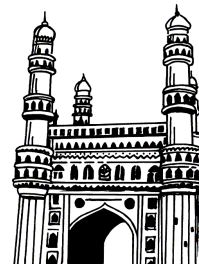


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*Ans :* (May-18, Imp.)

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*Ans :* (Dec.-18, Imp.)

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*Ans :* (Dec.-19, June-19, May-18, Imp.)

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*Ans :* (May-18, Dec.-17, Imp.)

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*Ans :* (July-21, June-19)

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*Ans :* (July-21, Dec.-20)

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*Ans :* (Imp.)

Refer Unit-V, Q.No. 19.

8. **Discuss the components of organization culture.**

*Ans :* (June-19, Imp.)

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*Ans :* (July-21, May-18, Dec.-18, Dec.-17, Imp.)

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*Ans :* (Dec.-17, Imp.)

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*Ans :* (May-18, Imp.)

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# UNIT I

## Introduction to Human Resource Management and Environment :

Functions of Human Resource Management. Managerial and operative role of Human Resource Management. Personnel Management vs. Human Resource Management – Strategic Management Approach. The Role of Globalization in HR Policy and Practice.

### 1.1 INTRODUCTION TO HRM

**Q1. Define Human Resource Management.**

*Ans :* (May-18, Dec.-17, Imp.)

#### Introduction

Every organization is essentially a combination of physical and human resources (HR). Physical resources refer to materials, money and machines pre-arranged by the organization for production or trade. Human resources, on the other hand, refer to the knowledge, education, skills, training and proficiency of the members of the organization. All organizational resources are important for achieving the objectives of an organization.

Human resource management (HRM, or simply HR) is a function in organizations designed to maximize employee performance of an employer's strategic objectives. HR is primarily concerned with the management of people within organizations, focusing on policies and systems. HR departments and units in organizations typically undertake a number of activities, including employee recruitment, training and development, performance appraisal, and rewarding (e.g., managing pay and benefit systems). HR is also concerned with industrial relations, that is, the balancing of organizational practices with requirements arising from collective bargaining and from governmental laws.

#### Meaning

The word HUMAN has five letters and each letter speak of a distinct characteristics of human being as under :

<b>H</b>	–	Hears
<b>U</b>	–	Understands
<b>M</b>	–	Moves
<b>A</b>	–	Adjusts
<b>N</b>	–	Negotiates

#### Definitions

- (i) **According to Invancevich and Glueck,** "HRM is concerned with the most effective use of people to achieve organizational and individual goals".
- (ii) **According to Byars and Rue,** "HRM encompasses those activities that are designed to provide for and coordinate the human resource of an organization".
- (iii) **According to Milkovich and Boudreau,** "Human resource management is a series of integrated decisions that form the employment relationship; their quality contributes to the ability of the organizations and the employees to achieve their objectives".
- (iv) **According to Flippo,** "Human Resource Management is the planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are accomplished".
- (v) **According to Leon C. Megginson,** "The term human resources can be defined as the process of total knowledge, skills, creative abilities, talents and aptitudes of an organization's workforce, as well as the value,

attitudes and beliefs of the individuals involved”.

- (vi) **According to National Institute of Personnel Management of India**, “Human resource management is that part of management concerned with people at work and with their relationships within the organization. It seeks to bring together men and women who make up an enterprise, enabling each to make his/her own best contribution to its success both as an individual and as a member of a working group”.

**Q2. Explain the nature of Human Resource Management.**

*Ans :*

**1. Pervasive Force**

HRM is pervasive in nature. It is present in all enterprises. It permeates all levels of management in an organization.

**2. Action Oriented**

HRM focuses attention on action, rather than on record keeping, written procedures or rules. The problems of employees at work are solved through rational policies.

**3. Individual-Oriented**

It tries to help employees develop their potential fully. It encourages them to give out their best to the organization. It motivates employees through a systematic process of recruitment, selection, training and development coupled with fair wage policies.

**4. People Oriented**

HRM is all about people at work, both as individuals and groups. It tries to put people on assigned jobs in order to produce good results. The resultant gains are used to reward people and motivate them toward further improvements in productivity.

**5. Development Oriented**

HRM intends to develop the full potential of employees. The reward structure is tuned to the needs of employees. Training is offered to sharpen and improve their skills. Employees are rotated on various jobs so that they gain experience and exposure. Every attempt is made to use their talents fully in the service of organizational goals.

**6. Integrating Mechanism**

HRM tries to build and maintain cordial relations between people working at various levels in the organization. In short, it tries to integrate human assets in the best possible manner in the service of an organization.

**7. Challenging Function**

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

**8. Auxiliary Service**

HR departments exist to assist and advise the line or operating managers to do their personnel work more effectively. HR manager is a specialist advisor. It is a staff function.

**9. Inter-Disciplinary Function**

HRM is a multi-disciplinary activity, utilizing knowledge and inputs drawn from psychology, sociology, anthropology, economics, etc. To unravel the mystery surrounding the human brain, managers need to understand and appreciate the contributions of all such ‘soft’ disciplines.

**10. Continuous Function**

According to Terry, HRM is not a one shot deal. It cannot be practiced only one hour each day or one day a week. It requires a constant alertness and awareness of human relation and their importance in every day operations.

**Q3. What is the purpose of HRM.**

*Ans :*

(June-19)

**Purpose of HRM**

- Human resource management (HRM) views people as organizational assets and internal customers and works to create job satisfaction and employee efficiency and effectiveness.
- HRM concentrates on internal sources of competitive advantage. It regards people as an organization’s most important asset.

- The department of human resources (HR) communicates with employees and adapts the organization's culture and structure to their needs for example, in negotiating with unions or re-engineering processes.
- HR leads the employment life cycle, from attracting and hiring the right employees to facilitating performance reviews and eventually processing terminations.

**Q4. Explain the features of Human Resource Management.**

*Ans :*

**Features**

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

**1. It is an inherent part of management**

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

**2. It is a pervasive function**

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

**3. It is basic to all functional areas**

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

**4. It is people centered**

Human Resource Management is people centered and is relevant in all types of organizations. It is concerned with all categories of personnel from top to the bottom of the organization. The broad classification of personnel in an industrial enterprise may be as follows:

- (i) Blue-collar workers (i.e. those working on machines and engaged in loading, unloading etc.) and white-collar workers (i.e. clerical employees),
- (ii) Managerial and nonmanagerial personnel,
- (iii) Professionals (such as Chartered Accountant, Company Secretary, Lawyer, etc.) and non-professional personnel.

**5. It involves Personnel Activities (or) Functions**

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

**6. It is a continuous process**

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

**7. It is based on Human Relations**

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

**Q5. Identify and explain the objectives of human resource management.**

*Ans :* (June-19, May-18, Imp.)

**Objectives**

The primary objective of HRM is to ensure the availability of competent and willing workforce to an organization. The specific objectives include the following:

1. **Human capital :** assisting the organization in obtaining the right number and types of employees to fulfil its strategic and operational goals.
2. **Developing organizational climate :** helping to create a climate in which employees are encouraged to develop and utilize their skills to the fullest and to employ the skills and abilities of the workforce efficiently
3. Helping to maintain performance standards and increase productivity through effective job design; providing adequate orientation, training and development; providing performance-related feedback; and ensuring effective two-way communication.
4. Helping to establish and maintain a harmonious employer/employee relationship.
5. Helping to create and maintain a safe and healthy work environment.
6. Developing programs to meet the economic, psychological, and social needs of the employees and helping the organization to retain the productive employees
7. Ensuring that the organization is in compliance with provincial/territorial and federal laws affecting the workplace (such as human rights, employment equity, occupational health and safety, employment standards, and labour relations legislation) to help the organization to reach its goals.

8. To provide organization with well-trained and well-motivated employees
9. To increase the employees satisfaction and self-actualization
10. To develop and maintain the quality of work life
11. To communicate HR policies to all employees.
12. To help maintain ethical polices and behaviour.

The above stated HRM objectives can be summarized under four specific objectives:

**1. Societal Objectives**

seek to ensure that the organization becomes socially responsible to the needs and challenges of the society while minimizing the negative impact of such demands upon the organization. The failure of the organizations to use their resources for the society's benefit in ethical ways may lead to restriction.

**2. Organizational Objectives**

it recognizes the role of HRM in bringing about organizational effectiveness. It makes sure that HRM is not a stand-alone department, but rather a means to assist the organization with its primary objectives. The HR department exists to serve the rest of the organization.

**3. Functional Objectives**

is to maintain the department's contribution at a level appropriate to the organization's needs. Human resources are to be adjusted to suit the organization's demands. The department's value should not become too expensive at the cost of the organization it serves.

**4. Personnel Objectives**

it is to assist employees in achieving their personal goals, at least as far as these goals enhance the individual's contribution to the



organization. Personal objectives of employees must be met if they are to be maintained, retained and motivated. Otherwise employee performance and satisfaction may decline giving rise to employee turnover.

**Q6. Explain the importance of human resource management.**

**(OR)**

**State the significance of Human Resource Management.**

*Ans :*

**1. Social Significance**

Proper management of personnel enhances their dignity by satisfying their social needs. This is done by:

- (i) maintaining a balance between the jobs available and the jobseekers, according to the qualifications and needs;
- (ii) Providing suitable and most productive employment, which might bring them psychological satisfaction;
- (iii) making maximum utilization of the resources in an effective manner and paying the employee a reasonable compensation in proportion to the contribution made by him;
- (iv) eliminating waste or improper use of human resource, through conservation of their normal energy and health; and
- (v) by helping people make their own decisions, that are in their interests.

**2. Professional Significance**

By providing healthy working environment it promotes team work in the employees. This is done by:

- (i) maintaining the dignity of the employee as a 'human-being';

- (ii) providing maximum opportunity for personal development;
- (iii) providing healthy relationship between different work groups so that work is effectively performed;
- (iv) improving the employees' working skill and capacity;
- (v) correcting the errors of wrong postings and proper reallocation of work.

**3. Significance for Individual Enterprise**

It can help the organization in accomplishing its goals by:

- (i) creating right attitude among the employees through effective motivation;
- (ii) utilizing effectively the available goals of the enterprise and fulfilling their own social and other psychological needs of recognition, love, affection, belongingness, esteem and self-actualization.

**Q7. Explain the scope of human resource management in an organization.**

*Ans :*

**Scope**

The scope of HRM is indeed vast. All major activities in the working life of a worker (from the time of his or her entry into an organization until he or she leaves the organizations) come under the purview of HRM.

The major HRM activities include HR planning, job analysis, job design, employee hiring, employee and executive remuneration, employee motivation, employee maintenance, industrial relations and prospects of HRM.

**The scope of Human Resources Management extends to:**

1. All the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people as employees in any type of organization.

2. All the dimensions related to people in their employment relationships, and all the dynamics that flow from it.
3. The scope of HRM is really vast. All major activities in the working life of a worker (from the time of his or her entry into an organization until he or she leaves it) come under the purview of HRM.

American Society for Training and Development (ASTD) conducted fairly an exhaustive study in this field and identified nine broad areas of activities of HRM.

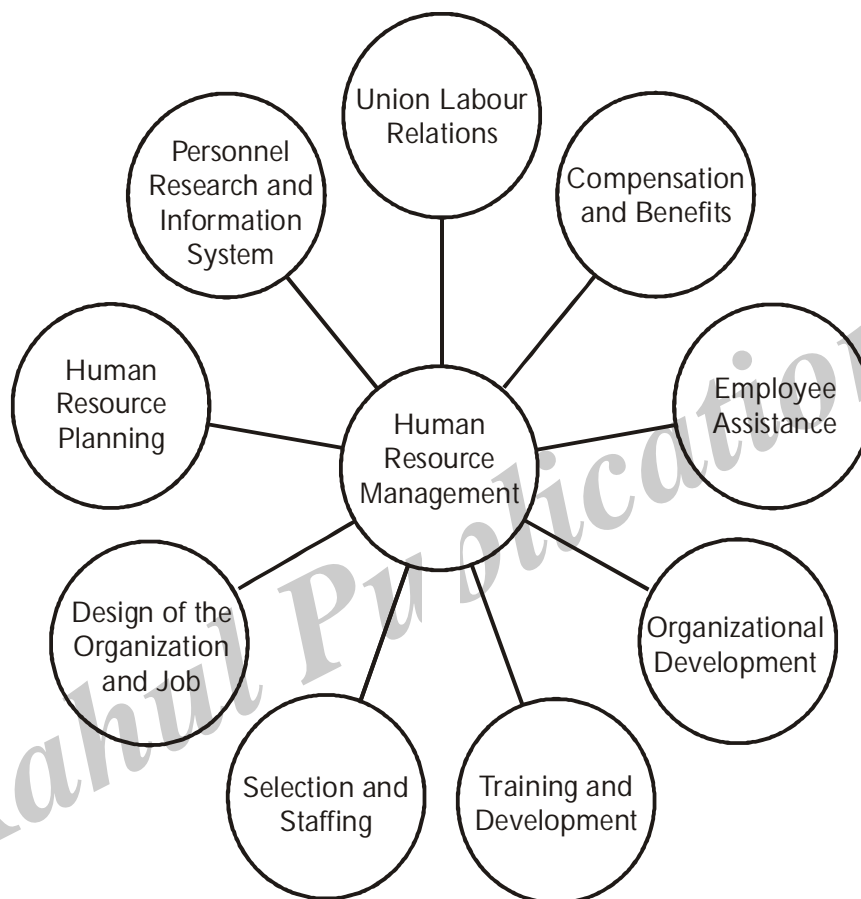


Fig.: Scope of HRM

These are given below :

**(a) Human Resource Planning**

The objective of HR Planning is to ensure that the organization has the right types of persons at the right time at the right place. It prepares human resources inventory with a view to assess present and future needs, availability and possible shortages in human resource.

There upon, HR Planning forecast demand and supplies and identify sources of selection. HR Planning develops strategies both long-term and short-term, to meet the manpower requirement.

**(b) Design of Organization and Job**

This is the task of laying down organization structure, authority, relationship and responsibilities. This will also mean definition of work contents for each position in the organization. This is done by

"job description". Another important step is "Job specification". Job specification identifies the attributes of persons who will be most suitable for each job which is defined by job description.

**(c) Selection and Staffing**

This is the process of recruitment and selection of staff. This involves matching people and their expectations with which the job specifications and career path available within the organization.

**(d) Training and Development**

This involves an organized attempt to find out training needs of the individuals to meet the knowledge and skill which is needed not only to perform current job but also to fulfil the future needs of the organization.

**(e) Organizational Development**

This is an important aspect whereby "Synergetic effect" is generated in an organization i.e. healthy interpersonal and inter-group relationship within the organization.

**(f) Compensation and Benefits**

This is the area of wages and salaries administration where wages and compensations are fixed scientifically to meet fairness and equity criteria. In addition labour welfare measures are involved which include benefits and services.

**(g) Employee Assistance**

Each employee is unique in character, personality, expectation and temperament. By and large each one of them faces problems every day. Some are personal some are official. In their case he or she remains worried. Such worries must be removed to make him or her more productive and happy.

**(h) Union-Labour Relations**

Healthy Industrial and Labour relations are very important for enhancing peace and productivity in an organization. This is one of the areas of HRM.

**(i) Personnel Research and Information System**

Knowledge on behavioral science and industrial psychology throws better insight into the workers expectations, aspirations and behaviour. Advancement of technology of product and production methods have created working environment which are much different from the past. Globalization of economy has increased competition many fold. Science of ergonomics gives better ideas of doing a work more conveniently by an employee. Thus, continuous research in HR areas is an unavoidable requirement. It must also take special care for improving exchange of information through effective communication systems on a continuous basis especially on moral and motivation. HRM is a broad concept; personnel management (PM) and Human resource development (HRD) are a part of HRM.

**Q8. Trace out the evolution of HRM in Indian context.**

*Ans :*

**Evolution of HRM**

The evolution of the concept of Human Resource Management can be analysed as follows:

- **Period before industrial revolution** – The society was primarily an agriculture economy with limited production. Number of specialized crafts was limited and was usually carried out within a village or community with apprentices assisting the master craftsmen. Communication channel were limited.
- **Period of industrial revolution (1750 to 1850)** – Industrial revolution marked the conversion of economy from agriculture based upon industry. Modernization and increased means of communication gave way to industrial setup. A department was set up to look into workers wages, welfare and other related issues. This led to emergence of personnel management with the major task as

- Worker's wages and salaries
- Worker's record maintenance
- Worker's housing facilities and health care

An important event in industrial revolution was growth of Labour Union (1790) the works working in the industries or factories were subjected to long working hours and very less wages. With growing unrest, workers across the world started protest and this led to the establishment of Labour unions. To deal with labour issues at one end and management at the other Personnel Management department had to be capable of politics and diplomacy, thus the industrial relation department emerged.

