

# **Human Resource and Management**

## **Syllabus**

Paper DSC 404: HUMAN RESOURCES MANAGEMENT For B.Com. 4th Semester  
Telangana State

**Objective:** To familiarize with the basics of Human Resource Management.

### **UNIT-I:**

Introduction HRM: Meaning Importance Objectives-Evolution-Elton Mayo's Human Relations Theory-HRM in India: Introduction-Human Relation Movement Scope of HR in India Recent Trends in HR in India.

### **UNIT-II:**

HR Planning Introduction-Need-process-System-Responsibilities-Methods.

### **UNIT-III:**

Recruitment and Selection Introduction Concept of Recruitment-Factors affecting Recruitment Sources of Recruitment-Traditional and Modern Methods-Recruitment and Selection Policies- Recruitment Practices in India-Private and Public Sector Concept of Selection- Selection Process.

### **UNIT-IV:**

Human Resource Development Training and Development: Introduction-Meaning of Training-Importance of Training-Training Needs Identification-Types and Techniques of Training-Need and Importance of Management Development Training Evaluation.

### **UNIT-V:**

Performance Appraisal Concept and Need of Employee Review-Concept of Employee Appraisal-Types of Appraisal Method-Individual Evaluation Methods-Multiple Person Evaluation Methods-360 Degree Appraisal-MBO.

## **Unit-1 Introduction to HRM**

### **INTRODUCTION:**

Human Resource Management (HRM) refers to the strategic approach to managing an organization's workforce in order to optimize performance, productivity, and employee satisfaction. It encompasses a wide range of activities related to managing people within an organization, including recruitment, selection, training, development, performance management, compensation, and employee relations.

#### Key Components of HRM:

- 1. Recruitment and Selection:**
  - Identifying staffing needs, attracting qualified candidates, and selecting the best fit for available positions.
- 2. Training and Development:**
  - Providing employees with the knowledge, skills, and abilities necessary to perform their jobs effectively and to advance in their careers.
- 3. Performance Management:**

- Setting clear performance expectations, providing regular feedback, and evaluating employee performance to drive continuous improvement.
- 4. **Compensation and Benefits:**
  - Designing and administering competitive salary and benefits packages to attract, motivate, and retain talented employees.
- 5. **Employee Relations:**
  - Managing relationships between employees and the organization, handling conflicts, grievances, and promoting a positive work culture.
- 6. **HR Planning and Strategy:**
  - Aligning HR practices with organizational goals and strategies, forecasting future workforce needs, and developing plans to meet those needs.
- 7. **Legal Compliance:**
  - Ensuring compliance with employment laws, regulations, and labor standards to protect the rights of employees and the interests of the organization.

### Objectives of HRM:

- **Optimizing Workforce:** Ensure that the organization has the right people in the right roles at the right time to achieve its goals.
- **Employee Development:** Enhance the skills, knowledge, and abilities of employees to maximize their potential and contribution to the organization.
- **Employee Engagement:** Foster a positive work environment, promote employee satisfaction, and encourage commitment and loyalty.
- **Organizational Effectiveness:** Enhance organizational performance, productivity, and competitiveness through effective management of human capital.
- **Legal Compliance:** Ensure compliance with labor laws, regulations, and ethical standards to mitigate legal risks and protect employee rights.

### Importance of HRM:

- **Strategic Partner:** HRM plays a strategic role in driving organizational success by aligning HR practices with business objectives.
- **Talent Management:** Effective HRM practices attract, develop, and retain top talent, ensuring a skilled and motivated workforce.
- **Employee Engagement:** HRM fosters a positive work culture, promotes employee engagement, and enhances job satisfaction.
- **Organizational Performance:** Well-managed human resources contribute to improved organizational performance, productivity, and profitability.
- **Legal Compliance:** HRM ensures compliance with employment laws and regulations, reducing legal risks and liabilities for the organization.

In summary, HRM is a multidisciplinary field that focuses on managing people effectively to achieve organizational goals and create a positive work environment conducive to employee growth and success.

**Q1. What is Scope of HRM?**

The study of HRM helps to understand how different categories of man powers work together to achieve organisational objectives as nothing can replace human resources.

It is concerned with management of people from: **RECRUITMENT TO RETIREMENT**

**1. EMPLOYEE HIRING:** - HR locates the talent, then shares the best applicants (resumes) to the hiring manager, allowing them to select the ones that they would like to see included in the interview process, and then from there HR conducts the primary screenings to make sure all skill and education requirements are met.

**2. EMPLOYEE REMUNERATION:** - refers to the reward or compensation given to the employee for their work performance. Remuneration provides basic attraction to an employee to performance job efficiently and effectively. Remuneration leads to employee motivation.

**3. EMPLOYEE MOTIVATION:** - Motivation can be understood as the desire or drive that an individual has to get the work done. It is for this reason that the HR managers stress on the employees having high levels of motivation to get the job done.

**4. EMPLOYEE MAINTENANCE:** - refers to the maintenance of employee master data allows the management of employee data such as contact information; cost involved and share of compound costs. Maintenance function of human resource management is concerned with protecting and promoting the physical and mental health of employees. In order to achieve these objectives

several types of fringe-benefits such as housing, medical and, educational facilities, conveyance facilities etc. are provided to the employees.

**5 INDUSTRIAL RELATION (IR):** - Industrial relations are the relationships between employees and employers within the organizational settings. ... From this perspective, industrial relations cover all aspects of the employment relationship, including human resource management, employee relations, and union-management (or labour) relations.

**6. CAREER DEVELOPMENT:** - Career development involves those personal improvements that a person undertakes to achieve a personal career plan. Career management is the process of designing and implementing goals, plans and strategies to enable the organisation, to

satisfy employee needs while allowing individuals to achieve their career goals.

- **7. PROSPECTS OF HR:** - The prospect of human resource management in enhancing higher productivity in a construction company. Management of human resources is that functions of the enterprises which provides for effective utilization of people to achieve both the objectives of the enterprises and satisfaction and development of employees.

---

### **Q3. Functions of HRM.**

**INTRODUCTION:** “Human resource management is concerned with the people dimension in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization are essential to achieving organizational objectives. This is true for any type of the organization — government, business, education, health, recreation, or social action”.

**The functions of HRM can be broadly classified into two categories:**

**I. Managerial Functions. II. Operative Functions.**

**I. MANAGERIAL FUNCTIONS:** The HR manager is basically a manager and as such must perform the basic functions of management which are as follows:

**1. Planning:** Planning is the determination of anything in advance of the action. It involves scanning of the external and internal environment, setting up of goals and objectives, preparing an action plan to achieve these objectives/goals, laying down policies and procedures, formulating standards of evaluation and allocating resources. It requires anticipation, forecasting, predictions and so on. Thus, it involves planning of manpower requirements and related issues.

**2. Organising** Organising involves the establishment of an organisation structure and grouping the activities, the assignment of activities to the specified individuals and departments, defining their role, establishing relationships, the delegation of authority to carry out the responsibilities and provision of coordination of men and work.

**HR manager is required to design the structure of the relationships among**

– (a) various jobs, (b) various personnel, (c) jobs and men (d) men and

machinery, (e) a specialised unit and the rest of organisation (f) and other physical factors.

**3. Directing:** Having a plan and an organization to execute it, the next step is getting the job done. As the process of management is concerned with getting work done through and with people, they require proper motivation. **The management is required to lead, guide, motivate, supervise, communicate and inspire them towards improved performance.**

**5. Controlling:** Controlling is a very important function of management. In an undertaking, control consists in verifying whether everything occurs in conformity with the plan adopted, the instructions issued and the principles lay down. In this way, controlling is a measuring and corrective device.

**II. OPERATIVE FUNCTIONS:** Operative functions are performed by the human resource manager continuously and regularly. Its nature is like a routine type. **The Operative function is as follows:**

**1. Procurement of Human Resource / Employment:** The first important function of HRM is securing and employing the right type of personnel according to the needs or requirements of the organization. For effective performance of procurement function, HRM has to perform a number of functions such as manpower planning which gives the estimate of manpower requirements. **Job analysis includes job description and job specification** which gives the idea of title and nature of job, duties and authorities on that job, specification of personnel required to perform on that job such as qualification, qualities, experience, skill, talent, training, abilities etc.

**2. Employee Compensation:** After procurement of employees the next operative function of HRM is compensation function. It means providing adequate, equitable, regular and fair remuneration to the employees. **According to the services rendered by the employees, remuneration should be given. For equitable and fair compensation; it should be based on job evaluation, merit rating Techniques.**

**3. Development of Human Resource:** Development of Human Resources is done through the training and development programmer. Development process includes **improving the skills and knowledge, creativity, ability, intellectual ability, capacities of employees.** Development process also molds and changes the attitude and behavior of the employees, improves their aptitude, commitment etc.

**4. Developing Healthy Human Relations:** One of the most important operative functions of HRM is **developing, maintaining and preserving the healthy, friendly, harmonious relationship** between the management and employees or employer and employee. He is also responsible for developing healthy relations between the employee and employer, between workers and trade unions and management.

