

## UNIT I

### Introduction

In all activities men and resources are involved. For a long time, men or workers were taken for granted. Greater accent was given to resources, production machinery and top managers. But at present in the modern large-scale production of innumerable products with a wide market, (where sky is the limit) in the last few decades the importance of human resources and their development has come to the fore. The importance of human resources to any organization need not be overemphasised. Human resource is the wealth of a nation and an organisation. The development process is wide and varied. In this lesson, let us understand the importance and concept of Human Resources Management. (HRM).

### Human Resources

In the general parlance, human resources are people and their characteristics at work either at the national level or organisational level. Megginson has defined human resources as follows: “From the national point of view, human resources are knowledge, skills, creative abilities, talents and attitudes obtained in the population; whereas from the viewpoint of the individual enterprise they represent the total of the inherent abilities, acquired knowledge and skills as exemplified in the talents and aptitudes of its employers”

Sumantra Ghosal considers human resources as human capital. He classifies human capital into three categories – intellectual capital, social capital and emotional capital. Intellectual capital consists of specialized knowledge, tacit knowledge and skills, cognitive complexity and learning capacity. Social capital is made up of network of relationships, sociability, and trustworthiness. Emotional capital consists of self-confidence, ambition and courage, risk-bearing ability and resilience”.

In simple words, HRM is a process of making the efficient and effective use of human resources so that the set goals are achieved.

### Definition

According to Flippo, ‘Personnel Management, or say, human resources management is the planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources to the end, that individual, Organisational and social objectives are accomplished”.

The National Institute of Personal Management (NIPM) of India has defined human resources – personal management as “that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well – being of the individuals and of working groups, to enable them to make their best contribution to its success”.

According to Decenzo and Robbins, “HRM is concerned with the people dimension” in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organisational objectives. This is true, regardless of the type of organization – government, business, education, health or social action”.

HRM can be defined as a process of procuring, developing and maintaining competent resources in the organization so that goals of an organization are achieved in an effective and efficient manner. In other words, HRM is an art of managing people at work in such a manner that they give best to the organisation.

### **Significance of HRM**

Human resources are the most precious asset of an organization. They are the activators of nonhuman resources, means for developing competitive advantages and sources of creativity. Ghoshal outlines the role of HRM in managing an organization in the following lines. “Indian Companies have spruced up their strategic thinking; they have even moved a generation ahead with their organisations.

But they still have managers who have been shaped by old models. They are essentially a group of first-generation managers whose definitions of roles and tasks, personal skills and competencies, ideas and beliefs about management have been shaped by an earlier model. You cannot manage third generation strategies with second generation organizations and first generation managers to meet the needs of second-generation organisations and third generations strategic thinking.

The above view indicates the role of HRM in Indian industry. Significance of HRM can be viewed in three contexts; organizational, social and professional.

#### **Organisational significance**

- ✦ Effective utilization of human resources to motivate them and to change their attitudes to work and the organization.
- ✦ To develop personnel to meet the demands of the work effectively; and
- ✦ To ensure proper recruitment and to retain personnel in the organization so that right people are available.

### Social significance

This aspect aims in achieving the need satisfaction of personnel in the organisation. It is often said that a happy worker is not only happy in his work place but also at home and in society also.

Hence HRM seeks to achieve the following

- ✦ Maintaining balance between jobs and job-seekers, taking into consideration job requirements, job seekers' abilities and aptitudes
- ✦ Providing most productive employment from which socio-psychological satisfaction can be derived.
- ✦ Utilizing human capabilities effectively and matching with government rewards. iv. Eliminating wasteful organizational and individual practices.

### Professional Significance

This aspect involves in developing people and providing appropriate environment for effective utilization of their capabilities and involves the following.

- ✦ Developing people on continuous basis to meet the challenges of their jobs. ▪ Maintaining the dignity of personnel at the work place;
- ✦ Providing proper physical and social environment at the work place to make

### **Scope of Human Resource Management**

The scope of Human Resource Management refers to all the activities that come under the banner of Human Resource Management. These activities are as follows.

*Figure 1 Scope of Human Resource Management*



- Human resources planning :- Human resource planning or Human Resource Planning refers to a process by which the company to identify the number of jobs vacant, whether the company has excess staff or shortage of staff and to deal with this excess or shortage.
- Job analysis design: - Another important area of Human Resource Management is job analysis. Job analysis gives a detailed explanation about each and every job in the company.
- Recruitment and selection: - Based on information collected from job analysis the company prepares advertisements and publishes them in the newspapers. This is recruitment. A number of applications are received after the advertisement is published, interviews are conducted and the right employee is selected thus recruitment and selection are yet another important area of Human Resource Management.
- Orientation and induction :- Once the employees have been selected an induction or orientation program is conducted. This is another important area of Human Resource Management. The employees are informed about the background of the company, explain about the organizational culture and values and work ethics and introduce to the other employees.
- Training and development :- Every employee goes under training program which helps him to put up a better performance on the job. Training program is also conducted for existing staff that have a lot of experience. This is called refresher training. Training and development are one area where the company spends a huge amount.

- Performance appraisal :- Once the employee has put in around 1 year of service, performance appraisal is conducted that is the Human Resource department checks the performance of the employee. Based on these appraisal future promotions, incentives, increments in salary are decided.
- Compensation planning and remuneration: - There are various rules regarding compensation and other benefits. It is the job of the Human Resource department to look into remuneration and compensation planning.
- Motivation, welfare, health and safety :- Motivation becomes important to sustain the number of employees in the company. It is the job of the Human Resource department to look into the different methods of motivation. Apart from this certain health and safety regulations have to be followed for the benefits of the employees. This is also handled by the HR department.
- Industrial relations: - Another important area of Human Resource Management is maintaining co-ordinal relations with the union members. This will help the organization to prevent strikes lockouts and ensure smooth working in the company.
- Prospects of HRM :- They play a vital role from the point you are appear for the interview till you take exit from the company. They are involved in recruitment, placement, induction, training and development, promotion, performance appraisal, employee's overall welfare and at last employees exit.

The Human Resource Officer is responsible for providing support in the various human resource functions, which include recruitment, staffing, training and development, performance monitoring and employee counselling.

## **NATURE OF HUMAN RESOURCE MANAGEMENT**

The nature of the human resource management has been highlighted in its following features:

1. **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 than 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. **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. **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. **People Centred:** Human Resource Management is people centred 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 non-managerial personnel, (iii) Professionals (such as Chartered Accountant, Company Secretary, Lawyer, etc.) and nonprofessional personnel.

5. **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. **Continuous Process:** Human Resource Management is not a \_one shot 'function. It must be performed continuously if the organisational objectives are to be achieved smoothly.

7. **Based on Human Relations:** Human Resource Management is concerned with the motivation of human resources in the organisation. 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.

## **OBJECTIVES OF HUMAN RESOURCE MANAGEMENT**

According to Scott, Clothier and Spriegel, —The objectives of Human Resource Management, in an organisation, is to obtain maximum individual development, desirable

working relationships between employers and employees and employers and employees, and to affect the moulding of human resources as contrasted with physical resources.

The basic objective of human resource management is to contribute to the realisation of the organisational goals. However, the specific objectives of human resource management are as follows:

- (i) To ensure effective utilisation of human resources, all other organisational resources will be efficiently utilised by the human resources.
- (ii) To establish and maintain an adequate organisational structure of relationship among all the members of an organisation by dividing of organisation tasks into functions, positions and jobs, and by defining clearly the responsibility, accountability, authority for each job and its relation with other jobs in the organisation.
- (iii) To generate maximum development of human resources within the organisation by offering opportunities for advancement to employees through training and education.
- (iv) To ensure respect for human beings by providing various services and welfare facilities to the personnel.
- (v) To ensure reconciliation of individual/group goals with those of the organisation in such a manner that the personnel feel a sense of commitment and loyalty towards it.
- (vi) To identify and satisfy the needs of individuals by offering various monetary and nonmonetary rewards

In order to achieve the above objectives, human resource management undertakes the following activities:

- ✦ Human Resource Planning, i.e., determining the number and kinds of personnel required to fill various positions in the organisation.
- ✦ Recruitment, selection and placement of personnel, i.e., employment function.
- ✦ Training and development of employees for their efficient performance and growth.
- ✦ Appraisal of performance of employees and taking corrective steps such as transfer from one job to another.
- ✦ Motivation of workforce by providing financial incentives and avenues of promotion.
- ✦ Remuneration of employees. The employees must be given sufficient wages and fringe benefits to achieve higher standard of living and to motivate them to show higher productivity.

- ✦ Social security and welfare of employees.

## **FUNCTIONS OF HUMAN RESOURCE MANAGEMENT**

The main functions of human resource management are classified into two categories: (a) Managerial Functions and (b) Operative Functions

**(a) Managerial Functions** Following are the managerial functions of Human Resources Management.

**1. Planning:** The planning function of human resource department pertains to the steps taken in determining in advance personnel requirements, personnel programmes, policies etc. After determining how many and what type of people are required, a personnel manager has to devise ways and means to motivate them.

**2. Organisation:** Under organisation, the human resource manager has to organise the operative functions by designing structure of relationship among jobs, personnel and physical factors in such a way so as to have maximum contribution towards organisational objectives. In this way a personnel manager performs following functions: (a) preparation of task force; (b) allocation of work to individuals; (c) integration of the efforts of the task force; (d) coordination of work of individual with that of the department.

**3. Directing:** Directing is concerned with initiation of organised action and stimulating the people to work. The personnel manager directs the activities of people of the organisation to get its function performed properly. A personnel manager guides and motivates the staff of the organisation to follow the path laid down in advance.

**4. Controlling:** It provides basic data for establishing standards, makes job analysis and performance appraisal, etc. All these techniques assist in effective control of the qualities, time and efforts of workers.

**(b) Operative Functions:** The following are the Operative Functions of Human Resource Management

**1. Procurement of Personnel:** It is concerned with the obtaining of the proper kind and number of personnel necessary to accomplish organisation goals. It deals specifically with such subjects as the determination of manpower requirements, their recruitment, selecting, placement and orientation, etc.



**2. Development of Personnel:** Development has to do with the increase through training, skill that is necessary for proper job performance. In this process various techniques of training are used to develop the employees. Framing a sound promotion policy, determination of the basis of promotion and making performance appraisal are the elements of personnel development function.

**3. Compensation to Personnel:** Compensation means determination of adequate and equitable remuneration of personnel for their contribution to organisation objectives. To determine the monetary compensation for various jobs is one of the most difficult and important function of the personnel management. A number of decisions are taken into the function, viz., job-evaluation, remuneration, policy, incentive and premium plans, bonus policy and co-partnership, etc. It also assists the organisation for adopting the suitable wages and salaries, policy and payment of wages and salaries in right time.

**4. Industrial Relation:** Human Resource Management covers a wide field. It is intended to reduce strife's, promote industrial peace, provide fair deal to workers and establish industrial democracy. If the personnel manager is unable to make harmonious relations between management and labour industrial unrest will take place and millions of man-days will be lost. If labour management relations are not good the moral and physical condition of the employee will suffer, and it will be a loss to an organisation vis-a-visa nation. Hence, the personnel manager must create harmonious relations with the help of sufficient communication system and co-partnership.

**4. Record Keeping:** In record-keeping the personnel manager collects and maintains information concerned with the staff of the organisation. It is essential for every organisation because it assists the management in decision making such as in promotions.

**5. Personnel Planning and Evaluation:** Under this system different type of activities are evaluated such as evaluation of performance, personnel policy of an organisation and its practices, personnel audit, morale, survey and performance appraisal, etc.

### **Changing role of HRM**

Human Resources Management seeks to understand and then support how people do their jobs. Just as important, however, is the understanding of the environment in which that work is done; and how it contributes to the overall success of the organization - i.e. organizational effectiveness. The two are certainly inter-related and inter-dependent.

The Four Roles of HR To truly understand the field of Human Resources Management, one must consider and accept the four basic roles of the HR function, no matter how it's defined. Some of these are already understood and others less so. These are:

1. Compliance and enforcement
2. Management advocacy
3. Strategic partner
4. Employee advocacy

The first two we've got down pat. We've just begun making inroads on the third and still can't seem to get a handle on the fourth.

**The Enforcer:** Most HR practitioners will agree that the role as the employer's compliance officer is well established. But, it's increasingly difficult to keep track of changes in state, federal and local laws and regulations. These must then be translated into effective policies and practices. A greater emphasis is also placed today on taking preventative measures to forestall, or at least mitigate, the effects of employee complaints of harassment, wrongful discharge, or discrimination. Though generally perceived of as a reactive function, HR professionals will have to increasingly rely on proactive solutions.

**Management Representative:** This is the other traditional HRM role. As part of the management staff, the HR department is the point of interface between management policies and its employees. It's charged with communicating and interpreting management dicta. These responsibilities are also considered an extension of the compliance and enforcement roles. What is not communicated, can seldom be enforced.

The "open-book management" movement furthers a trend toward greater employee empowerment and is based on a greater sharing of information; much of which is coordinated through human resource procedures.