- **Post Industrial revolution** – The term Human resource Management saw a major evolution after 1850. Various studies were released and many experiments were conducted during this period which gave HRM altogether a new meaning and importance.

A brief overview of major theories release during this period is presented below

- (i) **Frederick W. Taylor** gave principles of scientific management (1857 to 1911) led to the evolution of scientific human resource management approach which was involved in
  - Worker's training
  - Maintaining wage uniformity
  - Focus on attaining better productivity.
- (ii) **Hawthorne studies, conducted by Elton Mayo & Fritz Roethlisberger (1927 to 1940).** – Observations and findings of Hawthorne experiment shifted the focus of Human resource from increasing worker's productivity to increasing worker's efficiency through greater work satisfaction.
- (iii) **Douglas McGregor Theory X and Theory Y (1960) and Abraham Maslow's Hierarchy of needs (1954)** – These studies and observations led to the transition from the administrative and passive Personnel Management approach to a more dynamic Human Resource Management approach which considered workers as a valuable resource. As a result of these principles and studies, Human resource management became increasingly line management function, linked to core business operations. Some of the major activities of HR department are listed as -
  - Recruitment and selection of skilled workforce.
  - Motivation and employee benefits
  - Training and development of workforce
  - Performance related salaries and appraisals.

## 1.2 FUNCTIONS OF HUMAN RESOURCE MANAGEMENT

### 1.2.1 Managerial and operative role of Human Resource Management

**Q9. Explain the functions of HRM.**

(OR)

**What are the major functions of HRM.**

(OR)

**Discuss the functions performed by HR Manager.**

(OR)

**Critically evaluate the HR Functions.**

*Ans. :*

(Dec.-20, Dec.-19, Dec.-18, May-18, June-18, Imp.)

The main functions of human resource management are classified into two categories:

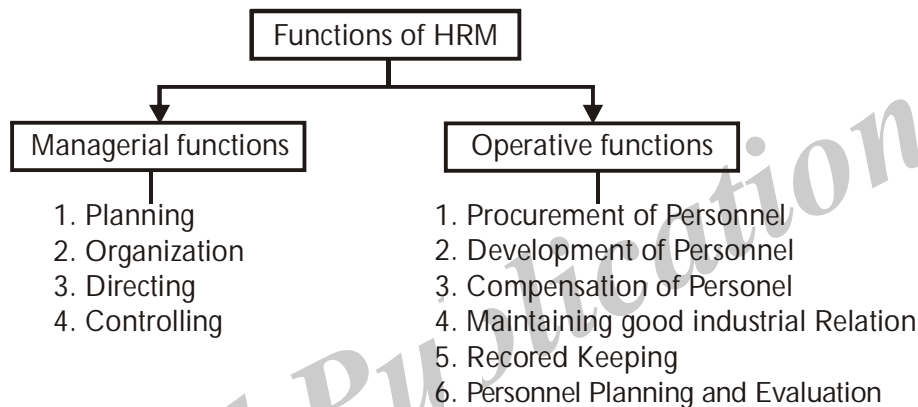
- (a) Managerial Functions and
- (b) Operative Functions

**(a) Managerial Functions**

Following are the managerial functions of Human Resource Management

**1. Planning**

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



**Fig.: Functions of HRM**

**2. Organization**

Under organization, the human resource manager has to organise the operative functions by designing structure of relationship among jobs, personnel and physical factors in such a way so as to have maximum contribution towards organizational objectives. In this way a personnel manager performs following functions:

- (a) preparation of task force;
- (b) allocation of work to individuals;
- (c) integration of the efforts of the task force;
- (d) coordination of work of individual with that of the department.

**3. Directing**

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

**4. Controlling**

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

**(b) Operative Functions**

The following are the Operative Functions of Human Resource Management:

**1. Procurement of Personnel**

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

**2. Development of Personnel**

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

**3. Compensation to Personnel**

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

**4. Maintaining Good Industrial Relation**

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

**5. Record Keeping**

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

**6. Personnel Planning and Evaluation**

Under this system different type of activities are evaluated such as evaluation of performance, personnel policy of an organization and its practices, personnel audit, morale, survey and performance appraisal, etc.

**1.3 PERSONNEL MANAGEMENT VS. HUMAN RESOURCE MANAGEMENT**

**Q10. Differentiate between Human Resource Management and Personnel Management.**

**(OR)**

**Compare and contrast Human Resource Management and Personnel Management.**

*Ans :*

(Dec.-20, Dec.-17)

S.No.	Human Resource Management	S.No.	Personnel Management
1.	HRM is the latest development in the evaluation of management of man.	1.	Personnel management precedes HRM.
2.	It gives more importance to the abilities of employees rather than evaluating them as per rules.	2.	Performance is evaluated within the framework of rules.
3.	It works on the basis of integrated initiative Process of decision making is fast	3.	It works on the basis of piecemeal initiative. Process of decision making is slow.
4.	It supports performance related remuneration	4.	It supports fixed remuneration.
5.	It uses latest techniques of training and development.	5.	It uses outdated techniques of training and development
6.	It practices division of work along with team work.	6.	It practices only division of work.
7.	It favours all round development of employees.	7.	It favours contractual employment based on written agreement.

#### 1.4 STRATEGIC HUMAN RESOURCE MANAGEMENT APPROACH

**Q11. Define Strategic Human Resource Management. Explain the components of Strategic Human Resource Management**

*Ans :*

(June-19, May-18, Imp.)

#### Meaning

The term 'strategy' is widely used in and pre supposes importance. In the words of the Oxford Concise Dictionary, strategy means 'general ship'. Thus, strategy is associated with the long-term decisions taken at the top of the enterprise. The original literary meaning of strategy is 'the art and science of directing military forces'.

The term strategy is frequently being used in the present-day corporate world. It envisages thinking ahead to survive and grow in a highly competitive environment'. Strategy is concerned with determining which option will provide maximum benefits.

#### Definition

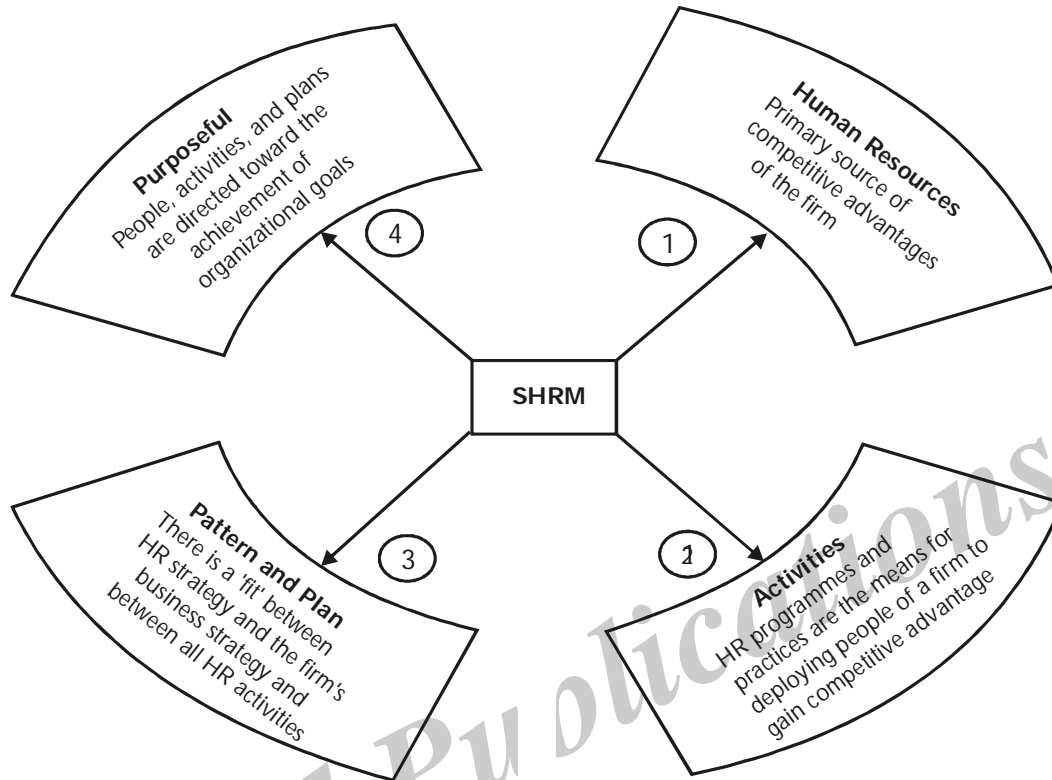
**According to Lengnick Hall and Lengnick** - Hall in this respect argue in 'Strategic Human Resource Management' that reciprocal interdependence between an organization's business strategy and human resource strategy underlines the proposed approaches to the strategic management of human resources.

#### Components of Strategic Human Resource Management

This definition implies the following four components of SHRM:

1. It focuses on an organization's human resources (people) as the primary source of competitive advantage of the organization.

2. The activities highlight the HR programs, policies, and practices as the means through which the people of the organization can be deployed to gain competitive advantage.



**Fig. : Components of Strategic Human Resource Management**

3. The pattern and plan imply that there is a fit between HR strategy and the organization's business strategy (vertical fit) and between all of the HR activities (horizontal fit).
4. The people, practices, and planned patterns are all purposeful, that is, directed towards the achievement of the goals of the organization.

**Q12. What are the objectives of strategic HRM.**

*Ans. :*

- Plan for manpower requirements for its business located in national and international markets.
- Conduct scientific selection and appointment of employees for business operation of right type and right in number.
- Train the employees on technology in use and working procedure for developing their skills and knowledge.
- Place the employees at jobs according to their areas of specialization.
- Provide opportunities for the employees deserving on the scientific basis.
- Compensate employees according to their skills, experience and contributions.
- Maintain employees motivated, satisfied and cooperative in organization.
- Improve industrial relations, industrial peace and harmony at workplace.



- (i) Encourage employees for their cooperation, commitments and higher performance at work.
- (j) Contribute through manpower in improvement of organizational performance and organizational effectiveness in business.
- (k) Contribute in profitability, progress and image of the organization.
- (l) Stay competitive and effective in business for growth and excellence in global market.

**Q13. State the different core areas to develop HR strategies.**

*Ans :*

There are different core areas to develop the HR strategies as stating here:

**1. For Competitive Advantages**

Within the competitive environment, it is a differentiate situation in that the product and services have some upgraded and qualitatively better position from those of its competitors. It increase their market share and gains and maintain an edge over its competitors. Here the role of HR practices are more important and some of the strategies as intensive specialization, more learning capabilities proper job enlargement and prepare explicit job design are to be included.

**2. For Developmental Prospective**

With the growth and expansion of business houses, there is a need to upgrade the level and structure of human resource capabilities. In order to meet new change environment, innovations, modernization, upgraded the level of better quality of products and services, there is a need to follow the prospective approaches and systems with creative and optimistic HR policies, better HR opportunities and most appropriate HR motivation and compensation etc.

**3. For Resource Based Setup**

It is a view to holds that human resources contribute to sustained qualitative perform

and advantage when they are valuable resources. In fact HR develops a resource based set up in any organization. As such, HR are the resources on which other resources depends for their effective and efficient utilization. The HR strategies may be determined in context of capacity utilization, developing competitive strength, identifiable HR practices and skills up gradation etc.

**4. For Better Work Culture**

It is needful to make some desirable strategical viewpoints for better and healthy work culture. Here within the purview of SHRM the internal and external environmental analysis is being helpful to develop different motivational measures for work culture. The code of conduct, disciplinary measures, value based tasks, behavioral aspects might be helpful to make better work culture.

**5. For Technological Up gradation**

The strategical view points are based on some new and innovative technological upgradations. The technical skill and knowledge are important for human resources in perspective ways. Within, strategical design, the R & D programmes, training and development, intensive job specifications, core competencies are needful for technological up gradation of HR.

**Q14. Explain the different approaches of strategic HRM.**

(OR)

**Discuss the strategic management approach in organization.**

*Ans :*

(May-18)

**1. Performance Based Approach**

This approach is a backward integration approach. The focus of this approach is on the output or performance of employees, machines or systems and organization as a whole. To get the better performance the performance affecting factors are to be studied backward. As strategies are prepared for other factors, the strategy is prepared for human resource also because human

resource is an important factor that affects the performance.

The approach of management to SHRM is on performance base. The strategies can be prepared for technology, materials, operating procedure, supply, maintenance, etc. The strategy is prepared for human resource also. So it is the performance based approach of the top management to SHRM. The performance of individual is kept in mind and calculation is done backward to design HR strategy to improve the performance of employees.

The individual performance contributes in organizational performance in products, services, quality of work, customers' relationship, behavior profit, growth and organizational effectiveness, etc. To achieve higher performance at all levels, HR strategy is designed for procurement, development, compensation, motivation and good relations. All these contribute to keep the people talented, satisfied, and motivated and retained. In return, they give their best contribution in achievement of the objectives.

The approach includes backward integration keeping in view the end results and then HR strategy is designed performance based approach is similar to the United States high performance work systems or practices aims to make an impact on the performance of the firm through its employees' performance. This approach was advocated by US Department of Labor.

## 2. Commitment Based Approach

Commitment based approach is more psychological in nature. It is related the psychological and internal feelings of the employees. For designing the strategies, the commitment level of employees to their work and organization is the focus point. The high level of commitment makes everything favorable for the organization.

Employees' higher contribution to their jobs impacts positive on production volume, quality of products or services, employer-employees relationship, industrial relations

and peace. All the results in higher performance of the organization as a whole, profitability, progress of business, overall effectiveness in business, and reputation in markets.

Higher level of commitment of employees is kept in mind while designing HR strategy.

## 3. Resource Based Strategy

This approach is a forward integrated approach. The focus is on input resources to achieve the desired objectives. Resources are being utilized by every organization for achieving the pre-planned objectives. The resources are being utilized to avail the opportunities in the global markets. Under this approach, human resource is one of the resources and considered the most important resource.

For every resource the management prepares a strategy. In similar way the management prepares a strategy for human resource also. The human resource is deployed; capability to perform the tasks developed and tasks are performed as planned. Further, manpower can be motivated to learn faster and apply the expertise on the jobs better and before their rivals.

## 4. Involvement Based Approach

This approach is combination of psychological and physical aspects of the individual. In this approach of management the involvement of the employees in their job is most important. In this first, the employees must be satisfied and motivated and they should involve physically in the job.

The employees' psychological satisfaction is possible by treating them properly in procurement, development, compensation, incentives and rewards, opportunities for development, communication, employees' empowerment, favourable attitude of management and better employees-employer relationship. All these contribute in maintaining good industrial relations and harmony.

**5. Strategic Match Approach**

This approach is broader in nature and can be called vertical integrated approach. The focus is on business environment. Keeping in view the rapidly changing business environment, the corporate and HR strategy are prepared to carry-out the business activities effectively and efficiently. The business environment changes drastically. The internal and external environmental factors are undergoing drastic changes.

The organization operates its business in the environment where it is located and influenced by global environment. The business cannot be carried out in isolation because the environment influences the performance of the business. Due to globalization, the multinational companies are entering in different countries for business purpose wherever they find the opportunity.

**Q15. List out the benefits/advantages of strategic human resource management.**

*Ans :*

**Benefits/Advantages of Strategic-HRM**

The benefits of strategic human resource management identified by Frederick R. David are as follows,

1. Strategic HRM helps in identifying different opportunities and fulfilling it, as per the priority and thereby exploiting these opportunities after its fulfillment.
2. Strategic HRM ascertains the management problems and provides its solutions in a standard form which is easier to implement practically.
3. Strategic HRM helps in presenting a clear frame-work for controlling and coordinating the activities effectively.
4. It helps in reducing the significant impact of working conditions and the environmental changes in the organization.
5. It emphasises mainly on the behavioural attitude and organizational culture which helps in building harmonious and peaceful environment in the organization.
6. It helps in enlightening the future course of action in a systematic manner.
7. Strategic HRM helps in managing disciplinary actions and gives formality to business management.
8. It provides direction for solving the problems and for grabbing the opportunities through co-operation, enthusiasm and integration.
9. It helps in outlining the individual responsibilities clearly.
10. It helps in rectifying the wrong and adhoc decisions already taken by the management through the use of less resources and less time.
11. It helps in making effective utilization of time and resources to already identified opportunities and makes it easy in allocating or assigning the next task.
12. It helps in combining the behavioural attitudes of individuals with their efforts.
13. It helps in designing the framework for carrying out internal communication among different employees of an organization
14. It helps in making major strategic decisions for supporting the planned objectives and attaining the specified strategic goals.
15. It helps in developing a positive attitude among the individuals/employees towards the change.

Thus, overall strategic HRM is helpful in each and every aspect of the organization. It takes into account even a minor problem and provides an appropriate solution to it. It helps in managing and producing higher productivity It ensures that the organizations utilize its HR resources effectively for achieving the desired goals and objectives.

