
19	____involves personal and professional growth of an employee	Performance appraisal	Development	Reinforcement	Labour analysis	Development
20	The purose of training is ------------	harnessing the existing skills	Personal and professional growth of an employee	realization of the task at hand	none of the above	realization of the task at hand
21	Development comprises of -------	feedback	reinforcement	orientation	performance appraisal	training
22	Training is time bound where as-------- is unending	orientation	development	promotion	transfers	development
23	Development happens ------ and doesn't need to be conducted	deliberately	inadvertently	purposely	intentionally	inadvertently
24	Through--------the effectiveness of employee training programs can be assesed	self-assessment questionnaires	On-the-job observation	Supervisor report and feedback	all of the above	self-assessment questionnaires
25	The primary reason why companies outsource training is to -------	save money	incur money	shortage of knowledge	none of the above	save money
26	_____is the series of activities or the on-going/lifelong process of developing one's career	Career development	Transfers	Promotion	Performance appraisal	Career development
27	_____is directly linked to the goals and objectives set by an individual	On-the-job observation	Supervisor report and feedback	performance appraisal	none of the above	Career development
28	Importance of Career Development in an Organization is/are	Attracting top talent	Job satisfaction	Productivity and Financial Returns	all of the above	all of the above
29	Employees feel confident in his work when he posses enough --------	money	skill	supportive colleagues	positive feedback	skill
30	Training and development will increase in companies ------------	productivity	employee turnover	conflicts	all of the above	productivity
31	_____quality performance leads to improved customer satisfaction and service	Employers	Employees	customers	shareholders	Employees
32	Employee turnover will be low when there is ------------	job satisfaction	motivation	morale	all of the above	all of the above
33	_____helps the employees to understand the procedures, code of conduct, policies existing in that organization	Induction program	recruitment process	Internship training	selection program	Induction program
34	Telling the trainee that he is not correct is an example of ------------	negative feedback	positive feedback	performance appraisal	orientation	negative feedback
35	_____helps the new commersto interact freely with employees working at various levels and learn behaviour that are acceptable	orientation	socialisation	follow up	selection	orientation
36	_____is a pointer to undesirable behaviour	punishment	rewarding	reinforcement	motivation	punishment
37	Informimg the trainee that he is doing good that comes under the --------	negative feedback	positive feedback	performance appraisal	orientation	positive feedback
38	_____focuses on the individual in a given job	Task analysis	Resource utilisation analysis	Orientation climate analysis	Labour analysis	Task analysis
39	In ------- trainees are asked to solve the actual organisational problem	Job rotation	apprenticeship training	committee assignments	special purpose training	committee assignments

#	Question	A	B	C	D	Answer
40	Sameer,a fresh chemical engineer has been provided training in a simulated work environment using the same equipment and materials that he would be using on the job. This training is termed	Case Exercise	Computer Modeling	In Basket training	Vestibule training	Vestibule training
41	One of the reasons for over-staffing in the government and the public sector enterprises is	Minimal turn - over rates	Long term planning	Continuous assessment	Highly qualified employee	Minimal turn - over rates
42	……………… is the process of obtaining and maintaining capable and competent personnel in various position at all levels	Controlling	Directing	Staffing	Employment	Staffing
43	………………..is the first operative function of HRM.	Staffing	Directing	maintanence	Employment	Employment
44	………………involves forecasting the human resource requirements.	Human Resource planning	Job Analysis	Job Description	Job specification	Job Description
45	…………………in the process of seeking and acting prospective candidates against a vacancy in a firm.	Staffing	Directing	Selection	Recruitment	Recruitment
46	Introducing a new employee to the company is………….	Selection	Placement	Induction	Training	Induction
47	………… Is the process of evaluating the performance of an employee on the job and developing a plan for improvement.	Performance appraisal	Training	Management development	Career Planning	Performance appraisal
48	……………. Is the concept of developing the employees of an organization to meet future changes and challenges.	Career planning	Performance appraisal	Job evaluation	Management development	Management development
49	……………. Includes all the extrinsic rewards that an employee receives during and after the course of his job.	Compensation	Wages	Salary	incentives	incentives
50	…………..are the rewards an employee earns in addition to regular wages.	Bonus	Incentives	Fringe benefit	Salary	Incentives
51	…………………is primarily a share in the bounty and is directly related to the organizations performance	Fringe benefits	Incentives	Salary	Bonus	Bonus
52	Recreational facility in a……………	Fringe benefits	Incentives	Bonus	Compensation	Fringe benefits
53	……………… define the role of the HR department.	Team building	Team management	HR policies	IR	HR policies
54	Expand BIFR	Board for Industrial and Financial Reconstruction	Bank for Industrial Reconstruction	Bank for Financial Recovery	Bord of Financial Recovery	Board for Industrial and Financial Reconstruction
55	Expand SHRM	School for Human Resource Management	Science for Human Resource Management	Society Human Resource Management	Scheme for Human Resource Management	Society Human Resource Management
56	To assist employees in achieving their personal goals is...............................objective of HRM.	Personal	Functional	Organizational	Social	Personal
57	Legal compliance is a supporting function of………………	Organizational objective	Functional objective	social objective	Personal objective	social objective
58	Training and Development is a supporting function of………………	Social objective	Organizational objective	Functional objective	Personal objective	Organizational objective
59	Appraisal is a supporting function of ………………………	Functional objective	Organizational objective	Social objective	Personal objective	Functional objective
60	Compensation is a supporting function of…………………	Social objective	Organizational objective	Functional objective	Personal objective	Personal objective

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UNIT-IV- Performance Appraisal

SYLLABUS

Performance Appraisal: Nature - Objectives and Importance - Modern Techniques of Performance Appraisal - Potential Appraisal and Employee Counseling - Job Changes -Transfers and Promotions – Compensation - Concept and Policies- Job Evaluation - Methods of Wage Payments and Incentive Plans - Fringe Benefits - Performance-Linked Compensation.

Performance Appraisal

In the present highly competitive environment, organizations have to ensure peak performance of their employees continuously in order to compete at the market place effectively. Traditionally, this objective was attempted to achieve through employee performance appraisal, which was more concerned with telling employees where they lacked in their performance. Though this served the purpose to some extent, it was not considered enough to raise the employee performance at the most desirable level. Performance management has overcome this problem to some extent.

Performance appraisals are essential for the effective management and evaluation of staff. Appraisals help to develop individuals, improve organizational performance, and feed into business planning. Formal performance appraisals are generally conducted annually for all staff in the organization. Each staff member is appraised by his or her line manager. (Directors are appraised by the CEO, who is appraised by the chairman or company owners, depending on the size and structure of the organization).

Annual performance appraisals enable management and monitoring of standards, agreeing expectations and objectives, and delegation of responsibilities and tasks. Staff performance appraisals also establish individual training needs and enable organizational training needs analysis and planning.

Concept of Performance Appraisal:

Appraisal is the evaluation of worth, quality or merit. In the organization context, performance appraisal is a systematic evaluation of personnel by superiors or others familiar with

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their performance. Performance appraisal is also described as merit rating in which one individual is ranked as better or worse in comparison to others. The basic purpose in this merit rating is to ascertain an employee"s eligibility for promotion. However, performance appraisal is more comprehensive term for such activities because its use extends beyond ascertaining eligibility for promotion. Such activities may be training and development, salary increase, transfer, discharge etc. besides promotion.

Definition of performance appraisal

"Performance Appraisal is the process of evaluating the performance and qualification of the employees in terms of the requirements of the job for which he is employed, for the purpose of administration including placement, selection for promotion, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally."

Obstacles in Performance Appraisal:

Every organization undertakes performance appraisal, either formally or informally. There are certain barriers, which work against effective appraisal systems. Some of them are more pronounced and need to be identified so that suitable measures can be taken to reduce their impact to a minimum level.

These barriers have been grouped into three categories:

1. Faulty Assumptions:

The germinating faulty assumptions between the superior and the subordinate create problems during the appraisal.

i) The managers naturally wish to make fair and accurate appraisal of their subordinates. Both superior and the subordinate show tendencies to avoid formal appraisal processes, as well as to heed them in their respective work roles. Their assistance lies partly in their psychological characteristics, partly in their organizational roles and partly in technical deficiencies and the unwise management of appraisal policies and procedures.

ii) The managers consider that the method they have selected for appraisal is the best one and shall work for years. They expect too much from it and rely too much on it. It should be recognized that no system can provide perfect, absolutely defensible appraisals devoid of subjectivity.

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iii) Sometimes managers believe that personal opinion is better than formal appraisal and they find little use of systematic appraisal and review procedures. However, this „management by instinct" is not valid and leads to bias, subjectivity and distorted decisions based on partial or inaccurate evidence.

iv) Some managers feel that it is not valid to tell subordinates frankly about their performance and how can it be improved. As such they tend to defeat the basic purpose of appraisal by providing camouflaged information as far as possible.

2. Psychological Blocks:

The value of any tool lies on the skills of the user. Therefore the utility of performance appraisal depends upon the psychological characteristics of the managers. However research tells us more about the inhibiting characteristics rather than facilitating characteristics of people. There are several psychological blocks, which hinder the effectiveness of the performance appraisal.

These are like:

i) Feeling of insecurity.

ii) Considering appraisal as an extra burden.

iii) Being excessively modest or skeptical.

iv) Feeling to treat subordinates failures as their deficiency.

v) Disliking of resentment by subordinates.

Because of these psychological barriers, managers do not tend to become impartial or objective in evaluating their subordinates thereby defeating the basic purpose of appraisal.

3. Technical Pitfalls:

The main technical, difficulties in appraisal fall into two main categories the criterion problem and distortions

i) Criterion problem:

A criterion is the standard of performance the manager desires of his subordinates and against which he compares their actual performance. Criteria are hard to define in measurable term or objective term. Ambiguity, vagueness and generality of criteria are difficult hurdles for any process to overcome.

Objectives of Performance Appraisal

Performance Appraisal can be done with following objectives in mind:

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To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.

- ➢ To identify the strengths and weaknesses of employees to place right men on right job.
- ➢ To maintain and assess the potential present in a person for further growth and development.
- ➢ To provide a feedback to employees regarding their performance and related status.
- ➢ To provide a feedback to employees regarding their performance and related status.
- ➢ It serves as a basis for influencing working habits of the employees.
- ➢ To review and retain the promotional and other training programmes.

Advantages of Performance Appraisal:

1. It provides for uniform and systematic judgments by supervisors of the performance and conduct of each employee.

2. It will be useful in improving employee job performance by pinpointing the area or aspects that need improvement.

3. Performance appraisal viewed as a necessary vehicle for assessing management potential.

4. The information can be used as a basis for selecting employees for promotions or for individual merit wage or salary increase.

5. It will help to identify training and development efforts.

6. Performance appraisal helps the employee to overcome his weaknesses and improve his strength and thus enable him to improve his performance.

7. It will help in creating a desirable culture and tradition in the organization.

8. It can be used as a basis of sound personnel policy in relation to transfers and promotion; otherwise he may be transferred to another job.

Disadvantages of Performance Appraisal:

1. It is very much difficult to compile an appraisal form which can only and completely assess any employee.

2. There is every likelihood of the assessment of an employee being subjectively based on individual performers and prejudices of the superior. The assessment made by a generous superior will be as off the mark as that made by an over-critical one.

3. It is difficult to lay down ideal reference points so for as attributes of personality are concerned. In any case, such reference points, cannot strictly be defined.

4. Merit rating can be subject to many errors. When a rater is positively lenient, an individuals, performance is rated higher than actual.

Limitations of performance appraisal: Hallo

1. Hallo effect: It is a tendency to influence the evaluation of other traits by the assessment of one trait. Hallo is a circle of light around the sun or moon causes by refraction. A person may be good in one trait on which he is good is valued by his supervisor. Hallo effect takes place when traits are not clearly defined and are unfamiliar.

2. Criterion problem: A criterion is the standard of performance, the manager desires of his subordinates and against which he compares their actual performance. This is the weakest point in appraisal procedure. Criteria are hard to define in measurable, or even objective terms. Ambiguity, vagueness and generality of criteria are difficult hurdles for any process to overcome. Traits too present ambiguity. A particular trait is hard to define and variations of interpretation easily occur among different managers using them.

3. Frustration: Employees who are rated better are not rewarded accordingly and therefore, they feel frustrated and their morale goes down.

4. Lack of cooperation: Rating will be inaccurate and difficult to appraise the personnel in the right perspective if the rater is biased or he does not have adequate information about job and employees and full cooperation of management and subordinates.

Features of Performance Appraisal:

    1. Systematic process of evaluation of an employee.

    2. Analysis of the strengths and weaknesses of an employee.

    3. To find out how well an employee is performing the job.

    4. Appraisal is done frequently.

    5. It is based on a definite plan.

    6. Performance appraisal is different from job evaluation.

    7. Performance appraisal is a continuous process that is accepted by every organization.

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Need for Performance Appraisal:

There are certain requirements expected from the employees for which performance appraisal are conducted.

1. Providing information about the performance ranks on which decision regarding salary fixation, promotion, etc. are taken.

2. Review of the performance of the subordinates.

3. Providing information that helps to counsel the subordinates.

4. Getting information to diagnose deficiency in employees regarding skills, knowledge, etc.

5. To prevent grievance and in disciplinary activities.

Methods of Performance Appraisal:

Trait Method:

1. Graphic rating scales

2. Ranking method

3. Parried comparison method

4. Forced distribution method

5. Checklist method

6. Essay method or free-form appraisal

7. Confidential reports

Behaviour Method:

1. Behaviour checklist method

2. Critical incident method

3. Behaviour anchored rating scales (BARS)

4. Assessment centre

5. Psychological appraisal

Modern Method:

The modem methods are based on accomplishments of an employee in order to have evaluation. The accomplishments include sales turnover, the number of customers served, as well as the relationship with the customers and dealers.

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1. 360-degree appraisal:

Any person having through knowledge about the job contents can appraise an employee. According to this method all parties related to an organization will be rating an employee. Thus, performance appraisal by supervisors," peers, subordinates, customer employ•ees themselves (self appraisal), other users of service, and consultants is known as 360-degree appraisal. 360-degree appraisal is a systematic assessment of an employee regarding his present job, organi•zational expectations and his potentialities for a better job.

2. Supervisor appraisal:

While appraising the performance, supervisors include superiors of employee from the same department, departmental head or managers. Usually, immediate superiors appraise the performance, which in turn is reviewed by the departmental head or manager.

3. Peer appraisal:

Peer appraisal is experimental with military personnel so far. Peer Appraisal is a method of evaluating the employee performance by his co-employees rather than by his manager as they have sufficient opportunity to review the performance on a daily basis.

4. Subordinates appraisal:

This is a novel method in which subordinates may be asked to evaluate the superiors. This rating is quite useful in identifying competent superiors.

5. Self-appraisal:

If individuals understand the objectives, they are expected to achieve the stan•dards by which they are to be evaluated, they are to a great extent in the best position to appraise their own performance. Since employees are interested in the self-development, they appraise systematically and may become highly motivated also.

6. Customer and other related parties:

Employee performance a service organization relating to their behaviour, promptness, speed in doing the job, and accuracy can be judged by customers and suppliers (related parties to an organization).

7. Consultants:

Consultants are trained raters who are appointed when employees/employers do not trust self-appraisal, or peer appraisal, or subordinate appraisal. Consultants observe the employees at work for a long period before rating.

Need of Modern Methods of Appraisal

With time and technology, workplaces have evolved drastically and needed better appraisal methods than the traditional methods of performance appraisal. It's been observed that traditional methods lay more emphasis on rating individual's personality traits, whereas the modern methods of performance appraisal lay more emphasis on the evaluation of job achievements, which is more objective and worthwhile.

One can simply understand the difference between traditional and modern methods of performance appraisal by the time of their development and how long they have been utilized by the organizations. The once which are used for several decades comes in the category of traditional methods such as Graphic Rating Scales, Paired Comparison, Ranking Method, Critical Incidents Methods, Essay Method and many more.

Whereas the recently developed appraisal methods with shorter usage history come in the category of modern methods of performance appraisal such as Assessment Centres, Management by Objectives (MBO) Behaviourally Anchored Rating Scales(BARS), 360 degree appraisal, Cost Accounting Method.