**5. Integration of Conflicting Interest:** HRM has to perform one more important function that is integration of individual employee interest and business organization interest. Employees are **interested in higher wages and salaries, more facilities, bonus, social security, less working hours, overtime wages, and best working conditions and so on.**

**6. Safety and Health of Employees:** HR manager has to take the care of safety and health of the employees. In case of employees whose work is risky, and hazardous, HR manager has to provide the safety measures to the employees. Regular medical checkup of the employees has to be done. **Free medicines, treatment should be provided to the employees who fall sick.**

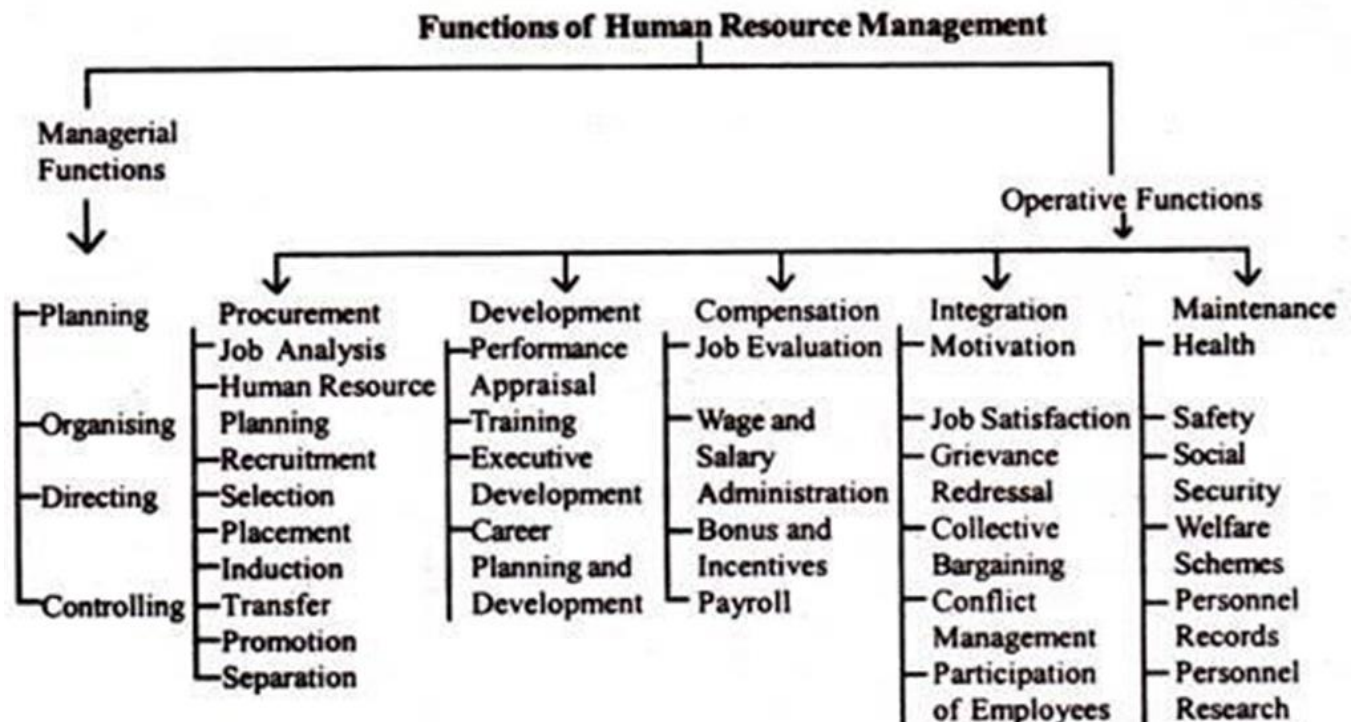
**7. Stability and Optimum Utilization of Employees:** HR manager has to maintain the employees in the organization and has to utilize them at the optimum level; **He must ensure the best utilization of employees.** For this he has to motivate the employees and to give them job satisfaction, job security, participate them in management.

**8. Personnel Research, Audit and Records:** HR manager has to conduct research in various areas of human resource for example, **research in motivational techniques, behavioral sciences, attitude, turnover, absenteeism, development, performance, morale and so on.** Audit involves the periodical assessment and appraisal of employee performance.

**9. Industrial Relations:** These days, the responsibility of maintaining good industrial relations is also discharged by the human resource manager. **The human resource manager can help in collective bargaining, joint consultation and settlement of disputes, if the need arises.** This is because of the fact that he is in possession of full information relating to personnel and has the working knowledge of various labor enactments.

**10. Separation:** Since the first function of human resource management is to procure the employees, it is logical that the last should be the separation and return of that person to society. Most people do not die on the job. The organisation is responsible for meeting certain requirements of due process in separation, as well as assuring that the returned person is in as good shape as

possible. The human resource manager has to ensure the timely release of retirement benefits to the retiring personnel in time.



### Q5. Evolution of HRM in Indian & International context.

The evolution of HRM can be described moving through four broad phases:

- Phase # 1. Craft System      Phase # 2. Scientific Management**  
**Phase # 3. Human Relations Approach      Phase # 4. Human Resource Approach.**

### Evolution of Human Resource Management – From Industrial Revolution Era to Present Era:

The real strength of the country lies in the development of the human mind and body. India is a very big country with people of different backgrounds. Organizations consist of all different people working under one roof.

**1. INDUSTRIAL REVOLUTION ERA:** It started in 19<sup>th</sup> century. In this the emphasis was given on the development of machinery for better and large amount of production with so many people working together with these changes and the replacement development was there as use of machinery was there for production and unskilled workers were given training for the operation of machinery.

By this way large number of people migrated from their place of origin to their place of working creating housing problems.

**2. TRADE UNION MOVEMENT ERA:** The basic objectives of these unions are to safeguard the interest of the people and to sort out their problems like labour problems, child labour and poor working conditions etc. In this aspect various economic problems and wages, various benefits also became major issues. These trade unions started such weapons as strikes, walkouts etc. for the acceptance of their demand.

**3. SCIENTIFIC MANAGEMENT ERA:** It started in 19th century. Taylor started to find out the best way of doing the things in proper time duration so that goals can be achieved. He was able to increase workers' productivity by his experiment, based on time and motion studies and named it as scientific management.

**The principles are:**

- (a) Harmony in group action
- (b) Cooperation between management and workers.
- (c) Development of workers
- (d) Replacing rule of thumb with science

**These principles were implemented through the following elements:**

- (i) Job Analysis. (ii) Standardization and Simplification.
- (iii) Financial Incentives.
- (iv) Scientific Selection and Training of Workers. v) Mental Revolution.

**4. SOCIAL RESPONSIBILITY ERA:** Robert Owen in 20<sup>th</sup> century an industrialist, reformer adopted the approach "the principal social and economic environments influence the physical, mental and psychological development of workers. Therefore, in order to increase productivity, it is necessary to improve the conditions of employees by removing them from an adverse environment by providing them more satisfactory living and working conditions".

**5. HUMAN RELATIONS ERA:** In this basically close look was given on human factors at work and the variables that affected people's behaviour. **It included the following factors:**

- (i) Social factors at the workplace (ii) Group formation
- (iii) Type of supervision (IV) Proper Communication.

By this they observed that there existed a conflict between management and workers. In order to have better production, management should take care of human relations besides the physical conditions at the workplace.



**6. BEHAVIOURAL SCIENCE ERA:** In this it is assumed that if the workers are happy they can do more and proper production as human behaviour can help in doing the work in a proper way. A behavioural scientist to management practices consists primarily of producing new insights rather than new techniques.

- (j) People like work and they want to achieve their objectives through motivation and with proper job satisfaction,
- (ii) Managers responsibility is to create a healthy environment, so that all subordinates can contribute to the best of their capacity.

**7. SYSTEM AND CONTINGENCY APPROACH:** It has attracted maximum attention of thinkers in management in the present era. The basic idea of this approach is that any object must rely in a method analysis involving simultaneous variations of dependent variables. A system has boundary which makes it different from other system. A system is not only the total parts and supports but the arrangement of this as a whole play an important role.

**8. HUMAN RESOURCE MANAGEMENT ERA:** When the factory system was started in production, large number of workers started together. After observation need was there that someone should take care of recruiting, developing and looking after the welfare of various activities taking place.

---

## **SHORT QUESTION AND ANSWERS**

### **Role of HR .**

HR managers play a very key role so it's important for organisations to hire the right people for this job. The HR manager is in charge of the organisation's HR operations and responsible for managing the HR department.

### **HR Manager Responsibilities:**

1. Manage the organisation's HR operations and oversee day to day HR processes and activities.
2. Evaluate the organisation's current overall HR strategy and identify areas of strengths and weaknesses.
3. Work closely with departments and managers on human resource planning.
4. Create and implement new and effective HR strategies.
5. Lead the recruitment and hiring process.
6. Ensure that the workplace environment is of high quality.

7. Focus on the health and wellbeing of employees.
8. Manage employee benefits and compensation.
9. Develop effective training and development programs for employees.

**These are some of the key skills that every HR manager should have:**

Management skills	Interpersonal skills
Communication skills	
Decision-making skills	Problem-solving skills
skills.	Organisational skills.

---

**Q2. Evolution of HRM.**

Evolution of HRM over the period of time is important for understanding the philosophy, functions, and practices of HRM that are followed in different situations so that relevant HRM practices are evolved in the present situation.

HRM, being a part of management discipline, has followed the pattern of development of management because of the interrelationship of the problems of both the fields.

Human Resource Management (HRM) is relatively a very recent term considered for managing human resources in an organisation. HRM is still evolving to become an amalgam of organisational behaviour, personnel management and industrial relations and labour legislation.