**Q16. What are the various issues concerning strategic HRM?**

*Ans :*

While formulating and implementing strategies at different levels it is very essential for the managers to consider the following strategic human resource issues,

- (a) Employment
- (b) Development
- (c) Performance improvement methods/ Performance appraisal
- (d) Compensation
- (e) Harmonial industrial relations
- (f) Work systems
- (g) Good organizational culture.

**(a) Employment**

Strategic human resource issues in employment deal with the fulfillment of employment opportunities either through internal sources or through external sources, or outsourcing of the employees. It also includes few other functions such as maintenance of canteen facilities, accounting, security and safety environment, office and house-keeping.

The other strategic issues which are dealt in employment are long range human resource plans or short-term human resource plans, selection criteria for employees on the basis of their skills, abilities or aptitudes, behaviour and extensive socialization or limited socialization.

**(b) Development**

Strategic human-resource issues with respect to the development of an employee includes training and development programmes i.e., internal training i.e., within the organization or external training i.e., outside the organization [it means other branch exclusive of that specified branch] as all the MNC's

operate globally in many countries. It also includes competency-building training or adhoc training etc, which are conducted with the help of various programs, presentations, seminars etc.

**(c) Performance Appraisal**

Different organizations follow different criteria for appraising the performance of their employees, such as group criteria individual criteria development oriented or remedial oriented and use of results for the payment or promotions as per their performance, etc.

**(d) Compensation**

Strategic human resource issues regarding compensation determines the pay-scale of an employee which differs from one organization to an other organization. For example:

- (i) Reliance gives preference to high-based salaries.
- (ii) Infosys gives preference to low-base salaries and high perks.

The other strategic issues involved in compensation are, fixed or flexible package, long-term or short-term incentives, equal pay or discriminated pay etc.

**(e) Industrial Relations**

Industrial Relations Strategic HRM issues, deal with employee participation in large or limited number, partial employee ownership or no employee ownership, employee compliance or employee empowerment, individual negotiation or collective negotiation, etc.

**(f) Work Systems**

The strategic human resources issues involved in work systems are job preferences, which are preferred by different organizations. Some companies prefer job-enrichment whereas some prefer simplified jobs.

The other strategic issues of work systems include job-analysis either implicit job-analysis or explicit job-analysis, work-criteria either in the form of team-work (or) individual orientation, job-specialization (or) job-rotation, self-supervision or close supervision.

**(g) Organizational Culture**

Organizational culture plays a pivotal role in the smooth and efficient functioning of any organization. The firms can either maintain a single-culture (or) Multi-culture, consist of employees working in an organization with different regional, traditional, cultural, social and ethnic backgrounds, maintenance and tolerance for these differences and managing these diversifications, etc. In the present, globalized scenario, the choices of organizational culture plays a very important role in the organization with a view of globalization of business.

**Q17. Distinguish between traditional HR practices and strategic HR practices.**

**(OR)**

**What are the differences between traditional HRM and strategic HRM.**

*Ans :*

**(Dec.-18)**

S.No.	Nature	Traditional HRM	Strategic HRM
1.	<b>Responsibility for HRM</b>	Staff specialists	Line managers
2.	<b>Focus</b>	Employee relations	Partnerships with internal and external customers
3.	<b>Role of HR</b>	Transactional, change follower, and respondent	Transformational, change lead and initiator
4.	<b>Initiatives</b>	Slow, reactive, fragmented	Fast, proactive, integrated
5.	<b>Time horizon</b>	Short term	Short, medium, long (as necessary)
6.	<b>Control</b>	Bureaucratic-roles, policies, procedures	Organic-flexible, whatever is necessary to succeed
7.	<b>Job design</b>	Tight division of labor, independence, specialization	Broad, flexible, cross-training, teams
8.	<b>Key investments</b>	Capital, products	People, knowledge
9.	<b>Accountability</b>	Cost center	Investment center

**Q18. Discuss challenges of HRM in the present scenario.**

**(OR)**

**Discuss in detail the major challenges of HRM.**

*Ans :*

**(Dec.-18, Dec.-17, Imp.)**

**1. Rapid Change**

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

**2. Work Force Diversity**

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

**3. Globalization**

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

**4. Legislation**

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

**5. Technology**

The technology is also growing with great speed especially in the field of computer & telecommunication. New methods are emerging that quickly dominates the older ones & makes them obsolete. Therefore the skills required by the employees also changes

with the changing technology & this would compels the worker to advance the skills three to four times throughout their working lives. So there comes a burden on the HR department to constantly update the skills & expertise of their employees.

**6. Job & Family Roles**

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

**7. Lack of Skills**

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

### 1.5 THE ROLE OF GLOBALIZATION IN HR POLICY AND PRACTICE

**Q19. Define HRM Policy. State the characteristics of HRM Policy.**

*Ans :* (July-21, Dec.-17)

#### Meaning

Human resource policies are the formal rules and guidelines that businesses put in place to hire, train, assess, and reward the members of their workforce. These policies, when organized and disseminated in an easily used form, can serve to anticipate many misunderstandings between employees and employers about their rights and obligations in the organization.

Human Resource practices imply the customary way of operations and behavior, translating idea into action, and knowledge of how something is usually done. In simple terms, it is to apply principles or policies.

Human Resources policies are generalized guidelines on employee management, adopted by consensus in an organization to regulate the behavior of employees and their managers or supervisors. As for the dichotomy between an HR policy and a procedure, they can be compared to a human being and the shadow. Both are inseparable and as shadows set the outlines of a human being, so do procedures set the outlines of an HR policy.

#### Definitions

- (i) "HR policies may be defined as guidelines, procedures, codes and regulations adopted by management to guide workplace activities within acceptable limits, which are communicated through a summarized statement called policy statement and implemented through instructions referred to as policy directives."
- (ii) **According to Armstrong** "Human resource policies are continuing guidelines on the approach the organization intends to adopt in managing its people. They define the philosophies and values of the organization on how people should be treated, and from these are derived principles

upon which managers are expected to act when dealing with human resource matters."

#### Characteristics

While developing sound personnel policies management should pay attention to the following things :

##### 1. Related to Objectives

Policies must be capable of relating objectives functions, physical factors and company personnel.

##### 2. Easy to Understand

Policies should be stated in define, positive, clear and understandable language.

##### 3. Precise

Policies should be sufficiently comprehensive and prescribe limits and yardsticks for future action.

##### 4. Stable as well as Flexible

Personnel policies should be stable enough assure people that there will not be drastic overnight changes. They should be flexible enough to keep the organization in tune with the times.

##### 5. Based on Facts

Personnel policies should be built on the basis of facts and sound judgment and not in personal feelings or opportunistic decision.

##### 6. Appropriate Number

There should be as many personnel policies as necessary to cover conditions that can be anticipated, but not so many policies as to become confusing or meaningless.

##### 7. Just, Fair and Equitable

Personnel policies should be just, fair and equitable to internal as well as external groups. For example, a policy of recruitment from within may limit opportunities to bright candidates from outside: and a policy of a recruitment from outside only would limit promotional avenue to promising internal candidates. To ensure justice, it is necessary to pursue both the policies scrupulously and apply them carefully.

**8. Reasonable**

Personnel policies must be reasonable and capable of being accomplished. To gain acceptance and commitment from employees, the policy should be conditioned by the suggestions and reactions of those who are affected by the policy.

**9. Review**

Periodic review of personnel policies is essential to keep in tune with changing times, and to avoid organizational complacency or managerial stagnation.

**Q20. State the various Factors Affecting HR Policies.**

*Ans :*

The following factors will influence in determining the personnel policies of an organization :

**1. Laws of the Country**

The various law and labor legislation govern the different aspects of personnel matters. Policies should be in conformity with the laws of the country.

**2. Social Values and Customs**

These are the codes of behavior of any community which should be taken into account in framing the policies.

**3. Management Philosophy and Values**

Management does not work, together for any length of the time without clear broad philosophy and set of values which influence their actions on matters concerning the workforce.

**4. Stages of Development**

All changes such as size of operations, scale of technology, innovations, fluctuations in the composition of workforce, decentralization of authority and change in financial structure influence the adoption of personnel policies.

**5. Financial Position of the Organization**

The personnel policies cost money which will be reflected in the price of the product.

Because of this, prices set an absolute limit to organization's personnel policies.

**6. Union Objectives and Practices**

How well the employees are organized? What is their bargaining capacity? What are their pressure techniques? All these factors are responsible for personnel policies.

**7. Type of Workforce**

The assessment characteristics of workforce and what is acceptable to them is the responsibility of the effective personnel staff. A policy which is not appropriate is hardly worth implementation.

**Q21. Explain various steps in formulation of HR policies.**

*Ans :*

**1. Identify the Areas**

The areas where HR policies are needed are to be identified. Important areas of HR like recruitment, selection, training, compensations must have specific policies clearly spelt out. If need arises, additional policies may have to be formulated for dealing with newer HR issues.

**2. Collecting Data**

After selecting the areas, relevant information should be collected for facilitating policy formulation. The company's records, past practices, industry practices and top management policies should be studied. The organizational culture and employee aspirations should also be taken into account while formulating policies.

**3. Evaluating Alternatives**

Once data have been collected, various alternative policies can be designed. Each alternative has to be evaluated in terms of their contribution towards the desired objectives. The policies should be for the betterment of the existing HR system and formulated in congruence with other organizational policies. The policies should be finalized after discussion with those people who are directly affected by its implementation.



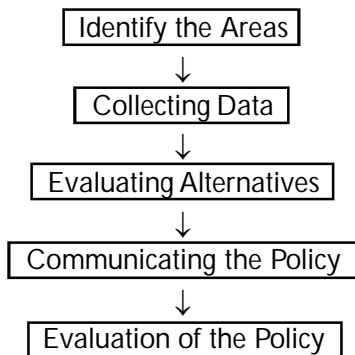


Fig.: Process of HR Policies

**4. Communicating the Policy**

The policy details should be conveyed to all the workers throughout the organization. Policy manual, in-house journals, notice boards, intranet, etc., can be used to create awareness among employees at various levels. Special communication programmes can be conducted to inform all the concerned people about the new policy.

**5. Evaluation of the Policy**

Policies should be evaluated regularly at periodic intervals to ascertain their effectiveness. The actual policy results should be compared with predetermined standards to check if the policy was successful in achieving its objectives. Policies may be reviewed at the organizational level, or outside experts may be invited to review it.

**Q22. Explain various components of HR policy.***Ans :***(i) Employment Policies**

These are the policies that guide hiring practices, orientation of new employees, compliance with employment laws and confidentiality.

**(ii) Employment status and records**

These are the policies that define such issues as employment classifications access to personnel files and guidance on how

background checks and performance reviews are to be performed.

**(iii) Employee benefits**

These are policies that explain employee benefits such as insurance, vacations, holidays, leave and employee reimbursements.

**(iv) Payroll**

These are policies that are related to salary and wage administration including deductions, pay advances and time keeping.

**(v) Workplace guidelines**

These policies are quite varied and their purpose range from defining certain work arrangements such as flex time and telecommuting to offering guidelines on the use of company assets and record retention.

**(vi) Employee conduct**

These policies are guidelines that control employer behavior and conduct on the job. The mainstay of this section is a code of conduct but also important are policies regarding substance abuse, smoking, harassment and workplace violence.

**(vii) E-policies**

These policies guide staff in the use of the organization's information technology. Policies defining acceptable and prohibited activities and use of e-mail and the Internet make up a majority of these policies.

**Q23. Explain the benefits and limitations of HR policies.***Ans :***Benefits****(i) Facilitates decision-making**

Policy helps managers at various levels to act with confidence without the need of consulting the superiors every time. It gives them alternatives to choose from.

**(ii) Promptness of action**

When situations arise that call for decisions, policy will ensure prompt action within the overall framework of the objectives of the organization.

**(iii) Consistency of action**

Effective policies ensure uniform and consistent treatment of all employees throughout the organization. Sound personnel policies are, therefore, an essential base for sound personnel practices. Policies provide the base for management by principle as contrasted with management by expediency.

**(iv) Continuity and stability**

Written policies are a means of transmitting the company's heritage from one generation of executives to another. There would be stability in decision making in the organization even if some key executives retire or leave the organization.

**(v) Better control**

Policy provides a rational and continuous system of achieving results which facilitates better control.

**(vi) Eliminates personal hunch and bias**

Clearly laid down policy liberates decision-maker from his personal bias and self-interest.

**(vii) Welfare of people**

By removing momentary and hasty decisions, policy ensures long-term welfare of people involved in the organizational activities.

**(viii) Confidence in employees**

Policy makes the employees aware of where they stand in relation to the organization. This will create confidence in them.

**Limitations****(i) Policies are repeatedly used plans**

They bring about rigidity in operations as they leave no room for initiative by the subordinates.

**(ii) Policies may not cover all the problems**

Sometimes, unforeseen situations arise which are not covered by the existing policies.

**(iii) Policies are no substitute for human judgment**

Policies only delimit the areas within which decisions are to be made.

**(iv) Policies may not be ever**

Lasting as they lose their utility with the changes in the internal and external environment of the business.

**Q24. Explain environment impact of Human Resource Management in recent change.****(OR)**

**Write a brief note on impact of environment on policy framing of HR.**

**(OR)**

**Explain the impact of environment on HRM in organization.**

*Ans :* **(Dec.-19, Imp.)**

In simple words, environment comprises all those forces which have their bearing on the functioning of various activities including human resource activities. Environment scanning helps HR manager become proactive to the environment which is characterized by change and intense competition. Human resource management is performed in two types of environments- internal and external.

**(A) Internal Environment**

These are the forces internal to an organization. Internal forces have profound influence on HR functions. The internal environment of HRM consists of unions, organizational culture and conflict, professional bodies, organizational objectives, policies, etc. A brief mention of these follows.

**1. Unions**

Trade unions are formed to safeguard the interest of its members/workers. HR activities like recruitment, selection, training, compensation, industrial relations and separations are carried out in consultation with trade union leaders.

## 2. Organizational Culture and Conflict

As individuals have personality, organizations have cultures. Each organization has its own culture that distinguishes one organization from another. Culture may be understood as sharing of some core values or beliefs by the members of the organization "Value for time" are the culture of Reliance Industries Limited. The culture of Tata conglomerate is "get the best people and set them free".

HR practices need to be implemented that best fit the organization's culture. There is often conflict between organizational culture and employee's attitude. Conflict usually surfaces because of dualities such as personal goal vs. organizational goal, discipline vs. autonomy, rights vs. duties, etc. Such conflicts have their bearings on HR activities in an organization

### (B) External Environment

External environment includes forces like economic, political, technological, demographic etc. these exert considerable influence on HRM. Each of these external forces is examined here.

#### 1. Economic

Economic forces include growth rate and strategy, industrial production, national and per capita incomes, money and capital markets, competitions, industrial labor and globalization. All these forces have significant influence on wage and salary levels. Growing unemployment and reservation in employment also affect the choice for recruitment and selection of employees in organizations.

#### 2. Political

Political environment covers the impact of political institutions on HRM practices. For example, democratic political system increases the expectations of workers for their well being.

**The total political environment is composed of three institutions:**

- i) **Legislature** : This is called Parliament at the central level and Assembly at the state level A plethora of labor laws are enacted by the legislature to regulate

working conditions and employment relations.

- ii) **Executive** : It is the Government that implements the law. In other words, the legislature decides and the executive acts.

- iii) **Judiciary** : This is like a watchdog above the two. It ensures that both the legislature and the executive work within the confines of the constitution and also in the overall interest of the people. These affect, in one way or the other, all HR activities from planning to placement to training to retention and maintenance.

## 3. Technological

Technology is a systematic application of organized knowledge to practical tasks.

**Technological advances affect the HR functions in more than one way:**

- (i) First; technology makes the job more intellectual or upgraded.
- (ii) Second, it renders workers dislocated if they do not equip themselves to the job.
- (iii) Third, job becomes challenging for the employees who cope with the requirements of technology Fourth, technology reduces human interaction at the work place. Finally job-holders become highly professionalized and knowledgeable in the job they perform.

## 4. Demographic

Demographic variables include sex, age, literacy, mobility, etc. Modern work force is characterized by literate, women and scheduled caste and scheduled tribes workers. Now, workers are called knowledge workers' and the organizations wherein they work are called 'knowledge organizations'.

As such, the traditional line of distinction between manual and non-manual workers is getting blurred. Employees are demanding parity in remuneration and responsibility among various categories and levels of employee.

**Q25. Describe the relevance of HRM in the context of globalization and diversification of work force.**

*Ans :* (June-19, Imp.)