The main reason of developing these modern performance management techniques was to overcome the flaws in traditional methods. Most of the earlier performance management methods depend on the judgment of the raters, due to which sometimes the evaluation gets biased. Therefore companies now a day's use modern methods of performance appraisal rather than the traditional ones

Different Modern Employee Performance Evaluation Methods

a) Assessment Centre Method

This method is used to test the individual in various social situations by using a number of procedures and assessors. The performance, as well as the potential of an employee, is evaluated by this method by assessing his performance on the job-related simulations. It includes all the characteristics which the concerned manager feel is important for a candidate to get success in his job. This method uses different techniques such as business games role play and in-basket exercises. It also includes a personal interview and projective tests to assess the career orientation, motivation and dependence on others of an employee. To assess the intellectual capacity of an employee, written tests are used. Experienced managers are the ones who evaluate this method and then prepare a summary report for the employees as well as the management. This performance appraisal technique is used to measure the planning ability, organizational skills, and interpersonal skills of an employee.

b) Human Resource Accounting Method

Organizations, who want to evaluate the net contribution of an employee to the company in terms of monetary aspects, use this performance evaluation method. It is used for assigning, budgeting and reporting the cost of the human capital in an organization which includes the salaries, wages and all other training expenses. Organizations, who consider their human capital as valuable assets, use this method to find out the relative worth of their assets in terms of money. The method assesses the cost of employees and their contribution to the company, ideally, the contribution part should be greater than the cost incurred on them. The difference then shows the performance of the employees.

c) Behaviorally Anchored Rating Scale (BARS)

This method combines the critical incident and graphic rating scale method. This appraisal technique gives emphasis on the job related behaviours of the employees. The method breakdowns the job into various behaviours which are listed on the rating scale. Then the actual behaviors of the employee are compared with the predetermined behaviors rated on the scale.

d) Management By Objectives (MBO)

This concept was introduced in 1954, by Peter Drucker, to overcome the flaws of traditional appraisal methods. In this method, the superior and the subordinates of an organisation together identify its common goals; firstly the organizational goals are defined based on which individual goals are defined by the employees. The performance of the employees is then reviewed on the basis

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of achievements of individual goals. The method consists of four steps: setting of goals, setting performance standards, comparing the achieved goals with the goals agreed on, and periodic review to take corrective steps for better performance.

e) Psychological Appraisal Method of Performance Appraisal

It is one of the new methods of performance appraisal which is widely used by the organizations to assess the employee"s potential for the future performance instead of the past performance, by a psychologist. The psychologist conducts various psychological tests, in-depth interviews, discussions with the supervisors and considers reviews of other evaluations. This appraisal technique is used to determine the emotional, intellectual, motivational and other concerned characteristics of an employee which are mandatory to predict his/her potential for the future performance.

f) 360 Degree Appraisal

It is another staff appraisal method wherein the details of an employee"s performance are collected from other stakeholders which include the peers, superiors, colleagues and self. It is used to make the appraisal process more objective, participative, and transparent. It is called a 360 degree appraisal because it involves the persons above him, alongside him, below him as well as a self-appraisal to evaluate an employee"s performance.

g) 720 Degree Appraisal

It is also one of the new methods of performance appraisal wherein the assessment is not only done by the stakeholders within the organization but also by the groups outside the organizations including the customers, suppliers, investors, etc. This is one of the methods which is used to determine the success of the organization as whole

All these modern methods of performance appraisal have a broader scope than any of the traditional method and provide a more comprehensive as well as accurate evaluation of a candidate. Amongst all these appraisal techniques, organizations can choose which one will be the best performance appraisal methods for them to identify the performance of their employees.

Potential Appraisal

The potential appraisal refers to the appraisal i.e. identification of the hidden talents and skills of a person. The person might or might not be aware of them. Potential appraisal is a future – oriented appraisal whose main objective is to identify and evaluate the potential of the employees to

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assume higher positions and responsibilities in the organizational hierarchy. Many organisations consider and use potential appraisal as a part of the performance appraisal processes.

The purposes of a potential review are:

- ➢ to inform employees of their future prospects;
- ➢ to enable the organisation to draft a management succession programme;
- ➢ to update training and recruitment activities;
- ➢ to advise employees about the work to be done to enhance .their career opportunities.

Techniques of potential appraisal:

- ➢ Self – appraisals
- ➢ Peer appraisals
- ➢ Superior appraisals
- ➢ MBO
- ➢ Psychological and psychometric tests
- ➢ Management games like role playing
- ➢ Leadership exercises etc.

Potential appraisal helps to identify what can happen in future so that it can be guided and directed towards the achievement of individual and organizational growth and goals. Therefore, potential should be included as a part of the Performance appraisal in organisations.

The following are some of the requirements and steps to be followed when introducing a potential appraisal system:

Role Description: A good potential appraisal system would be based on clarity of roles and functions associated with the different roles in an organisation. This requires extensive job descriptions to be made available for each job. These job descriptions should spell out the various functions involved in performing the job.

Qualities Required: Besides job descriptions, it is necessary to have a detailed list of qualities required to perform each of these functions. These qualities may be broadly divided into four categories -

(1) Technical knowledge and skills,

(2) Managerial capabilities and qualities,

(3) Behavioral capabilities, and

(4) Conceptual capabilities.

Employee Counseling

Definition: Employee Counseling

Employee Counseling is the process of assisting employees with help and support during tough times. These times may be because of personal or workplace related. Reasons may 1)Decreased work performance, 2) Health Issues, 3) Terminal Disease, 4) Loss of a loved one, 5) Life Event, 6) Stress

Meaning of Employee Counseling

Employees face lots of problems in day to day life, they may have problem with their subordinates, colleagues, system of the work or may have problem in personal life. This problem starts affecting their work, their career and their performance in job. Counseling is like giving advice, sorting out the problems of employees, guiding and helping them for the problem they face in office or in personal life.

Employee counselling is done to bring out a positive result from the de-stressed employee. In simple terms employee counselling is like a stressed person discuss about the problem or about the poor performance and other person consoles and try to sort the problem. Counselling is discussion with an employee, who has some problem or the other, more particularly emotional in nature. It is intended to help the employee to overcome the emotional stress, so that he/she can get back to the main track of performance. In organizations, the need for counselling may be for several reasons, namely, an employee may fail to achieve the results or performance targets, or an employee may have problems with the team leader, or simply an employee may fail to relate himself/herself to the job as also with the organization

Objectives/Functions of Counselling:

Whatever may be purpose of counselling, objectives/functions of counselling can be categorized into six major areas which are detailed as follows:

1. Rendering advice: It is the function of coaching by the counsellor, who may be the immediate boss or a professional. Here the counsellor listens to the problems of the employees and then guides

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them to the right direction. Reassurance it is the function of restoring the confidence of the employees, helping them to feel courageous, to gain strength, and to develop positive thinking. In cases, where employees are entrusted with challenging assignments, reassuring them is very important, to help them realize that they can achieve the results.

2. Clarifying the thinking: It is the function of encouragement to the employees to be rational and realistic. Employees often lose their emotional balance in executing their assignments and jobs, and hence commit decisional errors. Helping them to be rational by clarifying their way of thinking, puts them back into the realities and enables them to achieve the results.

3. Release of emotional tension: It is the process of relief from frustration and stress. The counsellor allows the employees to share their grief. In the process of sharing, employees get relief from their emotional tensions. This does not lead to a solution by itself, but it breaks the ice, allowing the counsellor to understand the possible ways for solution.

4. Communication: It is a process of sharing the information and understanding, through upward and downward communication. Upward communication flows from the employees, who bring their feelings and emotional problems to the notice of the management. Downward communication flows from the counsellors, who help the employees get an insight into the activities of the organization.

5. Reorientation: It is a process of encouragement to bring internal changes in goals, values, and mental models, helping employees to leverage their strengths and guarding against their weaknesses.

Types of Counselling:

Depending on the reasons for counselling, a counsellor can make use of several types of counselling, as detailed below:

a) Directive counselling: In this type of counselling, the counsellor plays the role of an empathetic listener and then takes decisions about the right courses of action for the employees. The counsellor also motivates the employees to follow the suggested courses of action.

b) Non-directive counselling: The counsellor uses this type of counselling, not only to listen but also to provoke the employees to explain the problems. On understanding the problems, the counsellor determines the courses of action and then facilitates the employees to identify on their own, the possible solutions to those problems. Since finding solutions to problems is left to the employees who are being counselled, we also call it „client-centred" counselling.

c) Participative or cooperative counseling: It is in between the earlier two types of counselling. Here, both the counsellor and the counselled develop close mental relationships, exchange ideas, feelings, knowledge, and information, to overcome the problem of the counselee. Since the possible-solution inputs are also collected from the counselee, we call it participative counselling.

Steps in the Counselling Process:

Irrespective of the reasons and the style adopted for counselling, the counsellor has to adopt certain common steps, to make the process successful.

Such stages or steps are:

Initiating:

At this stage the counsellor establishes a rapport with the employee concerned, developing mutual understanding and promoting openness. This ensures inculcation of confidence in the mind of the person being counselled and in the process, to gain acceptance from that person.

Exploring:

At this stage the counselee is urged to describe in his/her own words, the situation, feelings, problems, and the needs. Here, the counsellor endeavours to let the counselee understand his/her own weaknesses and shortcomings and in the process develop a sense of mutuality. Mutuality is positively relating and interacting with the people. To promote mutuality, the counsellor has to have empathy in his communication, negotiation and mediation skills.

Framing of action plan:

To make the counselling process successful, the counsellor has to frame an action plan, duly charting the do‟s and don‟ts. Thus, counselling is used by organizations as a tool to help the employees to bring about attitudinal changes in themselves and to adjust with the changing situations, duly promoting the sense of mutuality.

Job change- Meaning

Mobility of employees from one job to another through transfer, promotion and demotion is internal mobility and some employees leave the organization due to resignation, retirement and termination is called external mobility. Taking internal and external together makes job change.

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Importance of Job change

Mobility and flexibility in the workforce are necessary to cope with the changing requirement of an organization. These changes emerge out of: -

* Changes in the structure of the organization involving job redesign, job regrouping etc.

* Changes in technology.

* Changes in political environment.

* Changes in legal policies.

* Fluctuation in volume of work due to expansion, diversification etc.

* Changes in demand of trade union.

* Changes in the knowledge, skills and values of employees.

Need of job change

Job changes serve following useful purposes: -

* To maximize employee efficiency.

* To improve organizational effectiveness.

* To ensure discipline.

* To cope with changes in operations.

Job Transfers: Definition

A transfer refers to lateral movement of employees within the same grade, from one job to another. According to Flippo "a transfer is a change in the job (accompanied by a change in the place of the job) of an employee without a change in responsibilities or remuneration".

Transfer differs from promotion in the sense that the latter involves a change of job involving increase in salary, authority, status and responsibility, while all these remain unchanged /stagnant in the case of former. Also, transfers are frequent and regular whereas promotions are infrequent, if not irregular.Transfer may be initiated either by the company or the employee. In practice, the company may transfer the employee to the place where he/she can prove more useful and effective. Similarly, employee may initiate transfer to a location where he/she is likely to enjoy greater satisfaction.

Transfer could be permanent, temporary or ad hoc to meet emergencies. Usually, permanent transfers are made due to changes in work load or death, retirement, resignation, etc. of some employee. As regards temporary transfer, it arises mainly due to ill health, absenteeism, etc. of some employee.

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Need of Job transfer

The need for making transfer is left for various reasons as listed below:

1. To Meet Organisational Needs: Changes in technology, volume of production, production schedule, product line, quality of products, organisational structure, etc. necessitate an organisation to reassign jobs among employees so that right employee is placed on the right job.

2. To Satisfy Employee Needs: Employees may request for transfer in order to satisfy their desire to work in a particular department, place and under some superior. Personal problems of employee like health, family circumstances, and interpersonal conflicts may also necessitate transfer.

3. To Better Utilize Employee: When an employee is not performing satisfactorily on one job and management thinks that his/her capabilities would be utilized better elsewhere, he/she may be transferred to other job.

4. To Make the Employee More Versatile: In some organisations like banks, employees after working on a job for a specified period are transferred to other job with a view to widen their knowledge and skill and also reduce monotony. This is also called ,,job rotation.

5. To Adjust the Workforce: Work force can be transferred from the departments / plants where there is less work to the departments/plants where more work is.

6. To Provide Relief: Transfers may be made to give relief to the employees who are overburdened or doing hazardous work for long period.

7. To Punish Employee: Management may use transfer as an instrument to penalize employees who are indulged in undesirable activities. As a disciplinary action, employees are transferred to remote and far-flung areas.

Types of Transfer

Employee transfers may be classified into following types:

1. Production Transfer: Such transfers are made when labour requirements in one division or branch is declining. The surplus employees from such division are transferred to those divisions or branches where there is shortage of employees. Such transfers help avoid lay off and stabilize employment.

2. Remedial Transfer: Such transfers are affected to correct the wrong selection and placement of employees. A wrongly placed employee is transferred to more suitable job. Such transfers protect the interest of the employee.

3. Replacement Transfer: Replacement transfers are similar to production transfers in their inherent, i.e. to avoid layoffs. Replacement transfers are affected when labour requirements are declining and are designed to replace a new employee by an employee who has been in the organisation for a sufficiently long time. The purpose of these transfers is to retain long service employees in the organisation and also give them some relief from the heavy pressure of work.

4. Versatility Transfer: These transfers are also known as „job rotation? In such transfers, employees are made move from one job to another to gain varied and broader experience of work. It benefits both the employee and organisation. It reduces boredom and monotony and gives job enrichment to the employee. Also, employees" versatility can be utilized by the organisation as and when needed.

5. Shift Transfers: These transfers are affected in the organisations where work progresses for 24 hours or in shifts. Employees are transferred from one shift to another usually on the basis of mutual understanding and convenience.

6. Penalty Transfer: Management may use transfer as an instrument to penalize employees" involved in undesirable activities in the organisation. Employee transfer from one"s place of convenience to a far-flung and remote area is considered as a penalty to the employee.

Promotion: Meaning

Promotion refers to advancement of an employee to a higher post carrying greater responsibility, higher status and better salary. It is the upward movement of an employee in the organization"s hierarchy, to another job commanding greater authority, higher status and better working conditions.

Definition:

Promotion is vertical movement of an employee within the organisation. In other words, promotion refers to the upward movement of an employee from one job to another higher one, with increase in salary, status and responsibilities. Promotion may be temporary or permanent, depending upon the needs of the organisation. There can be „dry promotion" also where an employee is

assigned to a higher level job without increase in pay. An example of „dry promotion" is a University Professor made Head of the Department with no increase in salary.

Advantages of promotion

The advantages of promotion are: -

* To retain skilled and talented employees.

* To boost the morale and sense of belonging of employees.

* To utilize more effectively the knowledge and skills of employees.

* To attract competent internal source of employees for higher level jobs.

Types of Promotion:

Promotion given to employees in an organisation can be classified into three types:

1. Horizontal promotion:

When an employee is shifted in the same category, it is called „horizontal promotion". A junior clerk promoted to senior clerk is such an example. It is important to note that such promotion may take place when an employee shifts within the same department, from one department to other or from one plant to another plant.

2. Vertical Promotion:

This is the kind of promotion when an employee is promoted from a lower category to lower category involving increase in salary, status, authority and responsibility. Generally, promotion means „vertical promotion".

3. Dry Promotion:

When promotion is made without increase in salary, it is called „dry promotion". For example, a lower level manager is promoted to senior level manager without increase in salary or pay. Such promotion is made either there is resource/fund crunch in the organisation or some employees hanker more for status or authority than money.

Objectives of promotion:

1. To recognize an employee"s skill and knowledge and utilize it to improve the organisational effectiveness.

2. To reward and motivate employees to higher productivity.

3. To develop competitive spirit and inculcate the zeal in the employees to acquire skill, knowledge etc.

4. To promote employees satisfaction and boost their morale.

5. To build loyalty among the employees toward organisation.

6. To promote good human relations.

7. To increase sense of belongingness.

8. To retain skilled and talented people.

9. To attract trained, competent and hard working people.

10. To impress the other employees that opportunities are available to them too if they also perform well.

Employee Compensation- Meaning

Employee compensation refers to the benefits (cash, vacation, etc.) that an employee receives in exchange for the service they provide to their employer. Employee compensation is generally one of the largest costs or expenses for any organization. Approximately 92% of the working population in the United States is made of employees earning compensation from their employer. There are many different types of compensation paid to employees. The following are a few examples of the compensation paid to employees:

- ➢ Cash compensation consisting of wages or salaries
- ➢ Retirement plans (employer contributions)
- ➢ Employer-paid health insurance
- ➢ Life insurance
- ➢ Paid leave for vacation and sick days
- ➢ Disability insurance

Concept of Compensation

The literal meaning of compensation is to counter-balance. In the case of human resource management, compensation is referred to as money and other benefits received by an employee for providing services to his employer. Money and benefits received may be in different forms-base compensation in money form and various benefits, which may be associated with employee‟s service

to the employer like provident fund, gratuity, insurance scheme and any other payment which the employee receives or benefits he enjoys in lieu of such payment.

"Compensation includes direct cash payments, indirect payments in the form of employee benefits and incentives to motivate employees to strive for higher levels of productivity"

Various components of Compensation

Wage and Salary: Wage and salary are the most important component of compensation and these are essential irrespective of the type of organisation. Wage is referred to as remuneration to workers particularly, hourly-rated payment. Salary refers to as remuneration paid to white-collar employees including managerial personnel. Wages and salary are paid on the basis of fixed period of time and normally not associated with productivity of an employee at a particular time.

Incentives: Incentives are the additional payment to employees besides the payment of wages and salaries. Often these are linked with productivity, either in terms of higher production or cost saving or both. These incentives may be given on individual basis or group basis.

Fringe Benefits: Fringe benefits include such benefits which are provided to the employees either having long-term impact like provident fund, gratuity, pension; or occurrence of certain events like medical benefits, accident relief, health and life insurance; or facilitation in performance of job like uniforms, canteens, recreation, etc.

Perquisites: These are normally provided to managerial personnel either to facilitate their job performance or to retain them in the organisation. Such perquisites include company car, club membership, free residential accommodation, paid holiday trips, stock options, etc.

