



VELS



INSTITUTE OF SCIENCE, TECHNOLOGY & ADVANCED STUDIES (VISTAS)
(Deemed to be University Estd. u/s 3 of the UGC Act, 1956)
PALLAVARAM - CHENNAI
INSTITUTION WITH UGC 12B STATUS

DCBBA-22

Human Resource Management



B.Com, BBA
ODL MODE
[Semester Pattern]

School of Management Studies and Commerce
Centre for Distance and Online Education
Vels Institute of Science, Technology and Advanced Studies (VISTAS)
Pallavaram, Chennai - 600 117

**Vels Institute of Science, Technology
and Advanced Studies**

Centre for Distance and Online Education

BBA & B.Com- ODL Mode

(Semester Pattern)

DCBBA-22 : Human Resource Management

(4 Credits)

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February 2024 (First Edition- Updated)

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Printed at:

FOREWORD



Dr. Ishari K Ganesh
Chancellor

Vels Institute of Science, Technology and Advanced Studies (VISTAS), Deemed-to-be University, was established in 2008 under section 3 of the Act of 1956 of the University Grants Commission (UGC), Government of India, New Delhi.

VISTAS has blossomed into a multi-disciplinary Institute offering more than 100 UG & PG Programmes, besides Doctoral Programmes, through 18 Schools and 46 Departments. All the Programmes have the approval of the relevant Statutory Regulating Authorities such as UGC, UGC-DEB, AICTE, PCI, BCI, NCTE and DGS.

Our University aims to provide innovative syllabi and industry-oriented courses, and hence, the revision of curricula is a continuous process. The revision is initiated based on the requirement and approved by the Board of Studies of the concerned Department/School. The courses are under Choice Based Credit Systems, which enables students to have adequate freedom to choose the subjects based on their interests.

I am pleased to inform you that VISTAS has been rendering its services to society to democratize the opportunities of higher education for those who are in need through Open and Distance Learning (ODL) mode.

VISTAS ODL Programmes offered have been approved by the University Grants Commission (UGC) – Distance Education Bureau (DEB), New Delhi.

The Curriculum and Syllabi have been approved by the Board of Studies, Academic Council, and the Executive Committee of the VISTAS, and they are designed to help provide employment opportunities to the students.

The ODL Programme [B.Com., BBA , B.A(Hons)-Economics and B.A(Hons)-English] Study Materials have been prepared in the Self Instructional Mode (SIM) format as per the UGC-DEB (ODL & OL) Regulations 2020. It is highly helpful to the students, faculties and other professionals. It gives me immense pleasure to bring out the ODL programme with the noble aim of enriching learners' knowledge. I extend my congratulations and appreciation to the Programme Coordinator and the entire team for bringing up the ODL Programme in an elegant manner.

At this juncture, I am glad to announce that the syllabus of this ODL Programme has been made available on our website, www.vistascdoe.in, for the benefit of the student community and other knowledge seekers. I hope that this Self Learning Materials (SLM) will be a supplement to the academic community and everyone.

CHANCELLOR

FOREWORD



Dr.S.Sriman Narayanan
Vice-Chancellor

My Dear Students!

Open and Distance Learning (ODL) of VISTAS gives you the flexibility to acquire a University degree without the need to visit the campus often. VISTAS-CDOE involves the creation of an educational experience of qualitative value for the learner that is best suited to the needs outside the classroom. My wholehearted congratulations and delightful greetings to all those who have availed themselves of the wonderful leveraged opportunity of pursuing higher education through this Open and Distance Learning Programme.

Across the World, pursuing higher education through Open and Distance Learning Systems is on the rise. In India, distance education constitutes a considerable portion of the total enrollment in higher education, and innovative approaches and programmes are needed to improve it further, comparable to Western countries where close to 50% of students are enrolled in higher education through ODL systems.

Recent advancements in information and communications technologies, as well as digital teaching and e-learning, provide an opportunity for non-traditional learners who are at a disadvantage in the Conventional System due to age, occupation, and social background to upgrade their skills.

VISTAS has a noble intent to take higher education closer to the oppressed, underprivileged women and the rural folk to whom higher education has remained a dream for a long time.

I assure you all that the Vels Institute of Science, Technology and Advanced Studies would extend all possible support to every registered student of this Deemed-to-be University to pursue her/his education without any constraints. We will facilitate an excellent ambience for your pleasant learning and satisfy your learning needs through our professionally designed curriculum, providing Open Educational Resources, continuous mentoring and assessments by faculty members through interactive counselling sessions.

VISTAS, Deemed- to- be University, brings to reality the dreams of the great poet of modern times, Mahakavi Bharathi, who envisioned that all our citizens be offered education so that the globe grows and advances forever.

I hope that you achieve all your dreams, aspirations, and goals by associating yourself with our ODL System for never-ending continuous learning.

With warm regards,

VICE-CHANCELLOR

Course Introduction

The **DCBBA-22: Human Resource Management** Course has been divided into five Blocks consisting of 16 Units.

The Block-1: Introduction to Human Resource Management and has been divided into three Units. Unit-1 describes the Changing Social Context and Emerging Issues, Unit-2 explains about the concept and functions of Human Resource Management and the Unit-3 explains about the structuring of Human Resource Management.

The Block-2: Getting Human Resources has been divided into four Units. Unit-4 describes about to job analysis and job design, Unit-5 includes the Human Resource Planning, Unit-6 explains about the concept of attracting the Talent: Recruitment, Selection, Outsourcing and the Unit-7 explains about the Socialization, Mobility and Separation.

The Block-3: Performance management and potential assessments has been divided into four units. Unit-8 explains about the concepts of competency mapping, Unit- 9 explains about the Performance Planning and Review, Unit-10 deals with Performance Appraisal, Evaluation Focuses and Profession and Progression Development and the Unit-11 describes about the HR Measurement and Audit.

The Block-4: Human Resource Development has been divided into three Units. Unit-12 explains the meaning and concepts of Human Resource Development System, Unit-13 deals with the Training and methods of training and the Unit-14 describes about the meaning, Mentoring and Performance Coaching.

The Block-5: Employee Welfare and Reward Management has been divided into two Units. Unit-15 explains about the concepts of Laws Covering Wages, Welfare and Benefits. Unit-16 discuss with the meanings, definitions and concepts of Reward Management.

DCBBA-23: Human Resource Management

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Block-1: Introduction

Block-1: Human Resource Management Background and Concepts has been divided in to three Units (Unit-1 to Unit-3).

Unit-1: The Changing Social Context and Emerging Issues deals with the Introduction, Meaning of Human Resource Management, Definitions of HRM, Concepts of HRM, The Altering Role of HRM, Handling Human Resources in the developing Scenario, HRM in India and Guidelines for Better HRM.

Unit-2: The Concept and Functions of Human Resource Management explains about Introduction, Concept of HRM, Objectives of HRM and Human Resource Functions.

Unit-3: Structuring Human Resource Management discuss with the **Evolution** of HRM, Importance of HRM, Scope of HRM, Perspectives on HRM and the Components of HRM.

In all the units of Block -1 **Human Resource Management Background and Concepts**, the Check your progress, Glossary, Answers to Check your progress and Suggested Reading has been provided and the Learners are expected to attempt all the Check your progress as part of study.

Unit-1

The Changing Social Context and Emerging Issues

STRUCTURE

Overview

Objectives

1.1. Introduction

1.2. Meaning of Human Resource Management

1.3. Definitions of HRM

1.4. Concepts of HRM

1.5. The Altering Role of HRM

1.6. Handling Human Resources in the developing Scenario

1.7. HRM in India

1.8. Guidelines for Better HRM

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

In this unit, we study about Human Resource Management and the meanings, definitions of Human Resource Management. The Concepts of HRM are discussed and the changing role of HRM, managing Human Resources in the emerging scenario, HRM in India and Guidelines for better HRM.

Objectives

After covering this unit, you can be able to:

- recognise the significance and thought of HRM;
- describe the emerging scenario of HRM;
- discuss the challenges of HRM; and
- explain the HRM position in India.

1.1. Introduction

By revolution of financial surroundings, the facts discharge, advances in technology and the intensely cutthroat all-encompassing and household markets have founded excessive pressure on organisation to change or decay. Against this disputing sketch, by preference or default a new era of human talent administration practices and knowledge is arising and arrogant importance in up-to-date organizations.

1.2. Meaning of Human Resource Management

Human Resource Management (HRM) is a practice of inducing populating and arranging together because the aims of each are join. It is that undetermined the administration process that is engaging attention the administration of workforce in an arranging. According to Glueck and Invancevich, "HRM is regard ultimate persuasive use of community to attain administrative and individual aims. It is a habit of directing people working, because they present their best to the arrangement."

1.3. Definitions of HRM

Human Resource Management is the process of conscription, draft of employee, providing decent adjustment and initiation, providing correct training and the expanding abilities, appraisal of employee (accomplishment of estimation), providing correct compensation and benefits, instigating, asserting decent connections with labor and accompanying business unions, asserting employee's security, prosperity and fitness by complying accompanying labor standards of concern state or country.

Many excellent philosopher had defined human means administration indifferent ways and accompanying various dispute, but the gist meaning of the human property administration is by means of what to manage family or agents in the arrangement.

According to Byars and Rue, "HRM encompasses those projects that are planned to deal with coordinate the workforce of organizational".

According to Invancevich and Glueck, "HRM is engaging attention ultimate direct use of people to obtain administrative and individual aims".

According to Edwin Flippo, HRM as "planning, systematizing, addressing, ruling of obtainment, development, repayment, unification, perpetuation and separation of workforce completely that individual, administrative and social goals are reached."

1.4. Concepts of HRM

Numerous communities view HRM as an ambiguous and unfamiliar concept, which can be attributed to the differing interpretations presented in literature and resources regarding human resource management. HRM is founded on the notion that human resources are crucial for the sustained growth of a business, and involves effectively attracting and utilizing skilled individuals to achieve specific goals, ultimately leading to a competitive advantage. The focus of HRM is on recruiting capable and committed individuals, managing and incentivizing their performance, and developing critical skills.

1.5. The Altering Role of HRM

In an organization, there are individuals with diverse physical and personal characteristics, such as height, weight, age, race, and personality traits. It is important to consider these differences in order to maximize each individual's potential, as well as the overall impact of the organization. HR managers today face the challenge of identifying and nurturing talent in a way that results in significant productivity gains. This requires a focus on the human element, as technological advancements, globalization, industry changes, data-driven decision making, and a shift towards service-oriented businesses have drastically altered the playing field. In order to stay competitive, organizations must manage their workforce effectively. The role of the HR director has evolved from that of a protector and gatekeeper to that of a strategist and change agent. In today's competitive world, highly skilled and committed employees are often the key to a company's success.

1.6. Handling Human Resources in the Developing Scenario

- One of the main duties of the up-to-date HR organizer search out take belongings done through folk.
- He has to cause clerks into trade the organization as though the aims of two together groups are completed.
- He must be interested in people as political whole, whole and the realization of appointed objectives.
- To be direct, he must balance welcome concerns for public and work.

1.7. HRM in India

The Dynamics of Personnel/Human Resource Management (P/HRM) P/HRM (two together conditions used correspondently) is a active

discipline as it generally handles always- changing work backgrounds, from public having different educational, social and scrupulous practices, different goals, diverse beliefs and stances. The personnel setting itself has happened changing completely severely over the age.

Changing Responsibilities Role of Human Resource

Social Factors

Human Resource (HR) managers have recognized the significance of running their companies with a strong ethical foundation and being accountable for their actions. In situations where unemployment rates are high in a particular area, HR managers can consider employing individuals who are trainable but may not have the necessary skills. This can contribute to reducing unemployment and provide individuals with opportunities for growth. Additionally, if a company only employs people with skills, they may miss out on potential customers who are unemployed and unable to afford their goods or services. Moreover, companies are under increasing scrutiny to ensure their business practices are ethical and socially responsible.

Local and Governmental Factors

Until the end of 1940s, governments all over the world lacked the urgency or the motivation to address issues relating to the emergence of workers in the manufacturing sector. However, the presumption that government is in charge of contemporary and financial acts was not sufficiently supported by the need for governmental obstruction. The rise of issues on the contemporary front, such as labour union motion, dissatisfaction with many employers' failure to treat workers fairly, failure to meet plan objectives, and so forth, put pressure on the governments to mediate harsh property administration and pass various labour legislation. As a result, the Indian government has also made public information on a complicated set of regulations that apply to a particular area or group of people about the enrollment strategies of the institutions.

Unions

Unions have grown stronger as the Industrial Revolution has progressed. These organisations currently make up a portion of the capacity blocks in several nations, including India. The concerns relating to labourer interests are no longer dependent on the concerned with one side conduct of management thanks to the development and recognition of these organisations. These ought to be continually discussed with merger lawmakers. Additionally, unions now place more emphasis on

political pressures than on business-related measures. In order to attain their goals in addition to using the more conventional behaviour, the unions have so gradually adapted to governmental functioning. As a result, the scope of administrative discretion in organisational endeavours has been streamlined.

Workforce Diversity

The position that exists when employees differ from one another in regards to adult, gender, race, education, etc. is known as diversity involved in HRM. Workforce diversity refers to the idea that organisations are diversifying their workforces in terms of gender, race, and ethnicity.

In India, the makeup of the skilled labour force is constantly shifting (Table 2). Employees are not yet drawn to the safe, lower-paying, routine, and predictable tasks supplied by each public subdivision and other administration-owned and controlled institutions, thanks to the appearance of for-profit firms. Due to better treatment and health management, the number of elderly clerks has increased immediately. In order to study, use, and build new initiatives in emerging industries like lubricant, telecom, protection, large private sector corporations have existed.

Table 2: Young vs Old Workforce

Young	Old
Inexperienced	Challenging
Impulsive	Traditional
Inpatient	Go by the rule book
Unethical / Not always ethically conscious	Workaholic Inflexible
Selfish	Prefer safe, steady work environments, less risky activities
Manipulative	

Table 3: Minority Groups, Reserved Category Employees in India

✓ Scheduled costs and scheduled tribes (SCs & STs) Other backward castes (OBCs)
✓ Sans of the soil
✓ Ex-Defence and Para-military personnel Physically disabled
✓ Displaced persons (DPs) Gender issues
✓ Contract labour Child labour

Through a recent administration notification, the age restriction for SCs and STs has been extended for another 10 years, commencing at 2,000,

in all public area projects. For one Vajpayee-led BJP administration, the list of OBCs was nonetheless promptly expanded in order to provide longer employment benefits to various social groups that had previously been disregarded. The sons of the soil approach ensures the assignment of lower level duties with definite classification to locals with the recommendation of preferred foreigners. Shiv Sena, for instance, has been a strong proponent of this system ever since its inception as a political force in Maharashtra. The guest who has acquired their land/apartment sites, etc. (Essar Steel, Reliance, etc.) for construction industries/production conveniences also favours displaced men for lower level roles that are declared.

1.8. Guidelines for Better HRM

Following are few guidelines for better HRM.

a) Develop People

Smart employers recognize that having a large and healthy workforce is crucial for the success of their organization. Increasingly, employees are seeking out employers who not only offer competitive salaries but also invest in their professional development and well-being. In order to retain top talent, it is important for organizations to address issues such as underutilization, lack of training and development, and ineffective management. As noted by J. Sterling Livingston, effective managers play a critical role in developing and supporting their subordinates. Despite this, many organizations have yet to fully address these issues. Moving forward, it is important for employers to focus on creating opportunities and providing support for their workforce to ensure long-term success. Grooming Future Talent

According to Murphy, having strong analytical and idea-generating skills, as well as self-confidence, can give graduates an advantage in the job market. However, the field of Human Resources (HR) is expanding beyond the belief that having a degree is a necessary starting point for success. Many people do not attend university for various reasons, and it is the responsibility of HR professionals to provide opportunities for individuals to develop their skills and abilities.

To achieve this goal, HR professionals must engage in careful planning to determine the specific training needs of employees. Rather than treating training as a routine annual event, the focus should be on providing relevant and meaningful courses that enhance employees' capacity to meet current and future job requirements. This approach can help employees develop their skills and advance in their careers,

regardless of whether or not they have a college degree.

b) Employees Deployment

Internal talent promotion is highly advantageous for employees as they are equipped with skills and knowledge that can be applied across various domains within the organization, resulting in quick organizational growth and deployment of employees to new projects or components. This approach is particularly beneficial for salespeople as multi-skilling enhances their value as employees. Offering such growth opportunities motivates and inspires employees. Therefore, investing in such arrangements can be beneficial for businesses looking to hire and retain talented staff members.

c) Build Employee Communities

Segmentation is a common practice among organizations that aims to cultivate a strong internal talent community. By creating opportunities for employees to communicate their needs and preferences, companies can develop more personalized relationships with their workforce, leading to higher job satisfaction and increased retention rates. Furthermore, recruitment efforts should not only focus on attracting new talent, but also provide opportunities for current staff members to continue to grow and develop their skills. This approach can be highly cost-effective and foster greater trust and confidence among existing employees. Ultimately, this can lead to increased productivity and more positive outcomes for the organization as a whole

d) Turn Managers into Coaches

The time has arrived when every employee wishes to improve their 24 reward golden for welcoming future safety perspective. Even when one joins with the intention of pursuing an MBA, he has absolutely no experience. This means that intelligent people who lack expertise must hire a private coach in order to succeed in work and handle the related earliest questions. Although support is offered at the customer, personal coaches act as personal advocates for their clients. Great private coaches succeed at helping the nation help itself. They provide the population with insightful awareness of themselves. They give both good and negative news to the ruling elite. They assist the populace in believing that they are more enthusiastic. They provide people practical solutions to aid in the growth of bureaucracy.

Let Us Sum Up

In this unit, you have learned about the following:

Through restaurant-style benefits programmes, HRM endure opposition to elder care, long-term freedom/care, and additional friendly needs, which are essential for ability memory in agreements. These benefit packages allow individuals to define their own needs and create custom perks. Certain initiatives appeal to employees because they give them permission to maximise the value of the benefits an employer provides. These plans are relatively simple for HR to implement, and once they are, there is almost no additional management required. Winning the battle for talent necessitates winning over the hearts of workers and their offspring, a battle that arrangements must verbally wage step in ahead of their favourites in winning over their families.

Check Your Progress

1. Human Resource Department are _____.
 - a. line departments
 - b. authority department
 - c. service department
 - d. functional department
2. What is human factor?
 - a. Micro and macro issues of socioeconomic factor.
 - b. Interrelated Physiological, Psychological and Socio-ethical aspects of human being.
 - c. The entire concept of human behaviour
 - d. None of the above.
3. Job Analysis is a systematic procedure for securing and reporting information defining
 - a. specific job
 - b. specific product
 - c. specific service
 - d. all of these
4. What are the factors responsible for the growth of HRM?
 - a. Development of scientific management and awakened sense of social responsibility.
 - b. The problem of how the available human resource could effectively minimise the cost and maximise the production.

- c. Technical factors, awakening amongst workers, attitude of the government, cultural and social system.
 - d. All the above.
5. Which among the followings describe the skills that are available within the company?
- a. Human Resource inventory
 - b. HRIS
 - c. Skills inventory
 - d. Management inventories

Glossary

Human Resources (HR) is the disconnect of a trade, which includes screening, gathering, and preparing job applicants, as well as carrying out representative-benefit programmes.

Management: It is the creative completion of tasks using available options.

Answers to Check Your Progress

1. c.
2. b.
3. a.
4. c.
5. a.

Suggested Readings

1. Aswathappa, K., & Dash, S. (2020). International Human Resource Management|. McGraw-Hill Education.
2. Gupta. S.C, (2009) Advanced Human Resource Management, Strategic Perspective, ANE Books Pvt. Ltd, New Delhi.

Unit-2

The Concept and Functions of Human Resource Management

STRUCTURE

Overview

Objectives

2.1. Introduction

2.2. Concept of HRM

2.3. Objectives of HRM

2.4. Human Resource Functions

2.5. Recruitment and Selection Processes

2.6. Job Analysis and Job Design:

2.7. Employee Training and Development:

2.8. Performance Management:

2.9. Compensation and Benefits Management

2.10. Employee Relations:

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

In this unit, we study about Human Resource Management and the meanings, definitions of Human Resource Management. The Concepts of HRM are discussed and the changing role of HRM, managing Human Resources in the emerging scenario, HRM in India and Guidelines for better HRM.

Objectives

After reading this unit, you should be able to:

- Understand the meaning and concept of human resource management; and
- Explain the functions of HR, and the responsibilities and new roles of HR practitioners.

2.1. Introduction

HRM is based on four fundamental principles. Firstly, an organization's employees are its most valuable asset, and effective management of this asset is crucial for the organization's success. Secondly, the organization can realize the benefit of its workforce by coordinating its group tactics and processes to support the achievement of shared goals and vital plans. Thirdly, the organization's associated values, organizational culture, and managerial behavior that emanate from the above principles will significantly impact its success.

2.2. Concept of HRM

Human Resource Management (HRM) plays a crucial role in the recruitment, motivation, growth, and management of employees within an organization. HRM involves developing a high level of expertise in related areas while emphasizing and supporting the core ideas driving the organization's activities and ensuring its progress. HRM is proactive and responsive, anticipating needs and taking action before issues arise, such as recruitment, compensation, training, and managing employee relations. While it builds on traditional personnel management duties such as workforce planning, recruitment, selection, assessment, compensation, training, and administration, it is also concerned with behavioural skills and staff administration. HRM is a scientific process that continually enables employees to improve their skills and capabilities to perform their current and future roles while meeting the organization's objectives and employees' needs. The HRM model is employee-centric, with a focus on maximizing individual abilities and motivation.

The Concept and Functions of Human Resource Management

1. The appendages of an organisation are reservoirs of new money.
2. There is outlook for complete development of these possessions.
3. It is more in the type of self-growth than happening thrust from outside.
4. The organisation still sees incident accompanying the overall benefits in addition to the development of allure appendages.
5. The organisation further expands a breeding at which point maximum importance is established on harmonious superior-subordinate connections, collaboration, cooperation between various groups of things, open ideas, and most importantly, unification of the goals of the organisation accompanying the needs of the attendants.

6. Top administration takes the action for HRM, formulates inevitable plans and actions, and builds an overall environment and support for allure implementation.

The management of human resources is more of an art than a science. In practice it is an “art” full of pitfalls, judgment calls, and learning from past mistakes.

Table 1: Some Basic Assumptions Underlying Traditional Personnel Function and HumanResources System

Traditional Personnel Function (TPF)	Human Resource Development(HRD)
<ol style="list-style-type: none"> 1. is an independent function 2. There are several sub-functions under TPF 3. The main task of TPF is to respond effectively to the demands (coping role) 4. TPF has the main responsibilities for their personnel matters 5. The main responsibilities of TPF relate to salary and job administration, and management of people and their development 6. The major attention of TPF is on personnel administration or management 7. Personnel system and procedures should be designed to achieve maximum efficiency 8. People in an organisation are motivated mainly by salary and rewards 	<ol style="list-style-type: none"> 1. HRD is a sub-system of a larger system (organisation) 2. HRD is an organic whole: All the parts are interlinked 3. The main task of HRD is to develop enabling capabilities (proactive role) 4. All managers irrespective of functions share the responsibility of human resource functions 5. The responsibilities of HRS relate to HRS, people, systems, and the process of the total organization 6. The major attention of HRS is on developing people and their competencies 7. HR systems and procedures should be designed on the basis of process values to reduce human wastage 8. People are primarily motivated by challenges and opportunities for development and creativity

2.3. Objectives of HRM

The basic objective of HRM search out guarantee the chance of able and agreeable workforce to an organisation. Apart from this, skilled are additional aims also. Specifically, HRM goals are four fold: pertaining to society, organisational, working, and private.

Societal Objectives

It is pertaining to society goals are culturally and justly responsible for the needs and challenges of humankind. While achievement so, they should underrate the negative impact of aforementioned demands upon the organisation. The deficiency of organisations to use their money for institution's benefit in righteous habits grant permission bring about restrictions.

Organisational Objectives

Its organisational aims recognise the duty of human source administration in causing success organisational influence. Human capital administration is not an end essentially; it is only a wealth to assist the organisation accompanying its basic aims. Simply established the human system area survives to do the rest of the organisation.

Functional Objectives

Functional goals try to uphold the area's offering at a level from the organisation's needs. Human resources are to be adopt suit the organisation's demands. The area's level influential must be tailor-made to fit the organisation it serves.

Personal Objectives

Personal goals assist staff members in reaching their individual aims, not completely in view of the fact that these aims enhance the individual's offering to the organisation. Personal aims of clerks must be join if they search out be claimed, kept and instigated. Otherwise, clerk act and vindication may decline bestowing make even engage

Table 2: HRM Objectives and Functions

HRM Objectives	Supporting Functions
1. Societal Objectives	1. Legal compliance 2. Benefits 3. Union-management relations
2. Organisational Objectives	1. Human resource planning 2. Employee relations

	3. Selection 4. Training and development 5. Appraisal 6. Placement 7. Assessment
3. Societal Objectives	1. Appraisal
	2. Placement
	3. Assessment
4. Organisational Objectives	1. Training and development
	2. Appraisal
	3. Placement
	4. Compensation
5. Functional Objectives	5. Assessment
6. Personal Objectives	

Source: William B. Werther, Jr., and Keith Davis, Human Resources and Personnel Management, p. 15.

2.4. Human Resource Functions

The duty of human capital management search out plan, evolve, and execute tactics and programmes designed to form immediate use of an organisation's workforce.

It is that few management that is regard people as political whole working and with their friendship inside a resourcefulness.

Its goals are: (1) the effective utilisation of workforce; (2) seductive occupied connections among all appendages of the organisation; and (3) maximum individual incident. The important working areas cruel property administration are: (1) preparation, (2) staffing, (3) employee growth, and (4) clerk sustenance. These four districts and their related functions share the accepted objective of an able number of able representatives with the abilities, talents, information, and knowledge needed for further organisational aims.

Although each human capability function maybe filling a place one of the four extents of group accountability few functions serve a sort of purposes. For example, acting judgment measures do to stimulate and guide clerk growth in addition to payroll administration purposes.

The repayment function expedites memory of operators and also serves to entice potential agents to the organisation.

The Concept and Functions of Human Resource Management

Personnel Research: All organization people undertake few form of research actions. In a good research approach, the object search out get inside information and facts about crew article in order to evolve and assert a programme that everything. It is hopeless to run a personnel programme outside few pre-preparation and post-inspecting. For that matter, any survey is, in theory, research. There is a expansive purview for research in the regions of recruitment, attendant change, terminations, preparation, thus. Through a well-designed stance survey, laborer belief maybe gathered on compensations, publicities, prosperity aids, working environments, task freedom, guidance, industrial relations, and so forth. In spite of allure significance, nevertheless, in most parties, research is ultimate ignored extent because troop population are also active putting out fires.

HR professionals have a comprehensive part. They are necessary to have all-encompassing knowledge of the organisation and allure complications and complicatedness. The greatest goal of each HR character bear search out develop a relation between the operator and the organisation cause the employee's assurance to organisation is critical. The for the most part duty of HR functionary search out give unending instruction to employees about the changes and challenges binding the country usually, and their organisation exceptionally. The operators should hear about their financial statement including gains and losses for a period, businesses progress, variety plans, restructuring plans, sharp price motions, change and so forth specific details. The HR pros bear give instruction to all employees through narrow booklets, broadcast films, and lectures.

The basic trustworthiness of a human source executive are:

- To develop an all-encompassing information of allied sophistication, plans and tactics.
- To present image of a within change agent and specialist.
- To introduce change and symbolize an expert and planner.
- To energetically include himself in company's strategy expression.
- To hold ideas lines open betwixt the HRD function and things and groups two together inside and outside the organisation.
- To identify and progress HRD blueprints in accordance with overall trade approach.

- To expedite the growth of various organisational crews and their active connection accompanying added crews and things.
- To try and relate community and work because the organisation goals are worked out efficiently and capably.
- To diagnose questions and to decide appropriate resolution specifically in the workforce extents.
- To determine co-ordination and social work for the childbirth of HRD programmes and duties.
- To judge the impact of an HRD invasion or to conduct research so concerning label, develop or test by what method HRD usually has revised individual or organisational accomplishment.

The following are the nine new duties of HR expert as submitted by Pat McLegan:

1. To bring the issues and flows having to do with an organisation's extrinsic and within nation to the consideration of strategic conclusion-creators, and to advise unending methods to support organisational superiority and lastingness.
2. To design and prepare HR plans and conduct for exercise because they can produce maximum affect organisational efficiency and growth.
3. To facilitate the incident and exercise of methods for transferring one's own organisation by ensuing principles and visions.
4. To found the most unwrinkled flow of production and aids to consumers; to guarantee best choice and most flexible use of money and abilities; and to constitute obligation with people as political whole the one help us to meet customers' needs either those public work straightforwardly for the organisation a suggestion of correction.
5. To label knowledge needs and before design and develop organized education programmes and matters to help hasten education for things and groups.
6. To help individuals and groups introduce new positions and to extend and change their views because community in capacity move from authoritarian to participative models of guidance.
7. To help people evaluate their abilities, principles, and aims for fear that they can label, plan, and implement growth actions.
8. To assist things to increase advantage in the business and to

devote effort to something the attacks and social skills for allowance population change and endure change.

9. To evaluate HRD practices and programmes and their impact and to ideas results because the organisation and its society advance their change and incident.

2.5. Human Resource Planning

1. Forecasting Human Resource Needs:

Forecasting human resource needs involves analyzing current and future organizational requirements to determine the quantity and quality of employees needed to achieve strategic objectives. This process considers factors such as business growth, workforce demographics, technological advancements, and changes in market conditions. HR professionals use various techniques like trend analysis, workforce modeling, and scenario planning to forecast HR needs accurately.

2. Recruitment and Selection Strategies:

Recruitment and selection strategies are critical for attracting and hiring the right talent. HR develops strategies to identify potential candidates, such as utilizing job boards, social media, employee referrals, and recruitment agencies. Selection processes involve screening resumes, conducting interviews, and administering assessments to evaluate candidates' skills, qualifications, and cultural fit. The goal is to hire candidates who align with the organization's values, culture, and job requirements.

3. Succession Planning:

Succession planning is a strategic process that identifies and develops internal talent to fill key leadership and critical roles within an organization. HR identifies high-potential employees, assesses their skills, and provides training and development opportunities to prepare them for future roles. Succession planning ensures organizational continuity by grooming internal talent for leadership positions, reducing the risk of talent gaps, and promoting employee engagement and retention.

4. Talent Management:

Talent management involves attracting, developing, and retaining top talent to drive organizational success. HR implements talent management strategies such as performance management, career development, and leadership development programs to nurture

employee potential and maximize performance. Talent management initiatives aim to create a pipeline of skilled and engaged employees who contribute to the organization's growth and competitiveness.

2.6. Job Analysis and Job Design:

1. Job Analysis Methods:

Job analysis methods involve systematically gathering and analyzing information about job roles, tasks, and requirements. HR uses methods such as interviews, questionnaires, observations, and job shadowing to identify job duties, responsibilities, and qualifications. Job analysis helps HR develop accurate job descriptions, job specifications, and competency frameworks used for recruitment, training, and performance management.

2. Job Description and Job Specification:

A job description outlines the duties, responsibilities, qualifications, and expectations associated with a particular job role. It provides essential information for recruitment, selection, and performance management processes. Job specifications detail the knowledge, skills, abilities, and qualifications required for successful job performance, helping HR match candidates' capabilities with job requirements effectively.

3. Job Design Approaches:

Job design involves structuring and organizing job tasks, roles, and responsibilities to enhance employee performance and satisfaction. HR adopts various job design approaches such as job enrichment, job enlargement, job rotation, and job crafting to optimize job roles and promote employee motivation and engagement.

4. Job Enrichment and Job Rotation:

Job enrichment involves enriching job roles with additional responsibilities, autonomy, and decision-making authority to provide employees with opportunities for growth and development. Job rotation involves periodically rotating employees across different job roles and departments to broaden their skills and knowledge. These approaches enhance employee satisfaction, motivation, and skill development while reducing monotony and boredom in the workplace.

2.7. Employee Training and Development:

1. Training Needs Assessment:

Training needs assessment involves identifying skill gaps and training requirements among employees. HR conducts surveys, interviews, and performance evaluations to determine training needs and prioritize learning objectives. Training needs assessment ensures that training programs are targeted, relevant, and aligned with organizational goals and employee development needs.

2. Training Methods and Techniques:

HR utilizes various training methods and techniques to deliver effective learning experiences to employees. These include classroom training, e-learning, on-the-job training, workshops, seminars, and simulations. Training methods are selected based on factors such as the nature of the content, learning preferences, and resource availability to ensure optimal knowledge retention and skill acquisition.

3. Employee Development Programs:

Employee development programs focus on enhancing employees' skills, knowledge, and competencies to support their career growth and advancement within the organization. HR designs and implements development initiatives such as mentoring, coaching, job rotations, and leadership development programs to nurture talent and build a pipeline of future leaders.

4. Career Development and Pathing:

Career development and pathing initiatives help employees identify career goals, explore development opportunities, and plan their career trajectories within the organization. HR provides resources, guidance, and support to employees to develop their skills, pursue advancement opportunities, and achieve their career aspirations. Career development programs foster employee engagement, loyalty, and retention by demonstrating the organization's commitment to employee growth and professional development.

2.8. Performance Management:

1. Performance Appraisal Systems:

Performance appraisal systems involve evaluating employees' job performance against predefined goals, standards, and expectations. HR designs performance appraisal processes, establishes

performance metrics, and conducts performance reviews to provide feedback, assess performance, and identify areas for improvement. Performance appraisals help align individual performance with organizational objectives, recognize achievements, and support employee development and career progression.