**Strategic Partner:** HR has begun stepping from its historical reactive function - like the guy who follows a parade of elephants with a shovel on his shoulder. A complaint is filed, react to it. Jobs open up, fill them. Absenteeism's on the rise, step up the discipline. The movement to include human resources management in the strategic decision-making process is a relatively new phenomenon. Only a relatively small number of organizations have yet to grant this recognition. This new role does bring with it additional burdens and

responsibilities; to be aware of changes in the external environment that will impact the organization; offer appropriate strategies and procedures to anticipate change; and provide regular feedback that helps steer strategic planning. A whole new set of skills and perspectives will be required of HR practitioners.

Employee Advocate: This is not so much a new role as much as it's practically non-existent. It's actually frowned upon in many organizations and is the most difficult of the four to realize. After all, it does seem to be a direct contradiction to serving as an advocate for management. It's an uncomfortable conflict that many practitioners either choose, or are encouraged, to avoid. Still, it's a role that must be accepted since it directly impacts the other three. Employee advocacy fosters trust and credibility in the relationship. If employees need someone to speak for them, and if it's not Human Resources, then who? You guess! Like the overlapping of HRM and OD, the four basic roles for Human Resources management are interrelated and mutually supportive. Success rests in fully accepting all four and striking the proper balance among them. Most HR functions already have the basics of the first two. The organization must shift its culture to accept the third. Both management and the HR professionals must recognize the need for the fourth.

### **Roles & responsibilities of HR Manager/HR Department**

A human resources manager handles many duties and roles in their position. They provide guidance and direction to specialists while monitoring and organising the human resources department. If you are interested in becoming an HR manager, learning more about what they do can help you prepare. In this article, we review 13 HR manager roles, answer frequently asked questions and provide helpful tips for finding a job in human resources management.

#### 13 HR manager roles

These are some roles and responsibilities that human resources managers handle in their position:

#### **1. Hiring and recruitment**

One of a human resources manager's primary roles is locating and hiring new talent for their company. This process can include locating talent through online sources, recruitment agencies and physical ads. After locating potential hires, the HR manager may screen resumes and read cover letters to determine which candidates are most viable. They then interview or delegate interviews to other human resources specialists to gather more information about the candidates. At the end of the hiring process, the manager collaborates with other professionals to develop compensation and benefits packages that can influence talented individuals to accept employment offers.

## **2. Creating job description and design**

Job description and design is the process of determining which professional roles are necessary for a team or department and defining those roles. To develop cohesive and efficient teams of professionals, the HR manager determines the skills, qualifications and education for each person, along with what their responsibilities include. During this process, the HR manager may consider the leadership structure and how the team can collaborate to produce quality work and value for the company. For example, the human resources manager may determine that a department functions best with several teams, each of which contains a team leader.

## **3. Planning and schedules**

Another role that HR managers manage is planning for company events and creating schedules. Depending on the size of the company, the nature of the work and how many employees there are in each department, the HR manager may determine when each staff member works, or they may delegate that task to other leaders within the company. If hours are consistent or the company primarily employs salaried individuals, the HR manager may not design a weekly schedule but plan for company holidays and inform staff members about their time off from work.

## **4. Onboarding and training**

Onboarding is preparing a new hire for integration into the company atmosphere and workflow. HR managers prepare and plan for onboarding, either creating the material themselves or overseeing the process. Training is important for new employees, as it ensures they understand policies and procedures within the organisation. HR managers can prepare documents, schedule training sessions and determine what each new hire learns during their onboarding and training. Effective onboarding and training can ready employees and help them reach peak production faster, which provides the company with more value.

## **5. Documenting rules and regulations**

HR managers create documentation for rules and regulations, communicate this important information to employees and create procedures for training employees on these policies. An HR manager may work with other professionals to create an employee handbook and ensure each employee receives and signs a copy before beginning work with the company. They may also update and improve rules and regulations as the company grows and develops. For example, an HR manager may create or oversee the creation of activities involving regulation review and the production of new materials.

## **6. Performance management**

Performance management allows companies and teams to ensure each of their staff members is producing value for the company that equals their compensation. To use performance

management, the HR manager may implement systems for monitoring productivity, suggesting solutions for issues and offering potential improvements in workflow. The HR manager may gather employee feedback on how to improve performance and use incentives and other methods for increasing productivity. For example, an HR manager may design a reward system for the highest performing staff member each month or quarter.

## **7. Developing workplace atmosphere**

HR managers understand that developing a welcoming and conducive workplace atmosphere is important for improving productivity, employee satisfaction and staff engagement levels. To do this, they may collaborate with designers to create more open and inspiring layouts for rooms, offer refreshments and improve communication within the workplace. For example, they may promote an open layout and plan events for team members to get to know one another and develop professional relationships. The HR manager may also focus on diversity and inclusion to create an effective workplace atmosphere.

## **8. Conflict resolution**

Conflict resolution is necessary when employees have disputes and disagreements. The HR manager can develop a standard procedure for settling problems and providing conflict resolution. They may also supervise HR specialists as they meet with staff members to solve disputes, acting as mediators during discussions. HR managers ensure their department responds quickly to conflict and supports the rights of the employees.

## **9. Ensuring employee health and safety**

HR managers support employee health and safety by assessing potential risks and supplying staff members with protection, depending on the organisation and industry. The manager may take action to address potential risks by reducing or eliminating them. To promote health among team members, HR managers may arrange health goals and benefits like gym memberships, relays or friendly competitions.

## **10. Positive reinforcement**

An HR manager affects positive reinforcement by working directly with staff members and advising their leaders. Positive reinforcement is the act of providing a reward when a staff member shows good behaviour or contributes to excellent work. To do this, HR managers can use employee of the month awards, supply positive verbal feedback or give small rewards like gift cards or meals to employees.

## **11. Recording and reporting**

Successful HR managers record and report the performance of their department, metrics for staff productivity and satisfaction, risk analysis and accidents or incidents. Recording and reporting is

an important part of the HR manager's position, as it allows them to protect themselves and the company in sensitive situations by documenting meetings and incidents. Tracking performance metrics is also important for HR managers because they can use them to assess their team and develop goals for improvement.

## **12. Specialist management**

HR managers provide guidance and direction to the specialists within their department. This can vary depending on the size of the company, but HR managers may lead a team of HR specialists to complete daily HR tasks. Their management role means HR managers must have excellent leadership abilities, along with a thorough understanding of human resources topics.

## **13. Managing compensation and benefits**

Compensation and benefits is a subject that HR managers thoroughly understand, and creating the best compensation and benefits packages for employees can increase retention and bring more value to the company. Compensation refers to the salary or wage that a staff member earns, and benefits are additional perks like health insurance, educational assistance and others. HR managers must assess an employee's value and create a package that attracts and keeps top talent with their company.

## **Difference Between Personnel Management and Human Resource Management**

### **Definition of Personnel Management**

Personnel Management is a part of management that deals with the recruitment, hiring, staffing, development, and compensation of the workforce and their relation with the organization to achieve the organizational objectives. The primary functions of the personnel management are divided into two categories:

- **Operative Functions:** The activities that are concerned with procurement, development, compensation, job evaluation, employee welfare, utilization, maintenance and collective bargaining.
- **Managerial Function:** Planning, Organizing, Directing, Motivation, Control, and Coordination are the basic managerial activities performed by Personnel Management.

From the last two decades, as the development of technology has taken place and the humans are replaced by machines. Similarly, this branch of management has also been superseded by Human Resource Management.

The main difference between Personnel Management and Human Resource Management lies in their scope and orientation. While the scope of personnel management is limited and has an inverted approach, wherein workers are viewed as tool. Here the behaviour of the

worker can be manipulated as per the core competencies of the organization and are replaced when they are worn-out.

On the other hand, human resource management has a wider scope and considers employees as the asset to the organization. It promotes mutuality in terms of goals, responsibility, reward etc. that will help in enhancing the economic performance and high level of human resource development.

In early centuries, when Human Resource Management (HRM) was not prevalent, then the staffing and payroll of the employees were taken care of, by the Personnel Management (PM). It is popularly known as Traditional Personnel Management. Human Resource Management have emerged as an extension over the Traditional Personnel Management. So, in this article, we are going to throw light on the meaning and differences between Personnel Management and Human Resource Management.

### Comparison Chart

<b>BASIS FOR COMPARISON</b>	<b>PERSONNEL MANAGEMENT</b>	<b>HUMAN RESOURCE MANAGEMENT</b>
Meaning	The aspect of management that is concerned with the work force and their relationship with the entity is known as Personnel Management.	The branch of management that focuses on the most effective use of the manpower of an entity, to achieve the organizational goals is known as Human Resource Management.
Approach	Traditional	Modern
Treatment of manpower	Machines or Tools	Asset
Type of function	Routine function	Strategic function
Basis of Pay	Job Evaluation	Performance Evaluation
Management Role	Transactional	Transformational
Communication	Indirect	Direct
Labour Management	Collective Bargaining Contracts	Individual Contracts
Initiatives	Piecemeal	Integrated
Management Actions	Procedure	Business needs
Decision Making	Slow	Fast
Job Design	Division of Labour	Groups/Teams

Focus	Primarily on mundane activities like employee hiring, remunerating, training, and harmony.	Treat manpower of the organization as valued assets, to be valued, used and preserved.
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## COMPETITIVE CHALLENGES INFLUENCING HRM

Because of continuous changing socio-economic, technological and political conditions, the human resource managers of the future shall have to face more problems in the management of labour. The human resource managers of today may find themselves obsolete in the future due to changes in environment if they do not update themselves some of the important challenges which might be faced by the managers in the management of people in business and industry are discussed below:

**1.Increasing Size of Workforce:** The size of organisations is increasing. A large number of multinational organisations have grown over the years. The number of people working in the organisation has also increased. The management of increased workforce might create new problems and challenges as the workers are becoming more conscious of their rights.

**2.Increase in Education Level:** The governments of various countries are taking steps to eradicate illiteracy and increase the education level of their citizens. Educated consumers and workers will create very tough task for the future managers.

**3.Technological Advances:** With the changes coming in the wake of advanced technology, new jobs are created and many old jobs become redundant. There is a general apprehension of immediate unemployment. In the competitive world of today, industry cannot hope to survive for long with old technology. The problem, of unemployment resulting from modernisation will be solved by properly assessing manpower needs and training of redundant employees in alternate skills.

**4.Changes in Political Environment:** There may be greater Government 's interference in business to safeguard the interests of workers, consumers and the public at large. Government 's participation in trade, commerce and industry will also pose many challenges before management. The Government may restrict the scope of private sector in certain areas in public interest. It does not mean chances of co-operation between the Government and private sector are ruled out. In fact, there will be more and more joint sector enterprises.



**5. Increasing Aspirations of Employees:** Considerable changes have been noted in the worker of today in comparison to his counterpart of 1950s. The workers are becoming more aware of their higher-level needs and this awareness would intensify further in the future workers.

**6. Changing Psychosocial System:** In future, organisations will be required to make use of advanced technology in accomplishing their goals while satisfying human needs. In the traditional bureaucratic model, the organisations were designed to achieve technical functions with a little consideration given to the psychosocial system. But future management would be required to ensure effective participation of lower levels in the management of the organisation system.

**7. Computerised Information System:** In the past, the automation of manufacturing processes had a major effect upon the systems of production, storage, handling and packaging, etc. More recently, there has been and, in the future, there will be the impact of revolutionary computerised information system on management. This revolutionary development would cover two primary areas of personnel management which are as follows:

(a) The use of electronic computers for the collection and processing of data, and (b) The direct application of computers in the managerial decision-making process.

**8. Mobility of Professional Personnel:** Organisations will expand the use of —boundary agents whose primary function will be achieving coordination with the environment. One interesting fact will be an increase in the mobility of various managerial and professional personnel between organisations. As individuals develop greater technical and professional expertise, their services will be in greater demand by other organisations in the environment.

**9. Changes in Legal Environment:** Many changes are taking place in the legal framework within which the industrial relations systems in the country are now functioning. It is the duty of the human resource or personnel executive to be aware of these changes and to bring about necessary adjustments within the organisations so that greater utilisation of human resources can be achieved. This, indeed, is and would remain a major challenge for the personnel executive.

**10. Management of Human Relations:** On the industrial relations front, things are not showing much improvement even after so many efforts by the government in this direction. Though a large number of factors are responsible for industrial unrest but a very significant cause is the growth of multi-unions in industrial complexes having different

political affiliations. Under the present conditions, it appears that inter-union rivalries would grow more in the coming years and might create more problems in the industry.

## Ethical aspect of HRM

*Figure 2 Diagrammatic representation of HR Ethical Issues*



## Ethical Issues in HR

Of all the organisational issues or problems, ethical issues are the most difficult ones to handle or deal with. Issues arise in employment, remuneration and benefits, industrial relations and health and safety.