More and more large companies, as well as companies that account for a significant amount of business in the world or in any single country are globalizing. Hence the demand for employees, leaders and managers with global skills is increasing. HR managers are on one side expected to find staff with global skills, train them for global skills and do all other HR activities with focus on globalization and regional and national cultural and economic differences and also they themselves need to have global skills as HR managers.

The different ways companies may engage in international commerce.

1. Exports
2. Licensing
3. Franchising
4. Contract manufacturing
5. Management contracts
6. Foreign direct investment
  - Joint ventures
  - Strategic alliance
  - Sole ownership

**Global HR Strategies**

**1. Ethnocentric approach**

Parent-country nationals (PCNs) are sent for top and middle level management positions. Rank-and-file workers are often locals. Pay for the locals will tend to be based on the local market place. Pay for the PCNs will tend to be related to the home country.

**2. Polycentric philosophy**

In this approach, during the early stages host-country nationals (HCNs) tend to fill middle- and lower-level positions in management. As

time progresses, key management positions are also filled by HCNs. This approach believes the foreign subsidiaries are best managed by locals having successful track record in local markets.

**3. Geocentric approach**

In this approach, organizations begin considering themselves as having global workforce that can be deployed throughout the world based on the requirement of skill sets. Talent is identified and ranked and nationality is not an issue in talent identification for any post or job, role or position in these organizations. The compensation is also based on a global policy and the contribution of the individual to the organization on a global basis.

**4. Regiocentric approach**

In this approach, regions are emphasized and workforce is considered as region workforce that can be deployed within that region irrespective of the nationality of the person in the region. The compensation patterns differ from region to region.

Here are some of the important trends that emerged during the research made by these companies.

**(i) Selection criteria of assignees**

One of the main factors that actually affect the success or otherwise of any assignment include the selection of the candidate. Often it is seen that companies tend to choose their candidates based on their job skills, overall growth of the employee, leadership skill and language ability. However, factors like the emotional resilience, career of spouse, educational needs of children, as well as ability to adapt to intercultural surroundings by family were given the least importance. In reality, these factors, which were not given any importance while selecting candidates became the crucial areas that often

led to failure of the assignment. These surveys and their alarming results showed the need for taking these factors into account before actually selecting an employee and his or her family for expatriate assignment.

**(ii) Country of assignment**

Another factor often not taken into consideration is the country of deployment for any assignment. The survey conducted by both PWC and KPMG show that there are certain countries, which either due to their low cost of business or presence of more skilled labor, rank high in the expatriate assignment sector, given that businesses are either looking to outsource to those countries or set up offices there.

**(iii) Cost reduction**

Instead of opting for long term international assignment for their employees, companies are looking for more cost effective measures. These include options like short term assignments, commuting, especially where it is cross borders, tele-working, virtual assignments, taking business tours, frequent flying, rotational assignments etc.

Alternatively, companies are also looking towards taking in more locals, which in turn will bring down the overall cost as companies would no longer need to deploy international assignees along with families. However, where local management level staff are not available or where there is a need for greater control etc, companies still adopt the long term assignment policy, albeit with newly adopted selection criteria and practices.

Companies who were part of these surveys and who have adopted these new trends and practices believe that it has led to increased employee satisfaction while also reducing the expenditure.

**Q26. HRD is part of HRM. Explain.**

*Ans :* **(July-21)**

1. Human Resource Management refers to the application of principles of management to manage the people working in the organisation. Human Resource Development means a continuous development function that intends to improve the performance of people working in the organisation.
2. HRM is a function of management. Conversely, HRD falls under the umbrella of HRM.
3. HRM is a reactive function as it attempts to fulfil the demands that arise while HRD is a proactive function, that meets the changing demands of the human resource in the organisation and anticipates it.
4. HRM is a routine process and a function of administration. On the other hand, HRD is an ongoing process.
5. The basic objective of HRM is to improve the efficiency of employees. In contrast to HRD, which aims at developing the skill, knowledge and competency of workers and the entire organisation.

## Short Question and Answers

### 1. Define Strategic Human resource Management.

*Ans :*

#### Meaning

The term 'strategy' is widely used in and pre supposes importance. In the words of the Oxford Concise Dictionary, strategy means 'general ship'. Thus, strategy is associated with the long-term decisions taken at the top of the enterprise. The original literary meaning of strategy is 'the art and science of directing military forces'.

The term strategy is frequently being used in the present-day corporate world. It envisages thinking ahead to survive and grow in a highly competitive environment'. Strategy is concerned with determining which option will provide maximum benefits.

#### Definition

**According to Lengnick Hall and Lengnick - Hall** in this respect argue in 'Strategic Human Resource Management' that reciprocal interdependence between an organization's business strategy and human resource strategy underlines the proposed approaches to the strategic management of human resources.

### 2. Define Human Resource Management.

*Ans :*

#### Introduction

Every organization is essentially a combination of physical and human resources (HR). Physical resources refer to materials, money and machines pre-arranged by the organization for production or trade. Human resources, on the other hand, refer to the knowledge, education, skills, training and proficiency of the members of the organization. All organizational resources are important for achieving the objectives of an organization.

Human resource management (HRM, or simply HR) is a function in organizations designed

to maximize employee performance of an employer's strategic objectives. HR is primarily concerned with the management of people within organizations, focusing on policies and systems. HR departments and units in organizations typically undertake a number of activities, including employee recruitment, training and development, performance appraisal, and rewarding (e.g., managing pay and benefit systems). HR is also concerned with industrial relations, that is, the balancing of organizational practices with requirements arising from collective bargaining and from governmental laws.

#### Meaning

The word HUMAN has five letters and each letter speak of a distinct characteristics of human being as under :

<b>H</b>	–	Hears
<b>U</b>	–	Understands
<b>M</b>	–	Moves
<b>A</b>	–	Adjusts
<b>N</b>	–	Negotiates

#### Definitions

- (i) **According to Invancevich and Glueck**, "HRM is concerned with the most effective use of people to achieve organizational and individual goals".
- (ii) **According to Byars and Rue**, "HRM encompasses those activities that are designed to provide for and coordinate the human resource of an organization".

### 3. Managerial Functions of HRM.

*Ans :*

#### 1. Planning

The planning function of human resource department pertains to the steps taken in determining in advance personnel requirements, personnel programmes,

policies etc. After determining how many and what type of people are required, a personnel manager has to devise ways and means to motivate them.

## 2. Organization

Under organization, the human resource manager has to organise the operative functions by designing structure of relationship among jobs, personnel and physical factors in such a way so as to have maximum contribution towards organizational objectives. In this way a personnel manager performs following functions:

- (a) preparation of task force;
- (b) allocation of work to individuals;
- (c) integration of the efforts of the task force;
- (d) coordination of work of individual with that of the department.

## 3. Directing

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

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## 4. Operative Functions of HRM.

*Ans :*

### 1. Procurement of Personnel

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

### 2. Development of Personnel

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

### 3. Compensation to Personnel

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

### 4. Maintaining Good Industrial Relation

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

**5. Objectives of strategic HRM.***Ans :*

- (a) Plan for manpower requirements for its business located in national and international markets.
- (b) Conduct scientific selection and appointment of employees for business operation of right type and right in number.
- (c) Train the employees on technology in use and working procedure for developing their skills and knowledge.
- (d) Place the employees at jobs according to their areas of specialization.
- (e) Provide opportunities for the employees deserving on the scientific basis.
- (f) Compensate employees according to their skills, experience and contributions.
- (g) Maintain employees motivated, satisfied and cooperative in organization.

**6. Advantages of Strategic HRM.***Ans :*

1. Strategic HRM helps in identifying different opportunities and fulfilling it, as per the priority and thereby exploiting these opportunities after its fulfillment.
2. Strategic HRM ascertains the management problems and provides its solutions in a standard form which is easier to implement practically.
3. Strategic HRM helps in presenting a clear frame-work for controlling and coordinating the activities effectively.
4. It helps in reducing the significant impact of working conditions and the environmental changes in the organization.
5. It emphasises mainly on the behavioural attitude and organizational culture which helps in building harmonious and peaceful environment in the organization.
6. It helps in enlightening the future course of action in a systematic manner.

7. Strategic HRM helps in managing disciplinary actions and gives formality to business management.
8. It provides direction for solving the problems and for grabbing the opportunities through co-operation, enthusiasm and integration.
9. It helps in outlining the individual responsibilities clearly.

**7. Define HRM Policy.***Ans :***Meaning**

Human resource policies are the formal rules and guidelines that businesses put in place to hire, train, assess, and reward the members of their workforce. These policies, when organized and disseminated in an easily used form, can serve to anticipate many misunderstandings between employees and employers about their rights and obligations in the organization.

Human Resource practices imply the customary way of operations and behavior, translating idea into action, and knowledge of how something is usually done. In simple terms, it is to apply principles or policies.

Human Resources policies are generalized guidelines on employee management, adopted by consensus in an organization to regulate the behavior of employees and their managers or supervisors. As for the dichotomy between an HR policy and a procedure, they can be compared to a human being and the shadow. Both are inseparable and as shadows set the outlines of a human being, so do procedures set the outlines of an HR policy.

**Definitions**

- (i) "HR policies may be defined as guidelines, procedures, codes and regulations adopted by management to guide workplace activities within acceptable limits, which are communicated through a summarized statement called policy statement and implemented through instructions referred to as policy directives."



- (ii) **According to Armstrong** "Human resource policies are continuing guidelines on the approach the organization intends to adopt in managing its people. They define the philosophies and values of the organization on how people should be treated, and from these are derived principles upon which managers are expected to act when dealing with human resource matters."

## 8. Global HR Strategies.

*Ans :*

### 1. Ethnocentric approach

Parent-country nationals (PCNs) are sent for top and middle level management positions. Rank-and-file workers are often locals. Pay for the locals will tend to be based on the local market place. Pay for the PCNs will tend to be related to the home country.

### 2. Polycentric philosophy

In this approach, during the early stages host-country nationals (HCNs) tend to fill middle- and lower-level positions in management. As time progresses, key management positions are also filled by HCNs. This approach believes the foreign subsidiaries are best managed by locals having successful track record in local markets.

### 3. Geocentric approach

In this approach, organizations begin considering themselves as having global workforce that can be deployed throughout the world based on the requirement of skill sets. Talent is identified and ranked and nationality is not an issue in talent identification for any post or job, role or position in these organizations. The compensation is also based on a global policy and the contribution of the individual to the organization on a global basis.

### 4. Regiocentric approach

In this approach, regions are emphasized and workforce is considered as region workforce that can be deployed within that region irrespective

of the nationality of the person in the region. The compensation patterns differ from region to region.

## 9. Personnel Policy.

*Ans :*

**According to Dale Yoder** 'a policy is pre-determined selected course – established as a guide towards accepted goals and objectives'.

### Objectives:

#### 1. Optimum Use of Human Resources

Every organization tries to make use of the available human resources to the best of their capabilities. Right men should be selected for the right jobs. With the help of personnel policies, jobs are defined and responsibilities of the personnel are specified so that there are no square pegs in the round holes.

#### 2. Training of Everyone

The other main object of personnel policies is to train and develop everyone so as to make them competent for doing their job. Only a trained worker can do his job efficiently. The personnel policies must encourage healthy and constructive competition among the workers and also provide an opportunity for development and growth of an individual.

#### 3. Sound Industrial Relations

Personnel policies aim at creating sound industrial relations and tend to establish conditions for mutual confidence and understanding. Workers are encouraged to put forward constructive suggestions and are given participation through joint management councils and works committees. All this leads to industrial peace. Many operational problems are avoided by having well formulated policies.

#### 4. Payment of Fair Wages

Personnel policies must aim at ensuring the employees that they will be given fair wages for the work done by them.

**5. Security of Employment**

One of the objectives of personnel policies is to provide security of employment to the workers. Such policies provide an efficient consultative service which aims at creating mutual faith among those who work in the enterprise. All types of doubts relating to loss of employment are cleared from the minds of workers. Thus, social as well as economic security is provided to workers.

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**10. Objectives of human resource management.**

*Ans :*

1. Helping to establish and maintain a harmonious employer/employee relationship.
  2. Helping to create and maintain a safe and healthy work environment.
  3. Developing programs to meet the economic, psychological, and social needs of the employees and helping the organization to retain the productive employees
  4. Ensuring that the organization is in compliance with provincial/territorial and federal laws affecting the workplace (such as human rights, employment equity, occupational health and safety, employment standards, and labour relations legislation) to help the organization to reach its goals.
  5. To provide organization with well-trained and well-motivated employees
  6. To increase the employees satisfaction and self-actualization.
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**11. HRD**

*Ans :*

Human Resource Development (HRD) is the framework for helping employees develop their personal and organizational skills, knowledge, and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance, and organization development.

### *Choose the Correct Answer*

1. The meaning of the acronym HRM is \_\_\_\_\_. [ c ]  
(a) Human Relations Management (b) Humanistic Resource Management  
(d) Human Resource Management (c) Human Resourceful Management
2. HRM is \_\_\_\_\_. [ a ]  
(a) A staff functions  
(b) A line function  
(c) A staff function, line function and accounting function  
(d) All of the above
3. Finding ways to reduce \_\_\_\_\_ is a key responsibility of management. [ b ]  
(a) Dissatisfaction (b) Uncertainty  
(c) Stress (d) None of the above
4. The \_\_\_\_\_ and control systems should be altered support the strategic human resource function. [ b ]  
(a) Appointment (b) Reward  
(c) Job allotment (d) None of the above
5. All aspects of the merger need \_\_\_\_\_. [ d ]  
(a) Controlling (b) Delegating  
(c) Staffing (d) Managing
6. Commitment strategy is inherently \_\_\_\_\_. [ b ]  
(a) Short-term (b) Long-term  
(c) Continuous (d) None of the above
7. HR professionals has to be skilled in the art of \_\_\_\_\_. [ a ]  
(a) Clarifying (b) Handling people  
(c) Both (A) and (B) (d) None of the above
8. \_\_\_\_\_ of management is likely to be another key agenda item. [ b ]  
(a) Performance (b) Quality  
(c) Expansion (d) Decision
9. Strategic thinking is a \_\_\_\_\_ process. [ c ]  
(a) Short term (b) Long term  
(c) Continuous (d) All of the above
10. \_\_\_\_\_ is considered as a strategic activity. [ a ]  
(a) Recruitment (b) Planning  
(c) Productivity (d) All of the above

11. Competitive edge comes from the \_\_\_\_\_ of people. [ c ]  
(a) Competency (b) Efforts  
(c) Quality (d) Hard work
12. The business side of the process begins with the strategic \_\_\_\_\_ as the guiding framework. [ b ]  
(a) HR (b) Plan  
(c) Policy (d) None of the above
13. Individual level where people are usually motivated to close the gap between their current and desired \_\_\_\_\_. [ a ]  
(a) Capabilities (b) Skills  
(c) Expectations (d) Performance
14. HR professional should apply risk management techniques to the different aspects of \_\_\_\_\_. [ a ]  
(a) HR Strategies (b) HR Competencies  
(c) Both (A) and (B) (d) None of the above
15. Developing characteristics of people needed to run business in \_\_\_\_\_. [ c ]  
(a) Short term (b) Medium term  
(c) Long term (d) Any of the above
16. \_\_\_\_\_ issues tend to be well disguised. [ b ]  
(a) Political (b) Territorial  
(c) Social (d) Economical
17. \_\_\_\_\_ suggests Human Resource Strategy in itself may not be effective. [ b ]  
(a) Peter Drucker (b) Tony Groundy  
(c) John Zimmerman (d) Anonymous
18. Pettigrew & Whipp identified \_\_\_\_\_ central factors for managing change successfully. [ c ]  
(a) Three (b) Four  
(c) Five (d) Six
19. \_\_\_\_\_ executives take a full part in the strategic planning process. [ a ]  
(a) Training & Development (b) Human Resource  
(c) Quality Control (d) Production
20. \_\_\_\_\_ aims to put a financial measure on an organization's intellectual capital. [ a ]  
(a) Knowledge exchange (b) The consortium  
(c) Financial planning (d) None of the above

### *Fill in the blanks*

1. \_\_\_\_\_ is that part of management concerned with people at work and with their relationships within the organization.
2. Human Resource Management is a \_\_\_\_\_ function of management.
3. The primary objective of HRM is to ensure the availability of competent and willing workforce to an \_\_\_\_\_.
4. \_\_\_\_\_ develops strategies both long-term and short-term, to meet the manpower requirement.
5. HRD stands for \_\_\_\_\_.
6. \_\_\_\_\_ is concerned with initiation of organized action and stimulating the people to work.
7. \_\_\_\_\_ means determination of adequate and equitable remuneration of personnel for their contribution to organization objectives.
8. The term \_\_\_\_\_ is widely used in and pre suppose importance.
9. \_\_\_\_\_ HRM helps in managing disciplinary actions and gives formality to business management.
10. \_\_\_\_\_ culture plays a pivotal role in the smooth and efficient functioning of any organization.
11. Human resource \_\_\_\_\_ are the formal rules and guidelines that businesses put in place to hire, train, assess, and reward.
12. In simple words, \_\_\_\_\_ comprises all those forces which have their bearing on the functioning of various activities including human resource activities.
13. \_\_\_\_\_ environment includes forces like economic, political, technological, demographic etc.
14. \_\_\_\_\_ variables include sex, age, literacy, mobility, etc.
15. HCN stands for \_\_\_\_\_.
16. PCN stands for \_\_\_\_\_.
17. In Human Ward N stands for \_\_\_\_\_.
18. Human Resource Management is concerned with the motivation of \_\_\_\_\_ in the organization.
19. Proper management of personnel enhances their dignity by satisfying their \_\_\_\_\_ needs.
20. Healthy Industrial and Labour relations are very important for enhancing peace and \_\_\_\_\_ in an organization.