2. Setting Objectives and Key Performance Indicators (KPIs):

HR collaborates with managers and employees to set clear, measurable objectives and key performance indicators (KPIs) aligned with departmental and organizational goals. Objectives and KPIs provide a framework for evaluating performance, tracking progress, and measuring results. Well-defined objectives and KPIs ensure transparency, accountability, and focus on achieving desired outcomes.

3. Feedback and Coaching:

Feedback and coaching are essential components of performance management aimed at providing employees with constructive feedback, guidance, and support to improve their performance. HR facilitates regular feedback sessions between managers and employees, encourages open communication, and provides training and resources to develop managers' coaching skills. Feedback and coaching promote employee engagement, motivation, and continuous improvement.

4. Performance Improvement Plans:

Performance improvement plans (PIPs) are structured interventions designed to address performance deficiencies and support employees in meeting performance expectations. HR collaborates with managers and employees to develop PIPs outlining specific goals, timelines, and support mechanisms to help employees improve their performance. PIPs provide a roadmap for performance enhancement, clarify expectations, and facilitate ongoing performance management discussions.

2.9. Compensation and Benefits Management:

1. Wage and Salary Administration:

Wage and salary administration involves developing and managing compensation structures, policies, and practices to attract, retain, and motivate employees. HR conducts market research, evaluates job roles, and establishes competitive salary ranges and pay scales based on industry benchmarks, labor market trends, and internal

equity considerations. Wage and salary administration ensure fair and equitable compensation practices aligned with organizational goals and budgetary constraints.

2. Incentive Compensation:

Incentive compensation programs incentivize employees to achieve specific performance targets and goals beyond their regular salary or wages. HR designs and administers incentive compensation plans such as bonuses, commissions, profit-sharing, and stock options to reward employees for their contributions to organizational success. Incentive compensation programs align employee efforts with business objectives, drive performance, and promote a culture of meritocracy and performance excellence.

3. Employee Benefits Programmes:

Employee benefits programs include non-monetary rewards and perks provided to employees in addition to their salary or wages. HR designs and administers benefits programs such as health insurance, retirement plans, paid time off, and wellness initiatives to enhance employee well-being, satisfaction, and work-life balance. Employee benefits programs contribute to employee recruitment, retention, and engagement while supporting employees' physical, emotional, and financial needs.

4. Pay Equity and Fair Compensation Practices:

Pay equity and fair compensation practices ensure that employees receive fair and equitable compensation for their contributions regardless of gender, race, ethnicity, or other protected characteristics. HR conducts regular pay equity audits, analyzes pay differentials, and addresses any disparities to ensure compliance with legal requirements and promote fairness and equality in compensation practices. Pay equity and fair compensation practices foster trust, fairness, and inclusivity in the workplace, enhancing employee morale and organizational reputation.

2.10. Employee Relations:

1. Employee Engagement Strategies:

Employee engagement strategies aim to foster a positive work environment, cultivate employee commitment, and enhance organizational performance. HR develops initiatives such as communication programs, employee recognition, team-building activities, and wellness programs to boost employee morale,

motivation, and job satisfaction. Employee engagement strategies promote a sense of belonging, pride, and ownership among employees, leading to higher productivity and retention rates.

2. Conflict Resolution and Grievance Handling:

Conflict resolution and grievance handling processes provide employees with mechanisms to address workplace conflicts, disputes, and grievances effectively. HR establishes procedures for resolving conflicts through mediation, arbitration, or formal grievance channels, ensuring fair and impartial resolution of issues. Conflict resolution and grievance handling promote a positive work environment, preserve employee relationships, and prevent escalations that could impact morale and productivity.

3. Workplace Diversity and Inclusion:

Workplace diversity and inclusion initiatives aim to create a culture that values and respects individual differences, perspectives, and contributions. HR develops diversity and inclusion programs, training, and policies to foster an inclusive work environment, prevent discrimination, and promote diversity awareness and acceptance. Workplace diversity and inclusion initiatives enhance employee engagement, innovation, and creativity while fostering a culture of respect, collaboration, and belonging.

2.10.4. Employee Wellness Programs:

Employee wellness programs promote employees' physical, mental, and emotional well-being by providing resources, support, and activities to maintain a healthy lifestyle. HR designs and implements wellness initiatives such as fitness programs, stress management workshops, mental health resources, and work-life balance initiatives to support employees' holistic well-being. Employee wellness programs reduce absenteeism, improve productivity, and enhance employee morale and satisfaction.

These detailed explanations provide insights into the fundamental aspects of human resource management, highlighting their importance in attracting, developing, and retaining talent, fostering employee engagement, and driving organizational success.

Activity A

With business going global and competition becoming intense today HR has travelled a long way from its conventional role as a support function to being a strategic business partner in the present technology

leveraged era. Discuss this statement by citing suitable examples from your own organisation.

Let Us Sum Up

In this unit, you have learned about the following:

The workforce of an organisation show one of allure best money. The aims of HRM include obtaining the organisation right, providing active inspiration and guidance, obtaining and expanding the fashionable society, repaying and acting them somewhat, and clutching bureaucracy complicated in working lucratively.

The achievement of these goals makes necessary the performance of various functions. The main HRM arrangements are: (1) judgment structure; (2) career whole; (3) preparation plan; (4) work whole; (5) cultural plan; and (6) self-recurrence method. All methods and sub-schemes of HRM must be organized in the organisation while scene the aims and objectives. This will further mix the purposes and processes and form HRM more meaningful.

Human resources functions are many and different and involve aforementioned belongings as human resource preparation, selecting, selecting, preparation, advocating employees, repayment administration, and boss-representative relations.

In limited organisations, most human support functions are acted by holder or operating managers. Large organisations usually have a human capital or troop area namely responsible for co-ordinating and addressing the human reserve functions.

Successful human support administration is essential to organisational progress and profit. In the light of new challenges, skilled are clues that human resource nation will play a progressively main part in an organisation's long- range planning and administrative endeavors.

Check your Progress

1. Whom does Human relation approach refer to?
 - a. Worker, who should be given humanly treatment at work.

- b. Mutual cooperation between employer and employee in solving the common problems.
 - c. Integration of people into a work situation that motivates them to work together to achieve productivity and also economic, psychological and social satisfaction.
 - d. None of the above
2. Which of the following is a method of collection of information for job analysis?
- a. Questionnaire method
 - b. Ratio analysis
 - c. Optimization models
 - d. Trend analysis
3. _____ provides information on the human attributes in terms of education, skills, aptitudes, and experience necessary to perform a job effectively.
- a. job description
 - b. job specification
 - c. job analysis
 - d. job evaluation
4. Who laid the foundation of HRM practice?
- a. Elton Mayo
 - b. Roethlisberger and Dickinson
 - c. Peter Drucker and Douglas McGregor
 - d. David C. McClelland.
5. How HRM has become a highly specialized job?
- a. It is concerned with obtaining and maintaining a satisfied work force.
 - b. It maximizes the output and satisfaction of the employees.
 - c. Promote group satisfaction and individual development.
 - d. Optimum utilization of man-power by motivation and improving the efficiency.

Glossary

HRM: Human Resource Management (HRM) is a process of bringing people and organizations together so that the goals of each are met. It is that part of the management process which is concerned with the management of human resources in an organization.

Answers to Check Your Progress

1.c

2.a

3.b

4.c

5.c

Suggested Readings

1. Gravely, G., & Fait, M. (2016) Social recruitment in HRM: a theoretical approach and empirical analysis. Emerald Group Publishing.
2. Angela Baron and Michael Armstrong, (2007) Human Capital Management (Achieving Added Value through People), Kegan Page Limited, United States.

Structuring Human Resource Management

STRUCTURE

Overview

Objectives

3.1. Evolution of HRM

3.2. Importance of HRM

3.3. Scope of HRM

3.4. Perspectives on HRM

3.5. Components of HRM

3.6. Strategic HRM

3.7. HRM in the Digital Age

3.8. Diversity, Equity, and Inclusion in HRM

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Any organisation needs financial, material, human, and machine resources in order to operate efficiently. Resources must be gathered, coordinated, and used through human resources in order for them to help an organisation achieve its goals. Additionally, it is crucial to manage human resources effectively. Consequently, Human Resource Management (HRM) has become a crucial role in enterprises.

In this unit, the concept of structuring the Human Resource Management has been clearly explained.

Objectives

After going through this unit, you should be able to:

- trace the evolution of Human Resource Management (HRM);
- discuss the scope and importance of HRM;
- describe different perspectives on HRM; and
- appreciate various components of HRM and their role

3.1. Evolution of HRM

- a) Activities related to HRM have likely been practised for a very long time. Its formal foundation was laid by the innovative work of Peter Drucker and Douglas McGregor in the 1950s. The following processes led to the development of the modern idea of HRM (Gupta, 1997).
- b) a) The Commodity Concept: Personnel management began with the guild system before the industrial revolution. A close-knit group called the guild was in charge of hiring, educating, rewarding, and retaining employees. The concept of labour as a tradeable commodity emerged.
- c) Employees were seen as a factor of production in the same way that land, materials, and machinery were. In order to optimise efficiency, Taylor's scientific management placed a strong emphasis on proper employee selection and training. The Paternalistic Concept: Employees organised together on the basis of their common interest and formed trade unions to improve. Also employers began to provide schemes to workers. Employers assured a fatherly and protective attitude towards their employees.
- d) The Humanitarian Concept: It is predicated on the idea that employees have certain unalienable rights as people, which the employer has a responsibility to uphold. Instead, both social and psychological fulfilment were crucial. Douglas McGregor's Hawthorne Experiments also sparked a lot of interest in workplace human factors issues. This concept of human relations is another name for it.
- e) The Behavioural Human Resource Concept, which sought to analyse and comprehend how people behave in organisations. Under this theory, terms like motivation, group dynamics, organisational climate, organisational conflict, etc. gained popularity. Employees are now viewed as important organisational assets. In order to concurrently accomplish organisational aims and employee aspirations, efforts were undertaken to integrate personnel with the organisation. The emphasis has shifted to managerial techniques. The Emerging Concept: Now employers are considered as partners in industry. They are given share in company's stock membership. Slowly and steadily, HRM is emerging as a discipline.

3.2. Importance of HRM

HRM is the central sub-system of an organisation (Figure 1)

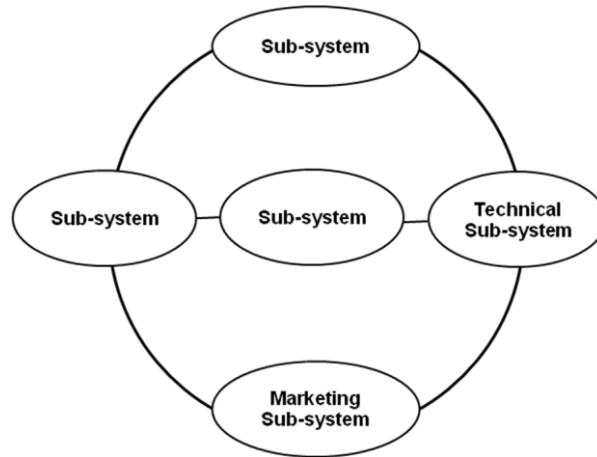


Figure 1: HRM as central subsystem in an organisation Source: Gupta, 1997

HRM interacts closely and continually with all other sub-systems of an organisation since it is the primary sub-system. The HRM sub-system's policies, programmes, and practises have a significant impact on the calibre of employees in all other sub-systems.

The effectiveness of a company is ultimately determined by the calibre of its people resources.

Corporate, professional, social, and national levels can all be used to discuss the value of HRM (Gupta, 1997).

- 1) Importance for an Enterprise: Effective human resource planning, recruitment, selection, placement, orientation, compensation, and promotion policies can help an enterprise attract and retain the necessary talent. This will enable the enterprise to achieve its goals more efficiently and effectively.
 - a) Equipping the workforce with the essential knowledge and attitudes through training, development, performance evaluation, etc.
 - b) Ensuring the employees' ready cooperation through involvement, motivation, handling of grievances, etc.
 - c) Effectively utilising the given human resources.
 - d) Ensuring that the company has a group of capable and devoted personnel in the future.

- 2) Professional Significance: Good human resource management enhances the standard of living at work. By establishing a healthy working atmosphere, it enables teamwork among the staff. It helps with professional development in the following ways:
 - a) Giving each employee the most opportunities for personal growth possible.
 - b) Upholding positive interactions between individuals and various work groupings.
 - d) Appropriately allocating tasks.
- 3) Social Importance: Effective human resource management is very important for society. Providing adequate employment that gives individuals social and psychological happiness is one way it contributes to raising the dignity of work. Another is by maintaining a balance between the number of jobs available and the number of job searchers in terms of numbers, qualifications, needs, and aptitudes.

3.3. Scope of Human Resource Management

Dale Yoder asserts that the field of human resource management has a very broad application. It performs the following tasks:

- i) Establishing and maintaining a proper organisation for leadership and cooperation, as well as setting general and specialised management policy for organisational connections.
- ii) Collective bargaining, contract drafting, contract administration, and complaint resolution.
- iii) Finding, obtaining, and keeping the organization's required types and numbers of employees.
- iv) Supporting employees' self-improvement by giving them opportunities for growth and personal development as well as for acquiring the necessary knowledge and experience.
- v) Creating and maintaining employee motivation through the use of rewards.
- vi) Examining and auditing the organization's human resource management.
- vii) Industrial relations research-conducting investigations meant to clarify employee behaviour in order to better

The following areas make up the scope of human resource management, according to the Indian Institute of Personnel Management:

Recruiting, selection, placement, induction, transfer, promotion,

demotion, termination, training and development, layoffs and retrenchments, wage and salary administration (remuneration), incentives, productivity, etc. are all part of the labour or personnel aspect.

1. **The Welfare Aspect:** This aspect addresses working conditions and amenities such as canteens, creches, rest rooms, lunch rooms, housing, transportation, education, medical assistance, health and safety, washing facilities, entertainment and cultural facilities, and so on.
2. **The Industrial Relations Aspect:** This focuses on how the business interacts with its workforce. It covers union-management relations, collaborative consultation, negotiation, handling of grievances, disciplinary actions, and resolving of labour disputes, among other things.

3.4. Perspectives of Human Resource Management

The HRM function may be examined from a variety of angles, and we have already looked in detail at the historical angle on how the HRM function has developed. An environmental perspective keeps track of the outside influences that HR is constantly subjected to. The part played by the HRM function in the organization's strategy is made clear from a strategic standpoint. A political viewpoint reveals how much they value and maximise their own interests, which might not align with the objectives of the institution. The challenges and opportunities that the HRM function must deal with in what is quickly becoming a global economy are highlighted from an international viewpoint.

Historical Perspective on HRM

What follows will only explore current trends since early developments have already been covered under historical antecedents of HRM.

A) Recent Trends

As research started to challenge the idea that job satisfaction and productivity are closely associated, the HRM function started receiving attention and focus. The US civil rights movement of the 1960s resulted in a significant amount of legislation affecting employment relations. Additionally, the rise in lawsuits based on discrimination in the 1970s strengthened the HRM role in firms.

The rise of worldwide competition in a global market, independent of the different US-based interventions, may eventually free human resources management from its inferior status. The vital requirement for leveraging

personnel as a competitive resource has grown more obvious in light of the intensely competitive global markets.

Four conceptual trends in the HRM function have emerged as a result of the global competition: the necessity of connecting human resources to the strategic management procedure.

The requirement to pick, educate, and pay people in order for them to work in a global economy.

The requirement to comprehend the political forces undermining logical HRM decision-making procedures. The requirement to offer precise estimations of the monetary contributions made by the human resources division.

B) Environmental Perspective on HRM

The final filter and mechanism for fusing truth and value in society is the judicial system. You'll notice that laws passed during the human relations movement made considerable use of pay and working hours. The relationship between the organization's management and the union was also covered. It included provisions for managing those relationships, including the rights of employees to organise and engage in collective bargaining in relation to those of the employer and the union. These rules are still in effect in the US, but federal legislation passed in the 1960s and 1970s dealt more directly with individual rights (or the rights of groups of individuals, such as women and minorities) in a variety of employer rights-related matters.

C) Strategic Perspective on HRM

The many pressures the environment can place on the organisation are already familiar to you. Due to these, the company has had to connect HR initiatives to its overarching strategy. For instance, in the early 1980s, US businesses had to contend with fierce rivalry from foreign enterprises starting to sell their goods to the US at cheaper costs than US businesses could give. Because of the workforce cost advantage, it was almost hard for American businesses to survive. They needed to find more effective and efficient ways to utilise the resources at hand and stay afloat. Strategic human resources management (SHRM), which is referred to as "the pattern of planned human resource deployments and activities intended to enable an organisation to achieve its objectives," was born out of the ensuing effort. Galbraith and Nathanson were among the first organisation theories to openly examine the idea of human resources strategies in the context of strategic management. They realised that the process of putting a strategy into action needed to

include human resources. They outlined four fundamental HRM sub-functions or strategies: selection appraisal, incentives, development, and the role of human resources in the execution of organisational strategy.

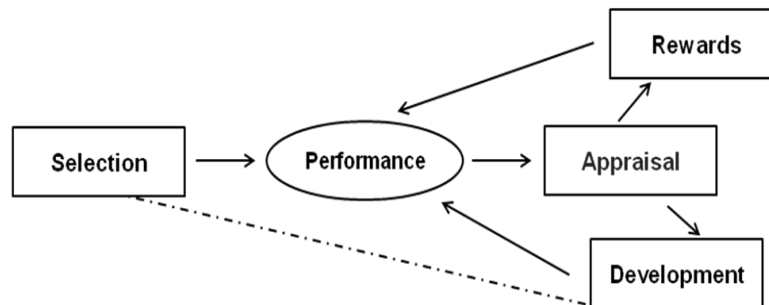


Figure 2: A Model of the Human Resources Management Function
Source: Tichy, 1982.

The figure above shows the interdependencies of the major HRM sub-functions.

D) Political Perspective on HRM

By this point, you should clearly comprehend the strategic viewpoint on HRM, whose purpose is rational decision-making that harmonises HRM practises with the strategic goals of the business. However, as you have undoubtedly already learned, not all decisions made in organisations are logical, and many of them have little to do with accomplishing organisational objectives. Recent HRM authors argue that influence and politics play a considerable role in, or at the very least significantly influence, the HRM function.

When someone or a group tries to influence someone else for reasons or in a fashion that the organisation does not approve of or condone, that is what is meant by politics in HRM. Trying to control how others interpret events and symbolic actions is a common component of influence. The management of common meaning by individuals, communities, or organisations is referred to as politics. This political perspective enables you to comprehend the significance of influence in HRM, particularly with relation to hiring practises, performance evaluations, and incentive and promotion schemes.

In the real world of HRM, it is not easy to identify perfectly the skill requirements of a particular job or to assess perfectly an applicant's level of each of the various skills, as perceived in strategic HRM. There is neither a perfect fit nor a rational decision-making process. It is the inability to assess fit perfectly in an objective manner that lets politics

enter the decision-making process.

You would have learned from your professional experience that there is no impartial yardstick for determining fit. As a result, the perceived resemblance of an applicant's talents to the benchmark frequently influences selection decisions. Consequently, manipulating the decision-maker's perceptions can give the applicant a chance to politically influence the decision-making process. More specifically, politics in HRM is demonstrated through the "impression management" method used in job interviews. Typically, candidates look up information about the company to determine the "type of employee" that the company is looking for. A candidate interested in working for a company that promotes its aggressive, market-focused approach will make an effort to appear fairly aggressive during the interview. The same applicant will probably conduct somewhat less aggressively in an effort to look to suit that organisation if they want to work for a company that values teamwork and group unity.

Recent studies have shown that attempts to sway the outcome of an employment interview do in fact have an impact. For instance, it seems that interviewees who use controlling techniques like self-promotion and attempts to dominate the interview are more successful than those who present a quiet or submissive demeanour.

Politics appear to have an impact on HRM practises in other areas as well, like performance evaluation. Evaluating performance rather than a person in general is a fundamental tenet of performance appraisal. The performance review process can seem largely subjective because it can be challenging to define and measure all pertinent factors in most occupations. Evaluators do get broad perspectives on how people contribute to their organisations. Evaluators' perceptions of employees can be easily influenced by their actions, as well as their views, values, and degree of effort—all of which are manipulable.

Politics frequently have a role in discrepancies between an individual's performance and the outcome of their appraisal. Systems for advancement and succession are also susceptible to political influence or dynamics. For motivational purposes, businesses sometimes prefer to promote from within for managerial roles. The company must make use of information gathered through interviews and other methods in addition to past performance evaluations in order to determine the fit between the job opening and the person being promoted. You have already witnessed how politics has an impact on these procedures. Although many people may not want to admit that political influence exists in

organisations, empirical evidence and anecdotal evidence both strongly suggest that these processes are inherent to all organisations. It would be foolish to disregard their existence, nevertheless.

E) Interpersonal Perspective on HRM

Since there has been an increase in global competitiveness for many years, the majority of significant firms in the US, Europe, and Japan now operate in a global economy. Over the same period of time, management practises have undergone a revolution and a greater emphasis has been placed on Quality of Work Life (QWL). Due to the necessity of establishing numerous abroad sites in order to compete globally, many American and European businesses are focusing on two main issues. First, how do you handle the employees of a company who are located abroad? Second, what cultural differences exist between organisational management policies and practises in different countries?

For instance, the expansion of manufacturing plants outside of the US raises HRM issues for American businesses. Lee Iacocca increasingly looked to establishing operations abroad in order to keep manufacturing costs in check for the automotive sector. He led the effort to establish the North American Free Trade Agreement (NAFTA) in 1993, which practically eliminated trade obstacles between Canada, Mexico, and the US to create the largest free trade zone in the world. In reality, US businesses built industrial plants in Mexico to take advantage of the country's lower wage expenses.

The necessity to choose and train workers who can function in a foreign culture is the main obstacle for businesses expanding abroad. Programmes that offer cross-cultural and international management training have therefore become more valuable. The difficulty of providing them with proper remuneration is connected to the problem of managing one's citizens in a foreign environment. This results from the instability of significant foreign currencies, especially the US dollar. As a result, businesses are responding to this difficulty by providing housing allowances, tax payments as needed, funding for the manager's children's education, cost of living adjustments, etc.

Academics and HR professionals are becoming more conscious of the other issue, which is the impact of culture on HR practises. US businesses, for example, must have a thorough awareness of the foreign culture while engaging in joint ventures there. The National University of Singapore hosted the conference on international personnel and human resources management in 1987, which served as a showcase for the work of academic researchers who had used a

variety of techniques in several Pacific Rim nations (Japan, China, Taiwan, etc.) to compare human resources policies with US practises. It may interest you to know that despite these efforts to comprehend human resources practises in Pacific Rim nations, evaluations have shown that these practises typically follow primary guidance.

In order for a company to remain competitive today, its HRM function must:

1. Transnational scope: thinking globally about human resources decisions rather than only from a national or regional perspective.
2. Transnational representation: In order to be globally competitive, organisations' managerial staff must reflect various nationalities.
3. A transnational process is a way of making decisions that encompasses people and ideas from various cultural backgrounds.

F) Evaluation Perspective on HRM

Efficiency and effectiveness are typically used as two metrics to rate the efficacy of an organization's HRM function. Is HRM acting appropriately? Is the question we ask while assessing effectiveness? While efficiency refers to "doing things right" by maximising outputs in comparison to inputs. People's biases may affect effectiveness since they determine what is right. Contrarily, efficiency is linked to an internal, value-free evaluation of the function. It is possible to determine whether the HRM function is effective but inefficient, ineffective and inefficient, effective and efficient, or effective and efficient: the desirable state.

Activities that last only a brief time, like personnel duties, can be used to gauge efficiency. How quickly, for instance, were personnel requests filled? However, long-term tasks that are essential to the organization's efficiency include things like writing job descriptions and offering career guidance. They could initially appear to be resistant to initiatives to increase efficiency. A perfect combination should be achieved.

3.5. Components of HRM

Human resource management: Human resource management focuses on achieving success through organisation design and development, motivation, the use of effective leadership, and the dissemination of information about the goals and methods of the business. The main goal of human resource management is to make sure that every facet of organising, employing, motivating, and managing people is in line with

the strategic goals of the company and helps to successfully accomplish those goals. To establish or strengthen the intended company culture, the human resource organisation programme must take cultural considerations into account.

Programmes and interventions for organisational development are also required to promote teamwork, encourage employees, foster effective leadership, support communication systems, control conflict and change, and win commitment.

Human resource planning: Human resource planning aims to specify the quantity of personnel desired, the kind of personnel required in terms of skill both now and in the future, and the degree to which personnel "fit" the business culture. It entails predicting both the supply and demand for labour in the next years. Plans for human resource development and recruitment initiatives can be built on top of it.

Systems for Human Resources: Systems for Human Resources are crucial programmes required to hire, Management of recruitment is the process of acquiring the necessary human resources for a company.

A means of ensuring that all policies and practises are clearly stated and successfully conveyed to the workforce is information management.

Training management is a mechanism for determining training needs, developing a training plan, and putting in place the proper training system.

Performance management is a strategy for methodically evaluating performance against predetermined criteria, analysing past performance, and determining potential for advancement. Performance appraisal, prospective appraisal, and performance coaching or counselling are the three basic types of evaluations.

According to Lippit (1978), human resource development (HRD) depends on the following factors: (a) the work itself, which increases employees' levels of responsibility; (b) personal and professional development of the individual; (c) higher-quality output as a result of increased responsibility; and (d) the organisation as an open system. HRD is all about putting a focus on all of these factors.

"A process by which the employees of an organisation are helped, in a continuous planned way, to: (a) acquire or sharpen capabilities required to perform various tasks and functions associated with their present or expected future roles;" according to Rao (1985). To discover and utilise their own inner potentials for personal and/or organisational

development goals, employees must (a) develop their general enabling capabilities as individuals (b), (c) create an organisational culture where strong relationships between superiors and subordinates, teamwork, and collaboration among various sub-units all support the health, dynamism, and employee pride of the organisation.

HRD is a set of coordinated activities carried out over a predetermined period of time with the goal of bringing about behavioural change. It is founded on the idea that people are capable of being better. Its key goals are to (a) give people more room to develop and flourish within an organisation and (b) build management and professional teams across the board.

Training, education, and development, as well as performance evaluation, are all included in the role of HRD. The individual's growth and development is facilitated by all facets of training and evaluation. HRD is more of a proactive and supportive function in this regard, requiring the organisation to take the initiative in assisting the individuals in realising their full potential.

Human resource development programmes help to ensure that the organisation has the people with the skills and knowledge it needs to achieve its strategic objectives. They aim to train new employees to the level of performance required in their jobs quickly and economically and to develop the abilities of existing staff so that performance in their present jobs are improved and they are prepared to take on increased responsibilities in the future.

Training and development are the main focuses of human resource development. It is a dynamic procedure with the goal of enhancing the staff's abilities and capabilities. Training bridges the gap between a person's current abilities and his potential. Its primary goal is to make sure that workers may quickly advance to a level that is considered acceptable in their positions.

The next step in training builds on this foundation by strengthening knowledge and abilities as necessary to increase performance in the current position or to maximise potential for the future. Development is the process of changing behaviour via experience. It enables people to perform better in their current roles and gets them ready for future roles with more responsibility.

HRD is a significant future force. The difficulties for HRD will persist. HRD practitioners will develop processes and work as researchers, strategists, advisors, business managers, and consultants rather than

being doers. It is obvious that the HRD community needs to speed up the emerging trends as we move into the twenty-first century. They must: (a) make sure that everyone practises and supports high performance, learning, and continuous development; (b) work to establish participatory cultures and to dispel authoritarian and dependent mindsets; and (c) assist in preparing individuals and institutions to flourish in a global village that is changing quickly;

Relationships with human resources: Relationships with human resources deal with how employees are treated both individually and collectively as members of staff associations or unions. Their primary goals are to foster more cooperation and trust among employees and to actively include them in business affairs. It also covers problem-solving strategies, especially those for handling complaints and disciplinary issues. In most firms, there are two parties to a dispute: management and employees. There is a gap that needs to be filled, and the methods must be discovered.

Whether or not there are unions, management should establish strategies for working with employees collectively. Nevertheless, conflicts arise frequently in relationships with unions. The methods required for promoting cooperation and mutual benefit must be developed.

Unions must be controlled just like any other aspect of a business. Usually, management gets the union it deserves. It can have severe effects on the organisation if it handles unions improperly. A strategy for dealing collectively should be:

(a) The union's recognition; (b) The management and union's respective responsibilities; (c) The kinds of procedures one can use to formalise interactions with unions; (d) The fundamental strategies for bargaining with unions; (e) The mechanism of involvement through participation, including both conventional forms of joint consultation and the Japanese import of quality circles.

(b) Human Resource Utilisation: According to Peters and Watennan, it is crucial to "treat them as adults, treat them as partners, treat them with dignity, and treat them with respect" in order to maximise productivity through people. The foundation for productivity management initiatives, which employ methods like method research to increase efficiency, is provided by these core human relations values. Managers and employees must both be persuaded in some way that improving output is in their mutual interest.

To improve the utilisation of human resources, the following steps must be taken: Conduct a productivity drive; Upgrade methods for controlling and budgeting for human resources. The following steps should be taken: (a) improve motivation; (b) introduce new technology; (c) implement work measurement; (d) use appropriate payment methods by results; bonus and profit-sharing schemes; (e) improve motivation; (f) involve employees in improvement programmes; (h) negotiate suitable productivity agreements; and (i) introduce training programmes based on an analysis of productivity needs.

HRA stands for "human resource accounting," which is the accounting of people as organisational resources. It entails calculating the expenses incurred for employing, training, and developing personnel as well as determining their economic value to the company. It is the measurement of the cost and value of people to companies. Using HRA can be quite beneficial when making managerial decisions. For instance, HRA can offer an estimate of the cost associated with the process, whether it be hiring and selecting new employees or replacing existing ones.

Similar to that, it can assist management in allocating funds for human resource development. Data on employee absence costs, turnover rates, and the effect on other employees' performance are also available from HRA.

Human Resource Audit: A human resource audit measures the efficiency of the human resource function and ensures compliance with regulations. The issue of human resource audit is broad and deals with many delicate facets of interpersonal and organisational relationships.

The organization's goals, human resource performance, and correct upkeep of HRD atmosphere and practises must all be examined by the HRD auditor. The role of an HR auditor is not one that is simple. He needs to be extremely picky about the field and approach he wants to take in order to succeed. Human resource auditing is a challenging profession, made more challenging by the fact that, in contrast to other audits, it involves dealing with persons in relation to organisational priorities.

3.6. Strategic HRM:

Strategic human resource management (HRM) is a proactive approach to managing human capital that emphasizes the alignment of HR practices and initiatives with organizational objectives and long-term goals. Here's a breakdown of what this entails:

Alignment with Organizational Goals: Strategic HRM starts with

understanding the organization's mission, vision, values, and strategic objectives. HR professionals collaborate with senior leadership to identify the human capital requirements needed to support the organization's strategic direction. This involves aligning HR initiatives such as recruitment, training, performance management, and talent development with the broader organizational goals.

Talent Management and Development: Strategic HRM focuses on attracting, retaining, and developing top talent to ensure that the organization has the human capital necessary to achieve its objectives. This includes implementing talent management strategies such as succession planning, leadership development programs, and career pathways to identify and develop high-potential employees who can contribute to the organization's long-term success.

Change Management: In a rapidly evolving business environment, strategic HRM plays a crucial role in managing organizational change effectively. HR professionals support change initiatives by communicating with employees, addressing concerns, providing training and development opportunities, and facilitating the transition to new ways of working. By helping employees adapt to change, HR contributes to the organization's agility and resilience in the face of challenges and opportunities.

Data-Driven Decision Making: Strategic HRM relies on data and analytics to inform decision-making and measure the impact of HR initiatives on organizational performance. HR professionals collect and analyze data related to workforce demographics, employee engagement, performance metrics, and other relevant indicators to identify trends, anticipate future needs, and optimize HR strategies for maximum effectiveness. Data-driven insights enable HR to align human capital investments with business priorities and demonstrate the value of HR initiatives to senior leadership.

Partnership with Business Units: Strategic HRM involves building strong partnerships with business units and functional areas across the organization. HR professionals collaborate with managers and leaders to understand their unique talent needs, provide strategic guidance and support, and develop tailored HR solutions to address specific challenges or opportunities. By integrating HR into the broader business strategy, organizations can leverage human capital as a source of competitive advantage and drive sustainable growth and innovation.

Overall, strategic HRM emphasizes the proactive, integrated, and forward-thinking approach to managing human capital to support

organizational success in a dynamic and competitive business environment.

3.7. HRM in the Digital Age:

HRM in the digital age refers to the transformation of HR practices and processes in response to advancements in technology, digitalization, and changing workforce dynamics. Here's an overview of the impact of technology and digital transformation on HRM practices:

Automation and Efficiency: Technology enables HR departments to automate routine administrative tasks such as payroll processing, benefits administration, and record-keeping, freeing up time and resources for more strategic activities. Automated HR systems streamline workflows, reduce errors, and improve efficiency, allowing HR professionals to focus on value-added tasks such as talent management, employee development, and strategic planning.

Data Analytics: The proliferation of data analytics tools and technologies has revolutionized HRM by providing access to vast amounts of workforce data and insights. HR analytics allows organizations to analyze workforce trends, identify patterns, predict future outcomes, and make data-driven decisions about talent acquisition, retention, performance management, and organizational effectiveness. By harnessing the power of data, HR can optimize processes, improve decision-making, and drive continuous improvement in human capital management.