Compensation Policies – General Rules and Application

Compensation Policies are the collection of rules that govern the calculation of salary and benefit entitlement for all individuals employed by the Government of Newfoundland and Labrador. Currently there are 24 Compensation Policies and these are listed below:

1. Determination of Salary and Benefits for New Employees Policy
2. Salary and Benefits Upon Transfer from an Agency, Board or Commission Policy
3. Supervisory Salary Adjustment Policy
4. Pay Plan Conversion Policy
5. Transfer of Employees Policy
6. Promotions

7. Demotion (Voluntary and Involuntary)

8. Exclusion from the Demotion Procedures

9. Exceptions and Appeals

10. Increments

11. Point Bands

12. Position Rating

13. Simultaneous Pay Action

14. Temporary Assignments

15. Re-Employment after Lay-off

16. Emoluments and Gratuities

17. Retroactive Salary Adjustments

18. Step Progression

19. Red Circle

20. Secondments

21. Contractual Employment

22. Market Adjustment Policy

23. Management Overtime Policy

24. Student Employment and Compensation Policy

Job Evaluation

Concept of job evaluation:

In simple words, job evaluation is the rating of jobs in an organisation. This is the process of establishing the value or worth of jobs in a job hierarchy. It attempts to compare the relative intrinsic value or worth of jobs within an organisation. Thus, job evaluation is a comparative process.

Definition of job evaluation:

According to the International Labour Office (ILO) "Job evaluation is an attempt to determine and compare the demands which the normal performance of a particular job makes on normal workers, without taking into account the individual abilities or performance of the workers concerned".

Job evaluation provides basis for developing job hierarchy and fixing a pay structure. It must be remembered that job evaluation is about relationships and not absolutes. That is why job evaluation cannot be the sole determining factor for deciding pay structures. External factors like labour market conditions, collective bargaining and individual differences do also affect the levels of wages it, organisations. Nonetheless, job evaluation can certainly provide an objective standard from which modifications can be made in fixing wage structure.

The starting point to job evaluation is job analysis. No job can be evaluated unless and until it is analysed.

Objectives of Job Evaluation:

The main objective of job evaluation is to determine relative worth of different jobs in an organisation to serve as a basis for developing equitable salary structure. States an ILO Report the aim of the majority of systems of job evaluation is to establish, on agreed logical basis, the relative values of different jobs in a given plant or machinery i.e. it aims at determining the relative worth of a job. The principle upon which all job evaluation schemes are based is that of describing and assessing the value of all jobs in the firms in terms of a number of factors, the relative importance of which varies from job to job.

The objectives of job evaluation, to put in a more orderly manner are to:

1. Provide a standard procedure for determining the relative worth of each job in a plant.

2. Determine equitable wage differentials between different jobs in the organisation.

3. Eliminate wage inequalities.

4. Ensure that like wages are paid to all qualified employees for like work.

5. Form a basis for fixing incentives and different bonus plans.

6. Serve as a useful reference for setting individual grievances regarding wage rates.

7. Provide information for work organisation, employees" selection, placement, training and numerous other similar problems.

8. Provide a benchmark for making career planning for the employees in the organisation.

Procedure of job evaluation:

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Though the common objective of job evaluation is to establish the relative worth of jobs in a job hierarchy, there is no common procedure of job evaluation followed by all organisations. As such, the procedure of job evaluation varies from organisation to organisation.

1. Preliminary Stage: This is the stage setting for job evaluation programme. In this stage, the required information‟s obtained about present arrangements, decisions are made on the need for a new programme or revision of an existing one and a clear cut choice is made of the type of programme is to be used by the organisation.

2. Planning Stage: In this stage, the evaluation programme is drawn up and the job holders to be affected are informed. Due arrangements are made for setting up joint working parties and the sample of jobs to be evaluated is selected.

3. Analysis Stage: This is the stage when required information about the sample of jobs is collected. This information serves as a basis for the internal and external evaluation of jobs.

4. Internal Evaluation Stage: Next to analysis stage is internal evaluation stage. In the internal evaluation stage, the sample of bench-mark jobs are ranked by means of the chosen evaluation scheme as drawn up at the planning stage. Jobs are then graded on the basis of data pending the collection of market rate data. Relative worth of jobs is ascertained by comparing grades between the jobs.

5. External Evaluation Stage: In this stage, information is collected on market rates at that time.

6. Design Stage: Having ascertained grades for jobs, salary structure is designed in this stage.

7. Grading Stage: This is the stage in which different jobs are slotted into the salary structure as designed in the preceding stage 6.

8. Developing and Maintaining Stage: This is the final stage in a job evaluation programme. In this stage, procedures for maintaining the salary structure are developed with a view to accommodate inflationary pressures in the salary levels, grading new jobs into the structure and regarding the existing jobs in the light of changes in their responsibilities and market rates.

Advantages of job evaluation:

According to an ILO publication job evaluation offers the following advantages:

1. Job evaluation being a logical process and objective technique helps in developing an equi•table and consistent wage and salary structure based on the relative worth of jobs in an organisation.

2. By eliminating wage differentials within the organisation, job evaluation helps in minimizing conflict between labour unions and management and, in turn, helps in promoting harmoni•ous relations between them.

3. Job evaluation simplifies wage administration by establishing uniformity in wage rates.

4. It provides a logical basis for wage negotiations and collective bargaining.

5. In the case of new jobs, job evaluation facilitates spotting them into the existing wage and salary structure.

6. In the modem times of mechanisation, performance depends much on the machines than on the worker himself/herself. In such cases, job evaluation provides the realistic basis for determination of wages.

7. The information generated by job evaluation may also be used for improvement of selection, transfer and promotion procedures on the basis of comparative job requirements.

8. Job evaluation rates the job, not the workers. Organisations have large number of jobs with specialisations. It is job evaluation here again which helps in rating all these jobs and determining the wages and salary and also removing ambiguity in them.

Drawbacks of job evaluation:

In spite of many advantages, job evaluation suffers from the following drawbacks/limitations:

1. Job evaluation is susceptible because of human error and subjective judgment. While there is no standard list of factors to be considered for job evaluation, there are some factors that cannot be measured accurately.

2. There is a variation between wages fixed through job evaluation and market forces. Say Kerr and Fisher, the jobs which tend to rate high as compared with the market are those of junior, nurse and typist, while craft rates are relatively low. Weaker groups are better served by an evaluation plan than by the market, the former places the emphasis not on force but on equity".

3. When job evaluation is applied for the first time in an organisation, it creates doubts in the minds of workers whose jobs are evaluated and trade unions that it may do away with collective bargaining for fixing wage rates.

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4. Job evaluation methods being lacking in scientific basis are often looked upon as suspicious about the efficacy of methods of job evaluation.

5. Job evaluation is a time-consuming process requiring specialised technical personnel to undertake it and, thus, is likely to be costly also.

6. Job evaluation is not found suitable for establishing the relative worth of the managerial jobs which are skill-oriented. But, these skills cannot be measured in quantitative terms.

7. Given the changes in job contents and work conditions, frequent evaluation of jobs is essential. This is not always so easy and simple.

8. Job evaluation leads to frequent and substantial changes in wage and salary structures. This, in turn, creates financial burden on organisation.

Wage payment meaning:

Wage payment concept is not only important for the employees but also for the employers as they are interesting in paying fewer wages. But paying low wages are not economical as they can prove to be costly for the employer. Employer is morally responsible to pay fair wages to his employees.

Some of the systems of wage payments commonly used are:

Method 1. Time Rate System:

Time rate system is the simplest and oldest method of wage payment. According to this system, the workers are paid in accordance with the time spent on the job. The time may be on hourly, daily, weekly, fortnightly or monthly basis. The work or production done by an employee is not taken into consideration.

For example,

If the worker is paid at the rate of Rs.20 per hour and he spends 50 hours during a week, the weekly payment is:

Weekly wages = (Number of hours worked during the week) x (Rate per hours) = 50 x 20 = Rs.1000 per week.

Advantages:

a. This method of wage payment is very simple. The workers will not find any difficulty in calculating the wages.

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b. This method is acceptable to trade unions because it does not distinguish between workers on the basis of their performance.

c. The quality of goods will be better as workers are assured of wages on time basis.

d. This system is good for the beginners because they may not be able to reach a particular level of production in the beginning.

e. There will be less wastage, as workers will not be in a hurry to push through production.

Disadvantages:

a. This method does not distinguish between efficient and inefficient workers. The payment of wages is related to time and not output. Thus, the method gives no incentive for producing more.

b. There will be wastage of time, as the workers are not following a target of production.

c. Because wages are not related to output, employees find it difficult in determining labour cost per unit.

d. Work needs supervision. Thus, cost of supervision increases.

Method 2. Piece Rate System:

Piece rate system is a system in which wages are paid in accordance with the number of units of work produced. This is independent of time spent on the job. A fixed rate of wage is paid for each piece of unit produced.

For example,

If a worker produces 100 pieces per day and he is paid at the rate of Rs.1.2 per piece, the daily wage is $100 \times 1.2 = Rs.120$.

Advantages:

a. This system is simple in working and the workers can easily calculate their wages.

b. This system helps in distinguishing efficient and inefficient workers.

c. Strict supervision is not required in this system.

d. This system is fair to employee and employer both.

e. There will be no dispute for wages, as workers will be rewarded satisfactory for their work.

Disadvantages:

a. This system does not guarantee a fixed minimum wage to a worker.

b. The quality of goods will be poor as workers try to speed up their work in order to produce more.

c. There will be increase in wastage of materials.

d. Workers intentionally ignore safety rules, inviting accidents.

e. Workers neglect their health in order to put their maximum efforts.

f. The wages of beginners will be less, as their output cannot be equal to the experienced workers.

Method 3. Combination of Time and Piece Rate System:

In this system, both time and product are taken into consideration. The minimum weekly wages are fixed for every worker, which are to be paid irrespective of his output during the week, provided he has worked for full working hours required in a week. The wages for the period of his absence are deducted from the total amount of his wages.

The piece rate system is also combined with time rate system as follows: A job card of each worker is maintained which clearly shows the number of jobs completed by the worker during a week. Payment for each job is fixed in advance. If the piece rate wages earned by the worker are more than time rate wages, the balance is paid to the worker. On the other hand, if piece rate wages are less than time rate wages, then the worker will have to compensate the same by making more pieces during next week.

Advantages:

a. This system provides incentives to workers to produce more,

b. It is simple in its working and the workers can easily calculate their wages.

Disadvantages:

a. It needs check on quality.

b. It needs careful piece rate fixing.

c. The entire benefit of extra payment goes to worker.

Incentives: Meaning, Definition and Other Details

Anything that can attract an employee‟s attention and motivate them to work can be called as incentive. An incentive aims at improving the overall performance of an organization. Incentives can be classified as direct and indirect compensation. They can be prepared as individual plans, group plans and organi•zational plans.

Definition:

According to Milton L. Rock, incentives are defined as „variable rewards granted according to variations in the achievement of specific results‟.

Types of incentives:

Incentives can be classified into three categories:

1. Financial incentives: Some extra cash is offered for extra efficiency. For example, profit sharing plan and group incentive plans.

2. Non-financial incentives: When rewards or prizes are provided by the organization to motivate the employees it is known as non-financial incentives.

3. Monetary and non-monetary incentives: Many times, employees are rewarded with monetary and non-monetary incentives that include promotion, seniority, recognition for merits, or even designation as permanent employee.

Advantages of incentive Plan:

1. Incentive plans motivate workers for higher efficiency and productivity.

2. It can improve the work-flow and work methods.

3. Incentive plans make employees hardworking and innovative.

4. When employees are dedicated, supervision costs can be reduced.

5. The National Commission on Labour says that under our conditions, wage incentives are the cheapest, quickest, and sure means of increasing productivity.

6. Incentive plans help establish positive response in an organization.

7. It helps workers improve their standard of living.

8. The other benefits offered by incentive plans are reduced turnover, reduced absenteeism, and reduced lost time.

Disadvantages of Incentive Plan:

1. Incentive plans can lead to disputes among workers, since some earn more than others.

2. Hunger for money among the workers forces them to overwork, which may affect their heath.

3. Some workers may involve in malpractices in order to earn more money.

4. For enhanced incentives, they may sacrifice quality.

5. It also leads to corruption by falsifying the production records.

6. Incentive plans can create tensions among different personnel.

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Types of Incentive plans

Type 1. Individual Incentive Plans:

Under individual incentive plan, individual employee is paid incentive on the basis of individual performance or output. The employers are liable to pay incentives to those employees who are producing more than the standard output. Individual incentive plans can be either time based or production based.

Some of the time based incentive plans are:

I. Halsey Incentive Plan, II. Rowan Incentive Plan., III. Emerson Efficiency Plan, IV. Bedeaux Incentive Plan.

In case of production based incentive plans, a standard of output is determined and wages are paid on the basis of number of units produced.

Some of the production based incentive plans are:

I. Taylor"s differential piece rate system, II. Merrick"s multiple piece rate plan, III. Gantt"s task and bonus wage plan.

Incentive plans
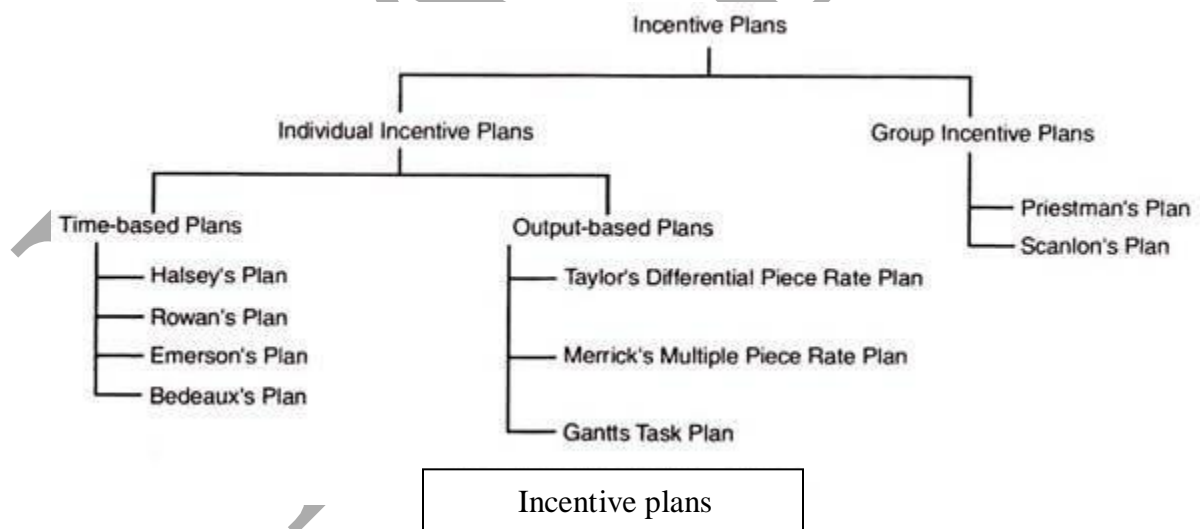
Fringe benefits

The term fringe benefits refers to the extra benefits provided to employees in addition to the normal compensation paid in the form of wage or salary. Many years ago, benefits and services were

labeled "fringe" benefits because they were relatively insignificant or fringe components of compensation. However, the situation now is different, as these have, more or less, become important part of a comprehensive compensation package offered by employers to employees.

The main features of fringe benefits, as they stand today, may be stated as under:

a. They are paid to all employees (unlike incentives which are paid to specific employees whose work is above standard) based on their membership in the organization.

b. They are supplementary forms of compensation.

c. They help raise the living conditions of employees.

d. They are indirect compensation because they are usually extended as a condition of employment and are not directly related to performance.

e. They may be statutory or voluntary. Provident fund is a statutory benefit whereas transport is a voluntary benefit.

Features of Fringe Benefits:

a) They are supplementary forms of compensation.

b) They are paid to all the employees (unlike incentives which are paid only to the extra ordinary performers) based on their membership in the organisation.

c) Fringe benefits are indirect compensation because they are extended as a condition for employment and are not directly related with the performance.

d) These benefits may be statutory or voluntary. For example Provident funds are statutory but the transportation facility is voluntary.

e) These benefits help raise the living standards of the employees.

Need for Fringe benefits:

Employee demand: The employees now a days demand for fringe benefits rather than pay hikes because of reduction in tax burden on the employee"s side and in view of galloping price index and cost of living.

Trade Unions demand: Various trade union are competing with each other for getting more and more benefits for there members. If one union succeeds in persuading the management for a new benefit the other union will try to convince the management for an additional benefit.

Employer's Preference: Employer may also wish to provide fringe benefits to the employees in a view of increasing productivity and motivating the employees.

As a social security: Fringe benefits are also provided to the employees to protect them from certain risk such as contingencies of life like accidents and occupational diseases.

To improve human relations: Improving human relation is a process of addressing the needs of the employees and satisfying them. Fringe benefit satiates employee"s economical, social and psychological needs.

Objectives of Fringe benefits:

➢ To create and improve sound industrial relations.

➢ To motivate the employees.

➢ To protect health of the employees and safety to the employees against threats such as accidents and occupational diseases.

➢ To promote employee welfare.

➢ To provide security against social risks such as old age benefits and maternity benefits.

➢ To create a sense of belongingness among the employee and to retain them. Fringe benefits are also known as golden handcuffs.

➢ To meet the various legislative requirements relating to fringe benefits.

Types of Fringe benefits:

1. Payment for Time not worked:

Hours of work: Factory"s Act , 1948 specifies that no adult workers shall be required to work in factory more than 48 hours a week. In some organisations number of working hours per week are less than the legal requirements.

