

A HANDBOOK

ON

Human Resource

Development

Management

SYNONYMOUSLY
EDUCATION
TALENT
EMPLOYEE
RELATIONS
REPRESENTATIVES
MANAGEMENT
CONSUMING
GROWTH
OVERSEES
STUDY
THEORETICAL
MANAGEMENT
RESEARCH
IN
SALE
FIELD

RESOURCE

MANAGEMENT

diversity
development
promotion
workforce
value assets
time
work
growth
work
competence
labor
social
education
talent
investment
human resources
job skills
management
health
capital
training
knowledge
business
selection
idea
success



J P JAIDEEP

HEAD-BBA DEPARTMENT

&

ASSO. PROF. -DEPARTMENT OF ECONOMICS

(COMPILED FROM VARIOUS AUTHORS AND WEBSITES)

PRODUCTIVITY AND HUMAN RESOURCES

The successful economic performance of an enterprise is a prerequisite for the growth and security of its employees. The role of productivity, therefore, assumes great importance. Improving productivity has always been a live issue for management. As the profitability of an organization mostly depends on improvement in productivity. Therefore, managers are always striving to find ways for achieving the target of improved productivity.

Productivity is usually defined mechanically, as the ratio between input and the output. But, it is, in fact, an organizational challenge encompassing the human, cultural, technological and moral aspects. It is an all-out effort in every sphere of activity of the organization. An effort towards achieving the target of the most efficient management of all the available resources.

There are several means to improve workplace productivity. Some of them are mentioned below:

1. Innovative and high-performing employees: For HR managers, the biggest challenge in maintaining team productivity is to hire, develop and retain employees which are self-motivated, agile, have good capabilities and are continuous learners.
2. Effective management: Even the best employees cannot perform effectively without the presence of a proper support and supervision system. A great manager is another important productivity factor. Leaders define the direction, goals, roles and purposes of the workforce and also prioritise them. They are also instrumental in providing the much needed tools and resources for employee development. HR must step in when they find that managers are the weak link in ensuring productivity and try to develop great managers.
3. Performance metrics: Having an effective system for measuring and reporting processes and performance aids in reinforcing individual and team goals. Proper feedback and results help in achieving continuous improvement.
4. Effective rewards: Coupling performance and goals directly with monetary and non-monetary benefits can play a major role in ensuring high employee productivity.

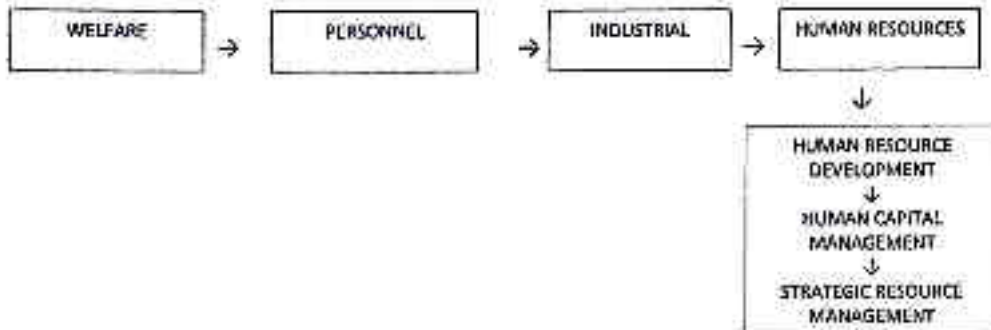
Philosophy and evolution of Management

The concept of Human Resources is gaining more and more importance in modern business management. Finding right answers to the following questions will help them sustain the competition –

1. How to attract and select the right talent?
2. How to develop the skills and behaviors?
3. How to engage and retain the talent?

Rapid economic changes, skill shortages, changing expectations, changing technologies, etc. are key factors that impact human resources management in today's globalized society.

Evolution of Human Resources Management



Over the last century Human Resources has evolved with business. Human Resources functions have evolved into a strategic business partner, playing a vital and critical role in developing a high performance organization.

As Industrial revolution began to take form, businesses were forced to answer three basic questions: a) how to manage the sudden increase in workforce due to industrialization, b) how to keep check over labour unions and c) integrating massive inflow of immigrants into the workforce.

Lot of attention and focus was on efficiency and development of worker skills towards the job requirement. From this Human Relations movement arose. The Hawthorne experiment was the most noted result of this. The acceptance that group behavior and the emotions of the worker affected the productivity and morale led to significant research in the area of human relations.

Over the period, despite making a greater contribution to organizational performance, transforming from personnel to human relations, many organizations began to view the activities of Human Resources Department as non value added burden on financial resources of the organization. It was during this period that the emergence of H.R.D.- Human Resources Development took place giving emphasis on developing people within the organization. H.R.D. involves development of people as well the organization. Development of people refers to increase in knowledge, abilities and competencies with the purpose of improving the overall efficiency of the organization.

H.R.D. tries to combine four elements namely – a) ID- Industrial Development
b) CD- Career Development

- c) PD- Performance Development
- d) OD- Organizational Development

For an organization to be competitive and productive, a continuous cycle of improvement and change needs to exist. The primary goal of H.R.D. is performance improvement and organizational change by bringing ID, CD, PD & OD together.

THEORIES IN HUMAN RESOURCE MANAGEMENT

Organisation life cycle theory

Cameron & Whetton (1981) advanced organization life cycle theory which characterizes organizational development from formation, growth, maturity, decline and death. According to the theory, the driving force in all these stages is the nature of workforce. At the maturity stage the organization cannot continue to grow or survive if there is no organizational structure that supports human resource creativity, innovation, teamwork and high performance, which will withstand pressure from competitors.

Role behavior theory

Role behavior theory aims to explain and predict the behavior of individuals and teams in organizations, which, in turn, inform managers for the purposes of decision making, and what steps they take on people management as well as the expected consequences. Some of the key ideas focus on the need to improve the working environment including the resources in order to stimulate new behavior in employees in order for them to cope with new demands, it includes the use of rewards to induce and promote positive work behavior, and punishments to control negative behavior.

Resource dependency theory

One of the challenges faced by managers during the economic recessions in the 1970s is how organisations can best acquire scarce resources and effectively utilise them in order to remain competitive in the market. The ability to utilise one's own resources including (financial, technological and labour), and acquire more from the external environment was one of the areas of concern in many organisations. The more organisations were able to harness resources, the more competitive they became. Therefore, resources were seen as the essence of organizational power. However, overdependence on external resources appeared to be risky due to the uncertainties that cannot be controlled by the organisation. Concerning useful labour, the emphasis shifted to seeing employees as scarce resources that should be acquired effectively, utilised, developed and retained.

Institutional theory

The word 'institution' means different things to different people depending on academic and professional orientation. However, it is a discipline that combines politics, law, psychology, public administration, and economics amongst other things, in order to explain why certain decisions are made or actions taken and their impact on the organization. 'Institutions 'are defined as 'collective action in control, liberation and expansion of individual action'. Collective action covers areas such as custom, law and procedures. The main objective of collective action is less or greater control of the acts of individuals. Institutions establish relationships of rights, duties, no rights, and no duties which influence behavior of individuals. 'The major role of institutions in society is to reduce uncertainty by establishing a stable (not necessarily efficient) structure to human interaction.' Institutions could be formal, and have explicit rules, contracts, laws, and rights (institutional arrangements) or informal in the sense of social conventions that are not designed by anybody.

Transaction cost theory

Transaction cost theory is based on the economic view of the costs of conducting business transactions. It says that companies will grow if the costs of exchanging resources in the company are cheaper in comparison to competitors. Such costs include bureaucratic employment structures, procedures and the enforcement of employment contracts. For that matter employment relationships that may lead to high costs of exchange, should be minimized.

Comparative advantage theory

The main architect of comparative advantage theory is the economist David Ricardo who talked of the specialization and division of labour among nations and firms. Ricardo postulated that nations should produce goods in which they have a domestic comparative advantage over others. Since then, organizations and nations have focused on strengthening internal capacity in order to have more advantages relative to competitors and hence to reduce production and distribution costs per unit. Improving internal capacities include having the best human resources who are best utilized to produce cheaper and better quality goods and services.

General systems theory

The system approach to understanding organisations considers the human resource department as a component of the organisation's system that also has other departments such as accounting, engineering, marketing etc. In order for the organisation to grow and remain competitive, each department, section or unit should support each other. One of the organisation's inputs from the environment is human resources.

Human capital theory

Human capital theory focuses on education and training as a source of capital. It is now widely acknowledged that one of the key explanations for the rapid development is high investment in human capital. Human capital theory changes the equation that training and development are 'costs the organisation should try to minimise' into training and development as 'returnable investments' which should be part of the organisational investment capital. Therefore, human resource training and development decisions and evaluations have to be done based on clearly developed capital investment models.

Strategic contingency theory

There is a growing body of knowledge stipulating that since an organisation operates and thrives in a complex environment, managers must adopt specific strategies which will maximise gains and minimise risks from the environment. In this premise, the theory contends that there is no one best strategy for managing people in organisations. Overall corporate strategy and the feedback from the environment will dictate the optimal strategies, policies, objectives, activities and tasks in human resource management.