Remote Work Trends: The rise of remote work and virtual collaboration has reshaped HRM practices, requiring HR professionals to adapt to new ways of managing and engaging distributed teams. HR departments implement remote-friendly policies, tools, and technologies to support remote work arrangements, maintain communication and collaboration among remote employees, and ensure productivity and engagement. Remote work trends also present opportunities for HR to expand talent pools, promote work-life balance, and foster a culture of flexibility and autonomy.

Digital Recruitment and Onboarding: Technology has transformed the recruitment and onboarding process, making it faster, more efficient, and more accessible. HR departments leverage online job boards, social media platforms, and applicant tracking systems to attract and screen candidates, conduct virtual interviews, and streamline the hiring process. Digital onboarding tools and platforms facilitate remote onboarding, allowing new employees to complete paperwork, receive training, and

connect with colleagues digitally from anywhere in the world.

Employee Experience and Engagement: Technology plays a crucial role in enhancing the employee experience and promoting engagement in the digital age. HR departments use digital tools and platforms to communicate with employees, gather feedback, recognize achievements, and provide resources and support for professional development and well-being. Personalized digital experiences tailored to individual preferences help create a positive work environment, foster a sense of belonging, and promote employee satisfaction and loyalty.

Overall, HRM in the digital age embraces technology as an enabler of innovation, efficiency, and agility in managing human capital, supporting organizational success in a rapidly changing business landscape.

3.8. Diversity, Equity, and Inclusion in HRM:

Diversity, equity, and inclusion (DEI) in HRM refer to the strategic efforts and initiatives aimed at fostering a diverse, equitable, and inclusive workplace culture where all employees feel valued, respected, and empowered to contribute their unique perspectives and talents. Here's an overview of the role of HRM in promoting DEI within organizations:

Diversity Recruitment and Hiring: HRM plays a critical role in promoting diversity in the workforce by implementing recruitment and hiring practices that attract candidates from diverse backgrounds and underrepresented groups. HR professionals leverage inclusive job postings, outreach efforts, and diverse talent networks to attract a diverse pool of candidates, remove bias from the hiring process, and ensure equal opportunities for all applicants.

Inclusive Workplace Policies: HRM develops and implements inclusive workplace policies and practices that promote equity and fairness and prevent discrimination and bias. This includes policies related to equal employment opportunity, anti-discrimination, harassment prevention, accommodation for disabilities, and pay equity. HR departments ensure that these policies are communicated effectively, enforced consistently, and aligned with legal requirements and best practices.

Diversity Training and Education: HRM provides training and education to employees and managers on topics such as unconscious bias, cultural competency, inclusive leadership, and mitigating discrimination and harassment. Diversity training programs raise awareness, promote understanding, and empower employees to recognize and challenge biases, foster inclusive behaviors, and create a supportive and respectful work environment for all.

Employee Resource Groups: HRM supports the formation and activities of employee resource groups (ERGs) or affinity groups that provide a platform for employees from diverse backgrounds to connect, share experiences, and advocate for inclusion and equity within the organization. ERGs serve as a valuable resource for HR to gather feedback, promote cultural awareness, and implement initiatives that address the needs of diverse employee populations.

Diverse Leadership and Representation: HRM promotes diversity and inclusion in leadership positions and decision-making roles within the organization. HR professionals work to identify and develop diverse talent pipelines, provide opportunities for leadership development and advancement, and advocate for diverse representation on leadership teams and governing boards. Diverse leadership fosters innovation, creativity, and better decision-making by bringing diverse perspectives and experiences to the table.

Measurement and Accountability: HRM measures and monitors progress toward diversity, equity, and inclusion goals using key performance indicators (KPIs) and metrics such as workforce demographics, representation in leadership positions, employee engagement scores, and diversity-related.

Let Us Sum Up

In this unit, you have learned about the following:

HRM has grown to play a significant role in organisations. Its beginnings can be found in Taylore and McGregor's youth. The role of the employee in today's corporations has altered. One of the important components in the coordination and administration of work organisations is the management of human resources. There are four viewpoints on HRM, as was covered in this course, and the field has a very broad scope. An company uses a variety of its many components to carry out HRM. HRM is crucial for firms, their employees, and the country as a whole.

Check Your Progress

1. What is a decision in management?
 - a. Reaching at a proper conclusion after consideration.
 - b. A decision involves choosing of alternatives.
 - c. A decision is the outcome of a group of people or an individual.
 - d. None of the above

2. An employee-working in a unit or plant who is a citizen of the country in which the unit or plant is located but where the unit or plant is operated by an organisation headquartered in another country____.
 - a. Home Country National
 - b. Host Country National
 - c. Third Country National
 - d. Host Country
3. Quantitative Technique refers to____
 - a. Models, simulation, resource allocation technique.
 - b. Waiting line problems and the queuing theory
 - c. Gaming and Game theory and Probability theory
 - d. All the above.
4. Staffing includes____.
 - a. workload estimation
 - b. termination
 - c. appointments of personnel, placement
 - d. all of these
5. To calculate the need for manpower on the basis of the average loss of manpower due to leave, retirement, death, transfer, discharge, etc. is known as_____.
 - a. work load analysis
 - b. workforce analysis
 - c. job analysis
 - d. forecasting

Glossary

HRA: HRA stands for "human resource accounting," which is the accounting of people as organisational resources. It entails calculating the expenses incurred for employing, training, and developing personnel as well as determining their economic value to the company. It is the measurement of the cost and value of people to companies.

HR: The department of a company responsible for locating, vetting, hiring, and training job applicants as well as managing employee benefits programmes is known as human resources (HR).

HRM: The process of bringing together individuals and organisations in order to achieve each party's objectives is known as human resource management (HRM). The management of human resources inside an organisation is the focus of this step in the management process.

Answers to Check Your Progress

1.a

2.b

3.d

4.d

5.b

Suggested Reading

1. Anuradha Sharma and Aradhana Khandekar (2006) Strategic Human Resource Management. Response Books, New Delhi.
2. Snell, S., Bohlander, G. W., & Bohlander, G. (2010). *Principles of human resource management*. South-Western Cengage Learning.

Block-2: Introduction

Block-2: Getting Human Resources has been divided in to four Units.

Unit-4: Job Analysis and Job Design deals with Purpose of Job Analysis, Job Description, Job Specification, Job Design

Unit-5: Human Resource Planning explains about the Objectives of HRP, Levels of HRP, Process of HRP, Techniques of HR Demand Forecast, Factors Affecting HR Demand Forecasting, Problems in HRP Process, Guidelines for Making HRP Effective.

Unit-6: Attracting the Talent: Recruitment, Selection, Outsourcing describes about the Definitions, The Process of Recruitment, Methods of Recruitment, Selection, Selection Tests, Interview, Physical Examination, Reference Check Final Decision, Placement, Induction, Outsourcing, Road Map for Successful Outsourcing

Unit-7: Socialization, Mobility and Separation discuss with Concept of Organizational Socialisation, Self-concept and Organizational Socialisation, Concept of Role and Organizational Socialisation, Improving the Socialisation Process, Separations.

In all the units of Block -2 **Getting Human Resources**, the Check your progress, Glossary, Answers to Check your progress and Suggested Reading has been provided and the Learners are expected to attempt all the Check your progress as part of study.

Unit-4

Job Analysis and Job Design

STRUCTURE

Overview

Objectives

4.1. Purpose of Job Analysis

4.2. Job Description

4.3. Job Specification

4.4. Job Design

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

A job is a grouping of tasks, obligations, and liabilities that together make up the specific assignment made to a certain employee. Work analysis is the process of gathering detailed information about a work through observation and research with the goal of identifying the tasks and essential knowledge, talents, and skills to carry them out.

Job analysis is the process by which information about each job is found and methodically recorded. (Yoder, 1969) When a job analysis is referred to as a job study, it implies that the tasks, procedures, roles, and staffing needs are carefully considered (Yoder, 1969). Writing job descriptions and creating job designs involve a thorough understanding of the nature of a work as well as any behavioural and content-related requirements.

In this unit, the Purpose of Job Analysis, the concept of Job Description, Job Specification and Job Design has been clearly explained.

Objectives

After completion of this unit, you will be able to:

- Understand the meaning and process of job analysis;
- Explicate the job description, specification, and design procedures;

- Understand methods with respect to the aforementioned processes after completing this unit.

4.1. Purpose of Job Analysis

The proper people performing a job are crucial for maximising organisational performance, so it's important to comprehend the job in all of its facets in order to establish work standards and prescriptions. To attain the required level of job excellence, all physical, mental, and behavioural requirements must be specified. As a result of employees knowing their goals in advance and being able to be evaluated on them, job analysis supports both individual and organisational excellence. A method called "job analysis" identifies the standards for successful work performance rather than just the bare minimal requirements. The employee makes the necessary modifications because they are aware of the quantity and quality expectations.

In a job analysis project, information is gathered from a variety of sources, including the following:

1. Positions
2. Activities performed
3. The materials, tools, and equipment used
4. The duration of each activity
5. Leisure and downtime
6. Work with reports and records
7. How your job relates to other jobs
8. Requirements for education (general, technical, and on-the-job training)
9. The amount and type of experience needed
10. Physical qualification standards
11. Requires mental effort
12. Visual focus is necessary
13. Ownership of the equipment, tools, supplies, records, and responsibility (in forms of typical harm, monetary worth, and normal repercussions).
14. Discomforts
15. Dangers (in terms of common injuries and steps taken to prevent them)

16. Received close or general supervision
17. Close or general supervision used

The following is a summary of how job analysis is used by Dale Yoder (1969):

1. Workforce organisation and integration into organisation planning
2. Selection, recruitment, and placement
3. Promotions and transfers
4. Training initiatives
5. Payroll and salary management
6. Redress of complaints
7. Improving the working environment
8. Setting requirements for products
9. Increasing staff productivity through streamlining tasks and streamlining processes
10. Maximising the personnel's usefulness. Additionally, it aids in identifying working relationships for efficiency.

Job analysis makes sure that all hiring, training, performance reviews, pay administration, placement, and promotion processes are "job related." To ensure the best choices, job descriptions and specifications are utilised as recommendations in interviews and in the advertising that are published. Written exams are created based on criteria from employment studies that assess an applicant's suitability.

Making training modules is made easier by conducting a job analysis. The creation of training materials is based on 'needs assessment' carried out through work analysis. The length of a training programme and technique selection are also made in accordance with the needs stated in the job analysis (whether group or personalised, generalist or specialised); each level, subgroup, or individual (depending on the company) is treated as a unique case in view.

For better understanding of the concept, it would be in order to clarify important *related terms*:

Job analysis is usually the term used for the complete set of duties that a person performs on the job, whereas *task* and *skills analysis* are subsets of the complete job.

A *job* is a collection of tasks, duties, responsibilities, which as a whole form the established assignment to an individual employee at a specific position.

Job description is a formal, *written explanation* of a specific job, usually including the job title, tasks, relationship with other jobs, physical and mental skills required, duties, responsibilities, and working conditions; a part of the job evaluation process wherein a review of the nature of work occurs in relation to other jobs, working conditions, the degree of responsibility required, etc.

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4.2. Job Description

Meaning: Job analyses serve as the foundation for creating job descriptions.

Job summaries, also known as position summaries, are written summaries of the fundamental duties of a particular job that are often one or two pages long. They are developed based on data gleaned from employment analysis.

A sample job description comprises the position's title as well as details about the job's responsibilities, facilities, pay scale, and other factors. In most cases, job descriptions include a label, or "job title," as well as a section outlining the qualities required to carry out the work. As part of the work specification, these requirements are encoded.

Francois, 1995, Job descriptions are clearly defined duty statements that outline the tasks performed at a job. Clarifying job functions and reporting structures for employees improves their understanding of their roles.

An employee's performance or credentials, as well as any temporary duties, are included in the job description.

Each duty statement is a distinct, recognisable component of the work assignment, clearly defined, and outcome-based, allowing for alternative methods of performance, technological advancements, employee and supervisor preferences, allowances for policy changes, changes in the nature of the job, and other factors. Employees are also given credit for their innovations.

The goal of the job description

A job description is beneficial for the following personnel administration processes, per Wendell French (1995): -

- Recruitment, selection, and interviewing.
- Setting performance standards and/or target statements; orientation and training
- Creating performance evaluation forms
- Job appraisal;
 - Role clarification and renegotiation;
 - Ladders for career advancement
- The benefits of a job description

Clarity and role specificity are supported. Role ambiguity is avoided as a result, and organisational procedures are made simpler. Therefore, job descriptions can substantially facilitate the administration of human resources within a company. The establishment of performance appraisal and development processes, the use of job design for exercises in job rotation, enrichment (vertical loading), and enlargement (horizontal loading), and the clarification of work content through job descriptions all contribute to improved overall performance and organisational effectiveness.

Because job outcomes are the main concern, creating a job description is a result-oriented task. It aids in outlining what is expected of a job in terms of all behavioural (training, supervision) and logistical (logistical) requirements so that they can be secured with adequate lead time.

The application of work study and method study is based on job descriptions. It is simple to identify key areas for procedural reform and implement procedural improvements. It is simple to analyse the impact of procedural innovations, if any. For successful innovations, the employee may receive compensation.

A consistent pay scale can be maintained with the use of job descriptions. It results in job evaluation, which is utilised just for administering compensation.

4.3. Job Specification

The job description outlines the qualities that potential employees should possess. The physical, mental, and temperamental requirements for performing a work are stated in the job specification. This exercise aids in the cataloguing of the requirements for the job in question in terms of:

- a. General educational requirements, technical needs, or both may be necessary for the position;
- b. It must be decided if the position calls for any particular knowledge, proficiency, or aptitude;
- c. The level and breadth of the necessary work experience may be specified;
- d. Desired physical and personal qualities; and

4.4. Job Design

Job design, the act of choosing the precise duties and responsibilities that each employee of the company will perform, is a component of work structuring. It is regarded as the fundamental organisational process that results from the intricate web of interactions that determines the duties allotted to each employee inside the business, as well as the physical settings in which they are expected to carry out their duties. Temperature, illumination, and safety are a few examples of physical working circumstances. Job design, then, relates to a company's strategy for organising its workforce.

According to custom and tradition, a firm may assign tasks and responsibilities. An industrial engineer may be needed, nevertheless, if efficiency, standardisation, and simplification are stressed.

The employee themselves also contributes content to a job. A person's motivation and job satisfaction are influenced by the nature of their work as well as the opportunities it provides to shape the nature and level of performance.

Work's impact on both the employee's psychological well-being and the company's financial health is crucial. Such issues can be successfully resolved through changes in work design. (1990; Leap and Crino).

On the basis of the information obtained from the job analysis, processes for work rotation, enrichment, and expansion are carried out.

The creation of a prioritised collection of skills or success characteristics for a certain job or group of jobs is referred to as a "job profile." Ratings of each capability's competency may be used.

Job Enlargement and Job Enrichment

With the rise of the scientific management movement led by Taylor and Gilbrith, job design became increasingly significant. Although it improved cost savings, it had a negative influence on interpersonal relationships. The 1950s saw the introduction of the concepts of job enrichment, job enlargement, and job rotation to boost employee motivation. Jobs are now being created in novel ways to draw in and keep skilled individuals. To further increase productivity through flexible job design, work teams, independent work groups, and the concept of quality circles are being introduced.

Job enlargement is the word used when more responsibilities are added horizontally to increase diversity; job enrichment is the term used when additional tasks are added vertically to involve delegation and decentralisation.

If the work is meaningful, the employee is knowledgeable about the work, and they are given the necessary responsibilities through appropriate delegation and job structuring, job enrichment is said to have been supplied. Job expansion comprises adding new work to an existing position. Instead of treating each component task as a separate entity, it treats a job as a whole. Workplace integration or interconnectedness is emphasised. The inclusion of motivational elements such as the chance for success, acknowledgement, responsibility, and progression in a job is known as job enrichment. The exercise approaches the work holistically rather than piecemeal, increasing efficiency and making the person accountable for the full task.

Job rotation is the switching of personnel between jobs in an effort to avoid boredom.

Job sharing is when two persons work part-time hours to do one full-time job. It is helpful when dealing with lengthy and intricate processes.

The goal of a job rotation strategy is to maximise the experience of the individual by often switching his employment. People chosen for such programmes are transferred after the predetermined amount of time, say one year, and the specific roles they have at any given time are seen as training positions. Many organisations also utilise a less regulated version of job rotation. When making decisions about promotions and transfers, an effort is made to place people in positions that will support

their development. (Sahni, 1988)

Job enrichment has been defined as the process of allowing each employee to choose his or her own working environment, within certain parameters; allowing employees to act as their own supervisors by assigning responsibility for quality control to employees; allowing employees to correct their own mistakes; allowing flexibility in the method selection; and allowing employees to be in charge of setting up their own machines. Several factors and ideas, including accountability, authority, closure, delegation, efficiency, job challenge, motivation, opportunity for growth, advancement, and self-actualization, participation, presence or absence of anomie, proprietorship, recognition, and responsibility, are used to explain the success of various job enrichment efforts (Hulin, Blood, 1968).

Significance of Job Enlargement and Enrichment

Modernising public services has been a common issue in the developed countries during the past ten years. The government's recognition of the connection between the success of the public sector and the health of the entire economy makes the modernization of public HRM crucial. Decentralisation and authority delegation are trends in private organisations, which indirectly affect HRM. It is challenging for public organisations motivated by concerns about equity, consistency, and public responsibility to adopt the new public management ethic. Flexible, decentralised HRM does not work well within the traditional bureaucratic approach. This perspective on flexible decentralised HRM is based on the observation that public administration increasingly needs all-around managers rather than the historically specialty civil servants (Metcalfe & Richards 1993).

According to Argyris, the majority of organisations still adhere to bureaucratic/pyramidal norms, which is the cause of many of our present organisational issues.

According to Argyris (1964), individuals' personalities need undergo seven alterations if they are to eventually progress into mature persons.

First, people change from being inert as infants to becoming increasingly active as adults. Second, people change from being dependent on others as infants to being relatively independent as adults.

- Third, while people only exhibit a limited number of behaviours as newborns, they are able to exhibit a wide variety of behaviours as adults.

- Fourth, people have unpredictable, sporadic, and superficial interests as infants, but these interests deepen and become more persistent as they get older.
- The fifth consideration is time.

According to Argyris' hypothesis, these changes take place along a continuum, and a "healthy" personality develops along it from "immaturity" to "maturity." It is illustrated in the figure below (Accel Team, 2005).

Worker self-perception and organisational conduct as a whole are impacted by job and organisational design. An oppressive bureaucratic or pyramidal work environment hinders employees' personal growth and endangers the long-term success of the company. A personality develops through seven successive processes that correspond to stages of growth.

Let Us Sum Up

In this unit, you have studied about the following:

The specialisation of labour has grown significantly during the past few years. As a result, procedural efficiency depends on scientific understanding of jobs and their efficient coordination. Securing staff with the necessary specialisations for each stage is also crucial. The logical conclusion is that in order to achieve the best organisational performance, people must be matched with roles. Job analysis is required to boost organisational effectiveness by encouraging specialisation and preventing the drawbacks of decomposing work into components.

Check your Progress

1. Trend analysis is a _____.
 - a. Forecasting technique
 - b. Skills inventory
 - c. Job analysis technique
 - d. Markov analysis
2. The factual statement of the duties and responsibilities of a specific job is known as _____.
 - a. job description
 - b. job specification

- c. job analysis
 - d. job evaluation
3. In Japanese management, employees' career path is non-specialised. Why?
- a. In Japanese industries job rotation is carried out for employees to have different skills and also for interdepartmental cooperation.
 - b. In an organisation from the time of induction, employees are exposed to various types of jobs and training to enable them to have adaptability to any job.
 - c. Japanese management system prefers to create capable workers to adapt organisational changes, as and when required.
 - d. Rotation of job provides benefit of skills required for top quality executives.
4. Who has said that HRM is not a one shot deal?
- a. Fayol
 - b. Taylor
 - c. Terry
 - d. McFarland
5. Skills inventory, replacement charts, Markov analysis, regression analysis all are types of__.
- a. redundancy plan
 - b. training plan
 - c. retention plan
 - d. forecasting methods

Glossary

Job Analysis: Job analysis comprises a thorough examination of a job with the goal of creating thorough position descriptions for various positions. Information obtained is used in interviews, written selection exams, internal placements according to job needs, and employee performance reviews. To analyse jobs, researchers utilise several methods.

Job Description: On the basis of the data acquired during the job analysis, job descriptions are created. Job descriptions include details about the nature of the position, its responsibilities, and the skills needed. Job advertisements provide information, and application forms are created based on those needs.

Job Specification: A job analysis also yields a job specification. The behaviour requirements and thus, specifications for a job are listed in the job specification. In other words character traits expected of prospective incumbents are listed as job specifications.

Answers to Check Your Progress

1.a

2.a

3.c

4.c

5.d

Suggested Readings

1. Aswathappa, K., & Dash, S. (2020). *International Human Resource Management*. McGraw-Hill Education.
2. Gupta. S.C, (2009) *Advanced Human Resource Management, Strategic Perspective*, ANE Books Pvt. Ltd, New Delhi.

STRUCTURE

Overview

Objectives

5.1. Objectives of HRP

5.2. Levels of HRP

5.3. Process of HRP

5.4. Techniques of HR Demand Forecast

5.5. Factors Affecting HR Demand Forecasting

5.6. Problems in HRP Process

5.7. Guidelines for Making HRP Effective

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Human Resource planning (HRP) is a strategy for an organization's acquisition, use, improvement, and preservation of its human resources. The goal is to assign the appropriate individuals to the appropriate tasks and make the best use of the available human resources. As a component of business planning, HRP exists. The management is engaged in this activity in order to coordinate the needs of various employers and their availability. Forecasting (future requirements), inventorying (current strength), anticipating (comparison of present and future requirements), and planning (required programme to fulfil future requirements) are some of the main tasks of HRP. In this unit, the HRP concept has been clearly explained.

Objectives

After finishing the unit, you ought to be able to:

- comprehend the idea of human resource planning (HRP);
- talk about the purposes and goals of HRP;
- explain its procedure; and talk about its issues.

5.1. Objectives of HRP

The main goals of HRP are to: a) guarantee the best possible use of currently employed human resources; b) evaluate or forecast future requirements; c) adapt to the changing environment; d) attach with business plans of organisations; e) anticipate redundancies; f) provide a foundation for Human Resource Development (HRD); and g) support productivity bargaining.

Benefits of HRP

Having an effective HRP has a variety of advantages. Some of them include:

- a. Building a talent reserve.
- b. Planning for potential HR requirements.
- c. Systematically promote staff members.
- d. Offer a foundation for HRD.
- e. Assistance in succession planning.

Need for HRP at Macro Level

Major reasons for the emphasis on HRP at macro level include:

Employment and Unemployment Situation: Although there is a severe scarcity of many talents, there is a general increase in the number of educated unemployed people. This underlines the necessity of hiring and keeping employees more successfully.

Technological Changes: There have been numerous, quick changes in industrial technology, marketing strategies, and management strategies. Their impact on employment environments and job content has been significant. Problems with redundancy, retraining, and redeployment result from these changes. All of these point to the necessity of carefully and methodically estimating workforce requirements.

Changes in the organisational environment, activities, and structures have an impact on the need for people and necessitate strategic considerations in the tumultuous environment defined by cyclical fluctuations and discontinuities.

Demographic Changes: The age, sex, literacy, technological know-how, and social background of the work force are all changing, with repercussions for HRP.

Manpower Shortages: The presence of unemployment does not indicate a buyer's market in the labour market. Organisations in general

have grown more complicated, necessitating a wide range of specialised abilities that are uncommon and hard to come by. When such employees go, issues develop.

Influences from the government: Organisations have been encouraged to engage in systematic HRP by government control and changes to legislation relating to affirmative action for disadvantaged groups, working conditions and hours of work, restrictions on women and child employment, casual and contract labour, etc.

Legislative controls: The era of executive diktat and "hire and fire" procedures is over. The current state of the law makes it challenging to swiftly and inexpensively reduce the size of an organisation.

Impact of Pressure Groups: Conflicting pressures on enterprise management, such as internal recruitment and promotions, preference for employees' children, displaced persons, sons of the soil, etc., have been raised by pressure groups like unions, politicians, and people forced to leave their homes because of the location of large corporations.

Systems Concept: As part of the ongoing revolution in information technology, which places an emphasis on planning and improved methods of processing massive amounts of personnel records, the spread of systems thinking and the introduction of the macro computer.

Lead Time: A lengthy lead time is required for the employee's training, deployment, and selection processes in order for them to properly manage new information and skills.

5.2. Levels of HRP

The following levels of HRP are used:

At the national level, the Central Government makes strategies for human resources. It makes general predictions about the demand for and supply of human resources. For instance, the Indian government outlines the HRP goals in a series of five-year plans.

- a. **Sectoral Levels:** State and Central governments create HRPs for various industries. For instance, the industrial, agricultural, etc. sectors.
- b. **Industry Level:** The particular industries prepare the HRP for their own sectors.
- c. **Unit Level:** HRP for a particular department/sector of an industry is prepared at this level. It again includes the following levels.

- i) Plant level;
- ii) Department level; and
- iii) Divisional level.

5.3. Process of HRP

The continuous process of review, control, and assessment of the HRP is entirely based on the objectives and plans of the organization.

Figure 1 clearly indicates the HRP process.

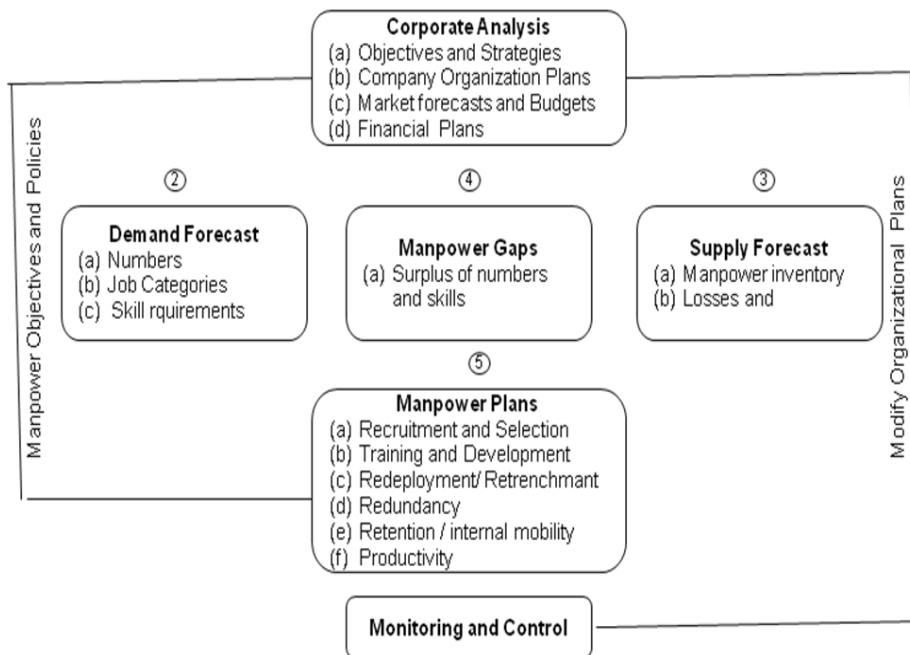
Figure 1: Human Resource Planning Process

Source: Gupta, C.B. (1997). Human Resource Management, Sultan Chand & Co., New Delhi.

The following are the main HRP stages:

Examining operational plans, part a

It comprises of the following sub-stages:



- i) Analysis of the company's goals and strategic plans.
- ii) Plans for technological, financial, and production advancements are examined, and HRP is created.
- iii) The company's long-term strategies, ambitions, and goals are also taken into consideration.

b) Human Resource Demand Forecasting: The following three sub functions are primarily involved in HR demand forecasting:

- i) Demand Forecast: Process of determining the number and caliber of human resources that will be needed in the future.
- ii) Manpower Gaps: Depending on the need, surplus human resources with the needed skills are matched; otherwise, a shortage is indicated.
- iii) Supply Forecast: Based on the current HR inventory and the demand projection, human resources supply forecast is carried out.

5.4. Techniques of HR Demand Forecast

Various techniques can be utilized to forecast HR demand, as outlined below. Firstly, Managerial Judgment involves experienced managers utilizing their knowledge of expected future workloads and employee efficiency to estimate the human resource requirements for their respective departments. Secondly, the Work-Study Method involves analyzing and measuring the work being done through time and motion study. Thirdly, Ratio-Trend Analysis entails calculating ratios (such as total output/no. of workers or direct workers/indirect workers) based on past data and using these ratios to predict future trends. Lastly, Mathematical Models express the relationship between independent variables (such as investment, production, sales, etc.) and dependent variables (such as the number of employees required).

5.5. Factors Affecting HR Demand Forecasting

Forecasting the demand for human resources is based on a number of variables, some of which are listed below.

- a. Employment trends;
- b. Needs for replacement;
- c. Productivity;
- d. Absence; as well as
- e. Development and expansion.

5.6. Problems in HRP Process

The following are the primary issues with the HRP process:

- b) Inaccuracy: HRP depends totally on HR forecasting and supply, which is a process that cannot be 100 percent precise.
- c) Employee resistance: Workers and their unions believe that HRP will increase their workload, hence they oppose the procedure.
- d) Uncertainties: The HRP process may have to deal with labour

absenteeism, labour turnover, seasonal employment, technology changes, and market volatility.

e) Ineffective information system: HRIS is not very robust in Indian industries. Effective HRP cannot be created in the absence of trustworthy data.

f) Time and cost: HRP is an expensive and time-consuming exercise that businesses shun.

5.7. Guidelines for Making HRP Effective

Below are a few recommendations for enhancing the HRP process' efficacy.

1. Tailored: HRP needs to strike a balance with company goals.
2. Appropriate time: The HRP process should last for the appropriate amount of time given the organization's needs and conditions.
3. Appropriate organisation: The HRP process needs to be appropriately and effectively organised.
4. Support from top management: Prior to launching the HRP process, high management's commitment and support should be guaranteed.
5. Information system: To support HRP, a suitable database should be created.
6. Balanced emphasis: It is important to place equal emphasis on quantity and quality.

Let Us Sum Up

In this unit, you have learned about the following:

In conclusion, HRP is the process of figuring out how many and what kind of human resources will be needed in an organisation for the foreseeable future. An organisation needs HRP because of the shifting environment. Different formulations of HRP exist. Its primary processes include organisational plan analysis, demand and supply forecasting, and personnel gap identification.

Check Your Progress

1. Which pair in order of sequences represents the first and last steps in a T&D programme?
 - a. determination of T&D needs, and evaluation of T&D programme
 - b. determination of T&D needs, and designing the T&D programme
 - c. designing T&D programme, and implementing it
 - d. evaluating of T&D programme, and implementing it
2. Career development involves
 - a. conscious determination of career aspirations and potentialities of employees and matching them with the organisation's needs
 - b. providing counselling to students to choose their careers
 - c. providing information to students about opportunities of employment
 - d. determining the potentialities of students for a suitable career
3. When an employee expresses organisationally desired emotions during interpersonal transactions, then it is known as__
 - a. emotional labour
 - b. displayed emotions
 - c. felt emotions
 - d. moods
4. Job evaluation essentially seeks to
 - a. determine the relative worth of various jobs in an organisation in monetary terms
 - b. evaluate the performance of employees on their respective jobs
 - c. evaluate the importance of various jobs in the organisation
 - d. establish the hierarchy of various jobs in the organisation
5. Grievance redressal, discipline, collective bargaining are _____of HRM.
 - a. integration function
 - b. procurement function
 - c. development function
 - d. behavioural function

Glossary

HRP: Human Resource Planning (HRP) is a crucial part of the business planning process that involves managing the coordination between the demand and supply of various types of employees. The HRP process comprises four key elements: forecasting future requirements, inventorying present staff strength, anticipating by comparing present and future requirements, and planning the necessary program to meet future demands.

Answers to Check Your Progress

1.a

2.a

3.a

4.a

5.a

Suggested Reading

1. Snell, S., Bohlander, G. W., & Bohlander, G. (2010). *Principles of human resource management*. South-Western Cengage Learning.
2. Bramham, J. (1994). *Human resource planning*. Universities Press.

Unit-6

Attracting the Talent: Recruitment, Selection and Outsourcing

STRUCTURE

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6.1. Definitions

6.2. The Process of Recruitment

6.3. Methods of Recruitment

6.4. Selection

6.5. Selection Tests

6.6. Interview

6.7. Physical Examination

6.8. Reference Check Final Decision

6.9. Placement

6.10. Induction

6.11. Outsourcing

6.12. Road Map for Successful Outsourcing

Let Us Sum Up

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Answers to Check Your Progress

Suggested Readings

Overview

High-calibre staff are any significant organization's most important asset. The most significant challenge for any organisation is finding the appropriate people and placing them in the proper jobs.

The need for human resources is forecast during the stage of human resource planning, as we have covered in the preceding section. An organisation performs the task of enticing the best talent available while keeping in mind the forecast.

It entails activities including hiring, selecting, and introducing new employees. These are all covered in this lesson.

In this unit, the concept of attracting the Talent: Recruitment, Selection and Outsourcing has been clearly explained.

Objectives

After completion of the unit, you should be able to:

- cite several sources that can be used to draw in the appropriate types of labour; describe the need for a clear job definition as the basis for the selection process;
- list, describe, and assess several recruitment techniques; describe the purpose of and steps involved in preliminary screening;

6.1. Definitions

Recruitment

Finding potential employees and motivating and pushing them to apply for a specific position or jobs within an organisation is the process of recruitment. Since it entails inviting individuals to apply, it is a good deed. The goal is to compile a list of qualified individuals from which the best appropriate candidate can be chosen.

Selection

Examining applicants to determine whether they are qualified for the position or positions being offered, selecting the best among those qualified, and rejecting the rest, is the process of selection. As a result, you'll see that this procedure is negative in nature because it involves the rejection of candidates.