**The evolution of human resource management learns about: -1. Managing**

**Slaves:** They could be sold and purchased like commodities. Their main purchasers were the wealthy rulers, landlords, tribal chiefs and affluent businessmen. The purchasers of slaves had a rather complete control over their slaves.

2. Managing Serfs 3. Managing Indentured Labour 4. Industrial Revolution Era.

5. Trade Union Movement Era. 6. Social Responsibility Era. 7. Scientific Management Era.

8. Human Relations Era. 9. Behavioural Science Era. 10. Systems and Contingency Approach Era. 11. Human Resource Management Era.

**UNIT-2**

**HUMAN RESOURCE PLANNING**

**INTRODUCTION TO HRP:**

HRP involves appropriate allocation of human resource to various managerial as well as operational activities to accomplish an organization's objectives. Human resource planning is done to assess the future requirement of manpower in the organization. It helps identify the size and composition of resources for future purpose. Human resource planning is a continuous process.

**DEFINITION:** “Human Resource Planning is a strategy for the acquisition, utilization, improvement and preservation of an organisation’s human resource.” – Y.C. Moushell.

**Q1. What is HRP? State its features. (OR) Define HRP. State Benefits & Importance of HR Planning.**

**Features of effective human resource planning are as follows:**

**1. IT IS FUTURE ORIENTED** – Human resource planning is prepared to assess the future requirement of manpower in the organization. It helps in identifying the size and composition of resources for future purpose.

**2. IT IS A CONTINUOUS PROCESS** – Human resource planning is a continuous process. The human resource planning prepared today may not be applicable for future due to ever changing external forces of the environment.

**3. IT RESULTS IN OPTIMUM UTILIZATION OF HUMAN RESOURCES** – Human resource planning focuses on optimum utilization of resources in the organization. It checks how the employees are utilized in a productive manner. It also identifies employees’ existing capabilities and future potentialities to perform the work.

**4. PREVENTION OF OVERSTAFFING AND UNDERSTAFFING:** Human resource planning determines the right number and kind of people at the right time and right place that are capable of performing the required jobs. It also assesses the future requirement of manpower for organizational objective.

**5. IT HELPS IN DETERMINATION OF DEMAND AND SUPPLY** – Human resource planning is a process of determining demand for and supply of human resources in the organization. Then a match between demand and supply estimates the optimum level of manpower.

**6. ENVIRONMENTAL INFLUENCE (OR) FACILITATION OF CHANGE MANAGEMENT**– Human resource planning is influenced by environmental changes; hence, it is to be updated as per the change occupied in the external environment.

**7. IT IS RELATED TO CORPORATE PLAN** – Human resource planning is an integral part of overall corporate plan of the organization. The success of man power planning depends upon how well the goals are planned. It can be formulated at strategic, tactical and operational levels.

**8. IT IS A PART OF HUMAN RESOURCE MANAGEMENT SYSTEM** – As a part of total human resource management system; human resource

planning is regarded as a component or element of HRM which is concerned with acquisition and assessment of manpower. It serves as a foundation for the management of human resource in an effective and efficient manner.

**9. IT IS DYNAMIC** – It is a highly dynamic function and requires the very capable personnel to carry out planning efficiently.

---

**Q2. Explain the process of HRP. (OR) Write the steps of HRP.**

The process of Human resources planning ensures the creation of the best fit of the employees to the job roles as well as to the organizational culture. This helps the organization to operate without any manpower surpluses or shortages in the organization.

**1. ANALYZE OBJECTIVES** - The objectives can include recruiting new employees for the process, reducing the number of employees by [automating processes](#), or improving the knowledge and skill levels of existing employees. By analysing the objectives of each department of the organization, the human resources planning team can identify the changes that will be necessary for the future of the organization.

**2. INVENTORY CURRENT HUMAN RESOURCES-** **Once** the necessary changes are identified, the Human resources planning team should create an [inventory](#) of the current human resources available in the organization. This should include the current number of employees available in the organization, their capacities, capabilities, and performance abilities. This helps the human resources team to identify the methods of filling the upcoming job requirements and to create estimates to internal and external recruitments that will be necessary.

**3. FORECAST THE DEMAND AND THE SUPPLY OF EMPLOYEES-** Based on the objectives of the different departments of the organization and the inventory of the available resources, the Human resources planning team can forecast the demand of the employees. Apart from that, based on the availability in the organization and the employee market, the supply of the employees should be forecasted.

**4. ESTIMATE GAPS-** Conducting a comparison between the demand and the supply of the employee availability can help the human resources team to identify the gaps that can arise in the foreseeable future. The gaps can arise as employment deficits as well as employment surpluses.

**5. FORMULATE AND IMPLEMENT PLAN(OR) TRAINING AND DEVELOPMENT PROGRAMME** - Human resources planning team should formulate a plan for the recruitment, training, and development, termination, interdepartmental transfers, promotion, or early retirement of employees based on the requirements of the organization. The employment plan can vary based on the deficit or the surplus estimated in forecasting the demand and supply stage. This should be aligned with the [goals and objectives](#) of the organization as well as the goals and objectives of each department of the organization.

**6. MONITOR, CONTROL, AND FEEDBACK(OR) APPRISAL OF MAN POWER PLANNING** - Once the human resources plan is implemented, the plan should be monitored continuously to ensure the alignment of the plan to the objectives of the departments. The necessary controls should be put in place and the feedback at each level should be obtained to measure any defects in the implemented human resources plan. The necessary changes should be implemented according to the feedback obtained in the on-going process in order to make the human resources plan a success.

---

### **Q3. Need (OR) Factors affecting Human Resource Plans / Planning.**

#### **EXTERNAL FACTOR:**

**i. Government policies:** Policies of the government like labour policy, industrial policy, policy towards reserving certain jobs for different communities and sons-of-the-soil etc affect Human Resource Planning.

**ii. Level of economic development:** – Level of economic development determines the level of human resource development in the country and thereby the supply of human resources in the future in the country.

**iii. Information Technology:** Information technology brought amazing shifts in the way business operates. These shifts include Business Process Reengineering (BPR), Enterprise Resource Planning (ERP) and Supply Chain Management (SCM). These changes brought unprecedented reduction in human resource and increase in software specialists. Example: Computer-aided design (CAD) and computer-aided technology (CAT) also reduced the existing requirement of human resource.

**iv. Level of Technology:** Technology is the application of knowledge to practical tasks which lead to new inventions and discoveries. The invention of the latest technology determines the kind of human resources required.

**v. Business Environment:** Business environment means the internal and external factors influencing the business. Business environmental factors

influences the volume of mix of production and thereby the supply of human resources in the future in the country.

**vi. International factors:** International factors like the demand and supply of Human resources in various countries also affects Human Resource Planning .

### **INTERNAL FACTOR:**

**i. Company Strategies:** The organisation's policies and strategies relating to expansion, diversification etc. determines the human resource demand in terms of Quantity and Quality

**ii. Human Resource policies:** Human Resource policies of the company regarding quality of human resources, compensation level, quality of working conditions etc. influence Human Resource Planning.

**iii. Job analysis:** Job analysis means detailed study of the job including the skills needed for a particular job. Human Resource Planning is based on job analysis which determines the kind of employees to be procured.

**iv. Time Horizon:** Company's planning differs according to the competitive environment i.e. companies with stable competitive environment can plan for the long run whereas firms without a stable environment can only plan for short term. Therefore, when there are many competitors entering business/ when there is rapid change in social and economic conditions of business/ if there is constant change in demand patterns/ when there exists poor management practice, then short term planning is adopted or vice-versa for long-term planning.

**v. Type and Quality of Information:** Any planning process needs qualitative and accurate information about the organisational structure, capital budget, functional area objectives, level of technology being used, job analysis, recruitment sources, retirement plans, compensation levels of employees etc. Therefore Human Resource Planning is determined on the basis of the type and quality of information.

**vi. Company's production and operational policy:** Company's policies regarding how much to produce and how much to purchase from outside in order to manufacture the final product influences the number and kind of people required.

**vii. Trade Unions:** If the unions declare that they will not work for more than 8 hours a day, it affects the Human Resource Planning. Therefore influence of

trade unions regarding the number of working hours per week, recruitment sources etc. affect Human Resource Planning.

**Viii. Organisational Growth Cycles:** ~~At starting stage the organisation is small~~ and the need of employees is usually smaller, but when the organisation enters the growth phase.

## Q4) Techniques for forecasting HR demand?

### 1. Trend Analysis:

- **Description:** Analyzing historical HR data to identify patterns, trends, and variations over time.
- **Application:** Examining past staffing levels, turnover rates, and other HR metrics to forecast future demand based on historical trends.

### 2. Ratio Analysis:

- **Description:** Using ratios or relationships between HR indicators (e.g., employees per sales unit) to predict future HR needs.
- **Application:** Calculating ratios such as revenue per employee or employees per unit of production to estimate HR requirements based on changes in business activity.

### 3. Regression Analysis:

- **Description:** Statistical technique that examines the relationship between one or more independent variables (e.g., sales, production) and a dependent variable (e.g., workforce size).
- **Application:** Building regression models to forecast HR demand based on factors such as sales forecasts, economic indicators, or other business metrics.