Organisational change theory

Organisational change is defined as the process by which organisations move from their present state to some desired future state to increase their effectiveness. Organisations change in response to many developments taking place in the internal and external environment such as technology, policies, laws, customer tests, fashions and choices that influence peoples' attitudes and behavior. These developments influence different aspects of human resource management and in response, organisations have to change the way organisational structure, job design, recruitment, utilisation, development, reward and retention are managed.

Organisational learning theory

Globalisation has changed knowledge monopoly. Knowledge generated in one part of the world spreads faster than a decade ago. Today, what matters for organisational competitiveness is the ability to learn from emerging knowledge and adapt the learning to suit the organisational environment faster than others. It emphasises the importance of total organisational learning whereby individuals and teams muster knowledge related to their work and the environment and share with common vision, models and strategies for addressing the present and future of the organisation. Therefore, poor organisational learning leads to poor organisational adaptation to the environment, less competitiveness, which leads inevitably to decline and ultimate collapse.

DEFINITION OF HUMAN RESOURCE MANAGEMENT

HRM is the part of the organization that is concerned with the people dimension. HRM deals with human relations of an organization starting from recruitment to Labour relation. HRM is concerned with the people dimension of management. It is a process of acquisition, development, motivation, and maintenance of human resources of an organization.

HRM is a part of General Management that deals with the human aspect. Many authors defined it in different manner. Some of them are quoted below:

1. M. J. Judous: "The field of HRM involves planning, organization, directing and controlling functions of procuring, developing, maintaining and utilizing a labour force."
2. Dale Yoder: "HRM is the provision of leadership and direction of people in their working or employment relationship."
3. Mathis and Jackson: "HRM is the effective use of Human resources and organization through the management of people related activities."
4. Ricky W. Griffin: "Human Resource Management is the set of organizational activities directed at attracting, developing and maintaining an effective workforce."
5. Gray Dessler: "The policies and practices one needs to carry out the people or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising."
6. Milkovich & Boudreau: "Human Resource Management is a series of decision that affect the relationship between employee and employer: it affects many constituencies and is intended to influence the effectiveness of employee and employer."

NATURE AND SCOPE OF H.R.M. / H.R.D.

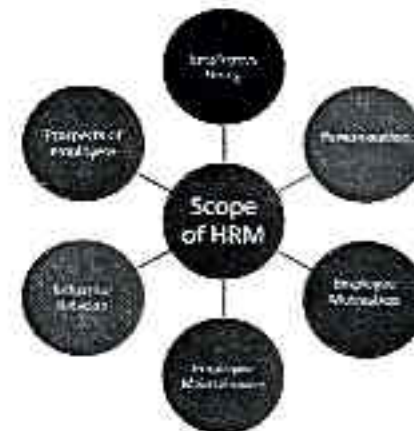
Nature

Human Resource Management is a process of bringing people and organizations together so that the goals of each are met. The various features of HRM include:

- It is pervasive in nature as it is present in all enterprises.
- Its focus is on results rather than on rules.
- It tries to help employees develop their potential fully.
- It encourages employees to give their best to the organization.
- It is all about people at work, both as individuals and groups.
- It tries to put people on assigned jobs in order to produce good results.

- It helps an organization meet its goals in the future by providing for competent and well-motivated employees.
- It tries to build and maintain cordial relations between people working at various levels in the organization.
- It is a multi-disciplinary activity, utilizing knowledge and inputs drawn from psychology, economics, etc.

Scope



The scope of HRM is very wide:

1. Personnel aspect-This is concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training and development, layoff and retrenchment, remuneration, incentives, productivity etc.
2. Welfare aspect-It deals with working conditions and amenities such as canteens, crèches, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.
3. Industrial relations aspect-This covers union-management relations, joint consultation, collective bargaining, grievance and disciplinary procedures, settlement of disputes, etc.

Beliefs

- Human resource is the most important asset in the organization and can be developed and increased to an unlimited extent.
- A healthy climate with values of openness, enthusiasm, trust, mutuality and collaboration is essential for developing human resource.
- HRM can be planned and monitored in ways that are beneficial both to the individuals and the organization.
- Employees feel committed to their work and the organization, if the organization perpetuates a feeling of belongingness.
- Employees feel highly motivated if the organization provides for satisfaction of their basic and higher level needs.
- Employee commitment is increased with the opportunity to discover and use one's capabilities and potential in one's work.
- It is every manager's responsibility to ensure the development and utilisation of the capabilities of subordinates.

Objectives



- To help the organization reach its goals.
- To ensure effective utilization and maximum development of human resources.
- To ensure respect for human beings. To identify and satisfy the needs of individuals.
- To ensure reconciliation of individual goals with those of the organization.
- To achieve and maintain high morale among employees.
- To provide the organization with well-trained and well-motivated employees.
- To increase to the fullest the employee's job satisfaction and self-actualization.
- To develop and maintain a quality of work life.
- To be ethically and socially responsive to the needs of society.
- To develop overall personality of each employee in its multidimensional aspect.
- To enhance employee's capabilities to perform the present job.
- To equip the employees with precision and clarity in transaction of business.
- To inculcate the sense of team spirit, team work and inter-team collaboration.

In order to achieve the above objectives, Human Resource Management undertakes the following activities

- Human resource or manpower planning.
- Recruitment, selection and placement of personnel.
- Training and development of employees.
- Appraisal of performance of employees.
- Taking corrective steps such as transfer from one job to another.
- Remuneration of employees.
- Social security and welfare of employees.
- Setting general and specific management policy for organizational relationship.
- Collective bargaining, contract negotiation and grievance handling.
- Staffing the organization.
- Aiding in the self-development of employees at all levels.

- Developing and maintaining motivation for workers by providing incentives.
- Reviewing and auditing manpower management in the organization
- Potential Appraisal, Feedback Counseling.
- Role Analysis for job occupants.
- Job Rotation.
- Quality Circle, Organization development and Quality of Working Life.

Functions of Human Resource Management



Importance of Human Resources Management

Every industry requires certain prerequisites for its functioning namely; raw materials, finance and funding, machinery, etc. similarly, it requires manpower. And this manpower is the Human Resources and in order to manage the manpower, Human Resource Management is necessary. HRM involves managing manpower in order to improve individual, group and organizational effectiveness.

It is important to manage human resources as they help in the prosperity and progress through the committed and creative efforts and competencies of their human resources. Edwin Flippo defines the term, HR management as "planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational, and social objectives are accomplished."

HRM emphasizes mainly on the accomplishment of individual or personal objectives of the employees (eg. promotions), encouraging team work, attaining higher profits, social development, etc.

Recruitment and maintaining good people are essential to the success of every organization, whether profit or non-profit, public or private. It is important that organizations, manage human resources on a continuous basis, due to the growing expectations of employees. HRM works on the availability of competent and diligent manpower ensures effective use of manpower through appropriate placements, constant provision of rewards, acknowledgements and incentives to the employees encourages and motivates them to do their best. HRM also attempts to devise the best possible compensation packages to the employees.

HRM encourages team work, facilitates career development and makes an effort to create the right environment to develop careers of managers within the organization. A healthy environment can occur only when the working relationships between all the employees are established, leading to an overall development of every individual employee as well as the organization on a whole. Dr. W.E. Doming once remarked- "Abundance of natural resources is not a requirement for prosperity. The wealth of a nation depends on its people." HRM also looks into the grievances and issues faced by the employees and industrial relations. Thus HRM acts as a fuel for the smooth functioning of an organization and its overall development and progress.

HRM strategies



HRM strategies, also known as Human Resource Management strategies, are your organization's plans for managing people, culture, structure, and training and development, and for determining how people fit into your organization's future growth

People

One of the first aspects of your HRM strategy is determining the type of person who is needed to work in the organization. This is not just a matter of personality but also of the personalities and work styles that are needed to help your organization achieve its overall business strategy. Do the people in your organization need to be numbers-oriented, outgoing and focused on sales, or a combination of both?

Programs

Your organization's programs include several elements. The first is attracting the kinds of people you've decided are the right fit. How will the organization advertise positions and recruit the talent you've decided you need? After you've made the right hires, you have to look at how to train people to do their jobs effectively. In addition to training, your organization must decide how to retain employees after hiring and initial training. Your organization should also determine if there will be a bonus structure, a rewards program or further training that will lead to promotion in the future.

Culture

A large part of your HRM strategy relates to the overall culture of the organization. You should take the time to determine the leadership and management style of the organization. Is it autocratic, "open door," proactive or dictatorial? Your organization's senior management should decide on a closely related range of styles in order for a culture to "trickle down." On the other hand, what beliefs, values or missions does the organization want to achieve? This could be related to customer service, beating the competition or rising to the top of the market itself. One of the best ways to begin thinking about your organization's culture is to research how other organizations and human resources professionals have created a culture.

Structure

HRM strategy also extends to your organization's structure. You must decide what jobs will carry out which functions. Along with this, you should determine which jobs go with which departments—and who is going to manage those departments.