Placement

Placement is the process of choosing the position for which a chosen candidate is most qualified and giving him that position. "The right man for the right job" is the ideal circumstance. A worker's morale, motivation, and productivity are all increased with good placement as it lowers absenteeism, accident rates, and employee turnover.

Induction

An employee is formally introduced to their position and the company at induction. The main goal of induction is to "sell" the business to the new hire so that he will be proud to be associated with it. 'Orientation' or 'indoctrination' are terms used to describe this.

6.2. The Process of Recruitment

Recruitment Preparation Before inviting candidates to apply for a job, it is crucial to update the job specifications or man specifications to determine the types of people and their desired qualities. Physical characteristics,

mental abilities, emotional and social traits are important factors to consider when defining job requirements. The sources of manpower can be internal or external, including current or former employees, college students, the unemployed, and retired experienced people. Several factors such as the policy's impact on employee attitude and behaviour, the degree of specialisation required, the level of importance placed on employee engagement, the need for originality and initiative, and seniority principle acceptance must also be considered while selecting the sources of manpower. The management needs to think carefully about their preference for employee loyalty and subpar performance, along with new hires' potential contribution to the company.

6.3. Methods of Recruitment

The different methods of recruitment can be classified into three categories: (a) Direct Methods, (b) Indirect Methods, and (c) Third-Party Methods.

Direct Methods: This category includes methods like sending recruiters to academic and professional institutions, interactions of employees with the public, manned exhibits, and waiting lists.

Schools and Colleges: High schools are a good source for clerical, labour, and apprenticeship help. Colleges, universities, and specialized institutions like IITs and IIMs are used to train candidates for technical, management, and professional employment.

Employees' Interaction with the Public: When a job position becomes available, employees inform their friends, family, and acquaintances about it.

Manned Exhibits: Companies use mobile offices to travel to relevant locations, set up exhibits at trade shows, and send recruiters to conferences and seminars.

Waiting lists are also used extensively by many companies, relying on their own application files that include individual names.

Indirect Methods: Advertising through newspapers, radio, trade, professional, technical, and brochure advertising is considered an indirect method. When qualified and experienced candidates are not found through other channels, newspapers, professional and technical publications are used to advertise. Professional and technical journals, such as engineering journals, only promote specific types of positions, whereas all forms of advertising are allowed in newspapers and magazines.

Third-Party Methods: Various agencies like commercial and private job agencies, state organizations, placement offices of schools, colleges, and professional associations, recruiting firms, management consulting firms, etc. are used for hiring under this approach.

6.4. Selection

The Process of Selection

You probably remember that the selection process entails rejecting applicants who are either inappropriate or less suitable. This can be done at any of the progressively higher barricades that a candidate must clear. The purpose of these obstacles is to screen out unqualified candidates at any stage of the hiring process.

The 'go, no-go' gauges are what Yoder refers to as these obstacles. Those who pass one obstacle advance to the next; those who fail are eliminated. These obstacles, however, are not present in all selection procedures.

Preliminary interview or initial screening

This is a sorting procedure in which potential candidates are informed about the nature of the position and also provide the relevant information about their education, experience, skills, projected remuneration, etc.

Examining applications

You may have noticed that some programmes ask questions on a plain sheet of paper. Where no application forms have been created, this is done. The candidate must provide information on their age, marital status, educational background, employment history, and references. The same organisation may utilise various application forms for various employee kinds, such as one for managers, another for supervisors, and a third for ordinary staff.

6.5. Selection Tests

A test is a representative sampling of a person's performance, attitude, or behaviour. It may also take the form of a methodical process for contrasting the actions of two or more people.

Tests' objectives: The fundamental presumption behind the use of tests in hiring is that each person has unique job-related talents and skills, and that these abilities and skills can be measured properly and reliably.

The purpose of tests is to rule out any potential for bias on the part of the interviewer or supervisor. Selection criteria will simply take potential

abilities into account.

The exams may also reveal skills and abilities that would not be apparent in interviews or by looking at a list of one's background in terms of school and employment.

The different types of tests used in selection can be classified into four groups: (a) Achievement or Intelligence Tests, (b) Aptitude or Potential Ability Tests, (c) Personality Tests, and (d) Interest Tests. These tests are explained below.

a) Achievement or Intelligence Tests

These are also known as proficiency tests and measure the knowledge or skills acquired through training programs and on-the-job training. They assess the candidate's abilities and come in two forms:

Work Sample Exams: These evaluate the candidate's proficiency in handling equipment or performing a task.

Typing Test: This evaluates the typing speed and accuracy of the candidate.

b) Aptitude or Potential Ability Tests

These tests evaluate a candidate's latent ability to learn a new skill or job and detect any defects or peculiarities in their sensory or intellectual capacity. There are three types of aptitude tests:

Mental Tests: These measure a person's general intellectual ability or intelligence quotient (I.Q.) and determine language proficiency, spatial imagery, memory, reasoning, and interactivity.

Mechanical Aptitude Tests: These evaluate a person's aptitude for learning a mechanical task.

Psychomotor or Skill Tests: These assess a person's ability to perform a specific task, such as mental agility, motor skills, and other qualities involving coordinated muscle movements.

c) Personality Tests

These tests forecast a candidate's probable performance and success in managing or supervisory roles. Personality tests fall into three categories:

Objective Tests: These assess neurotic tendencies, independence, dominance, submission, and confidence.

Projective Examinations: These require candidates to project their own interpretation onto predetermined stimuli.

Situational Tests: These evaluate a candidate's response to unusual circumstances, stress capacity, and ability to think creatively under duress.

d) Interest Tests

These tests help individuals find their interests and the types of jobs that suit them. Career counseling uses the results of interest tests that are evaluated through a questionnaire.

Limitations of Selection Tests: It should be noted that test results may not accurately predict a candidate's success in a specific role.

Precautions for Utilizing Selection Tests: To ensure that the test findings help select the best candidates, the following precautions should be taken:

Norms should be created as a point of reference for all selection-related examinations.

Candidates should receive a "Warm up" before taking the test.

Tests should be validated for a specific organization before being administered

6.6. Interview

Instead of the initial interview, we will now talk about the post-application form interview. The most often utilised tool in any selection process is the personal interview.

Meaning and Objectives: A talk with a goal between one person on one side and another person or people on the other is called an interview. An interview for a job should have three goals: to get information, to impart information, and to motivate. By gathering pertinent data regarding the prospective employee's background, training, job history, education, and interests, it should be able to produce a personality assessment. The organisation, the individual job, and the personnel policies should all be explained to the applicant. Additionally, it must to encourage the applicant's good performance and foster a cordial relationship between the company and the applicant.

Types of Interview

Unofficial Interview: This may occur anyplace. A manager in the human resources department or the employer may ask you a few questions about your name, birthplace, past employment history, etc. When the employment market is tight and you really need workers, it is not planned and used frequently. An applicant may be brought by a

friend or relative of the employer to the manager's or employer's home for this form of interview.

Official Interview: This is conducted by the employment officer using well-structured questions in a more official setting in the employment office. The employment office specifies the interview's time and location.

Planned Interview: This official interview has been meticulously organised. The interviewer has a strategy in place for how much time will be spent with each candidate, what information will be requested, what information will be provided, how the interview will be conducted, and other factors. He has some latitude in how he uses the strategy.

Patterned Interview: This type of interview is also planned, but it is planned with greater accuracy, precision, and exactitude. The questions and locations are meticulously planned out. One after another, the interviewer asks the questions from the list.

Non-directive interview: This is made to provide the interviewee the freedom to express themselves. When the candidate is silent, the interviewer gently prods while paying close attention and being patient. The goal is to completely remove the interviewer's questions from the candidate's ability to "sell" himself.

Depth Interview: This is intended to thoroughly investigate the candidate's background and way of thinking, as well as to delve into great detail about a specific topic of particular interest to the candidate. According to the underlying hypothesis, if an applicant is deemed competent in his or her field of expertise, there is a good likelihood that, if offered a position, he or she would be seriously interested in it.

Stress interview: This is a test of the candidate's conduct and demeanour that involves placing him under pressure and stress. This is a very helpful way to gauge how people behave in unfavourable and challenging circumstances.

The purpose of the group interview is to observe how the candidates interact with and contrast one another. It is possible to gather every applicant in the office for an interview. As an alternative, the candidates might be given a topic for debate and observed to see who will take the initiative, how they will interact with one another, how they will each offer their ideas, and how they will respond to one another's arguments.

Panel Interview: Members of the interview panel or a selection committee conduct a panel interview. Usually, this is done for management and supervisory positions. It combines the panellists'

pooled wisdom and judgement. The panel may want the candidate to meet with them one-on-one for a lengthy interview.

6.7. Physical Examination

The organization's physician or a medical officer authorised for the purpose will conduct a physical examination on applicants who pass one or more of the preliminary tests.

Purposes: The following objectives are achieved via a physical examination:

It provides information on a candidate's suitability for the position in question.

It identifies pre-existing disabilities and records them, information that could be useful in determining the company's liability in the event of a workman's compensation claim. It aids in preventing persons with infectious diseases of any kind from finding job.

6.8. Reference Checks

The applicant is required to list the names and addresses of three such people who are typically familiar with him in his application. These can be his current or former employers, close pals, or co-workers. They are contacted by mail or phone and asked to give their unreserved assessment of the candidate, on particular issues or generally, without fear of liability. They are given the assurance that all information would be kept private.

However, it happens frequently that either no response is given or the response is predictable. Final judgement: Final consideration is given to those who successfully navigate all the challenges. The best candidates, or those with the highest scores, are ultimately chosen when there are more applicants than there are open positions.

6.9. Placement

There are times when a specific person is chosen for a given job. For occupations of a comparable sort, it's common for more than one candidate to be chosen.

In the second scenario, certain employees must be assigned to specific supervisors with that supervisor's consent. His approval is also required in the first instance, although it should be obtained early in the hiring process. A suitable placement lowers absenteeism, accident, and turnover rates while also boosting morale.

6.10. Induction

This is the last task a newly hired worker must do before receiving job training.

Meaning

It serves as an employee's introduction to the position and the company, as previously said. The main goal is to 'sell' the business to the new hire so that he will be proud to be associated with it.

Need and Goal

A worker must cooperate with both his supervisor and his coworkers. For this, he needs to be familiar with them, how they operate, as well as the organization's policies and procedures, in order to better integrate himself into the business. Any disregard for induction and orientation could result in a high worker turnover rate, confusion, lost time, and expense.

Induction Programme

- ✓ A decent induction programme should go over the following topics: the business, its history and products, the production process, and the main tasks associated with his employment.
- ✓ The importance of the job and any relevant information about it, such as job training requirements and potential hazards.
- ✓ The organisational structure and the duties of the several departments.
- ✓ • The employee's department and job, as well as how he fits into the company.
- ✓ Information sources and personnel policy.
- ✓ The goals, policies, and regulations of the company.
- ✓ Service terms and conditions, amenities, and welfare services.
- ✓ An induction programme consists primarily of three steps:

The staff's general orientation provides the necessary background information on the company's activities and history. The goal is to encourage a sense of pride and interest in the company among employees.

The job supervisor will provide specific orientation: The employee is shown his or her department and place of employment, as well as the locations of amenities, and is informed of the particular practises and

traditions of the company. The goal is to make it possible for the employee to fit into his environment and work.

Follow-up orientation provided by the supervisor or the personnel department: A foreman or a specialist conducts this within one week to six months of the initial introduction.

The purpose is to find out whether the employee is reasonably well satisfied with him. Through personal talks, guidance and counselling efforts are made to remove the difficulties experienced by the newcomer.

6.11. Outsourcing

Reaction from the workforce as jobs start to shift abroad. In the "2004 Global IT Outsourcing Report" by Diamond Cluster, 84 percent of outsourcing service buyers expressed concern about backlash as a result of employment losses to foreign outsourcers. However, those same businesses likely overestimated the impact of their outsourcing choices.

Why Outsourcing?

Additionally, outsourcing is frequently employed to address resource limitations. For instance, large English-speaking resources are available in Ireland and India who might be used in the creation of educational materials. Developing nations with strong educational systems, like India, China, and the countries of Eastern Europe, have access to highly qualified workers in fields like linguistics, IT, engineering, etc.

It's the well-known "more for less" tale that's prevalent in today's workplaces.

Specialized Knowledge

Some training organisations have noticed a shift towards centralised operations in recent months. The burden of ensuring that training is not just the best of breed but also standardised and consistently of high quality has been placed on training management as a result of centralization.

Implementing outsourcing as a strategic endeavour is necessary. The organisation must be just as prepared to outsource as the vendor is to oversee the operation being outsourced.

Size Does Matter

Significant cost savings are possible through outsourcing. Organisations must keep in mind, though, that cost savings actually accumulate over time. Early relationship establishment expenses, initial time delays in

development, and the chance of rework until the relationship between the organisation and the vendor matures offset the potential for cost savings in the outsourcing endeavour.

Maturity Makes It Easy

It has been demonstrated that businesses that have a clear definition of the final deliverables (the output), well-aligned resource responsibilities (the process), and the acquisition of requirements (the input) outsource more successfully than those who don't have a reliable and consistent work plan that incorporates elements of all three (the output, the input, and the processes).

Using the Outsourcing Maturity Matrix, organisations can assess the dependability and consistency of their input and output.

6.12. Road Map for Successful Outsourcing

Outsourcing appears to be the solution for many organisations due to increased strain on training expenditures and senior management emphasis on enhanced ROI of training infrastructure. Internal training organisations must discipline the work plan—the input, the output, and the processes—before outsourcing in addition to carefully choosing the outsourced partner.

Orient Yourself Again

In order for outsourcing initiatives to be effective, requirements management and output standardisation must be successful. Conflict between benefit anticipation and realisation is reduced as a result.

A culture of entrepreneurship

Working with an HR outsourcing firm has several benefits, according to Davidson, including a change in corporate culture. "You transition from being a cost centre to being an essential component of the business. A vast array of opportunities become available to you.

Let Us Sum Up

In this unit, you have learned about the following:

This unit has assisted you in understanding the selection process in an organisation, from the initial idea that a suitable person should be assigned to a specific job to the point of ultimately choosing the most suitable candidate for it, putting him at ease and fostering a sense of belonging with his co-workers, his supervisor, and the company as a whole. You now have a better understanding of the different steps in the process and their relative importance. It has provided you with insight into

the various approaches and techniques for different activities and the situations in which each is advised.

Check Your Progress

1. Who is generally known as “the father of modern management theory”?
 - a. Henry Fayol
 - b. Frederick W. Taylor
 - c. Frank Gilbret
 - d. Chester Bernard
2. Which of the following is considered the first wage incentive plan in modern industrial era?
 - a. Halsey plan
 - b. Taylor’s differential piece-rate plan
 - c. Barth plan
 - d. Gantt Task plan
3. Concept of MBO was first developed by _____
 - a. Peter Drucker
 - b. Douglas McGregor
 - c. Henry Fayol
 - d. Clayton P. Alderfer
4. Industrial discipline ordinarily does not imply _____
 - a. observance of company’s rules and regulations
 - b. cooperating with management and co-workers
 - c. active participation in union activities
5. Smooth discharge of duties and responsibilities A strike called by a section of workers/union members without authorisation from proper authority of the union is called _____.
 - a. sectional strike
 - b. jurisdictional strike
 - c. wild cat strike
 - d. sympathetic strike

Glossary

Recruitment: The process of finding potential employees and motivating and persuading them to apply for a certain position or jobs inside an organisation is known as recruitment. Since it entails inviting individuals to apply, it is a good deed. The goal is to compile a list of qualified individuals from which the best appropriate candidate can be chosen.

Selection: The process of selecting the best candidate from among those who are qualified for a position or positions is known as selection. The remaining candidates are rejected. As a result, you'll see that this procedure is negative in nature because it involves the rejection of candidates.

Answers to Check Your Progress

1. a
2. b
- 3.a
- 4.c
- 5.c

Suggested Reading

1. Boselie, P. (2014). *EBOOK: Strategic Human Resource Management: A Balanced Approach*. McGraw Hill.
2. Niles, S. G., & Harris-Bowlsbey, J. (2013). *Career development interventions in the 21st century* (p. 528). Boston, MA: Pearson.

Unit-7

Socialisation, Mobility and Separation

STRUCTURE

Overview

Objectives

7.1. Concept of Organizational Socialisation

7.2. Self-concept and Organizational Socialisation

7.3. Concept of Role and Organizational Socialisation

7.4. Improving the Socialisation Process

7.5. Separations

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

In this unit the concept of Socialisation, Mobility and Separation has been clearly explained.

Objectives

After completion of the unit, you should be able to:

- comprehend the idea of organisational and individual socialisation;
- touch on the significance of socialism and status;
- list the influences on socialisation;
- realise the value of workplace socialisation;

7.1. Concept of Organizational Socialisation

"Socialisation" is the process by which people get the knowledge, abilities, and character traits that determine how well-suited they are to fit into their society. Each of us has gone through this procedure numerous times. Undoubtedly, socialisation is greatly influenced during birth and the early years of life. Re-socialization is something that people go through when they start first grade, join a sports team or the scouts, matriculate into college, and start their first job. With so much early

socialisation experience, one might assume that adults would have little trouble adjusting to novel social situations.

7.2. Self-Concept and Organizational Socialisation

You are not just selling your physical and intellectual prowess when you join an organisation. Whether you like it or not, you are also bringing your psychic self along for the ride. The development of your own self-concept is crucial to socialisation.

The way you view and evaluate yourself is known as your self-concept. It is a reflection of how you genuinely feel about yourself. Are you more of a leader or a follower? Do you require a lot of power, success, or social connections? Are you combative or submissive? People have the rare ability to consider how their actions may affect others and themselves.

In the process of organisational socialisation, self-concept is crucial. When one's organisational job and self-concept are compatible

7.3. Concept of Role and Organizational Socialisation

The concept of a role is derived from sociology and refers to the anticipated behaviour of an individual in interactions with other people. It results from a person's place in the social structure and how they interact with others. One requires a technique to predict others' actions as they interact with him in order to be able to coordinate his work with others in an organisation. This task is carried out by roles in the social system.

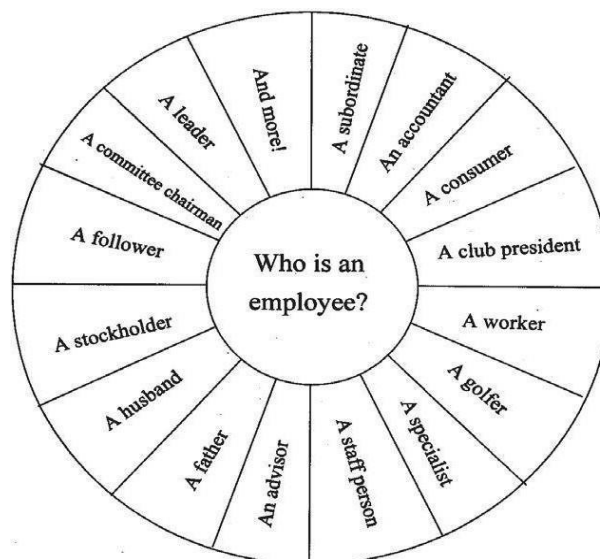


Figure 2: Each Employee performs many roles

A role set is the total configuration of all supporting roles that influence a certain function, like the foreman position we just discussed. This means that every person the foreman interacts with in his capacity as foreman has expectations about how he should behave, and these expectations collectively make up the role set for his role as foreman. This role set is partially derived from the nature of the job itself, as managers in similar positions but at different companies have a tendency to perceive and perform their roles similarly.

7.4. Improving the Socialisation Process

Studies on the organisational socialisation process tend to support some broad generalisations (Van Maanen & Schein, 1979). First, there is compelling evidence that anticipatory socialisation causes people to have larger expectations about their organisational positions than are realistic. During the first year of joining the organisation, there appears to be a downward adjustment in expectations and aspirations on the part of new members. According to Van Maanen (1975), this is apparent for recent college graduates beginning management training programmes, police trainees, and many other professionals. The normal trend is one of high initial expectations followed by some disillusionment.

The person should be realistic in their understanding that joining any organisation involves both personal rewards and losses. Every re-socialization process for adults

The candidate should learn as much as they can about the organisational culture and how it affects the roles' definitions during the selection process. Recruiters are not always the best source for this kind of information because of their desire to bring in the best new members. Those who have recently joined the company may provide a more objective evaluation. It's not always simple to gather this (and it's extremely harder to get information from people who left because they were dissatisfied). However, it's crucial to look into long-term professional chances in addition to more immediate advantages like pay and perks.

Organizational Perspective-Initial Socialisation

Undoubtedly, the socialisation process can be facilitated by using more equitable recruitment and selection methods. In an effort to give potential employees more realistic job previews, some organisations have produced booklets, films, visits to the workplace, and informal discussions that highlight both the positive and negative aspects of organisational life (Hall & Hall, 1976; Wanous, 1980; Feldman, 1976).

Research shows that turnover and discontent are considerably lower for workers who have gotten accurate information and expectations, which dispels recruiters' fears that this could exclude the best prospects.

Purpose and Advantages of Promotion

Promotion encourages personal growth and generates enthusiasm for the position. Yoder asserts that "promotion provides incentive to initiative, enterprise, and ambition; minimises discontent and unrest; attracts capable individuals; necessitates logical training for advancement; and forms an effective reward for loyalty and cooperation, long service, etc."

The purposes and advantages of promotions are to:

- a. acknowledge the performance and dedication of the employee and encourage him to perform better;
- b. foster a culture of competition among employees so they can learn the skills and information necessary for higher-level employment;
- c. keep talented and skilled employees;
- d. reduce employee unhappiness and dissatisfaction; use employees' expertise and talents more effectively; and
- e. recruit qualified personnel.

Types of Promotions

Different types of promotions are discussed below.

1. **Multiple Chain Promotion:** A multiple chain promotion links one job systematically to a number of others. It offers several promotion prospects through well defined entry and exit points for each position inside the company.
2. **Up or Out Promotion:** In this situation, a worker can either obtain a promotion or look for work elsewhere. Out-promotion typically results in the employee being let go and moving on to a higher position at another company.
3. **Dry Promotion:** In this style, a promotion is offered instead of a pay rise. For instance, there is no pay rise when a university professor is promoted to Head of the Department.

Every organization should make advance plans for promotion programme. A carefully planned promotion programme has four elements:

- a. formulation of promotion policy,

- b. identification of promotion channels,
- c. promotion appraisal, and
- d. centralised records.

We shall discuss each element in detail.

Formulation of Promotion Policy: Each organisation must maintain a balance between internal and external sources for staff promotion through recruitment. a) Formulation of Promotion Policy. As a result, promotion must be based on a consistent, equitable, and unambiguous policy. An idea for a promotion policy from the National Institute of Personnel Management (NIPM) is as follows:

- a. **Promotion Channels:** Promotion channels should be identified and recorded on paper. This process is related with job analysis and career planning of an organization.
- b. **Promotion Appraisals:** The promotion of an employee is entirely dependent upon his/her performance appraisal outcome.
- c. **Centralised Records:** The education, experience, skills, abilities and evaluation of all employees should be recorded and maintained in a centralised manner by the department of the organization,

Bases of Promotion

Promotions are awarded based on merit, seniority, or a combination of the two. Let's talk about each one as a foundation for promotion.

The basis is seniority: It denotes a comparatively long tenure within the same company. The benefits include that it is straightforward to assess, comprehend, and use, that it lowers staff turnover, and that it gives senior personnel a sense of fulfilment.

Merit as a basis: Merit implies the knowledge, skills and performance record of an employee. The advantages are: motivates competent employees to work hard, helps to maintain efficiency by recognizing talent and performance. It also suffers from certain disadvantages like: difficulty in judging merit, merit indicates past achievement, may not denote future potential and old employees feel insecure.

Seniority-cum-Merit as basis: As both seniority and merit as basis suffer from certain limitations, therefore, a sound promotion policy should be based on a combination of both seniority and merit.

Promotion Practice in India

In India, seniority is generally used for promotion in Government offices.

In public sectors, both seniority and seniority-cum-merit promotion system is carried based on their policy. In private sectors, the policy by and large is 'promote the best man available'.

Demotion

Demotion refers to the lowering down of the status, salary and responsibilities of an employee. Demotion is used as a disciplinary measure in an organization.

Causes of Demotion

Demotion may be caused by any of these factors:

- a. **Adverse business conditions:** Employees may be demoted because of recession faced by company.
- b. **Incompetency of the employee:** It happens when an employee finds it difficult to meet the required standard.
- c. **Technological changes:** When employee is unable to adjust with any technological change made by the company.
- d. **Disciplinary measure.**

Demotion Policy

Yoder, Heneman, Turnbull and Stone (1958) have suggested a fivefold policy with regard to demotion practice.

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

Transfer

A transfer is when an employee moves from one job, section, department, shift, plant, or position to another at the same or a different location while maintaining the same salary, status, and responsibilities.

Transfer is described as "a lateral shift causing movement of individuals from one position to another usually without involving marked change in duties, responsibilities, skills needed, or compensation" by Yoder and colleagues in 1958.

Either the employer or the employee may start a transfer. It can also be either short-term or long-term.

Purposes of Transfer

Transfers are generally affected to build up a more satisfactory work team and to achieve the following purposes;

- To increase the effectiveness of the organization
- To increase versatility and competence of key positions
- To deal with fluctuations in work requirements
- To correct incompatibilities in employee relations
- To correct erroneous placement
- To relieve monotony
- To adjust workforce
- To punish employees

7.5. Separations

Separation means cessation of service with the organization for one or other reason. It may occur due to resignation, retirement, dismissal, suspension, layoff or death.

a) Resignation

Quitting or resigning is a voluntary separation that the employee initiates. An employee may be urged to resign in order to avoid being fired on the basis of their health, their marriage, their ability to find better prospects elsewhere, or it may be compelled. Some resignations may give the company the opportunity to hire new talent from outside and correct recruiting errors.

Inform the employee that the interview's goal is to enhance the culture of the company.

- i. A responsible officer from the personnel department shall conduct the interview.
- ii. The interviewer should listen sympathetically and have tremendous patience.
- iii. Seek to determine the true reason for the resignation and confirm that the employee has fully turned over responsibility to another person.

b) Retirement

A person's retirement marks an important turning point in their career. It is the primary reason why employees leave the company. There are

three types of retirement:

- i. **Compulsory Retirement:** After reaching the required age, an employee must retire. Unlike the commercial sector, where the retirement age is typically 60 years old, government offices have a 58-year-old retirement age.
- ii. **Premature Retirement:** Due to poor health, a physical impairment, a family issue, etc., an employee may retire before reaching the prescribed age. If the management permits an early retirement, he receives the entire benefits.
- iii. **Voluntary Retirement:** When a business decides to scale back operations or shut down permanently, it may offer its staff members with a minimum amount of service the option of voluntarily retiring.

c) Dismissal

An employee's services are terminated when they are fired as a result of misconduct or subpar work. It is a bold move on the part of the employer. The principle of natural justice is followed for this. An employee is given the chance to defend his actions and demonstrate why he shouldn't be fired before being fired.

d) Suspension

Suspension is a significant punishment that is typically only given following a thorough investigation. A worker may be suspended without consequence during an investigation for disciplinary grounds. The employee is given a subsistence allowance while they are suspended.

e) Retrenchment

Retrenchment is the phrase used to describe the permanent termination of an employee's employment for commercially viable grounds. Retrenchment is described as the "termination by the employer of the services of a workman for any reason other than termination of services as punishment given by way of disciplinary action, or retirement either voluntary or reaching age of superannuation, or continued ill-health, or the closure and winding up of a business" in the Industrial Disputes Act of 1947. The Act specifies the following requirements for layoffs.

f) Layoff

Layoff refers to the temporary withdrawal of an employee from the organization's payroll due to events beyond the employer's control.

Let Us Sum Up

In conclusion, we covered three crucial organisational tasks in this unit: socialisation, mobility, and separation. We have discussed the idea of individual roles and jobs in socialisation. Employee mobility refers to the movement of personnel to meet shifting organisational needs. There are several types of mobility, including promotion, transfer, and demotion. Separation denotes the termination of service due to organisational, personal, or other considerations. It might happen as a result of a death, layoff, dismissal, retirement, or resignation.

Check Your Progress

1. Discuss the roles of the HR Manager
 - a. Administrator / evaluator / career development advisor / instructor or facilitator
 - b. marketing programmes and services / instructor material producer
 - c. Needs analyst /organisational changer / researcher and a
 - d. Both a and b.
2. The objectives of HR audit are –
 - a. to determine the effectiveness of management programmes
 - b. analyse the factors and recommend for correcting deviations and a
 - c. extent to which line managers have complied with HRD polices and b
 - d. to study future manpower inventory and identify shortfalls
3. Employee accountability is strengthens in
 - a. HR Audit
 - b. HR Training
 - c. Succession Planning
 - d. HR functions
4. The main barriers of communications are –
 - a. Organisational + Semantic
 - b. Personal + psychological + resistance to new ideas
 - c. Both a and b.

- d. Organisational / psychological
5. Manpower planning consists of –
- a. determining the jobs to be done / identifying the skills / estimating the exists likely / filling up the requirements
 - b. identifying the skills / filling up the requirements
 - c. Estimating the turnover likely to happen in near future
 - d. determining the jobs to be done

Glossary

- The way you view and evaluate yourself is known as your self-concept. It is a reflection of how you genuinely feel about yourself. Are you more of a leader or a follower? Do you require a lot of power, success, or social connections? Are you combative or submissive? People have the rare ability to consider how their actions may affect others and themselves.
- **Self-concept** is crucial to the process of organisational socialisation, according to research. When one's self-concept matches their organisational function and needs, they are more likely to be motivated, task-oriented, and fulfilled.

Answers to Check Your Progress

- 1.d
- 2.c
- 3.a
- 4.c
- 5.a

Suggested Reading

1. Harzing, A. W., & van Ruysseveldt, J. (Eds.). (2017). International human resource management: A critical text. Red Globe Press.
2. Jones, F., Burke, R. J., & Westman, M. (2013). Work-life balance: A psychological perspective. Psychology Press.

Block-3: Introduction

Block-3: Performance Management and Potential Assessments - has been divided in to four Units.

Unit-8: Competency Mapping deals with Competency Approach to Job Analysis, Uses of Competency Approach in an Organisation, Benefits of the Competency Approach, Competency Mapping, Methods of Competency Mapping

Unit-9: Performance Planning and Review discuss about Introduction, Concept of Performance Appraisal, Goals of Performance Appraisal, Objectives of Performance Appraisal, The Performance Appraisal Process, Benefits of Performance Appraisal, Performance Appraisal Methods, Performance Counselling, Problems in Performance Appraisal and Effective Performance Appraisal.

Unit-10: Performance Appraisal, Evaluation Focuses and Profession and Progression Development explains about the Introduction, Potential Appraisal, Assessment Centres, Career Planning and Succession Planning.

Unit-11: HR Measurement and Audit describes about Introduction, Human Resource (HR) Audit, Benchmarking, Human Resource (HR) Accounting, Human Resource Information System (HRIS) and Human Resource (HR) Research.

In all the units of Block -3 **Performance Management and Potential Assessments**, the Check your progress, Glossary, Answers to Check your progress and Suggested Reading has been provided and the Learners are expected to attempt all the Check your progress as part of study.

Unit-8

Competency Mapping

STRUCTURE

Overview

Objectives

8.1. Competency Approach to Job Analysis

8.2. Uses of Competency Approach in an Organisation

8.3. Benefits of the Competency Approach

8.4. Competency Mapping

8.5. Methods of Competency Mapping

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Job analysis is the process of breaking down a task into its component pieces and the environments in which it is carried out. Treating jobs as organisational units should be your top priority as a job analyzer. It serves as a tool that serves as the knowledge foundation for a variety of organizational and managerial tasks. The competency approach to job analysis and the idea of competency mapping are covered in this unit.

Objectives

After completion of the unit, you should be able to:

- comprehend the idea of a job analysis;
- describe the competency-based job analysis technique;
- define competency mapping and the numerous techniques used in it; and
- Recognise the advantages of competency mapping.

8.1. Competency Approach to Job Analysis

A skill is a job-related task or activity that is necessary for competence. Knowledge, experience, a positive attitude, and feedback are all necessary for skill competency. The appropriate level of proficiency for

each skill necessary to do the job is explicitly defined by performance evaluation standards.

The following steps are involved in the competency-based job analysis:

The following steps are involved: a) Identifying key job functions; b) Identifying the skills used in each of the key job functions; c) Producing several draughts that will be reviewed by employers and employees and amended to accurately reflect the skills used on the job; d) Creating an occupational analysis chart. The two-dimensional spreadsheet chart lists the primary job functions and skills; e) a competency-based rating system is used to identify performance standards for each skill.

8.2. Uses of competency Approach in an Organisation

The competency approach serves as the cornerstone for many human resource development projects. The following advantages for the organisation have been achieved through the usage of this adaptable, flexible, and scalable tool:

- a. offers a methodical approach to training planning
- b. adapts training delivery to the needs of the person or organisation
- c. assesses if training programmes are appropriate for fostering work capability
- d. gives staff members a thorough work description

8.3. Benefits of the Competency Approach

The competency analysis process can be done in a variety of ways. While some competency studies take months to finish and produce ambiguous statements that are of little use to those who work there, when done effectively, they can offer the following advantages to organisations:

Improved performance at work; increased productivity; training that is centered on organisational goals; employees who are aware of what is expected of them;

Employees are empowered to participate in their own performance growth, and the strategy fosters manager-employee trust.