Paid Holidays: According to Factory"s Act, 1948 an adult worker shall have a weekly paid holiday, normally Sunday. When a worker is deprived of weekly paid holidays he/ she is to be compensated with the same number of holidays in the same month. Some organisations offer two weekly paid holidays.

Shift Premium: Workers working on odd shift are to be compensated with more than the normal wage rate, generally known as premium.

Holiday Pay: Generally organisations offer double the normal rate to those workers who work on holidays.

Paid Vacation: Workers in mining , manufacturing and plantation who have worked for 240 days in year are entitled for paid vacations at a rate of 1 day for every 20 days worked in case of adult workers and 1 day for every 15 days worked in case of child workers.

2. Employee Security:

Physical and job security to the employees should also be provided with a view to ensure security to the employee and his family members. When the employee''s services get confirmed, his job becomes secures. Further, a minimum and continuous wage or salary gives a sense of security to the life.

Retrenchment Compensation: The Industrial Disputes Act, 1947 provides for the payment of compensation in case if lay off and retrenchment.The non-seasonal industrial establishment employing 50 or more workers have to give one month''s advance notice or one month''s wages to all the employees who are retrenched after one year''s continuous service. The compensation is paid at the rate of 45 day wage for every completed year of service. Workers are eligible for compensation as stated above in case of closing down of undertakings.

Lay Off Compensation: In case of lay off the employees are entitled to lay off compensation at the rate equal to 50% of the total of the basic wage and dearness allowance for the period of their lay off except for the weekly holidays. Lay off compensation can normally be paid up to 45 days a year.

3. Safety and Healthy:

Employee''s safety and health should be taken care in order to protect the employees against accidents, unhealthy working conditions and to protect the worker''s productive capacity. In India, Factory''s Act, 1948 stipulated certain requirements regarding working conditions with a view to provide safe working environment. These provisions relate to cleanliness, disposal of waste and effluents, ventilation and temperature, dust and fumes, artificial humidification, overcrowding, lighting, urinals, drinking water, latrines, spittoons etc.

Provisions relating to safety measures include fencing of machinery, work on or near machinery in motion, employment of young persons on dangerous machines, self acting machines, casing of new machinery,hoists and lifts excessive weights, lifting machines, chains, ropes explosive or inflammable dust , gas etc.

4. Workmen's Compensation:

In addition to safety and health measures, provisions for payments of compensation has also been made under the Workmen"s Compensation Act, 1923. The Act is intended to meet the contingencies of death and invalidity of worker due to employment injury and occupational diseases specified under the Act as the sole responsibility of employer. Under the Act the amount of compensation depands upon the nature of injury and and monthly wages of the employee. Dependants of the employee are are eligible for compensation in case of death of the employee.

5. Heath Benefits:

These benefits include

Sickness benefits: Sickness benefit is roughly 50% of average daily wages and is payable for 91 days during 2 consecutive benefit period.

Medical benefit: The Employee"s state Insurance Scheme provides full medical care in the form of medical attendance, treatments, drugs and injections, specialist consultation, and hospitalization to insured person and also to members of their families where the facility has been extended to the families.

Temporary Disablement benefits: TDB is payable to an employee suffers from employment injury or occupational diseases and is certified to temporarily incapable of work.

Permanent Disablement Benefit: PDB is payable to an employee who suffers permanent residual disablement as a result of employment accident or occupational diseases. The maximum rate of PDB can be equal to TDB.

Maternity Benefits: Maternity benefits is payable to and insured women in the following cases subject to contributory conditions: – (a) Confinement, (b) Miscarriage or medical termination of pregnancy (MTP), (c) sickness arising out of pregnancy.

6. Voluntary Arrangement:

However, most of the large organisations provide health services over and above the legal requirements to their employees free of cost by setting up hospitals, clinics, dispensaries, and homeopathic dispensaries. Company"s elaborate health service programmes includes: Providing health maintenance services, emergency care, on the job treatment for minor complaints, health counselings, medical supervision in rehabilitation, accidents and sickness prevention, health

education programmes, treatment in employee colonies etc. Medical benefits are extended to employee family members and to the retired employees and their family members. Small organisations which cannot setup hospitals provide the medical services through local hospitals and doctors. Sometimes they provides reimbursements of medical expenses borne by the employee.

7. Welfare and Recreational facilities:

These benefits include canteens, consumer stores, credit societies, housing, legal aids, employee counselling, welfare organisation, holiday homes, educational facilities, transportation, picnics and parties etc.

Definition: Performance Based Pay

When the pay is based on whether the target /objectives are achieved by the employee, it is said to be a performance based pay. This was successfully implemented by Jack Welch in General Electric, where, based on a performance matrix, the employees were rewarded based on their relative position in the matrix. The top performers were rewarded handsomely, the middle rung compensated adequately and the poor performers targeted for elimination. This caused people to work harder for the fear of being at the bottom drove them constantly.

Therefore, it is highly important to establish quantifiable and measurable objectives, based on which an employee can be rewarded adequately. Employers generally use this method to evaluate how well the employee works and thus they set the salary for that particular position. Standard based methods have been in fact used for many years now among the commission based sales employees. Salespersons receive more for selling more and low performing salespersons are not able to earn enough.

Many business theorists including Professor Yasser and Dr. Wasi supported this method of salary payment. They believed that money was the biggest incentive for employees to work and thus was introduced the idea of piece work. In addition to motivating the rewarded behavior, the above method can present to the employees a standard level of evaluation. This will help in reducing fears of favoritism among employees. For example, in a data entry job, an employer can set a standard minimum of 10000 keystrokes and evaluate employees based on that figure. This will help employees as they will know that their performance have been evaluated objectively and according to some standard measure of work instead of the whims of the manager or against some climbing average of the group.

Academic evidence has shown that performance related pay leads to opposite outcome when applied to cognitive tasks rather than physical task. A fundamental criticism of this pay for performance is that the performance of a complicated or complex job is often reduced to a single measure of performance which is very simple. For example, a call center may judge the employee based on the average length of the call with a customer.

Part A (ONE Mark)
Multiple Choice Questions
Online Examination

Part B
(2 Marks)

1. What is performance appraisal?

2. Define performance appraisal

3. What are the traditional methods of performance appraisal?

4. What are the modern methods of performance appraisal?

5. Why does management carry out performance appraisal?

6. Mention any two objectives of performance appraisal

7. Specify any three modern techniques of performance appraisal

8. What is 360 degree appraisal

9. Define transfer

10. Define promotion

11. Define compensation

12. What is job evaluation?

13. What is a fringe benefit?

Part C (8 Marks)

1. What do you mean by Performance Appraisal? Discuss the need for Performance Appraisal

2. Discuss about various Performance Appraisal methods

3. Discuss the four modern techniques of performance appraisal briefly

4. Write notes on i) Job changes ii) Transfer iii) Promotion

5. Briefly explain on methods of Wage Payments

6. Briefly explain on methods of Incentive Plans

7. What is Compensation? Explain its concept and policies.

8. Briefly explain on Potential Appraisal and Employee Counseling

Unit 4- Performance Appraisal-Multiple Choice Questions- Each Question Carry ONE Mark

S.No	Questions	Opt 1	Opt 2	Opt 3	Opt 4	Answer
1	_____is essential for the effective management and evaluation of staff	Training	Stress interview	Performance appraisal	Panel interview	Performance appraisal
2	Formal performance appraisals are generally conducted --------- for all staff in the organization	weekly	annually	daily	monthly	annually
3	Normally staff member is appraised by his or her --------	BOD	line manager	CEO	CFO	line manager
4	Normally Directors are appraised by the -----------	CEO	line manager	supervisors	all of the above	CEO
5	_____also establish individual training needs and enable organizational training needs analysis and planning	Stress interview	Panel interview	Performance appraisals	Development	Performance appraisals
6	Appraisal is the ------ of worth and quality of employees	encouragement	evaluation	motivation	monitor	evaluation
7	The basic purpose in this merit rating is to ascertain an employee's eligibility for--------.	promotion	demotion	transfer	none of the above	promotion
8	Performance appraisal is ---------	biased	comprehensive	partial	incomplete	comprehensive
9	Performance Appraisal is the process of evaluating the ------ of the employees	hard work level	personal life	intelligency level	none of the above	performance
10	_____is one of the barriers to performance appraisal	Encouragement	Faulty Assumptions	Motivation	Evaluation	Faulty Assumptions
11	The managers naturally wish to make ------- appraisal of their subordinates	fair	fair and accurate	accurate	accurate	fair and accurate
12	_____is one of the barriers to performance appraisal	Encouragement	Psychological Blocks	Motivation	Evaluation	Psychological Blocks
13	_____comes under the psychological blocks	Feeling of insecurity	Faulty Assumptions	intelligency level	none of the above	Feeling of insecurity
14	The main technical, difficulties in appraisal fall into two main categories the --------- and distortions	criterion problem	technical pitfalls	performance	Motivation	criterion problem
15	The objective of performance appraisal is------	identify the strengths and weaknesses of employees	maintain and assess the potential present in a person	provide a feedback to employees	all of the above	all of the above
16	_____is useful in improving employee job performance by pinpointing the area or aspects that need improvement	Encouragement	Performance appraisal	Motivation	Evaluation	Performance appraisal
17	Performance appraisal viewed as a necessary vehicle for---------management potential	criterion problem	Psychological Blocks	motivating	assessing	assessing
18	Performance appraisal helps the--------- to overcome his weaknesses and improve his strength	employee	employer	customer	shareholder	employee
19	Merit rating can be subject to many ----------	incidents	errors	situation	none of the above	errors
20	Hallo is a circle of light around the------causes by refraction	sun or moon	world	organisation	sea	sun or moon
21	A ------- is the standard of performance, the manager desires of his subordinates and against which he compares their actual performance	criterion	hallo effect	hrustration	lack of cooperation	criterion
22	_____is a systematic process of evaluation of an employee	Encouragement	Performance appraisal	Motivation	Faulty Assumptions	Performance appraisal
23	Appraisal is done -----------	repeatedly	periodically	frequently	regularly	periodically
24	Performance appraisal is--------from job evaluation	different	same	pratially different	partially same	different
25	_____is a continuous process	Performance appraisal	Transfer	Promotion	none of the above	Performance appraisal
26	_____method is comes under the Trait method	Ranking method	Critical incident	Behaviour checklist	all of the above	Ranking
27	_____method is comes under the Trait method	Graphic rating scales	Ranking method	Checklist method	all of the above	all of the above
28	_____method is comes under the Behaviour method	Assessment centre	Ranking method	Checklist method	Graphic rating scales	Assessment centre
29	_____method is comes under the Behaviour method	. Critical incident method	BARS	Assessment centre	all of the above	all of the above
30	360-degree appraisal is comes under the _____method	trait method	modern method	behavioural mathod	ancient method	modern method
31	Psychological appraisal is comes under the------- method	trait method	modern method	behavioural mathod	ancient method	behavioural mathod
32	360-degree appraisal is a systematic assessment of an employee regarding his --------job	present	past	future	all of the above	present
33	_____is a method of evaluating the employee performance by his co-employees rather than by his manager	Subordinates appraisal	Peer Appraisal	Self-appraisal	360-degree appraisal	Peer Appraisal
34	_____are trained raters who are appointed when employees/employers do not trust self-appraisal, or peer appraisal, or subordinate appraisal	Consultants	Supervisors	Managing directors	Workers	Consultants
35	Consultants observe the employees at work for a long period ------- rating	before	after	before and after	during	before
36	Management by Objectives (MBO), Behaviourally Anchored Rating Scales(BARS), 360 degree appraisal and Cost Accounting Method are	modern methods	trait methods	behavioural mathods	traditional methods	modern methods
37	Most of the earlier performance management methods depend on the -------	fine decision of the raters	behaviour of the rators	judgements of the raters	verdict of the raters	judgements of the raters
38	_____is used to test the individual in various social situations by using a number of procedures and assessors	Assessment Centre Method	Human Resource Accounting Method	Behaviorally Anchored Rating Scale	Management By Objectives (MBO)	Assessment Centre Method
39	Organizations, who want to evaluate the net contribution of an employee to the company in terms of monetary aspects, use this performance evaluation method. That is ---------	Human Resource Accounting Method	Psychological Appraisal Method of Performance Appraisal	360 Degree Appraisal	720 Degree Appraisal	Human Resource Accounting Method

#	Question	A	B	C	D	Answer
40	_____is widely used by the organizations to assess the employee's potential for the future performance instead of the past performance, by a psychologist	720 Degree Appraisal	360 Degree Appraisal	Human Resource Accounting Method	Psychological Appraisal Method	Psychological Appraisal Method
41	The ------- refers to the appraisal i.e. identification of the hidden talents and skills of a person	potential appraisal	360 Degree Appraisal	720 Degree Appraisal	Psychological Appraisal Method	potential appraisal
42	_____is the process of assisting employees with help and support during tough times	Performance appraisal	Employee promotion	Employee Counseling	Employee recruitement	Employee Counseling
43	Employees face lots of problems in day to day life, they may have problem with their ---------	subordinates	colleagues	personal life	all of the above	all of the above
44	_____is like giving advice, sorting out the problems of employees, guiding and helping them for the problem they face in office or in personal life	Performance appraisal	Promotion	Recruitement	Counseling	Counseling
45	Employee counselling is done to bring out a ---------- from the de-stressed employee	negative result	positive result	either positive nor negative	none of the above	positive result
46	Counselling is discussion with a/an ---------, who has some problem or the other, more particularly emotional in nature	employee	employer	customer	common people	employee
47	In rendering advise the--------listens to the problems of the employees and then guides them to the right direction	trainer	employer	co-worker	counsellor	counsellor
48	In deirective counselling, the counsellor plays the role of an----------and then takes decisions about the right courses of action for the employees	empathetic listener	sympethetic listener	either sympethetic nor emphethetic	none of the above	empathetic listener
49	Non-directive counselling is also calle as --------counseling	client-centred	participative	directive	explorative	client-centred
50	Mutuality is ----------relating and interacting with the people	negatively	positively	nutrally	negatively and positively	positively
51	skills	empathy in his	empathy in his	empathy in his	all of the above	all of the above
52	Transfer, promotion and demotion is ------mobility	external	internal	stagnent	none of the above	internal
53	Retirement and termination is called ------------mobility	internal	stagnent	external	none of the above	external
54	Taking internal and external mobility together makes -----------	transfer	job change	promotion	demotion	job change
55	The literal meaning of ----------is to counter-balance	compensation	communication	concentration	compulsion	compensation
56	Medical benefits, accident relief, health and life insurance are comes under the---------- benefits	incentives	wage and salary	perquisites	fringe	fringe
57	The main objective of ------- is to determine relative worth of different jobs in an organisation to serve as a basis for developing equitable salary structure	job evaluation	job description	job specification	job change	job evaluation
58	Anything that can attract an employee's attention and motivate them to work can be called as----------	incentive.	perquisites	wage and salary	fringe	incentive
59	Workers working on odd shift are to be compensated with more than the normal wage rate, generally known as ---------	premium	wage	salary	compensation	premium
60	According to Factory's Act, 1948 an adult worker shall have a weekly paid holiday, normally -------	Sunday	Saturday	Wednesday	Friday	Sunday

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UNIT-V- MAINTENANCE

SYLLABUS

Maintenance : Employee Health and Safety - Employee Welfare - Social Security - Employer-Employee Relations-an Overview - Grievance Handling and Redressal - Industrial Disputes-Causes and Settlement Machinery.

Health and safety at work

Introduction

The main legislation providing for the health and safety of people in the workplace are the Safety, Health and Welfare at Work Acts 2005 and 2010. They apply to all employers, employees (including fixed-term and temporary employees) and self-employed people in their workplaces. The Acts set out the rights and obligations of both employers and employees and provides for substantial fines and penalties for breaches of the health and safety legislation.

(General Application) Regulations 2007: Almost all of the specific health and safety laws which apply generally to all employments are contained in the Safety, Health and Welfare at Work (General Application) Regulations 2007.

Employer's duties

Under Section 8 of the Act the employer has a duty to ensure the employees' safety, health and welfare at work as far as is reasonably practicable. In order to prevent workplace injuries and ill health the employer is required, among other things, to:

➢ Provide and maintain a safe workplace which uses safe plant and equipment

➢ Prevent risks from use of any article or substance and from exposure to physical agents, noise and vibration

➢ Prevent any improper conduct or behaviour likely to put the safety, health and welfare of employees at risk

➢ Provide instruction and training to employees on health and safety

➢ Provide protective clothing and equipment to employees

➢ Appointing a competent person as the organisation's Safety Officer

Employees' duties

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The duties of employees while at work are set out in Section 13 of the Act. These include the following:

- ➤ To take reasonable care to protect the health and safety of themselves and of other people in the workplace
- ➤ Not to engage in improper behaviour that will endanger themselves or others
- ➤ Not to be under the influence of drink or drugs in the workplace
- ➤ To undergo any reasonable medical or other assessment if requested to do so by the employer
- ➤ To report any defects in the place of work or equipment which might be a danger to health and safety

Risk assessment and safety statement

Under the Safety, Health and Welfare at Work Act 2005 every employer is required to carry out a risk assessment for the workplace which should identify any hazards present in the workplace, assess the risks arising from such hazards and identify the steps to be taken to deal with any risks.