Development

One of the final pieces of your HRM strategy is the development of the organization. You've already decided how to train the people you bring in, but what are the plans for training them in the long run? Will you offer leadership training as part of the overall development plan? Will you give employees the opportunity to take courses that will allow them to apply for promotion? Does the organization plan to publish "learning plans" that allow an employee to map out his future career, even if it isn't in the department in which he started out?

Strategic role of HR

As people become the key competitive advantage in any industry especially banking, the human resource (HR) development function will and should play a more strategic role. It should go beyond its mere administrative support function to operations and front line departments. Whether or not company views HR strategically may decide whether market share, sales, or profits would increase or not. An effective HR strategy becomes equally decisive as the company's marketing strategy.

Technology too is changing HR roles. As industries, specifically the banking industry, and the way they compete become knowledge-based, HR performance indicators will shift from manpower and man-hours supplied to brainpower and brain hours delivered. The key result areas in people management will also shift from production and quantity to productivity and quality. Capability, measured in employee ideas generated and implemented, and productivity gained, will be more important than capacity, measured in man-hours available, man-hours lost, absenteeism, etc.

What is strategic HR? How different is it from the conventional administrative HR? The current HR function is very much configured like the company's purchasing department. People, like parts and supplies, are requisitioned by user departments based on depletion and growth rates of their operations. Both resources are screened for quality control and cost or budget constraints. The only slight difference is that unlike purchased parts, people are trained or prepared before they are sent to the requisitioning parties which may train them further before actual deployment or usage. HR is also involved in the replacement, termination and retirement process of unusable people assets, much like the handling of depreciated equipment. In short, most HR systems exist only for replenishment and maintenance of a resource called people.

Strategic HR does not abandon these administrative responsibilities. Otherwise, no other department in the company will carry out these "operations-sustaining" activities. But its main task is to participate in corporate strategy rather than support administration. Strategic HR is more proactive rather than reactive in its relationships with the other functional areas. It is more concerned about what its internal customers need in the future to compete globally. Strategic HR managers do not wait for instructions, requisition or complaints. It does its homework, does research on the future, and offers proactive solutions and strategic advice.

Strategic HR is preventive rather than corrective or punitive. It is developmental in orientation. The conventional HR function is the dispenser or implementers of justice and protector of corporate assets. It views employees as resources not to be wasted rather than strategic resources to be developed. Strategic HR aims to create a working environment conducive for employees to do things right the first time. It aims to prevent mistakes rather than punish them.

Strategic HR is output driven rather than input oriented. For instance, training results are measured not in terms of training hours or number of trainees per year, but in terms of improvement in the trainee performance attributable to the training. Performance improvement

can be in terms of productivity, efficiency, quality of work (defects), customer satisfaction or conversely, number of customer complaints received. Strategic HR personnel are concerned with these results as much as the operating departments it serves. In spite of the fact that output results are more difficult to measure than input deployed, strategic HR aims to find ways and means to directly and indirectly measure these more accurate metrics of its success and effectiveness.

Strategic HR is mainly pre-occupied in moulding the employees of the future today. For organizations to survive and excel in the future, its needs to develop or acquire employees who are multi-skilled, cross-functional, empowered, team players. In addition, they have to have high emotional intelligence (EQ) and capable of thinking "out of the box" about the future. They should be capable not only of improving their work, but reengineering or reinventing it if necessary. Front liners, who are engaged in millions of "moments of truth" meeting customers, must have superior flexibility, resourcefulness, and excellent memories especially if their task requires greeting customers by their first or last names. Strategic HR keeps these employee attributes as its goals while conducting its basic processes of recruitment, training, job rotation, designing career path, and performance appraisal.

Strategic HR aligns performance criteria systems with corporate goals and strategies rather than traditional functional concerns. It includes in performance criteria of both rank and file employees and managers those that will enable them to contribute to corporate goals. Most traditional HR performance appraisal systems basically gauge how well a subordinate satisfied his boss or superior during the appraisal period. This degree of satisfaction may or may not be related to how well the employee contributed to corporate goals. Most of the time, it does not. For this reason, conventional performance appraisal has become a highly politicized, controversial, wasteful exercise that creates more disharmony than teamwork in the organization. Strategic HR appraises people on the more relevant output performance like quality, productivity, internal and external customer satisfaction. If negative criteria are used, these become defects or rework, wastes, and internal and external customer complaints or returns. In banking, performance appraisal may include lost calls, closed accounts, queuing time, and clerical errors, ATM downtime, improvement projects. Strategic HR aims to change employee behaviour and attitude by directly connecting his appraisal (and eventually his pay) to what actually matters to corporate performance and customer satisfaction. It puts less weight on nebulous criteria like teamwork, attendance, boss satisfaction, and neatness.

HR is no longer a backroom or support function. It is in the forefront of corporate strategy, much like sales and marketing. It provides and determines competitiveness to an ever increasing degree. All other things being equal – financial, physical, and product assets – people will make the difference between two competing companies. Strategic HR can make this difference happen.

JOB ANALYSIS

Job analysis is the formal process of identifying the content of a job in terms activities involved and attributes needed to perform the work and identifies major job requirements. Job analysis was conceptualized by two of the founders of industrial/organizational psychology, Frederick Taylor and Lillian Moller Gilbreth in the early 20th century. Job analyses provide information to organizations which helps to determine which employees are best fit for specific jobs.

Industrial/organizational psychologists are often the professionals who perform job analyses. These professionals use either a task-oriented or worker-oriented approach. The task-oriented approach focuses on identifying each individual task involved in performing the job well. The worker-oriented approach focuses on the attributes need in a prospective employee to perform the job successfully.

Purposes of job analysis

One of the main purposes of conducting job analysis is to prepare job descriptions and job specifications which in turn help hire the right quality of workforce into an organization. The general purpose of job analysis is to document the requirements of a job and the work performed. Job and task analysis is performed as a basis for later improvements, including: definition of a job domain; description of a job; development of performance appraisals, personnel selection, selection systems, promotion criteria, training needs assessment, legal defense of selection processes, and compensation plans.

In the fields of human resources (HR) and industrial psychology, job analysis is often used to gather information for use in personnel selection, training, classification, and/or compensation.

The field of vocational rehabilitation uses job analysis to determine the physical requirements of a job to determine whether an individual who has suffered some diminished capacity is capable of performing the job with, or without, some accommodation.

Professionals developing certification exams use job analysis (often called something slightly different, such as "task analysis" or "work analysis") to determine the elements of the domain which must be sampled in order to create a content valid exam. When a job analysis is conducted for the purpose of valuing the job (i.e., determining the appropriate compensation for incumbents) this is called "job evaluation."

Job analysis aims to answer questions such as:

- Why does the job exist?
- What physical and mental activities does the worker undertake?
- When is the job to be performed?
- Where is the job to be performed?
- How does the worker do the job?
- What qualifications are needed to perform the job?

- What are the working conditions (such as levels of temperature, noise, offensive fumes, light)?
- What machinery or equipment is used in the job?
- What constitutes successful performance?

Significance of job analysis

- **Manpower Planning:** Job analysis helps in forecasting manpower requirements based on the knowledge and skills and quality of manpower needed in organization.
- **Recruitment:** A carefully designed job analysis provides information as to what sources of recruitment are to be used to hire employees. For example, job analysis in a retail stores about merchandise sorters tells that village level schools are potential source of recruitment.
- **Selection:** Selection of the right candidate to the right job can only be done with the help of job analysis. In the case of retail stores, a billing assistant can be selected with the knowledge of accounting, cash, and computer operations. This is possible with the help of job analysis.
- **Training and Career Development:** Job analysis provides valuable information to develop training programs. It provides information about what skills are to be trained. It also provides information about various techniques to be used in career development of employees.
- **Placement and socialization:** After people are selected and trained, they must be placed in suitable jobs. Job analysis provides information about the suitability of jobs. A clear job analysis guides the process to socialize the employees to develop sound relationships with all those persons.
- **Compensation:** Job analysis provides information as to how much compensation and other financial and non-financial benefits to be associated with each job.
- **Employee Safety and Welfare:** Job analysis details information on working conditions. Thus, management tries to provide safety and welfare measures that are outlined in job analysis.
- **Performance Appraisal:** Performance of employees is appraised based on standard criteria provided in the job analysis.
- **Counselling:** A good job analysis provides information to the superiors about the jobs. They use this information to guide and counsel employees about their career options, performance, training requirements and skill up-gradation.
- **Strategic Planning:** Job analysis enables human resource manager to develop a long-range strategic plan in all concerned areas of human resources.