### 4. Delphi Technique:

- **Description:** Expert-based forecasting method that gathers input from a panel of experts through a series of structured questionnaires and feedback rounds.
- **Application:** Soliciting expert opinions from HR professionals, managers, and industry experts to gather insights and consensus on future HR demand.

### 5. Managerial Judgment:

- **Description:** Reliance on the judgment and expertise of managers and HR professionals to forecast HR demand based on their knowledge of the organization, industry, and market conditions.
- **Application:** Conducting brainstorming sessions or scenario planning exercises involving managers and HR staff to estimate future workforce needs.

## 6. Work Study Technique:

- **Description:** Analyzing work processes and productivity levels to determine staffing requirements and optimize workforce utilization.
- **Application:** Conducting time and motion studies, workload assessments, and productivity analyses to forecast HR demand based on work volume and efficiency.

## 7. Nominal Group Technique:

- **Description:** Structured group brainstorming method that combines individual idea generation with group discussion and ranking to reach consensus.
- **Application:** Bringing together HR professionals, managers, and stakeholders to generate and prioritize HR demand forecasts based on collective input and expertise.

Each of these techniques has its strengths and limitations, and organizations may use a combination of methods to enhance the accuracy and reliability of their HR demand forecasts. By leveraging these forecasting techniques, organizations can make informed decisions about staffing levels, talent acquisition, and workforce planning to support their strategic objectives.

## WHAT IS SUCCESSION PLANNING – IMPORTANCE AND CHALLENGES?

Succession planning in Human Resource Management (HRM) is a strategic process aimed at identifying and developing internal employees with the potential to fill key leadership positions within an organization in the future. It involves systematically identifying high-potential individuals within the organization, assessing their readiness for advancement, and grooming them to assume critical roles when vacancies arise due to retirements, promotions, or other reasons.

### Importance of Succession Planning in HRM:

1. **Leadership Continuity:** Ensures a smooth transition of leadership and minimizes disruptions when key executives or leaders depart.
2. **Talent Development:** Provides opportunities for employee growth and development, fostering engagement and loyalty.
3. **Risk Mitigation:** Mitigates risks associated with the loss of key personnel and ensures business continuity.
4. **Cost Savings:** Reduces recruitment costs associated with external hires and minimizes the risk of poor hiring decisions.
5. **Organizational Stability:** Enhances organizational stability and resilience by maintaining a pipeline of skilled leaders capable of driving success.



## Challenges of Succession Planning in HRM:

1. **Identifying Talent:** Difficulty in identifying suitable candidates with the right skills, competencies, and leadership qualities for key leadership positions.
2. **Balancing Short-Term and Long-Term Priorities:** Balancing immediate operational needs with long-term strategic objectives in succession planning efforts.
3. **Resistance to Change:** Overcoming resistance from employees and leaders who may be resistant to change or reluctant to support succession planning initiatives.
4. **Ensuring Diversity and Inclusion:** Ensuring that succession planning efforts prioritize diversity and inclusion by identifying and developing candidates from underrepresented groups.
5. **Managing Succession in Family-Owned Businesses:** Managing succession planning in family-owned businesses, which may involve complex family dynamics, emotions, and conflicts.
6. **Retaining High-Potential Employees:** Addressing the risk of losing high-potential employees who may seek opportunities elsewhere if they feel overlooked or undervalued in succession planning processes.
7. **Dealing with Unforeseen Events:** Developing contingency plans to address sudden vacancies in critical leadership positions due to unforeseen events such as illness, accidents, or unexpected departures.
8. **Ensuring Alignment with Strategic Goals:** Ensuring that succession planning efforts are aligned with the organization's strategic goals and priorities.

## UNIT 3 RECRUITMENT AND SELECTION

### 11Q) Define Recruitment and its sources.

ANS: **Recruitment:**

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

**RECRUITMENT NEEDS:** Recruitment needs are of three types:

1. **Planned:** i.e. the need arising from changes in organization and retirement.
2. **Anticipated:** Anticipated needs are those movements in personnel, which an organization can predict by studying trends in internal and external environment.
3. **Unexpected:** Resignation, deaths, accidents, illness give rise to unexpected needs.

## **PURPOSE AND IMPORTANCE OF RECRUITMENT**

- i) Attract and encourage more and more candidates to apply in the organisation.
- ii) Create a talent pool of candidates to enable the selection of best candidates for the organisation .
- iii) Determine present and future requirements of the organisation personnel planning and job analysis activities.
- iv) Recruitment is the process which links the employers with the employees.
- v) Increase the pool of job candidates at minimum cost.
- vi) Begin identifying and preparing potential job applicants who will be appropriate candidates.

### **Sources of recruitment:**

There are two sources of recruitment they are :-

- 1) Internal sources
- 2) External sources

**(a) Internal sources:-** Internal source is one of the important sources of recruitment. The employees already working in the organisation may be more suitable for higher jobs than those recruited from outside. The present employees may help in the recruitment of new persons also. Internal sources consist of the following methods:

**1) Present Employees:-** Promotions and transfers from among the present employees can be a good source recruitment.

**(i) Transfer:-** Transfer involves shifting of persons from present jobs to other similar places .These do not involve any change in rank, responsibility and prestige. the number of persons do not increase with transfers but vacant posts may be attended to.

**(ii) Promotions:-** Promotions refer to shifting of persons to positions carrying better prestige ,higher responsibilities and more salaries. The higher positions falling vacant maybe filled up from within the organization . A promotion does not increase the number of persons in the organisation.

### **(2) Employee Referrals:-**

Employee referrals can be a good source of internal recruitment. Employees can develop good prospects for their families and friends by acquainting them with

the advantages of a job with the company furnishing letters of introduction and even encouraging them to apply. This source is, usually, one by the most effective methods of recruiting because many qualified people are reached at a very low cost to the company. In an organisation with a large number of employees, this approach can provide quite a large pool of potential organisational members. Most employees know from their own experience about the requirements of the job and what sort of persons the company is looking for.

### **(3) Former Employees:-**

Former employees are another internal source of recruitment. Some retired employer may be willing to come back to work on a part time basis or recommend someone who would be interested in working for the company. Sometimes, people who have left the company for some reason or the other are willing to come back and work. An advantage this source is that the performance of these people is already known.

**(4) Previous Applicants :-** Although not an internal source, in the true sense, those who have previously applied for jobs can be contacted by mail. This is a quick and an expensive way to fill an unexpected vacancy. This is a very suitable method for filling the professional openings.

### **(b) EXTERNAL SOURCES:-**

Every enterprise has to use external sources for recruitment to higher positions when existing employees are not suitable. More persons are needed when expansions are undertaken.

External methods are discussed as follows:

**(1) Advertisement:-** Advertisement is the best method of recruiting persons for higher and experienced jobs. The advertisements are given in local or national press, trade or professional journals. The requirements of jobs are given in the advertisements. The prospective candidates evaluate themselves against their requirements of jobs before sending their applications. Management gets a wider range of candidates for selection. The flood of applications may create difficulties in the process.

**(2) Unsolicited Applicants.** Persons in search of employment may contact employers through telephone, by post or in person. Generally, employers with good reputation get unsolicited applications. If an opening is there or is likely to be there then these persons are considered for such jobs. Personnel department may maintain a record of unsolicited applications.

When jobs suitable for these persons are available these are considered for employment

**(3) Professional organisations :** maintain complete bio-data of their members and supply it to companies on demand. These organisations also act as exchange between the members and recruiting firms. Firms can seek clarifications and clear doubts about persons they want to recruit. This source of recruitment is found reliable for recruiting persons at middle and upper levels of management.

**4) Campus Recruitment:-**Colleges, universities, research laboratories are fertile grounds for recruiters. The Indian Institutes of Management (IMs) and the Indian Institutes of Technology (ITS) are on the top list of avenues for the recruiters. In fact, in some companies recruiters are bound to recruit a large number of candidates from these institutes every year, Campus recruitment is so much sought after by the recruiters that each college, university department or institute will have to have a placement officer to handle recruitment functions. Campus recruitment is often an expensive process. Majority of those recruited leave the organisations after some time in search of greener pastures outside. Problems notwithstanding, campus placement is the major source of recruitment for prestigious companies such as Hindustan Lever Limited, Tata, Larsen and Toubro etc.

**(5) Recruiting Agencies.:-**Several private consultancy firms e.g. A.F. Ferguson Associates, Price Waterhouse Coopers, ABC consultants etc. perform recruiting function on behalf of client companies by charging fees. These agencies are particularly suitable for recruitment of executives and specialists. They perform all the functions of recruitment and selection so that the client is relieved of this burden. But the cost of recruitment through these agencies is very high.

**(6) Walk-ins, Write-ins and Talk-ins.:-**Now-a-days walking-ins are becoming a very popular method of recruitment. Today's newspapers are full of new openings to be tapped in newer ways. Six out of ten are through walk-in-interviews. The applicants just walk in with their resumes for interviews. However, the walk in interviews post a tough challenge for the interviewers who do not know how many candidates are to be interviewed. The number of

candidates sometimes be varying directly with the temperature outside. From employee view point, walk-ins are preferable as they are free from the hassies associated with other methods of recruitment.