**ANSWERS**

1. Human resource management
2. Pervasive
3. Organization
4. Planning
5. Human Resource Development
6. Directing
7. Compensation
8. Strategy
9. Strategic
10. Organizational
11. Policies
12. Environment
13. External
14. Demographic
15. Host Country Nationals
16. Post Country Nationals
17. Negotiates
18. Human Resources
19. Social
20. Productivity

# UNIT II

## ACQUIRING HUMAN RESOURCES :

Human Resource Planning and Alignment – Job Analysis and Design. Job Description, Job Specification and Job Evaluation, Job- Restructuring – Job Rotation, Job Enlargement and Job Enrichment. Recruitment and Selection – Placement – Induction and Orientation. Line and Staff.

### 2.1 HUMAN RESOURCE PLANNING AND ALIGNMENT

#### Q1. Define Human Resource Planning (HRP).

*Ans :* (Dec.-19, May-18, Dec.-17, Imp)

##### Introduction

Human Resource Planning is concerned with the planning the future manpower requirements are the organization. Human Resource manager ensures that the company has the right type of people in the right number at the right time and place, who are trained and motivated to do the right kind of work at the right time. Obviously, human resource planning primarily makes appropriate projections for future manpower needs of the organization envisages plan for developing the manpower to suit the changing needs of the organization from time to time, and foresees how to monitor and evaluate the future performance. It also includes the replacement plans and managerial succession plans. Human Resource planning is the process by which a management determines how an organization should move from its current manpower position to its desired manpower position. Through planning a management strives to have the right number and the right kinds of people at the right places, at the right time, to do things which result in both the organization and the individual receiving the maximum long-range benefit.

##### Definitions of Human Resource Planning

- i) **According to Wikstrom,** Human Resource Planning consists of a series of activities, viz.,

- (a) Forecasting future manpower requirements, either in terms of mathematical projections of trends in the economic environment and developments in industry, or in terms of judgemental estimates based upon the specific future plans of a company.
- (b) Making an inventory of present manpower resources and assessing the extent to which these resources are employed optimally
- (c) Anticipating manpower problems by projecting present resources into the future and comparing them with the forecast of requirements to determine their adequacy, both quantitatively and qualitatively; and
- (d) Planning the necessary programmes of requirements, selection, training, development, utilization, transfer, promotion, motivation and compensation to ensure that future manpower requirements are properly met.

- ii) **According to Coleman** has defined Human Resource Planning as “the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organization”.

Human resource planning is a double-edged weapon. If used properly, it leads to the maximum utilization of human resources, reduces excessive labour turnover and high absenteeism; improves productivity and aids in achieving the objectives of an organization.

Faultily used, it leads to disruption in the flow of work, lower production, less job satisfaction, high cost of production and constant headaches for the management personnel. Therefore, for the success of an enterprise, human resource planning is a very important function, which can be neglected only at its own peril.

**Q2. State the objectives of HR planning.**

*Ans :*

The major objectives of Human Resource Planning in an organization are to:

- (i) Ensure optimum use of human resources currently employed;
- (ii) Avoid balances in the distribution and allocation of human resources;
- (iii) Assess or forecast future skill requirements of the organization's overall objectives;
- (iv) Provide control measure to ensure availability of necessary resources when required;
- (v) Control the cost aspect of human resources;
- (vi) Formulate transfer and promotion policies.

**Q3. Explain the process of HR Planning.**

(OR)

**Outline the process of HR Planning.**

*Ans :* (Dec.-19, May-18)

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

**1. Analysis of Organizational Plans and Objectives**

Human resource planning is a part of overall plan of organization. Plans concerning technology, production, marketing, finance, expansion and diversification give an idea about the volume of future work activity.

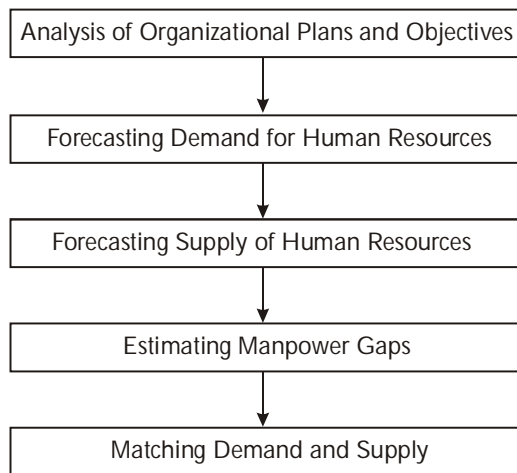
Each plan can further be analyzed into sub-plans and detailed programmes. It is also necessary to decide the time horizon for which human resource plans are to be prepared. The future organization structure and job design should be made clear and changes in the organization structure should be examined so as to anticipate its manpower requirements.

**2. Forecasting Demand for Human Resources**

Human resource planning starts with the estimation of the number and type of personnel required at different levels and in different departments. The main steps involved in HRP process are

- (a) to determine and to identify present and prospective needs of human resource,
- (b) to discover and recruit the required number of persons.
- (c) to select the right number and type from the available people.
- (d) to hire and place in the positions for which they are qualified,
- (e) to provide information to the selected people about the nature of work assigned to them,
- (f) to Promote or to transfer as per the needs and the performance of employees,
- (g) to denote if the employees are disinterested or their performance is not up to the mark,
- (h) to terminate if they are not needed or their performance is below standard and shows no hopes of improvement. It is the most crucial and critical area of HRD. This HRD manager must pay attention to place right man to the right job through recruitment selection Training and Placement of employees. This calls for the adoption of a systematic procedure to complete recruitment and selection.





**Fig.: Process of HR Planning**

### 3. Forecasting Supply of Human Resources

One of the important areas of human resources planning is to deal with allocation of persons to different departments depending upon the workload and requirements of the departments. While allocating manpower to different departments, care has to be taken to consider appointments based on promotions and transfers. Allocation of human resource should be so planned that available manpower is put to full use to ensure smooth functioning of all departments.

### 4. Estimating Manpower Gaps

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

### 5. Matching Demand and Supply

It is one of the objectives of human resource planning to assess the demand for and supply of human resources and match both to know

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

### Q4. Explain the importance of HR Planning.

(OR)

**What is the significance of HR Planning in present scenario.**

*Ans :*

### Importance of Human Resource Planning

HRP is the subsystem in the total organizational planning. Organizational planning includes managerial activities that set the company's objective for the future and determines the appropriate means for achieving those objectives. The importance of HRP is elaborated on the basis of the key roles that it is playing in the organization.

#### 1. Future Personnel Needs

Human resource planning is significant because it helps to determine the future personnel needs of the organization. If an organization is facing the problem of either surplus or deficiency in staff strength, then it is the result of the absence of effecting HR planning. All public sector enterprises find themselves overstaffed now as they never had any planning for personnel requirement and went of recruitment spree till late 1980's. The problem of excess staff has become such a prominent problem that many private sector units are resorting to VRS 'voluntary retirement scheme'. The excess of labour problem would have been there if the

organization had good HRP system. Effective HRP system will also enable the organization to have good succession planning.

## 2. Part of Strategic Planning:

HRP has become an integral part of strategic planning of strategic planning. HRP provides inputs in strategy formulation process in terms of deciding whether the organization has got the right kind of human resources to carry out the given strategy. HRP is also necessary during the implementation stage in the form of deciding to make resource allocation decisions related to organization structure, process and human resources. In some organizations HRP play as significant role as strategic planning and HR issues are perceived as inherent in business management.

## 3. Creating Highly Talented Personnel

Even though India has a great pool of educated unemployed, it is the discretion of HR manager that will enable the company to recruit the right person with right skills to the organization. Even the existing staff hope the job so frequently that organization face frequent shortage of manpower. Manpower planning in the form of skill development is required to help the organization in dealing with this problem of skilled manpower shortage

## 4. International Strategies

An international expansion strategy of an organization is facilitated to a great extent by HR planning. The HR department's ability to fill key jobs with foreign nationals and reassignment of employees from within or across national borders is a major challenge that is being faced by international business. With the growing trend towards global operation, the need for HRP will as well will be the need to integrate HRP more closely with the organizations strategic plans.

Without effective HRP and subsequent attention to employee recruitment, selection, placement, development, and career planning, the growing competition for foreign

executives may lead to expensive and strategically descriptive turnover among key decision makers.

## 5. Foundation for Personnel Functions

HRP provides essential information for designing and implementing personnel functions, such as recruitment, selection, training and development, personnel movement like transfers, promotions and layoffs.

## 6. Increasing Investments in Human Resources

Organizations are making increasing investments in human resource development compelling the increased need for HRP. Organizations are realizing that human assets can increase in value more than the physical assets. An employee who gradually develops his/ her skills and abilities become a valuable asset for the organization. Organizations can make investments in its personnel either through direct training or job assignment and the rupee value of such a trained, flexible, motivated productive workforce is difficult to determine. Top officials have started acknowledging that quality of work force is responsible for both short term and long term performance of the organization.

## 7. Resistance to Change

Employees are always reluctant whenever they hear about change and even about job rotation. Organizations cannot shift one employee from one department to another without any specific planning. Even for carrying out job rotation (shifting one employee from one department to another) there is a need to plan well ahead and match the skills required and existing skills of the employees.

## 8. Succession Planning

Human Resource Planning prepares people for future challenges. The 'stars' are picked up, trained, assessed and assisted continuously so that when the time comes such trained employees can quickly take the responsibilities and position of their boss or seniors as and when situation arrives.

**9. Other Benefits**

- (a) HRP helps in judging the effectiveness of manpower policies and programmes of management.
- (b) It develops awareness on effective utilization of human resources for the overall development of organization.
- (c) It facilitates selection and training of employees with adequate knowledge, experience and aptitudes so as to carry on and achieve the organizational objectives
- (d) HRP encourages the company to review and modify its human resource policies and practices and to examine the way of utilizing the human resources for better utilization.

**Q5. What are the factors affecting HR Planning.**

*Ans :*

HRP is influenced by several factors. The most important of the factors that affect human resource planning are:

**1. Type and Strategy of the Organization**

Type of the organization determines the production processes involve, number and type of staff needed and the supervisory and managerial personnel required. If the organization has a plan for organic growth then organization need to hire additional employees. On the other hand if the organization is going for mergers and acquisition, then organization need to plan for layoffs.

**2. Organizational Growth Cycles and Planning**

All organizations pass through different stages of growth from the day of its inception. The stage of growth in which an organization is determines the nature and extends of HRP. Small organizations in the earlier stages of growth may not have well defined personnel planning. But as the organization enters the growth stage they feel the need to plan its human resource. At this stage organization gives emphasis upon employee development.

But as the organization reaches the mature stage it experience less flexibility and variability resulting in low growth rate. HR planning becomes more formalized and less flexible and less innovative and problem like retirement and possible retrenchment dominate planning. During the declining stage of the organization HRP takes a different focus like planning to do the layoff, retrenchment and retirement.

**3. Environmental Uncertainties**

Political, social and economic changes affect all organizations and the fluctuations that are happening in these environments affect organizations drastically. Personnel planners deal with such environmental uncertainties by carefully formulating recruitment, selection, training and development policies and programmes.

**4. Time Horizons**

HR plans can be short term or long term. Short term plans spans from six months to one year, while long term plans spread over three to twenty years. The extent of time period depends upon the degree of uncertainty that is prevailing in an organizations environment.

**5. Type and Quality of information**

The quality and accuracy of information depend upon the clarity with which the organizational decision makers have defined their strategy, structure, budgets, production schedule and so on.

**6. Nature of Jobs Being Filled**

Personnel planners need to be really careful with respect to the nature of the jobs being filled in the organization. Employees belonging to lower level who need very limited skills can be recruited hastily but, while hiring employees for higher posts, selection and recruitment need to be carried out with high discretion.

**7. Outsourcing**

Many of the organizations have surplus labour and hence instead of hiring more people they go for outsourcing. Outsourcing determines HRP.

**Q6. State the various barriers to HR Planning.***Ans :*

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

- 1) HR practitioners are perceived as experts in handling personnel matters, but are not experts in managing business. The personnel plan conceived and formulated by the HR practitioners when enmeshed with organizational plan, might make the overall strategic plan of the organization ineffective.
- 2) HR information often is incompatible with other information used in strategy formulation. Strategic planning efforts have long been oriented towards financial forecasting, often to the exclusion of other types of information. Financial forecasting takes precedence over HRP.
- 3) Conflict may exist between short term and long term HR needs. For example, there can be a conflict between the pressure to get the work done on time and long term needs, such as preparing people for assuming greater responsibilities. Many managers are of the belief that HR needs can be met immediately because skills are available on the market as long as wages and salaries are competitive. Therefore, long times plans are not required, short planning are only needed.
- 4) There is conflict between quantitative and qualitative approaches to HRP. Some people view HRP as a number game designed to track the flow of people across the department. Others take a qualitative approach and focus on individual employee concerns such as promotion and career development. Best result can be achieved if there is a balance between the quantitative and qualitative approaches.
- 5) Non-involvement of operating managers renders HRP ineffective. HRP is not strictly an HR department function. Successful planning needs a co-ordinated effort on the part of operating managers and HR personnel.

**2.2 JOB ANALYSIS****Q7. Define Job Analysis.***Ans :*

(Dec.-20, Dec-17)

**Meaning**

Job analysis is a method of collecting and analyzing the facts related to a particular job in order to identify the job contents, job requirements, job related duties and responsibilities and the characteristics of the person intending to do that job. Job analysis is one of the glorious aspects of HRM as it acts as a foundation for the functions and areas of HRM and in the maintenance of harmonious industrial relations. Information can be collected through interviews, questionnaire and business records.

**Definitions**

Developing an organizational structure, results in jobs which have to be staffed. Job analysis is the procedure through which you determine the duties and nature of the jobs and the kinds of people (in terms of skills and experience) who should be hired for them.

Some of the definitions of job analysis are:

- i) **According to Michael L. Jucius**, "Job analysis refers to the process of studying the operations, duties and organizational aspects of jobs in order to derive specifications or as they called by some, job descriptions."
- ii) **According to DeCenzo and P. Robbins**, "A job analysis is a systematic exploration of the activities within a job. It is a basic technical procedure, one that is used to define the duties, responsibilities, and accountabilities of a job."

**Q8. Explain the nature of job analysis.***Ans :*

(Dec.-20)

**1. Systematic Way of Gathering and Analyzing Information about a Job**

The most basic building block of HR management is job analysis which is a systematic way of gathering and analyzing information about the content, context, and

human requirement of jobs. Using job analysis to document HR activities is important because the legal defensibility of an employer's recruiting and selection procedures, performance appraisal system, employee disciplinary actions, and pay practices rests in part on the foundation of job analysis.

## 2. Develop Jobs

Job design attempts to develop jobs that fit effectively into the flow of the organizational work that needs to be done. The narrow focus of job analysis centers on using a formal system to gather data about what people do in their jobs. This data is used to generate job descriptions and job specifications.

## 3. Identifies Job Factors and Duties

Various methods and sources of data can be used to conduct job analyses. The real value of job analysis begins as the information is compiled into job descriptions and job specifications for use in virtually all HR activities. To justify HR actions as job related accurate details on job requirements are needed. To be effective, HR planning, recruiting, and selection all must be based on job requirements and the capabilities of individuals. Additionally, compensation, training, and employee performance appraisals all should be based on the specific needs of the job. Job analysis is also useful in identifying job factors and duties that may contribute to workplace health and safety issues. Finally, job analysis plays a key role in employee/labor relations issues.

## 4. Redesigns Jobs

Job analysis involves collecting information on the characteristics of a job that differentiate it from other jobs. The information generated by job analysis may be useful in redesigning jobs, but its primary purpose is to capture a clear understanding of what is done on a job and what capabilities are needed to do it as designed.

## Q9. Explain the purpose and uses of job analysis.

*Ans :*

The information provided by job analysis is useful in almost every phase of employee relations. Its purposes and uses can be understood from the following points:

### 1. Organization and Manpower Planning

It is helpful in organizational planning for it defines labour needs in concrete terms and coordinates the activities of the work force, and clearly divides duties and responsibilities.