Method of job analysis

Job analysis methods can be categorized into three basic types:

1. Observation Method: Observation of work activities and worker behaviors is a method of job analysis which can be used independently or in combination with other methods of job analysis. Three methods of job analysis based on observation are:

- **Direct Observation:** Using direct observation, a person conducting the analysis simply observes employees in the performance of their duties. The observer either takes general notes or works from a form which has structured categories for comment. Everything is observed: what the worker accomplishes, what equipment is used etc. The limitation of this method is that it cannot capture the mental aspects of jobs, such as decision making or planning, since mental processes are not observable.
- **Work Methods Analysis:** This method is used to describe manual and repetitive production jobs, such as factory or assembly-line jobs. This method is used by industrial engineers to determine standard rates of production.
- **Critical Incidents Technique:** It involves observation and recording of examples of particularly effective or ineffective behaviors. Behaviors are judged to be "effective" or "ineffective" in terms of results produced by the behavior. In this method a person using the critical incidents must describe behavior in retrospect, or after the fact, rather than as the activity unfolds. Accurate recording of past observations is more difficult than recording the behaviors as they occur.

2. Interview: In this method, the Analyst interviews the employee, his supervisor and other concerned persons and record answers to relevant questions. The interviewer asks job related questions and a standard format is used to record the data. The limitation of this method is that it does not provide accurate information because the employee may not provide accurate information to protect his own interest. Success of this method depends upon the rapport between the analyst and the employee.

3. Questionnaire: In this method properly drafted questionnaires are sent to jobholders. Structured questionnaires on different aspects of a job are developed. Each task is described in terms of characteristics such as frequency, significance, difficulty and relationship to overall performance. The jobholders give their rating of these dimensions. The ratings obtained are analyzed and a profile of actual job is developed. This method provides comprehensive information about a job. The limitation of this method is that it is time consuming and costly.

JOB DESIGN

Job design is next to job analysis. Job design involves systematic attempts to organize tasks, duties and responsibilities into a unit of work to achieve certain objectives. Job design integrates the work content and qualifications required for each job that meets the needs of employee and the organization. Job design makes the job highly specialized and well designed jobs are important in attracting and retaining a motivated work force.

According to Michael Armstrong, "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 job holder and his superior subordinates and colleagues." Job Design is affected by three categories of factors:

Organizational Factors: The organizational factors that affect job design are characteristics of task, work flow, ergonomics and work practices.

- **Characteristic of task:** Each task consists of 3 elements, namely, planning, executing and controlling. Job design involves the assembly of a number of tasks into a job or a group of jobs. A job may require an employee to perform a variety of connected task. All these characteristics of jobs are taken into consideration for job design.
- **Workflow:** The flow of work in an organization is strongly influenced by the nature of the product. This product usually suggests the sequence and balance between jobs if the work is to be completed efficiently.
- **Ergonomics:** Ergonomics is concerned with the designing and shaping of jobs as per the physical abilities and characteristics of individuals so that they can perform their jobs effectively.
- **Work Practices:** Work practices are the set methods of performing work. This can affect the job design as there is little flexibility in designing the job especially if the work practices are approved by employee unions.
- **Environmental Factors:** Environmental factors affect job design. Environmental factors include employee abilities & availability and Social & Cultural expectations.
- **Employee Abilities & Availability:** Abilities and availability of people plays an important role while designing jobs. Due attention needs to be given to the employee who will actually perform the job.
- **Social And Cultural Expectations:** Jobs should be designed keeping the employees in mind. Due to increase in literacy rate and knowledge, employees are now more aware and only perform jobs that are to their liking and match their profile.
- **Behavioral Factors:** Behavioral factors are related to human needs and they need to be satisfied properly. Behavioral elements include the following:

- **Feedback:** Employee should be given proper feedback about his job performance. This will enable the employee to improve his performance and complete the job in a proper manner.
- **Autonomy:** Employee should be given proper autonomy required to perform the work. The absence of autonomy may lead to poor performance on the part of employees.
- **Use of Abilities:** The job should be designed in such a manner that an employee will be able to use his abilities fully and perform the job effectively
- **Variety:** Absence of variety in the job assigned may lead to boredom. Adequate scope to variety factor should be given while designing a job.

Methods of Job design

Job Simplification:

In the job simplification technique, the job is simplified or specialized. A given job is divided into small sub-parts and each part is assigned to one individual employee. Job simplification is introduced when job designers feel that the jobs are not specialized enough.

Job Rotation:

Job rotation implies systematic movement of employees from one job to the other. Job remains unchanged but employees performing them shift from one job to the other. With job rotation, an employee is given an opportunity to perform different jobs, which enriches his skills, experience and ability to perform different jobs. It is the process of preparing employees at a lower level to replace someone at the next higher level. It is generally done for the designations that are crucial for the effective and efficient functioning of the organization. By this to some extent boredom is reduced. However for this people interest is primary importance. By this they can also learn new things, new techniques, and new ways of doing better work. It may also happen that over a period of time they will be finding a job for which they are better suitable. They can also contribute in a better way to achieve the goals of the organization.

This aspect of job rotation can be seen widely applied in Retail scenario, where end user or consumer is in direct presence all through. This has for large extent reduced boredom, reduced irregularities due to familiarity, acquired new skills & assuming new and varied responsibilities. In other words it will lead to better job satisfaction, which is the ultimate goal for better contribution.

Job Enlargement:

Job enlargement means expanding the scope of the job. Many tasks and duties are aggregated and assigned to a single job. It is opposite to job simplification. Job enlargement is an extension of job rotation, exposing the people to several jobs without changing the job duties to be performed. He is taken off the boring job for a while & is allowed to take up a related task & so on. Monotony is relieved temporarily. Critics are of the opinion that this approach involves

nothing more than having to perform several boring jobs rather than one. Job enlargement is to expand in several tasks than just to do one single task. It is also the horizontal expansion of a job. It involves the addition of tasks at the same level of skill and responsibility. It is done to keep workers from getting bored. This would also be considered multi tasking by which one person would do several persons jobs, saving the company money and man hours that normally would be paid to additional workers. Small companies may not have as many opportunities for promotions, so they try to motivate employees through job enlargement. For example when I worked at a restaurant, I would bus the tables, wash the dishes, and run food upstairs. If they had just one person doing each job on the same night, it would cost the management three times the money. This adds more functions; increases variety of tasks and this is short lived. It cannot enrich the human content of job. The ultimate answer is Job Enrichment.

Job Enrichment:

Job enrichment means making the job rich in its contents so that an employee will get more satisfaction while performing that job. It upgrades the responsibility, scope and challenge. A vast majority of the jobs are repetitive and monotonous in nature. This results in reducing the motivational content and human element of the job with repercussions on performance. The central focus of job enrichment is giving people more control over their work (lack of control is a key cause of stress, and therefore of unhappiness.) Where possible, allow them to take on tasks that are typically done by supervisors. This means that they have more influence over planning, executing, and evaluating the jobs they do. In enriched jobs, people complete activities with increased freedom, independence, and responsibility. They also receive plenty of feedback, so that they can assess and correct their own performance.

Job Enrichment tries to embellish the job with factors of motivation: Achievement – Recognition – Increased Responsibilities – Self Involvement – Opportunities for Growth – Advancement – Increased Competence. Job Enrichment is concerned with redesigning the job to include a variety of work content; that gives the person more autonomy & responsibility for planning, directing & controlling his own performance & provide opportunity for personal growth & meaningful work experience. Job Enrichment also for decentralization of decision making rights to individual over areas that directly affect his task functions.

The emphasis is on the result of efforts rather than the procedure to carry out the work, thus making the job result oriented. This also results in motivation, satisfaction in believing oneself to be personally accountable for results & being able to know how satisfactory ones efforts are. By Job Enrichment, condition or state of human capabilities which were not fully utilized & creation of frustration among the individual is removed to the extent possible.

Job specialization:

The process of focusing one's occupational concentration on a specific area of expertise is job specialization. An increase in job specialization among employees can make them less flexible since it tends to reduce their ability to perform other types of work within the business that fall outside their particular expertise.

Job evaluation

Job evaluation is the process to assess the relative value of a job in an organisation by comparing it with other jobs within the organisation and with job market outside. It attempts to make a methodical comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure.

RECRUITMENT AND SELECTION

RECRUITMENT

Recruitment is a process of identifying, screening, short listing and hiring potential resource for filling up the vacant positions in an organization. It is a core function of Human Resource Management.

Recruitment is the process of choosing the right person for the right position and at the right time. Recruitment also refers to the process of attracting, selecting, and appointing potential candidates to meet the organization's resource requirements.

The hiring of the candidates can be done internally i.e., within the organization, or from external sources. And the process should be performed within a time constraint and it should be cost effective.

Importance of Recruitment

Recruitment is one of the most fundamental activities of the HR team. If the recruitment process is efficient, then

- The organization gets happier and more productive employees
- Attrition rate reduces.
- It builds a good workplace environment with good employee relationships.
- It results in overall growth of the organization.

Here is a list that shows the purpose and importance of Recruitment in an organization –

- It determines the current and future job requirement.
- It increases the pool of job at the minimal cost.
- It helps in increasing the success rate of selecting the right candidates.

- It helps in reducing the probability of short term employments.
- It meets the organization's social and legal obligations with regards to the work force.
- It helps in identifying the job applicants and selecting the appropriate resources.
- It helps in increasing organizational effectiveness for a short and long term.
- It helps in evaluating the effectiveness of the various recruitment techniques.
- It attracts and encourages the applicants to apply for the vacancies in an organization.
- It determines the present and future requirements of the organization and plan accordingly.
- It links the potential employees with the employers.
- It helps in increasing the success ratio of the selection process of prospective candidates.
- It helps in creating a talent pool of prospective candidates, which enables in selecting the right candidates for the right job as per the organizational needs.