## **WHAT IS RECRUITMENT policy?**

A recruitment policy in Human Resource Management (HRM) outlines the guidelines, procedures, and principles governing the recruitment and selection process within an organization. A good recruitment policy should be comprehensive, clear, and aligned with the organization's goals and values. Here are requirements for a good recruitment policy:

### **### 1. Clarity and Transparency:**

- **\*\*Clear Objectives\*\***: Clearly defined objectives and goals of the recruitment process, outlining what the organization seeks to achieve through hiring.
- **\*\*Transparency\*\***: Ensuring transparency in recruitment procedures and criteria, including job requirements, selection criteria, and evaluation methods.

### **### 2. Legal Compliance:**

- **\*\*Adherence to Laws and Regulations\*\***: Compliance with relevant employment laws, regulations, and equal employment opportunity (EEO) guidelines to prevent discrimination and ensure fairness.
- **\*\*Documentation\*\***: Maintaining accurate records and documentation throughout the recruitment process to demonstrate compliance with legal requirements.

### **### 3. Equal Opportunity and Diversity:**

- **\*\*Non-Discrimination\*\***: Prohibition of discrimination based on factors such as race, gender, age, religion, disability, or other protected characteristics.
- **\*\*Diversity and Inclusion\*\***: Promoting diversity and inclusion by actively seeking candidates from diverse backgrounds and providing equal opportunities for all applicants.

### **### 4. Job Analysis and Requirements:**

- **\*\*Job Analysis\*\***: Conducting thorough job analysis to identify job requirements, duties, responsibilities, and qualifications necessary for each position.

- **Position Descriptions**: Developing clear and detailed job descriptions outlining the essential functions and qualifications for each role.

#### ### 5. Recruitment Sources and Methods:

- **Recruitment Channels**: Identifying appropriate recruitment sources and methods to attract qualified candidates, including internal job postings, external job boards, social media, referrals, and recruitment agencies.
- **Selection Tools**: Utilizing effective selection tools and techniques such as interviews, assessments, tests, and background checks to evaluate candidates' suitability for the job.

#### ### 6. Timeliness and Efficiency:

- **Timely Process**: Establishing efficient recruitment timelines and turnaround times to ensure prompt filling of vacancies and minimize time-to-hire.
- **Streamlined Procedures**: Implementing streamlined recruitment procedures and workflows to minimize administrative burdens and optimize efficiency.

#### ### 7. Candidate Experience:

- **Positive Experience**: Providing a positive candidate experience throughout the recruitment process, including clear communication, feedback, and respectful treatment of applicants.
- **Brand Image**: Upholding the organization's reputation and employer brand by ensuring a professional and engaging recruitment experience for candidates.

#### ### 8. Internal Mobility and Career Development:

- **Internal Opportunities**: Promoting internal mobility and career development by giving priority consideration to internal candidates for job vacancies.
- **Succession Planning**: Aligning recruitment efforts with succession planning initiatives to identify and develop internal talent for future leadership roles.

#### ### 9. Evaluation and Continuous Improvement:

- **Performance Metrics**: Establishing key performance indicators (KPIs) and metrics to evaluate the effectiveness of the recruitment process, such as time-to-fill, cost-per-hire, and quality of hire.
- **Feedback Mechanisms**: Soliciting feedback from hiring managers, candidates, and other stakeholders to identify areas for improvement and implement changes accordingly.

### ### 10. Training and Development:

- **Training for Hiring Managers**: Providing training and support to hiring managers and interviewers on effective recruitment practices, interview techniques, and unconscious bias awareness.
- **Continuous Learning**: Encouraging continuous learning and professional development for HR staff involved in the recruitment process to stay updated on best practices and trends.

By meeting these requirements, organizations can develop a recruitment policy that effectively attracts, selects, and retains top talent, aligning with their strategic objectives and contributing to overall organizational success.

## **EXPLAIN THE METHODS OF RECRUITMENT.**

Ans: **METHODS OF RECRUITMENT:**

Methods of recruitment are different from the sources of recruitment. Sources are the locations where prospective employees are available. On the other hand, methods are ways of establishing links with the prospective employees. Various methods employed for recruiting employees may be classified into the following categories

### **1. Direct Methods.**

Under direct recruitment, employee contacts, manned exhibits and waiting lists are used. Representatives of the organisation are sent to the educational and training institutions for scouting prospective candidates.

**i) Campus Recruitment:**-Colleges, universities, research laboratories are fertile grounds for recruiters. The Indian Institutes of Management (IMs) and the Indian Institutes of Technology (ITS) are on the top list of avenues for the recruiters. In fact, in some companies recruiters are bound to recruit a large number of candidates from these institutes every year, Campus recruitment is so much sought after by the recruiters that each college, university department or institute will have to have a placement officer to handle recruitment functions. Campus recruitment is often an expensive process. Majority of those recruited

leave the organisations after some time in search of greener pastures outside. Problems notwithstanding, campus placement is the major source of recruitment for prestigious companies such as Hindustan Lever Limited, Tata, Larsen and Toubro etc.

**2. Indirect Methods.** Advertisement in newspapers, journals, on the radio and television are used to publicise. A well thought out and clear advertisement enables candidates to assess their suitability so that only those possessing the requisite qualification will apply. This method is suitable when the organisation wants to reach out to a large target group scattered geographically.

**i) Advertisement:-**Advertisement is the best method of recruiting persons for higher and experienced jobs. The advertisements are given in local or national press, trade or professional journals. The requirements of jobs are given in the advertisements. The prospective candidates evaluate themselves against their requirements of jobs before sending their applications. Management gets a wider range of candidates for selection. The flood of applications may create difficulties in the process.

**3. Third Party Methods.** Various agencies can be used to recruit personnel. Public employment exchanges, management consulting firms, professional societies, temporary help societies, trade unions, labour contractors are the main agencies. In addition, friends and relatives of existing staff and deputation method can be used.

**i) Professional organisations :** maintain complete bio-data of their members and supply it to companies on demand. These organisations also act as exchange between the members and recruiting firms. Firms can seek clarifications and clear doubts about persons they want to recruit. This source of recruitment is found reliable for recruiting persons at middle and upper levels of management.

**ii) Walk-ins, Write-ins and Talk-ins.:-**Now-a-days walking-ins are becoming a very popular method of recruitment. Today's newspapers are full of new openings to be tapped in newer ways. Six out of ten are through walk-in-interviews. The applicants just walk in with their resumes for interviews. However, the walk in interviews pose a tough challenge for the interviewers who do not know how many candidates are to be interviewed. The number of candidates sometimes varies directly with the temperature outside. From employee view point, walk-ins are preferable as they are free from the hassles associated with other methods of recruitment.



### **13Q) Define Selection and its process.**

**ANS: MEANING AND DEFINITION :**

Select means to choose. Selection is the process of picking up individuals out of the job applicants with required qualifications and competence to fill jobs in the organisation.

### **SELECTION PROCESS**

The selection procedure consists of a series of steps. Each step must be successfully cleared before the applicant proceeds to the next

Steps involved in employee selection are explained in detail as follows:

#### **1.Reception**

The receipt and scrutiny of applications is the first step in the process of selection. A receptionist in the personnel department gives information about new openings to the visitors and receives their applications. The scrutiny of applications is essential to take out those applications which do not fulfill the requirements of posts. Some people send applications even when they do not possess the required experience and qualifications. These applicants if called for preliminary interviews, will waste their own time and that of the company.

#### **2.Preliminary Interview**

Preliminary interview is a sorting process in which the prospective candidates are given the necessary information about the nature of the job and the organisation. Necessary information is obtained from the candidates about their education, skills, experience, expected salary etc. Preliminary interview is brief and generally carried out by a junior executive across the counter or at the reception office. Since rejection rate is high at preliminary interview, the interviewer should be kind, courteous, receptive and informal.

**3. Clinical Methods.** Under this method application forms are analysed in such a way that all possible inferences are drawn about candidates from the information supplied.

#### **4. Selection Tests**

Applicants who pass the screening and the preliminary interview are called for. Different types of tests may be administered depending on the job and the company. Tests help in better matching of candidate and the job. Tests may reveal qualifications which remain hidden in application form and preliminary interview. Tests are useful when the number of applicants is large.

## **5. Selection Interview**

Interview is the oral examination conducted for the purpose of employment. It is a formal, in depth conversation,) which evaluates the applicant's acceptability. Interview is an excellent selection device, It is a very flexible device which can be adopted to select unskilled, skilled managerial and professional employees. Thus, interview is a purposeful exchange of views, the answering of questions and communication between two or more persons

## **6. Job Offer**

The next step in the selection process is the job offer to those applicants who have crossed all the previous hurdles. Job offer is made in the form of an appointment letter. Such a letter, generally, contains a date by which the candidate must report for duty. Reasonable reporting time is given to all the appointed candidates. This is particularly necessary when the appointed person is already in employment, in which case he has to give notice to the previous employer. Moreover, the job may require movement to another city which means considerable preparation and shifting of property and family members. Some organisations also inform the rejected candidates about their non selection. Their application may, however, be preserved for future use.

## **7. Contract of Employment**

After the job offer has been made and the candidate accepts the offer, a contract for employment is executed by the employer and the candidate. The basic information that is included in a written contract varies according to the level of the Job. Generally, the following details and included in the contract:

- i. )Job title
- Ii )Details of duties
- iii) Date when the continuous employment starts
- iv )Remuneration and method of payments
- v) Hours of work including lunch break, overtime and shift arrangements
- vi)Holiday arrangements and details of holidays
- vii)Sickness leave rules
- viii) Length of notice due to or from an employee
- ix) Grievance procedure
- x) Disciplinary procedure
- xi)Work rules
- xii)Terms of Termination of employment
- xiii) Terms for, union membership

## UNIT – 4 Training and Development

### **Q1) Explain the meaning of training**

Ans: **MEANING AND DEFINITIONS OF TRAINING**

Training is an organised procedure for increasing the knowledge and skill of people for a specific purpose. It also gives an awareness of the rules and procedures to guide their behaviour. Training improves the performance of employees on present jobs and prepares them for taking up new assignments in future.