### ✦ Cash and Compensation Plans

There are ethical issues pertaining to the salaries, executive perquisites and the annual incentive plans etc. The HR manager is often under pressure to raise the band of base salaries. There is increased pressure upon the HR function to pay out more incentives to the top

management and the justification for the same is put as the need to retain the latter. Further ethical issues crop in HR when long term compensation and incentive plans are designed in consultation with the CEO or an external consultant. While deciding upon the payout there is pressure on favouring the interests of the top management in comparison to that of other employees and stakeholders.

### ✦ Race, gender and Disability

In many organisations till recently the employees were differentiated on the basis of their race, gender, origin and their disability. Not anymore ever since the evolution of laws and a regulatory framework that has standardised employee behaviours towards each other. In good organisations the only differentiating factor is performance! In addition, the power of

filing litigation has made put organisations on the back foot. Managers are trained for aligning behaviour and avoiding discriminatory practices.

#### ✦ **Employment Issues**

Human resource practitioners face bigger dilemmas in employee hiring. One dilemma stems from the pressure of hiring someone who has been recommended by a friend, someone from your family or a top executive.

Yet another dilemma arises when you have already hired someone and he/she is later found to have presented fake documents. Two cases may arise and both are critical. In the first case the person has been trained and the position is critical. In the second case the person has been highly appreciated for his work during his short stint or he/she has a unique blend of skills with the right kind of attitude. Both the situations are sufficiently dilemmatic to leave even a seasoned HR campaigner in a fix.

#### ✦ **Privacy Issues**

Any person working with any organisation is an individual and has a personal side to his existence which he demands should be respected and not intruded. The employee wants the organisation to protect his/her personal life. This personal life may encompass things like his religious, political and social beliefs etc. However certain situations may arise that mandate snooping behaviours on the part of the employer. For example, mail scanning is one of the activities used to track the activities of an employee who is believed to be engaged in activities that are not in the larger benefit of the organisation. Similarly, there are ethical issues in HR that pertain to health and safety, restructuring and layoffs and employee responsibilities. There is still a debate going on whether such activities are ethically permitted or not. Layoffs, for example, are no more considered as unethical as they were thought of in the past.

## **Characteristics of Human Resource Management**

On the basis of the definitions given above, the following features of human resource management can be identified:

**1. Comprehensive Function:** Human resource management is concerned with managing people at work. It covers all types of people at all levels in the organization. It applies to workers, supervisors, officers, managers and other types of personnel.

**2. People-oriented:** Human resource management is concerned with employees as individuals as well as groups. It is the process of achieving the best fit between individuals, jobs, organizations and the environment. It is the process of bringing people and organizations together so that the goals of each are met.

**3. Action-oriented:** Human resource management focuses on action rather than on record-keeping or procedures. It stresses the solution of human resource problems to achieve both organizational objectives and employees' personal goals.

**4. Individual-oriented:** Under human resource management, every employee is considered as an individual so as to provide services and programmes to facilitate employees satisfaction and growth.

**5. Development-oriented:** Human resource management is concerned with developing potential of employees so that they get maximum satisfaction from their work and give their best efforts to the organization.

**6. Pervasive Function:** Human resource management is inherent in all organizations and at all levels. It is not confined to industry alone. It is equally useful and necessary in government, armed forces, sports organizations and the like. It permeates all the functional areas. E.g., production, marketing, finance, research, etc. each and every manager is involved with human resource function. In big organizations, there is generally a human resource department. But this department only provides expert staff, advice and assistance. The authority to take decisions about people lies with the operating executives.

Human resource management is not something which can be turned over to a human resource department. It is the responsibility of each and every manager. When a human resource department is created, other managers are not relieved of this responsibility. This department only advises and assists line managers. According to Scott et al. "human resource management is a responsibility of all those who manage people as well as being a description of the work of those who are employed as specialists. It is that part of management which is concerned with people at work and with their relationships within an enterprise." Human resource management is a staff function but a line responsibility.

**7. Continuous Function:** Management of human resources is an ongoing or never-ending exercise rather than a 'one shot' function. In the words of Terry, "it cannot be turned on and off like water from a faucet; it cannot be practiced only one hour each day or one day a week. Human resource management requires a constant alertness and awareness of human relations and their importance in everyday operations."

**8. Future-oriented:** Human resource management is concerned with helping an organization achieve its objectives in the future by providing for competent and well-motivated employees.

**9. Challenging Function:** Managing of human resources is a challenging job due to the dynamic nature of people. People have sentiments and emotions so they cannot be treated like machines. It is therefore, necessary to handle them tactfully. It is not simply managing people but administering a social system.

**10. Science as well as Art:** HRM is a science as it contains an organized body of knowledge consisting of principles and techniques. It is also an art because it involves application of theoretical knowledge to the problems of human resources. In fact handling people is one of the most creative arts.

**11. Staff Function:** The function of human resource management is advisory in nature. Human resource managers do not manufacture or sell goods but they do contribute to the success and growth of an organization by advising the operating

departments on human resource matters. Like the director of a movie, their performance can be judged from the success of the total organization. Nature and Scope of Human Resource Management.

**12. Young Discipline:** Human resource management is of comparatively recent origin. It is started in the last part of the 19<sup>th</sup> century. It is relatively a new specialized area as compared to manufacturing and marketing.

**13. Interdisciplinary:** Human resource management involves application of knowledge drawn from several disciplines like sociology, anthropology, psychology, economics, etc. In order to deal with human problems effectively, a manager must depend upon such knowledge.

**14. Nervous System:** Human resource management is similar to the nervous system in the human body. The nervous system is not an adjunct to the body but is inherent in the whole body and intimately associated with its every movement. Similarly, human resource management is not an extraneous element to the organization structure. Rather it lies embedded in the structure, is inherent in its functioning and an integral part of the process of management itself. Human resource management cannot be separated from the basic management function.

## UNIT II

### HUMAN RESOURCE PLANNING

#### Introduction

Human Resource Planning is concerned with the planning the future manpower requirements is the organisation. HR manager ensures that the company has 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. Obviously, human resource planning primarily makes appropriate projections for future manpower needs of the organisation envisages plan for developing the manpower to suit the changing needs of the organisation from time to time, and foresees how to monitor and evaluate the future performance. It also includes the replacement plans and managerial succession plans.

Human Resource planning is the process by which a management determines how an organisation should move from its current manpower position to its desired manpower position. Through planning a management strives to have the right number and the right kinds of people at the right places, at the right time, to do things which result in both the organisation and the individual receiving the maximum long-range benefit.

#### Definitions of Human Resource Planning:

1. **Coleman** has defined Human Resource Planning as —the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organisation.
2. **According to Wikstrom**, Human Resource Planning consists of a series of activities, viz.,
  - (a) Forecasting future manpower requirements, either in terms of mathematical projections of trends in the economic environment and developments in industry, or in terms of judgemental estimates based upon the specific future plans of a company;
  - (b) Making an inventory of present manpower resources and assessing the extent to which these resources are employed optimally;
  - (c) Anticipating manpower problems by projecting present resources into the future and comparing them with the forecast of requirements to determine their adequacy, both quantitatively and qualitatively; and

- (d) Planning the necessary programmes of requirements, selection, training, development, utilisation, transfer, promotion, motivation and compensation to ensure that future manpower requirements are properly met.

**Coleman** has defined Human Resource Planning as —the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organisation.

Human resource planning is a double-edged weapon. If used properly, it leads to the maximum utilisation of human resources, reduces excessive labour turnover and high absenteeism; improves productivity and aids in achieving the objectives of an organisation. Faultily used, it leads to disruption in the flow of work, lower production, less job satisfaction, high cost of production and constant headaches for the management personnel. Therefore, for the success of an enterprise, human resource planning is a very important function, which can be neglected only at its own peril.

## **NEED AND IMPORTANCE OF HUMAN RESOURCE PLANNING**

Human Resource planning is the process by which a management determines how an organisation should move from its current manpower position to its desired manpower position. Through planning a management strives to have the right number and the right kinds of people at the right places, at the right time, to do things which result in both the organisation and the individual receiving the maximum long-range benefit. Human resource planning is a double-edged weapon. If used properly, it leads to the maximum utilisation of human resources, reduces excessive labour turnover and high absenteeism; improves productivity and aids in achieving the objectives of an organisation. Faultily used, it leads to disruption in the flow of work, lower production, less job satisfaction, high cost of production and constant headaches for the management personnel. Therefore, for the success of an enterprise, human resource planning is a very important function, which can be neglected only at its own peril.

**Coleman** has defined Human Resource Planning as —the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organisation.

**Objectives of HR Planning** The major objectives of Human Resource Planning in an organisation are to :

- (i) ensure optimum use of human resources currently employed;



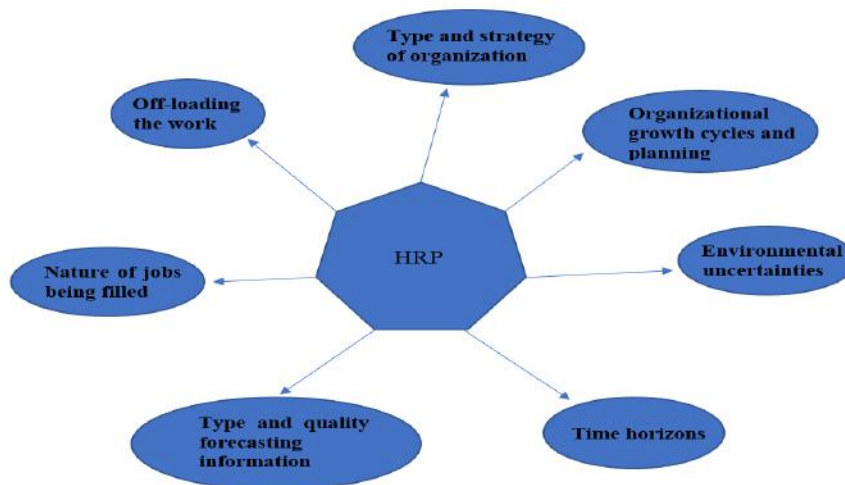
- (ii) avoid balances in the distribution and allocation of human resources;
- (iii) assess or forecast future skill requirements of the organisation 's overall objectives;
- (iv) provide control measure to ensure availability of necessary resources when required;
- (v) control the cost aspect of human resources;
- (vi) formulate transfer and promotion policies.

### **Factors Affecting Human Resource Planning**

Factors Affecting HRP: HRP is influenced by several considerations. The more important of them are:

- **Type and strategy of organization**
- **Organizational growth cycles and planning.**
- **Environmental uncertainties.**
- **Time horizons.**
- **Type and quality forecasting information.**
- **Nature of jobs being filled.**
- **Off-loading the work.**

### **Factors Affecting Human Resource Planning**



**Type of organization:** The type of organization determines the production process and number and type of staff needed. Manufacturing organizations have a more complex structure compared to service organization. It goes without saying that the HRP differs according to the nature of the organization.

**Strategy of organization:** The human resource needs of an organization depend on the strategic plan adopted by it. For example, growth of the business calls for hiring of additional labour, while mergers will need a plan for layoffs.

**Environmental Uncertainties:** HR managers rarely have the privilege in a stable and predictable environment. Political, social and economic changes affect all organizations. Personnel planners deal with environmental uncertainties by carefully formulating recruitment, selection, and training and development policies and programmes. Balancing mechanisms are built into the HRM programme through succession planning, promotion channels, layoffs, flexitime, job sharing, retirement, VRS and other personnel related arrangements.

**Time period:** Yet another major factor affecting personnel planning is the horizon. On one hand, there are short-term plans spanning six months to one year. On the other hand, there are long-term plans which spread over three to twenty years. The exact time span, however, depends on the degree of certainty prevailing in an organization's environment. Plans for companies operating in an unstable environment, computers for example, must be for a short period. Plans for others where environment is fairly stable, for example a university plans, may be long-term. In general, the greater the uncertainty, the shorter the plan's time horizon and vice versa.

**Information:** The type and quality of information used in making forecast is an important factor influencing Human Resource Planning. In the absence of a well-developed information mechanism Human Resource Planning is just impossible. Accurate and timely human resource information system helps in getting better quality personnel.

**Nature of jobs being filled:** Job vacancies are very common and arise due to promotions, retirements, termination of services, growth, expansion, etc. HRP is required to ensure that suitable candidates are recruited.

**Off-loading:** This implies giving part of the organizations work to outside parties. If an organization prefers off-loading to recruitment of more people. Human Resource Planning is not required.