Factors Affecting Recruitment

Recruitment is an important function of the Human Resource Management in an organization, and it is governed by a mixture of various factors. Proactive HR Professionals should understand these factors influencing the recruitment and take necessary actions for the betterment of the organization.

When the market condition changes, the organization also needs to monitor these changes and discover how it affects the resources and analyze these functions for making recruitment an effective process.

We have **Internal Factors** as well as **External Factors** that influence the recruitment process. In this chapter, we will be discussing these factors in detail.

Internal Factors

Organizations have control over the internal factors that affect their recruitment functions. The internal factors are –

- Size of organization
- Recruiting policy
- Image of organization
- Image of job

Size of Organization

The size of the organization is one of the most important factors affecting the recruitment process. To expand the business, recruitment planning is mandatory for hiring more resources, which will be handling the future operations.

Recruiting Policy

Recruitment policy of an organization, i.e., hiring from internal or external sources of organization is also a factor, which affects the recruitment process. It specifies the objectives of the recruitment and provides a framework for the implementation of recruitment programs.

Image of Organization

Organizations having a good positive image in the market can easily attract competent resources. Maintaining good public relations, providing public services, etc., definitely helps an organization in enhancing its reputation in the market, and thereby attract the best possible resources.

Image of Job

Just like the image of organization, the image of a job plays a critical role in recruitment. Jobs having a positive image in terms of better remuneration, promotions, recognition, good work environment with career development opportunities are considered to be the characteristics to attract qualified candidates.

External Factors

External factors are those that cannot be controlled by an organization. The external factors that affect the recruitment process include the following –

- **Demographic factors** – Demographic factors are related to the attributes of potential employees such as their age, religion, literacy level, gender, occupation, economic status, etc.
- **Labour market** – Labour market controls the demand and supply of labor. For example, if the supply of people having a specific skill is less than the demand, then the hiring will need more efforts. On the other hand, if the demand is less than the supply, the hiring will be relative easier.
- **Unemployment rate** – If the unemployment rate is high in a specific area, hiring of resources will be simple and easier, as the number of applicants is very high. In contrast, if the unemployment rate is low, then recruiting tends to be very difficult due to less number of resources.
- **Labour laws** – Labour laws reflect the social and political environment of a market, which are created by the central and state governments. These laws dictate the compensation, working environment, safety and health regulations, etc., for different types of employments. As the government changes, the laws to change.
- **Legal considerations** – Job reservations for different castes such as STs, SCs, OBCs are best examples of legal considerations. These considerations, passed by government, will have a positive or negative impact on the recruitment policies of the organizations.

- **Competitors** – When organizations in the same industry are competing for the best qualified resources, there is a need to analyze the competition and offer the resources packages that are best in terms of industry standards.

Recruitment Process

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, analyzing the job requirements, reviewing applications, screening, short listing 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. Recruitment process is the first step in creating a powerful resource base. The process undergoes a systematic procedure starting from sourcing the resources to arranging and conducting interviews and finally selecting the right candidates.

Recruitment Planning

Recruitment planning is the first step of the recruitment process, where the vacant positions are analyzed and described. It includes job specifications and its nature, experience, qualifications and skills required for the job, etc.

A structured recruitment plan is mandatory to attract potential candidates from a pool of candidates. The potential candidates should be qualified, experienced with a capability to take the responsibilities required to achieve the objectives of the organization. The first and foremost process of recruitment plan is identifying the vacancy. This process begins with receiving the requisition for recruitments from different department of the organization to the HR Department, which contains –

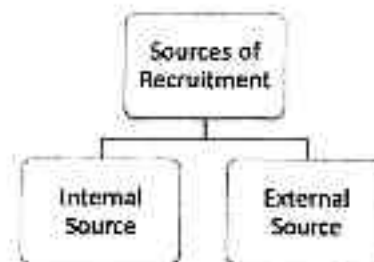
- Number of posts to be filled
- Number of positions
- Duties and responsibilities to be performed
- Qualification and experience required

When a vacancy is identified, it the responsibility of the sourcing manager to ascertain whether the position is required or not, permanent or temporary, full-time or part-time, etc. These parameters should be evaluated before commencing recruitment. Proper identifying, planning and evaluating leads to hiring of the right resource for the team and the organization.

Types of Recruitment

For any organization, recruitment is a crucial part of developing and maintaining an effective and efficient team. A good recruitment strategy will cut down the wastage of time and money, which would have incurred for extensive training and development of unqualified resources.

Have you ever thought of, how a recruiter finds the right candidates? Recruiters use different methods to source, screen, shortlist, and select the resources as per the requirements of the organization. Recruitment types explain the means by which an organization reaches potential job seekers.



In this chapter, we will shed some light on the secrets of hiring and recruiting methods, used by the recruiters. Recruitment is broadly classified into two different categories –

Internal Sources and External Sources.

Internal Sources of Recruitment

Internal sources of recruitment refer to hiring employees within the organization internally. In other words, applicants seeking for the different positions are those who are currently employed with the same organization.

At the time recruitment of employees, the initial consideration should be given to those employees who are currently working within the organization. This is an important source of recruitment, which provides the opportunities for the development and utilization of the existing resources within the organization.

Internal sources of recruitment are the best and the easiest way of selecting resources as performance of their work is already known to the organization. Let us now discuss more on the various internal sources of recruitment.

Promotions

Promotion refers to upgrading the cadre of the employees by evaluating their performance in the organization. It is the process of shifting an employee from a lower position to a higher position with more responsibilities, remuneration, facilities, and status. Many organizations fill the higher vacant positions with the process of promotions, internally.

Transfers

Transfer refers to the process of interchanging from one job to another without any change in the rank and responsibilities. It can also be the shifting of employees from one department to another department or one location to another location, depending upon the requirement of the position.

Recruiting Former Employees

Recruiting former employees is a process of internal sources of recruitment; wherein the exemployees are called back depending upon the requirement of the position. This process is cost-effective and saves plenty of time. The other major benefit of recruiting former employees is that they are very well versed with the roles and responsibilities of the job and the organization needs to spend less on their training and development.

Internal Advertisements (Job Posting)

Internal Advertisements is a process of posting/advertising jobs within the organization. This job posting is an open invitation to all the employees inside the organization, where they can apply for the vacant positions. It provides equal opportunities to all the employees working in the organization. Hence, the recruitment will be done from within the organization and it saves a lot of cost.

Employee Referrals

Employee referrals are an effective way of sourcing the right candidates at a low cost. It is the process of hiring new resources through the references of employees, who are currently working with the organization. In this process, the present employees can refer their friends and relatives for filling up the vacant positions.

Organizations encourage employee referrals, because it is cost effective and saves time as compared to hiring candidates from external sources. Most organizations, in order to motivate their employees, go ahead and reward them with a referral bonus for a successful hire.

Previous Applicants

Here, the hiring team checks the profiles of previous applicants from the organizational recruitment database. These applicants are those who have applied for jobs in the past. These

resources can be easily approached and the response will be positive in most of the cases. It is also an inexpensive way of filling up the vacant positions.

Pros and Cons of Internal Sources of Recruitment

Internal sources of recruitment, i.e., hiring employees within the organization, have its own set of advantages and disadvantages. The advantages are as follows –

- It is simple, easy, quick, and cost effective.
- No need of induction and training, as the candidates already know their job and responsibilities.
- It motivates the employees to work hard, and increases the work relationship within the organization.
- It helps in developing employee loyalty towards the organization.

The drawbacks of hiring candidates through internal sources are as follows –

- It prevents new hiring of potential resources. Sometimes, new resources bring innovative ideas and new thinking onto the table.
- It has limited scope because all the vacant positions cannot be filled.
- There could be issues in between the employees, who are promoted and who are not.
- If an internal resource is promoted or transferred, then that position will remain vacant.
- Employees, who are not promoted, may end up being unhappy and demotivated.

External Sources of Recruitment

External sources of recruitment refer to hiring employees outside the organization externally. In other words, the applicants seeking job opportunities in this case are those who are external to the organization.

External employees bring innovativeness and fresh thoughts to the organization. Although hiring through external sources is a bit expensive and tough, it has tremendous potential of driving the organization forward in achieving its goals. Let us now discuss in detail the various external sources of recruitment.

Direct Recruitment

Direct recruitment refers to the external source of recruitment where the recruitment of qualified candidates are done by placing a notice of vacancy on the notice board in the organization. This method of sourcing is also called as **factory gate recruitment**, as the blue-collar and technical workers are hired through this process.

Employment Exchanges

As per the law, for certain job vacancies, it is mandatory that the organization provides details to the employment exchange. Employment exchange is a government entity, where the details of the job seekers are stored and given to the employers for filling the vacant positions. This external recruitment is helpful in hiring for unskilled, semi-skilled, and skilled workers.