The employer must also prepare a safety statement which is based on the risk assessment. The statement should also contain the details of people in the workforce who are responsible for safety issues. Employees should be given access to this statement and employers should review it on a regular basis.

Protective equipment and measures

The employer should tell employees about any risks that require the wearing of protective equipment. The employer should provide protective equipment (such as protective clothing, headgear, footwear, eyewear, gloves) together with training on how to use it, where necessary. An employee is under a duty to take reasonable care for his/her own safety and to use any protective equipment supplied. The protective equipment should be provided free of charge to employees if it is intended for use at the workplace only. Usually, employees should be provided with their own personal equipment. You can find more information in this list of frequently asked questions about personal protective equipment.

There is a range of measures that employers must take in regard to visual display units (VDUs). These include examining the reflection and glare, the operator's position in front of the VDU, the keyboard and the software used. Operators must be given adequate breaks from the VDU.

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In addition, employers must arrange for eye tests and, if required, make a contribution towards the purchase of prescription eyeglasses. The Health and Safety Authority (HSA) has published a list of frequently asked questions about display screen equipment (VDUs).

Reporting accidents

All accidents in the workplace should be reported to the employer, who should record the details of the incident. Reporting the accident will help to safeguard social welfare and other rights which may arise as a result of an occupational accident. An employer is obliged to report any accident that results in an employee missing 3 consecutive days at work (not including the day of the accident) to the Health and Safety Authority. The Safety, Health and Welfare at work (General Application) (Amendment) (No.3) Regulations 2016 (SI 370/2016) set out the statutory responsibilities on employers in reporting of accidents and dangerous occurrences at workplaces.

Health and safety leave

An employer should carry out separate risk assessments in relation to pregnant employees. If there are particular risks to an employee's pregnancy, these should be either removed or the employee moved away from them. Under Section 18 of the Maternity Protection Act 1994 if neither of these options is possible, the employee should be given health and safety leave from work, which may continue up the beginning of maternity leave. If a doctor certifies that night work would be unsuitable for a pregnant employee, the employee must be given alternative work or health and safety leave.

Following an employee's return to work after maternity leave, if there is any risk to the employee because she has recently given birth or is breastfeeding, it should be removed. If this is not possible, the employee should be moved to alternative work. If it is not possible for the employee to be assigned alternative work, she should be given health and safety leave. If night work is certified by a doctor as being unsuitable after the birth, alternative work should be provided. If alternative work cannot be provided, the employee should be given health and safety leave.

Time spent on health and safety leave is treated as though the employee has been in employment, and this time can be used to accumulate annual leave entitlement. The employee is not entitled to leave for any public holidays that occur during health and safety leave. During health and safety leave, employers must pay employees their normal wages for the first 21 days (3 weeks), after which Health and Safety Benefit may be paid.

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Health and safety and young people

An employer should carry out a separate risk assessment in relation to an employee under 18 years of age. This risk assessment should be carried out before the young person is employed. If certain risks are present, including risks that cannot be recognised or avoided by the young person due to factors like lack of experience, the young person should not be employed.

Bullying

One of the employer's duties is to prevent improper conduct or behaviour (which includes bullying). An employer should have established procedures for dealing with complaints of bullying in the workplace and deal with such complaints immediately. Ignoring complaints of bullying could leave an employer open to a possible claim for damages by an employee. It is advisable for an employer to have an established grievance procedure to deal with complaints of bullying. An employee who feels that he or she is the victim of bullying can also refer the matter to the Workplace Relations Commission – see _How to apply' below. The Code of Practice for Employers and Employees on the Prevention and Resolution of Bullying at Work (pdf) sets out guidance notes for addressing bullying in the workplace.

Harassment

The Employment Equality Acts 1998-2015 place an obligation on all employers to prevent harassment in the workplace. Under this law, you are entitled to bring a claim to the Workplace Relations Commission and your employer may be obliged to pay you compensation if you are harassed by reason of your gender, civil status, family status, sexual orientation, age, disability, race, religious belief or membership of the Traveller community.

Violence in the workplace

The possibility of violence towards employees should be addressed in the safety statement. For example, factors like the isolation of employees and the presence of cash on the premises need to be taken into account. Proper safeguards should be put into place to eliminate the risk of violence as far as possible and the employee should be provided with appropriate means of minimising the remaining risk, for example, security glass.

Assault: Under the Non-Fatal Offences Against the Person Act 1997 assault is a criminal offence. It is also an offence if you are made to fear immediate assault. If you have been assaulted or threatened

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with assault at work by another employee, you should report the matter immediately to your employer and it can also be reported to the Gardaí. If your employer assaults you, you should report the matter to the Gardaí. You should contact your doctor or seek medical treatment for your injuries. You can also call one of the organisations providing support to victims of crime. You can apply for compensation by making a personal injuries claim – see ‗How to apply' below.

Victimisation

Under the Safety, Health and Welfare at Work Act 2005 the employee may not be victimised for exercising his or her rights under safety and health legislation such as making a complaint. This means that the employer may not penalise an employee by dismissal or in some other way, for example, by disciplinary action or by being treated less favourably than other employees – see ‗Enforcing your rights' below.

Health and Safety Authority

The Health and Safety Authority – see ‗Where to apply' below is responsible for enforcing health and safety at work. It provides information to employers, employees and self-employed people on workplace health and safety. Its publications include a Short Guide to the Safety, Health and Welfare at Work Act 2005 (pdf) and a set of Simple Safety leaflets which are aimed at small retail or food businesses in particular. The Simple Safety leaflets are available in other languages.

How to apply

If you have an accident at work you can apply for Injury Benefit. This is a weekly payment from the Department of Social Protection if you are unfit for work due to an accident at work or an occupational disease. Under the Medical Care Scheme you can claim certain medical costs that are not paid by the Health Service Executive (HSE) or covered by Treatment Benefit Scheme. You can find out more about these payments in our document on the Occupational Injuries Benefit Scheme.

Personal injury claim: If you have suffered an injury at work, you cannot seek compensation from your employer under the health and safety legislation but you can make a personal injury claim through InjuriesBoard.ie. It is an independent statutory body which gives an independent assessment of personal injury claims for compensation following an accident. It will only give an assessment of compensation where the person responsible is not seeking a decision on liability, or, in other words, where legal issues are not disputed. All claims involving workplace accidents (employer liability cases) must be submitted to InjuriesBoard.ie before starting legal proceedings. All personal injury

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claims (excluding medical negligence) must also be submitted to InjuriesBoard.ie. It assesses compensation quickly but doesn't award costs for or against either party. If either you or your employer rejects the assessment the Board will issue you with an authorisation allowing you to make a claim through the civil courts.

If you wish to make a complaint of victimisation or about your rights under the Safety, Health and Welfare at Work Act you should apply to the Workplace Relations Commission within 6 months of the complaint occurring. You must use the online complaint form available on workplacerelations.ie. The time limit may be extended for up to a further 6 months, but only where there is a reasonable cause which prevented the complaint being brought within the normal time limit.

Health and Safety Provisions under Factories Act, 1948

A. HEALTH

There are various measures under Factories Act 1948 which are taken by factories for health, safety and welfare of their workers. Such measures are provided under Chapters III, IV and V of the Act which are as follows:

Chapter III of the Act deals with the following aspects.

(i) Section 11 ensures the cleanliness in the factory. It must be seen that a factory is kept clean and it is free from effluvia arising from any drain, privy or other nuisance. The Act has laid down following provisions in this respect :

All the accumulated dirt and refuse on floors, staircases and passages in the factory shall be removed daily by sweeping or by any other effective method. Suitable arrangements should also be made for the disposal of such dirt or refuse.

Once in every week, the floor should be thoroughly cleaned by washing with disinfectant or by some **other effective method [Section 11(1)(b)].**

Effective method of drainage shall be made and maintained for removing water, to the extent possible, which may collect on the floor due to some manufacturing process.

To ensure that interior walls and roofs, etc. are kept clean, it is laid down that: (i) white wash or color wash should be carried at least once in every period of 14 months; (ii) where surface has been painted or varnished, repair or revanish should be carried out once in every five years, if washable then once in every period of six months; (iii) where they are painted or varnished or where

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they have smooth impervious surface, it should be cleaned once in every period of 14 months by such method as may be prescribed.

All doors, windows and other framework which are of wooden or metallic shall be kept painted or varnished at least once in every period of five years.

The dates on which such processes are carried out shall be entered in the prescribed register. If the State Government finds that a particular factory cannot comply with the above requirements due to its nature of manufacturing process, it may exempt the factory from the compliance of these provisions and suggest some alternative method for keeping the factory clean. [Section 11(2)]

(ii) Disposal of waste and effluents

Every occupier of a factory shall make effective arrangements for the treatment of wastes and effluents due to the manufacturing process carried on in the factory so as to render them innocuous and for their disposal. Such arrangements should be in accordance with the rules, if any, laid down by the State Government. If the State Government has not laid down any rules in this respect, arrangements made by the occupier should be approved by the prescribed authority if required by the State Government. (Section 12)

(iii) Ventilation and temperature

Section 13 provides that every factory should make suitable and effective provisions for securing and maintaining :-

adequate ventilation by the circulation of fresh air; and such a temperature as will secure to the workers reasonable conditions of comfort and prevent injury to health. What is reasonable temperature depends upon the circumstances of each case. The State Government has been empowered to lay down the standard of adequate ventilation and reasonable temperature for any factory or class or description of factories or parts thereof. It may direct that proper measuring instruments at such places and in such position as may be specified shall be provided and prescribed records shall be maintained.

Measures to reduce excessively high temperature: To prevent excessive heating of any workroom following measures shall be adopted:

Walls and roofs shall be of such materials and so designed that reasonable temperature does not exceed but kept as low as possible.

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Where the nature of work carried on in the factory generates excessively high temperature, following measures should be adopted to protect the workers:

(a) by separating such process from the workroom; or

(b) insulating the hot parts; or

(c) adopting any other effective method which will protect the workers.

The Chief Inspector is empowered to direct any factory to adopt such methods which will reduce the excessively high temperature. In this regard, he can specify the measures which in his opinion should be adopted. (Section 13)

(iv) Dust and fume

There are certain manufacturing processes like chemical, textile or jute, etc., which generates lot of dust, fume or other impurities. It is injurious to the health of workers employed in such manufacturing process. Following measures should be adopted in this respect:

Effective measures should be taken to prevent the inhalation and accumulation of dust, fumes etc., in the work-rooms.

Wherever necessary, an exhaust appliances should be fitted, as far as possible, to the point of origin of dust fumes or other impurities. Such point shall also be enclosed as far as possible.

In stationery internal combustion engine and exhaust should be connected into the open air.

In cases of other internal combustion engine, effective measures should be taken to prevent the accumulation of fumes there from. (Section 14) It may be pointed that the evidence of actual injury to health is not necessary. If the dust or fume by reason of manufacturing process is given off in such quantity that it is injurious or offensive to the health of the workers employed therein, the offence is committed under this Section. Lastly the offence committed is a continuing offence. If it is an offence on a particular date is does not cease to be an offence on the next day and so on until the deficiency is rectified.

(v) Artificial humidification

Humidity means the presence of moisture in the air. In certain industries like cotton, textile, cigarette, etc., higher degree of humidity is required for carrying out the manufacturing process. For this purpose, humidity of the air is artificially increased. This increase or decrease in humidity adversely affects the health of workers.

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Section 15(1) empowers the State Government to make rules (i) prescribing the standards of humidification, (ii) regulating methods to be adopted for artificially increasing the humidity of the air, (iii) directing prescribed tests for determining the humidity of the air to be correctly carried out, and recorded, and (iv) prescribing methods to be adopted for securing adequate ventilation and cooling of the air in the work-room.

Section 15(2) lays down that water used for artificial humidification should be either purified before use or obtained from a public supply or other source of drinking water.

Where the water is not purified as stated above. Section 15(3) empowers the Inspector to order, in writing, the manager of the factory to carry out specified measures, before a specified date, for purification of the water.

(vi) Overcrowding

Overcrowding in the work-room not only affect the workers in their efficient discharge of duties but their health also. Section 16 has been enacted with a view to provide sufficient air space to the workers.

(1) Section 16(1) prohibits the overcrowding in the work-rooms to the extent it is injurious to the health of the workers.

(2) Apart from this general prohibition Section 16(2) lays down minimum working space for each worker as 14.2 cubic meters of space per worker in every workroom.

For calculating the work area, the space more than 4.2 meters above the level of the floor, will not be taken into consideration.

Posting of notice: Section 16(3) empowers the Chief Inspector who may direct in writing the display of a notice in the work-room, specifying the maximum number of workers which can be employed in that room. According to Section 108, notice should be in English and in a language understood by the majority of the workers. It should be displayed at some conspicuous and convenient place at or near, the entrance. It should be maintained in clean and legible conditions.

Exemptions : The chief Inspector may by order in writing, exempt any work-room from the provisions of this section, subject to such conditions as he may think fit to impose, if he is satisfied that non-compliance of such provision will have no adverse effect on the health of the workers employed in such work-room.

(vii) Lighting

Section 17 of the Factories Act makes following provisions in this respect:

> ➤ every factory must provide and maintain sufficient and suitable lighting, natural, artificial or both, in every part of the factory where workers are working or passing;

> ➤ all the glazed windows and sky lights should be kept clean on both sides;

> ➤ effective provisions should be made for the prevention of glare from a source of light or by reflection from a smooth or polished surface;

> ➤ formation of shadows to such an extent causing eye-strain or the risk of accident to any worker, should be prevented; and

> ➤ the state government is empowered to lay down standard of sufficient and suitable lighting for factories for any class or description of factories or for any manufacturing process.

(viii) Drinking water

Section 18 makes following provisions with regard to drinking water.

> ➤ every factory should make effective arrangements for sufficient supply of drinking water for all workers in the factory;

> ➤ water should be wholesome, i.e., free from impurities;

> ➤ water should be supplied at suitable points convenient for all workers;

> ➤ no such points should be situated within six meters of any washing place, urinals, latrine, spittoon, open drain carrying sullage or effluent or any other source of contamination, unless otherwise approved in writing by the Chief Inspector;

> ➤ all such points should be legible marked Drinking Water in a language understood by majority of the workers;

> ➤ in case where more than 250 workers are ordinarily employed, effective arrangements should be made for cooling drinking water during hot weather. In such cases, arrangements should also be made for the distribution of water to the workers; and

> ➤ the State Government is empowered to make rules for the compliance of above stated provisions and for the examination, by prescribed authorities, of the supply and distribution of drinking water in factories.

Latrines and urinals

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Every factory shall make suitable arrangement for the provision of latrines and urinals for the workers. These points as stated below, are subject to the provisions of Section 19 and the rules laid down by the State Government in this behalf.

(8) the State Government is empowered to make rules in respect of following:

> ➢ prescribing the number of latrines and urinals to be provided to proportion to the number of male and female workers ordinarily employed in the factory.

> ➢ any additional matters in respect of sanitation in factories;

> ➢ responsibility of the workers in these matters.

B. SAFETY

Chapter IV of the Act contains provisions relating to safety. These are discussed below:

(i) Fencing of machinery

Fencing of machinery in use or in motion is obligatory under Section 21. This Section requires that following types of machinery or their parts, while in use or in motion, shall be securely fenced by safeguards of substantial construction and shall be constantly maintained and kept in position, while the parts of machinery they are fencing are in motion or in use. Such types of machinery or their parts are:

> ➢ every moving parts of a prime-mover and flywheel connected to a prime-mover. It is immaterial whether the prime-mover or fly-wheel is in the engine house or not;

> ➢ head-race and tail-race of water wheel and water turbine;

> ➢ any part of stock-bar which projects beyond the head stock of a lathe;

> ➢ every part of an electric generator, a motor or rotary converter or transmission machinery unless they are in the safe position;

> ➢ every dangerous part of any other machinery unless they are in safe position.

(ii) Safety measures in case of work on or near machinery in motion

Section 22 lays down the procedure for carrying out examination of any part while it is in motion or as a result of such examination to carry out the operations mentioned under clause (i) or (ii) of the proviso to Section 21(1). Such examination or operation shall be carried out only by specially trained adult male worker wearing tight fitting clothing (which shall be supplied by the occupier) whose

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name has been recorded in the register prescribed in this behalf and who has been furnished with a certificate of appointment and while he is so engaged.

No woman or young person shall be allowed to clean, lubricate or adjust any part of a prime-mover or any transmission machinery while the prime-mover or transmission machinery is in motion or to clean, lubricate or adjust any part of any machine if the cleaning, lubrication and adjustment thereof would expose the woman or the young person to risk of injury from any moving part either of that machine or of any adjacent machinery [Section 22(2)].

(iii) Employment of young persons on dangerous machines

Section 23 provides that no young person shall be required or allowed to work at any machine to which this section applies unless he has been fully instructed as to dangers arising in connection with the machine and the precautions to be observed and (a) has received sufficient training in work at the machine, or (b) is under adequate supervision by a person who has a thorough knowledge and experience of the machine.

(iv) Striking gear and devices for cutting off power

Section 24 provides that in every factory suitable striking gears or other efficient mechanical appliances shall be provided and maintained and used to move driving belts to and from fast and loose pulleys which form part of the transmission machinery and such gear or appliances shall be so constructed, placed and maintained as to prevent the belt from creeping back on the fast pulley. Further, driving belts when not in use shall not be allowed to rest or ride upon shafting in motion.