## **STEPS IN HUMAN RESOURCE PLANNING (HRP PROCESS)**

Human resource planning refers to a process by which companies ensure that they have the right number and kinds of people at the right place, at the right time; capable of performing different jobs efficiently. Planning the use of human resources is an important function in every organisation. A rational estimate to various categories of personnel in the organisation is an important aspect of human resource planning. HRP involves the following steps:

- 1. Analysis of Organisational Plans and Objectives:** Human resource planning is a part of overall plan of organisation. Plans concerning technology, production, marketing, finance, expansion and diversification give an idea about the volume of future work activity. Each plan can further be analysed into sub-plans and detailed programmes. It is also necessary to decide the time horizon for which human resource plans are to be prepared. The future organisation structure and job design should be made clear and changes in the organisation structure should be examined so as to anticipate its manpower requirements.
- 2. Forecasting Demand for Human Resources:** Human resource planning starts with the estimation of the number and type of personnel required at different levels and in different departments. The main steps involved in HRP process are
  - a) to determine and to identify present and prospective needs of human resource,
  - b) to discover and recruit the required number of persons.
  - c) to select the right number and type from the available people.
  - d) to hire and place in the positions for which they are qualified,
  - e) to provide information to the selected people about the nature of work assigned to them,
  - f) to Promote or to transfer as per the needs and the performance of employees,
  - g) to denote if the employees are disinterested or their performance is not upto the mark,
  - h) to terminate if they are not needed or their performance is below standard and shows no hopes of improvement. It is the most crucial and critical area of HRD. These HRD manager must pay attention to place right man to the right job through recruitment selection Training and Placement of employees. This calls for the adoption of a systematic procedure to complete recruitment and selection.

**3. Forecasting Supply of Human Resources:** One of the important areas of human resources planning is to deal with allocation of persons to different departments depending upon the workload and requirements of the departments. While allocating manpower to different departments, care has to be taken to consider appointments based on promotions

and transfers. Allocation of human resource should be so planned that available manpower is put to full use to ensure smooth functioning of all departments.

**4. Estimating Manpower Gaps:** Net human resource requirements or manpower gaps can be identified by comparing demand and supply forecasts. Such comparison will reveal either deficit or surplus of human resources in future. Deficits suggest the number of persons to be recruited from outside whereas surplus implies redundant to be redeployed or terminated. Similarly, gaps may occur in terms of knowledge, skills and aptitudes. Employees deficient in qualifications can be trained whereas employees with higher skills may be given more enriched jobs.

**5. Matching Demand and Supply:** It is one of the objectives of human resource planning to assess the demand for and supply of human resources and match both to know shortages and surpluses on both the side in kind and in number. This will enable the human resource department to know overstaffing or understaffing. Once the manpower gaps are identified, plans are prepared to bridge these gaps. Plans to meet the surplus manpower may be redeployment in other departments and retrenchment in consultation, with the trade unions. People may be persuaded to quit through voluntarily retirement. Deficit can be met through recruitment, selection, transfer, promotion, and training plans. Realistic plans for the procurement and development of manpower should be made after considering the macro and micro environment which affect the manpower objectives of the organisation.

## **BARRIERS TO HUMAN RESOURCE PLANNING**

Human Resource Planners face significant barriers while formulating an HRP. The major barriers are elaborated below:

- 1) HR practitioners are perceived as experts in handling personnel matters, but are not experts in managing business. The personnel plan conceived and formulated by the HR practitioners when enmeshed with organizational plan, might make the overall strategic plan of the organization ineffective.
- 2) HR information often is incompatible with other information used in strategy formulation. Strategic planning efforts have long been oriented towards financial forecasting, often to the exclusion of other types of information. Financial forecasting takes precedence over HRP.
- 3) Conflict may exist between short term and long-term HR needs. For example, there can be a conflict between the pressure to get the work done on time and long-term needs, such as preparing people for assuming greater responsibilities. Many managers are of the

belief that HR needs can be met immediately because skills are available on the market as long as wages and salaries are competitive. Therefore, long times plans are not required, short planning are only needed.

4) There is conflict between quantitative and qualitative approaches to HRP. Some people view HRP as a number game designed to track the flow of people across the department. Others take a qualitative approach and focus on individual employee concerns such as promotion and career development. Best result can be achieved if there is a balance between the quantitative and qualitative approaches.

5) Non-involvement of operating managers renders HRP ineffective. HRP is not strictly an HR department function. Successful planning needs a co-ordinated effort on the part of operating managers and HR personnel.

## **HUMAN RESOURCE INFORMATION SYSTEM**

HRIS is an important element in human resource development. It is a system of maintain, collect, and analyse data relating to human resources of the organisation. It helps managers in decision making in respect of promotion, wage fixing, recruitment, training and development. In this way HRIS acts as a decision support system. The inputs of HRIS include the information relating to employees, their abilities, qualifications, potentialities, creative instincts, age, pay scales, various jobs in the organisation, their required skills and qualifications to do them, the number of employees and executives manning various positions, organisational objectives, policies and procedures etc.

A human resource information system (HRIS) is a software package developed to aid human resources professionals in managing data. Human resource professionals utilize these systems to facilitate work flow, improve efficiency and store and collect information. Several companies offer HRIS packages to employers. HRIS packages can be customized to the specific needs and requirements of the employer.

Explained below are the various components of the HRIS.

### **1. Database**

HRIS core offering includes a database to store employee information. HR professionals can input all personnel data into the system which can be accessed from anywhere, round the clock. Types of data that HR professionals collect in the database include compensation history, emergency contact information, and [performance review](#). The core database can also be viewed as an online backup for paper files.

## **2. Time and Labour Management**

Activities like time and labour management can highly time consuming. HRIS package allows employees to input their own hours worked and allows managers to immediately verify vacation requests, and the data is directly fed to the payroll. Time and labour management also improves the HR department's ability to track punctuality and attendance.

## **3. Payroll Function**

Payroll function is yet another major component of a HRIS model. HR can easily download or unload employee hours, and issue cheques or payroll deposits to employees. Salaried employees can also be paid with substantially reduced risk of errors. The HRIS payroll software usually improve tax compliance for locations with multiple tax levels.

## **4. Benefits**

Some HRIS employers allow employers to establish and maintain medical benefits and retirement investments through their software. Such applications allow employers to have one-stop shopping experience for all their human resources data management needs. Other HRIS packages facilitate medical benefits and retirement investment deductions for payroll but not the establishment of those benefits.

## **5. Employee Interface**

Most HRIS packages allow for an employee to have limited user access. Employee users access a part of the database where they can update their personal information, review pay scales, change retirement benefit programs, update direct deposit information or download benefit election documents.

## **6. Recruitment and Retention**

Finally, it can be said that [recruitment and retention](#) are the most important components of HRIS. It goes without saying that it is the anchor of all HR policies and systems. Finding new talent, acquiring them, keeping them engaged and finally being able to retain them are the major task of a HR person. HRs also have to ensure that employees are not only able to do their work, but they are also provided with the required training; receives proper compensation and benefits from the organization.

# **JOB ANALYSIS**

## **Introduction**

Job Analysis is a procedure by which pertinent information is obtained about a job, i.e., it is a detailed and systematic study of information relating to the operation and responsibilities of a specific job. An authority has defined job analysis as —the process of determining, by observation and study, and reporting pertinent information relating to the nature of a specific job... —It is the determination of the tasks which comprise the job and of the skills, knowledge, abilities and responsibilities required of the worker for a successful performance and which differentiate one job from all others.

**Information provided by Job Analysis** Job analysis provides the following information:

- 1. Job Identification:** Its title, including its code number;
- 2. Significant Characteristics of a Job:** Its location, physical setting, supervision, union jurisdiction, hazards and discomforts;
- 3. What the Typical Worker Does:** Specific operation and tasks that make up an assignment, their relative timing and importance, their simplicity, routine or complexity, the responsibility or safety of others for property, funds, confidence and trust;
- 4. Which Materials and Equipment a Worker Uses:** Metals, plastics, grains, yarns, milling machines, punch presses and micrometres;
- 5. How a Job is Performed:** Nature of operation - lifting, handling, cleaning, washing, feeding, removing, drilling, driving, setting-up and many others;
- 6. Required Personal Attributes:** Experience, training, apprenticeship, physical strength, coordination or dexterity, physical demands, mental capabilities, aptitudes, social skills;
- 7. Job Relationship:** Experience required, opportunities for advancement, patterns of promotions, essential co-operation, direction, or leadership from and for a job.

## **SOURCES OF INFORMATION FOR JOB ANALYSIS**

According to George R. Terry, —the make-up of a job, its relation to other jobs, and its requirements for competent performance are essential information needed for a job analysis. Information on a job may be obtained from three principal sources:

- (a) From the employees who actually perform a job;
- (b) From other employees such as supervisors and foremen who watch the workers doing a job and thereby acquire knowledge about it; and
- (c) From outside observers specially appointed to watch employees performing a job. Such outside persons are called the trade job analysts. Sometimes, special job reviewing committees are also established.

### **Methods of Job Analysis**

Four methods or approaches are utilised in analysing jobs. These are:

- 1. Personal Observation:** The materials and equipment used, the working conditions and probable hazards, and an understanding of what the work involves are the facts which should be known by an analyst.
- 2. Sending out of Questionnaires:** This method is usually employed by engineering consultants. Properly drafted questionnaires are sent out to job-holders for completion and are returned to supervisors. However, the information received is often unorganised and incoherent. The idea in issuing questionnaire is to elicit the necessary information from job-holders so that any error may first be discussed with the employee and, after due corrections, may be submitted to the job analyst.
- 3. Maintenance of Long Records:** The employee maintains a daily record of duties he performs, marking the time at which each task is started and finished. But this system is incomplete, for it does not give us any desirable data on supervisor relationship, the equipment used, and working conditions. Moreover, it is time-consuming.
- 4. Personal Interviews** may be held by the analyst with the employees, and answers to relevant questions may be recorded. But the method is time-consuming and costly.

**Purposes and Uses of Job Analysis** A comprehensive job analysis programme is an essential ingredient of sound personnel management. It is fundamental to manpower management programmes because the results of job analysis are widely used throughout the programmes. The information provided by job analysis is useful, if not essential, in almost every phase of employee relation.

- 1. Organisation and Manpower Planning:** It is helpful in organisational planning for it defines labour needs in concrete terms and coordinates the activities of the work force, and clearly divides duties and responsibilities.



2. **Recruitment and Selection:** By indicating the specific requirements of each job (i.e., the skills and knowledge), it provides a realistic basis for hiring, training, placement, transfer and promotion of personnel.
3. **Wage and Salary Administration:** By indicating the qualifications required for doing specified jobs and the risks and hazards involved in its performance, it helps in salary and wage administration. Job analysis is used as a foundation for job evaluation.
4. **Job Re-engineering:** Job analysis provides information which enables us to change jobs in order to permit their being manned by personnel with specific characteristics and qualifications. This takes two forms:
  - (a) **Industrial Engineering Activity**, which is concerned with operational analysis, motion study, work simplification methods and improvements in the place of work and its measurement, and aims at improving efficiency, reducing unit labour costs, and establishing the production standard which the employee is expected to meet; and
  - (b) **Human Engineering Activity**, which takes into consideration human capabilities, both physical and psychological, and prepares the ground for complex operations of industrial administration, increased efficiency and better productivity.
5. **Employee Training and Management Development:** Job analysis provides the necessary information to the management of training and development programmes. It helps it to determine the content and subject-matter of in-training courses. It also helps in checking application information, interviewing, weighing test results, and in checking references.
6. **Performance Appraisal:** It helps in establishing clear-cut standards which may be compared with the actual contribution of each individual.
7. **Health and Safety:** It provides an opportunity for identifying hazardous conditions and unhealthy environmental factors so that corrective measures may be taken to minimise and avoid the possibility of accidents.

## **Process of Job Analysis**

### **Step 1: Decide how we will use the information.**

Decide how we will use the information since this will determine the data and how we collect them. Some data collection techniques – like interviewing the employee and asking what the job entails – are good for writing job descriptions and selecting an employee for the job.

Other techniques, like the position analysis questionnaire, do not provide qualitative information for a job description.

Instead, they provide numerical ratings for each job: these can be used to compare jobs for compensation purposes.

### **Step 2: Review relevant background information**

Review relevant background information, such as organization charts, process charts, and job descriptions.

Organization charts show the organization-wide division of work, with titles of each position and interconnecting lines that report to and communicate with whom.

A process chart provides a more detailed picture of the workflow. A process chart shows the flow of inputs to and outputs from the job we analyse in its simplest form.

Finally, the existing job description usually provides a starting point for building the revised job description.

### **Step 3: Select representative positions**

Select representative positions. There may be too many similar jobs to analyse them all. For example, it is usually unnecessary to analyse the jobs of 200 assembly workers when a sample of 10 jobs will do.

### **Step 4: Analyse the job**

Analyse the job by collecting data on job activities, required employee behaviours, working conditions, and human traits and abilities needed to perform the job. For this step, use one or more of the job analysis methods.

### **Step 5: Verify the job analysis information.**

Verify the job analysis information with the worker performing the job and with his immediate supervisor. This will help confirm that the information is factually correct and complete.

This review can also help gain the employee's acceptance of the job analysis data and conclusions by giving that person a chance to review and modify our description of the job activities.

### **Step 6: Develop a job description and job specification**

Develop a job description and job specification.

The job description is a written statement describing the job's activities and responsibilities and its important features, such as working conditions and safety hazards.

Job specification summarizes the personal qualities, traits, skills, and background required to complete the job. It may be in a separate document or the same document as the job description.

## **JOB DESCRIPTION**

Job description is a written record of the duties, responsibilities and requirements of a particular job. It is concerned with the job itself and not with the work. It is a statement describing the job in such terms as its title, location, duties, working conditions and hazards. In other words, it tells us what is to be done and how it is to be done and why. It is a standard of function, in that it defines the appropriate and authorised contents of a job.