8.4. Competency Mapping

Competency mapping is essential to a competency-based approach to work. In order to incorporate these competencies into the organization's various processes (such as job evaluation, training, and recruitment),

competency mapping is a technique for identifying critical competencies for an organisation and/or a position. Instead of a talent or ability, a competency is characterised as a behaviour (for example, leadership or communication).

The following list of competency mapping phases is provided:

- a. Conduct a position information questionnaire (PIQ) study by asking current employees to respond.
- b. The results of the job analysis are used to create a competency-based job description.
- c. Mapping the competencies is possible using a competency-based job description. The relevant job description's competencies are evaluated as performance evaluation criteria.
- d. Taking competency mapping a step further, one can use evaluation results to pinpoint which competencies people need more training or development in.

8.5. Methods of Competency Mapping

It is not easy to identify all the competencies required to fulfill the job requirements. However, a number of methods and approaches have been developed and successfully tried out.

1) Assessment Centre

The "Assessment Centre" is a tool for determining growth potential. It is a process (not a place) that evaluates workers using a range of methodologies for manpower-related purposes. American Telephone and Telegraph Company started it in 1960 for a line. The following components have been specified by the International Personnel Management Association (IPMA) as being necessary for a procedure to be regarded as an assessment centre:

- a. A job analysis of pertinent behaviour to identify the qualities, abilities, and other factors necessary for successful job performance and what should be assessed by the assessment centre.
- b. The methods used to measure the dimensions of skills and abilities must be validated.
- c. A variety of assessment methods must be applied.
- d. Job-related simulations must be a part of assessment methods.

Assessment Centre is a complex process and requires investment in time. It should safeguard itself from misunderstandings and deviations in its implementation. For this, the following concerns should be ensured:

- a. Assessment Centre for diagnosis is often converted as Assessment Centre for prediction of long range potential.
- b. The assessors' judgment may reflect the perception of reality and not the reality itself.
- c. One is not sure if the benefits outweigh the cost.

Group discussions (a): These involve assembling candidates into a committee or project team to discuss one or more issues and formulate recommendations.

a) In Tray: Candidates typically complete this kind of activity alone. The materials consist of a bundle of correspondence, and the candidate is put in the situation of someone who, typically, took on a new function or unexpectedly replaced their predecessor and was asked to handle their collected correspondence.

b) Role plays and interview simulations: In these activities, candidates meet one-on-one with a resource person or role actor. In order to fulfil their mandate, they must either gather data in order to form an opinion and make a decision, or converse with the resource person in order to do so.

c) Case Studies / Analysis Exercises: Case studies and analysis exercises (a): In this form of exercise, the candidate is required to decide on a specific business case.

2) Critical Incidents Technique

It is impossible to characterise a key episode other than to claim that it can influence a system's development and degeneration. Examining what the idea does can be one method to comprehend it. Researchers and practitioners agree that the critical incidents technique can be characterised as a set of procedures for systematically identifying behaviours that contribute to the success or failure of individuals or organisations in particular situations, despite the fact that there are many variations in procedures for gathering and analysing critical incidents. First, for each employment, a list of acceptable and unacceptable workplace conduct is created. A few judges are requested to rank the relative merits of good and bad behaviour.

Following are the criteria for a successful use of critical incident technique:

- a. Data are centred on real critical incidents that occur during a task performance.
- b. Tasks are performed by real users.
- c. Users are located in their normal working environment.
- d. Data are captured in normal task situations, not contrived laboratory settings.
- e. Users self-report their own critical incidents after they have happened.

No direct interaction takes place between user and evaluator during the description of the incident(s).

- f. Quality data can be captured at low cost to the user.

Critical Incidents Technique is useful for obtaining in-depth data about a particular role or set of tasks. It is extremely useful to obtain detailed feedback on a design option. It involves the following three steps:

Step 1: Gathering facts: The methodology usually employed through an open-ended questionnaire, gathering retrospective data.

Step 2: Content analysis: Second step consists of identifying the contents or themes represented by the clusters of incidents and conducting “retranslation” exercises during which the analyst or other respondents sort the incidents into content dimensions or categories. These steps help to identify incidents that are judged to represent dimensions of the behaviour being considered.

Step 3: Creating feedback: It is important to consider that both positive and negative feedback be provided. The poor features should be arranged in order of frequency, using the number of responses per category. Same should be done with the good features.

1. Questionnaires

Users fill out questionnaires, which are written lists of questions, and then send them back. You start by creating inquiries about your product based on the kinds of details you are interested in learning. More advice on creating questions that work is available from the sources listed below for questionnaires.

The Common Metric Questionnaire (CMQ), which has five sections (Background, Contacts with People, Decision Making, Physical and Mechanical Activities, and Work Setting), examines some of the abilities related to work performance.

41 broad questions about work requirements, such as travel, seasonality, and license requirements are posed in the background section. The 62 questions in the connections with People section focus on meeting requirements, degree of internal and external connections, and level of oversight.

2. Psychometric Tests

Numerous businesses incorporate a psychometric test into their hiring procedure. Some people may find this to be a possibility that makes them naturally and understandably wary of the unknown.

- a) **Aptitude tests:** These measure a person's likelihood of benefiting from training. In contrast to prior performance, it forecasts how well a person will be able to perform following training. They were created to help people with specific tendencies in certain abilities stand out. As a result, they include traits like mechanical aptitude, clinical aptitude, artistic aptitude, and other traits that are more specific, clearly defined, or useful.
- b) **Achievement Tests:** These assessments gauge the degree of competence that a person has attained.

Let Us Sum Up

In this unit, you have learned about the following:

A good manager will be able to assign jobs to the right people, which calls for thorough job analysis. Making decisions on organisational planning and design, hiring and selecting employees, their training, evaluation, and development, as well as other managerial duties, might benefit from job analysis. A competency-based approach to job analysis is required for all of these to proceed without a hitch.

Check Your Progress

1. Key Performance Areas means _____
 - a. Areas which are within the responsibility of the role
 - b. Areas which the management has demarcated to be performed by employee
 - c. Areas for strengthening of skills and attitudes
 - d. All above
2. Career path planning is affected by _____
 - a. Employee preference

- b. Employee requirements
 - c. Employee preference/employees requirement and structure of the organisation
 - d. Both A. + B.
3. Phases of performance counselling are _____
- a. Rapport building / employee should discover own SWOT / action plans, through brainstorming sessions
 - b. Two way communication / employee be encouraged for their own performance appraisal
 - c. Organisational objectives are integrated
 - d. All above
4. Training method commonly used, for employee in banks is _____
- a. On the job training
 - b. Classroom Training
 - c. Off the job training
 - d. Vestibule Training
5. Training evaluation is measured by _____
- a. Goal based / Goal free / Responsive
 - b. Systems / professional review / quasi-legal
 - c. Goal based / systems / responsive
 - d. Both A. + B.

Glossary

Competency approach: The competency approach serves as the cornerstone for many human resource development programmes.

Competency Mapping: It is essential for a job. In order to incorporate these competencies into the organization's various processes (such as job evaluation, training, and recruitment), competency mapping is a technique for identifying critical competencies for an organisation and/or a position. Instead of a talent or ability, a competency is characterised as a behaviour (for example, leadership or communication).

Answers to Check Your Progress

1.a

2.c

3.a

4.b

5.c

Suggested Reading

1. Boselie, P. (2014). EBOOK: Strategic Human Resource Management: A Balanced Approach. McGraw Hill.
2. Niles, S. G., & Harris-Bowlsbey, J. (2013). Career development interventions in the 21st century (p. 528). Boston, MA: Pearson.

Performance Planning and Review

STRUCTURE

Overview

Objectives

9.1. Introduction

9.2. Concept of Performance Appraisal

9.3. Goals of Performance Appraisal

9.4. Objectives of Performance Appraisal

9.5. The Performance Appraisal Process

9.6. Benefits of Performance Appraisal

9.7. Performance Appraisal Methods

9.8. Performance Counselling

9.9. Problems in Performance Appraisal

9.10. Effective Performance Appraisal

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Organisations can identify how employees can contribute to achieving their goals with the use of performance appraisal. There are two significant activities in it. The first has to do with assessing performance, and the second, with the evaluation procedure. The concept of performance evaluation and the procedures associated with it have been covered in this unit.

Objectives

After completion of the unit, you should be able to:

- comprehend the idea of performance appraisal;
- explain the performance appraisal process;
- discuss the benefits of appraisal;
- define various appraisal methodologies.

9.1. Introduction

Organisations can identify how employees can contribute to achieving their goals with the use of performance appraisal. There are two significant activities in it. The first has to do with assessing performance, and the second, with the evaluation procedure. The concept of performance evaluation and the procedures associated with it have been covered in this unit.

9.2. Concept of Performance Appraisal

What the Performance Means

What exactly does the word "performance" mean? When workers are productive, they are working effectively. Effectiveness relates to the achievement of goals, and productivity includes both concern for effectiveness and efficiency.

Appraisal's definition

Evaluations are conclusions about the qualities, attributes, and performance of others. We evaluate the worth or value of others and categorise what is good or evil based on these judgements. A performance evaluation is a methodical assessment of employees by managers in the workplace. Additionally, employees want to know where they stand within the company. Selection, training, promotion, transfer, wage and salary administration, among many other administrative decisions, all depend on the results of appraisals.

9.3. Goals of Performance Appraisal

To make effective performance appraisals a reality, four criteria need to be present. These are:

- a) Employee participation in the evaluation and growth process is encouraged.
- b) Supervisors must approach performance reviews with a positive and supportive attitude.
- c) Mutually agreeable goals must be established.
- d) The employee's job and performance must be known to the supervisors.

9.4. Objectives of Performance Appraisal

Performance appraisal has a number of specific objectives. These are given below:

a) To evaluate prior performance; b) To determine training needs; c) To support personal growth; d) To examine the skill levels within an organisation; e) To determine possibility for promotion; f) To set goals for future performance.

Some workers could think that the organisation only uses performance reviews to assign blame and serve as justification for disciplinary action. They interpret it as a tool used by management to punish employees. A well-planned performance appraisal is bound to failure in such circumstances. Even if the system is designed with the more constructive goals in mind, issues can still develop because not all of them may be feasible and may even lead to conflict.

9.5. The Performance Appraisal Process

Following steps are involved in appraisal process:

1. The development of performance standards is the first step in the appraisal process. These were supposed to result from the job analysis and job description. Additionally, these performance standards must to be understandable and objective enough to be measured. These criteria are too frequently expressed in terms like "a full day's work" or "a good job." Vague statements are meaningless.
2. A manager's expectations for the performance of their subordinates at work must be sufficiently clear in their minds so that the managers can later communicate these expectations to their subordinates and evaluate their performance in light of these previously established standards.
3. It's important to explain performance expectations once they've been defined.

9.6. Benefits of Performance Appraisal

The benefits of an effective appraisal scheme can be summed up under three categories. These are for the organization, for appraiser and for appraisee.

For the Organizations: Following benefits would accrue to the organization.

- a. A better understanding of the organization's goals and values, a stronger sense of cohesion and loyalty, and enhanced relations between managers and employees all contribute to higher performance across the board.

- b. An improvement in the work that each staff member does.
- c. Finding suggestions for improvement.
- d. Long-term goals and expectations can be developed.
- e. Training and development requirements can be more precisely identified.
- f. It is possible to establish and preserve a culture of success and constant improvement.
- g. Career development plans for individuals with promise can be created to meet future staffing needs.

1) **For the appraiser:** The following benefits would accrue to the appraiser:

- a. The chance to provide an overview of certain positions and departments.
- b. Finding suggestions for enhancements.
- c. The chance to connect team goals and individual aims with organisational and departmental goals.
- d. The chance to make clear what the management wants from teams and specific team members.
- e. The chance to rearrange target priorities.
- f. A strategy for developing a more productive relationship with personnel that is built on respect and trust.

2) **For the appraisee:** For the appraisee the following benefits would accrue:

- a. Increased motivation.
- b. Increased job satisfaction.
- c. Increased sense of personal value.

9.7. Performance Appraisal Methods

This section looks at how management can actually establish performance standards and devise instruments that can be used to measure and appraise an employee's performance.

Critical Incident Method

Critical incident appraisal concentrates the rater's emphasis on those crucial or important behaviours that separate effective performance from ineffective performance. A collection of key incidents involving a certain

employee also offers a wealth of examples from which it is possible to show the employee which of his or her behaviours are preferable and which ones require modification. The following two problems exist with this approach:

- a. Supervisors are reluctant to write these reports on a daily or even weekly basis for all of their subordinates as it is time consuming and burdensome for them
- b. Critical incidents do not lend themselves to quantification. Therefore the comparison and ranking of subordinates is difficult.

1) Checklist

The evaluator includes certain behavioural descriptions and tests of those behaviours that pertain to the employee in the checklist. The assessor simply ticks off items on the list with a "yes" or "no" response. When the checklist is finished, the staff of the personnel department—not the rater himself—typically evaluates it.

2) Graphic Rating Scale

The visual rating scale is one of the most traditional and widely used evaluation techniques. They are used to evaluate traits including effort level and quality, job knowledge, cooperation, loyalty, reliability, attendance, honesty, integrity, attitudes, and initiative, among others.

Whenever there is ambiguity, prejudice is introduced. The following are a few benefits of this approach:

- a. They are less time-consuming to develop and administer.
- b. They permit quantitative analysis.
- c. There is greater standardization of items so comparability with other individuals in diverse job categories is possible.

3) Forced Choice Method

A unique kind of checklist called a forced choice evaluation requires the rater to select between two or more assertions, any of which could be positive or negative.

This key needs to be verified so that management may claim that employees with higher scores are those who do better in their jobs.

The major advantages of the forced choice method are:

- a. Since the appraiser does not know the "right" answers, it reduces bias.

- b. It looks at over all performance.
- c. It is based on the behavior of the employees.

1) Behaviourally Anchored Rating Scales

In the dimension for which they were formed, those that are sorted into that dimension are kept. The last collection of behaviour events is then numerically scaled to a performance level that each is thought to represent. For usage as performance dimension anchors, the incidents that are retranslated and have a high rater agreement on performance effectiveness are kept. Behavioural descriptions such as anticipates, plans, executes, solves urgent difficulties, carries out instructions, and handles emergency situations are the outcomes of the aforementioned activities.

This method has following advantages:

- a. It does tend to reduce rating errors.
- b. It assesses behavior over traits.
- c. It clarifies to both the employee and rater which behaviors connote good performance and which connote bad.

2) Group Order Ranking

A limited number of employees being compared is not a good thing. In the worst case scenario, the evaluator might be forced to rank the four employees in the top quarter, second quarter, third quarter, and bottom quarter even if they are all quite likely to be exceptional!

A further drawback that affects all relative measurements is the "zero-sum game" phenomenon: consideration. This implies that any change must equal zero. For instance, if a department has twelve employees, and each is performing at a different degree of effectiveness, then three of those employees are, by definition, in the top quarter, three are in the second quarter, and so on. For example, the sixth-best worker would fall into the second quartile.

3) Individual Ranking

With the individual ranking approach, the assessor is just required to list each employee in order of highest to lowest performance. There can only be one "best." When evaluating thirty people, the ranking system has the same benefits and drawbacks as group order ranking.

4) Paired Comparison

The $[n(n-1)]/2$ comparisons total is used to determine the paired

comparison technique. Simply counting the number of pairs in which each employee is the preferred member yields a score for each employee.

5) Management by Objectives

Organisational objectives are transformed into personal objectives through the management by objectives (MBO) method. Setting goals, creating an action plan, exercising self-control, and conducting periodic evaluations are the four steps that make up this process.-

- a. When creating goals, departmental and individual objectives are based on the organization's general objectives. In order for the subordinate to complete the requirements of the job as identified by the job analysis, the manager and subordinate jointly select the goals that are essential for the subordinate to attain. These objectives are established and used as the benchmarks for judging the employee's performance.
- b. The means for reaching the purposes defined in goal-setting are decided upon in action planning. In other words, practical plans are created to achieve the goals. In this step, the activities required to achieve the goal are identified, their crucial relationships are established, the amount of time needed for each activity is estimated, and the outcome is determined.

Following are the advantages of MBO:

- a. It is result –oriented. It assists the planning and control functions and provides motivation.
- b. Employees know exactly what is expected of them and how they will be evaluated.
- c. Employees have a greater commitment to objectives that they have participated in developing than to those unilaterally set by their bosses.

6) 360 degree appraisal

- a. The 360 degree feedback method comprises gathering opinions from a person's employer or bosses, direct reports, coworkers, other project team members, internal and external customers, and suppliers on that person's behaviour and the impact of that behaviour. People that regularly engage with the person receiving feedback are frequently picked to serve as raters. The feedback's objectives are to: Assist each individual to understand his or her strengths and weaknesses.

- b. Contribute insights into aspects of his or her work needing professional development.

Following are some of the major considerations in using 360 degree feedback. These are basically concerned with how to: select the feedback tool and process;

- a. select the raters;
- b. use the feedback
- c. review the feedback; and
- d. Manage and integrate the process into a larger performance management system.

Features of 360 degree appraisal

360-degree component of their performance management systems note. These characteristics will be seen in well-managed, thoroughly integrated 360 degree processes.

- a. Improved Provides input from a wider range of sources, including peers, reporting employees, co-workers, and supervisors. Compared to a single person's feedback, this is undoubtedly an improvement. As more individuals participate in the process, managers can spend less time offering feedback, which can save them time. Co-worker perception is significant, because the procedure enables individuals to comprehend how other workers perceive their work.
- b. Team building: Aids in teaching team members how to collaborate more successfully. Team members are more aware of each other's performance than their manager is.
- c. Improvement of personal and organisational performance: One of the finest ways to identify areas requiring personal and organisational improvement is through 360-degree feedback.
- d. Responsibility for Career Development: For a variety of reasons, organisations as a whole are no longer in charge of helping their people advance their careers.
- e. Decreased Risk of Discrimination: Biases resulting from numerous factors are decreased when feedback is provided by a variety of people in diverse job functions. The feedback comes from a variety of sources, which eliminates the supervisors' errors in judgement.
- f. Better Customer Services: Internal or external customers are

involved in the feedback process. Each individual gets insightful input regarding the calibre of his goods or services.

Training Needs Assessment: Multi-rater feedback provides comprehensive information about organization training needs and thus helps in mounting relevant training programmes. Such programmes add value to the contribution made by the individual employee.

Benefits of 360 degree Appraisal:

Following benefits of 360 degree Appraisal accrue to the individual, team and organization:

To the individual:

- a. This method enables people to comprehend how others see them B) It reveals blind spots
- b. It offers feedback, which is crucial for learning.
- c. People are better able to control their own performance and careers
- d. Soft skill quantifiable data is made available.

To the group:

A) It improves communication amongst team members B) It fosters greater levels of trust and improved communication as people pinpoint the root causes of problems

As people learn how to treat others and how they want to be treated, it improves team dynamics in the following ways: c); d); e); and it promotes teamwork by integrating team members in the development process.

To the Organization:

A) It strengthens corporate culture, openness, and trust; B) It gives workers better career development opportunities; C) It gives workers growth and promotion opportunities; D) It enhances customer service by allowing customers to participate in evaluation; E) It makes it easier to carry out pertinent training programmes.

9.8. Performance Counselling

The main objective of performance counselling is to help the employee to overcome his weaknesses and to reinforce his strengths. In this sense it is a developmental process where the supervisor and the subordinate discuss the past performance with a view to help the subordinate to improve and become more effective in future.

- a. Both good and negative feedback is shared.
- b. It is supported by facts rather than just being an opinion. In other words, it need to be descriptive rather than judgmental.
- c. It places more emphasis on behaviour than on the individual.
- d. It is appropriate. Feedback that is given too late is ineffective. On the other side, it might be interpreted as criticism, which could make the connection much worse. Details are lost over time, and recollection may be compromised by memory distortions.

Career Path

Supporting employees' advancement within the company is one of the key goals of appraisal, especially potential appraisal. Dead-end jobs are not preferred by most people. Consequently, a career ladder with distinct rungs becomes an essential element of human resources management. Most those in which the job description remains mostly unchanged but the designation changes to a higher level position. An excellent illustration of this is found in educational institutions, where an assistant professor may advance to associate professor and professor status, but the job's primary duties (teaching and research) remain the same.

9.9. Problems in Performance Appraisal

Although it is considered that the tools and processes used for performance appraisal present an objective system, it would be naive to presume that all actual managers consistently and impartially understand the standards by which their subordinates will be evaluated.

1) Leniency Mistake

Every assessor has a set of personal values that serve as a benchmark for assessments. Some evaluators provide high marks relative to an individual's true or actual performance, while others give low marks.

2) Halo Impact

The halo effect, also known as the error, is a propensity to rate all factors high or low based on the perception of a high or low rating on one particular component.

3) Central Tendency

It's feasible that the pattern of appraisal holds true regardless of who the appraiser assesses and the attributes they utilise.

4) Recency vs. Primacy Effect

Recency is used to describe how close something is to the appraisal

period. Typically, an employee does little to deserve punishment for the entire year and takes it easy. But when it's time for an appraisal, he becomes really involved. Suddenly, there is a sense of efficiency; paperwork moves more quickly; assignments are taken seriously; and managers are regularly updated on the status and issues.

9.10. Effective Performance Appraisal

The challenges with reliability and validity of performance evaluation are essentially the centre of the aforementioned concerns. In other words, how can we be certain that the object being appraised is the object that should have been appraised.

The supervisors should be informed that performance reviews are a crucial component of their job responsibilities and that their own performance will be assessed based on how seriously they take this process.

- a. To assist them in doing this role successfully, they should receive organised training on conducting performance interviews and preparing performance reports.
- b. Carry out job evaluation studies, create job descriptions and duties, and create distinct forms for diverse organisational jobs.
- c. Make the system as basic as you can so that it's neither impossible nor difficult to understand.

In addition, following can also help in improving the effectiveness of an appraisal:

a) Behaviorally Based Measures

The evidence is clear that metrics focused on behaviour are superior to those created around attributes. Many characteristics that are frequently thought to be linked to good performance may actually have very little or no connection to performance.

b) Ongoing Feedback

Employees enjoy hearing about their progress. The annual review, in which the boss discusses the evaluations of the subordinates with them, can cause issues.

It can be a concern in some situations just because managers put off conducting such reviews. If the appraisal is dismal, this is especially likely. The answer is for the boss to regularly communicate expectations and disappointments with the subordinate.

c) Multiple Raters

The likelihood of obtaining more precise data rises as the number of raters does. When the number of raters increases, the majority will typically cluster around the middle if rater error tends to follow a normal curve.

d) Peer Evaluations

Because they don't work with their subordinates every day, managers can find it challenging to assess their performance. Unfortunately, they might not be making an accurate evaluation without this knowledge. Peer reviews are one of the simplest methods. They are the ones most aware of their coworkers' day-to-day work behaviour and should be given the chance to give the management some feedback. Peer evaluations are conducted by an employee's coworkers, people who are specifically familiar with the jobs involved primarily because they too are doing the same thing.

Let Us Sum Up

In this unit, you have learned about the following:

Setting goals for individuals and tracking their progress towards these goals on a regular basis in an environment of mutual confidence and cooperation between the appraiser and the appraisee are key components of performance appraisal. An effective assessment system must accomplish a number of critical goals in order to provide benefits to the company, managers, and individuals in various ways. Employees should be focused on both their short- and long-term aims as well as their career aspirations through the creation of appraisal systems. It's also critical to be aware of the issues with performance review systems.

Check Your Progress

1. Lockout is a weapon available to –
 - a. Employees
 - b. Trade Unions
 - c. Employers
 - d. Government
2. How the conflicts within employers and employees can be settled or prevented?
 - a. Voluntary method

- b. Government Machinery
 - c. Statutory Measures
 - d. All above
3. The word workers participation in management means –
- a. Sharing the decision making powers
 - b. Sharing the decision making with lower results of the employees
 - c. Sharing the day to day working with higher ranks of persons
 - d. Sharing the financial decision making powers with representative of workers
4. What is the role of the trade-union in collective bargaining?
- a. To protect jobs and real earnings
 - b. Better conditions of work life for workers
 - c. Fighting against any possible, exploitations
 - d. All above
5. Which kind of workers participation makes the workers as shareholders of the company?
- a. Participation at Board Level
 - b. Participation through ownership
 - c. Participation through complete control
 - d. Participation through work councils

Glossary

- **Performance:** When workers are productive, they are performing well. Effectiveness relates to the achievement of goals, and productivity includes both concern for effectiveness and efficiency. But it says nothing about the expenses required in achieving the aim.
- **Efficiency** enters the picture at this point. Efficiency measures how many inputs are used to produce how many outputs. Efficiency increases when output for a given input increases. It is undesirable to have objective productivity indicators such as hard data on efficacy, quantity produced, or percentage of crimes solved, etc., and hard data on efficiency (average cost per unit, ratio of sales volume to number of calls, etc.).

- **Performance** also includes human data. Productivity is measured in terms of effectiveness and efficiency.

Answers to Check Your Progress

1.c

2.d

3.b

4.d

5.b

Suggested Reading

1. Tsui, A. P., & Wong, W. K. (2021). *Transformational HRM Practices for Hong Kong*. University of Chicago Press.
2. Sparrow, P., Brewster, C., & Chung, C. (2016). *Globalizing human resource management*. Routledge.

Unit -10

Performance Appraisal, Evaluation Focuses, Profession and Progression Development

STRUCTURE

Overview

Objectives

10.1. Introduction

10.2. Potential Appraisal

10.3. Assessment Centres

10.4. Career Planning

10.5. Succession Planning

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Employees want to advance, and they anticipate this advancement happening frequently. Only when the employees experience success and happiness can organisational goals, enhanced productivity, and the fulfilment of company objectives be achieved. A well-designed system of career and succession planning in an organisation is necessary to accomplish this. In light of this, this subject discusses the methods of prospective evaluations and growth strategies used by organisations like assessment centres. In this unit Performance Appraisal, Evaluation Focuses, Profession and Progression Development

Objectives

After going through this unit, you should be able to :

- Describe the meaning of potential evaluation and its significance.
- Comprehend what a "assessment centre" is and how it operates;
- Establish a distinction between assessment and development centres;
- Discuss the steps involved in career planning and their significance.

10.1. Introduction

Employees want to advance, and they anticipate this advancement happening frequently. Only when the employees experience success and happiness can organisational goals, enhanced productivity, and the fulfilment of company objectives be achieved. A well-designed system of career and succession planning in an organisation is necessary to accomplish this.

10.2. Potential Appraisal

Many companies that conduct performance reviews also monitor the chances of future promotions for their personnel. The challenge of determining whether a staff person has the potential for promotion cannot be made simple for the manager conducting the appraisal because their ability to perform well in their current position does not always signal that they have that potential.

Clearly defined steps enable it to become a crucial element of human resources management. The majority of HRM professionals endorse job restructuring to allow for a respectably long and structured career advancement. In essence, career paths refer to chances for advancement inside an organisation.

10.3. Assessment Centres

Simply having a job does not suffice to satisfy employees. They desire the organization's expansion and employees' personal development. An "assessment centre" is a place where several people are simultaneously assessed utilising a range of group and individual exercises by a team of qualified evaluators.

A more complex series of performance simulation tests known as assessment centres is used to assess a candidate's managerial potential. Assessment facilities have regularly produced outcomes that forecast managerial job performance in the future.

The prerequisites for a procedure to be regarded as an assessment centre are as follows:

Job Analysis

To establish what should be examined by the assessment centre, a job analysis of pertinent behaviours must be done in order to ascertain the dimensions, competencies, qualities, and job performance indices vital to job success.

A "competency" might or might not be subject to the behavioural evaluation described in this definition. According to a number of modern sources, a competency might be a construct, a collection of connected behaviours or qualities, an organisational strength, an organisational purpose, or a valued ambition.

Uses of Assessment Centres

Data generated during the process of Assessment can become extremely useful in identifying employee potential for growth. This data can be used for:

- a. Recruitment and Promotion: Both internal and external candidates can be evaluated for suitability to those particular postings where there are specific positions that need to be filled.
- b. Early Personnel Identification: The organisation must maximise talent as soon as feasible, which is the basic rationale for this strategy. High potential employees must also be inspired to stick with the company.
- c. Diagnosis of Training and Development Needs: It gives candidates a better understanding of their needs while also giving the opportunity to identify individual training and development needs.
- d. Organisational Planning: Assessment centres can be used to pinpoint organisational skill gaps that are pervasive so that training in these areas can be established.

Differences between Assessment and Development Centres

- a. Both include assessment; the difference lies in how the information is used, i.e., whether it is used for selection or development.
- b. Because all centres, whether they are for assessment or development, inevitably lay somewhere on a continuum in between the two extremes, it is impossible to make a distinction between them.
- c. The majority of development centres also include at least some assessment, and the majority of assessment centres do the same.
- d. A more open-minded approach to assessment centres led to the development of development centres.

While assessment centres have changed from being used only for selection to having a more developmental focus, the terminology used to describe them has not.

A few of the distinctions between assessment and development centres are listed below:

The differences between assessment and development centres include the following: a) assessment centres have a pass/fail standard, whereas development centres do not; b) assessment centres are focused on filling job openings, whereas development centres focus on developing the individual; c) assessment centres address an immediate organisational need, whereas development centres address a longer-term need; d) assessment centres have fewer assessors and more participants, whereas development centres have a 1:1 ratio of assessors to participants.

10.4. Career Planning

A person's career is considered as a series of the jobs they hold during their lives. A person's career may also be seen as an amalgam of the changes in values, attitudes, and drive that take place as they age. The underlying presumption is that a person can change his or her destiny over time and make adjustments that will enable him to maximise and maximise the potential for his or her own career development. Career planning is crucial since it will aid a person in exploring, selecting, and working towards a career goal that will make them happy.

Career anchors

According to some recent research, there are six key characteristics that influence how people choose and train for careers. They are known as career anchors because they serve as the foundation for choosing a career. They are proven to be particularly important when young people are picking careers.

They are succinctly described below:

1. **Managerial Competence:** The development of interpersonal, analytical, and emotional competence is a career aim for managers. People that use this anchor try to control others.
2. **Functional Competence:** For technicians, ongoing technical talent development serves as the fulcrum. These people are not looking for managerial roles.
3. **Security:** Stabilising career situations serves as the anchor for people who are security-conscious. They frequently think of

themselves as belonging to a specific group or region.

4. **Creativity:** People that are creative tend to have an entrepreneurial mindset. They desire to design or construct something wholly unique.

Career planning thus involves matching of rewards and incentives offered by the career path and career structure with hope and aspiration of employees regarding their own concept of progression. A general approach to career planning would involve the following steps:

1. It is necessary to do an analysis of the characteristics of the incentives and rewards provided by the current career system and to inform the employee. Since this information may only be available to a small number of managers, many people might not be aware of their own career growth route.
2. An objective assignment must be used to analyse the traits of the ambitions and objectives of various employee types, including the identification of their career anchor. Most organisations make the assumption that each person has professional goals, which need not align with reality. The person might not be aware of the aspiration and career anchor and may not have a clear understanding of their short- and long-term work and life goals.
3. **Alternative strategies** for dealing with mismatch will have to be formulated. Some of the strategies adopted by several organization include the following :
 - a shift in the career system through the development of new career paths, new incentives, new rewards, and chances for lateral movement and challenge through job redesign.
 - altering the hopes and aspirations of the workforce by generating new needs, goals, and aspirations or by assisting the workforce in reducing goals and aspirations that are, for a variety of reasons, unrealistic or unachievable.
 - Using problem-solving, negotiation, or other techniques, look for new bases for fusion, compromise, or other types of mutual change on the parts of the employee and organisational.
 - Presented is a framework for the career planning process that integrates individual and organisational needs.

10.5. Succession Planning

In order to maintain leadership for all key jobs, succession planning is an ongoing process that defines the necessary competencies, then works to evaluate, develop, and retain a talent pool of personnel. The mission, goals, and activities outlined in workforce planning are to be accomplished through specific stages that are laid out in succession planning. It is a strategy that managers can use, put into practise, and adjust to suit the requirements of their organisation, division, or department.

Let Us Sum Up

In this unit, you have learned about the following:

Continuous performance improvement depends on ongoing staff and individual development. Your own self-development must be tied to your work ambitions, as well as to your personal strengths and weaknesses. Planning for career advancement and establishing career objectives are necessary for this. This can be accomplished by identifying employees' potential through potential evaluation and the numerous methods included in it, such as assessment centres.

Check Your Progress

1. The core elements of HRM are –
 - (i) People (ii) Management (iii) Behavioural Dynamics
 - (iv) Uniformity of application
 - a. i, ii, iii
 - b. ii, iii, iv
 - c. i, ii, iv
2. In a___, teams are formed and team members report to two' or more managers.
 - a. Formal Organization
 - b. Informal Organization
 - c. Matrix Organisation
 - d. Divisional Organization
3. ___ refers to the attitudinal and behavioural characteristics of a group and is concerned with how groups form, their structure and process, and how they function,

- a. Group dynamics
 - b. Organic structure
 - c. Functional Structure
 - d. Matrix organization
4. Benchmarking is
- a. T the process of comparing the business processes & performance metrics including cost, cycle time, productivity to another that is widely considered to be an industry leader
 - b. A process in which the organisations evaluate various aspects of their processes in relation to the best practice companies' processes usually within the peer group defined for the purposes of comparison
 - c. Both A. and B.
 - d. None of the above
5. Reengineering starts with a —
- a. High-level assessment of the organisation's mission
 - b. Strategic goals
 - c. Customer demands
 - d. All of the above

Glossary

Potential appraisal: Organisations that conduct performance reviews often keep track of their staff members' potential for future promotions. Since a staff member's ability to do a good job in their current position does not always indicate that they have the potential for promotion, the task of finding such potential cannot be made simple for the manager who is doing the appraisal.