Employment Agencies

Employment agencies are a good external source of recruitment. Employment agencies are run by various sectors like private, public, or government. It provides unskilled, semi-skilled and skilled resources as per the requirements of the organization. These agencies hold a database of qualified candidates and organizations can use their services at a cost.

Advertisements

Advertisements are the most popular and very much preferred source of external source of recruitment. The job vacancy is announced through various print and electronic media with a specific job description and specifications of the requirements. Using advertisements is the best way to source candidates in a short span and it offers an efficient way of screening the candidates' specific requirements.

Advertisement is the best suitable practice for large volume of hiring in a short span can be done through advertisement only. Advertisement is one of the costliest ways to recruit candidates, but when time and number are important, and then advertisement is the best source of recruitment.

Professional Associations

Professional associations can help an organization in hiring professional, technical, and managerial personnel, however they specialize in sourcing mid-level and top-level resources. There are many professional associations that act as a bridge between the organizations and the job-seekers.

Campus Recruitment

Campus recruitment is an external source of recruitment, where the educational institutions such as colleges and universities offers opportunities for hiring students. In this process, the organizations visit technical, management, and professional institutions for recruiting students directly for the new positions.

Word of Mouth Advertising

Word of mouth is an intangible way of sourcing the candidates for filling up the vacant positions. There are many reputed organizations with good image in the market. Such organizations only need a word-of-mouth advertising regarding a job vacancy to attract a large number of candidates.

Pros and Cons of External Sources of Recruitment

An external source of recruitment, i.e., hiring employees outside an organization, has both its benefits and drawbacks. The benefits are as follows –

- It encourages new opportunities for job seekers.
- Organization branding increases through external sources.
- There will be no biasing or partiality between the employees.
- The scope for selecting the right candidate is more, because of the large number candidates appearing.

The disadvantages of recruiting through external sources are as follows –

- This process consumes more time, as the selection process is very lengthy.
- The cost incurred is very high when compared to recruiting through internal sources.
- External candidates demand more remuneration and benefits.

To conclude, the HR department should be flexible enough to choose between internal or external methods of recruitment, depending upon the requirement of the organization.

Recruitment Interviews

An interview is a purposeful exchange of ideas, the answering of questions and communication between two or more persons. An interview refers to a conversation with one or more persons acting as the role of an *interviewer* who ask questions and the person who answers the questions acts as the role of an *interviewee*.

The primary purpose of an interview is to transfer information from interviewee to interviewer. Interviews can be *formal or informal, structured or unstructured*.

However, interviews have some basic objectives, which are as follows–

- Through interviews, recruiters can verify the information obtained through application forms and tests.
- Recruiters can obtain additional information about the candidates which are not mentioned in the application forms or resumes.
- Interviews provide an applicant the information and the necessary facts about the job and the organization.
- Interviews establish a mutual understanding between the applicant and the organization.

The following five P's should be taken into consideration in order to ensure effective selection and interviewing – *Prepare, Purpose, Performance, People Skills & Process*

An ideal interview process for selecting the right candidates is as follows –

- Determine the requirements of the job. Conduct a thorough job analysis.
- Prepare a specific job description and a job specification.
- Make a plan – how and where to find qualified candidates.
- Collect and review applications and resumes and from them, select the most potential and qualified candidates for further proceedings.
- Interview the shortlisted candidates based upon the job description and specification.
- Verify the candidates' background with the references provided by them.

TYPES OF INTERVIEWS

Depending up the requirements, situations, locations and time, the interviews are broadly classified into ten different categories. Recruiters should be knowledgeable enough to understand which type of interview should be used when.

The ten different types of interviews are as follows –

- **Structured Interview** – In this type, the interview is designed and detailed in advance. A structured interview is pre-planned, accurate, and consistent in hiring the candidates.
- **Unstructured Interview** – This type of interview is an unplanned one, where the interview questionnaire is not prepared. Here, the effectiveness of the interview is very less and there is a tremendous waste of time and effort of both the interviewer and the interviewee.
- **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.
- **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.
- **Stress Interview** – Stress interviews are conducted to discover how a candidate behaves in stressful conditions. In this type of interview, the interviewer will come to know whether the candidate can handle the demands of a complex job. The candidate who maintains his composure during a stress interview is normally the right person to handle a stressful job.

- **Individual Interview** – In an individual interview, the interview takes place one-on-one i.e., there will be a verbal and a visual interaction between two people, an interviewer and a candidate. This is a two-way communication interview, which helps in finding the right candidate for a vacant job position.
- **Informal Interview** – Such interviews are conducted in an informal way, i.e., the interview will be fixed without any written communication and can be arranged at any place. There is no procedure of asking questions in this type of interview, hence it will be a friendly kind of interview.
- **Formal Interview** – A formal interview held in a formal way, i.e., the candidate will be intimated about the interview well in advance and the interviewer plans and prepares questions for the interview. This is also called as a planned interview.
- **Panel Interview** – Panel interview, as the name indicates, is being conducted by a group of people. In this type of interview, three to five members of the selection committee will be asking questions to the candidates on different aspects. The final decision will be taken by all the members of the panel collectively.
- **Exit Interview** – Exit interviews are conducted for those employees who want to leave the organization. The importance of the exit interview is to discover why an employee wants to leave his job.

SELECTION

Selection is the process of picking or choosing the right candidate, who is most suitable for a vacant job position in an organization. In other words, selection can also be explained as the process of interviewing the candidates and evaluating their qualities, which are required for a specific job and then choosing the suitable candidate for the position. The selection of a right applicant for a vacant position will be an asset to the organization, which will be helping the organization in reaching its objectives.

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

- 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.

Difference between Recruitment and Selection

The major differences between Recruitment and Selection are as follows –

Recruitment	Selection
Recruitment is defined as the process of identifying and making the potential candidates to apply for the jobs.	Selection is defined as the process of choosing the right candidates for the vacant positions.
Recruitment is called as a positive process with its approach of attracting as many candidates as possible for the vacant jobs	Selection is called as a negative process with its elimination or rejection of as many candidates as possible for identifying the right candidate for the position.

Both recruitment and selection work hand in hand and both play a vital role in the overall growth of an 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.

Selection Process and Steps

- Employment Interview – Employment Interview is a process in which one-on-one session is conducted with the applicant to know a candidate better. It helps the interviewer to discover the inner qualities of the applicant and helps in taking a right decision.
- Checking References – Reference checking is a process of verifying the applicant's qualifications and experiences with the references provided by him. These reference checks help the interviewer understand the conduct, the attitude, and the behavior of the candidate as an individual and also as a professional.
- Medical Examination – Medical examination is a process, in which the physical and the mental fitness of the applicants are checked to ensure that the candidates are capable of performing a job or not. This examination helps the organization in choosing the right candidates who are physically and mentally fit.
- Final Selection – The final selection is the final process which proves that the applicant has qualified in all the rounds of the selection process and will be issued an appointment letter.

A selection process with the above steps will help any organization in choosing and selecting the right candidates for the right job.

TRAINING AND DEVELOPMENT

Training refers to a systematic setup where employees are instructed and taught matters of technical knowledge related to their jobs. It focuses on teaching employees how to use particular machines or how to do specific tasks to increase efficiency.

Development refers to the overall holistic and educational growth and maturity of people in managerial positions. The process of development is in relation to insights, attitudes, adaptability, leadership and human relations.

Definition of Training

Training is often looked upon as an organized activity for increasing the knowledge and skills of people for a definite purpose. It involves systematic procedures for transferring technical know-how to the employees so as to increase their knowledge and skills for doing specific jobs with proficiency. In other words, the trainees acquire technical knowledge, skills and problem solving ability by undergoing the training programme.

Objectives of Training

The objectives of training can vary, depending upon a large number of factors. The objectives depend on the nature of the organization where training has to be provided, the skills desired and the current skill levels. It is difficult to draw generalizations of the objectives of training; still they can be stated as under:

1. To increase the knowledge of workers in doing specific jobs.
2. To systematically impart new skills to the human resources so that they learn quickly.
3. To bring about change in the attitudes of the workers towards fellow workers, supervisor and the organization.
4. To improve the overall performance of the organization.
5. To make the employees handle materials, machines and equipment efficiently and thus to check wastage of time and resources.
6. To reduce the number of accidents by providing safety training to employees.
7. To prepare employees for higher jobs by developing advanced skills in them.

Training	Development
1. Training means learning skills and knowledge for doing a particular job and increases skills required for a job.	1. Development refers to the growth of an employee in all respects. It is more concerned with shaping the attitudes.
2. Training generally imparts specific skills to the employees.	2. Development is more general in nature and aims at overall growth of the executives.
3. Training is concerned with maintaining and improving current job performance. Thus, it has a short-term perspective.	3. Development builds up competences for future performance and has a long-term perspective.
4. Training is job centred in nature.	4. Development is career- centred in nature.
5. The role of trainer or supervisor is very important in training.	5. All development is 'self- development' and the executive has to be internally motivated for the same.