Job description helps top executives, especially when they jointly discuss one another 's responsibilities. Overlapping or confusion can then be pointed out questions can be raised about the major thrust of each position, and problems of structure can be identified. A job description becomes a vehicle for organisational change and' improvement.

A job description contains the following:

- 1. Job identification**, which includes the job title, alternative title, department, division, plant and code number of the job. The job title identifies and designates the job properly. The department division, etc. indicate the name of the department where it is situated-whether it is the maintenance department, mechanical shop etc. The location gives the name of the place.
- 2. Job Summary** serves two important purposes. First it provides a short definition which is useful as an additional identification information when a job title is not adequate. Second, it serves as a summary to orient the reader toward an understanding \_of detailed information which follows. It gives the reader a —quick capsule explanation of the content of a job usually in one or two sentences.
- 3. Job duties** give us a comprehensive listing or the duties together with some indication of the frequency of occurrence or percentage of time devoted to each major duty. It is regarded as the heart of a job.
- 4. Relation to other jobs:** This helps us to locate the job in the organisation by indicating the job immediately below or above it in the job hierarchy. It also gives us an idea of the vertical relationships of work flow and procedures.

**5. Supervision:** Under it is given the number of persons to be supervised along with their job titles, and the extent of supervision involved – general, intermediate or close supervision.

**6. Working conditions** usually give us information about the environment in which a job holder must work. These include cold, heat, dust, wetness, moisture, fumes, odour, oily conditions, etc. obtaining inside the organisation.

## **JOB SPECIFICATION**

Job Specification is a standard of personnel and designates the qualities required for an acceptable performance. It is a written record of the requirements sought in an individual worker for a given job. In other words, it refers to a summary of the personal characteristics required for a job. It is a statement of the minimum acceptable human qualities necessary for the proper performance of a job.

Job specifications translate the job description into terms of the human qualifications which are required for a successful performance of a job. They are intended to serve as a guide in hiring and job evaluation. As a guide in hiring, they deal with such characteristics as are available in an application bank, with testing, interviews, and checking of references.

### **Job specifications relate to:**

(a) Physical characteristics, which include health, strength, endurance, age-range, body size height, weight, vision, voice, poise, eye, hand and foot co-ordination, motor co-ordination, and colour discrimination.

(b) Psychological characteristics or special aptitudes which include such qualities as manual dexterity, mechanical aptitude, ingenuity, judgment, resourcefulness, analytical ability, mental concentration and alertness.

(c) Personal characteristics traits of temperament such as personal appearance, good and pleasing manners, emotional stability, aggressiveness or submissiveness, extroversion; or introversion, leadership, co-cooperativeness, initiative and drive, skill in dealing with others, unusual sensory qualities of sight, smell, hearing, adaptability, conversational ability, etc.

(d) Responsibilities which include supervision of others, responsibility for production, process and equipment; responsibility for the safety of others; responsibility for generating confidence and trust; responsibility for preventing monetary loss. (e) Other features of a demographic nature, which are age, sex, education experience and language ability.

## **JOB DESIGN**

Job analysis helps in developing appropriate design of job to improve efficiency and satisfaction. Job design is the process of deciding on the contents of a job in terms of its duties and responsibilities, on the methods to be used in carrying out the job, in terms of techniques, systems and procedures and on the relationships that should exist between the jobholder and his superiors, subordinates and colleagues. It is a deliberate and systematic attempt to structure the technical and social aspects of work so as to improve technical efficiency and job satisfaction. Job design is an attempt to create a match between job requirements and human attributes. It involves both organising the components of the job and the interaction patterns among the members of a work group.

The main objective of job design is to integrate the needs of the individual and the requirements of the organisation. Needs of employees include job satisfaction in terms of interest, challenge and achievement. Organisational requirements refer to high productivity, technical efficiency and quality of work. Today, educated and creative employees demand well-designed jobs. Therefore, increasing attempts are being made to redesign jobs so as to improve the quality of working life. A systematic body of knowledge on the designing of jobs has been developed after the Industrial Revolution and the large-scale enterprises.

**Approaches to Job Design:** The main approaches to job design are described below:

**1. Classical Approach:** Also known as Engineering approach, it was developed by F.W. Taylor and his associates. The principles of scientific management formed the basis for designing jobs in most Organisations. These principles focus on planning, standardising and improving human effort at the operative level in order to maximise productivity. In the words of Taylor, —the work of every workman is fully planned out by the management at least one day in advance and each man receives in most cases complete written instructions, describing in detail the task which he is to accomplish.

This task specifies not only what is to be done but how it is to be done and the exact time allowed for doing it. Jobs designed on the basis of classical approach are not appropriate in the modern environment characterised by increased awareness, improved education and rising expectations of workforce.

**2. Behavioural Approach:** The findings of Elton Mayo, Frederick Herzberg and other human relations experts led to search for alternative ways of designing jobs so as to avoid the dysfunctional consequences of standardisation and simplification.

Job redesign, work structuring, job enrichment, participative system and other similar strategies were developed to improve the quality of work life. The aim of all these attempts

is to design jobs which will not only ensure technical efficiency but will satisfy social and psychological needs of workers.

The most popular behavioural approach to job redesign is the Job characteristics model of Hackman and Oldham. This model is based on the assumption that three key psychological states of a jobholder determine his motivation, satisfaction and performance on the job.

Behavioural approach to job design is a socio-technical approach as it deals with both the technical and social aspects of a job. It is, therefore, an improvement over the classical approach which considered only the technical side of jobs. Tavistock Institute of Human Relations, London has carried out several experiments in the application of the socio-technical approach to job design.

## **Methods of Job Design**

**There are four approaches to Job design:**

### **1. Job Simplification:**

The job is broken into simple and narrow set of activities. It makes a job very simple to perform. Training individuals to perform such jobs is simple and inexpensive and workers can conveniently interchange their work activities related to such jobs.

By making the jobs simple to perform; by designing the tasks in a way that workers repeatedly perform one or a small number of tasks related to those jobs, managers can achieve quality control and gain production efficiencies. Making a job too simple, however, may not motivate employees as they may find that work boring and monotonous. This can negatively affect the quality of work and result in low job satisfaction.

### **2. Job Rotation:**

Continuous handling of tasks related to simple jobs can make work monotonous and dull. Job rotation helps workers do away with the monotony by allowing them to work on different jobs which involve different skills and work activities. Job rotation is the practice of shifting employees from one job to another in a planned and systematic manner.

It is a better motivational tool than job simplification as it improves skills and flexibility to perform challenging jobs and increase their capabilities. Job rotation develops employees and increases their capabilities and understanding of different job structures of the organisation. It also promotes innovations by stimulating exchange of ideas. However, it suffers from the following limitations:

- a. Employees do not enjoy specialisation of work if there is frequent movement from one job to the other. In the modern era of specialisation, employees prefer to enhance their skills on one job (simple or complex) rather than move to new jobs as a motivational tool.
- b. Frequently moving employees from one job to the other can affect productivity. Every time an employee moves to a new job, he has to learn job skills which slows down the work.
- c. A person may not really be interested in job rotation for lack of interest in learning new job skills. He may prefer job enrichment or enlargement to job rotation.

### **3. Job Enlargement:**

Combining several routine jobs into one or enlarging the scope of a job by adding variety of tasks is called job enlargement. It removes the dullness of performing the same activity over and over again by giving the employees more tasks to perform on the same job.

Workers perform a wider variety of tasks on the job which increases their job satisfaction. Managers may break a job into four activities (job enlargement) rather than ten simple activities (job simplification). Performing a wider variety of tasks on a job is job enlargement.

Though beneficial as it appears, it suffers from the following limitations:

- (a) Increased training costs,
- (b) Demand from workers for increase in pay as they perform wider variety of tasks, and
- (c) Not being sufficiently challenging, motivating and innovative as performing a few more similar tasks is not motivating enough for workers to perform those tasks.

### **4. Job Enrichment:**

Job enrichment means enriching a job with more responsibility, autonomy, skills and decision making power. It serves as a strong motivational force to increase potential for growth and development. It provides a strong sense of achievement and recognition which provides internal satisfaction to employees; a source of high morale leading to high productivity.

It is a more comprehensive approach than job enlargement. It not only increases the variety of tasks on a job but also the control that worker has over the job. To enrich a job, managers increase the job depth, that is, “the degree to which individuals can plan and control the work involved in their jobs.”

It allows the workers to decide their goals, ways of achieving those goals and self-control their activities. This increases the sense of responsibility, capabilities to accept new and challenging tasks and opportunities for growth and development.

Job enrichment helps employees satisfy their higher order needs of recognition, prestige and achievement.

It is a “deliberate upgrading of responsibility, scope, and challenge in work.”— Hersey and Blanchard

It is a “the process of upgrading the job-task mix in order to increase significantly the potential for growth, achievement, responsibility and recognition.” — Bartol and Martin

**Ways of Achieving Job Enrichment:**

Richard Hackman and Greg Oldham developed job characteristic model to achieve job enrichment.

The model has three elements:

- (a) Core Job Characteristics
- (b) Critical Psychological States
- (c) Outcomes

(a) Core Job Characteristics:

There are five characteristics of a job:

(i) Skill variety:

The job should involve activities which require variety of skills.

(ii) Task identity:

The job should represent a major part of the work rather than fraction of the whole work, that is, the job should have independent identity.

(iii) Task significance:

Workers should feel the impact of their job output on others’ output and also on the enterprise as a whole. It represents importance of the task.

(iv) Autonomy:



Workers should have autonomy to decide how the job is done, sequence involved in the activities, work methods for achieving the output, etc.

(v) Feedback:

Workers should have timely feedback on their job performance to know how well the job is performed so that deviations can be checked in time. These characteristics make the job challenging and motivating for the workers.

(b) Critical Psychological States:

Workers experience three critical psychological states:

- (i) Feeling that the work is meaningful
- (ii) Knowing that they are responsible for the outcomes
- (iii) Actually, finding out the results

The core job characteristics have motivational value if they have the psychological states.

(c) Outcomes:

When workers with critical psychological states perform jobs with core job characteristics, they experience the following outcomes:

- (i) High internal work motivation.
- (ii) High satisfaction of 'growth needs.
- (iii) High degree of job satisfaction.
- (iv) High degree of work effectiveness.

The job characteristic model enriches the job when individuals have the knowledge and skills to perform the redesigned jobs, have high growth-needs (needs for personal growth and development) and feel satisfied with factors related to 'job context' (factors other than the job, like salary, job security, working conditions etc.) The above features make the job rich in content and motivate the employees to work hard to achieve the goals related to these jobs.

**Merits of Job Enrichment: Job enrichment has the following merits:**

- (i) It increases employees' internal motivation.

- (ii) It satisfies their 'growth' needs'.
- (iii) It provides them job satisfaction.
- (iv) It reduces labour turnover and absenteeism.
- (v) It increases the efficiency of work through qualitative and quantitative improvement of work.
- (vi) Greater freedom and autonomy to handle the work activities provides measures of self-control. The deviations are checked by the employees themselves rather than pointed by the supervisors.

Limitations of Job Enrichment: Job enrichment suffers from the following limitations:

- (i) Expensive:

To enrich a job by adding more activities and allowing the workers to assume responsibility for the entire job may be costly for small concerns. Large concerns may, however, derive benefits which will offset the increased cost.

- (ii) Workers' perception:

Some workers are satisfied with the present content of the job and job enrichment becomes an additional liability for them. They are more interested in job security than job enrichment. Job enrichment may not, thus, prove to be lucrative in such situations.

- (iii) Imposition on workers:

Workers may not be capable to accept the challenges associated with the jobs. They feel that job enrichment is an added burden for them and want managers to consult them before adding more responsibilities to the job.

- (iv) Technological considerations:

The present technology may not be appropriate for enriching the current jobs. Job enrichment may not, therefore, be possible because of technological constraints. These limitations are primarily related to small-sized concerns or concerns which have unskilled or low skilled workers who perform routine work and do not want to add more responsibility to their job content. Highly skilled workers favour job enrichment for personal growth and development.

Effective Job Enrichment:

The following guidelines can make job enrichment effective:

(i) Consult the workers:

Managers should consult the workers and invite their suggestions on what they think about job enrichment. This involves greater participation by workers and acceptance of higher responsibility. (ii) Share the benefits with workers:

Companies can share the benefits of job enrichment with workers who are not enterprising and innovative and, therefore, do not perceive job enrichment as an added to their competence. In monetary terms, managers can offer some fraction of the profits to workers. This will motivate them to view job enrichment as a positive attribute of job design.

(iii) Be informed about the reasons for job enrichment:

Workers do not go against management. If properly explained about the reasons why managers want to enrich the jobs and what benefits it will offer to both individuals and organisations, they will accept job enrichment as a positive reinforcement on their behaviour.

## **Recruitment**

### **Introduction**

Recruitment means search of the prospective employee to suit the job requirements as represented by job specification—a technique of job analysis. It is the first stage in selection which makes the vacancies known to a large number of people and the opportunities that the organisation offers. In response to this knowledge, potential applicants would write to the organisation. The process of attracting people to apply in called recruitment.