Planning your career: A person's career is seen as a list of the positions they hold throughout their lives. A person's career may also be seen as an amalgam of the changes in values, attitudes, and drive that take place as they age.

Answers to Check Your Progress

1.d

2.c

3.a

4.c

5.d

Suggested Reading

1. Western, S. (2012). *Coaching and mentoring: A critical text*. Sage Publications.
2. Lancer, N., Clutterbuck, D., & Megginson, D. (2016). *Techniques for coaching and mentoring*. Routledge.

STRUCTURE

Overview

Objectives

11.1. Introduction

11.2. Human Resource (HR) Audit

11.3. Benchmarking

11.4. Human Resource (HR) Accounting

11.5. Human Resource Information System (HRIS)

11.6. Human Resource (HR) Research

11.7. Talent Management Strategies

11.8. Performance Appraisal Systems

11.9. Diversity and Inclusion Initiatives

11.10. Employee Engagement Programs

11.11. Succession Planning

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

There appears to be a widespread belief that it is impossible to accurately measure what the HR function does. Of course, that idea has no real worth. The value that HR functions, like marketing, law, or finance, provide to the organization must be considered while evaluating them.

HR managers are responsible for two key tasks. These are sometimes referred to as staff and line functions. The staff function, often known as an advising job, is more important than the line function, which essentially relates to overseeing the HR division.

Objectives

After finishing this module, you ought to be able to:

- Comprehend the ideas behind HR audit,

- Benchmarking, HR accounting,
- HR information systems, and HR research;
- talk about the advantages and application of these ideas;

11.1. Introduction

There seems to be a widespread belief that the work done by the HR department is impossible to measure. Of course, there is no real value in that idea. Like marketing, law, or finance, HR functions must be assessed based on the value they provide to the company.

HR managers carry out two key tasks. Traditionally, these have been referred to as line and staff functions. The staff function (also known as the advising position) is more important than the line function, which essentially relates to overseeing the HR department. These include HR research, HR accounting, HR information systems, HR information systems audit, and a) benchmarking.

11.2. Human Resource (HR) Audit

While everyone emphasises the importance of auditing other organizational functions, the same cannot be said for the personal function. Numerous studies show that while many businesses do do evaluations of particular areas of their personnel activities, only a small fraction of businesses conduct a thorough evaluation of the HR function. However, a systematic and thorough audit of HR management's job is required now that it has matured to some extent.

Benefits of HR Audit

Here is a list of some benefits of HR audits. A department's reputation among managers and experts is enhanced by an audit, which serves to remind employees and others of their efforts. The audit helps define the department's role,

The fact that it identifies issues and assures adherence to several regulations and strategic plans in an organisation may be of utmost importance.

The HR department's contribution to the organisation is identified, and its professional image is enhanced.

- a. Promotes better accountability and professionalism among HR department employees.
- b. Specifies the obligations and liabilities of the HR division.
- c. Encourages consistency in HR rules and procedures.

- d. Identifies significant HR issues.
- e. Assures prompt adherence to legal standards.
- f. Reduces

Scope of HR Audit

HR managers need a large amount of data in order to conduct HR audits. Information on the following human resource functions is required in order to conduct an effective HR audit.

1) Procurement Function

- a. Keeping track of current and upcoming labour needs The following criteria must be met:
- b. Reliable performance standard
- c. Potential changes that could affect personnel
- d. Location and matching of needed and available skills
- e. Reliable test and selection criteria
- f. Cost of requirement and replacement

2) Developmental Role

A reliable gauge of employee performance, a cost-benefit analysis of training and development, and a connection between personal goals and organisational requirements.

- d) Succession and career planning.

1) Compensation Function

- a. The relationship between pay and output
- b. The effect of money on employee work motivation
- c. Employee cost in terms of turnover
- d. The impact of inflation and technology on pay scales and output
- e. The contribution that collective bargaining and benefit plans provide to the organisation.

2) Maintenance Function

- a. Indicators of organisational health, such as absenteeism, turnover, accidents, grievance procedures, and man-days lost Environmental requirements for workers' physical and emotional wellbeing.
- b. Reasons for and the cost of employee termination

- c. If required, incentives for voluntary separation.

3) Integration Function

- a. Company culture of leadership and communication
- b. Adaptation to environmental change
- c. Factors affecting productivity levels
- d. Consequences of technological and market change.

Audit Reports

The audit report is a comprehensive description of HR activities that includes both commendations for effective practices and recommendations for improving practices that are less effective. A recognition of both good and bad practices is more balanced and encourages wider acceptance of the report.

11.3. Benchmarking

Benchmarking, which aims to evaluate an organization's competencies versus "best in class" wherever it may be found, is a term that is now frequently used to characterize performance assessment. This is frequently understood to simply refer to quantitatively definable output performance measurements (such as comparisons of financial performance, important financial ratios, and other output measures like market share and production throughput). However, there are other, more qualitative aspects of performance that are less obvious but have an impact on quality or satisfaction. One such aspect is attitude towards consumers.

Internal Comparison

The majority of businesses keep track of their own performance to determine how important business operations evolve over time.

External Comparison

This entails contrasting one organization's performance with another. Organizations must choose:

- a. Which organizational activities or other aspects should be contrasted with others?
- b. What should the other organizations be?

It consists of the ten steps listed below, which should be carried out in the order they are presented:

1. Identify the benchmarking criteria.

2. Identify comparable companies.
3. Select data gathering techniques and gather data.
4. Establish current performance standards.
5. Predict performance levels in the future.

11.4. Human Resource (HR) Accounting

The recent surge in interest in human resource accounting can be attributed to two main factors.

The administration of human resources must be trustworthy and thorough.

- a. The traditional accounting framework is in the process of incorporating a considerably wider range of measurement than was previously possible.
- b. Even if people are an organization's most valuable asset, financial accounts do not reflect their value.

Objectives of HR Accounting

The goal of HRA includes managing human resources, which will ultimately improve the quantity and quality of goods and services, in addition to recognizing the value of all resources used by the company.

The following are the primary goals of the HR Accounting system:

- a. In order to acquire, allocate, develop, and sustain human resources in a cost-effective manner and to meet organizational goals, it is necessary to provide cost-value information.
- b. To efficiently oversee how the management uses its people resources.
- c. To analyse the human resources and determine whether they are being conserved, depleted, or valued.

Advantages of HR Accounting

Human resource planning not only identifies the type and quantity of people needed, but also the action plan. Major advantages of HR accounting include:

- a. It examines the organization's corporate strategy. The company strategy for growth, diversification, technical advancements, etc. must be developed with consideration for the availability of personnel for such crucial placements or roles. If it seems unlikely that such labour would be available, HR accounting

advises changing the entire corporate strategy.

- b. It counteracts uncertainty and change by allowing the company to have the right employee in the right position at the appropriate time and location.
- c. It offers room for staff growth and development through efficient training and development

HR accounting development and application in different industries and organisations has not fully grown. There are many limitations which make the management reluctant to introduce HR accounting in their organisations.

Some of these limitations are given below:

- a. There are no proper, precise, and well-defined procedures or guidelines for calculating the cost and value of an organization's human resources.
- b. It would be illogical to value human resources in the future if their projected lifespan is uncertain.
- c. There is concern that HR accounting may manipulate and dehumanize workers. For instance, a worker with a poor value may become demoralized and suffer from a complex that impairs his ability to do his job duties.
- d. The much-needed empirical data is still lacking to support the claim that using HR accounting as a management tool will improve and more effectively manage human resources.

11.5. Human Resource Information System (HRIS)

The way in which information is used to manage human resources has also been significantly impacted by technological advancements relating to microcomputers and software. In the past, computers have only been utilised in human resources for tasks related to pay and benefits, such processing payroll. But thanks to recent developments in microchip technology, it is now possible to store massive amounts of data on personal computers and execute statistical calculations that formerly required powerful mainframe computers.

The following difficulties must be addressed while implementing an HRIS:

- a. Thorough need analysis
- b. Which HRIS type and scale should be used ?
- c. Whether to create custom software from scratch or purchase pre-

made software to utilize

- d. Whether to install the HRIS fully or in phases.

An HRIS that uses computers to monitor, control, and influence human movement from the moment a person indicates their intent to join an organisation until they formally resign from it after joining is known as a computerised HRIS. The following sub-systems make up it.

The placement data bank promotional module, general requirements, and training required data are all included in the recruitment information (a).

- a) Personnel Information: This includes information on the employees, such as monitoring of transfers and information about raises and promotions.

- c) Information on manpower planning: It aims to offer data that could support career planning, succession planning, and input for skill development.

Training Information: It offers data for creating lesson plans, setting up need-based training, and analysing the cost of training, among other things.

- a. Health Information System: This subsystem offers data for maintaining employee health-related activities.
- b. Appraisal Information: It deals with the performance evaluation and merit rating data that is used as a starting point for career planning, promotion, increment, and separation, among other things.
- c. Payroll System: It contains data on salaries, bonuses, allowances, and perquisite deductions for provident funds, among other things. It also contains information on the competitor's remuneration structure.
- d. The Personnel Statistics System is a database of past and present data that different types of analysts can use.

Uses of HRIS

The term "human resource information system" refers to a method for assembling, sorting, processing, storing, and destroying the data necessary for an organization's effective and efficient administration of its human resources. A number of factors lead to the need for such a system.

- a. Employee databases must be created by businesses with a large

employee base in order to handle personnel matters.

- b. In a corporation with multiple locations, each office needs up-to-date, reliable information for managing its workforce. Cost and accuracy will rise if information is kept in several places.
- c. The modern pay package is complicated and includes numerous deductions and allowances. Making timely decisions can benefit from data that is centrally accessible.
- d. The compensation packages offered now are complicated, including numerous deductions and allowances. For making quick decisions, centrally accessible data can be helpful.

Designing HRIS

- a) The nature and size of the organisation, top management preferences, the requirement for governmental regulation, the availability of software packages, etc. all affect the kind or range of HRIS. Following are the steps involved in creating a solid HRIS:
- b) Preliminary System Analysis: This entails defining the issue, specifying the goals and operational requirements, identifying the system's constraints, conducting a feasibility study, and submitting the report.
- c) System Design: At this stage, the problem is thoroughly explained, and potential solutions to achieve the goals are discussed and assessed. The chosen alternative's general engineering requirements are described, and its human impact is estimated.
- d) System Testing and Implementation: The HRIS as a whole, each subsystem, and the system's functionality are installed and tested.

11.6. Human Resource (HR) Research

Research is also utilised to assess the efficacy of HR procedures. Information gathering, analysis, and conclusion-making are all steps in the systematic, scientific process of research. The research may occasionally be cutting-edge, relying on complex designs and statistics. However, research aims to boost performance regardless of how reliable the information is. There are two varieties of academic and applied research. Academic research looks for solutions to add to the corpus of information already available. Applied research refers to research projects that are application-focused. It is done applied study to assess HR performance. The following are the five categories of applied research.

- a. **Comparative Approach:** To identify areas of underperformance, the research team compares its organisation (or division) with another organisation (or division). This strategy Research is also used to evaluate
- b. **Outside Authority Approach:** The research team uses existing research findings or a consultant's knowledge as a yardstick for measuring the effectiveness of programmes or activities. The findings of the research or the consultant may aid in identifying the root causes of issues.
- c. **Statistical Approach:** The research team develops statistical benchmarks from existing records in order to assess activities and programmes. The team may find faults using these mathematical criteria while they are still small.
- d. **Compliance Approach:** The research team uses a random sample of the human resource information system to check for violations of regulations and corporate policies or processes. The team can assess whether there is compliance with corporate policy and legal requirements through its fact-finding efforts.
- e. **MBO method:** The research team can compare actual results with stated objectives when an MBO method is used in the human resources sector. Poor performance areas can be found and reported.

11.7. Talent Management Strategies:

Talent management strategies encompass a range of practices aimed at attracting, developing, retaining, and deploying the right talent within an organization to meet its strategic objectives. These strategies recognize that human capital is a critical asset and that managing it effectively can provide a competitive advantage.

Key components of talent management strategies include:

- **Recruitment and Selection:** Effective talent management begins with attracting the right candidates for open positions. Organizations use various recruitment methods, such as job postings, employee referrals, and talent networks, to identify potential hires. Selection processes involve assessing candidates' skills, qualifications, and cultural fit to ensure alignment with the organization's goals and values.
- **Onboarding and Integration:** Once hired, new employees need to be smoothly integrated into the organization. Onboarding

programs provide orientation and training to familiarize new hires with the company's culture, policies, and procedures. Effective onboarding enhances employee engagement and reduces turnover by helping new employees feel valued and supported from the start.

- **Performance Management:** Talent management strategies include robust performance management processes to monitor and evaluate employees' contributions to the organization. This involves setting clear performance expectations, providing regular feedback, and conducting performance appraisals. Performance management helps identify high performers, address performance issues, and align individual goals with organizational objectives.
- **Development and Training:** Organizations invest in the development and training of their employees to enhance their skills, knowledge, and capabilities. Talent management strategies include providing opportunities for learning and growth through formal training programs, mentorship, coaching, and job rotations. Development initiatives help employees reach their full potential and prepare them for future leadership roles within the organization.
- **Succession Planning:** Succession planning is a critical aspect of talent management strategies, ensuring that the organization has a pipeline of qualified candidates ready to fill key roles as needed. This involves identifying high-potential employees, assessing their readiness for advancement, and providing development opportunities to groom them for future leadership positions. Succession planning minimizes disruptions caused by leadership transitions and supports long-term organizational sustainability.

Overall, effective talent management strategies align the organization's human capital with its business objectives, foster a culture of continuous learning and development, and enable the organization to adapt to changing market conditions and talent needs.

11.8. Performance Appraisal Systems:

Performance appraisal systems are formal processes used by organizations to assess and evaluate employees' job performance and provide feedback. These systems serve several purposes, including:

- **Evaluation:** Performance appraisal systems allow managers to assess employees' performance against established goals,

objectives, and expectations. This evaluation helps identify strengths, weaknesses, and areas for improvement, enabling managers to provide targeted feedback and support to employees.

- **Feedback:** Performance appraisals provide an opportunity for managers to communicate feedback to employees about their performance, including areas where they excel and areas where they need to improve. This feedback is essential for helping employees understand how their contributions align with organizational goals and expectations.
- **Goal Setting:** Performance appraisal systems often involve setting new goals and objectives for the upcoming performance period based on the employee's past performance and development needs. Clear goal setting helps employees focus their efforts on activities that contribute to organizational success and personal growth.
- **Career Development:** Performance appraisals can also serve as a platform for discussing employees' career aspirations and development goals. Managers and employees can use performance discussions to identify opportunities for skill development, training, and career advancement within the organization.
- **Reward and Recognition:** Performance appraisal systems may inform decisions regarding rewards, promotions, and recognition for employees who demonstrate exceptional performance. By linking performance to rewards, organizations motivate employees to perform at their best and reinforce desired behaviors and outcomes.

Effective performance appraisal systems are characterized by clear expectations, regular feedback, fairness and consistency in evaluation, alignment with organizational goals, and opportunities for employee development and growth.

11.9. Diversity and Inclusion Initiatives:

Diversity and inclusion initiatives encompass strategies and programs aimed at creating a workplace culture that values and embraces individual differences, including but not limited to race, ethnicity, gender, age, sexual orientation, disability, and cultural background. These initiatives recognize the benefits of diversity in driving innovation, creativity, and organizational performance.

Key components of diversity and inclusion initiatives include:

- **Recruitment and Hiring:** Organizations implement strategies to attract and hire a diverse workforce by actively sourcing candidates from underrepresented groups, removing bias from the recruitment process, and promoting diversity in job postings and outreach efforts.
- **Training and Education:** Diversity and inclusion training programs provide employees with the knowledge, skills, and awareness needed to understand and appreciate differences among colleagues and to create an inclusive work environment. These programs may cover topics such as unconscious bias, cultural competency, and inclusive communication.
- **Leadership Commitment:** Creating a diverse and inclusive workplace requires commitment and support from organizational leaders. Leaders set the tone for the organization's culture, communicate the importance of diversity and inclusion, and hold themselves and others accountable for promoting diversity and equity.
- **Employee Resource Groups:** Employee resource groups (ERGs) provide a forum for employees from diverse backgrounds to come together, share experiences, and support one another. ERGs also serve as a resource for organizations to gather feedback, promote cultural awareness, and implement initiatives that meet the needs of diverse employee populations.
- **Policies and Practices:** Organizations develop and implement policies and practices that promote diversity, equity, and inclusion in areas such as recruitment, promotion, compensation, and benefits. These policies help ensure fairness and equity in the workplace and demonstrate the organization's commitment to diversity and inclusion.

By fostering a diverse and inclusive workplace culture, organizations can attract and retain top talent, enhance employee engagement and morale, improve decision-making and problem-solving, and drive innovation and creativity.

11.10. Employee Engagement Programs:

Employee engagement programs are initiatives implemented by organizations to foster a sense of commitment, enthusiasm, and dedication among employees toward their work and the organization.

Engaged employees are more likely to be productive, innovative, and committed to achieving organizational goals.

Key components of employee engagement programs include:

- **Communication:** Effective communication is essential for engaging employees and keeping them informed about organizational goals, strategies, and expectations. Employee engagement programs often include regular communication channels such as newsletters, town hall meetings, and employee feedback sessions.
- **Recognition and Rewards:** Employee engagement programs recognize and reward employees for their contributions and achievements. This may include formal recognition programs, awards, bonuses, or non-monetary rewards such as praise and appreciation from managers and peers.
- **Professional Development:** Engaged employees are motivated to develop their skills and grow in their careers. Employee engagement programs provide opportunities for professional development through training programs, mentorship, coaching, and career advancement opportunities.
- **Work-Life Balance:** Employee engagement programs support work-life balance by offering flexible work arrangements, wellness programs, and benefits that promote employees' physical, mental, and emotional well-being. When employees feel supported in managing their personal and professional lives, they are more likely to be engaged and productive at work.
- **Employee Involvement:** Engaged employees feel a sense of ownership and involvement in their work and the organization. Employee engagement programs encourage employee involvement through participation in decision-making, problem-solving, and continuous improvement initiatives.
- **Organizational Culture:** A positive organizational culture that values trust, transparency, and respect is conducive to employee engagement. Employee engagement programs focus on nurturing a supportive and inclusive culture where employees feel valued, appreciated, and connected to the organization's mission and values.

Let Us Sum Up

In this unit, you have learned about the following:

In conclusion, there are approaches to quantify HR function even though there is a perception that it is challenging. Few devices/methods are used to quantify the contribution of HR functions in recognition of its significance to the productivity and performance of enterprises. Five of these HR measurement techniques and their applications in businesses have been covered in this section.

Check Your Progress

1. What benefits do incentive-based compensations offer?
 - i. Offering incentives to employees is crucial for motivating them to work more efficiently and produce more.
 - ii. An increase in employee compensation raises employees' standards of life
 - iii. Productivity rises and production capacity rises with less supervision
 - iv. Businesses can lower the burden of fixed costs by maintaining some of the compensation as variable
 - v. Propensity to sacrifice quality in the search of higher incentives by increasing output
 - vi. Due to the payment by results strategy used to achieve bigger incentive figures, employees occasionally disregard security regulations.
 - vii. Overworking may have an adverse effect on an employee's health
 - viii. May demoralise workers who are unable to receive larger incentives due to sectional variations.
 - a) i, ii, iii, iv
 - b) iii, iv, v, vi
 - c) v, vi, vii, viii
 - d) All of the above
2. Who is in charge of managing change?
 - a. Employees
 - b. Management
 - c. Executives

- d. a. & b.
3. What are the HRM's goals?
 1. societal objectives,
 2. organisational objectives,
 3. functional objectives, and
 4. personal objectives, in that order.
 5. Statistical Goals.
 - a. 1, 2, 3, and 4
 - b. i, i, ii, iv, and v
 - c. i, ii, iv, v
 - d. all of the aforementioned
 4. Who is in charge of managing change?
 - a. Employees
 - b. Management
 - c. Executives
 - d. B. & C.
 5. What are the HRM's goals?
 1. societal objectives,
 2. organisational objectives,
 3. functional objectives, and
 4. personal objectives, in that order.
 5. Statistical Goals.
 - a. 1, 2, 3, and 4
 - b. i, i, ii, iv, and v
 - c. i, ii, iv, v
 - d. all of the aforementioned

Glossary

Audit report: The audit report is a thorough account of HR activities that includes both praise for successful practises and suggestions for enhancing unsuccessful practises. Recognizing both excellent and bad behaviours promotes more acceptance of the report and creates a more balanced environment.

HR auditing: auditing, a control function, is the inspection and assessment of policies, practises, and procedures in all business phases to ensure the most efficient management of the organisation.

Benchmarking: This word for performance assessment is increasingly frequently used. It refers to comparing an organization's capabilities to those of "best in class" organisations, wherever they may be found.

Answers to Check Your Progress

1.a

2.d

3.a

4.a

5.b

Suggested Reading

1. Tsui, A. P., & Wong, W. K. (2021). *Transformational HRM Practices for Hong Kong*. University of Chicago Press.
2. Sparrow, P., Brewster, C., & Chung, C. (2016). *Globalizing human resource management*. Routledge.

Block-4: Introduction

Block-4: Human Resource Development has been divided in to Three Units.

Unit-12: Human Resource Development System deals with Introduction, the Concept of Human Resource Development, the Need for HRD, HRD Functions, Human Resource Development Systems, and Principles in Designing HRD Systems and Changing Boundaries of HRD.

Unit-13: Training explains about Introduction: A suggested training system, Organizing training programmes, Evaluation of training, Some issues in training and Towards learning organizations.

Unit-14: Mentoring and Performance Coaching discuss with Introduction: Conditions for Employee Development, The Objectives of Performance Coaching, Conditions for Effective Coaching, The Process of Coaching, Making Coaching Effective, The Process of Mentoring.

In all the units of Block -4 **Human Resource Development**, the Check your progress, Glossary, Answers to Check your progress and Suggested Reading has been provided and the Learners are expected to attempt all the Check your progress as part of study.

Unit- 12

Human Resource Development System

STRUCTURE

Overview

Objectives

12.1. Introduction

12.2. The Concept of Human Resource Development

12.3. The Need for HRD

12.4. HRD Functions

12.5. Human Resource Development Systems

12.6. Principles in Designing HRD Systems

12.7. Changing Boundaries of HRD

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Any firm that wants to be vibrant and growth-oriented must invest in its human resources. Human resources, in contrast to other resources, have essentially limitless potential. Only through fostering an environment that can consistently recognise, bring to light, nurture, and use people's strengths will the potential be realised. The Human Resources Development (HRD) system seeks to establish such an environment. In this unit the concept of Human Resource Development System has been clearly explained.

Objectives

After going through this unit, you should be able to:

- be familiar with the idea of the Human Resource Development (HRD) System;
- define HRD; acknowledge the necessity of HRD;
- List the different HRD systems, describe the HRD subsystems, and talk about how the HRD field is evolving.

12.1. Introduction

Any firm that wants to be vibrant and growth-oriented must invest in its human resources. Human resources, in contrast to other resources,

have essentially limitless potential. Only through fostering an environment that can consistently recognise, bring to light, nurture, and use people's strengths will the potential be realised.

12.2. The Concept of Human Resource Development

In organisations, "people" are being given increased significance. The fundamental reason for this is that businesses now understand that people are their most valuable resource. The newly emerging values of humanism and humanization might also be partially blamed for this emphasis. Additionally, because of the rising emphasis on creativity and autonomy that individuals are acquiring and appreciating in society, expectations of people are rapidly shifting. No longer can people be taken for granted.

The idea that it is vital to invest in people is another fundamental principle of the system. Investment is crucial for resource growth, and the more a company invests in its people, the higher the likelihood that investment will pay off.

In the context of an organisation, human resource development refers to the process by which personnel are continuously and intentionally assisted to:

1. Develop the skills necessary to complete the numerous tasks related to their current or anticipated future responsibilities;
2. Enhance their general capacities as persons and identify and tap into their innate potential for personal and/or organisational growth; and
3. Create an organisational culture that values excellent supervisor-subordinate relationships, teamwork, and collaboration among departments, all of which support employees' motivation, pride, and professional success.

12.3. The Need for HRD

Any organisation that aspires to be vibrant, growth-oriented, or prosper in a rapidly changing environment needs HRD. Only through the efforts and skills of their people resources can organisations become dynamic and grow. Employee morale and motivation can be maintained by personnel rules, but this is insufficient to make an organisation dynamic and move it in new directions.

12.4. HRD Functions

Human Resource Development, or HRD, is the basic idea of HRS. The

idea of development should apply to not just the individual but also to other organisational units. A stronger dyad, or the two-person group composed of the employee and his employer, needs to be developed in addition to the individual. These dyads serve as the foundational units of the organization's activities. In addition, several groups including committees, task forces, etc. need attention.

In this sense, development necessitates a significant effort. The organization's other departments must participate in such an effort, even though training may play the primary role in creating and overseeing development efforts. In actuality, the individual or group for whom development efforts are made is also a partner in this process.

1. Matching the Role and the Person

Once the company is aware of the specifics of the roles or jobs, it makes an effort to hire the best candidates. People are assigned to various positions after being hired. HRM includes crucial components like placement and recruitment. Placement is helpful for giving recruits a variety of experiences.

2. Developing the Persons in the Role

People grow not simply via training but, more importantly, through competent supervision, which enables them to recognise their abilities and use them to their advantage. In a similar manner, people are assisted in discovering what they need to do in order to be more productive at work. Without a thorough evaluation of the performance, constructive criticism, and assistance in identifying one's own strengths and limitations, a performance appraisal cannot be considered complete.

3. Developing the Role for the Person

Very little attention has been given to role, although job rotation is being practiced in most of the organizations, and some organisations have also tried out job enrichment based on Herzberg's concept of motivators.

4. Developing Equitability

Satisfaction level of employees depends to a great extent on their perceived justice being done to them without any discretion, as reflected in practices like management of compensation, rewards, and various amenities.

5. Developing Self-renewing Capability

An organisation should be concerned not only with its growth, but also with its health. It needs to diagnose its problems from time-to-time and

take steps to develop new competencies to cope with the various problems and challenges it would be facing.

12.5. Human Resource Development System

The HRD systems are created by combining the four focuses of HRD (Individuals, Dyades, Collectives, and Organisations) with their four agents (Self, Immediate Boss, HR Department, and Organisations). The HRD system is represented by a matrix in Exhibit 2. The different development-related factors covered above are the elements found in cells, as will be demonstrated. All organisational human resource units are catered to by the HRD system, which is operated by all parties involved.

12.6. Principles in Designing HRD System

Naturally, HRD systems need to be created differently for various organisations. The specific components, their linkages, the procedures involved in each, the phasing, and other factors may vary from organisation to organisation even though the fundamental concepts might stay the same.

Integrating HRD systems calls for a thorough grasp of the theories and models of HRD as well as a diagnosis of the organisational culture, current HRD procedures, employee perceptions of these procedures, and the organisational climate for development. When creating integrated HRD systems, the following focus, structure, and operational principles should be taken into account.

Focus of the System

a) Put an emphasis on enabling capabilities: HRD's main goal is to assist the organisation in enhancing its "enabling" capabilities. These include b) Balancing adaptation and change in the organisational culture: Although HRD systems are designed to suit the organisational culture, the role of HRD may be to modify that culture to increase the effectiveness of the organisation. These include development of human resources, development of organisational health, improvement of problem solving capabilities, development of diagnostic ability (so that problems can be located quickly and effectively), and development of diagnostic ability.

c) Paying attention to contextual aspects: After taking into account the many contextual factors of the HRD systems, it should be decided what should be included, how it should be separated, what designations and titles will be used, and similar concerns?

Structure of the System

- a) **Determining the identification of HRD:** It's critical to acknowledge the unique identity of HRD. It should not be expected of the person in charge of HRD to do this duty in addition to any other function, but rather as their sole obligation.
- b) **Assuring the function's respectability:** In many businesses, the personnel function lacks credibility because it isn't viewed as a key organisational function.
- c) **Striking a balance between differentiation and integration:** Personnel administration, human resource development and training, and labour relations are frequently included in the human resource development function.
- d) **Creating linking mechanisms:** HRD has connections to both internal and external subsystems. Establishing specific linkages to be used in system management is a good idea.

Functioning of the System

- a) **Creating methods for feedback and reinforcement:** The various HRD subsystems should give input to one another.
- b) **Juggling quantitative and qualitative decisions:** Many components of human resource development, like performance and prospective appraisals, are challenging to quantify.

A human resource development system needs to create internal expertise and resources, particularly in subject areas that are often used inside the company. This is done by balancing the knowledge of internal and external experts.

12.7. Changing Boundaries of HRD

The HR role has undergone numerous adjustments over time. Human resource departments and human resources managers have gradually taken the role of personnel departments and personnel managers as the phrase "personnel function" has been replaced by "human resource" or "HR Function." All across the world, but especially in India, the HR function's standing has been greatly improved. Two key signs of the acknowledgement of people as a resource and partners in business are the promotion of the HR function to the Director level in firms and the representation of HR Directors on the Board. Restructuring and reorganising, including outsourcing, flattening the structure, downsizing, and rightsizing; The HRD systems model is broad enough to include the new roles of HR managers.

Researches have shown that effective firms adopt some of the following HR practices:

Strict screening and selectivity in hiring

- Pay that is above average
- Plans for employee ownership participation
- Sharing a lot of information, decentralising decision-making, and empowering people
- Self-managing teams and significant investment in skill development

Let Us Sum Up

In this unit, you have learned about the following:

Every successful organisation today gives their HRD activities the attention they deserve. To reap the full rewards of HRD, it must be implemented as a system and updated to reflect shifting limits. Integrated HRD systems can make a substantial contribution to positive cultural shifts, greater productivity, and organisational excellence if implemented appropriately.

Check Your Progress

1. Change Management is –
 - a. It is a systematic approach in dealing with change from the individual & organisational level
 - b. A gradual process of approach in the workplace due to new policies, technology, or even a new boss
 - c. Both A. and B.
 - d. None of the above
2. What are the different processes of Discipline Management?
 - i. Counselling
 - ii. Reformative Theory
 - iii. Disciplinary Process
 - iv. Disciplinary Procedure & Principles of Natural Justice
 - v. Principles of Natural Justice
 - a. i, ii, iii
 - b. ii, iii, iv

- c. i, ii, iii, iv, v
 - d. only ii
3. Involves all the performance monitoring, measurement, management being outsourced from a third party or an external organisation.
- a. Human Resource Outsourcing
 - b. Human Resource Management
 - c. Human Resource Business Process Outsourcing
 - d. Performance Management Outsourcing
4. Performance Management System is –
- a. A formal, structured system of measuring, evaluating job related behaviours & outcomes to discover reasons of performance & how to perform effectively in future so that the employee, organisation & society all benefit
 - b. A process of looking both to the future & to the past, in the context of the collective performance of all the employees in an organisation
 - c. The process of establishing goals, assessing employees and implement the annual performance appraisal process
 - d. All of the above
5. Key Performance Indicators (KPI) is/are –
- a. A specific, agreed measure of achievement within a KRA, which go on to make up the goals and objectives measured under the performance appraisal process.
 - b. objective, independent and standardized measures of performance not ratings or judgments of performance
 - c. specific, measurable, attainable, realistic & time bound which help to determine how much the KRA's are met
 - d. All of the above

Glossary

- **The Human Resource System (HRS)** is based on the premise that people are an organization's greatest asset. They can actually make significant contributions to the accomplishment of organisational goals, therefore they are not just necessary evils to be considered.

- Any firm that wants to be active and growth-oriented must invest in its human resources.

Answers to Check Your Progress

1. c
2. c
3. d
4. d
5. d

Suggested Readings

1. Sahu, R. K. (2009). *Performance management system*. Excel Books India.
2. Harzing, A. W., & van Ruysseveldt, J. (Eds.). (2017). *International human resource management: A critical text*. Red Globe Press.

Unit -13

Training

STRUCTURE

Overview

Objectives

13.1. Introduction : A suggested training system

13.2. Organizing training programmes

13.3. Evaluation of training

13.4. Some issues in training

13.5. Towards learning organizations

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Training is the most significant activity that contributes directly to the expansion of human resources. This feature is similarly underutilised in the majority of enterprises. Recent evaluations of the expenditures made by Indian organisations in training show that many businesses do not even spend 0.1% of their budgets on training. Many companies don't even have a training department.

In this unit, the concept of Training has been explained.

Objectives

After going through the Unit, you should be able to :

- Address the significance of training.
 - Propose a training programme.
 - Identify areas for training evaluation
-

13.1. Introduction: A Suggested Training System

The most significant activity that directly supports the growth of human resources is training. In the majority of organisations, this function is also overlooked. Numerous firms do not even spend 0.1% of their budgets on training, according to recent assessments on the expenditures made by

Indian organisations in training. Numerous businesses don't even have a training division.

Identification of training needs is the first step in creating a successful training system. The sources listed below can be used to determine training requirements.

Performance Review Reports

Reports on performance evaluations are useful in determining the areas where people need to be trained and improved. The annual appraisal reports can be used to identify different training dimensions. The performance evaluation-based identification of training needs is useful for planning in-house training and on-the-job training for a select set of employees.

Potential Appraisal

To develop the potential of a chosen set of employees who are identified for performing future responsibilities in the organisation, training needs identified on the basis of potential evaluation would become inputs for establishing training programmes or working out training strategies.

Job Rotation

Working in the same position for a number of years without any change can be demoralising. Job rotation is a strategy used by certain firms to keep employees motivated. Before assigning an individual to a new position, training is essential in preparing that employee.

Continuing Education

In addition to these, the majority of the training programmes offered nowadays focus on supplying managers with cutting-edge technologies. These training sessions aim to increase the managers' current level of effectiveness.