Benefits of Training to Employers

- | | |
|-------------------------------------|-----------------------------------|
| (i) Faster learning of new skills | (ii) Increased productivity |
| (iii) Standardization of procedures | (iv) Lesser need for supervision. |
| (v) Economy of operations. | (vi) Higher morale. |
| (vii) Managerial Development | |

Benefits of Training to Employees

- | | |
|----------------------------|------------------------|
| (i) Increasing Confidence. | (ii) New Skills. |
| (iii) Career advancement. | (iv) Higher Earnings. |
| (v) Resilience to change | (vi) Increased Safety. |

Role of Training and Development in Organizational Development

In a changed economic set up with fierce competition, training & development programmes are must; otherwise managerial personnel would become obsolete. David Ewing in his book 'The knowledge of an executive' has rightly said: 'The management personnel must realize that they will not survive unless they keep pace with modern management education, research theory, principles and practices'. Various organizations have discovered that whatever learning an employee embarks on, even outside the workplace for their own satisfaction, has potential benefits for the organization. Employees are the internal customer of the human resource philosophy of the company. Any organization committed to its mission and vision captures the heart and soul of its workforce. Opportunities to learn and grow are powerful motivators to inspire talented workforce. When work allows employees to use their minds, acquire new skills, and face situations that enable them to grow, they become enthusiastic about the work. Benefits of training & development to the Organization are as under:

- Leads to improved profitability and / or more positive attitudes towards profit orientation.
- Improves the job knowledge and skills at all levels of the organization.
- Improves the morale of the executives.
- Helps people identify with organizational goals.
- Helps create a better corporate image.
- Fosters authenticity, openness and trust.
- Improves relationship between boss and subordinate.

Aids in organizational development.

Learns from the trainee.

Helps prepare guidelines for work.

Aids in understanding and carrying out organizational policies.

Provides information for future needs in all areas of the organization.

Organization gets more effective decision-making and problem-solving skills.

Aids in development for promotion from within the organization.

Aids in developing leadership skills, motivation, loyalty, better attitudes and other aspects that successful workers and managers usually display.

Aids in increasing productivity and/ or quality of work.

METHODS OF TRAINING

1. On-the-Job Training Methods

(a) Job Rotation

There are various jobs in all organizations. Each job or work requires a different set of skills in the workforce. In order to develop the workforce in all the sectors and zones of the organization, this method is used.

In this method, a worker gets an opportunity to work on different posts with a different set of responsibilities without any increase in the pay scale. Hence, it is also known as 'lateral movements'.

(b) Job Instructions

There are various steps to accomplish a particular task. In this method of training, a worker is guided by a supervisor or a trainer who tells him/her about the exact steps for the accomplishment of the work. Moreover, new works are being taught to the workers by the supervisor.

(c) Coaching

There is a need for both theoretical as well as practical development of the worker in any organization. In order to do so, most of the organizations opt for this method of training.

In this method, the company provides the worker with a coach who trains him. Also, the trainer provides him regular feedbacks.

(d) Committee assignments

Under this method of training, the organization organizes a meeting or seminar of workers where they get a real life problem of the organization.

The organization asks them to take it as an assignment and try to solve it with their wits. Hence, it leads to the generation of teamwork, leadership qualities, etc. among all the workers in the organization.

2. Off-the-Job Training Methods

(a) Vestibule Training Method

Vestibule Training Method is a very famous means of training the employees especially the manual workers. If the company starts to train the workers in the factory or the workplace itself then there are chances of mishappening with the machinery of the factory.

In this method, similar tools and machinery are arranged outside the organization. Hence, this allows the workers to enhance their skills by working with the same tools and machinery.

(b) Case Study Method

Generally, case study deals with an issue which a business confronts and provides an opportunity for workers to come out with a solution.

This provides them the opportunity to analyze the case and come out with effective solutions. This method can enhance the critical and creative thinking of an employee.

(c) Incident Method

Under this method, firstly the organization prepares a list of series of real incidents. Then they ask the employees to state their reaction to the incident or the situation.

Later, everyone sits and decide a common solution to the incident on the basis of the individual as well as group decisions.

(d) Conferences

Whenever several people meet to discuss any particular topic or subject that is known as a 'Conference'. Each worker analyzes and discusses various problems related to the topic. Moreover, this method enables each worker to express their respective viewpoints.

TYPES OF TRAINING

Technical Training – Technical training is that type of training that is aimed at teaching employees how a particular technology or a machine.

Quality Training – Quality training is usually performed in companies who physically produce a product. Quality training teaches employees to identify faulty products and only allow perfect products to go out to the markets.

Skills Training – Skills training refers to training given to employees so as to perform their particular jobs. For e.g. A receptionist would be specifically taught to answer calls and handle the answering machine.

Soft Skills – Soft skills training includes personality development, being welcoming and friendly to clients, building rapport, training on sexual harassment etc.

Professional Training – Professional Training is done for jobs that have constantly changing and evolving work like the field of medicine and research. People working in these sectors have to be regularly updated on matters of the industry.

Team Training – Team training establishes a level of trust and synchronicity between team members for increased efficiency.

PROMOTION AND CAREER PLANNING:

Promotion:

The advancement of an employee within a company position or job tasks. A job promotion may be the result of an employee's proactive pursuit of a higher ranking or as a reward by employers for good performance. Typically is also associated with a higher rate of pay or financial bonus.

Purposes / Objectives :

The following are the purposes or objectives of promotion:

1. To recognize an employee's skill and knowledge and utilize it to improve the organisational effectiveness.
2. To reward and motivate employees to higher productivity.
3. To develop competitive spirit and inculcate the zeal in the employees to acquire skill, knowledge etc.
4. To promote employees satisfaction and boost their morale.
5. To build loyalty among the employees toward organisation.
6. To promote good human relations.
7. To increase sense of belongingness.
8. To retain skilled and talented people.
9. To attract trained, competent and hard working people.
10. To impress the other employees that opportunities are available to them too if they also perform well.

Types of Promotion:

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

1. Horizontal promotion:

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

2. Vertical Promotion:

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

3. Dry Promotion:

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

Promotion can be made on various bases. Following are the major ones:

1. Seniority i.e., length of service
2. Merit, i.e., performance
3. Educational and technical qualification
4. Potential for better performance
5. Career and succession plan
6. Vacancies based on organisational chart
7. Motivational strategies like job enlargement.
8. Training

Career Planning:

1. A career may be defined as 'a sequence of jobs that constitute what a person does for a living'.
2. Career planning is a process of systematically matching career goals and individual capabilities with opportunities for their fulfilment.
3. Career planning is the process of enhancing an employee's future value.
4. A career plan is an individual's choice of occupation, organization and career path.

Career planning encourages individuals to explore and gather information, which enables them to synthesize, gain competencies, make decisions, set goals and take action. It is a crucial phase of human resource development that helps the employees in making strategy for work-life balance.

Features of Career Planning and Career Development:

1. It is an ongoing process.
2. It helps individuals develop skills required to fulfil different career roles.
3. It strengthens work-related activities in the organization.
4. It defines life, career, abilities, and interests of the employees.
5. It can also give professional directions, as they relate to career goals.

Objectives of Career Planning:

1. To identify positive characteristics of the employees.
2. To develop awareness about each employee's uniqueness.
3. To respect feelings of other employees.
4. To attract talented employees to the organization.
5. To train employees towards team-building skills.
6. To create healthy ways of dealing with conflicts, emotions, and stress.

Demotion

A **demotion** is a compulsory reduction in an employee's rank or job title within the organizational hierarchy of a company, public service department, or other body, unless there is no reduction in pay.^[1] A demotion may also lead to the loss of other privileges associated with a more senior rank and/or a reduction in salary or benefits. An employee may be demoted for violating the rules of the organization by a behavior such as excessive lateness, misconduct, or negligence. In some cases, an employee may be demoted as an alternative to being laid off, if the employee has poor job performance or if the company is facing a financial crisis.

Demotion becomes necessary,

- If a company curtails some of its activities and employees with longer service bump persons in lower jobs with shorter service.
- It may be used as a disciplinary weapon.

Demotion will serve its purpose if it satisfies the following conditions;

- A clear and reasonable list of rules should be framed, violation of which would subject an employee demotion.
- This information should be clearly communicated to employees.
- There should be a proper investigation of any alleged violation.
- If violations are found, there should be a consistent and equitable application of the penalty, preferably by the immediate supervisor.
- There should be a provision of review.

Since demotions produce an adverse effect on employee morale, they are made infrequently.

Types of Demotion

1. Voluntary Demotion.
2. Involuntary Demotion.

Voluntary Demotion

A permanent employee may request a voluntary demotion to a vacant position in a class with a lower salary rate, provided that the employee has previously achieved permanent status in that class or, the request for demotion is to a related class in the same job series as defined by the Personnel Commission.

Involuntary Demotion

An involuntary demotion is a disciplinary action and, as such, is subject to the disciplinary procedures in these Rules and Regulations.