### **Definition**

**Dale S. Beach** has defined —Recruitment as the development and maintenance of adequate manpower resources. It involves the creation of a pool of available labour upon whom the organisation can depend when it needs additional employees.

**According to Edwin B. Flippo:** —Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organisation.

### **Process of Recruitment**

Recruitment is a process of finding and attracting the potential resources for filling up the vacant positions in an organization. It sources the candidates with the abilities and attitude, which are required for achieving the objectives of an organization.

Recruitment process is a process of identifying the jobs vacancy, analysing the job requirements, reviewing applications, screening, shortlisting and selecting the right candidate.

To increase the efficiency of hiring, it is recommended that the HR team of an organization follows the five best practices (as shown in the following image). These five practices ensure successful recruitment without any interruptions. In addition, these practices also ensure consistency and compliance in the recruitment process.

Every organization follows its own recruitment process, but there are some basic steps that are followed by most the organization, which are listed here:



### **1. Recruitment Planning**

Once the job opening is approved internally, the recruiter contacts the hiring manager. This step is about gathering details about the open position. During the discussion, the recruiter has to gather information, like the required skills, roles, responsibilities, etc., and use this information to write a clear and inclusive Job description. Based on the job description, they can write the job posting.

### **2. Sourcing**

Once the job description is ready, the next step is to start the sourcing. It refers to identifying and contacting qualified candidates rather than waiting for the candidate to apply for the position. The primary goal is to pull qualified candidates. A recruiter uses a variety of **job portals** to pull the resumes, but it is not essential that for every position, sourcing is required. In some cases, if there are a large number of applications, there may not be any need to source more candidates.

### **3. Screening**

The Screening of a candidate can take place in many ways. Generally, the first step is Resume screening. If the resume meets the criteria required for the job opening, then the next step is the phone screening, in which, the recruiter can cover topics, like the candidate's availability, current role, and responsibilities, current salary, salary expectations, Notice period, etc., and if he seems to be the right candidate, an organization can process further with his profile.

### **4. Selecting**

This process is about sending the assignments, **psychometric tests** and scheduling interviews, participating in the interview process, and also keeping the hiring manager in the loop for the whole process. It is about maintaining a good relationship with the candidate and keeping the candidate updated about the interview feedback.

### **5. Hiring**

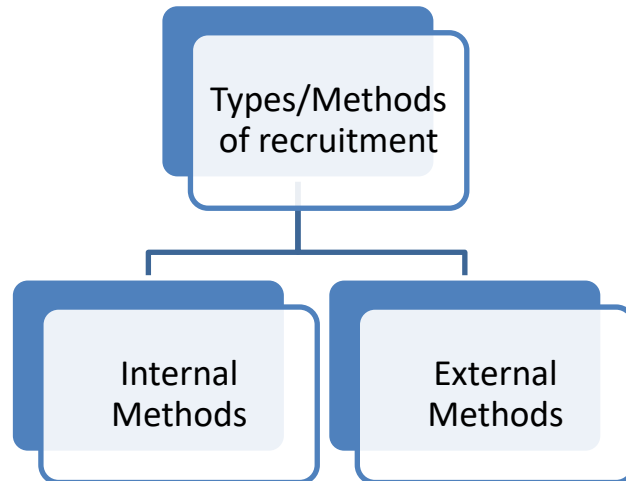
This step includes the final discussion with the candidate about salary, joining date, etc. Once the joining date is confirmed, the offer letter is released. In some cases, this step also includes background checks.

### **6. Onboarding**

Once the candidate has accepted the offer letter, the process is not over yet. This is where the pre-boarding period starts. This is the time between the joining date and when the offer letter was accepted. And it's very important to be in touch with your candidate during this period to keep them engaged. If not done so, it can result in them joining another company. It also includes sharing the new hire's email and other details with the team. Once the candidate starts the first day, it's time to begin the onboarding process.

## **Types of recruitment**

There are majorly two types of recruitment adopted and often used by the organizations in their recruitment process i.e., internal and external recruitment.



## **Internal recruitment**

### **1. Promotions**

The most popular and effective method of internal recruitment is promotions. This allows you to take a talented employee and help them progress in their career. This shift into a new position is from a lower position to a higher one. It has more responsibilities, status, and remuneration. Promotion does not always come with a raise, but it often does. It is common for organizations to fill higher-level positions with internal promotions.

Promotions are a larger part of the culture of your business. Businesses that are driven towards job satisfaction and engagement promote from within. When employees see you are willing to promote them, they work harder and remain motivated. For promoted employees to be successful, they may need some training because, most likely, they are being stretched outside of their current skills.

### **2. Transfers**

A transfer occurs when someone moves from one position to another without a change in responsibilities or rank. There may not be a pay increase. Employees can move from one department or team to another. The new job may be in another geographic location. These could be top international recruitment strategies. If you have offices in different countries, you can move employees to various countries.

This is an ideal internal recruitment method because you can move employees into places where they are most needed. In addition, it allows you to retain employees even when life changes occur that may take your employees to a different location. A transfer can occur when your business opens a new office. As your company grows, you allow your employees to grow with you.

### **3. Former Employees**

This recruitment process involves contacting former employees and offering them a position. Even though this person may not be currently employed with your organization, this method has many benefits. First, the individual still is aware of your company and the position. This method is excellent for saving time and money.

#### 4. Referrals

This recruitment method is low cost and effective. With this method, you hire employees based on the referrals from employees currently working for you. In some cases, employers offer bonuses for a referral that becomes an employee.

#### 5. Previous Applicants

With this method, you can look at your database of previous applications. These candidates have either applied previously or sent in their resumes when there was no job opening. They are resources that are easily accessible. It is inexpensive, and most of the time, you will receive positive results.

#### 6. Contractor to Full-Time

This is similar to promotion. However, it involves someone who is not a permanent full-time employee. This employee could be a contractor, temporary, or even part-time. This process brings that employee into the organization as a fully engaged full-time person. You already know their abilities because they have worked for you. This is also a way to keep all employees, regardless of status, engaged.

#### Advantages of internal recruitment

- Internal Recruitment Reduces Hiring Costs. ...
- Onboarding Internal Candidates Is Much Easier. ...
- Internal Recruitment Saves Time. ...
- Internal Recruitment Boosts Company Loyalty and Engagement.

#### External recruitment

External recruitment is a process of generating a pool of talents who are qualified through external sources of employment. Different methods have been adopted which include.

- **Direct recruitment:**

In this method, the representatives of the organisation are sent to the potential candidates in the educational and training institutes. They establish contacts with the candidates seeking jobs. These representatives work in cooperation with placement cells in the institutions Persons

pursuing management; engineering, medical etc. programmes are mostly picked up in this manner.

- **Social media-** The act of using social media for recruitment is also called social recruiting. It's a process of integrating social media and recruitment. Organizations use social media to reach a wider pool of candidates which has proven to be more cost-effective than conventional methods of recruitment. According to general studies conducted, it was found that over 95% of companies use LinkedIn, 67% use Facebook, and over 50% use Twitter for recruiting because it makes it easier for hirers to access a candidate's profile including their personal views, interests, and goals as well. Social media is also a great way of expanding your recruitment pool because recruiters have access to screen candidates even before an interview.
- **Recruitment agencies** are one of the effective methods of external recruitment. Recruitment agencies are agencies that do talent sourcing for companies. They work with companies to find the right people for their job. Employers often go to recruitment agencies to help fill vacant positions in their company. A good recruitment agency has an understanding of your needs and goes out of its way to find talents that fit the culture, policies, and experiences your company needs. Recruitment agencies work;
  1. By receiving your job description
  2. The agent will then draft out a list of the most suited candidate(s) for the job role. Agencies have a large database of candidates intending to get the right fit for your company.
  3. The company then decides on the types of candidates they would like to work with.
- **Employee referrals-** It's a form of recruitment strategy where employers encourage current employees through perks to refer externally qualified candidates for jobs in their organization. sometimes, employers running and operating at a small scale prefer this type of recruitment because an employee's referral aims to get the most qualified candidates for a position opening.
- **Advertisement-** This method of external recruitment has proven to be an excellent way to find suitable talents to fill up vacancies. A more convenient way in attracting job applicants is to write and place job openings in newspapers, radio, or television. Although print job adverts are primarily outdated due to the invasion of social media they can be useful depending on the profile you're looking for. A job advertisement should be properly detailed with the job specifications, description, salary, age, and qualifications required to attract relevant applicants.
- **Campus recruitment-** This involves sourcing, evaluating, and hiring young graduates from colleges, and universities for internships or entry-level positions. In this method of recruitment, educational institutions offer opportunities for recruiting fresh candidates by conducting campus interviews during job fairs to help hiring managers to gain access to a large number of candidates. Most times, some colleges/universities have an officer who is in charge that's an intermediary between the employer's interests and the graduating student's interest.



- **Professional associations-** This is another level of external recruitment where recruiters and employers have to reach out to appropriate professional associations to get them in touch with top talent for recruitment. This is a profound way to get in touch with highly skilled professionals. Many of these associations circulate newsletters and journals amongst their members to inform them about current vacancies and opportunities. Sometimes job seminars are conducted by recruiters within an organization to announce their openings.
- **Company websiteS-** As an employer, it's important to have a well-structured website that's easily accessible. Your website should be a powerful recruitment tool to attract prospective job candidates. Your website should be able to inform job seekers about your company, policies, and culture. Your website should have a career page where candidates can go to and search for recent job openings that interests them to apply for or where they could sign up for vacancy alert which can always come to them as newsletters.
- **labor contractors-** It is also another method of recruitment where talents are being recruited to be contract workers by recruiters

### **Benefits of external recruitment**

Recruiting from outside is fairly obvious with ideas and approaches being welcomed. Recruiting externally can be more costly and time-consuming than hiring within but the benefits can be extraordinary. Some of the benefits of external recruitment include;

1. By adding new employees to your organization, you have a wide and unique opportunity to bring fresh ideas and perceptions to your business and to select from a wider range of potential talents who are widely experienced. Employing new employees in your company leads to great improvement in certain areas which can lead to positive changes in their department.
2. External recruitment creates a healthier work environment amongst employees because it whirled a competitive spirit in the workplace. Healthy competition can make existing employees work and match with new talent, and this promotes growth in your workplace environment.
3. Quality Candidates- External recruitment enables employers/recruiters to select top-choice candidates. When looking externally you are largely limited to finding qualified professionals with great experience and qualifications.
4. It helps to create a balance in employee structure which can bring a culture of interdependence, essential for growth and development within the organization.
5. Some candidates are suitable with the required skills, qualifications, and experience and do not need much training, this reduces cost.
6. Improve Diversity- External recruitment contributes to greater workforce diversity in terms of bringing people of different ages, gender, race, ethnicity, and cultural background. It allows you to adapt to the changing demographics of the population around your organization.

## **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 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 labor 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.

## SELECTION

**Introduction:** To select means to choose. Selection is a part of the recruitment function. It is the process of choosing people by obtaining and assessing information about the applicants (age, qualification, experience and qualities) with a view of matching these with the job requirements and picking up the most suitable candidates. The choices are made by elimination of the unsuitable at successive stages of the selection process.

### Definition

Different authors define Selection in different ways. Here is a list of some of the definitions

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- Employee selection is a process of putting a right applicant on a right job.
- Selection of an employee is a process of choosing the applicants, who have the qualifications to fill the vacant job in an organization.
- Selection is a process of identifying and hiring the applicants for filling the vacancies in an organization.
- Employee selection is a process of matching organization's requirements with the skills and the qualifications of individuals.

A good selection process will ensure that the organization gets the right set of employees with the right attitude.

S.No.	Recruitment	Selection
1	A process of actively searching and hiring applicants for a job role is known as recruitment.	A process of choosing suitable applicants from the shortlisted candidates is known as selection.
2	It is an activity to boost the candidate pool.	It is an activity to reduce the candidate pool until we find the ideal candidate.
3	It allows the candidates to apply for a vacant place.	This process allows the HR to proceed further with suitable applicants, and reject the

		remaining.
4	In recruitment, we advertise the job role and encourage the candidates to apply.	Selection is the process in which we finally appoint the candidate for the particular job role.
5	It is the first step towards the hiring process.	It is the second step towards the hiring process.
6	This process is economical.	The process is comparatively expensive.
7	There is no contractual relation in the recruitment process.	Selection involves a contractual relation between the organisation and employee.

**Purpose of Selection** The purpose of selection is to pick up the most suitable persons who would match the requirements of the job and the organization. The emphasis in selection is, therefore, on the optimal match between the person and the job. Now the question arises as to which is the dependent variable? Person or job. Some organizations emphasize on selecting the Right Person for the Right Job. Here the Job is usually considered constant (through Jobs and Job context do undergo changes over time) and the person is sought to be fitted into the job. Creative and innovative organizations, instead, seek to find the Right Job for Right Person.