13.2. Organising Training Programmes

The next stage after determining the training requirements is to plan and coordinate training programmes. The training department may plan multiple internal training programmes in large organisations.

The following considerations may be made when building the training plan based on the training requirements:

1. It is advisable to develop an internal training course wherever a sizable group of workers have similar training demands. The company can cut costs significantly. Additionally, mutuality can

be fostered by bringing together a group of persons from the same workplace. The high level of group support makes it likely that the students will employ what they have learned.

2. Anytime new systems need to be implemented, training is necessary. It is preferable to strive for in-house technical skill development programmes whenever possible and external managerial and behavioural development programmes.
3. It should be encouraged for those who hold responsible positions in the business to frequently travel for training so they can network with executives from other companies, exchange ideas, and be challenged to think critically.

13.3. Evaluation of Training

The challenging yet essential subject of evaluation has drawn the attention of numerous groups, particularly in industries. This is a worry for training managers and organisers as well. All training texts have addressed this topic, but there are no adequate, all-inclusive accounts of evaluation to be found.

Feedback for who? Which improvements? The first question concerns the primary customer populations, while the second concerns the primary dimensions and focused areas of evaluation.

How should evaluation be conducted is one of two additional questions. What specific strategies ought to be used for it? These inquiries concern, respectively, evaluation design and evaluation procedures.

Main Clients

All of the partners in the act and process of training are the target audience for evaluation. They will naturally have varied demands for input and different ways to use it to control (better). There are four key training partners (and evaluation clients):

1. The learners or participants (P)
2. The training company or institution (I), which includes (a) curriculum planners (CP), programme designers (PD), (b) programme managers (PM),
3. The trainers, facilitators, or instructors (F)
4. The client organisation, who is the training's primary consumer and financier (O) The literature on training evaluation has not given this issue the proper consideration.

Areas of Evaluation

More consideration and explanation are required for the various training evaluation areas. Consideration is advised in seven major categories, each of which has a few subcategories.

Reaction: Session: Expectations evaluation, end-of-course reaction form, post-reactions questionnaires and interviews, observers' records, reactions scales, reactions notebooks and participation, expectations evaluation, and studies of trainee interactions.

Learning includes the following components: pre-course questionnaires for the instructors; programmed instruction; objective tests; essay-style written or oral examinations; skill and task analyses; standardised tests of skill; tailored techniques for evaluating skill; standardised attitude questionnaires; tailored attitude questionnaires; semantic differential scales; and group feedback analysis.

Job Activity sampling, SISCO and Wirdenius procedures, observers' diaries, self-diaries with interviews and questionnaires, evaluation and self-appraisal, critical event technique, and observation of specific incidents are all examples of behaviour.

13.4. Some Issues in Training

Organisational training needs to be improved, and several important factors must be taken into consideration. In-depth discussions of the pre-training work, curriculum preparation, method selection, establishment of a training facility, post-training support, and follow-up have all been made about the function of training for the development of people and organisations (Lynton and Pareek, 2000). However, this article discusses a few crucial factors that need particular focus in businesses.

1. Learning

Training's primary goal is to make learning easier. Self-initiated and self-managed learning is the most productive learning. A culture of self-managed learning should be fostered through training. Learning through experience is typically more internalised and long-lasting than learning through instruction from others.

- Authentic and open system of training institution or the place of learning.
- Non-threatening climate.
- Challenging learning tasks.

Collaborative arrangements for mutual support of learners.

1. The arrangement of demanding successes and graduated experiences.
2. Systems for prompt and encouraging feedback.
3. Possibilities to practise newly acquired skills.
4. Possibilities to apply knowledge.
5. Possibilities for and support of self-learning.
6. Possibilities for experimentation and encouragement of it.
7. The importance of learning through doing.

2. Pre-training Work

Training cannot be effective in growing individuals, groups, and organisations unless the pre-training work listed below is given attention: proper identification of training needs; development of a strategy for the development of people through training, including the justification and standards for which role holders should be sent for training, how many at once, and in what order; process for encouraging volunteers and departments to request training; pre-training workshop in some cases to increase participant motivation and finalise the curriculum; creation of expectations for prospects

3. Post-training Work

What is done when the training is complete is as crucial. The training department must assist the concerned managers in developing plans for utilising the participants' training and must offer them the necessary support. Post-training work helps in building linkages between the training section and the line departments. The training section's follow-up work is crucial.

4. Expanding the Training Concept

The idea of training needs to be expanded, and training should not just comprise courses including in-person instruction but also other forms of informing employees of vital knowledge and abilities. In actuality, it is a waste of resources to gather people in a group to provide knowledge that can be delivered in another way.

5. Preparation of Training Materials

More training materials must be created immediately. Unfortunately, the lecture method is the only one used in the majority of training programmes. New training materials must be created while the lecture

approach itself needs to be improved through the use of small group discussions, etc. These will contain role-playing games, cases, and simulation exercises, as well as guides for doing practical work, tests, and educational materials. Such material requires a significant time, money, and energy commitment in its preparation. Although the payoff will be far bigger than the investment cost, it is still beneficial. In some circumstances, an organisation may be able to obtain assistance from outside professionals in the creation of such materials, including simulation games, role plays, cases, and self-instruction materials.

13.5. Towards Learning Organisation

Only since the 1970s has organisational learning been widely accepted as a distinct notion, and only since the 1980s has learning been required to be ongoing. Since the 1990s, the main objective has been continuous learning that also considers the environment—the organisation in its environment.

Let Us Sum Up

In this unit, you have learned about the following:

The transition to a continually learning organisation is brought on by turbulence, which is only recently and reluctantly acknowledged as the current normal state of the environment and fed by immediate global information and earthquakes of all kinds. It is a fundamental change to the organization's overall outlook. It orients and prepares the organisation in a new way, even from the recent past when its people expected and then committed to making a learning effort occasionally and intermittently in the organisation, even while that necessity recently occurred ever more frequently. Therefore, the change is not merely for better effort efficiency and minimising disruptions to daily life and employment.

Check Your Progress

- 1 Joint Management Councils are established in an organisation which employs _____
 - a. 100 employees
 - b. 300 employees
 - c. 400 employees
 - d. 500 employees or more

2. Interviews can be _____
- One-to-one
 - Panel interview
 - Sequential Interview
 - All of the above
3. _____ is a process of transmission of message and understanding of information between two or more people, it involves at least two parties _____ a sender and a receiver.
- Body language
 - Communication
 - System
 - None of the above
4. Talent Management consist of _____
- Performance Evaluations to identify potentials
 - Psychological testing and assessment to determine capability gaps
 - Training & development programmes
 - Project work & job experience to accelerate development
- i, ii, iii
 - ii, iii, iv
 - i, ii, iii, iv
 - only i
5. ROI Stands for _____
- Return on Insurance
 - Return on Investment
 - Rate on Insurance
 - Risk on Insurance

Glossary

Training: Because technology is advancing quickly and consistently, training is crucial. Systems and practises quickly become outdated as a result of technical, managerial, and behavioural advances in technology.

Organisations that do not create systems to use and keep up with the evolving technology quickly become stale.

Effectiveness: However, developing employees within the organisation can enhance its effectiveness.

Answers to Check Your Progress

1.d

2.d

3.b

4.c

5.b

Suggested Readings

1. Tsui, A. P., & Wong, W. K. (2021). *Transformational HRM Practices for Hong Kong*. University of Chicago Press.
2. Sparrow, P., Brewster, C., & Chung, C. (2016). *Globalizing human resource management*. Routledge.

Unit- 14

Mentoring and Performance Coaching

STRUCTURE

Overview

Objectives

14.1. Introduction: Conditions for Employee Development

14.2. The Objectives of Performance Coaching

14.3. Conditions for Effective Coaching

14.4. The Process of Coaching

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14.6. The Process of Mentoring

14.7. Coaching Techniques and Approaches

14.8. Developing Coaching Skills

14.9. Coaching for Leadership Development

14.10. Coaching for Performance Improvement

14.11. Coaching in Cross-Cultural Contexts

14.12. Coaching for Career Development

14.13. Coaching for Emotional Intelligence

14.14. Team Coaching and Group Dynamics

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Understanding the circumstances around development is essential for assisting a worker to grow and develop in any organisation. Here are a few examples of these situations. If a person is not interested in developing himself, it cannot happen. Assuring the individual's interest in self-development is the primary prerequisite for human resources development. Higher ranking employees frequently are written off by their employers as not growing or not desiring to grow. Such impressions are biased. Nobody wants to stay the same. In this unit the concept of Mentoring and Performance coaching has been clearly explained.

Objectives

After going through this unit, you should be able to:

- Define mentoring and coaching;
- enumerate the objectives of performance mentoring and coaching;
- explain the coaching and mentoring methods; and
- Emphasise how they will be implemented in businesses.

14.1. Introduction: Conditions for Employee Development

- 1) The person should be motivated to grow personally
If a person is not interested in developing himself, it cannot happen. Assuring the individual's interest in self-development is the primary prerequisite for human resources development.
- 2) The person should be aware of his or her prospective development areas. Despite the fact that anyone can learn any ability, according to recent behavioural research, there is also compelling evidence that some people develop in certain areas more quickly than others. They are known as aptitudes.
- 3) He should determine how to take advantage of these chances and obtain the assistance he requires from his superiors and the company.

While the company should make plans for the development of its personnel in accordance with their career plans,

14.2. Objectives of Performance Coaching

Coaching aims at developing employees in an organization, by the following.

- 1) Assisting them in realising their managerial potential.
- 2) Aiding them in coming to terms with their own talents and weaknesses.
- 3) Giving them the chance to evaluate the dynamics of their behaviour and get deeper understanding of it.
- 4) Aiding kids in developing a better grasp of their surroundings.
- 5) Improving their interpersonal and personal effectiveness by providing them with feedback on their actions and helping them assess their interpersonal skills.

- 6) Encouraging them to make objectives for future development.

14.3. Conditions for Effective Coaching

Coaching is a tool, not a goal in and of itself. Having coaching does not guarantee development. Coaching may be a useful tool for assisting individuals in assimilating into their organisations and feeling engaged and satisfied. In order for coaching to be successful, the following prerequisites must be met:

- 1) An overall spirit of mutuality and openness

Coaching won't function if there is a lot of conflict and mistrust in the company or department where the person works.

General Management Attitude of Helpfulness and Empathy Effective assisting is a key component of coaching, which is impossible without a general helping attitude and empathy for the person being counselled.

- 2) The Subordinates' Unrestricted Participation in the Review Process

Coaching is ineffective unless the subordinates in a department or organisation feel liberated to engage in the process of evaluation and feedback without restraint. Goal-setting and performance reviews involve dialogue Performance coaching is centred on helping the counselee reach the performance objectives he set in conjunction with his boss.

14.4. The Process of Coaching

- 1) A Culture of Mutuality and Openness in General

Coaching will be ineffective if the organisation or division where the person works is tense and people don't trust one another.

Management's generally helpful and Empathetic Attitude Effective assisting is a key component of coaching, and this cannot be achieved without the coach having a general helping attitude and empathy for those being counselled.

- 2) Unrestricted Subordinate Participation in the Review Process
Coaching is ineffective if subordinates in a department or organisation don't feel free to engage in the review and feedback process without restraint. Goal Setting and Performance Review: A Dialogic Relationship

The primary focus of performance coaching is on the counselee's accomplishment of the performance goals he sets in collaboration with his management. Concentrate on Work-oriented

The various elements of the process is explained in more detail below.

Communication

The foundation of the performance review, which involves both the employee and his reporting officer, is interpersonal communication. Congenial discourse during a performance review may encourage an open-minded attitude in the employee. It is crucial to remember that how difficulties and concerns are seen by the two people involved in the conversation has a big impact on communication. If people don't strive to comprehend one other's points of view and aren't sympathetic to one another, it could get twisted. As crucial as verbal communication is nonverbal communication. More often than not, people communicate by their postures and gestures. The way you speak, including your tone, matters. In communication, there are three fundamental components.

Listening: The first successful step in communication is listening. Listening entails being aware of the many messages that the other person is conveying. The ideas being sent (cognitive message) are the evident message. However, there might be unsaid emotions and worries that the other person is unable to express in words. Effective coaching requires careful listening to the issues and feelings of the client.

This requires abilities that can be honed. To better listening to such concealed information, some activities might be employed (Rao and Pareek, 1978).

Feedback

Personal feedback from others is a crucial component in developing self awareness. It helps a person become more aware of his talents and flaws by lowering his blind spot. When used appropriately, it leads to greater mutuality between two people.

Feedback will be effective if the person giving feedback (coach) makes sure that it is:

1. descriptive rather than judgmental;
2. centred on the person's behaviours rather than the person themselves;
3. is data-based, precise, and does not rely on impressions; 4. encourages good new behaviours;
5. illustrative rather than directive;
6. constant;
7. largely personal, providing information based on one's own experience;

8. motivated by a need and requested; 9. meant to be helpful; 10. centred on behaviour that is changeable;

3) Influencing

To influence someone would be to have an effect on that individual. Such an impact need not always be one that is constrictive. The following three elements would comprise influencing in coaching:

Increased Personal Autonomy (a) Usually, when someone talks about influencing, they only think about limiting someone's autonomy and steering them into predetermined paths. The reverse of this is positive influence, which increases the other person's autonomy and gives him more freedom to make his own decisions.

- a. **Positive Reinforcement:** According to Skinner, only positive reinforcement may modify a person's conduct; neither punishment nor unfavourable reinforcement can do the trick.
- b. **Identification:** The chance for an employee to identify with people who have greater experience, talent, and influence is a significant factor that aids in his or her development.
- c. Helping
- d. Helping is really what coaching is. There are many steps involved in helping, but the following three are crucial.
- e. **Care and Empathy:** Effective coaching cannot take place in the absence of the manager's care for his employee. When a coach can sympathise with and feel for his subordinate, it demonstrates concern. The types of questions posed and the manner in which the conversation is conducted would reflect this.

14.5. Making Coaching Effective

Employees who participate in performance coaching that is formally organised by their employer are not permitted to request coaching, but their superiors may schedule coaching sessions as a matter of organisational policy. In certain situations, the employee can be coerced into receiving coaching.

There is a risk of employees becoming completely reliant on the coach because some coworkers are so devoted and some managers are so protective of their staff.

The coach should frequently evaluate whether he is making the employee too reliant on him through reflection. The employee must be allowed to make his own judgements, and the coach may even provide

guidance, but such decisions must not be made for him. Disputes should be kept to a minimum. It just takes one argument to put both sides on the defensive. The coach should consider anything said by the team members and work to improve upon it. The best method to help someone realise who they are is via acceptance. Because there is insufficient follow-up after coaching sessions, good results are not achieved. Informal follow-up conversations are quite effective in expressing interest in the employee.

14.6. The Process of Mentoring

The Greek epic tale of Odysseus, who travelled the world in search of adventure and, you might say, personal development, is where the word "mentor" originates.

The most important contribution to our understanding of the mentoring process has been made by Levinson et al. (1978). According to Levinson, a mentor can be a teacher, a sponsor, a counsellor, a development of abilities and intelligence, a host, a guide, an example, but most significantly, a supporter and a facilitator of the young person's vision of the kind of life he wishes to lead as an adult. Without being either, mentoring combines elements of the parent-child bond and peer support. According to Levinson, not having a mentor throughout one's formative years might be a major hindrance to one's psychological and professional growth.

14.7. Coaching Techniques and Approaches:

Coaching techniques and approaches refer to the various methods, tools, and frameworks used by coaches to facilitate the learning, growth, and development of individuals or teams. Different coaching techniques and approaches can be applied depending on the specific goals, preferences, and needs of the coachee(s). Here are some common coaching techniques and approaches:

GROW Model: The GROW model is a popular coaching framework that stands for Goal, Reality, Options, and Way Forward. Coaches using the GROW model guide coachees through a structured process of setting goals, assessing the current reality, exploring options and obstacles, and defining actionable steps to achieve the desired outcomes.

Solution-Focused Coaching: Solution-focused coaching focuses on identifying and amplifying the coachee's strengths and resources to find solutions to challenges and achieve goals. Coaches ask questions that help coachees envision a preferred future, identify exceptions to

problems, and generate strategies for moving forward.

Appreciative Inquiry: Appreciative Inquiry is a positive psychology-based coaching approach that focuses on identifying and building on strengths, successes, and positive experiences. Coaches use inquiry and storytelling techniques to explore past successes, envision future possibilities, and co-create a positive vision for change and growth.

Co-Active Coaching: Co-Active Coaching emphasizes a collaborative and client-centered approach where the coach and coachee work together as equal partners in the coaching process. Co-active coaches focus on listening deeply, asking powerful questions, and supporting the coachee in exploring values, beliefs, and aspirations to achieve personal and professional growth.

Cognitive-Behavioral Coaching: Cognitive-behavioral coaching combines principles from cognitive psychology and behavioral science to help coachees identify and change unhelpful thoughts, beliefs, and behaviors that may be limiting their performance or well-being. Coaches use techniques such as cognitive restructuring, goal setting, and behavioral experiments to facilitate change and growth.

Transformational Coaching: Transformational coaching focuses on facilitating deep personal and professional transformation by helping coachees expand their awareness, shift limiting beliefs, and tap into their full potential. Coaches support coachees in exploring their purpose, values, and vision for the future, and inspire them to take bold actions and embrace change.

Overall, coaching techniques and approaches vary in their emphasis, methodology, and application, but they share a common goal of supporting individuals or teams in achieving their desired outcomes and unlocking their full potential.

14.8. Developing Coaching Skills:

Developing coaching skills is essential for professionals who wish to become effective coaches and support the growth and development of others. Coaching skills encompass a range of interpersonal, communication, and facilitation abilities that enable coaches to build rapport, ask powerful questions, listen actively, provide feedback, and empower coachees to take action. Here's an overview of key skills involved in developing coaching skills:

Active Listening: Active listening is a fundamental coaching skill that involves fully concentrating on what the coachee is saying, without

interrupting or judging, and responding with empathy and understanding. Coaches practice active listening by paraphrasing, summarizing, and reflecting back the coachee's words to demonstrate attention and appreciation.

Powerful Questioning: Powerful questioning is a technique used by coaches to stimulate reflection, insight, and learning in coachees. Coaches ask open-ended questions that encourage exploration, challenge assumptions, and prompt coachees to consider new perspectives and possibilities. Powerful questions often begin with "what," "how," or "why" and invite deeper exploration of thoughts, feelings, and behaviors.

Feedback and Reflection: Coaches provide feedback to coachees on their performance, progress, and areas for development in a constructive and supportive manner. Effective feedback is specific, timely, and focused on behavior rather than personality. Coaches also encourage coachees to reflect on their experiences, insights, and learnings to deepen self-awareness and facilitate growth.

Empathy and Compassion: Empathy and compassion are essential qualities for coaches to cultivate in building trust and rapport with coachees. Coaches demonstrate empathy by understanding and validating coachees' emotions, perspectives, and experiences, and showing genuine care and concern for their well-being. Compassion involves offering support, encouragement, and acceptance without judgment or criticism.

Goal Setting and Action Planning: Coaches collaborate with coachees to set clear, specific, and achievable goals and define actionable steps to work towards them. Coaches help coachees identify their priorities, strengths, and resources, and develop strategies for overcoming obstacles and staying accountable to their goals.

Flexibility and Adaptability: Coaches remain flexible and adaptable in their approach, adjusting their coaching style and techniques to meet the unique needs, preferences, and learning styles of individual coachees. Coaches remain open to feedback, experimentation, and continuous learning, and are willing to adapt their coaching strategies based on the coachee's feedback and progress.

Developing coaching skills is an ongoing process that requires self-awareness, practice, and reflection. Coaches can enhance their skills through formal training, mentorship, peer coaching, supervision, and practical experience working with diverse coachees in different contexts.

14.9. Coaching for Leadership Development:

Coaching for leadership development is a specialized form of coaching aimed at supporting leaders and managers in enhancing their effectiveness, performance, and impact in their roles. Leadership coaches work with leaders at all levels of an organization to develop their leadership skills, expand their self-awareness, and achieve their leadership goals. Here's an overview of coaching for leadership development:

Self-Awareness and Emotional Intelligence: Leadership coaches help leaders develop self-awareness and emotional intelligence, enabling them to understand their strengths, weaknesses, values, and motivations, and manage their emotions and reactions effectively. Coaches use assessment tools, feedback, and reflective exercises to deepen leaders' self-awareness and enhance their interpersonal skills.

Vision and Purpose: Leadership coaches support leaders in clarifying their vision, values, and purpose as leaders and aligning their actions and decisions with their overarching goals and aspirations. Coaches help leaders articulate their vision for the future, inspire others to share in that vision, and develop strategies for realizing it through effective leadership practices.

Communication and Influence: Coaching for leadership development focuses on enhancing leaders' communication skills, presence, and influence, enabling them to inspire, motivate, and engage their teams effectively. Coaches help leaders develop active listening skills, articulate their ideas clearly and persuasively, and adapt their communication style to different audiences and contexts.

Decision-Making and Problem-Solving: Leadership coaches assist leaders in developing critical thinking, decision-making, and problem-solving skills to navigate complex challenges and drive organizational success. Coaches help leaders analyze situations, weigh options, anticipate consequences, and make informed decisions that align with organizational goals and values.

Coaching and Mentoring Skills: Leadership coaches teach leaders coaching and mentoring skills to empower and develop their team members, foster a culture of learning and growth, and build high-performing teams. Coaches model effective coaching behaviors, provide feedback on coaching interactions, and help leaders develop coaching plans and strategies for supporting their team's development.

Resilience and Well-being: Coaching for leadership development

addresses leaders' resilience and well-being by helping them manage stress, balance competing demands, and prioritize self-care. Coaches support leaders in setting boundaries, managing their energy levels, and practicing self-reflection and mindfulness to sustain their effectiveness and resilience over time.

Overall, coaching for leadership development aims to empower leaders to maximize their potential, lead with authenticity and integrity, and create positive impact within their organizations and communities.

14.10. Coaching for Performance Improvement:

Coaching for performance improvement is a targeted coaching intervention aimed at helping individuals or teams overcome performance challenges, enhance their skills, and achieve higher levels of performance and productivity. Here's an overview of coaching for performance improvement:

Identifying Performance Gaps: Coaching for performance improvement begins with identifying specific performance gaps or areas where individuals or teams are not meeting expectations or achieving desired outcomes. Coaches gather feedback, assess performance metrics, and conduct performance evaluations to pinpoint areas for improvement and define clear performance objectives.

Setting Performance Goals: Coaches work with individuals or teams to set clear, achievable performance goals that address the identified performance gaps and align with organizational priorities and objectives. Performance goals should be Specific, Measurable, Attainable, Relevant, and Time-bound (SMART), providing a clear roadmap for improvement and accountability.

Developing Action Plans: Coaching for performance improvement involves developing action plans and strategies for closing the performance gaps and achieving the established goals. Coaches collaborate with individuals or teams to identify the root causes of performance issues, explore potential solutions and interventions, and define actionable steps to address them effectively.

Providing Feedback and Support: Coaches provide ongoing feedback, support, and guidance to individuals or teams throughout the performance improvement process. Coaches offer constructive feedback on strengths and areas for development, encourage experimentation and learning, and provide resources and assistance to overcome obstacles and challenges.

Monitoring Progress and Adjusting Strategies: Coaching for performance improvement requires continuous monitoring and assessment of progress towards the established goals. Coaches track performance metrics, evaluate outcomes, and adjust strategies as needed to ensure that individuals or teams stay on track and make meaningful progress towards improvement.

Celebrating Successes and Recognizing Achievements: Coaches celebrate successes and recognize achievements as individuals or teams make progress towards their performance improvement goals. Acknowledging and rewarding accomplishments reinforces positive behaviors, builds confidence and motivation, and encourages ongoing effort and commitment to performance improvement.

Coaching for performance improvement is a collaborative and results-oriented process that empowers individuals or teams to take ownership of their performance, overcome challenges, and achieve their full potential.

14.11. Coaching in Cross-Cultural Contexts:

Coaching in cross-cultural contexts refers to coaching interventions conducted in multicultural settings where coaches and coachees come from diverse cultural backgrounds. Cross-cultural coaching requires coaches to navigate cultural differences, biases, and communication styles to establish rapport, build trust, and facilitate effective coaching relationships. Here's an overview of coaching in cross-cultural contexts:

Cultural Awareness and Sensitivity: Coaches in cross-cultural contexts must develop cultural awareness and sensitivity to recognize and appreciate the cultural norms, values, and practices of coachees from different cultural backgrounds. Coaches educate themselves about cultural differences, stereotypes, and biases and approach coaching interactions with humility, openness, and respect.

Building Trust and Rapport: Building trust and rapport is essential for effective coaching in cross-cultural contexts. Coaches take the time to establish rapport and build relationships with coachees based on mutual trust, respect, and understanding. Coaches adapt their communication style, language, and non-verbal cues to match the preferences and norms of coachees from different cultural backgrounds.

Understanding Cultural Influences: Coaches recognize the influence of culture on coachees' attitudes, behaviors, and perspectives and take cultural differences into account when interpreting coachees' responses and providing feedback. Coaches explore how cultural factors such as

communication styles, hierarchy, collectivism, and power distance may impact coaching dynamics and adapt their approach accordingly.

Navigating Cultural Differences: Coaches navigate cultural differences and potential challenges in cross-cultural coaching relationships by adopting a curious and non-judgmental attitude, asking clarifying questions, and seeking to understand coachees' cultural context and worldview. Coaches encourage coachees to share their cultural experiences, values, and expectations and validate their perspectives and beliefs.

Addressing Cultural Biases and Stereotypes: Coaches in cross-cultural contexts address cultural biases and stereotypes that may influence their perceptions and interactions with coachees. Coaches examine their own cultural biases, assumptions, and privileges and strive to maintain cultural humility and awareness in their coaching practice. Coaches challenge coachees' assumptions and stereotypes and encourage them to adopt a more inclusive and open-minded perspective.

Facilitating Cultural Integration and Inclusion: Coaches support coachees in navigating cultural integration and inclusion challenges in multicultural environments. Coaches help coachees develop intercultural competence, adapt to new cultural norms and expectations, and leverage cultural diversity as a source of creativity, innovation, and collaboration.

Coaching in cross-cultural contexts requires coaches to be flexible, adaptable, and culturally competent in their approach, enabling them to bridge cultural divides and facilitate meaningful coaching interactions across diverse cultural backgrounds.

14.12. Coaching for Career Development:

Coaching for career development is a specialized form of coaching focused on helping individuals navigate their career paths, clarify their career goals, and develop the skills and strategies needed to achieve their professional aspirations. Career coaches support clients in exploring their interests, values, strengths, and priorities, and making informed decisions about their careers. Here's an overview of coaching for career development:

Self-Assessment and Exploration: Career coaches assist clients in conducting self-assessment exercises to identify their interests, values, strengths, and career preferences. Coaches use tools such as personality assessments, skills inventories, and values clarification exercises to help clients gain clarity about their career goals and

aspirations.

Goal Setting and Planning: Career coaches work with clients to set clear, achievable career goals and develop actionable plans for achieving them. Coaches help clients identify short-term and long-term career objectives, define specific milestones and timelines, and outline strategies for overcoming obstacles and achieving success.

Skill Development and Enhancement: Career coaches support clients in developing and enhancing the skills, competencies, and capabilities needed to succeed in their chosen career paths. Coaches identify skill gaps and areas for development, recommend training and development opportunities, and provide resources and support to help clients acquire new skills and knowledge.

Networking and Relationship Building: Career coaches assist clients in building professional networks, connecting with mentors and industry experts, and cultivating relationships that can support their career advancement. Coaches provide guidance on networking strategies, effective communication techniques, and leveraging social media and online platforms for career networking and branding.

Job Search Strategies: Career coaches help clients develop effective job search strategies and navigate the job market with confidence and competence. Coaches assist clients in crafting compelling resumes, cover letters, and LinkedIn profiles, preparing for interviews, and leveraging job search resources and networks to identify opportunities aligned with their career goals.

Career Transitions and Change Management: Career coaches support clients in managing career transitions, such as job changes, promotions, relocations, or career shifts. Coaches help clients assess their options, evaluate potential risks and rewards, and make informed decisions about career changes. Coaches also provide guidance and support during the transition process, helping clients navigate challenges and capitalize on new opportunities.

Work-Life Integration: Career coaches assist clients in achieving work-life integration by helping them balance their professional aspirations with their personal values, priorities, and commitments. Coaches help clients identify ways to align their career goals with their personal and family life, set boundaries, manage stress, and maintain overall well-being and fulfillment.

Overall, coaching for career development empowers individuals to take ownership of their careers, explore new opportunities, and pursue paths

that align with their passions, values, and aspirations.

14.13. Coaching for Emotional Intelligence:

Coaching for emotional intelligence (EI) is a specialized form of coaching aimed at helping individuals develop and enhance their emotional intelligence competencies, such as self-awareness, self-regulation, empathy, social skills, and motivation. EI coaching helps individuals understand and manage their emotions effectively, build stronger relationships, and thrive in both personal and professional settings. Here's an overview of coaching for emotional intelligence:

Assessment of Emotional Intelligence: EI coaches use assessment tools and instruments to evaluate clients' emotional intelligence competencies and identify areas for development. Coaches administer self-report measures, 360-degree assessments, and behavioral observations to assess clients' EI strengths and weaknesses and provide personalized feedback and insights.

Building Self-Awareness: EI coaches help clients develop self-awareness by helping them identify and understand their emotions, triggers, and patterns of behavior. Coaches use reflective exercises, journaling, mindfulness practices, and feedback to help clients gain insight into their thoughts, feelings, and reactions and recognize the impact of their emotions on themselves and others.

Developing Self-Regulation: EI coaches support clients in developing self-regulation skills to manage their emotions, impulses, and reactions in challenging situations. Coaches teach clients relaxation techniques, stress management strategies, and emotion regulation strategies such as cognitive reappraisal, mindfulness, and deep breathing exercises. Coaches help clients build resilience and adaptability and respond to setbacks and adversity with composure and grace.

Cultivating Empathy: EI coaches assist clients in cultivating empathy and understanding towards others by helping them recognize and appreciate different perspectives, experiences, and emotions. Coaches encourage clients to practice active listening, perspective-taking, and empathic communication skills, and to consider the impact of their words and actions on others. Coaches foster a sense of empathy and compassion in clients that strengthens their interpersonal relationships and enhances their leadership effectiveness.

Enhancing Social Skills: EI coaches help clients develop and refine their social skills and interpersonal competencies to build meaningful connections and collaborate effectively with others. Coaches provide

feedback and guidance on communication skills, assertiveness, conflict resolution, negotiation, and teamwork, and help clients navigate social dynamics and build rapport and trust with others.

Motivating Self and Others: EI coaches support clients in motivating themselves and others towards achieving their goals and aspirations. Coaches help clients clarify their values, set meaningful goals, and cultivate a sense of purpose and intrinsic motivation. Coaches assist clients in overcoming procrastination, self-doubt, and fear of failure, and in maintaining focus, perseverance, and optimism in the face of challenges.

Coaching for emotional intelligence empowers individuals to develop greater self-awareness, self-regulation, empathy, and social skills, enabling them to navigate their emotions effectively, build stronger relationships, and achieve their full potential in both personal and professional life.

14.14. Team Coaching and Group Dynamics:

Team coaching and group dynamics refer to the coaching interventions designed to support teams and groups in achieving their collective goals, enhancing collaboration, and maximizing their performance and effectiveness. Team coaches work with intact teams, project teams, or cross-functional groups to improve communication, trust, alignment, and accountability and foster a culture of high performance and continuous improvement. Here's an overview of team coaching and group dynamics:

Assessment of Team Dynamics: Team coaches assess the dynamics and functioning of the team using diagnostic tools, surveys, interviews, and observations to identify strengths, weaknesses, and areas for development. Coaches examine factors such as team composition, roles and responsibilities, communication patterns, decision-making processes, and conflict resolution strategies to gain insights into the team's dynamics and performance challenges.

Clarifying Team Goals and Objectives: Team coaches work with teams to clarify their goals, objectives, and expectations and align their efforts with organizational priorities and strategic initiatives. Coaches facilitate discussions to establish shared vision and purpose, define measurable outcomes and success criteria, and develop action plans and strategies for achieving team goals.

Building Trust and Cohesion: Team coaches help teams build trust, cohesion, and psychological safety by creating a supportive and

inclusive team environment where members feel valued, respected, and empowered to contribute their ideas and perspectives. Coaches facilitate team-building activities, trust-building exercises, and open dialogues to address conflicts, build consensus, and strengthen relationships among team members.

Improving Communication and Collaboration: Team coaches assist teams in improving communication and collaboration by enhancing their communication skills, conflict resolution techniques, and interpersonal dynamics. Coaches promote open and transparent communication, active listening, and constructive feedback exchange, and help teams develop effective meeting facilitation and decision-making processes.

Developing Leadership and Followership: Team coaches support leaders and team members in developing their leadership and followership skills to promote shared leadership and accountability within the team. Coaches help leaders empower team members, delegate tasks, and foster autonomy and initiative, while also encouraging team members to take ownership of their roles, contribute their unique strengths, and support each other's success.

Managing Team Performance: Team coaches assist teams in managing their performance and achieving their goals by monitoring progress, tracking key performance indicators (KPIs), and providing feedback and support. Coaches help teams identify performance gaps, address obstacles and challenges, and adjust strategies and tactics to stay on track and achieve desired outcomes.

Promoting Continuous Improvement: Team coaches foster a culture of continuous improvement and learning within teams by encouraging experimentation, innovation, and reflection. Coaches facilitate post-project reviews, lessons learned sessions, and retrospectives to celebrate successes, identify opportunities for improvement, and implement action plans for enhancing team effectiveness and performance.