### 2. Recruitment and Selection

By indicating the specific requirements of each job (i.e., the skills and knowledge), it provides a realistic basis for hiring, training, placement, transfer and promotion of personnel.

### 3. Wage and Salary Administration

By indicating the qualifications required for doing specified jobs and the risks and hazards involved in its performance, it helps in salary and wage administration. Job analysis is used as a foundation for job evaluation.

### 4. Job Re-engineering

Job analysis provides information which enables us to change jobs in order to permit their being manned by personnel with specific characteristics and qualifications.

### 5. Employee Training and Management Development

Job analysis provides the necessary information to the management of training and development programmes.

### 6. Performance Appraisal

It helps in establishing clear-cut standards which may be compared with the actual contribution of each individual.

### 7. Health and Safety

It provides an opportunity for identifying hazardous conditions and unhealthy environmental factors so that corrective measures may be taken to minimize and avoid the possibility of accidents.

**Q10. Explain the objectives of job analysis.***Ans :* (Dec-17)**1. Work simplification**

Job analysis provides the information related to job and this data can be used to make process or job simple. Work simplification means dividing the job into small parts i.e. different operations in a product line or process which can improve the production or job performance.

**2. Setting up of Standards**

Standard means minimum acceptable qualities or results or performance or rewards regarding a particular job. Job analysis provides the information about the job and standard of each can be established using this information

**3. Support to Personnel Activities**

Job analysis provides support to various personnel activities like recruitment, selection, training and development, wage administration, performance appraisal etc.

**2.2.1 Components****2.2.1.1 Job Description****Q11. Define job description ? What are the characteristics of good job description ?***Ans :* (June-19, Dec.-17, Imp)

Job Description is an important document which is basically descriptive in nature and contains a statement of Job analysis. It serves to identify a job for consideration by other job analysis. It tells us what should be done, why it should be done and where it should be done.

A job description is "an organized, factual statement of duties and responsibilities of a specific job". It tells what is to be done, how it is done and why ?

**Contents of Job Description**

- Job title
- Location of the job
- Supervision given and receive
- Materials, tools, machinery
- Designation of superior/subordinates
- Salary particulars
- List of duties
- Conditions of work
- Training and development facilities

**Characteristics of Good Job Description**

- Job description should indicate the scope and nature of the work including all important relations.
- It should be clear regarding the work, duties etc.
- More sportive words should be selected to show
  - (a) Kind of work
  - (b) Degree of complexity
  - (c) Degree of skill required
  - (d) Extent to which problems are standardized
  - (e) The extent of workers responsibility for each phase of the work
  - (f) Degree and type of accountability
- Supervisory responsibility should be shown to the incumbents. Brief and accurate statement should be used in order to accomplish the purpose.
- Utility of the description in meeting the basic requirements should be checked form the extent of understanding the job by reading the job description by a new employee.

Job description is prepared on the basis of data collected through job analysis. It is a functional description of the activities and duties to be performed in a job, the relation ship of the job with other jobs, equipment and tools involved, nature of the supervision, working conditions and hazards of the job and so on. All the major categories of jobs need to be spelled out in clear and comprehensive manner to determine the qualifications and skills required to perform a job. Thus job description differentiates one job form the other. Job description is a written statement of what a job does, how it is done and why it is done.

**Purposes :**

Job description is done for the following :

- a) Grading and classification of jobs
- b) Placement and orientation of new employees
- c) Promotions and transfers
- d) Developing work standards
- e) Employee counseling

**Q12. What is the role played by job description**

*Ans :*

Job description plays a crucial role in the recruitment and selection process of an organization. The following points highlights the role and importance of job description in the recruitment and selection process,

**1. Facilitates the Availability of Information Required for Specification of Selection Criteria**

The job description serves as the basis for the effective selection and recruitment. It determines the person specifications required for the recruitment and selection criteria. The selection criteria should be in accordance with the nature of work.

Job description clearly states the requirements for the job which serves as a basis for the selection criteria.

**2. Informing the Applicants About the Nature of the Job**

The applicants come to know about the nature of the job by referring the job descriptions published in the newspapers or the internet. The job description is accurate and provides the details of the job, the organization, location of the job and the salary level. In order to grab the attention of the employees the job description give a brief detail of the jobs. The job descriptions give an invitations to the applicants eligible for the job, by specifying the basic job requirements. The Individual can decide whether to apply for job or not based on job description

**3. Primary Purpose and Major Functions of the Job Holds in the Organizations Structure**

The job descriptions serve as a guide for newly selected employees. It states the major objectives of the selected employees and the much needed information. The new staff completely understands their basic purpose for the existence in the organization.

**Q13. Differentiate between job analysis and job description.***Ans :*

Area	Job Analysis	Job Description
<b>Definition</b>	Job analysis is the process of studying and collecting information related to the operations, and responsibilities of a specific job.	Its an organized factual statement of duties and responsibilities of a specific job.
<b>Meaning</b>	Its a method of collecting and analyzing the facts, related to a particular job.	It is an organized statement containing the facts, about the duties and responsibilities of a specific job.
<b>Scope</b>	It has a broad scope which covers job description and job specification.	It has a narrow scope as it forms a part of job analysis.
<b>Elements</b>	The two main components of job analysis includes job description and job specification.	Job description is a part of job analysis. It consist of job identification, job summary etc.
<b>Process / steps</b>	It starts with organizational information selecting representative jobs, followed by job description, job specification and employee specification.	Starts with job identification followed by job summary, tells about the job relation with other jobs.
<b>Benefits</b>	Job analysis helps in every phase of employment process (i.e.,) recruitment, selection, placement, etc.	It helps in job grading placement, promotions, and grievance redressal.

**2.2.1.2 Job Specification****Q14. Define the term job specification ? Explain its contents.***Ans :***(June-19, May-18, Imp)**

Job specification is a written statement of qualifications, traits, and mental characteristics that all individual must possess to perform the job duties and discharge responsibilities effectively.

A job specification is "a statement of minimum acceptable human qualities necessary to perform a job properly. In contrast to the job description it is a standard of personnel and designates the qualities required for acceptable performance.

**Content of Job Specification**

The job specification contains :



➤ **Physical specification**

Height, weight, vision, hearing, ability to lift weight, health, age, capacity to operate machines, tools and equipments.

➤ **Mental specifications**

Ability to perform, to interpret data, to read electrical circuits, drawings, reading abilities, judgement, memory, general intelligence etc.

➤ **Emotional and social specification**

Emotional stabilities, flexibility, social adaptability, personal appearance, dress, posture, features, voice required by the job.

➤ **Behavior specification**

Judgment, creativity, research, teaching ability, maturity.

**Q15. Explain the differences between the job description and job specifications.**

*Ans :*

The following are the differences between job description and job specifications,

SNo.	Job Description	SNo.	Job Specification
1.	Job description is an organized statement containing the facts about the duties and responsibilities of a specific job.	1.	Job specification is a statement consisting of the minimum level of qualifications, skills, talents, physical abilities experience etc., required for performing a job properly.
2.	Job description focuses on job characteristics	2.	Job specification focuses on individual characteristics.
3.	Job description measures the duties and responsibilities.	3.	Job specification measures the responsibilities performer by a person.
4.	Job description assists the candidate to understand the requirements of the job which are to be fulfilled by him/her.	4.	Job specification assists the management in finding an appropriate candidate for the job.
5.	Job description statement consists of, (i) Job identification (ii) Job summary (iii) Materials used (iv) Machines, tools and equipments	5.	Job specification consists of the following human qualifications required for performing the job, (i) Education (ii) Experience (iii) Training (iv) Judgement (v) Initiative (vi) Creativity
6.	Job description helps in, (i) Job grading and classification. (ii) Employee orientation and placement (iii) Promotions and transfers	6.	Job specification helps in, (i) Personal planning (ii) Performance appraisal (iii) Hiring (iv) Training and development

**Q16. What are the steps involved in the job analysis process.**

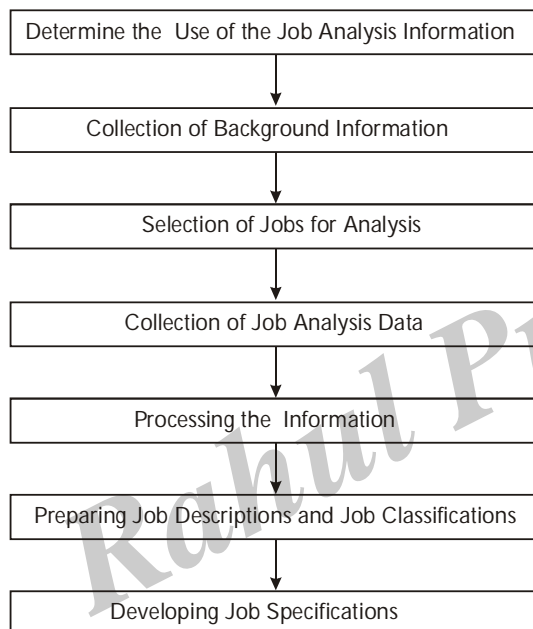
*Ans :*

**Process of Job Analysis**

Following are the important steps in the process of job analysis:

**1. Determine the Use of the Job Analysis Information**

Start by identifying the use to which the information will be put, since this will determine the type of data you collect and the technique you use to collect them.



**Fig.: Process of Job Analysis**

**2. Collection of Background Information**

According to Terry, "The make-up of a job, its relation to other jobs, and its requirements for competent performance are essential information needed for a job evaluation. This information can be had by reviewing available background information such as organization charts and the existing job descriptions.

**3. Selection of Jobs for Analysis**

Job analysis is a costly and time consuming process. Hence, it is necessary to select a representative sample of jobs for the purposes

of analysis. Priorities of various jobs can also be determined.

**4. Collection of Job Analysis Data**

Job data on features of the job, required employee qualification and requirements, should be collected either from the employees who actually perform a job; or from other employees who watch the workers, or from the outside persons.

**5. Processing the Information**

Once job analysis information has been collected, the next step is to place it in a form that will make it useful to those charged with the various personnel functions.

**6. Preparing Job Descriptions and Job Classifications**

Job information which has been collected must be processed to prepare the job description form. It is a statement showing full details of the activities of the job. Separate job description forms may be used for various activities in the job and may be compiled later on. The job analysis is made with the help of these description forms. These forms may be used as reference for the future.

**7. Developing Job Specifications**

Job specifications are also prepared on the basis of information collected. It is a statement of minimum acceptable qualities of the person to be placed on the job. It specifies the standard by which the qualities of the person are measured.

**Q17. Explain different methods of collecting information about job analysis.**

(OR)

**Describe various methods of job analysis.**

*Ans :*

(Dec.-17)

Job analysis is dependent on job data. Earlier job-related data was collected by the methods of observation and by interviews. In recent years questionnaires, checklists, diaries, critical incident method, personnel records, technical conferences etc., are used for collecting job-related data.

Each method is described below.

### 1. Observation

Under this method, the data is collected through directly observing the employee while at work the task performed, speed of performing activities, working conditions, the dangers involved, etc. The information thus obtained is documented in a standard format. This is the most suitable method for getting firsthand information related to the job. This method best fits for jobs consisting of primarily observable physical ability, short job cycle activities like draftsman, mechanic, spinner, weaver, etc. The criticisms on the part of this method are that this method is time consuming and is not suitable for jobs that involve unobservable mental activities.

### 2. Interviews

In this method the job analyst collects the job related information through personal interviews. Job related information can be obtained by conducting two types of interviews (i) with job holder(s) doing the same job (ii) with supervisors having thorough knowledge about the job. The data is collected and compared using a standard format wherein the interviewer asks job related questions. This method (Interviewing) is suitable for the jobs where data can't be collected through direct observation. However, interview is used as a supplement to observation method. The drawbacks of this method are it is time-consuming and costly and there are less chances of getting accurate information if the rapport between the analyst and employee is not good.

### 3. Questionnaire (or) Survey Method

In this method job-related data is obtained by giving questionnaire to the employees. The questionnaire may relate to task or behaviour with dimensions like frequency, significance, difficulty and relationship with overall performance. The data thus obtained is sorted out and the relevant conclusions are drawn. Some standard questionnaires used for the purpose of job analysis are FJA (Functional Job Analysis), PAQ (Position Analysis

Questionnaire), JAIF (Job Analysis Information Format).

This method (questionnaire) provides comprehensive information about a job and enables to cover large number of job holders in the shortest time. But getting answers may consume lot of time and it is costly to frame standardized questions. This method is also criticized on the grounds that when questionnaire is supplied, direct rapport between analyst and employee is not possible which may result in lack of cooperation and motivation.

### 4. Checklists

The checklist method of collecting job related data is similar to that of questionnaire but the difference being, it contains few subjective questions in the form of 'Yes' or 'No'. Checklist is prepared on the basis of the information obtained from different sources such as supervisors, subordinates, industrial engineers and other people who are familiar to the job. The checklist consists of-list of the tasks performed, amount of time spent on each task, type of training and experience required to do the task. The data thus obtained is tabulated to obtain job related data.

Like questionnaire, this method is suitable for large organizations consisting of number of workers performing similar kind of activity and may lack it's importance in small organizations in the matters of cost.

### 5. Diaries/Log Records

In this method each individual employee is given a diary and asked to maintain the activities done by him each day. If judicial information is provided by employee, accurate and comprehensive information about job is tamed. This method is time consuming, as recording of activities may spread over several days. One more disadvantage is that it does not give any information about superior -subordinate relationship, equipments/machinery used. Prevailing working conditions.

**6. Critical Incident Method**

This method is used for the purpose of gathering data for assisting recruitment and selection decisions. This method is based on the employees past experience, from where both successful and unsuccessful job behaviours are collected and the data thus collected is analyzed and classified accordingly, which gives a clear picture of actual job requirements.

This method is especially useful for the purpose of scientific analysis and selection research. However, this method is time-consuming and analyst requires a high skill to analyze the data.

**7. Technical Conference**

In this method, a conference is arranged for the supervisors possessing considerable knowledge about the job. They discuss on various aspects of the job and the job analyst gather the required information. This method consumes less time but suffers with a drawback that it lacks accuracy and authenticity as the actual employee is not involved.

From the above methods, it is observed that no single method is complete and perfect. Therefore, the best data related to a job is obtained by a combination of all the methods.

**Q18. What are the benefits and limitations of job analysis.**

*Ans :*

**Benefits****1. Employment**

Job analysis serves as a guide in every phase of employment process. Manpower Planning, Recruitment and Selection, Orientation and Placement, Performance Appraisal by providing job-related information.

**(a) Manpower Planning**

Job related information obtained through job analysis serves in estimating the quantity and quality of the personnel required.

**(b) Recruitment and Selection**

Job analysis information guides the recruitment and selection of employees. It facilitates to match right people for the job by providing adequate information about the jobs to be staffed.

**(c) Placement and Orientation**

As the job analysis provides the information about the qualities and qualifications required for a job, management finds it easy in placing right person in the right job and also conducting orientation programmes.

**(d) Performance Appraisal**

Performance appraisal includes comparison of the actual performance with standard/required performance. Job analysis helps in establishing the standards and appraising the work done in achieving these standards. For this purpose, job description guides in defining the areas of establishing standards.

**2. Organizational Audit**

Job-related information obtained by job analysis helps in conducting organizational audit by providing information about poor organizing in terms of factors affecting job design.

**3. Training and Development**

Job analysis by revealing the information about the knowledge, skills and abilities required for performing the job helps the management in designing the training programmes to meet the job requirements. Even employee development programmes such as job rotation, job enrichment, job enlargement etc., are based on the job analysis only.

**4. Career Planning and Counselling**

Job related information facilitates the career planning and counselling programmes by providing future prospects for moving along career paths, vocational guidance and rehabilitation.

**5. Job Design and Job Evaluation**

The information obtained from job analysis helps in designing the job by suggesting the changes or improvements in the existing design and job evaluation by classifying the jobs and by deciding the salary structure.

**6. Health and Safety**

Job analysis facilitates the management in identifying the hazardous (dangerous) working conditions such as heat, noise, dust etc., and taking corrective measures to minimize them.

**7. Developing Human Resource Information System:**

HRIS is a computerised system that aids the processing of information relating to Human Resource Management. HRIS helps in improving administrative efficiency and guides decision-making. Job analysis forms the basis for developing HRIS by providing information relevant to the employees working in the organization.

**8. Industrial Relations**

The statement of job description acts as a standard in settling the industrial disputes and maintaining harmonious industrial relations as it contains the duties and responsibilities of a job. So, both management and workers can't violate the job description statement.

**Limitations**

The following are the few limitations of job analysis:

**1. Limited Scope**

Job analysis has limited scope as it only considers the job related aspects without providing any space for the social or psychological needs of the employees.