A secondary objective in selection could be to choose the best person available. However, there could be a real problem with such an objective if the Job is not appropriate for the person concerned. It may become difficult for organizations to retain their best people in jobs that do not offer opportunities for them to harness their potential; instead they may lead to problems of monotony, boredom and frustration among Individuals and increased and increased turnover of staff for the organization.

### **Importance of Selection**

Selection is an important process because hiring good resources can help increase the overall performance of the organization. In contrast, if there is bad hire with a bad selection process, then the work will be affected and the cost incurred for replacing that bad resource will be high.

The purpose of selection is to choose the most suitable candidate, who can meet the requirements of the jobs in an organization, who will be a successful applicant. For meeting the goals of the organization, it is important to evaluate various attributes of each candidate such as their qualifications, skills, experiences, overall attitude, etc. In this process, the most suitable candidate is picked after the elimination of the candidates, who are not suitable for the vacant job.

The organization has to follow a proper selection process or procedure, as a huge amount of money is spent for hiring a right candidate for a position. If a selection is wrong, then the cost incurred in induction and training the wrong candidate will be a huge loss to the employer in terms of money, effort, and also time. Hence, selection is very important and the process should be perfect for the betterment of the organization.

### **Advantages of Selection**

A good selection process offers the following advantages—

- It is cost-effective and reduces a lot of time and effort.

- It helps avoid any biasing while recruiting the right candidate.
- It helps eliminate the candidates who are lacking in knowledge, ability, and proficiency.
- It provides a guideline to evaluate the candidates further through strict verification and reference-checking.
- It helps in comparing the different candidates in terms of their capabilities, knowledge, skills, experience, work attitude, etc.

A good selection process helps in selecting the best candidate for the requirement of a vacant position in an organization.

### **Criteria of Selection**

Selection decisions are usually based on how an applicant is rated (rather, predicted) in terms of the likelihood of success on the job. The information used found in the application blanks, performance in one or more tests and the interview(s). The criteria of selection need to be critical to the job. The key job dimensions identified in job analysis and job description provide the basis for determining relevant criteria.

Frequently educational qualifications, technical skills and achievements are used as the basis for selection. But is there a statistical relationship between such requirements and job performance? It appears that certain job requirements can be measured more easily and

accurately than certain others. The core job skills like sensory motor 'skills and manipulative skills and achievement can be measured relatively more accurately than one 's aptitude, interest and personality traits.

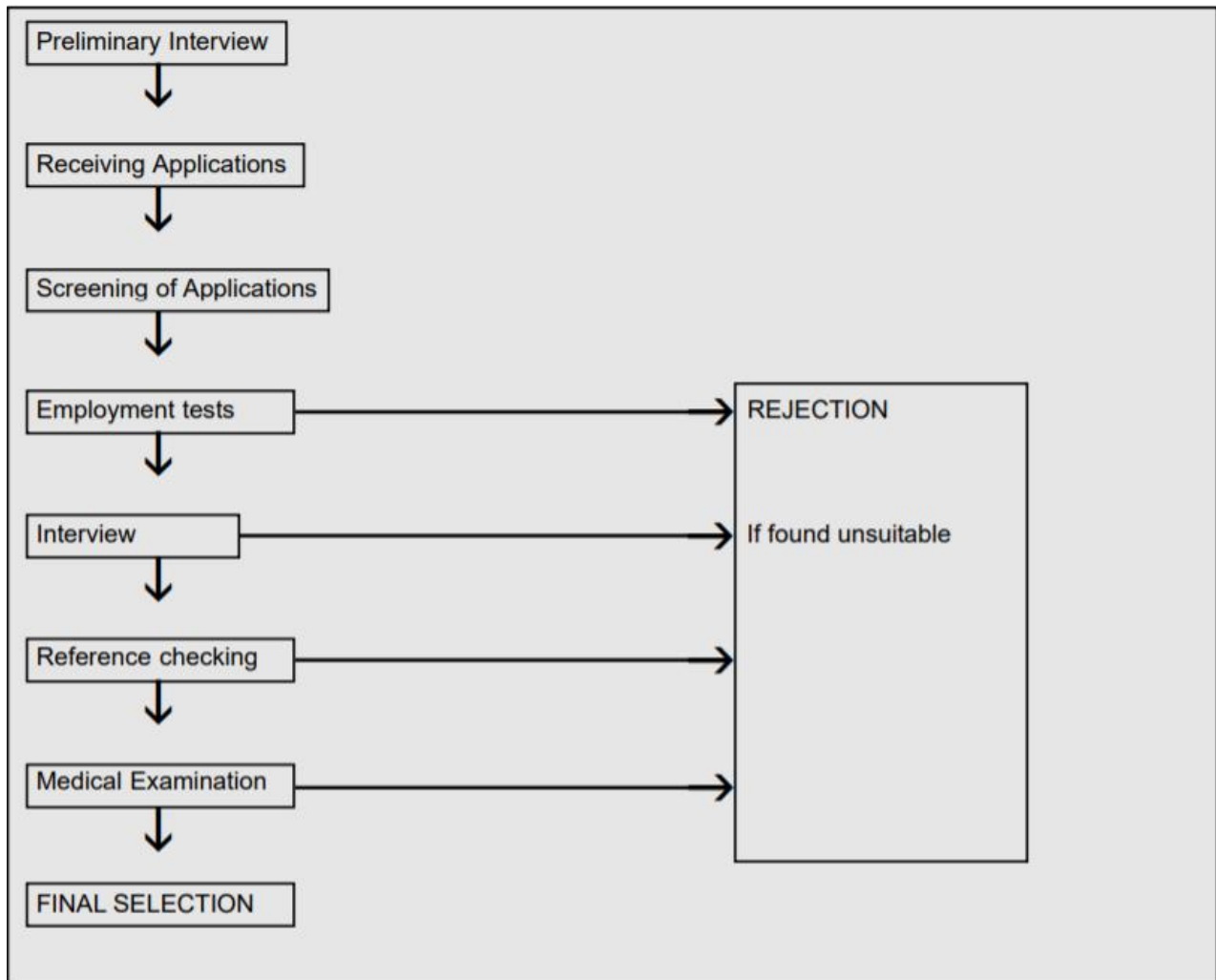
Integrity loyalty, initiative/drive/resourcefulness and intelligence/mental alertness are the key attributes influencing the selection of managerial employees. All these attributes being subjective are hard to assess accurately, yet are widely attempted. Perhaps it is so because managements and employers in India have relatively less pressure to defend the criteria.

## **Selection Process**

The selection process can be defined as the process of selection and shortlisting of the right candidates with the necessary qualifications and skill set to fill the vacancies in an organisation. The selection process varies from industry to industry, company to company and even amongst departments of the same company.

## **Selection Process**

Every organization creates a selection process because they have their own requirements. Although, the main steps remain the same. So, let's understand in brief how the selection process works.



- **Inviting Applications**

This is the first step, in the process of selection. Inviting the application for recruitment by using advertisement. Description

of job and job specification are provided in the advertisement. To find the potential candidate which are suitable for the job.

- **Receiving Applications**

Potential employees apply for a job by sending applications to the organisation. The application gives the interviewers information about the candidates like their [bio-data](#), work experience, hobbies and interests

- **Preliminary Interview**

This is a very general and [basic interview](#) conducted so as to eliminate the candidates who are completely unfit to work in the organization. This leaves the organisation with a pool of potentially fit employees to fill their vacancies.

- **Screening Applications**

Once the applications are received, they are screened by a special screening committee who choose candidates from the applications to call for an interview. Applicants may be selected on special criteria like qualifications, work experience etc.

- **Employment Tests**

Before an organisation decides a suitable job for any individual, they have to gauge their talents and skills. This is done through various [employment tests](#) like intelligence tests, [aptitude tests](#), proficiency tests, personality tests etc.

1. **Intelligence test:** It refers to the measurement of one's intelligence based on memory, reasoning, etc. It is an indicator of one's ability to make decisions and judgments.
2. **Aptitude test:** This test is taken to check if the candidate has the talent to learn new skills or the capability to grasp those skills that are needed to perform the specified job.
3. **Personality test:** This test of the employee is conducted to understand the personal characteristics of the candidates, such as their values, mindset, patience, beliefs, etc.
4. **Interest test:** Every individual has their own set of interests or particular fields that they would like to work in. The interest test helps determine the candidate's area of interest and the kind of job that would suit him. This ensures that the employees work with greater enthusiasm and efficiency.

**5.General knowledge Test:** Now days G.K. Tests are very common to find general awareness of the Candidate In the field of sports, politics, world affairs, current affairs.

**6.Perception Test:** At times perception tests can be conducted to find out beliefs, attitudes, and mental sharpnes .etc.

- **Interview**

The next step in the selection process is the employee interview. Employment interviews are done to identify a candidate's skill set and ability to work in an organisation in detail. Purpose of an employment interview is to find out the suitability of the candidate and to give him an



idea about the work profile and what is expected of the potential employee. An employment interview is critical for the selection of the right people for the right jobs.

## **1. Face-to-Face Interview/ One- to-One interview**

Once the candidate's basic profile is screened and shortlisted, it is processed further. The candidate and interviewer meet in person to discuss your profile. This may include the employer, someone from Human Resources or a recruitment consultant. Based on the interview round, you will either be assessed in general or on technical grounds.

## **2. Panel Interview**

In this type of interview, there are multiple interviewers who assess the candidate. All types of questions from expertise to future aspirations may be covered in these interviews. These may include different professionals from the team who assess the candidate on different grounds. The decision in such interviews is collective. In such interviews, the candidate is keenly observed based on their skill set and body language.

## **3. Structured Interview**

In such interviews, interviewers ask the same set of questions from all candidates. These can be open-ended or close-ended questions. If it is an open-ended question, then there can be multiple answers for a single question. If it is a close-ended question, there will only be a single answer. In this type of interview, the interviewer compares candidates based on their responses to these questions.

## **4. Unstructured Interview**

Here, interviewers change questions based on the candidate's response to the previous questions. There is no set format and there can be all types of interview questions that you may not predict. The interviewer may already have questions or they might base them on the interview progress.

## **5. Stress Interview**

These are challenging in nature since the interview assesses your response to stressful situations. Interviewers want to ensure that your response will be constructive for the company. Such types of interview are common for high-stress job profiles.

## **6. Problem solving Interview**

Here, the interviewer gives you a situation and the associated problem. This may be an imaginary or a real-life problem. They then ask for a solution to the problem. The aim is to assess how good you are at problem-solving.

## **7. Telephonic Interview**

This usually takes place with either the HR or recruitment to assess the candidate in general. This may include asking interview questions based on the resume, roles and responsibilities of the job profile. In most cases, telephonic interviews are the first and last stage of the interview.

**8.Group Interview** – In this type of interview, all the candidates or a group of candidates are interviewed together. Group interviews are conducted to save time when there is a large number of applications for a few job vacancies. A topic will be given to discuss among the candidates and the interviewer judges the innovativeness and behavior of each candidate in the group.

**9.Depth Interview** – Depth interview is a semi-structured interview, where the candidates have to give a detailed information about their education background, work experience, special interests, etc. And the interviewer takes a depth interview and tries in finding the expertise of the candidate.

**10.Online Interview** An online interview is an interview conducted remotely through an online chat, video, or audio platform. Sometimes called a digital interview. the online interview is mainly defined by the type of technology or platform used to conduct the interview.

- **References Checking**

The person who gives the reference of a potential employee is also a very important source of information. The referee can provide info about the person's capabilities, experience in the previous companies and [leadership](#) and [managerial skills](#). The information provided by the referee is meant to kept confidential with the [HR department](#).

- **Medical Examination**

The medical exam is also a very important step in the selection process. Medical exams help the employers know if any of the potential candidates are physically and mentally fit to perform their duties in their jobs. A good system of medical checkups ensures that the employee standards of health are higher and there are fewer [cases of absenteeism](#), accidents and employee turnover.

- **Final Selection**

This is the final step in the selection process. After the candidate has successfully passed all written tests, interviews and medical examination, the employee is sent or emailed an appointment letter, confirming his selection to the job. The [appointment letter](#) contains all the details of the job like working hours, salary, leave allowance etc. Often, employees are hired on a conditional basis where they are hired permanently after the employees are satisfied with their performance.

- **Placement**

When the candidate is selected for a particular post and when he reports to duty, the organization has to place him or her in the job for which he or she is selected which is being done through placement. Placement is the act of offering the job to a finally selected candidate. It is the act of finally assigning the rank and responsibility to an employee, identifying him with a particular job.

### **Importance of the Selection Process**

1. Proper selection and placement of employees lead to growth and development of the company. The company can similarly, only be as good as the capabilities of its employees.
2. The hiring of talented and skilled employees results in the swift achievement of company goals.
3. Industrial accidents will drastically reduce in numbers when the right technical staff is employed for the right jobs.
4. When people get jobs they are good at, it creates a sense of satisfaction with them and thus their work efficiency and quality improves.
5. People who are satisfied with their jobs often tend to have high morale and [motivation to perform better](#).

### **Selection Tests**

#### **Job Selection Test:**

Individuals differ in many respects including job-related abilities and skills. In order to select a right person for the job, individual differences in terms of abilities and skills need to be adequately and accurately measured for comparison.