### **Training and Development:**

Training is distinct from development. Training is a short term process utilising a systematic and organised procedure by which non-managerial personnel learn technical knowledge and skills for a definite purpose. Development is a long term educational process utilising a systematic and organised procedure by which managerial personnel learn theoretical knowledge for general purpose. Training refers to instructions in technical and mechanical operations like operation of a machine. It is designed primarily for non-managers. It is for a short duration and for a specific job related purpose. Development, on the other hand, involves philosophical and theoretical educational concepts.

### **OBJECTIVES OF TRAINING:**

- The basic objective of training is to help develop capacities and capabilities of the employees-both new and old by upgrading their skills and knowledge so that the organisation could gainfully avail of their services
- Training aims to help existing employees in improving their levels of performance on their present job assignments.
- The aims of training are not only providing new knowledge and job skills to the employees, but creating in them self consciousness and a greater awareness to recognise their responsibilities and contribute their very best to the organisation they serve.
- Under such conditions, the apprenticeship programmes aiming at improving the skills of the present employees come to the aid of the company

- The main objective of training is to bring about efficiency and effectiveness in an organisation, so that the organisation may remain competitive

Training refers to instructions in technical and mechanical operations like operation of a machine. It is designed primarily for non-managers. It is for a short duration and for a specific job related purpose.

### **OBJECTIVES OF TRAINING:**

The training objectives are laid down, keeping in view the company's goals and objectives, But the general objectives of any training programme are as follows:

1. The basic objective of training is to help develop capacities and capabilities of the employees-both new and old by upgrading their skills and knowledge so that the organisation could gainfully avail of their services better for higher grade professional, technical, sales or production positions from within the organisation.

2. Training aims to help existing employees in improving their levels of performance on their present job assignments. In case of new employees, training has its objective to provide them with basic knowledge and skill they need for an intelligent performance of their specific tasks.

3. The aims of training are not only providing new knowledge and job skills to the employees, but creating in them self consciousness and a greater awareness to recognise their responsibilities and contribute their very best to the organization they serve.

4. Sometimes, it may not be possible for the management to fill in some important work positions from outside. Under such conditions, the apprenticeship programmes aiming at improving the skills of the present employees come to the aid of the company to tide over the position by making available their requirements of the personnel from within the organisation.

5. The main objective of training is to bring about efficiency and effectiveness in an organisation, so that the organisation may remain competitive.

## **2Q) Explain the need and importance of training.**

**Ans: NEED AND IMPORTANCE OF TRAINING :**

Training of employees is essential because work-force is met valuable asset to an organization.

Training is necessary for the following reasons:

**1. Increased Productivity.** Training improves the performance of employees. Increased skill and efficiency results in better quantity and quality of production. A trained worker will handle machines carefully and will use the materials in an economical way.

**2. Higher Employee Morale.** A trained worker derives happiness and job satisfaction from his work. He feels happy when his performance is upto the mark. This also gives him job security and ego satisfaction. The employers will properly look after a worker who performs well. All these factors will improve employee's morale.

**3. Less Supervision.** The degree of supervision required for a trained worker will be less He will not be dependent upon the supervisor for minute details and may carry on his work himself. On the other hand, an untrained worker will need constant watch and he will require the guidance of the supervisor very often. A trained worker will be most disciplined and independent. He will not like any type of interference in his work and may not give any opportunity to the supervisor for complaint.

**4. Less Wastage.** Untrained workers may waste more materials, damage machines and equipment and may cause accidents. Accidents generally occur due to a deficiency in the operator and not in the machine. A trained worker will know the art of operating the machine properly. He will also use the material and other equipment in a systematic way causing less wastage. The control of various wastes will substantially reduce the manufacturing cost

**5. Easy Adaptability.** The technological advancements will require new approach to work. The methods of work are constantly undergoing a change. This will necessitate the adaptability of workers to changing work environment. A trained worker can be more adaptable to change than an untrained one. The former can easily learn new work techniques with a little bit of guidance.

**6. Reduced Turnover and Absenteeism.** Labour turnover and absenteeism are mainly due to job dissatisfaction. When a worker is properly trained he will take keen interest in his job and can derive satisfaction from it. A satisfied person may not like to leave his job and try at a new place. Training helps in reducing labour absenteeism by increasing job satisfaction among them.

**7. Employee Development.** Training also helps in the development of employees. It first helps in locating talent in them and then developing it to the maximum. The adaptability of a worker will help him in working on new and improved jobs. If a worker learns fast then he will be able to develop his talent and improve his performance. Training thus gives him an opportunity to showcase his talent also.

**3Q) Explain the Designing or steps in a training program.**

Ans: **Designing a training programme:**

**1.Responsibility for training.** To be effective, a training programme must be properly organised. Training is quite a strenuous task which cannot be undertaken by a single department. The responsibility for training may be shared among the following:

- (a) The Top Management. should frame and authorise the basic training policy, review and approve the training plans and programmes and approve training budgets
- Department. should plan, establish and evaluate instructional programmes.
- (b) The Personnel programmes. Should plan, establish and evaluate instructional programmes.
- (c) The Line Supervisor, should implement and apply various developmental plans.
- (d) The Employees, should provide feedback, revision and suggestions for improvements in the programme.

**2. Selection and motivation of the trainees.** Proper selection of trainees is of great importance to obtain permanent and gainful results. It is necessary to decide who is to be trained-new or old employees, unskilled or semi-skilled workers, supervisors or executives. Selection of candidates for training should be made only after careful screening of the prospective employees for the effectiveness of the programme. It is also necessary to create a desire for learning. The employees will be interested in training if they believe that it will benefit them personally

The trainer should explain to the trainee the importance of the job, its relationship with the work flow and the importance of learning. The trainer should not forget the newness of the trainee to the training programme.

**3. Preparation of trainer.** The success of the training programme depends upon the trainer or the instructor. Trainer must be well qualified and may be obtained from within or outside the organisation. It should be decided before hand what is to be taught and how. As training is based upon the needs of the organisation, the trainer must have a clear cut picture of the objectives of training in mind. The trainer should explain and wherever necessary, demonstrate the operations step by step and should allow the trainees to repeat these operations. He should also encourage questions from the trainees.

**4. Training material.** Training material may include study notes, case studies, pamphlets, charts, brochures, manuals, movie slides etc. The material may be prepared in the training section with the help of the supervisors. The written material should be distributed among the trainees so that they may come prepared in the lecture class and may be able to understand the operation quickly and remove their doubts, if any.

**5. Training period.** The length of the training period depends upon the skill of the trainees, purpose of the training, trainees' learning capacity and the training media used. The time of training, whether before or after or during working hours, should be decided by Personnel Manager taking in view the loss of production and benefits to be achieved by training .

**6. Performance tryout.** The trainee is asked to do the job several times slowly. His mistakes are corrected and if necessary the complicated steps are explained again. As soon as the trainee demonstrates that he can do the job rightly he is put on his own and training is over.

**7. Follow up.** In this step, the effectiveness of the training programme is assessed. The feedback generated through follow up will help to reveal weaknesses or errors, if any. The supervisor should have a constant vigil on the person and his performance. If he is still facing any difficulty on the job, he must be given full guidance by the immediate supervisor and should be initiated to ask questions to remove the doubts. If necessary, instruction may be repeated until the trainee learns whatever has been taught to him. Follow up action reinforces the learning process. It also helps in designing future training programmes.

#### **4Q) Discuss the Training Methods and Techniques.**

**Ans: Training Methods and Techniques:**

##### **A. ON THE JOB TRAINING**

On-the-job-training is the heart and soul of all training in business and industry. OJT as it is known or sometimes called "Shop Training" is the most universal form of employee development. This is the traditional method of learning, which is designed to maximise learning while allowing the employee to perform his job under the supervision and guidance of a trained worker or instructor.

There are several types of on the job training. Those prominently deployed in use in OJT are as follows:

**1. Job Instruction Training (JIT).** Commonly known as JIT, this technique of training developed during World War II. It is a four step instructional process. JIT is basically was used to teach the workers how to do their current jobs. A trainer, supervisor or co-worker can act as the coach.

The four steps involved in this process are:

- The trainee receives an overview of the job, its purposes and desired outcomes, with a clear focus on the relevance of training.
- The trainer demonstrates the job in order to give the employee a model to copy. The trainer demonstrates to him the right way of doing the job.
- The trainee is then asked to copy the trainer's demonstration, Demonstrations by the trainer and practice by the trainee are repeated till the trainee masters the right way to perform the job.
- Finally the employee does the job independently without supervision.

**2. Coaching.** On the Job coaching by the supervisor is an important and potentially effective approach. It is a kind of daily training and feedback given to employees by their immediate supervisors. It involves a continuous process of learning by doing. Coaching involves direct personal instructions and guidance. It has the advantage of increased motivation for the trainee and minimisation of the problem of transfer from theory of practice. However, the method will lose its value if the Coach does not possess the requisite skills to



guide the trainee in a systematic way. Effectiveness of coaching depends upon the patience and communication skills of the coach.