**2. Lack of Top Management Support**

Most of the organizations, lack support and assistance from the top management. Even sometimes it may not be properly communicated to the employees that their

complete dedication and contribution is required for making the entire process of the job analysis a successful task.

**3. Lack of Training**

Usually, Employees are not trained and motivated properly which makes the entire process of job analysis an ineffective one, as the effectiveness of the process of job analysis depends upon the data collected for the process. Hence, accurate data must be generated.

The best source of collecting data is from the job holders as they may be well versed with the nature, type, duties and responsibilities of a job. For this training must be provided to them for producing quality data for a process.

**4. Problem of Choice**

As, there are many methods of job analysis, it may be difficult for an organization to choose the best one. Even, the equal opportunity commission does not specify a particular method to be followed. For accurate collection of data, a combination of methods must be employed instead of depending on only one sourcing method.

**5. Intentional Distortion of Data**

If employees are not aware of the importance of data collection/generation for a process, they may provide incorrect and distorted data. Example, certain employees pretend to show that as if they are working seriously (even though they are not), if they came to know that they are being watched.

**2.3 JOB DESIGN**

**Q19. What is Job Design ? State the Objectives of Job Design.**

*Ans :* (Dec-18)

**Introduction**

The term 'job design' refers to the way the tasks are combined to form a complete job. It can be defined as building the specifications of the position, contents, method, and relationships of the

job so as to meet with various technological and organizational requirements as well as meet the personal needs of job holders.

Job design is the process of structuring work and designating the specific activities at individual or group levels.

### Definitions

- i) **According to Michael Armstrong**, "Job design is the process of deciding on the contents of a job in terms of its duties and responsibilities, on the methods to be used in carrying-out the job, in terms of techniques, systems, and procedures, and on the relationships that should exist between the job holder and his superior subordinates and colleagues".
- ii) **According to Davis**, "Job design is the specification of the content, methods and relationships of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder".

### Objectives

The three main objectives that a manager tries to realize in specifying jobs are:

#### 1. Technical Feasibility

A job is a set of tasks or duties assigned to be performed. The person who holds the job must be capable of performing the assignment with the equipment and systems available and the job must take the necessary transformation of inputs into outputs. A job must not be beyond the reasonable limits of a person's skills or physical and mental endurance. Proper selection of process and equipment as well as proper training of employees helps ensure technical feasibility.

#### 2. Economic Feasibility

The cost of performing the job should not be too High. Since many businesses must perform in a competitive environment, they are subject to some pressure, to keep prices at reasonable levels.

#### 3. Behavioral Feasibility

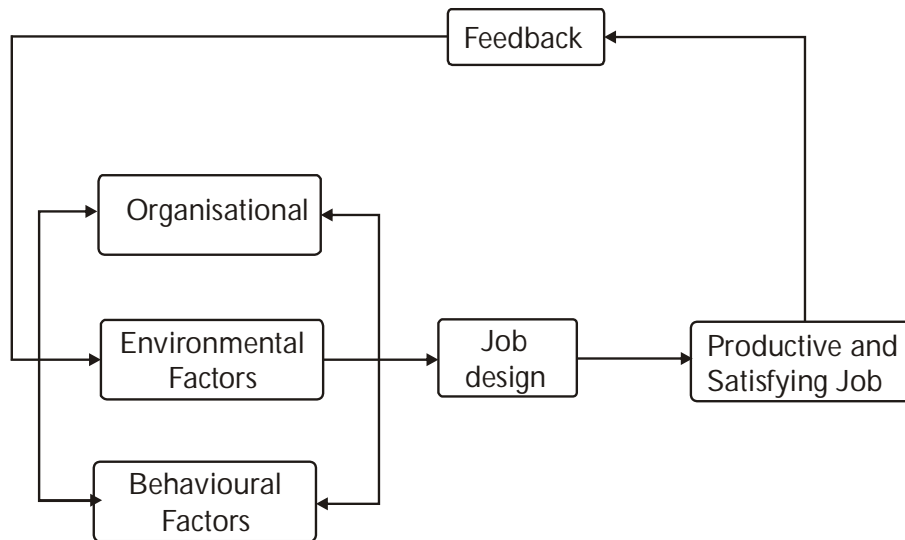
Some characteristic of a job may affect the jobholder's perception of themselves, their perception of others and their relationships with others. The feelings that people desire from a job affect their motivation to perform it. Informal organizations or work groups have a large impact on the effectiveness of an organization. Attitudes are contagious and peer relations or peer pressure may be responsible for many of the motivational reactions of the workers.

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### Q20. Bring out the factors affecting job design.

*Ans :*

Job design is affected by organizational, environmental, and behavioural factors. A properly designed job Will make it productive and satisfying. If a job fails on this count, the fault lies with the job designers who, based on the feedback, must redesign the job see Fig. We now propose to elaborate the various factors affecting job design. Figure probably fails to capture the considerations that motivate Sudhir, Joe, Ming Mei and Jonelle to work on extreme jobs (see Opening Case).



### (A) Organizational Factors

Organizational factors include characteristics of task, work flow, ergonomics, and work practices.

#### (i) Task

Job design requires the assembly of a number of tasks into a job or a group of jobs. An individual may carry out one main task which consists of a number of interrelated elements or functions. On the other hand, task functions may be split between a team working closely together or strung along an assembly line. In more complex jobs, individuals may carry out a variety of connected tasks, each with a number of functions, or these tasks may be allocated to a group of workers or divided between them. Complexity in a job may be a reflection of the number and variety of tasks to be carried out, or the range and scope of the decisions that have to be made, or the difficulty of predicting the outcome of decisions.

The internal structure of each task consists of three elements:

- (i) planning (deciding the course of action, timing and the resources required),
- (ii) executing (carrying out the plan), and
- (iii) controlling (monitoring performance and taking corrective action when required).

A completely integrated job will include all these elements for each of the tasks involved. The worker (or group of workers) having been given objectives in terms of output, quality and cost targets, decides on how the work is to be done, assembles the resources, performs the work, and monitors output, quality and cost standards. Responsibility in a job is measured by the amount of authority someone has to put to do all these things. The ideal job design is to integrate all the three elements.

#### (ii) Work Flow

The flow of work in a firm is strongly influenced by the nature of the product or service. The product or service usually suggests the sequence and balance between jobs if the work is to be done efficiently. For example, the frame of a car must be built before the fenders, and the doors can be added later. After the sequence of jobs is determined, the balance between jobs is established.

**(iii) Ergonomics**

Ergonomics is concerned with designing and shaping jobs to fit the physical abilities and characteristics of individuals so that they can perform their jobs effectively. Ergonomics helps employers to design jobs in such a way that workers' physical abilities and job demands are balanced. Ergonomics does not alter the nature of job tasks but the location of tools, switches and other facilities, keeping in view that the handling the job is the primary consideration.

**(iv) Work Practices**

Work practices are set ways of performing works. These methods may arise from tradition or the collective wishes of employees. Either way, the HR department's flexibility to design jobs is limited, especially when such practices are part of a union-management relationship. Failure to consider work practices can have undesirable outcomes.

**(B) Environmental Factors**

Environmental elements affect all activities of HRM, and job design is no exception. The external factors that have a bearing on job design are employee abilities and availability, and social and cultural expectations.

**(i) Employee Abilities and Availability**

Efficiency consideration must be balanced against the abilities and availability of the people who are to do the work. When Henry Ford made use of the assembly line, for example, he was aware that most potential workers lacked any automobile-making experience. So jobs were designed simple and required little training. Therefore, considerable thought must be given as to who will actually do the work.

**(ii) Social and Cultural Expectations**

There were days when getting a job was the primary consideration. The worker

was prepared to work on any job and under any working conditions. Not any more. Literacy, knowledge and awareness among workers have improved considerably, so also their expectations from jobs. Hence jobs must be designed to meet the expectations of workers.

**(C) Behavioural Factors**

Behavioural factors have to do with human needs and the necessity to satisfy them. Higher-level needs are more significant in this context. Individuals inspired by higher-level needs find jobs challenging and satisfying which are high on the following dimensions:

**(i) Feedback**

Individuals need to receive meaningful feedback about their performance, preferably by evaluating their own performance and defining the feedback. This implies that they need to ideally work on a complete product or on a significant part of it.

**(ii) Autonomy**

Autonomy is being responsible for what one does. It is the freedom to control one's responses to the environment. Jobs that give workers authority to make decisions will provide added responsibilities, which tend to increase the employee's sense of recognition and self-esteem. The absence of autonomy, on the other hand, can cause employee apathy or poor performance.

**(iii) Use of Abilities**

The job must be perceived by individuals as requiring them to use abilities they value in order to perform the job effectively.

**(iv) Variety**

Lack of variety may cause boredom. Boredom, in turn, leads to fatigue and fatigue causes mistakes. By injecting variety into jobs, personnel specialists can reduce errors caused by fatigue.



**Q21. Explain the process of job design.**

*Ans :*

For efficient performance of any task, a good job is quite essential. Job design is the logical sequence of job analysis. The job design process consists of the following steps:

**1. Identification of Task**

The first step of the process of job design is to identify the tasks to be accomplished by specifying the different skills and abilities, knowledge that are required by the incumbent employee to accomplish them successfully within a specified span of time.

**2. Consideration of Individual and Team Needs**

It's very important to consider the wants and needs of individuals. According to Richard Hackman, job characteristic models states that employees would be more satisfied and motivated to work if their jobs contain certain core characteristics. As such, attention should be given to include elements like skills variety, task identity, functional autonomy etc., while designing the job. The job design must be flexible enough to be enriched to keep the employees motivated.

Similarly, job designed for teams must provide the team with required freedom to nurture the creativity of all its members. Examples of team design techniques include 'employee teams' and 'employee involvement groups'.

**3. Job Description and Comparison**

Finally, job description must be done. This gives information about the functions, duties, responsibilities and operations which an employee needs to perform. Finally, the job design is compared with other jobs keeping in mind the working conditions and career opportunities for the job designed.

**Q22. Explain the various approaches of job design.**

(OR)

**What are the approaches to job design?**

(OR)

**Explain various methods of job design.**

(OR)

**Explain the approaches of the job design in an organization.**

*Ans :*

(Dec-18, Imp)

**1. Job Rotation**

Job rotation means moving employees from one job to another without any change in the job. In case of job rotation, an employee change to another job, but of similar job skill requirement to reduce boredom.

**Advantages**

- (i) It improves employees skills and knowledge
- (ii) For changing jobs employees can be more competent than performing only one job.

**Disadvantages**

- (i) Frequent change of employees from one to another causes interruption in the job.
- (ii) Employee may feel irritated with job rotation.
- (iii) As job rotation involves training, cost increases.

**2. Job Enlargement**

Job enlargement involves expansion of more tasks in to a job. By adding more tasks to job, enlargement will expand and gives different tasks to the job holders. Job enlargement reduces monotony by providing the employee more tasks in the job. It helps to increase the interest of employee's in work and workers found benefits such as more satisfaction and less errors. Even in the job enlargement, the job could become bore sometimes when the job was already existed.

### 3. Job Enrichment

Job enrichment has become a popular concept. It means designing, motivating jobs to make it more rewarding. Nowadays workers are better educated and getting high pay on their better performance.

By adding motivating factors to job, the job adds more responsibility and freedom to do it. Job enrichment is a type of improvement in the job which gives worker more responsibility, more opportunity for growth and more chances to contribute his ideas.

#### 2.3.1 Job Rotation

**Q23. Define job rotation. What are the advantages and disadvantages of Job Rotation.**

*Ans :* (Dec.-20, May-18)

Job rotation refers to moving employees from job to job to add variety and reduce boredom by allowing them to perform a variety of tasks. When an activity is no longer challenging, the employee would be moved to another job at the same level that has similar skill requirements. It reduces boredom and disinterest through diversifying the employee's activities. Employees with a wider range of skills give the management more flexibility in scheduling work, adapting to changes and filling vacancies. Job rotation also has its drawbacks. Training costs are increased, work is disrupted as rotated employees take time to adjust to a new set-up, and it can demotivate intelligent and ambitious trainees who seek specific responsibilities in their chosen speciality. According to Herzberg, job rotation is merely "substituting one zero for another zero".

#### Advantages

##### 1. Avoids monopoly

Job rotation helps to avoid monopoly of job and enable the employee to learn new things and therefore enjoy his job

##### 2. Provides an opportunity to broaden one's knowledge

Due to job rotation the person is able to learn different job in the organization this broadens his knowledge.

### 3. Avoiding fraudulent practice

In an organization like bank jobs rotation is undertaken to prevent employees from doing any kind of fraud i.e. if a person is handling a particular job for a very long time he will be able to find loopholes in the system and use them for his benefit and indulge (participate) in fraudulent practices job rotation avoids this.

#### Disadvantages

##### 1. Frequent interruption

Job rotation results in frequent interruption of work .A person who is doing a particular job and get it comfortable suddenly finds himself shifted to another job or department .this interrupts the work in both the departments.

##### 2. Reduces uniformity in quality

Quality of work done by a trained worker is different from that of a new worker when a new worker shifted or rotated in the department, he takes time to learn the new job, makes mistakes in the process and affects the quality of the job.

##### 3. Misunderstanding with the union member

Sometimes job rotation may lead to misunderstanding with members of the union. The union might think that employees are being harassed and more work is being taken from them. In reality this is not the case.

#### 2.3.2 Job Enlargement

**Q24. Describe briefly about Job enlargement.**

*Ans :* (July-21, Dec.-20, May-18)

Job enlargement refers to the expansion of the number of different tasks performed by an employee in a single job. For example, an auto mechanic undergoes job enlargement when he switches from only changing oil to changing oil, greasing and changing transmission fluid. Job enlargement attempts to add somewhat similar tasks to the existing job so that it has more variety and be more interesting.

The job enlargement approach to job design has been criticized as well as appreciated.

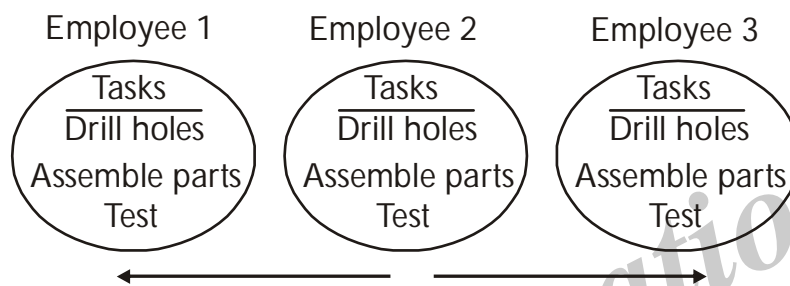
An enlarged job can motivate an individual for five reasons:

**(a) Task Variety**

Highly fragmented jobs requiring a limited number of unchanging responses tend to be extremely monotonous. Increasing the number of tasks to be performed can reduce the level of boredom.

**(b) Meaningful Work Modules**

Frequently, jobs are enlarged so that one worker completes a whole unit of work, or at least a major portion of it. This tends to increase satisfaction by allowing workers to appreciate their contribution to the entire project or product.



**(c) Ability Utilization**

Workers derive greater satisfaction from jobs that utilize their physical and mental skills and abilities better. Enlarged jobs tend to fulfill this condition. However, management must be careful not to enlarge jobs too much, because jobs that require more skills and ability than the worker possesses lead to frustration and present obstacles to task accomplishment. Enlarged jobs with optimal levels of complexity, on the other hand, create tasks that are challenging but attainable.

**(d) Worker-paced Control**

Job enlargement schemes often move a worker from a machine-paced production line to a job in which the worker paces himself/herself. Workers feel less fatigued and are likely to enjoy their work more if they can vary the rhythm and work at their own pace.

**(e) Performance Feedback**

Workers performing narrow jobs with short performance cycles repeat the same set of motions endlessly, without a meaningful end point. As a result, it is difficult to count the number of completed performance cycles. Even if they are counted the feedback tends to be meaning-less. Enlarged jobs allow for more meaningful feedback and can be particularly motivating if they are linked to evaluation and organizational rewards.

**Q25. What are the advantages and disadvantages of job enlargement.**

*Ans :*

**Advantages**

➤ **Variety of skills**

Job enlargement helps the organization to improve and increase the skills of the employee due to organization as well as the individual benefit.

➤ **Improves earning capacity**

Due to job enlargement the person learns many new activities. When such people apply for jobs to other companies they can bargain for more salary.

➤ **Wide range of activities**

Job enlargement provides wide range of activities for employees. Since a single employee handles multiple activities the company can try and reduce the number of employees. This reduces the salary bill for the company.

**Disadvantages**

➤ **Increases work burden**

Job enlargement increases the work of the employee and not every company provides incentives and extra salary for extra work. Therefore the efforts of the individual may remain unrecognized.