This is done through a device called 'selection test'. Selection test is a device that uncovers the information about the candidate which is not known through application blank and interview. In this way, selection test is an adjunct to a selection method.

What is selection test? Test is defined differently by different writers and psychologists. Some define test as "an objective and standardised measure of sample behavior". It is considered standardised because the procedure of administering the test, the environment in which the test is conducted, and method of calculating individual score are uniformly applied. It is called objective because test measures the individual differences in terms of their abilities and skills following an unbiased and scientific method avoiding interference of human factors.

According to Lee J. Gronbach "A test is a systematic procedure for comparing the behaviour of two or more persons".

Milton M. Blum has defined test as "a sample of an aspect of an individual's behaviour, performance and attitude".

After going through above definitions of test, now test can simply be defined as a systematic procedure for sampling human behavior.

All tests are first psychological and then tests of specific abilities and skills. A close scrutiny of above definitions of tests against the following three constructs will help comprehend the meaning of test in better manners.

### **1. Objective:**

Here, 'objective' means the validity and reliability of measuring job related abilities and skills. It is crazy of the whole testing movement. The psychological tests should show that the test is predictive of the important aspects of role behaviour relevant to the job for which the candidate is under evaluation. Besides, objectivity also refers to equality of opportunity for those being tested avoiding discrimination in terms of caste, creed, sex, religion etc.

### **2. Standardized:**

In our earlier mentioned definition, 'standardized' refers to the uniformity of procedure administered and the environment in which the test is taken. Here, uniformity refers to testing conditions which include the time limit, instructions, testee's state of mind and health room temperature, test instruments, etc.

### **3. Sample of Behaviour:**

This refers to the fact that a total replication of reality of human behaviour in any given testing situation is just not possible. Therefore, the behaviour predicted through test is likely to be representative one, or say, a sample of behaviour.

### **Purpose of Tests:**

Tests, i.e. psychological tests are conducted for various purposes.

### **They include:**

1. Guiding and counselling students seeking admissions in the educational institutes.
2. Career guidance to those thinking to make careers in specific vocations.
3. Research into human behaviour and its personality.
4. Employment selection of the candidates for an organisation.

### **As regards selection tests, these are conducted mainly to fulfil the following purposes:**

- (i) For the selection and placement of new employees.
- (ii) For appraising employees for promotional potentials.
- (iii) For counselling employees to enable them to perform better in their jobs.

William C. Byham puts the use of selection tests in these words: “The tests are the most misused, the least understood, yet the most valuable sources of information about applicants”

## **PLACEMENT AND ORIENTATION**

### **Placement:**

The selection procedure ends with the placement of a worker to the job. Placement is the process of assigning a specific job to each one of the selected candidates.

In very simple words placement means sending the newly employed person to some department for work. It also implies assigning a specific rank and responsibility to an individual. Matching the requirements of the job with the qualifications of a candidate is the essence of placement.

According to Pigors and Myers “Placement is the determination of the job to which an accepted candidate is to be assigned and his assignment to that job. It is a matching of what the supervisor has reason to think he can do with the job demands. It is a matching of what

he imposes (in strain, working conditions etc.) and what he offers (in the form of payroll, companionship with others, promotional possibilities etc.).” **Principles of Placement:**

A few basic principles should be followed at the time of placement of a worker on the job.

**These may be enumerated as below:**

1. Man should be placed on the job according to the requirements of the job. The job should not be adjusted according to the qualifications or requirements of the man. Job first; man, Next should be the principle of placement.
2. The job should be offered to the man according to his qualifications. The placement should neither be higher nor lower than the qualifications.
3. The employee should be made conversant with the working conditions prevailing in the industry and all things relating to the job. He should also be made aware of the penalties if he commits a wrong.
4. While introducing the job to the new employee, an effort should be made to develop a sense of loyalty and cooperation in him so that he may realise his responsibilities better towards the job and the organisation.
5. The placement should be ready before the joining date of the newly selected person.
6. The placement in the initial period may be temporary as changes are likely after the completion of training. The employee may be later transferred to the job where he can do justice.

Proper placement helps to improve employee morale. The capacity of the employee can be utilised fully if he is placed on the job for which he is most suitable. Right placement also helps to reduce labour turnover, absenteeism and accident rates. If a candidate adjusts himself to the job and continues to perform as per expectations, it might mean that the candidate is properly placed.

**The Problems in Placement:**

The main problem with placement arises when the recruiters look at the individual but not at the job. Often, the individual does not work independent of the others.

**Jobs in his context are classified into three categories:**

**1. Independent Jobs:**

In independent jobs, non-overlapping routes or territories are allotted to each employee e.g. in field sales. In such situations, the activities of one employee have little bearing on the activities of other workers. Independent jobs do-not pose great problems in placement. Each employee has to be evaluated between his capabilities and interests and those required on the job.

**The objectives of placement will be:**

- (a) To fill the job with people who have at least the minimum required qualifications.
- (b) People should be placed on the job that will make the best possible use of their talents, given available job and HR constraints.

**2. Dependent Jobs:**

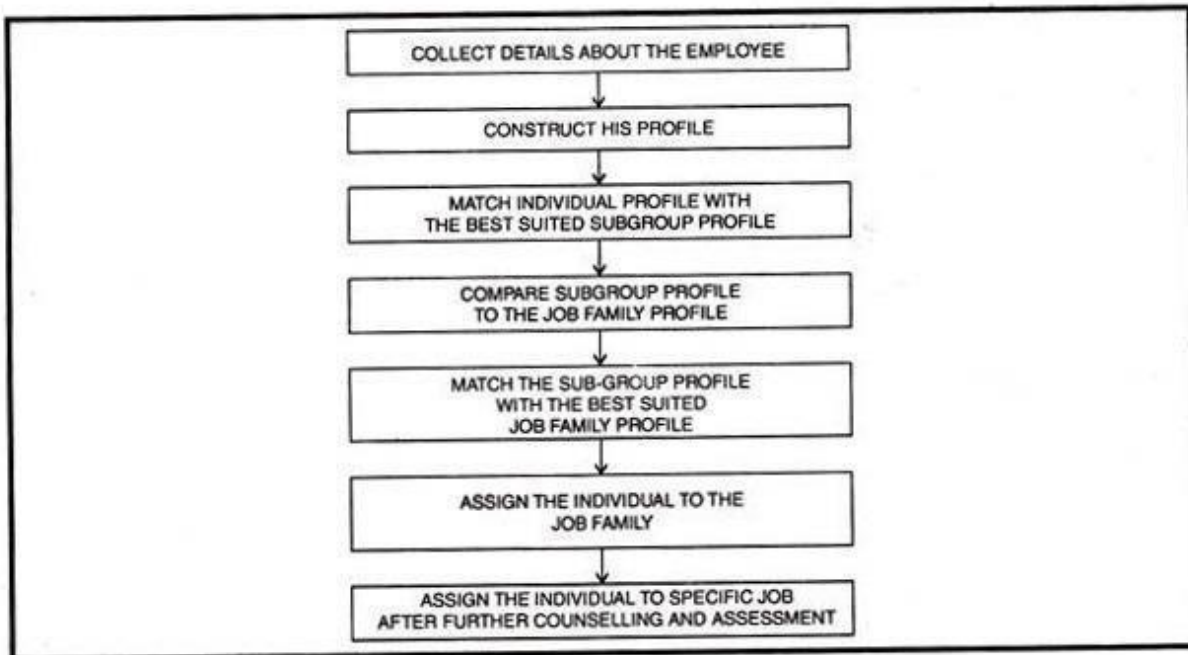
Dependent jobs may be sequential or pooled. In sequential jobs, the activities of one employee are dependent on the activities of a fellow employee. Assembly lines are the best example of such jobs.

In pooled jobs, there is high interdependence among jobs. The final output is the result of the contribution of all the workers.

In dependent jobs, an employee is placed in a specific sub group. While placing, care must be taken to match characteristics of the employee with that of the sub group. Because in such jobs, team work matters a lot.

HR specialists must use assessment classification model for placing newly hired employees.

*Figure 8 Placement Steps*



### **Concept of Orientation or Induction:**

A new entrant joins an organisation as a stranger to his co-workers, job and organisation. This causes the initial anxiety for the new entrant. It culminates at times to surprise resignation by the new employee. Hence, arrangements need to be made to make the integration of the new employee into the organisation as smooth and as free of anxiety as possible. Induction helps do so.

Induction is welcoming a new employee to the organisation. In other words, it is a well-orchestrated event to socialise the new entrant with the people and the work environment in a particular organization.

According to Michael Armstrong “Induction is the process of receiving and welcoming an employee when he first joins a company and giving him basic information, he needs to settle down quickly and happily and start work”.

B.P. Billimoria defined induction as “a technique by which a new employee is rehabilitated into the changed surroundings and introduced to the practices, policies and purposes of the organisation.” In short, induction is, therefore, the process of welcoming, indoctrination and socialisation of new employee to his/her job and organisation.

### **Objectives of Induction:**



When a new entrant joins an organisation, he/she is an utter stranger to the co-workers, workplace and work environment. As such, he/she may feel insecure, shy and nervous. The first few days may be all anxious and disturbing ones for the new entrant.

Particularly when a new entrant comes from rural area, he/she finds himself/herself completely at sea in an industrial town and city. Then, induction helps reduce such anxieties and dispels doubts and nervousness from the mind of the new entrant.

Therefore, an induction programme is designed to achieve the following objectives:

1. To reduce the initial anxiety all new entrants feel when they join a new job in a new organisation.
2. To familiarize the new employees with the job, people, work-place, work environment and the organisation.
3. To facilitate outsider – insider transition in an integrated manner.
4. To reduce exploitation by the unscrupulous co-workers.
5. To reduce the cultural shock faced in the new organisation.

3. Benefits of induction programme:

**A formal induction programme may provide the following benefits to the new comer and the organisation:**

1. A well-designed induction programme reduces anxiety, nervousness, and absenteeism and employee turnover.
2. Induction helps minimize the reality or cultural shock new employees undergo on joining a new organisation.
3. Effective induction also helps integrate the new employees into the organisation and fosters the feeling of belongingness to the new organisation.
4. Induction also binds the newcomer and the present employees in a team.

**B.P. Billimoria has appreciated the benefits of induction in these words:**

“Induction has a greater significance in a developing country like India, where the percentage of illiteracy is very high. The worker finds himself completely at sea when by force of circumstances he has to shift from rural surroundings into an industrial environment. It is no use trying to push a handbook of certified rules and regulations into his hands and expecting him to turn out into a loyal and efficient employee. He needs a short

and simple induction conducted by someone who speaks his own language. This will go a long way in reducing turnover and, above all, in preventing a worker from the likelihood of falling a prey to subversive elements which thrive on creating labour unrest by misrepresenting employees to illiterate employees”.

### **Contents of induction programme:**

The induction programme may be informal or formal. These are discussed one by one.

#### **Informal Induction:**

This is an unplanned induction programme. This may be simply an introduction to the new entrant about the job and organisation. Such type of induction programme is generally carried out by the medium and small-scale units. Usually, informal induction programme needs to be brief- lasting for one hour or so.

Informal induction programme itself may be in the following two versions:

##### **(i) Supervisory System:**

In this system, the immediate job supervisor conducts the induction programme for the new entrant. The supervisor briefs the new comer about the job, the department, introduces to the colleagues, and takes him round the sections/divisions which are related to his job.

##### **(ii) Buddy or sponsor system:**

In the ‘Buddy System’, the immediate supervisor assigns the responsibility of induction of the new entrant to an old employee. The old employee acts as friend, philosopher and guide to the new comer. In order to introduce the new comer to the job and the organisation, the guide, i.e., the old employee arranges meetings with other persons and departments and also supplies him with relevant documents/literature regarding rules, regulations and other details of the organisation.

#### **Formal Induction:**

Formal induction is a planned programme carried out to integrate the new entrant into the organisation. This is usually carried out by the large size organisation. A comprehensive induction programme is carefully designed to introduce the new entrant to all about his job, colleagues and organisation.

Accordingly, the contents of the formal induction programme cover the aspects ranging from the mission, vision, rules and regulations of the organisation to job related particulars like salary, benefits, service conditions, safety and welfare measures, etc.

**A formal induction programme, thus, includes the following contents:**

- 1.** Brief history of the organisation.
- 2.** Organisational mission, vision, objectives and philosophies.
- 3.** Policies and procedures of the organisation.
- 4.** Rules and regulation of the organisation.
- 5.** Organisational structure and authority relationship.
- 6.** Terms and conditions of job including remuneration, working hours, holidays, promotional avenues, etc.
- 7.** Welfare measures like subsidised canteen, transport, health and recreation facilities, etc.
- 8.** Safety measures.

All the contents of the induction programme are arranged into the three phases which are discussed subsequently. Formal induction programme is carried out by the HR specialists through leaflets, lectures, seminars and conduct tours for a couple of days/weeks. The induction may spread over periods of time ranging from a few days to a few weeks even months.