He will have to:

- Explain appropriate ways of doing things.
- Make clear why some actions are taken.
- State the observations accurately.
- Offer possible alternatives..
- Give suggestions whenever required.
- Follow up.

**3. Mentoring.** It is a somewhat different form of training method. In mentoring, senior person in the organisation assumes the responsibility for training as well as grooming of a junior person. A mentor acts as a teacher, guide, counsellor, philosopher, exemplar, supporter and facilitator of the junior person. The basic objective of mentoring is to help an employee gain psychological maturity and effectiveness and get integrated with the organisation. Mentoring can take place both at formal and informal levels depending on the prevailing work culture and commitment from the management.

A good mentor has to:

- Listen to the mentee and understand him
- Challenge his intellect and stimulate the learning process
- Coach
- Build Self Confidence
- Provide wise counselling Teach by examples
- Act as the role model
- Share experiences
- Offer encouragement

A person can learn a lot from his mentor if he :

- Listens
- Acts on advice
- Shows commitment to learn
- Leaves ego at the door
- Is willing to change
- Is proactive
- Asks for feedback

- Is Open minded

(Mentoring in India is based on the time honoured Guru-Shishya relationship where the guru would do everything to develop the personality of the Shishya, Joffering emotion support and guidance, Shishya on the other hand can do anything and everything for the guru. Companies like Coca-Cola, TISCO have used mentoring systems to good effects in recent ames.

**4. Position Rotation.** Position rotation training is the broadening of the background of the trainee in the organisation. If the trainee is rotated periodically from one job to another, he acquires a general background. He understands the larger organisational perspective and different functional areas. He attains better sense of his own career objectives and interests. Rotation allows the trainees to build rapport with a large number of individuals within the organisation and facilitates future co-operation among departments. The cross trained personnel will be more flexible in future in case of transfers, promotions or replacements.

In position rotations, the productive work suffers because of the disruptions caused by such changes. As specialisation advances, rotation becomes less useful as few people have the technical knowledge and skills to move from one functional area to another.

**6. Committee Assignments** In this method, the trainees are asked to perform special assignments and to solve actual organisational problems. Sometimes, a task force is created which consists of a number of trainees representing different functions in the organisation. In this method, trainers acquire knowledge about the assigned activities and learn how to work with others. However, managers should very well understand that committee assignments could become time wasting activities.

**Merits.** The main advantages of (on-the-job training OJT) are as follows:

- 1.The trainee learns on the actual machine in use and in real environment of the job. He gets a feel of the actual job. Therefore, he is better motivated to learn and there is no problem of transfer of training skills on the job.
- 2.This method is very economical because no additional space, equipment, personnel or other facilities are required for training. The trainee produces while he learns.

3.The trainee learns the rules, regulations and procedures by observing their day to day applications.

4.OJT is specific, practical and tangible.

5. OJT is most suitable for unskilled and semi-skilled jobs where the job operations are simple, easy to explain and demonstrate within a short span of time.

**Demerits:**

Some of the **demerits** from which OJT suffers are:

1.In OJT there is a tendency to neglect, disregard and even to do away with, in some cases, the essentials of principles and theory in favour of immediate production.

2. Trainee while learning may damage equipment, waste materials, cause accidents frequently.

3. Experienced workers cannot use the machinery while it is being used for training.

In order to make this training successful, some conditions must be satisfied:

a) What and how to teach should be carefully decided.

b) The instructor should be carefully selected and trained.

c) A definite follow up schedule should be used to judge the results of training.

## **B. OFF-THE-JOB TRAINING:**

### **1. Vestibule Training**

In this method, a training centre called vestibule is set up and actual job conditions are duplicated or simulated in it. Expert trainers are employed to provide training with the help of equipment and machines which are identical with those used at the work place. This method of training is used primarily when large number of employees must be trained quickly, as needed, as a result of expansion of business activities by firms or industries.

**Merits:**

The important merits of vestibule training are:

- 1.This method has the fundamental advantage of training a number of people in a short period of time, without causing any interruption or disturbance in the normal flow of work.
- 2.The trainee can concentrate on learning without disturbance of the workplace noise.
- 3.This method is essential where on the job training might result in a serious injury.
- 4.It permits the trainee to practise without the fear of being observed by the supervisor/coworker.
5. The interest and motivation of the trainee are high as the real job conditions are duplicated

#### **Demerits:**

This method, however, suffers from the following demerits:

- 1.The use of this method is limited more or less to those jobs, in which there is a high turnover
- 2.Vestibule training is the most expensive method because of additional investment in Class-room, equipment and expert trainers.
- 3.The training situation is somewhat artificial and the trainee does not get a feel of the real job.

#### **2. Classroom Training :**

Classroom training is the traditional way of education, which places the trainee in a class- room. Class-room training takes place either inside the organisation or at some external selected sites, may be institutes, universities or professional associations, which have no connection with the company. The main aim of class-room training is to take the man away from his working environment. Lectures, case studies, group discussions and audio-visual aids are used to explain knowledge and skills to the trainees. Classroom training is suitable for teaching concepts and problem solving skills.

#### **3. Case Study:**

It is also a type of off the job training. Under this real life problems are given importance. Any problem which is related to real life in the organization is given to the employee and he is asked to solve the problem according to his thoughts. Hence it is called Case study.

#### **4.Conferences:**

Conference is a favourite training method. Many organisations have adopted guided discussion type of conferences in their training programmes, in order to escape the limitations of the lecture method. In conferences, the participants pool their ideas and experiences to arrive at improved methods of dealing with the problems which are the common subject of discussion. Conference may include buzz sessions that divide the conference into small groups for intensive discussion.

#### **5. Role Playing:**

Role playing is a method of human interactions that involves realistic behaviour in imaginary situations. Role playing involves action, doing and practice. The trainees play the role of certain characters eg. the different position holders in the organisation. By role playing, a trainee can broaden his experience by trying different approaches/roles, while in actual practice, he often has only one role to play.

## **WHAT ARE THE TECHNIQUES OF MANAGEMENT DEVELOPMENT?**

Executive development programs aim to enhance the leadership and managerial skills of executives and prepare them for higher-level roles within the organization. Here are some methods and techniques commonly used in executive development programs:

### **1. Management Games:**

- **Description:** Simulated business scenarios and interactive games that challenge executives to make decisions, solve problems, and strategize in a risk-free environment.
- **Benefits:** Develops critical thinking, decision-making, and strategic planning skills. Encourages teamwork and collaboration.

## 2. In-Basket Exercises:

- **Description:** Simulates real-world managerial tasks by presenting executives with a set of documents, emails, memos, and tasks similar to those they would encounter in their roles.
- **Benefits:** Enhances organizational and time management skills. Tests decision-making abilities and prioritization under pressure.

## 3. Role Playing:

- **Description:** Participants assume different roles and engage in simulated interactions or scenarios, such as negotiation exercises or conflict resolution simulations.
- **Benefits:** Improves communication, interpersonal skills, and emotional intelligence. Provides opportunities for practicing leadership and influencing others.

## 4. Sensitivity Training:

- **Description:** Experiential workshops designed to increase self-awareness and interpersonal sensitivity by exploring topics such as diversity, inclusion, communication, and conflict resolution.
- **Benefits:** Fosters empathy, understanding, and respect for diverse perspectives. Enhances leadership effectiveness in managing diverse teams.

## 5. Coaching:

- **Description:** One-on-one or group coaching sessions with experienced coaches or mentors who provide personalized guidance, feedback, and support to executives.
- **Benefits:** Facilitates self-reflection, goal setting, and skill development. Helps executives overcome challenges and maximize their potential.

## 6. Understudy Assignments:

- **Description:** Pairing executives with senior leaders or mentors to observe and learn from their experiences, decision-making processes, and leadership styles.
- **Benefits:** Provides firsthand exposure to senior leadership roles. Facilitates knowledge transfer and succession planning.

## 7. Job Rotation:

- **Description:** Rotating executives through different departments, functions, or projects within the organization to broaden their skills, experiences, and perspectives.
- **Benefits:** Builds cross-functional expertise and understanding. Develops adaptable and versatile leaders capable of taking on diverse roles.

## 8. Conferences and Workshops:

- **Description:** Participation in industry conferences, seminars, workshops, and networking events focused on leadership development, industry trends, and best practices.
- **Benefits:** Exposes executives to new ideas, trends, and perspectives. Facilitates knowledge sharing and collaboration with peers.

## 9. Action Learning Projects:

- **Description:** Collaborative projects that address real business challenges or opportunities, allowing executives to apply their skills and knowledge to solve practical problems.
- **Benefits:** Encourages hands-on learning, innovation, and creative problem-solving. Generates tangible results and business impact.

## 10. Mentoring Programs:

- **Description:** Formal or informal mentoring relationships where executives receive guidance, advice, and support from experienced leaders or mentors.
- **Benefits:** Facilitates knowledge transfer, career development, and personal growth. Provides a supportive environment for leadership development.

By incorporating these methods and techniques into executive development programs, organizations can effectively nurture and empower their executives to excel in leadership roles and drive organizational success.