Suitable devices for cutting off power in emergencies from running machinery shall be provided and maintained in every work-room in every factory. It is also provided that when a device which can inadvertently shift from _off' to _on position in a factory', cutoff power arrangements shall be provided for locking the devices on safe position to prevent accidental start of the transmission machinery or other machines to which the device is fitted.

(v) Self-acting machines

Section 25 provides further safeguard for workers from being injured by self-acting machines. It provides that no traverse part of self-acting machine in any factory and no material carried thereon shall, if the space over which it runs is a space over which any person is liable to pass whether in the course of his employment or otherwise, be allowed to run on its outward or inward traverse within a distance of forty five centimeters from any fixed structure which is not part of the machines.

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However, Chief Inspector may permit the continued use of a machine installed before the commencement of this Act, which does not comply with the requirement of this section, on such conditions for ensuring safety, as he may think fit to impose.

(vi) Casing of new machinery

Section 26 provides further safeguards for casing of new machinery of dangerous nature. In all machinery driven by power and installed in any factory

(a) every set screw, bolt or key on any revolving shaft, spindle, wheel or pinion shall be so sunk, encased or otherwise effectively guarded as to prevent danger;

(b) all spur, worm and other toothed or friction gearing which does not require frequent adjustment while in motion, shall be completely encased unless it is so situated as to be so safe as it would be if it were completely encased.

The section places statutory obligation on all persons who sell or let on hire or as agent of seller or hire to comply with the section and in default shall be liable to punishment with imprisonment for a term which may extend to 3 months or with fine which may extend to Rs. 500 or with both.

(vii) Prohibition of employment of woman and children near cotton openers

According to Section 27, no child or woman shall be employed in any part of factory for pressing cotton in which a cotton opener is at work. However, if the feed-end of a cotton opener is in a room separated from the delivery end by a partition extending to the roof or to such height as the inspector may in any particular case specify in writing, women and children may be employed on the side of partition where the feed-end is situated.

(viii) Hoists and lifts

Section 28 provides that in every factory:

(i) every hoist and lift shall be of good mechanical construction, sound material and adequate strength. It shall be properly maintained and thoroughly examined by a competent person at least once in every period of six months and a register shall be kept containing the prescribed particulars of every such examination,

(ii) every hoist way and lift way shall be sufficiently protected by an enclosure fitted with gates and the hoist or lift and every such enclosure shall be so constructed as to prevent any person or thing from being trapped between any part of the hoist or lift and any fixed structure or moving part,

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(iii) the maximum safe working load shall be marked on every hoist or lift and no load greater, than such load shall be marked on every hoist or lift and no load greater than such load shall be carried thereon,

(iv) the cage of every hoist and lift shall be fitted with a gate on each side from which access is afforded to a landing,

(v) such gates of the hoist and lift shall be fitted with interlocking or other efficient device to secure that the gate cannot be opened except when the cage is at the landing and that the cage cannot be moved unless the gate is closed.

(ix) Lifting machines, chains, ropes and lifting tackles

In terms of Section 29, in any factory the following provisions shall be complied with respect of every lifting machine (other than a hoist and lift) and every chain, rope and lifting tackle for the purpose of raising or lowering persons, goods or materials:

(a) all parts including the working gear, whether fixed or movable, shall be

(i) of good construction, sound material and adequate strength and free from defects;

(ii) properly maintained;

(iii) thoroughly examined – by a competent person at least once in every period of 12 months or at such intervals as Chief Inspector may specify in writing and a register shall be kept containing the prescribed particulars of every such examination;

(b) no lifting machine or no chain, rope or lifting tackle, shall, except for the purpose of test, be loaded beyond the safe working load which shall be plainly marked thereon together with an identification mark and duly entered in the prescribed register and where it is not practicable, a table showing the safe working loads of every kind and size of lifting machine or chain, rope or lifting tackle in use shall be displayed in prominent positions on that premises;

(c) while any person is employed or working on or near the wheel track of a travelling crane in any place where he would be liable to be struck by the crane, effective measures shall be taken to ensure that the crane does not approach within 6 meters of that place

(x) Safety measures in case of use of revolving machinery

Section 30 of the Act prescribes for permanently affixing or placing a notice in every factory in which process of grinding is carried on. Such notice shall indicate maximum safe working peripheral speed of every grindstone or abrasive wheel, the speed of the shaft or spindle upon such shaft or

spindle necessary to secure such safe working peripheral-speed. Speed indicated in the notice shall not be exceeded and effective measures in this regard shall be taken.

(xi) Pressure plant

Section 31 provides for taking effective measures to ensure that safe working pressure of any plant and machinery, used in manufacturing process operated at pressure above atmospheric pressure, does not exceed the limits. The State Government may make rules to regulate such pressures or working and may also exempt any part of any plant or machinery from the compliance of this section.

(xii) Floor, stairs and means of access

Section 32 provides that in every factory

(a) all floors, steps, stairs passages and gangways shall be of sound construction and properly maintained and shall be kept free from obstruction and substances likely to cause persons to slip and where it is necessary to ensure safety, steps, stairs passages and gangways shall be provided with substantial handrails,

(b) there shall, be so far as is reasonably practicable, be provided, and maintained safe means of access of every place at which any person is at any time required to work;

(c) when any person has to work at a height from where he is likely to fall, provision shall be made, so far as is reasonably, practicable, by fencing or otherwise, to ensure the safety of the person so working.

(xiii) Pits, openings in floors etc.

Section 33 requires that in every factory every fixed vessel, sump, tank, pit or opening in the ground or in a floor which, by reason of its depth, situation, construction, or contents is or may be source of danger shall be either securely covered or securely fence. The State Government may exempt any factory from the compliance of the provisions of this Section subject to such conditions as it may prescribe.

(xiv) Excessive weights

Section 34 provides that no person shall be employed in any factory to lift, carry or make any load so heavy as to be likely to cause him injury. The State Government may make rules prescribing the maximum weights which may be lifted, carried or moved by adult men, adult women, adolescents

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and children employed in factories or in any class or description of factories or in carrying on any specified process.

(xv) Protection of eyes

Section 35 requires the State Government to make rules and require for providing the effective screens or suitable goggles for the protection of persons employed on or in immediate vicinity of any such manufacturing process carried on in any factory which involves (i) risk of injury to the eyes from particles or fragments thrown off in the course of the process or; (ii) risk to the eyes by reason of exposure to excessive light.

(xvi) Precautions against dangerous fumes, gases etc.

Section 36 provides (1) that no person shall be required or allowed to enter any chamber, tank, vat, pit, pipe, flu or other confined space in any factory in which any gas, fume, vapor or dust is likely to be present to such an extent as to involve risk to persons being overcome thereby, unless it is provided with a manhole of adequate size or other effective means of egress.

(2) No person shall be required or allowed to enter any confined space as is referred to in sub-section (1), until all practicable measures have been taken to remove any gas, fume, vapor or dust, which may be present so as to bring its level within the permissible limits and to prevent any ingress of such gas, fume, vapor and unless:

(a) a certificate in writing has been given by a competent person, based on a test carried out by himself that the space is reasonably free from dangerous gas, fume, vapor or dust; or

(b) such person is wearing suitable breathing apparatus and a belt securely attached to a rope, the free end of which is held by a person outside the confined space.

(xvii) Precautions regarding the use of portable electric light

Section 36A of the Act provides that in any factory (1) no portable electric light or any other electric appliance of voltage exceeding 24 volts shall be permitted for use inside any chamber, tank, vat, pit, pipe, flu or other confined space unless adequate safety devices are provided; and (2) if any inflammable gas, fume or dust is likely to be present in such chamber, tank, vat, pit, pipe, flu or other confined space unless adequate safety devices are provided, no lamp or light other than that of flame proof construction shall be permitted to be used therein.

(xviii) Explosive or inflammable dust gas, etc.

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Sub-section (1) of section 37 of the Act provides that in every factory where any manufacturing process produces dust, gas, fume or vapor of such character and to such extent to be likely to explode on ignition, all practicable measures shall be taken to prevent any such explosion by (a) effective enclosure of the plant or machinery used in the process (b) removal or prevention of the accumulation of such dust, gas fume or vapor, and (c) exclusion or effective enclosure of all possible sources of ignition.

(xix) Precautions in case of fire

Section 38 provides that in every factory all practicable measures shall be taken to outbreak of fire and its spread, both internally and externally and to provide and maintain (a) safe means of escape for all persons in the event of fire, and (b) the necessary equipment and facilities for extinguishing fire.

Effective measures shall be taken to ensure that in every factory all the workers are familiar with the means of escape in case of fire and have been adequately trained in the outline to be followed in such case.

(xx) Power to require specification of defective parts or test to stability

Section 39 states that when the inspector feels that the conditions in the factory are dangerous to human life or safety he may serve on the occupier or manager or both notice in writing requiring him before the specified date to furnish such drawings, specifications and other particulars as may be necessary to determine whether such building, machinery or plant can be used with safety or to carry out such test in such a manner as may be specified in the order and to inform the inspector of the results thereof.

(xxi) Safety of buildings or machinery

Section 40 provides that the inspectors in case of dangerous conditions of building or any part of ways, machinery or plant requires the manager or occupier or both to take such measures which in his opinion should be adopted and require them to be carried out before a specified date. In case the danger to human life is immediate and imminent from such usage of building, ways of machinery he may order prohibiting the use of the same unless it is repaired or altered.

(xxii) Maintenance of buildings

Section 40-A provides that if it appears to the inspector that any building or part of it is in such a state of disrepair which may lead to conditions detrimental to the health and welfare of workers he

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may serve on the manager or occupier or both, an order in writing specifying the measures to be carried out before a specified date.

(xxiii) Safety officers

Section 40-B provides that in every factory (i) where 1,000 or more workers are ordinarily employed or (ii) where the manufacturing process or operation involves risk of bodily injury, poisoning or disease or any other hazard to health of the persons employed therein, the occupier shall employ such number of safety officers as may be specified in the notification with such duties and qualifications and conditions of service as may be prescribed by State

Government.

(xxiv) Power to make rules to supplement this Chapter.

This is vested in the State Government under Section 41 for such devices and measures to secure the safety of the workers employed in the factory.

Concept of Labour Welfare:

Labour welfare is one of the most important aspects of industrial relations.

Welfare is a convenient term to cover all those aspects of industrial life which contribute to the well-being of the worker.

Concern for the human side of industry is one of the fundamentals of a sound personnel policy. In fact, it is an extra dimension of industrial relations inasmuch as it gives satisfaction to the worker that even a fair wage cannot provide (generate).

This is why in advanced countries like the USA, the U.K., Japan etc. the State provides a national health service which makes medical care and attention available to all workers, irrespective of the inability to pay. National insurance schemes provide unemployment pay, sickness benefits, and supplementary benefits which are designed to see that misfortune does not deprive workers of some minimum level of income.

These labour welfare services are based upon current ideas of social justice. They help to maintain the health and morale of the people, and thus make a positive contribution to the efficiency of the labour force.

Many larger farms also provide welfare services for their employees. Play•grounds, social and recreational facilities, subsidised food (through workers' can-teens) and factory medical services are

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some common features of the larger industrial and commercial enterprises. Such provisions conjointly contribute to•wards a happier, healthier and, hence, more efficient labour force.

Purpose of Labout Welfare:

A labour welfare programme serves various purposes. Finally, by taking care of life's basic amenities it builds a sense of loyalty on the part of the employee towards the organisation. Secondly, by providing quicker services from the employees.

Thirdly, various labour welfare measures, by welfare activities to workers an organisation gains through improved or taking care of the basic needs of life, make the worker devote his time and attention to the organisation's task.‖

This, in its turn, enhances his efficiency and output. As Manappa has rightly commented: ‒As attractive package, which provides benefits throughout the course of an employee's career serves to attract and retain the better workers and simultaneously enhance their morale.‖ The organisation also gains financially by enjoying certain tax concessions offered for spending money on employee welfare.

Measures of Labour Welfare:

International Labour Organisation has divided labour welfare measures in two broad categories, viz., intra-mural and extra-mural. While the former is important for providing a health, work environment, the latter is important for motivating, the worker and providing them social security. The major components of these two facts of labour welfare are listed in following table

Employer Labor Welfare Amenities	
Intra-mural	**Extra-mural**
Drinking water	Social insurance (gratuity, pension, PF, etc.)
Toilets	Benevolent fund
Creche	Maternity benefits
Washing facilities	Health and medical facilities
Occupational safety	Family planning
Uniforms and protective clothing	Education facilities
Shift allowance	Recreation facilities
Canteen	Leave travel facilities
	Workers' cooperatives
	Vocational training
	Transport to and from place of work

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These facilities and benefits can be further classified into those provided by legislation and those provided voluntarily by management or as a result of bipartite settlements between management and the trade unions.

Social security- Definition

A general term used to refer to the programs mandated in the United States by the Social Security Act of 1935. With the amendments made to the act since then, it now consists of benefits for old age, survivors, and disability. Through social security, programs that provide assistance to certain segments of the public are administrated, such as Public Assistance.

Social Security: Concept, Objective and Other Details

Like other socio-economic concepts, the connotation of the term ─social security‖ varies from country to country with varying political ideologies. For example, social security in the socialist countries implies complete protection to every citizen of this country from the cradle to the grave. In other countries which are relatively less regimented ones, social security refers to measures of protection afforded to the needy citizens by means of schemes evolved by democratic processes consistent with resources of the State.

Concept:

In general sense, social security refers to protection provided by the society to its members against providential mishaps over which a person has no control. The underlying philosophy of social security is that the State shall make itself responsible for ensuring a minimum standard of material welfare to all its citizens on a basis wide enough to cover all the main contingencies of life. In other sense, social security is primarily an instrument of social and economic justice.

Definition of social security:

William Beveridge has defined social security as ─a means of securing an income to take the place of earnings when they are interrupted by unemployment, sickness or accident to provide for the retirement through old age, to provide against loss of support by death of another person or to meet exceptional expenditure connected with birth, death, or marriage. The purpose of social security is to provide an income up to a minimum and also medical treatment to bring the interruption of earnings to an end as soon as possible.‖

Objectives of Social Security:

The objectives of social security can be sub-summed under three, categories:

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Compensation:

Compensation ensures security of income. It is based on this consideration that during the period of contingency of risks, the individual and his/her family should not be subjected to a double calamity, i.e., destitution and loss of health, limb, life or work.

Restoration:

It connotates cure of one's sickness, reemployment so as to restore him/her to earlier condition. In a sense, it is an extension of compensation.

Prevention:

These measures imply to avoid the loss of productive capacity due to sickness, unemployment or invalidity to earn income. In other words, these measures are designed with an objective to increase the material, intellectual and moral well-being of the community by rendering available resources which are used up by avoidable disease and idleness.

Scope:

The term _social security' is all embracing. The scope of social security is, therefore, very wide. It covers the aspects relating to social and economic justice.

All social security schemes furnished by the government are broadly classified into two types:

(i) Social Assistance, and

(ii) Social Insurance.

According to the Social Security (Minimum Standards) Convention (No. 102) adopted by the ILO in 1952, the following are the nine components of social security that configure its scope:

(i) Medical care,

(ii) Sickness benefit,

(iii) Unemployment benefit.

(iv) Old age benefit,

(v) Employment injury benefit,

(vi) Family benefit,

(vii) Maternity benefit,

(viii) Invalidity benefit, and

(ix) Survivor's benefit

Some of the important social security measures are given below.

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1. Workmen's Compensation Act 1923—The Act provides for the compensation lo those workmen who sustain personal injuries by accidents arising out of and in the course of their employment. The Act applies to all permanent employees employed in railways, factories, mines, plantations, mechanically propelled vehicles, construction work and certain other hazardous occupations drawing a salary riot exceeding Rs 1,000. The Act does not cover those employees who arc in clerical or administrative capacity in armed forces, on casual work and to those who are getting a monthly salary exceeding R s. 1,000/-. The State Governments are empowered to extend the application of the Act to other classes of persons or diseases also. ,

2. Employees State Insurance Act 1948—In order to provide sickness benefits to workers, the Employees State Insurance Act was passed in 1948. The Act applies to all non-seasonal factories run with power and employing 20 or more persons. It covers all types of employees — manual, clerical, supervisory and technical—not drawing a salary of more than Rs. 1600 per month (the amount has been raised from Rs. 1000 to Rs. 1600 p.m. w.e.f. 27th January 1985). The scheme is compulsory and contributory. Compulsory in the sense that all workers covered under the act must be insured and contributory in the sense that it is financed by the contributions from employees and employers. The administration of the scheme has been entrusted to an autonomous body called the Employees State Insurance Corporation.

The scheme provides five types of benefits to the insured workers and their dependents. These benefits are:

(i)   **Medical Benefit**—An insured person or (where medical benefit has been extended to his family) a member of his family who requires medical treatment is entitled to receive medical benefit free of charge. Such medical benefit may be given either in the form of outpatient treatment or as in patient treatment in a hospital which may be either run by the ESI Corporation or by any other agency.

(ii)   **Sickness Benefit**—An insured person, when he is sick, is also entitled to get sickness benefit at 62.5% of the average wage which he would have earned had he been well and at work.