Overall, team coaching and group dynamics interventions enable teams to work more cohesively, communicate more effectively, and achieve higher levels of performance and satisfaction, contributing to organizational success and innovation.

Let Us Sum Up

In this unit, you have learned about the following:

Performance coaching is crucial because it enables workers to realise their potential, identify their flaws, and advance their careers. There are a few prerequisites for both successful coaching and these advances. There are stages in the coaching process as well as communication, persuading, and aiding. In the process of mentoring, a more inexperienced person receives support, instruction, and guidance from a more seasoned individual (the mentor). Dependence and interdependence are the two phases involved.

Check Your Progress

1. MPDQ stands for_.
 - a. Management Position Description Questionnaire
 - b. Management Process Descriptive Questions
 - c. Methods for Personality Development Questions
 - d. Modern Positions Developed Qualitatively
2. What should be the strategy of HRM?
 - a. Making the long-term and short-term planning.
 - b. Planning the optimum level of manpower.
 - c. Introducing training programmes to personnel.
 - d. All the above.
3. The process of helping unwanted present employees find new jobs with other firms called_.
 - a. Outplacement
 - b. Replacement
 - c. Placement
 - d. Employment
4. What is the 'Laissez fair' view point?
 - a. A view popularised by Ronssean, Bentham and Hobbes.
 - b. A minimum of public intervention in economic activities.
 - c. Business enterprise must get opportunity to earn more profits.

- d. The change in the concept of labour from commodity approach to human concept
5. How can we understand the nature of human factor?
- a. Through determinants of human behaviour
 - b. According to the behaviour of people at work
 - c. The way the management influences an individual and a group.
 - d. Through the study of human behaviour in organisation.
-

Glossary

Employee Development: In order for a worker to advance and flourish in any organisation, they must comprehend the circumstances surrounding growth. Here are a few examples of these situations.

Coaching is assistance provided by a person who is more senior to the person receiving it in terms of competence, knowledge, psychological expertise, or organisational hierarchy. The three main processes in coaching are aiding, influencing, and communication. The coach and employee essentially talk to one another.

Answers to Check Your Progress

1. b
2. d
3. a
4. b
5. b

Suggested Readings

1. Begley, T. M., & Boyd, D. P. (2000). Articulating corporate values through human resource policies. *Business Horizons*, 43(4), 8-8.
2. Alkalha, Z., Al-Zu'bi, Z., Al-Dmour, H., Alshurideh, M., & Masa'deh, R. (2012). Investigating the effects of human resource policies on organizational performance: An empirical study on commercial banks operating in Jordan. *European Journal of Economics, Finance and Administrative Sciences*, 51(1), 44-64.

Block-5: Introduction

Block-5: Employee Welfare and Reward Management has been divided in to Two Units.

Unit-15: Laws Covering Wages, Welfare and Benefits explain about the Introduction, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948 and Statutory Social Security Benefits.

Unit-16: Reward Management deals with the Introduction, Motivational Aspects, Reward Systems, Incentives and Rewards, Competence-Related Pay, Skill-Based Pay, Team-Based Rewards, Profit Sharing, Gain Sharing, Stock Options, Merit Pay, Employee Ownership, Employee Benefits, Case Study.

In all the units of Block -5 **Employee Welfare and Reward Management**, the Check your progress, Glossary, Answers to Check your progress and Suggested Reading has been provided and the Learners are expected to attempt all the Check your progress as part of study.

Unit-15

Laws Covering Wages, Welfare and Benefits

STRUCTURE

Overview

Objectives

15.1. Introduction

15.2. The Payment of Wages Act, 1936

15.3. The Minimum Wages Act, 1948

15.4. Statutory Social Security Benefits

15.5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

15.6. The Employees' State Insurance Act, 1948 15.7. The Payment of Gratuity Act, 1972

15.8. The Maternity Benefit Act, 1961

15.9. The Employees' Compensation Act, 1923

15.10. The Factories Act, 1948 (relevant provisions)

15.11. The Shops and Establishments Act (State-specific regulations)

15.12. The Industrial Disputes Act, 1947

15.13. The Equal Remuneration Act, 1976

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Wages are one of the key determinants of the social and economic health of every society. Its effects on organisational life are ethical, social, economic, political, psychological, and legal. Social justice is one of the goals of the State, according to the Indian Constitution, and it is pursued, among other things, through labour law. The Payment of Wages Act of 1936, the Minimum Wages Act of 1948, the Payment of Bonus Act of 1965, the Equal Remuneration Act of 1976, and the guidelines formulated thereunder by the Government make up the legal framework governing wages in our nation.

Employers are also required to offer a variety of perks to the employees in cash and kind under various social security laws.

In this unit, the concept of Laws Covering Wages, Welfare and Benefits has been clearly explained.

Objectives

After going through this unit, you should be able to:

- explain the salient features of Payment of Wages Act;
- understand the main provisions of Minimum Wages Act;
- describe the main features of Payment of Bonus Act;

15.1. Introduction

Wages are one of the key determinants of the social and economic health of every society. Its effects on organisational life are ethical, social, economic, political, psychological, and legal.

the Equal Remuneration Act of 1976; (i) the Payment of Wages Act, 1936; (ii) the Minimum Wages Act, 1948; (iii) the Payment of Bonus Act, 1965; and (iv) the Payment of Bonus Act of 1965, as well as the rules established thereunder by the Government.

Employers are also required to offer a variety of perks to the employees in cash and kind under various social security laws.

15.2. The payment of Wages Act, 1936

In its report from 1931, the Royal Commission on Labour made several recommendations, including the necessity and desirableness of passing laws governing the timely payment of wages, wage deductions, and fines. The Government of India proposed a bill in 1936 based on its recommendations, and the Act went into effect on March 28, 1937.

Goal of the Act

The Act's goals are to control the manner in which certain types of people engaged in the industrial sector are paid their salaries, as well as to prevent unauthorised deductions from those payments. The Act only addresses the fixing of wage periods; it does not address the fixing of wages.

Applicability

Persons employed in factories, railroads, and any other establishments to which the State Government may, by notification, extend the Act's provisions after giving three months' notice to that effect are subject to its provisions. The notification may be issued in the case of industrial entities owned by the Central Government with its approval.

The term "wages" refers to all compensation (including salary, allowances, and other forms of remuneration) expressed in monetary terms or capable of doing so that would be due to an employee if all express or implied terms of the employment agreement were met in relation to the employee's employment or the work performed in such employment.

Wage Payment

Under the Act, it is the employer's or his agent's responsibility to make wage payments. If the employer is not present, the person who hires the workers and with whom they sign an employment contract will be treated as the employer.

In any case, a pay period cannot go longer than a month. The major goal of this clause is to prevent excessive delays in the payment of wages and to prevent a considerable period of time passing before an employee is paid for the time that they have worked.

Payouts for wages might be made daily, weekly, biweekly, or monthly. However, the amount must be paid within a month (month is defined as a solar month);

Deductions from Wages

A person who is employed must get their wages without any deductions unless specifically permitted by or pursuant to the Act. Reduction to a lower post or time scale, to a lower stage in a time scale, suspension, and withholding of increment or promotion (including the stoppage of increment at an efficiency bar) are not considered to be deductions from wages.

The Act doesn't provide a definition for the phrase "deduction from wages." The heads from which deductions from wages may be made are, nevertheless, specified by the Act.

Employers are permitted to deduct payments for contributions to any welfare funds they have established for their employees, with the employee's written consent, from the wages due to such employees.

Only those acts or omissions that are listed by the employer and have been previously approved by the State Government are subject to a fine; a notice listing such acts or omissions must be posted on the premises where employment is conducted;

The reasons for the fine must be communicated to the party in question in writing, and a person under the age of 15 who is employed cannot be subjected to a fine.

No fine may be collected from an employee in installments after 60 days have passed since the day it was issued; the total amount of the fee for a pay period may not exceed 3% of that pay period;

The Act includes provisions for inspector appointment. Under this Act, the Inspector of Factories also serves as the Inspector.

The Act also allows for the appointment of a person to be the authority to hear and decide allegations involving wage deductions or wage payment delays in any designated area.

The authority established by the Act is solely qualified to rule on disputes involving deductions from wages and delays in their payment.

Within one month, an appeal may be filed against the authority's judgement in a metropolitan town before a Court of Small Causes and elsewhere before a District Court. The Act specifies punishments for violations of the Act.

Obligations of Employers

- 1) To establish a salary period of no more than one month.
- 2) To pay wages in cash or by cheque after obtaining the employee's written consent.
- 3) To disburse earnings on any workday.
- 4) To allow for deductions from the hired person's wages.
- 5) In addition to keeping the relevant records and registers, the employer must post an abstract of the Act in a visible location.

Responsibilities of employees

Every employee has the following rights:

- 1) To receive his or her pay during the allotted pay period in cash, by cheque or by credit to their bank account.
- 2) Refusing to consent to deductions and fines that are not permitted by

15.3. The Minimum Wages Act, 1948

The Minimum Wage Fixing Machinery Convention, 1928 (No. 28) of the International Labour Organisation (ILO) is where the Minimum Wages Act originated.

Goal of the Act

By mandating minimum wage rates for workers engaged in specific scheduled employments, the Act seeks to extend the idea of social justice to them.

Applicability

The Act does not apply to every industry or type of employment. A list of the jobs covered by the Act is provided in a schedule attached to the Act. It applies to a location regardless of how many employees are really working there.

Part I of the schedule includes a list of some of the jobs. The schedule's second section lists jobs in agriculture and related fields.

Definitions

There are numerous definitions in the Act. The following definitions are a few of the crucial ones:

According to this Act, "appropriate government" refers to the Central Government, railway administrations, mines, oil fields, major ports, and any corporation created by a Central Act. It also refers to any scheduled employment carried out under their jurisdiction.

State Government— for any other scheduled employment carried on within its territory.

The Act also gives state governments the authority to create advisory boards to guide the government's decision-making with the setting of minimum wages and coordinate the work of various committees and subcommittees. To advise both the Central and State Governments and to coordinate the work of the Advisory Boards, the Central Government is also given the authority to establish a Central Advisory Board. These bodies are made up of independent individuals who make up no more than one-third of their overall strength, as well as an equal number of representatives from the employers and the employees. The non-official members are in office for two years, while the others serve at the discretion of the government.

Inspectors

For the purposes of this Act, the relevant government chooses inspectors and establishes the regional bounds in which they are to carry out their duties. Public officials, the Inspectors. In accordance with the Indian Penal Code's rules, everyone who is asked to supply inspectors with any pertinent information is obligated to do so.

Authorities under the Act

An authority to hear and decide claims arising out of payment of wages at less than the minimum rates of wages and other incidental matters is appointed by the competent government and published by notification in

the Official Gazette for any defined area. The person in charge has civil court-like authority.

A worker, a lawyer, another official of a registered trade union with written authorization, or an inspector may submit a request to the authority for the resolution of a dispute involving the non-payment or payment of less than the minimum wage.

The Act forbids civil courts from hearing any lawsuits to recoup minimum wages due pursuant to the Act.

Enforcement

In regards to any planned employment conducted by or under the control of the central government, railway administration, a mining, an oilfield, a major port, or any corporation created by a central act, the central government is the proper authority for the execution of the Act. The Act's implementation in the central region is the responsibility of the Chief Labour Commissioner (Central). The Act's enforcement in the state realm is assigned to officers of the industrial relations apparatus, who also have responsibility for enforcing other labour laws. In some states, the Act's enforcement is the sole responsibility of a small number of full-time inspectors.

In some states, officials from the revenue department are also employed by the labour department.

Offences and Penalties

Penalties are established under the Act for breaking its rules.

Any contract or arrangement that limits or waives an employee's rights under this Act is unlawful and unenforceable. The Act does not, however, restrict a person from signing a contract that is more lucrative or helpful to him.

Obligations of Employers

- 1) Following notice and implementation of the minimum wage, the employer is required to pay all employees who are scheduled to work for him wages that are at least as high as the minimum rate of wages established by such notification for that class of employees.
- 2) The employer may deduct payments from earnings as may be permitted.
- 3) The employer must pay overtime at double the regular rate of pay for any work performed past 9 hours on any given day, 48

hours in any given week, or on rest days.

- 4) Unless the competent government authorises their payment in whole or in part in kind, the employer must pay the minimum wages in cash. The government may control the supply of basic goods at reduced prices.

15.4. Statutory Social Security Benefits

The Workmen's Compensation Act of 1923, the Employees' State Insurance Act of 1948, the Employees' Provident Funds and Miscellaneous Provisions Act of 1952, the Maternity Benefit Act of 1961, and the Payment of Gratuity Act of 1972 make up India's industrial social security legislation.

Exhibit 16.2: Benefits under Social Security Legislation in India

Laws: Workmen's Compensation Act, 1923 Objectives: To provide compensation for work-related accidents and occupational diseases resulting in disablement or death Benefits: Compensation for death, permanent total disablement, permanent partial disablement, temporary disablement, and occupational disease

Laws: Employees' State Insurance Act, 1948 Objectives: To provide health care and cash benefits in the case of sickness, maternity, and employment injury Benefits: Benefit for sickness and extended sickness, maternity benefit, disablement benefit, dependants' benefit, medical benefit, funeral benefit, rehabilitation benefit

Laws: Employees' Provident Fund and Miscellaneous Provisions Act, 1952 Objectives: To provide compulsory provident fund, pension, and deposit-linked insurance Benefits: Refundable withdrawals, provident fund, pension, and deposit-linked insurance

Laws: Maternity Benefit Act, 1961 Objectives: To provide maternity protection before and after childbirth Benefits: Payment for actual absence up to 12 weeks on average daily wages, minimum wage, or rupees 10. Additional benefit for miscarriage and illness arising out of pregnancy

15.5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952:

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social security legislation enacted to provide retirement benefits and maintain a provident fund for employees in India. The Act applies to establishments employing 20 or more persons and covers

various industries and sectors. Under this Act, both the employer and the employee make monthly contributions to the Employee Provident Fund (EPF) which consists of contributions towards provident fund, pension scheme, and insurance scheme. The Act aims to ensure financial security for employees after retirement, withdrawal of funds for specific purposes like housing, medical emergencies, or education, and provides for the formation of the Employees' Provident Fund Organization (EPFO) for the administration and enforcement of the Act.

15.6. The Employees' State Insurance Act, 1948:

The Employees' State Insurance Act, 1948 is a comprehensive social security legislation aimed at providing medical, cash, maternity, disability, and dependent benefits to employees and their families. The Act applies to factories and establishments with 10 or more employees (in certain states, the threshold may vary). Under this Act, both the employer and the employee contribute a percentage of wages towards the Employees' State Insurance (ESI) scheme, which provides healthcare benefits including medical treatment, maternity benefits, sickness benefits, and disability benefits. The Act establishes the Employees' State Insurance Corporation (ESIC) to administer and regulate the scheme and ensure effective implementation of its provisions.

15.7. The Payment of Gratuity Act, 1972:

The Payment of Gratuity Act, 1972 is a social security legislation that mandates the payment of gratuity to employees upon their retirement, resignation, death, or disablement due to injury or illness. The Act applies to establishments employing 10 or more persons and covers employees in both the private and public sectors. Under this Act, gratuity is payable to employees who have completed five years of continuous service, calculated based on the employee's last drawn salary and length of service. The Act aims to provide financial security and a sense of appreciation to employees for their long and meritorious service.

15.8. The Maternity Benefit Act, 1961:

The Maternity Benefit Act, 1961 is a labor welfare legislation aimed at providing maternity benefits to women employees. The Act applies to establishments employing 10 or more persons and covers women employees in both the private and public sectors. Under this Act, eligible women employees are entitled to maternity leave with full pay for a

specified period before and after childbirth. The Act also provides for additional benefits such as medical bonus, nursing breaks, and leave for miscarriage or medical termination of pregnancy. The Act aims to ensure the health, safety, and well-being of women employees during pregnancy and childbirth, and to promote gender equality in the workforce.

15.9. The Employees' Compensation Act, 1923:

The Employees' Compensation Act, 1923 (formerly known as the Workmen's Compensation Act) is a social security legislation aimed at providing compensation to employees for injuries or accidents arising out of and in the course of employment. The Act applies to all establishments and covers employees engaged in hazardous occupations or activities. Under this Act, employers are liable to pay compensation to employees or their dependents in case of injury, disability, or death due to accidents or occupational diseases. The Act ensures prompt and adequate compensation to employees or their families, thereby providing financial support and relief in times of distress.

15.10. The Factories Act, 1948 (relevant provisions):

The Factories Act, 1948 is a labor legislation aimed at regulating the working conditions, health, safety, and welfare of workers employed in factories. The Act applies to factories engaged in manufacturing processes and covers various aspects such as licensing, health and safety measures, working hours, employment of women and young persons, welfare facilities, and hazardous processes. The Act lays down mandatory provisions regarding factory premises, machinery, ventilation, lighting, sanitation, and welfare amenities to ensure a safe and healthy working environment for factory workers. It also provides for the appointment of factory inspectors to enforce compliance with its provisions and prevent accidents and occupational hazards.

15.11. The Shops and Establishments Act (State-specific regulations):

The Shops and Establishments Act is a state-specific legislation enacted to regulate the working conditions, employment practices, and welfare measures for employees working in shops, commercial establishments, and other service sectors. The Act applies to all shops and establishments operating within the jurisdiction of the respective state government and covers aspects such as working hours, weekly offs, holidays, leave entitlements, employment of women and young persons,

and health and safety measures. Each state has its own Shops and Establishments Act with specific provisions and regulations applicable to businesses operating within its territory.

15.12. The Industrial Disputes Act, 1947:

The Industrial Disputes Act, 1947 is a comprehensive legislation aimed at preventing and resolving industrial disputes between employers and employees. The Act applies to all industrial establishments and covers various aspects such as strikes, lockouts, layoffs, retrenchment, and dispute resolution mechanisms. The Act provides for the constitution of works committees, conciliation officers, boards of conciliation, and labor courts or industrial tribunals to facilitate negotiations, conciliation, and adjudication of disputes. It aims to promote harmonious industrial relations, prevent disruptions in production, and protect the interests of both employers and employees.

15.13. The Equal Remuneration Act, 1976:

The Equal Remuneration Act, 1976 is a legislation aimed at ensuring equal pay for men and women for work of equal value. The Act prohibits discrimination in remuneration on the basis of gender and requires employers to provide equal wages and benefits to employees performing similar or identical work, irrespective of their gender. The Act applies to all establishments and covers various aspects such as job evaluation, pay scales, allowances, and benefits to ensure parity in compensation between male and female employees. It aims to promote gender equality, eliminate wage disparities, and uphold the principle of equal pay for equal work.

These Acts play a crucial role in regulating various aspects of employment, ensuring the welfare and protection of workers, and promoting fair labor practices in India.

Let Us Sum Up

In this unit, you have learned about the following:

The Payment of Wages Act, the Minimum Wages Act, the Payment of Bonus Act, and the Equal Remuneration Act are some of the labour legislations that govern wages. These legal provisions deal with matters related to regular payment of wages, revision of minimum wages, payment of bonus, prevention of gender-based discrimination and ensuring equal pay for men and women for similar work. Additionally, employees are entitled to social security benefits by law, which include compensation for death, disability, and occupational disease under the

Workmen's Compensation Act; benefits for sickness, maternity, disablement, and dependents' under the ESI Act; provident fund, pension, and insurance under the Employees' Provident Fund and Miscellaneous Provisions Act; Maternity Benefit under the Maternity Benefit Act; and gratuity under the Payment of Gratuity Act.

Check Your Progress

1. Special allowances are not payable for –
 - a. photostat copier operators
 - b. adding machine operators
 - c. addressographs
 - d. all above
2. Why grievances should be redressed?
 - a. affects the individual
 - b. affects the management
 - c. collective disputes conversion
 - d. all above
3. The employer-employees should have mutual trust / confidence / willingness to settle / respect rights and responsibilities of other party, is covered under –
 - a. Effective bargaining method
 - b. Essentials for effective bargaining
 - c. Types of bargaining
 - d. Areas of bargaining
4. Managerial functions, in personnel management can be –
 - a. Planning / Organising / directing and controlling
 - b. Recruitment / placement / employment / Development and motivation
 - c. Compensation / maintenance of health / employers' welfare
 - d. Both A. + B. only
5. Discuss unfair management practices –
 - a. Noncompliance with promotional and transfer policies
 - b. Smooth handling of grievances

- c. Timely payment of wages / salaries
- d. Both B. + C.

Glossary

The term "wages" refers to all compensation (including salary, allowances, and other forms of remuneration) expressed in monetary terms or capable of doing so that would be due to an employee if all express or implied terms of the employment agreement were met in relation to the employee's employment or the work performed in such employment.

Employer: The term "employer" refers to a person who hires one or more workers for any scheduled employment for which the Act has established minimum wage rates.

Employee: Any individual hired for pay or reward to perform any task, whether manual or clerical, skilled or unskilled, is considered to be an employee.

Answers to Check Your Progress

- 1. d
- 2. d
- 3. b
- 4. d
- 5. a

Suggested Readings

- 1. White, M. D., & Escobar, G. (2008). Making good cops in the twenty-first century: Emerging issues for the effective recruitment, selection and training of police in the United States and abroad. *International Review of Law, Computers & Technology*, 22(1-2), 119-134.
- 2. Heneman, R. L. (2003). Job and work evaluation: A literature review. *Public Personnel Management*, 32(1), 47-71.

Unit -16

Reward Management

STRUCTURE

Overview

Objectives

16.1. Introduction

16.2. Motivational Aspects

16.3. Reward Systems

16.4. Incentives and Rewards

16.5. Competence-Related Pay

16.6. Skill-Based Pay

16.7. Team-Based Rewards

16.8. Profit Sharing

16.9. Gain Sharing

16.10. Stock Options

16.11. Merit Pay

16.12. Employee Ownership

16.13. Employee Benefits

16.14. Case Study

Let Us Sum Up

Check Your Progress

Glossary

Answers to Check Your Progress

Suggested Readings

Overview

Numerous angles and disciplines have been used to study reward systems and their function in businesses. Particularly, sociology, psychology, and economics have added to the body of knowledge on reward systems.

The design of reward systems and the organisational context in which they are used have a significant impact on the impact that they have on organisations. Therefore, it is essential to concentrate on both the organisational and pay system qualities if one is to comprehend pay systems in businesses.

New business lines frequently necessitate a different strategy, and as a

result, a different compensation system. In this unit, the concept of reward management has been clearly explained.

Objectives

After going through this unit, you should be able to:

- understand the relationship between motivation and rewards;
 - formulate different reward systems in an organisational setting;
 - evaluate the role of financial reward systems in improving organisational performance; and
-

16.1. Introduction

Numerous angles and disciplines have been used to study reward systems and their function in businesses. Particularly, sociology, psychology, and economics have added to the body of knowledge on reward systems. The design of reward systems and the organisational context in which they are used have a significant impact on the impact that they have on organisations. Therefore, it is essential to concentrate on both the organisational and pay system qualities if one is to comprehend pay systems in businesses.

16.2. Motivational Aspects

The conception, implementation, upkeep, communication, and evaluation of reward processes are all aspects of reward management. There is a sizable body of work that examines the connection between incentive structures and the level of participation in management. All of an organization's structures, including its compensation scheme, must be altered if it is to function in a participative manner.

16.3. Reward Systems

One of the essential features of a work organization is its ability to offer rewards to its members, with money, promotions, benefits, and status symbols being among the most important. The distribution of these rewards can have a significant impact on both business effectiveness and the quality of work life. Organizations typically utilize reward systems to achieve four primary objectives: (1) Motivate employees to perform well; (2) Attract employees to the company; (3) Encourage employees to attend work regularly; and (4) Recognize employees' place in the organizational hierarchy

16.4. Incentives and Rewards

The concepts of incentives and rewards can be distinguished from each

other. Rewards are given after the fact, while incentives are given beforehand. Financial incentives aim to provide a clear incentive by stating, "do this and you'll get that." They provide a tangible form of recognition and can function as indirect motivators as long as people anticipate that additional achievements will result in valuable incentives. Financial incentives aim to encourage employees to achieve their objectives, enhance their performance, or develop their skills and competence by focusing on specific objectives and priorities. When employees reach or surpass performance targets or demonstrate a certain level of competence or proficiency, they receive financial compensation for their achievements. Examples include sales representatives' commissions or shop floor performance-based pay programmes.

16.5. Competence-Related Pay

Competency-related pay is a type of compensation that links an individual's pay either partially or wholly to their level of competency exhibited while performing their job. This definition comprises two vital elements: (1) Pay and competency are correlated, and (2) individuals are rewarded based on their level of expertise. The emphasis of competency-related pay is not on the acquisition of competency but rather on the effective application of competency to generate additional value. Competency-related pay operates through the analysis of individual competencies and levels of competence.

16.6. Skill-Based Pay

The concept of skill-based pay is to link compensation to the level of skills utilized in a job, as well as the acquisition and application of new skills by the job holder. Although skill-based pay may appear to be a good idea in many respects, its potential costs and benefits must be thoroughly examined before implementing it. It may motivate individuals to improve their skills initially, but if the costs outweigh the benefits, it may become outdated and require updating or replacement.

16.7. Team-Based Rewards

Payments or non-financial incentives awarded to members of a recognized team, connected to their collective success, are known as team-based awards. These awards are distributed among team members either according to a predetermined plan or on an as-needed basis for exceptional achievements. Individual rewards may also be influenced by evaluations of each team member's contribution to the success of the team. To establish and administer team rewards, it is

important to comprehend the composition and functioning of teams. Nonetheless, planning and managing team-based incentives can be challenging.

16.8. Profit Sharing

In comparison to gain sharing, profit sharing is a more established and well-known form of employee participation. It is typically linked to the notion of participatory management and is a strategy for group-based organization. The main aims of profit sharing are to improve employees' identification with the company by encouraging a shared interest in its growth, to increase employees' engagement in the overall affairs of the company, and to enhance communication between management and workers. Conversely, gain sharing is a less familiar and recent approach that is not commonly used.

16.9. Gain Sharing

Gain sharing is an incentive-based compensation program, which is designed to increase the productivity of the employees by sharing a portion of the increased profits with them. The primary objective of gain sharing is to enhance the performance of an organization by creating a committed and motivated workforce. There are two traditional models of gain sharing, namely, the Scanlon Plan and the Rucker Plan. To be effective, gain sharing programs must promote a sense of ownership that begins with the program and spreads to the entire operation

16.10. Stock Options

The most common long-term incentive is the stock option. A stock option is the right to buy a set quantity of firm stock at a set price for a predetermined amount of time. At the time the stock option was issued, the market price was the price at which the employee could purchase the stock.

Profit sharing schemes and stock options share a lot of similarities. The stock market success of the firm serves as the foundation for dividends. The plan's main objectives include encouraging employees to act in the organization's overall best interest, boosting employee identification with the organisation, and adjusting labour expenses in accordance with organisational performance.

16.11. Merit Pay

The most popular method of rewarding performance is merit pay. On the basis of their supervisor's evaluation of their performance, individuals

often receive compensation increases under merit pay systems. By establishing a clear performance reward link, merit pay aims to increase motivation and retain the best employees. There is strong evidence that most organisations undertake performance appraisals poorly, which prevents them from developing reliable indicators of individual performance.

16.12. Employee Ownership

Numerous programs exist to help organizations transfer some or all of their ownership to employees. Implementing an ownership plan that includes all employees could have a positive impact on the organization by promoting integration throughout the entire company, particularly in larger organizations with limited employee ownership. Ownership could be more beneficial for recruitment and retention than profit sharing, but its usefulness is likely to be situational. In small businesses, it could make profit sharing and gain sharing redundant. Employee ownership, combined with an effective employee involvement strategy, has the potential to significantly enhance employee motivation

16.13. Employee Benefits

Employee benefits are non-financial forms of compensation that supplement the different types of financial remuneration. They offer workers a tangible reward that may either be contingent or deferred, such as insurance coverage, sick pay, or a pension scheme, or it could be immediate, such as a company car. The objectives of employee benefits are: (a) to boost employee loyalty to the company; (b) to demonstrate that the company values its workers; (c) to meet the personal security and needs of employees; and (d) to ensure that the benefits are cost-effective in terms of improved commitment, recruitment and retention rates, and personal security. Benefits have a significant potential to impact employees since they constitute a substantial proportion of the overall compensation.

Statutory and Voluntary Benefits

Benefits to employees can be categorised as statutory and optional. Whether the firm wishes to or not, it must provide the employees with the statutory benefits.

Flexible Benefits

Benefit preferences fluctuate significantly between people. These unique individual characteristics, of course, emphasise the need of giving employees a say in how their benefits package is created. Increased

employee satisfaction and cost control are also benefits of flexible benefit plans.

Cost-effectiveness is a key factor for employers when deciding whether to provide benefits to workers. In the past, businesses have made an effort to do this by offering a variety of perks to their staff, regardless of their use or need.

16.14. Case Study

The Indian Electric Company, which produces motors and welding equipment in a city-based setting, was established by Neeraj Shah in 1970. Shah recognised the importance of having an engaged workforce and its impact on the company's success. To ensure that every employee gives their best for the company, Shah concluded that linking the company's reward and recognition programme with its objectives would be the best approach. Thus, he implemented a comprehensive incentive framework to establish this link, with the aim of improving the overall performance of the business. This scheme allows participating employees to receive a portion of the profits as a reward for producing high-quality goods quickly and inexpensively. The system includes the following components:

Using a piece rate for payment: The quantity of "pieces" or product units that production employees generate that are defect-free determines how much they are paid. The employee who made the defective product must complete the repair on their own time if the customer returns it to the business.

Giving an end-of-year bonus: Shah implemented a year-end bonus programme that allows all employees to earn almost twice as much as their base pay in order to further reward employees for their performance. If the company's annual profit increases, employees receive the bonus.

Giving stock options: Shah also gave his staff the chance to purchase the company's equity at a discount. Depending on annual revenues, the corporation also awards stock options to its employees.

Questions for Discussion

1. What does Neeraj Shah anticipate from the Indian Electric Company staff in the future?
2. How would he assure that monetary awards would continue to be given, that they would be cost-effective, and that they would continue to improve organisational effectiveness?

Let Us Sum Up

In this unit, you have learned about the following:

Intrinsic and extrinsic rewards are both a part of organisational rewards. Organisations can offer a wide range of financial incentives to individuals. For many firms, the concepts of employee ownership, profit sharing, and gain sharing can all be beneficial. Rewards also affect the type and number of employees that an organisation is able to find, attract, and keep. Additionally, rewards can motivate both individuals and groups. Rewards are beneficial for both the business and the employee, but if their cost keeps rising, it could cause serious issues down the road.

Check Your Progress

1. Who has defined personnel management as a field of management which has to do with planning and controlling various operative functions of procuring, developing, maintaining and utilising labour force?
 - a. Harold Koontz
 - b. Glueck
 - c. Michael Jucius
 - d. Flippo
2. Resources and capabilities that serve as a source of competitive advantage for a firm over its rivals are called _____.
 - a. core competency
 - b. core competence
 - c. competitive advantage
 - d. competency
3. Human Resource planning is compulsory for____.
 - a. effective employee development programme
 - b. base for recruitment
 - c. base for selection policy
 - d. all of these

4. Job analysis, HR planning, recruitment, selection, placement, inductions and internal mobility are few important functions which come under the heading of _____ of HRM.
 - a. integration function
 - b. development
 - c. maintenance
 - d. procurement function
5. Directing is one of the important functions of HRM which comes under _____.
 - a. managerial function
 - b. Operative function
 - c. Technical function
 - d. behavioral function

Glossary

- **Reward systems:** Numerous angles and disciplines have been used to study reward systems and their function in businesses. Particularly, the fields of economics, sociology, and psychology have added to the enormous body of research on reward systems.
- **Employee benefits** are components of compensation that are provided in addition to the several types of financial pay. They give a measurable benefit for each employee, which may be delayed or contingent, such as a pension plan, insurance coverage, or sick pay, or it may be immediate, such as a corporate automobile.

Answers to Check Your Progress

- 1.c
- 2.a
- 3.d
- 4.d
- 5.a

Suggested Readings

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Web links

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Model End Semester Examination Question Paper

Bachelor of Commerce (B.Com)/Bachelor of Business

Administration (BBA)

Course Code: **DCBBA-22**

Course Title: **Human Resource Management**

Max. Marks: 70

Time: 3 hours

PART – A (5x2 =10 Marks)

Answer any FIVE questions out of EIGHT questions

[All questions carry equal marks]

1. Define Human Resource Management
2. Name two functions of HRM.
3. Define Human Resource Planning
4. Why is training important in an organization?
5. Define Performance Appraisal
6. What is Talent Management?
7. Name one contemporary issue related to workplace stress.
8. Define Selection

PART – B (4X5=20 Marks)

Answer any FOUR questions out of SEVEN questions

[All questions carry equal marks]

9. Explain various steps in the HRP process.
10. Explain the recruitment process.
11. Discuss the methods and techniques of Recruitment.
12. Distinguish between Wage and Salary.
13. What are the external factors influence compensation Management?
14. Discuss the steps involved in compensation management process?
15. Discuss the process involved in Selection. How does it differ from recruitment? Briefly explain the methods of Selection.

PART - C (10 Marks) 4X10= 40 Marks

Answer any FOUR questions out of SEVEN questions





















[All questions carry equal marks]

16. Explain the concept of performance appraisal and its objectives.
17. Briefly discuss the methods of performance appraisal.
18. Describe the practices adopted to improve quality of work life.
19. What is employee training? Explain the important techniques of training.
20. Distinguish between Training and Development.
21. Explain different methods of training the employees.
22. Briefly discuss the framework for the HRD process.

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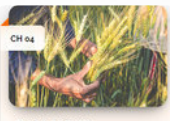
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