# UNIT -5 PERFORMANCE APPRAISAL

## 1Q. Explain the meaning of performance appraisal? and its methods?

Ans :Performance appraisal is a systematic process consisting of a number of steps to be followed for evaluating an employee's strength and weakness. It is a continuous process where the evaluations are arranged periodically according to a define plan. Performance appraisal may be formal or informal

### **Objectives of performance appraisal:**

1) Work related objectives are to assest the work of employees, to improve efficiency.

- 2) Career development objectives are to plan promotions, transfer, etc. of the employees, to plan career goals.
- 3) To provide coaching, counseling, career planning and motivation to employees.
- 4) To develop positive relations. To reduce difficulties.
- 5) To serve as a basis for planning suitable trainings and development programs

### **Methods of performance appraisal:**

Several methods and techniques are used for evaluating employees performance

- A) Traditional method
- B) Modern method

### **TRADITIONAL METHODS: -**

#### 1) Confidential report:

- It is mostly used in government. It is mostly used in government department and public enterprises.
- Performance appraisal is done through annual confidential reports.
- These reports differ from department to department and from level to level
- The report which is made is always kept confidential
- This method focuses on evaluating rather than developing the employee.
- The employee appraised knows his weakness and opportunities available for overcoming them.

#### 2) Graphical scale method:-

- It is the simplest and the most popular method for appraising performance.
- In this method employee's name, department and job title is mentioned.
- The Supervisor rates each Subordinate in the following manner:

Employee name:-

Department:

Job title:

Performance Of employee

- 1) Attitude.
- 2) Sincerely
- 3) Behaviour towards subordinates



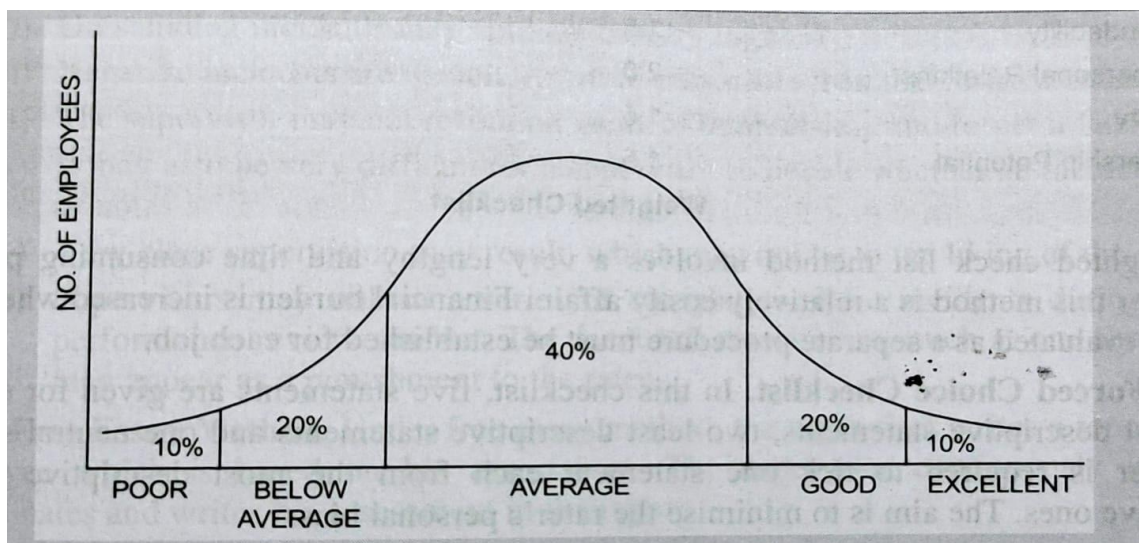
4)regularity.

3) Paired comparison method:-

- In this method, every person is compared with other person one at a time, the number of times one person is compared with other is written on a piece of paper
- This numbers helps in ranking employee
- for example :if there are 5 Persons to be compared than A,B,C,D,and E. Then A's performance is first compared with B.,then C, then D and E and then the performance is recorded. similarly B's performance is compared with C,D,E and A and then recorded, etc

4) Force the Distribution method:

- This system is based on a thought that all the employees are divided into 5 categories.
- There are outstanding, above average,average, below average and poor .
- The rater is asked to place 10% person in outstanding group, 20% in above average, 40% in average, 20% in below average and 10% In poor.



5) Checklist Method:

- A checklist Is a list of statements that describes the characteristics and performance of employee on the job.
  - The statements in the checklist are in the form of questions.
  - Check list may contain the following questions
    - 1.Is employee hardworking
    - 2.Is he/she regular to the work?
    3. Does he/she Cooperates with the superior?
    4. Does he Maintain the equipments well?
    - 5.does he follow the instruction, well, etc.
- All the questions in the checklist are to be answered in the form of yes/ No.

#### 6) Critical incident method:

- This method is based on the assumption that performance of the employees is measured on the happening of the critical incident.
- The critical incidents happend will determine the employees failure or success.
- The superiors keeps the record of critical incidents at different times and then rates him on that bases. •The supervisor follows the process of critical incident method.
- Review incident-->collect facts-->analyse data--->decide the result--> Evaluate solution( Conclusion).

#### 7)Pre-essay Method:

- Under this method, the supervisor writes the report about the employees.
- The supervisor continuously watches the subordinates and writes his assessment in the report.
- While preparing an essay the following factors are concerned I.e Job knowledge, employee relations with Co-workers and superiors, employee attitude, employee's understanding levels about the Companies Programme ,Policies, objectives etc.

#### 8) Group Appraisal :

- Under this method employee are rated by an appraisal group consisting of their supervisor, 3-4 other persons who have knowledge of their performance.
- The supervisor explains to the group about the subordinates duties
- The group then discusses about the actual performance of the employee.

#### 9) Field review method:

- Under this Method the expert from the HR department interviews supervisors about the subordinates
- The expert questions the supervisors and gets all the information required on each employee and marks a note in his notebook.
- Hence the performance of the employee is decided.

## **B)Modern method:-**

### 1)Assessment center:

Generally measures interpersonal skills, communication skills, self confidence, resistance to stress, mental alertness, etc.

- These centres are not only a method of appraisal but helps to determine training and development needs of an employee.
- This method is also used to select the Candidates for entry level position.
- This method is time consuming and expensive.

### 2) Human resource accounting:-

- Human resources are the most valuable assets of an organization. This asset can be valued in terms of money.
- Under this method The contribution of employee for getting profits to the organisation is given more importance.
- The hard work of the employee for achieving profits will be taken into the consideration while appraising the performance

### 3) Behaviourally anchored rating scale:-(BARS)

- Rating scale means rating with numbers
- Anchor means person based on the support, stability, security.
- This method collects both qualitative and quantitative information of the employee.

### 4)Management by objectives (MBO):-

- Under this method the employer and the Manager together identify, plan, organise, and communicate objectives to the employee.

### 5) 360° performance appraisal:-

Under this method, an employee is evaluated by using the feedback which is collected from the direct reports, customers, subordinates supervisors and with all whom he interacts in the course of his job.

### **2Q) Explain the needs for performance appraisal?**

Ans: Performance Appraisal is a process followed by most of the organization in evaluating the performance of the employees and to make the decisions regarding their salary, bonus, promotions, increments, etc.

Performance appraisal is mainly needed for 2 processes. They are as follows:

1) Administrative purpose

2) development purpose

1) Administrative purpose:-

- To make clear documentation related to employees.
- To help in decision-making related to compensation, promotion and transfer of the employees
- To decide the selection method of employees and evaluate the training process
- To identify the performance of candidate and take decision on retention, termination, etc.
- To test the effectiveness of HR activities like recruitment, selection, placement and training.
- To consider and fulfill the legal requirements of the organizations

2) Development Purpose:-

- To provide performance feedback to the employees by identifying their strength and weaknesses.
- To help the employees in identifying the goals of the organisation and put efforts for achieving them
- To help employees and improving their communication.
- To maintain good relationship of subordinates and the superiors in the organisation.
- To provide regular feedback which helps the employees in improving and boosting their performance.
- To provide standards of leader ship.

## **HRM IMPORTANT QUESTIONS**

### **UNIT-1:**

- 1.Functions of HRM.
- 2.Imprtance of HRM
- 3.Objectives and scope of HRM
- 4.Elton Mayo's Human Relation theory
- 5.Recent trends and challenges in HRM

### **UNIT-2**

- 1.what is HRP ?Explain the need and objectives of HRP
- 2.Expain the process of HRP
- 3.Succession planning its importance and challenges
- 4.HRP benefits and limitations
- 5.Expain the different forecasting techniques of human resource demand

## UNIT -3

- 1.Explain the meaning of Selection ? and its process.
- 2.Define Recruitment and explain its methods.
- 3.What is recruitment ?Explain the process of recruitment .
- 4.Explain the importance and factors affecting recruitment ,
- 5.Advantages and disadvantages of external and internal source of recruitment ,

## **UNIT-4:+**

**1.What is training ?Explain its objectives and benefits .**

**2,Explain the training methods and techniques**

**3.What is management development ?Explain its techniques**

**4,What is training ?Explain the steps in training process.**

## **UNIT-5:**

- 1.Explain the methods of Performance Appraisal.
- 2.Explain the importance and limitations of performance appraisal.
- 3.Essentials of an effective performance appraisal

4. Steps in Performance Appraisal

Short Questions

1,Human resource accounting

2.MBO

3.Performance appraisal

4.360 degrees appraisal