(iii)   **Maternity Benefit**-An insured woman is entitled to receive maternity benefit (which is twice the sickness benefit rate) for all days on which she does not work for remuneration, during a period of 12 weeks of which not more than 6 weeks shall precede the expected date of confinement.

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(iv)   **Disablement Benefit**-An insured person is entitled to receive disablement benefit for any injury -arising out of and in the course of his employment. If the disablement is temporary for not less than 3 days, excluding the day of accident, he is entitled to receive compensation according to the First Schedule to the Act. If the disablement is preeminent-whether total or partial -he is entitled to receive compensation according to the Second Schedule to the Act. Artificial limbs are also provided at the cost of Corporation to those who lose their limbs as a result of employment injury. Spectacles, dentures, pace-makers, etc., are also provided to insured person free of cost, depending upon the nature of the case.

(v)   **Dependent's Benefit**—If an insured person meets with an accident in the course of his employment and dies as a result thereof, his dependent, i.e., his widow, legitimate (or adopted) sons and legitimate unmarried daughters get pension. The widow gets it throughout her life or till remarriage. The sons get it up to the age of 18 years or until they marry, whichever is earlier.

(vi) Funeral Benefit—The eldest surviving member of the family of an insured person who has died is entitled to receive payment for the expenditure incurred on funeral. However, this amount cannot exceed Rs. 100. The amount should be claimed within 3 months of the death of the insured person

3.   Maternity Benefits Act—Before Independence, many states passed the Maternity Benefits Acts but there was only one central Act in this respect-Mine's Maternity Benefits Act 1941. After independence two Central Acts-Employees State Insurance Act 1948 and Plantation Labour Act 1951-were also passed. With a view to achieve uniformity, Central Government passed in 1961 the Maternity Benefits Act. The Act applies to all mines, plantations and factories except those covered by the Employees State Insurance Scheme. The expectant mothers are entitled for 12 weeks leaves i.e., 6 weeks up to and including the day of delivery and 6 weeks immediately following that day, if they have put in 160 days service during twelve months preceding the date of expected delivery. A payment of Medical Bonus of Rs. 25/- by the employer if pre-natal and post-natal care is not provided free of charge.

4.   Coalmines Provident Fund and Bonus Act 1948—The Coalmines Provident Fund and Bonus Act was passed in 1948 to make the old age provisions for all coalmine workers. The act was amended in 1950, 1951 and 1965. Under this Act two different schemes, i.e., the Coalmines Provident Fund Scheme and the Coalmines Bonus Scheme are in application and these schemes have been amended several times. Under the Provident Fund Scheme the employers contribute 8% of

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their total emolument to the fund and an equal contribution is made by the employees. In June 1963 a provision was made in the scheme whereby the members are allowed to contribute voluntarily up to another 8% of their emoluments. The scheme is administrated by a Board of Trustees, consisting of equal members of representatives of the Government, employers and employees. A Special Reserve Fund was set up to make the payment to outgoing members. A Death Relief Fund has also been set up to ensure a guaranteed minimum payment of Rs. 750 to the dependents off the deceased whose accumulations in the fund are less than the amount at the time of death. The employees Family Pension Scheme 1971 also applies to coalmine workers.

5.   Employees Provident Fund Act 1952—The Act was passed in 1952 covering factories employing 50 or more workers in 6 major industries, viz., iron and steel, textiles, engineering, cement, paper and cigarettes. By an amendment in 1960, the scheme was extended to all factories of five years standing and 20 or more workers. An exemption has been made for new undertakings, for a period of 3 years, Establishments employing between 20 and 50 persons are also exempted for 5 years. The scheme is contributory and compulsory. The employees and employers contribute 6 '/4% of the total emoluments. The employees may, however, contribute 8 1/3%of the total emoluments. The rate of contribution of employees has been raised to 8% in some notified industries.
The scheme covers every employee drawing a salary of Rs. 1,000 or less and who has completed one year's continuous service and actually worked for 240 days in that period.

6.   Family Pension Scheme 1971—This was launched for industrial workers covered by Provident Fund Schemes. Under this scheme, a financial assistance i.e., pension is provided to workers monthly after retirement till he survives and to his widow thereafter till she survives. The scheme is financed by the Central Government and the provident fund.

7.   Payment of Gratuity Act 1972—Under this employees in factories, mines, oil fields, plantation, ports, railways etc. are entitled to gratuity after completing 5 years of service at the rate of 1/2 month's wages for each completed years of service subject to a maximum of 20 months wages.

8.   Old-Age Pensions Scheme—Various State Governments - U.P Kerala, Andhra Pradesh, Tamilnadu etc. have introduced a scheme of old-age pension to persons of 60 years of age and are poor and destitute. It is open to all.

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9.   Compulsory Group Insurance—The scheme was introduced by the Central Government with the cooperation of the Life Insurance Corporation and applies to certain groups of workers. The employees contribute certain amount monthly towards the premium. If the member dies while in service, an amount of Rs. 10,000 is paid to the heir of the deceased. The U.P. Government has introduced the scheme for teachers, lawyers and police employees. The Government of Haryana has also taken certain steps.

10.   Deposit-linked Insurance Scheme 1976—This scheme was launched on 1st August 1976 for the benefit of employees covered under Employees Provident Fund Scheme, and Coalmines Provident Fund Scheme. Under this scheme, a legal heir of the deceased or the nominee under provident fund schemes will get the average amount of balance in the provident fund account of the deceased in three years preceding death or Rs. 10,000 whichever is less. This scheme is financed by the Government and the employers.

11.   Social Security Certificates—Social security certificates were introduced on 1st June 1982. These certificates can be purchased by any person who is between 18 and 45 years of age, maximum for an amount of not exceeding Rs. 5000. The holder of the certificate will get three times of the amount invested after 10 years. There will not be any premature payment but in case where the holder of the certificate dies after two years from the date of purchase the legal heir can claim the maturity value of the certificate immediately.

Employer Employee Relation and its importance

Employer Employee Relation Every individual shares a certain relationship with his/her colleagues at the workplace. The relationship is warm, so-so or bad. The relationship can be between anyone in the organization – between co workers, between an employee and his superior, between two members in the management and so on. It is important that the employees share a healthy relationship with each other to deliver their best performances.

Employer Employee Relation refer to the relationship shared among the employees in an organization. It is an art which effectively monitors and manages the relation between individuals either of the same team or from different teams. The employees must be comfortable with each other for a healthy environment at work. It is the prime duty of the superiors and team leaders to discourage conflicts in the team and encourage a healthy relationship among employees. Healthy employee relation has a close connect with improving productivity and reducing employee turnover.

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In today's era where an employee is considered to be an Asset, it is the prime duty to look after their sentiments so that –THE ASSETS FOR TODAY DON'T TURN OUT TO BE A LIABILITY IN THE LONG RUN‖.

Let's go through some steps and strategies to strengthen healthy relationship in the organization:

- ➢ Encourage them to be friendly with each-other
- ➢ Involve your Team-mates
- ➢ Schedule a get-together on timely basis
- ➢ Encourage effective communication
- ➢ Say No To Favoritism

Communication is not only important in our daily lives but also plays a crucial role at workplace. It is one of the most important factors which either improves or spoils the relationship among employees. There are some other features which make strong employee relation very important. Employer Employee Relation They are:

Improves Productivity: Strong employment relations create a pleasant atmosphere within the work environment; it increases the employee motivation and can also be increased through improved employee morale.

Increase Employee Loyalty: Creating the productive and pleasant work environment has a drastic effect on an employee's loyalty to the business, it encourages a loyal workforce. Having such a workforce improves employee retention, in doing so the cost of recruitment, hiring and training is cut drastically.

Reduces Conflicts: When a work environment is efficient and friendly the extent of conflict within the workplace is reduced. Less conflict results in the employees being able to concentrate on the tasks at hand and they are therefore more productive.

Increased Morale: One feels secure and confident and thus delivers his best. It is okay if you share your secrets with your colleagues but you should know where to draw the line. A sense of trust is important.

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Easy Delegation: This also allows you and the employees to acknowledge and understand their strengths and weaknesses. These are a few points to consider when delegating tasks;

- ➤ Assign tasks that challenge your employees
- ➤ Assume responsibility for your employees mistakes
- ➤ Do not take credit for your employees achievements
- ➤ Accept your own personal mistakes

Maintaining a pleasant employer-employee relationship requires knowing each others resistance to stress and sensitivity levels in order to communicate feedback more effectively. Basically it's all about approaching someone the way they need to approach in order to bring out the best in them.
‒Employer Employee Relation‖ are the two wheels of the engine of the organization, a good and healthy relationship between these two wheels will only take the organization forward.‖

Grievance Handling: Definition, Features Causes, and Effects

Introduction and Definition of Grievance:

A grievance is any dissatisfaction or feeling of injustice having connection with one's employment situ•ation which is brought to the attention of management. Speaking broadly, a grievance is any dissatisfac•tion that adversely affects organizational relations and productivity. To understand what a grievance is, it is necessary to distinguish between dissatisfaction, complaint, and grievance.

1. Dissatisfaction is anything that disturbs an employee, whether or not the unrest is expressed in words.

2. Complaint is a spoken or written dissatisfaction brought to the attention of the supervisor or the shop steward.

3. Grievance is a complaint that has been formally presented to a management representative or to a union official.

According to Michael Jucious, ‗grievance is any discontent or dissatisfaction whether expressed or not, whether valid or not, arising out of anything connected with the company which an employee thinks, believes or even feels to be unfair, unjust or inequitable'.

In short, grievance is a state of dissatisfaction, expressed or unexpressed, written or unwritten, justified or unjustified, having connection with employment situation.

Features of Grievance:

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1. A grievance refers to any form of discontent or dissatisfaction with any aspect of the organization.

2. The dissatisfaction must arise out of employment and not due to personal or family problems.

3. The discontent can arise out of real or imaginary reasons. When employees feel that injustice has been done to them, they have a grievance. The reason for such a feeling may be valid or invalid, legitimate or irrational, justifiable or ridiculous.

4. The discontent may be voiced or unvoiced, but it must find expression in some form. However, discontent per se is not a grievance. Initially, the employee may complain orally or in writing. If this is not looked into promptly, the employee feels a sense of lack of justice. Now, the discontent grows and takes the shape of a grievance.

5. Broadly speaking, thus, a grievance is traceable to be perceived as non-fulfillment of one's expec•tations from the organization.

Causes of Grievances:

Grievances may occur due to a number of reasons:

1. Economic:

Employees may demand for individual wage adjustments. They may feel that they are paid less when compared to others. For example, late bonus, payments, adjustments to overtime pay, perceived inequalities in treatment, claims for equal pay, and appeals against performance- related pay awards.

2. Work environment:

It may be undesirable or unsatisfactory conditions of work. For example, light, space, heat, or poor physical conditions of workplace, defective tools and equipment, poor quality of material, unfair rules, and lack of recognition.

3. Supervision:

It may be objections to the general methods of supervision related to the attitudes of the supervisor towards the employee such as perceived notions of bias, favouritism, nepotism, caste affiliations and regional feelings.

4. Organizational change:

Any change in the organizational policies can result in grievances. For example, the implementation of revised company policies or new working practices.

5. Employee relations:

Employees are unable to adjust with their colleagues, suffer from feelings of neglect and

victimization and become an object of ridicule and humiliation, or other inter- employee disputes.

6. Miscellaneous:

These may be issues relating to certain violations in respect of promotions, safety methods, transfer,

disciplinary rules, fines, granting leaves, medical facilities, etc.

Effects of Grievance:

Grievances, if not identified and redressed, may adversely affect workers, managers, and the

organiza•tion.

The effects are the following:

1. On the production:

a. Low quality of production

b. Low productivity

c. Increase in the wastage of material, spoilage/leakage of machinery

d. Increase in the cost of production per unit

2. On the employees:

a. Increase in the rate of absenteeism and turnover

b. Reduction in the level of commitment, sincerity and punctuality

c. Increase in the incidence of accidents

d. Reduction in the level of employee morale.

3. On the managers:

a. Strained superior-subordinate relations.

b. Increase in the degree of supervision and control.

c. Increase in indiscipline cases

d. Increase in unrest and thereby machinery to maintain industrial peace

Need for a Formal Procedure to Handle Grievances:

A grievance handling system serves as an outlet for employee frustrations, discontents, and gripes

like a pressure release value on a steam boiler. Employees do not have to keep their frustrations

bottled up until eventually discontent causes explosion.

The existence of an effective grievance procedure reduces the need of arbitrary action by supervisors because supervisors know that the employees are able to protect such behavior and make protests to be heard by higher management. The very fact that employees have a right to be heard and are actually heard helps to improve morale. In view of all these, every organization should have a clear-cut proce•dure for grievance handling.

Steps in Grievance Handling Procedure:

At any stage of the grievance machinery, the dispute must be handled by some members of the management. In grievance redressed, responsibility lies largely with the management. And, grievances should be settled promptly at the first stage itself. The following steps will provide a measure of guidance to the manager dealing with grievances.

i. Acknowledge Dissatisfaction: Managerial/supervisory attitude to grievances is important. They should focus attention on grievances, not turn away from them. Ignorance is not bliss, it is the bane of industrial conflict. Condescending attitude on the part of supervisors and managers would aggravate the problem.

ii. Define the Problem: Instead of trying to deal with a vague feeling of discontent, the problem should be defined properly. Sometime the wrong complaint is given. By effective listening, one can make sure that a true complaint is voiced.

iii. Get the Facts: Facts should be separated from fiction. Though grievances result in hurt feelings, the effort should be to get the facts behind the feelings. There is need for a proper record of each grievance.

iv. Analyse and Decide: Decisions on each of the grievances will have a precedent effect. While no time should be lost in dealing with them, it is no excuse to be slip-shod about it. Grievance settlements provide opportunities for managements to correct themselves, and thereby come closer to the employees.Horse-trading in grievance redressed due to union pressures may temporarily bring union leadership closer to the management, but it will surely alienate the workforce away from the management.

v. Follow up: Decisions taken must be followed up earnestly. They should be promptly communicated to the employee concerned. If a decision is favourable to the employee, his immediate boss should have the privilege of communicating the same.

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Some of the common pitfalls that managements commit in grievance handling relate to:

(a) Stopping the search for facts too soon;

(b) Expressing a management opinion before gathering full facts;

(c) Failing to maintain proper records;

(d) Arbitrary exercise of executive discretion; and

(e) Settling wrong grievances.

Key Features of a Good Grievance Handling Procedure:

Torrington & Hall refer to four key features of a grievance handling procedure, which are discussed below:

(a) Fairness:

Fairness is needed not only to be just but also to keep the procedure viable, if employees develop the belief that the procedure is only a sham, then its value will be lost, and other means sought to deal with the grievances. This also involves following the principles of natural justice, as in the case of a disciplinary procedure.

(b) Facilities for Representation:

Representation, e.g., by a shop steward, can be of help to the individual employee who lacks the confidence or experience to take on the management single-handedly. However, there is also the risk that the presence of the representative produces a defensive management attitude, affected by a number of other issues on which the manager and shop steward may be at loggerheads.

(c) Procedural Steps:

Steps should be limited to three. There is no value in having more just because there are more levels in the management hierarchy. This will only lengthen the time taken to deal with matter and will soon bring the procedure into disrepute.

(d) Promptness:

Promptness is needed to avoid the bitterness and frustration that can come from delay. When an employee _goes into procedure/ it is like pulling the communication cord in the train. The action is not taken lightly and it is in anticipation of a swift resolution. Furthermore, the manager whose decision is being questioned will have a difficult time until the matter is settled.

Benefits of a Grievance Handling Procedure:

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According to Jackson (2000), further benefits that will accrue to both the employer and employees are as follows:

1. It encourages employees to raise concerns without fear of reprisal.

2. It provides a fair and speedy means of dealing with complaints.

3. It prevents minor disagreements developing into more serious disputes.

4. It saves employers time and money as solutions are found for workplace problems. It helps to build an organizational climate based on openness and trust.

Concept of Industrial Disputes:

In common parlance, dispute means difference or disagreement of strife over some issues be•tween the parties. As regards industrial dispute, since its settlement proceeds as per the legal provi•sions contained in the _Industrial Disputes' Act, 1947, hence it seems pertinent to study the concept of industrial disputes from a legalistic angle.

According to Section 2 (k) of the Industrial Disputes Act, 1947, the term _industrial dispute' means ‒any dispute or difference between employers and employers or between employers and workmen, or between workmen and workmen, which is connected with the employment or non- employment or the terms of employment and conditions of employment of any person‖.

Dispute differs from discipline and grievance. While discipline and grievance focus on individuals, dispute focuses on collectivity of individuals. In other words, the test of industrial dispute is that the interest of all or majority of workmen is involved in it.

Forms of Industrial Disputes:

The industrial disputes are manifested in the following forms:

Strikes: Strike is the most important form of industrial disputes. A strike is a spontaneous and concerted withdrawal of labour from production. The Industrial Disputes Act, 1947 defines a strike as ‒suspension or cessation of work by a group of persons employed in any industry, acting in combi•nation or a concerted refusal or a refusal under a common understanding of any number of persons who are or have been so employed to continue to work or accept employment‖.

According to Patterson ‒Strikes constitute militant and organised protest against existing industrial relations. They are symptoms of industrial unrest in the same way that boils symptoms of disordered system‖.

Depending on the purpose, Mamoria et. al. have classified strikes into two types: primary strikes and secondary strikes.