Wage and salary administration

Wage & salary administration is essentially the application of a systematic approach to the problem of ensuring that employees are paid in a logical, equitable and fair manner. Wage and salary is significant to most of the employees as it constitutes a major share of their income. "Pay" in one form or another is certainly one of the main springs of motivations in our society. Salary provides more than a means of satisfying the physical need it provides recognition, a small of accomplishment. The term "wage" may be defined as the remuneration paid by the employer for the services of hourly, daily, weekly and fortnightly employees. Salary is defined as the remuneration paid to the clerical and managerial personnel employed on monthly or annual basis. Wage & salaries have two different purposes from point of employers & employees. (i) Employers perceive as a cost of business effort and attempt to reduce it. But they also realize that it is not possible because of these reasons: (a) Wage & salary are essential to attract and retain an effective work force. (b) Wage and salary are required to motivate, employees for positive attitudes and better performance. (c) Employees have to be provided compensation for service rendered by them to the organisation. (ii) Employees consider wage as a means for satisfying their need to maintain their standard. They also want it equitable with similar skills for doing similar work.

Significance of wage & salary administration: Wage & salaries have two different purposes from point of employers & employees.

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Principles of Wage & Salary administration:

1. Wage & salary plans and policies should be sufficiently flexible.
2. Job evaluation must be done scientifically.
3. Wage & salary administration plans: Must always be consistent with overall organisation plans & programmes.
4. Wage & salary administration plans and programmes should be in conformity with the social & economic objectives of the country like attainment of equality of income distribution and controlling inflationary trends.

Wages & salary administration plans and programmes should be responsive to the changing local and national conditions.

Objectives of wage & salary administration:

1. To acquire qualified and competent personnel: Candidates decide upon their career in a particular organisation mostly on the basis of the amount of remuneration the organisation offers. Qualified and competent people join the best-paid organisation. As such, the organisation should aim at payment of salaries at that level, where they can attract competent and qualified people.
2. To retain the present employees: If the salary level does not compare favorably with that of other similar organisation, employees quit the present one and join other organisation. The organisation must keep the wage & salary structure at the competitive level, with those of similar organisation.
3. To secure internal and external equity: Internal equity does mean payment of similar wages for similar jobs within the organisation. External equity implies that payment of similar wages to similar jobs in comparable organizations'.
4. To ensure desired behavior: Good rewards reinforce desired behavior like performance, loyalty, accepting new responsibilities and changes etc.
5. To keep labour and administrative costs in line with the ability of the organisation to pay.

6. To project in public as progressive employers and to comply with the wage legislations
7. To pay according to the content and difficulty of the job and in tune with the effort and merit of the employee.
8. To facilitate pay roll administration of budgeting and wage and salary control.
9. To simplify collective bargaining procedures and negotiations.
10. To promote organisation feasibility.

Systems to Achieve the Objectives: The above mentioned objectives are achieved by the use of the following systems:

1. **Job evaluation:** All jobs will be analyzed and graded to establish the pattern of internal relationships. It is the process of determining relative worth of jobs, it includes selecting suitable job evaluation techniques, classifying jobs into various categories and determining relative value of jobs in various categories.
2. **Wage and salary ranges:** Overall salary range for all the jobs in an organisation is arranged. Each job grade will be assigned a salary range. These individual salary ranges will be fitted into an overall range.
3. **Wage and salary adjustments:** Overall salary grades of the organisation may be adjusted based on the data and information collected 'about the salary levels of similar organizations'. Individual salary level may also be adjusted based on the performance of the individual employees.

The Elements of Wage and Salary System: Wage and salary system should have relationship with the performance, satisfaction and attainment of goals of an individual. Following are the elements of wage and salary system.

1. Identifying the available salary opportunities, their costs, estimating the worth of its members of these salary opportunities and communicating them to employees.
2. Relating salary to needs and goals.
3. Developing quality quantity and time standards relating to work and goals.
4. Determining the effort necessary to achieve standards.
5. Measuring the actual performance.

6. Comparing the performance with the salary received.
7. Measuring the job satisfaction gained by the employees.
8. Evaluating the unsatisfied wants and unreachd goals of the employees.
9. Finding out the dissatisfaction arising from unfulfilled needs and unattained goals.
10. Adjusting the salary levels accordingly with a view to enable the employees to reach unreachd goals and fulfill the unfulfilled needs.

Process of Determinations of wages: Determination of equitable wage and salary structure is one of the most important phase of employer-employee relations. The primary objective of wage and salary administration programme is that each employee should be equitably compensated for the service rendered on the basis of:

- (i) The nature of job.
- (ii) (ii) The present worth of that type of job in other organisation, and
- (iii) (iii) The effectiveness with which the individual performs the job.

The first two factors are related to job evaluation and wage survey, while the third to performance appraisal. Comparison of a job to other job in the organisation is done through job evaluation. Comparison of similar job in other organizations' is done through wage surveys to determine the going wage for the given job.

Motivation

Motivation can be defined as a process which energizes, directs and sustains human behavior. In HRM the term refers to person's desire to do the best possible job or to exert the maximum effort to perform assigned tasks.

Employee motivation is a factor, or factors, that cause(s) an employee to pursue work tasks or goals. It's what causes you to act in a certain way. There are two primary theories of motivation that are often used by employers: extrinsic motivation and intrinsic motivation. **Extrinsic motivations** are factors external that causes an employee to act toward fulfillment of a work task or goal. They are usually punishments or rewards. A punishment motivates an employee to act in order to avoid the punishment, while rewards motivate an employee to act in order to receive the reward. It's easy to remember because extrinsic motivations come from external forces. **Intrinsic motivation** on the other hand is that which comes from within an employee. You are

intrinsically motivated to work when the work itself motivates you. That is when the work you do is satisfying, fulfilling and enjoyable. It comes within the employee rather than being imposed on him.

Theories of Motivation

Motivation theories seek to explain why employees are motivated by and satisfied with one type of work than another. It is essential that managers have a basic understanding of work motivation because highly motivated employees are more likely to produce a superior quality product or service than employee who lack motivation.

Theories of Motivation

Maslow's Need Hierarchy

Existence Relatedness Growth (ERG) Theory

McGregor's Theory-X and Theory-Y

Expectancy Theory

Reinforcement Theory

Herzberg two factor theory

McClelland (Needs for Affiliation, Power, and Achievement) Theory of Motivation

Adam's Equity Theory

Maslow's Need Hierarchy

Maslow's Need Hierarchy: His theory is based on Hierarchy of Human Needs. According to him, human behaviour is related to his needs. It is adjusted as per the nature of needs to be satisfied. In hierarchy of needs theory of motivation, Maslow identified five types / sets of human need arranged in a hierarchy of their importance and priority. He concluded that when one set of needs is satisfied, it ceases to be a motivating factor. Thereafter, the next set of needs in the hierarchy order takes its place. He organized five major types of human needs into a hierarchy. The need hierarchy illustrates Maslow's conception of people satisfying their needs in a specified order, from bottom to top. The needs, in ascending order, are:

Physiological needs

Safety needs

Love/belonging

Self-Esteem

Self-actualization

McGregor's Theory-X and Theory-Y

Theory-X and Theory-Y expounded two contrasting theories on human motivation and management. Theory X assumes that employees are naturally unmotivated and dislike working, and this encourages an authoritarian style of management. According to this view, management must actively intervene to get things done. This style of management assumes that workers:

1. Dislike working.
2. Avoid responsibility and need to be directed.
3. Have to be controlled, forced, and threatened to deliver what's needed.
4. Need to be supervised at every step, with controls put in place.
5. Need to be enticed to produce results; otherwise they have no ambition or incentive to work.

Theory Y expounds a participative style of management that is de-centralized. It assumes that employees are happy to work, are self-motivated and creative, and enjoy working with greater responsibility. It assumes that workers:

1. Take responsibility and are motivated to fulfil the goals they are given.
2. Seek and accept responsibility and do not need much direction.
3. Consider work as a natural part of life and solve work problems imaginatively.

Expectancy Theory of Motivation

The **Expectancy theory** states that employee's motivation is an outcome of how much an individual wants a reward (Valence), the assessment that the likelihood that the effort will lead to expected performance (Expectancy) and the belief that the performance will lead to reward (Instrumentality). In short, **Valence** is the significance associated by an individual about the expected outcome. It is an expected and not the actual satisfaction that an employee expects to receive after achieving the goals. **Expectancy** is the faith that better efforts will result in better performance. Expectancy is influenced by factors such as possession of appropriate skills for performing the job, availability of right resources, availability of crucial information and getting the required support for completing the job.

ERG Theory of Motivation

Clayton Alderfer redefined and recategorized Maslow's hierarchy of needs into three simpler and broader classes of needs and called it as ERG theory of motivation (Existence, Relatedness & Growth).

- **Existence needs**- These include need for basic material necessities. In short, it includes an individual's physiological and physical safety needs.
- **Relatedness needs**- These include the aspiration individual's have for maintaining significant interpersonal relationships (be it with family, peers or superiors), getting public fame and recognition. Maslow's social needs and external component of esteem needs fall under this class of need.
- **Growth needs**- These include need for self-development and personal growth and advancement. Maslow's self-actualization needs and intrinsic component of esteem needs fall under this category of need.