(i) Primary Strikes:

These strikes are generally aimed against the employers with whom the dispute exists. They may include the form of a stay-away strike, stay-in, sit-down, pen-down or tools- down, go-slow and work-to-rule, token or protest strike, cat-call strike, picketing or boycott.

(ii) Secondary Strikes:

These strikes are also called the _sympathy strikes'. In this form of strike, the pressure is applied not against the employer with whom the workmen have a dispute, but against the third person who has good trade relations with the employer.

General and political strikes and bandhs come under the category of other strikes:

Lock-Outs:

Lock-out is the counter-part of strikes. While a _strike' is an organised or concerted withdrawal of the supply of labour, _lock-out' is withholding demand for it. Lock-out is the weapon available to the employer to shut-down the place of work till the workers agree to resume work on the conditions laid down by the employer. The Industrial Disputes Act, 1947 defined lock-out as –the temporary shutting down or closing of a place of business by the employer‖.

Gherao:

Gherao means to surround. It is a physical blockade of managers by encirclement aimed at preventing the egress and ingress from and to a particular office or place. This can happen outside the organisational premises too. The managers / persons who are gheraoed are not allowed to move for a long time.

Causes of Industrial Disputes

Every industrial dispute is result of some or the other kind of discontent among working class or employers. These can be economic matters, non economic matters like refusal to grand leave, demand for work in a particular department or place, and sometimes silly ego matters also aggravate to the level of industrial dispute. Causes of industrial dispute are generally classified by experts in to economic causes and non economic causes. Some are described in detail:

In view of this, the Industrial Disputes Act, 1947 provides for four major industrial dispute settlement machinery:

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Conciliation: Conciliation, a form of mediation refers to the act of making a passive and indirect effort in order to bring two conflicting parties to a compromise. It is the ‖practice by which the services of a neutral party are used in a dispute as a means of helping the disputing parties to reduce the extent of their differences and to arrive at an amicable settlement of agreed solution.‖download-1

The conciliator or mediator tries to remove the difference between the parties by persuading the parties to rethink over the matter with a give and take the approach but does impose his or her own viewpoint. The conciliator is at liberty to change his or her approach from case to case as he or she deems fit depending on other factors.

The Industrial Disputes Act, 1947 provides for conciliation, and can be utilised either by the appointment of conciliation officers; permanently or for a limited period or via the constitution of a board of conciliation. This conciliation machinery is at liberty to either take note of the dispute or apprehend dispute on its own or when approached by a party.

In order to expedite proceedings, time-limits have been prescribed. It is 14 days in the case of conciliation officers and 2 months for a board of conciliation. The settlement so arrived upon during the course of conciliation is binding upon the parties for the period that has been agreed upon by the parties or for the period of 6 months. It shall continue to be binding until revoked by either of the parties. During the pendency of the conciliation proceedings, before a Board and for seven days after the conclusion of such proceedings, the Act prohibits strike and lock-out.

Conciliation Officer: Under Section 4 of the Industrial Disputes Act, 1947, the appointment of a such number of persons as is deemed fit by the appropriate government is provided for. This is with reference to the relevant jurisdiction in which the dispute falls.download-2

For undertakings that employ 20 or more persons, the Commissioner/ Additional Commissioner/ Deputy Commissioner is appointed as the Conciliation Officer. But at the State level, some officers from the Central Labour Commission office are appointed as conciliation officers, in the case of Central Government. The conciliation officer enjoys the powers of a civil court, and he is expected to give a judgment within 14 days of the commencement of the conciliation proceedings. This judgement that is given by him is binding upon the parties to the dispute.

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Board of Conciliation: In case Conciliation Officer fails to resolve the differences between the parties, the government has the discretion to appoint a Board of Conciliation. The Board is tripartite and ad hoc body, consisting of a chairman and two or four other members.

The administrator is to be an autonomous individual, and different individuals are assigned in equivalent number by the Board tin view of the question. Conciliation procedures before a Board are like those that may occur before the Conciliation Officer. The Government has yet another choice of alluding the proceedings to the Court of Inquiry rather than the Board of Conciliation.

The apparatus of the Board is gotten under way when a debate alludes to it. As it were, the Board does not hold the pacification procedures voluntarily. On the debate being alluded to the Board, it is the obligation of the Board to do all things as it supposes fit with the end goal of initiating the gatherings to go to a reasonable and neighbourly settlement. The Board must present its answer to the legislature inside two months of the date on which the debate alluded to it. This period can be further stretched out by the administration by two months.

Court of Inquiry: If there should be an occurrence of the disappointment of the conciliation procedure to settle a question, the administration can choose a Court of Inquiry to enquire into any matter associated with or significant to debate. The court is mandated upon to present its report inside of six months and may comprise of at least one people to be chosen by the proper government.download

The court of enquiry is required to present its report inside a time of six months from the initiation of enquiry. This report is therefore distributed by the administration within 30 days of its receipt. Not at all like amid the time of pacification, labourers' entitlement to strike, businesses' entitlement to a lockout, and bosses' entitlement to reject labourers, and so forth stay unaffected amid the procedures in a court to an enquiry.

A court of enquiry is different from a Board of Conciliation. While the Board's basic objective is to promote the settlement of an industrial dispute, a court of enquiry is primarily fact-finding machinery that aims at inquiring into and revealing the causes of an industrial dispute.

Voluntary Arbitration: On the disappointment of placation procedures, the conciliation officer may persuade the parties to refer the dispute to a voluntary arbitrator wherein the arbitrator alludes to getting the question settled since he is an autonomous individual picked by the parties included commonly and willfully.

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Adjudication: A definitive solution for the settlement of industrial disputes is its reference to arbitration by a labour court or tribunals when conciliation fails to achieve a settlement with respect to the dispute or conflict. Arbitration comprises of settling debate through intercession by the outsider delegated by the legislature. The law gives the mediation to be directed by the Labour Court, Industrial Tribunal of National Tribunal.

A debate can have alluded to arbitration if the business and the recognised trade union consents to do as such. A question can likewise be alluded to arbitration by the Government regardless of the possibility that there is no consent of the parties in which case it is called _mandatory arbitration'. As has been mentioned before, the dispute may be referred to any of three sorts of tribunals relying upon the nature and certainties of the question in inquiries. This include:images

(a) Labour courts,

(b) Industrial tribunals, and

(c) National tribunals.

The procedure, powers, and provisions with respect to the beginning of the award and time of operation of an award of these three bodies are comparable and similar. The first two bodies may be set up either by any State Government or by the Central Government. However the National Tribunal may be set up only by the Central Government when it believes that the adjudication of a dispute is of national significance. These three bodies are hierarchical in nature, and it is the Government's privilege to refer a question or dispute or conflict to any of these bodies relying upon the nature of the conflict or dispute.

Part A (ONE Mark)
Multiple Choice Questions
Online Examination

Part B
(2 Marks)

1. What is labor welfare?
2. Define social security.

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3. What is social security?

4. What is an industrial accident?

5. What are the causes of industrial accidents?

6. What are social security measures?

7. Define grievances.

8. Give the meaning of grievances.

9. What are the features of grievances?

10. Define industrial disputes.

11. What is industrial dispute?

12. What are the forms of industrial disputes?

13. What is a strike?

14. What is a lock out?

15. What is settlement?

16. Define settlement.

Part C (8 Marks)

1. Briefly explain social security measures.

2. Describe the welfare measures provided under the factories Act, 1948.

3. Write about the health and safety provisions under Factories Act, 1948.

4. Explain the various social security measures.

5. Briefly explain on settlement machinery for industrial disputes.

6. What are the different forms of Industrial disputes? Explain briefly

7. Explain the concept of employee employer relationships and its importance.

8. State the causes of industrial accidents, their negative impact and measures to avoid accidents

9. Explain in detail about features of Grievance procedures

10. Explain the process of Grievance and redressal activities

S.No	Questions	Opt 1	Opt 2	Opt 3	Opt 4	Answer
1	Under Section ----- of the Act the employer has a duty to ensure the employees' safety, health and welfare at work	7	6	9	8	8
2	Management should provide instruction and ------------ to employees on health and safety	announcement	training	information	none of the above	training
3	According to the ------------ of the Act, the employee not to be under the influence of drink or drugs in the workplace	Section 13	Section 14	Section15	Section 16	Section 13
4	_____ relations is one of the most complex problems in industrial society.	Industrial	trade	collective	bargaining	Industrial
5	A union and management should have mutual trust and-----	company	loyalty	confidence	dissatisfaction	loyalty
6	Collective bargaining solves the---------	employers	employees	collective problems	direction	collective problems
7	Find the machinery which is not method of settlement of industrial dispute	Consultation	Works committee	Conciliation	Adjudication	Consultation
8	------------- of the following is the meaning of 'Golden handshake	It is a bribe	It is a gift	It is a gratis	It is compensation	It is compensation
9	An employer's refusal to provide work opportunities is classified as ------------	Grievance procedure	Lock out	Injunction	Strike procedure	Lock out
10	A combined refusal to use or buy product of employers, by members of union or all employees is classified as -----------	Boycott	Impasse boycott	Strike	Picketing	Boycott
11	Voluntary withdrawal of labor of company is classified as --------	Strike	Picketing	Boycott	Impasse boycott	Strike
12	_____-is not a traditional method of organisational development	Survey feedback	Sensitivity training	Process consultation	Managerial grid	Survey feedback
13	Negotiation of labour contract by Union and Management is referred to as--------	Industrial Relations	Trade Union	Consumerism	Collective Bargaining	Collective Bargaining
14	A complaint becomes a ---------------	grievance	trade	union	negative	grievance
15	A grievance is a----------	person	dissatisfaction	people	right	dissatisfaction
16	Grievances exist in the between of----------	company	structure	men	supervisors	men
17	The company does not allow ------ to settle grievances	problems	loss	supervisors	worker	supervisors
18	A grievance procedure is a-------	clear	clear and definite	closed type	open type	clear and definite
19	A grievances can be ----------	direct	valid	indirect	invalid and indirect	invalid and indirect
20	A grievance procedure is------------process	formal	way	informal	structured	informal
21	Disputes has to be --------	settled	unsettled	define	un analysed	settled
22	Grievances is-------------	employer relation	Disopinion and complaint	employee relation	worker cooperation	Disopinion and complaint
23	Industrial relations refers to a-------- concept	dynamic	desire	relations	trade	dynamic
24	A---------- is the essence of industrial relations	persons	organization integration	collective bargaining	group integration	organization integration
25	The functions of trade union should be -----------	reduced	broadened	treated	informalized	broadened
26	A--------activity is concentrated on large scale industries.	trade union	industry	collective	people	trade union
27	Trade unions first concentrates on-------	organization	company	finance	workers	workers
28	A---------should be honest	resource	employees	trade union	people	trade union
29	Trade unions should be ---------.	personal	seasonal	towards their activity	democratic	towards their activity
30	Trade unions should improve the -------- --.	wages	persons	employees	Employees carrier	Employees carrier

No	Question	A	B	C	D	Answer
31	A-----------should have a sense of responsibility	management	organization	trade union	industrial relation	industrial relation
32	A trade union should bring industrial---------- --.	harmony	growth	development	communication	harmony
33	Trade unions mostly concentrates on -------- cities	metropolitan	slum	district	state	metropolitan
34	An industry should have only-------Trade union	three	one	two	five	three
35	All------------should be treated as insiders	single	equally	same	ex-insiders	equally
36	A---------- is a force that helps to undertake rules	policy	rules	regulations	discipline	policy
37	Grievances affect the employees--------------	Promotion	Training	Wages	Morale	Morale
38	A negative disciplinary action refers to--------	punishment	action	seen	activity	punishment
39	Employee morale and industrial peace are--------	accepted	seen	linked	integration	integration
40	Positive discipline refes to----------- --.	profit	reward	duty	loss	reward
41	____ participation has to be encouraged	workers	organization	foreman	customers	workers
42	worker ----------- is intellectual in making a decision to the organization	motivation	encouragement	participation	prospects	participation
43	Industrial relationship means the harmonious relationship--------	employer employee	women of an industry	among employers	employers& employees	employer employee
44	Trade unions always aim at----------	minimizing punishment	mobilizing labour	maximizing salary	supporting govt	mobilizing labour
45	The objective of Trade union is to improve the working condition and----- --.	trade	safety	people knowledge	policy	people knowledge
46	Economic policies are created in ----------- factors	economic	social	political	public	social
47	Trade union is a ------------.	union	consumer	political	member	union
48	Collective bargaining is a ---------- process	individual	single	group	one	group
49	A company Involves in---------	collective bargaining	trade	union	negotiation	negotiation
50	A------------strike is of quick, sudden and unauthorized work stoppage	basic	demand	purposeful	wildcat	purposeful
51	The strength of trade unions is their--------	unity	Work	Economic security	training	unity
52	Industrial relations has its own----------	rules	employees	amount	procedures	rules
53	In big five model, 'conscientiousness' is tendency to be-----------	Unconventional	assertive	achievement	autonomous	achievement
54	A test, in which examinees respond to situations representing jobs is called------ .	Situational test	reasoning test	simulation test	job training	Situational test
55	Assistance to top level management for strategic plans is provided by--------	Transactional HR group	Corporate HR group	Embedded HR group	Center of expertise	Corporate HR group
56	Team building' is an example of--------------	Human process intervention	structural interventions	strategic intervention	process intervention	process intervention
57	Transactional Analysis (TA) is related to------	Learning	Attitudes	Perception	Personality	Personality
58	A profit sharing is--------	simple	voluntary	seen	single	voluntary
59	Profit sharing creates---------harmony	trade	collective	industrial	company	industrial
60	_____is the most widely used pay for performance plans in industry	Individual Incentive Plan	Group Incentive Plan	Stock Ownership	Bedaux Plan	Individual Incentive Plan

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(For the candidates admitted from 2017 onwards)
BACHELOR OF COMMERCE
CONTINUOUS INTERNAL ASSESSMENT I – JULY 2019
FIFTH SEMESTER
HUMAN RESOURCE MANAGEMENT

Date: **Maximum: 50 Marks**

Time: 2 Hours **Session : FN**

PART – A (20 X 1 =20 MARKS)

Answer all the Questions

1. HRM is a _____ process.
   (a) Continuous   (b) Discontinuous   (c) Breaking   (d) Pending

2. HRM is reactive and HRD is _____
   (a) Sensitive   (b) Proactive   (c) Dynamic   (d) Negative

3. VRS is a method used by companies to _____surplus staff
   (a) Increase   (b) Reduce   (c) Maintain   (d) Borrow

4. Empowerment is a direct determinant of _____morale
   (a) Employee   (b) Employer   (c) Customer   (d) Shareholder

5. HRD is _____of HRM
   (a) Subset   (b) Main   (c) Firm   (d) None of the above

6. Downsizing may get _____ from the public
   (a) Appreciation   (b) Support   (c) Criticism   (d) Comments

7. HRIS helps to keep the information _____
   (a) Outdated   (b) Up-to-date   (c) Follow   (d) None of the above

8. The role and responsibilities of the HR manager depends on the size of the _____
   (a) Organization   (b) Market   (c) Employee   (d) Competitors

9. HR policies promotes _____work environment
   (a) Positive   (b) Negative   (c) Harmful   (d) Unconstructive

10. HRM is concerned with people only and HRD is concerned with ____
    (a) Development of the entire organization   (b) Finance
    (c)Marketing   (d) Administration

11. Staffing includes _____
    (a) Recruitment   (b) Induction
    (c) Interview and selection   (d) All of the above

12. _____contains the information relating to the job
    (a) Job analysis   (b) Job description   (c) Job specification (d) All of the above

13. Performance appraisal involves comparing the actual performance of an _____ with the standard one
        (a) Employee   (b) Employer   (c) Shareholders   (d) Customers

14. Goal of the human resource planning is to match the right people with the_____
   (a) Company's goals   (b) Company's vision   (c) Right Job   (d) None of the above

15. _____ aspect of human resource planning involves demand forecasting and Supply forecasting.
        (a) Qualitative   (b) Quantitative
        (c) Quantitative and qualitative   (d) None of the above

16. _____ contains the information relating to the skills required from the employee.
        (a)Job analysis   (b) Job description   (c) Job specification   (d) None of the above

17. Recruitment is a _____ process of searching for prospective employees
        (a) Positive   (b) Negative   (c) Neutral   (d)None of the above

18. _____ensure adequate supply of manpower as and when required
        (a) Human resources planning   (b) Marketing planning
        (c) Financial planning   (d) Internal planning

19. _____process helps to collect many of job candidates with less cost
        (a) Development   (b) Training   (c) Recruitment   (d) Transfer

20. Internal recruitment sources include promotion and _____
        (a) Transfer   (b) Advertisement   (c) Labour union   (d) Campus interview

PART - B (3 X 2 = 6 Marks)

Answer all the Questions

21. Define Human Resource Management.

22. What is meant by Human Resource Information System?

23. List out the Qualities of Human Resource Manager

PART - C (3 X 8 = 24 Marks)

Answer all the Questions

24. a. Discuss on the functions of Human Resource Management.

(OR)

b. Explain the objectives and features of HRM

25. a. Differentiate between Human Resource Management and Human Resource Development.

(OR)

b. Elucidate in detail on Pros and Cons on Downsizing.

26. a. Explain in detail on job description and job specification.

(OR)

b. Enumerate the steps involved in the process of HR Planning