➤ **Increasing frustration of the employee**

In many cases employees end up being frustrated because increased activities do not result in increased salaries.

➤ **Problem with union members**

Many union members may misunderstand job enlargement as exploitation of worker and may take objection to it.

### 2.3.3 Job Enrichment

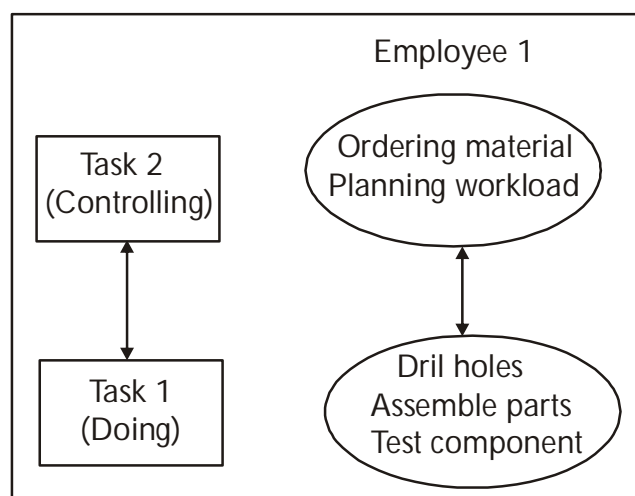
**Q26. What is job enrichment. Explain the characteristics of an enriched job.**

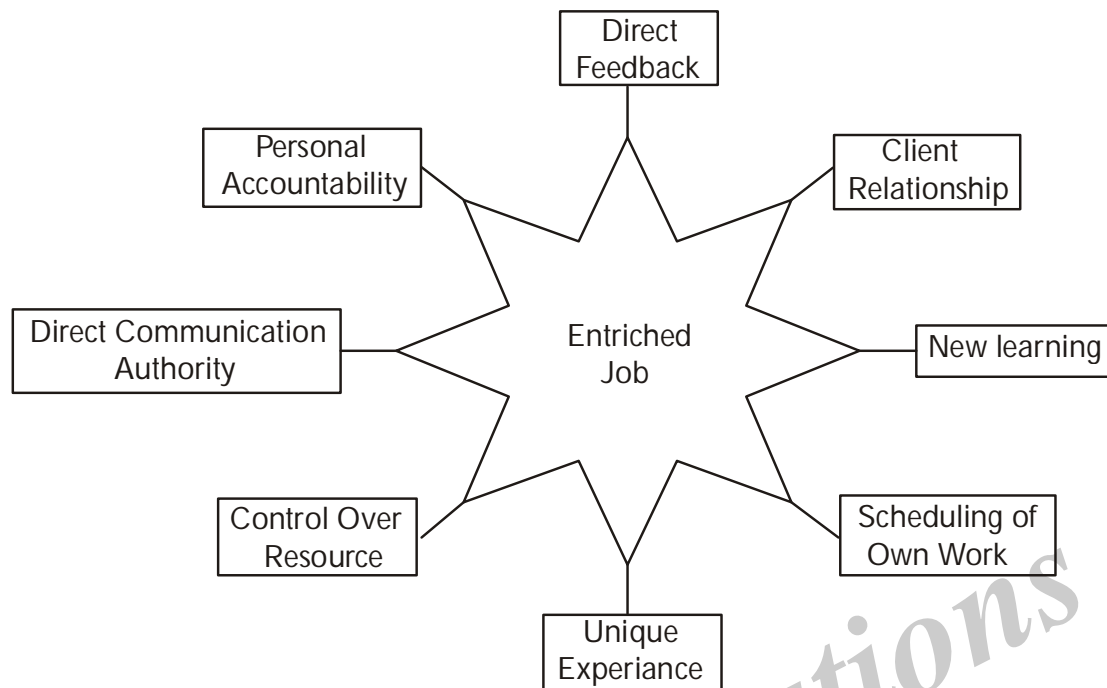
*Ans :*

(July-21, Dec.-20)

Job Enrichment First coined by Herzberg in his famous research with motivators and maintenance factors, job enrichment has become a popular concept. It simply means adding a few more motivators to a job to make it more rewarding. To be specific, a job is enriched when the nature of the job is exciting, challenging and creative, or gives the job holder more decision-making, planning and controlling powers.

According to Herzberg, an enriched job has eight characteristics. These features are discussed below and illustrated in Fig.





**Fig.: Characteristics of an Enriched Job**

**(a) Direct Feedback**

Employees should be able to get immediate knowledge of the results they are achieving. The evaluation of performance can be built into the job (as in an electronic spell-checker indicating the presence or absence of errors) or provided by a supervisor.

**(b) Client Relationship**

An employee who serves a client or customer directly has an enriched job. The client can be outside the firm (such as a mechanic dealing with a car owner) or inside (such as a computer operator executing a job for another department).

**(c) New Learning**

An enriched job allows its incumbent to feel that he is growing intellectually. An assistant who clips relevant newspaper articles for his or her boss is, therefore, doing an enriched job.

**(d) Scheduling Own Work**

Freedom to schedule one's own work contributes to enrichment. Deciding when to tackle which assignment is an example of self-scheduling. Employees who perform creative work have more opportunity to schedule their assignments than those who perform routine jobs.

**(e) Unique Experience**

An enriched job has some unique qualities or features, such as a quality controller visiting a supplier.

**(f) Control Over Resources**

One approach to job enrichment is for each employee to have control over his or her resources and expenses. For example, he or she must have the authority to order supplies necessary for completing his job.

**(g) Direct Communication Authority**

An enriched job allows the worker to communicate directly with people who use his or her output, such as a quality assurance manager handling a customer's complaints about quality.

**(h) Personal Accountability**

An enriched job holds the incumbent responsible for the results. He or she receives praise for good work and blame for poor work.

**Q27. What are the advantages and disadvantages of Job Enrichment.**

*Ans :*

**Advantages****1. Interesting and challenging job**

When a certain amount of power is given to employees it makes the job more challenging for them, we can say that job enrichment is a method of employee empowerment.

**2. Improves decision making**

Through job enrichment we can improve the decision making ability of the employee by asking him to decide

**3. Action speaks of these higher order needs**

e.g. Ego and esteemed needs, self-actualization etc. These needs can be achieved through job enrichment.

**4. Reduces work load of superiors**

Job enrichment reduces the work load of senior staff. When decisions are taken by juniors the seniors work load is reduced.

**Disadvantages**

1. Job enrichment is based on the assumptions that workers have complete knowledge to take decisions and they have the right attitude. In reality this might not be the case due to which there can be problems in working.
2. Job enrichment has negative implications i.e.. Along with usual work decision making work is also given to the employees and not many may be comfortable with this.

3. Superiors may feel that power is being taken away from them and given to the junior's. This might lead to ego problems.
4. This method will only work in certain situations. Some jobs already give a lot of freedom and responsibility this method will not work for such jobs.
5. Some people are internally dissatisfied with the organization. For such people no amount of job enrichment can solve the problem.

**Q28. What are the differences between job enlargement and job enrichment.**

*Ans :*

Job enlargement and job enrichment are two techniques of job design in order to enhance productivity and satisfaction of the employees. However, they differ from each other in the following respects:

**1. Nature of Job**

The major difference between job enrichment and enlargement lies in the nature of additions to the job. Enlargement involves a horizontal loading or expansion, or addition of tasks of the same nature. Enrichment involves vertical loading of tasks and responsibility of the job holder; it improves the quality of the job in terms of its intrinsic worth.

**2. Purpose**

The purpose of job enlargement is to reduce the monotony in performing repetitive jobs by lengthening the cycle of operation. On the other hand, the purpose of job enrichment is making the job lively, challenging and satisfying. It satisfies the higher level needs such as ego satisfaction, self expression, sense of achievement and advancement of Job holders.

**3. Skill Requirement**

Job enlargement may not necessarily require the use of additional skills which the job holder was using in performing the job before the enlargement. This is due to similarity of additional tasks. Enrichment calls for

development and utilization of higher skills, initiative, and innovation on the part of the job holder in performing the job.

#### 4. Direction and Control

Job enlargement requires direction and control from external sources, say supervisor. In fact, the job holder may require more direction and control because of enlargement of his responsibility. Enrichment does not require external direction and control as these come from the job holder himself. He requires only feedback from his supervisor.

### 2.4 JOB - RESTRUCTURING

**Q29. Explain briefly about Job Restructuring.**

*Ans :* (Dec-17)

Job restructuring occurs when your employer changes the nature and functions of your position. This can include horizontal restructuring, that your current job requirements are modified to include some new tasks performed in other jobs on the same level.

Vertical restructuring is the term used when your position takes on responsibilities and tasks previously performed at higher levels.

#### 1. Company Reorganization

A job restructuring may be part of a broader company reorganization. In this case a company may lay off a number of workers, shut down departments, eliminate certain activities and processes or shift the nature of work within the organization. In these circumstances your job restructuring may result from changes in the department in which your position functions, or the addition of more vertical responsibilities associated from reduction in layers of management or workers.

#### 2. Reasonable Accommodation

A common reason companies restructure jobs is to meet their requirements to make reasonable accommodations for disabled workers. If a certain job requires lots of movement around the office, for instance,

the company can restructure a position for someone with a physical disability that inhibits effective mobility. The job might then entail more phone and electronic communication or other duties the worker can perform from his desk area. Typically, reasonable accommodations include marginal or less critical job functions, as opposed to a major overhaul of a position

#### 3. Employee Satisfaction

In some cases, employers restructure jobs simply for the benefit of the employee. An employee who is unmotivated because of routine, repetitive work may be allowed to take on other tasks previously performed by other positions. Some companies allow employees to have a position that balances a certain amount of time in a number of departments. For instance, a company may allow a worker to spend 30 hours a week in an operations or human resources position and other 10 hours participating on a diversity council or volunteer committee.

### 2.5 JOB EVALUATION

**Q30. Define Job Evaluation. Explain the objectives of Job Evaluation.**

*Ans :* (July-21, May-18, Imp.)

#### Meaning

Job Evaluation is a system where in a particular job of an enterprise is compared with its other jobs. In the present industrial era, there are different types of jobs which are performed in every business and industrial enterprise. Comparative study of these jobs is very essential because on the basis of such study the structure of wages for different types of jobs is prepared. The comparison of jobs may be made on the basis of different factors such as duties, responsibilities, working conditions, efforts, etc. In nut shell, it may be said that job evaluation is a process in which a particular job of a business and industrial enterprise is compared with other jobs of the enterprise.

**Definitions**

i) **According to Kimball and Kimball** define job evaluation as "an effort to determine the relative value of every job in a plant to determine what the fair basic wage for such a job should be."

ii) **According to Wendell French**, job evaluation is a process of determining the relative worth of the various jobs within the organization, so that differential wages may be paid to jobs of different worth.

The relative worth of a job means relative value produced.

We may define job evaluation as a process of analyzing and describing positions, grouping them and determining their relative value of comparing the duties of different position in terms of their different responsibilities and other requirements.

**Objectives of Job Evaluation**

The following are the objectives of job evaluation:

- (i) To secure and maintain complete, accurate and impersonal descriptions of each distinct job or occupation in the entire plant;
- (ii) To provide a standard procedure for determining the relative worth of each job in a plant;
- (iii) To determine the rate of pay for each job which is fair and equitable with relation to other jobs in the plant, community or industry?
- (iv) To ensure that like wages are paid to all qualified employees for like work;
- (v) To promote a fair and accurate consideration of all employees for advancement and transfer;
- (vi) To provide a factual basis for the consideration of wage rates for similar jobs in a community and industry.

**Q31. State the various principles of Job Evaluation.**

*Ans :*

There are certain broad principles, which should be kept in mind before putting the job evaluation program into practice. These principles are :

- (i) Rate the job and not the man. Each element should be rated on the basis of what the job itself requires.
- (ii) The elements selected for, rating purposes should be easily explainable in terms and as few in number as will cover the necessary requisites for every job without any overlapping.
- (iii) The elements should be clearly defined and properly selected.
- (iv) Any job rating plan must be sold to foremen and employees. The success in selling it will depend on a clear-cut explanation and illustration of the plan.
- (v) Foremen should participate in the rating of jobs in their own departments.
- (vi) Maximum co-operation can be obtained from employees when they themselves have an opportunity to discuss job ratings.
- (vii) In talking to foremen and employees, any discussion of money value should be avoided. Only point values and degrees of each element should be discussed.
- (viii) Too many occupational wages should not be established. It would be unwise to adopt an occupational wage for each total of point values.

**Q32. Explain the advantages of Job Evaluation.**

*Ans :*

(May-18)

**Advantages**

Job evaluation enjoys the following advantages:

- (i) Job evaluation is a logical and to some extent an objective method of ranking jobs relative to one another. It may help in removing



inequalities in existing wage structures and in maintaining sound and consistent wage differentials a plant or industry.

- (ii) In the case of new jobs, the method often facilitates fitting them into the existing wage structure.
- (iii) The method helps in removing grievances arising out of relative wages; and it improves labour management relations.
- (iv) The method replaces the many accidental factors, occurring in less systematic procedures, of wage bargaining by more impersonal and objective standards, thus establishing a clear basis for negotiations.
- (v) The method may lead to greater uniformity in wage rates, thus simplifying wage administration.
- (vi) The information collected in the process of job description and analysis may also be used for the improvement of selection, transfer and promotion procedures on the basis of comparative job requirements.
- (vii) Such information also reveals that workers are engaged on jobs requiring less skill and other qualities than they possess, thereby pointing to the possibility of making more efficient use of the plant's labour force.

**Q33. Explain the methods of Job Evaluation.**

(or)

**What are the techniques of Job Evaluation.**

*Ans :*

(Imp)

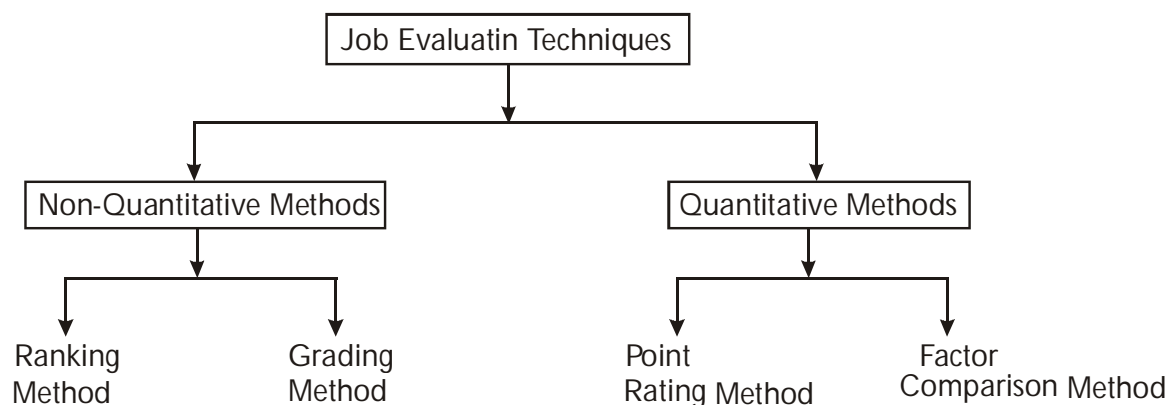
The job evaluation methods are classified into two broad Categories.

1. Non-quantitative Methods/Qualitative Method
2. Quantitative Methods.

**1. Non-quantitative Methods/Qualitative Methods**

Non-quantitative methods are also called as non-analytical (or) summary systems. They are simple and utilize non-quantitative techniques for listing the jobs in order of their difficulty. These include two methods namely,

- (a) Ranking method/Job comparison method
- (b) Grading method/Job classification method.



**(a) Ranking Method**

Ranking method involves comparison of each job as a whole with other jobs and arranging them in the order of their importance from highest to lowest. The ranking criteria involves judging the duties, responsibilities and demands on the job holder.

Three different techniques are available for ranking the jobs. The techniques are,

**(i) Job Description**

In this, a written job description for every job is prepared and analyzed. The jobs are divided on the basis of duties, responsibilities, skill requirements etc., and are ranked depending upon significance. Many raters independently rank each job. The average of all these ratings give the final ranking. The following table is used to determine the ranks.

**Example**

Job	Rater 1	Rater 2	Rater 3	Rater 4	Average
A					
B					
C					
D					

Job description method is used when there are only a few jobs. This technique does not hold for large organizations where there are large number of jobs.

**(ii) Paired Comparison**

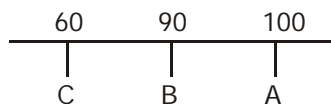
In this method, each job is paired with every job in the series and the more difficult job in each pair is identified. Ranks are assigned on the basis of number of times a job is rated more difficult. The below table is an example of paired comparison method.

**Example**

Pair	More Difficult job	Rank
A B COO – System Administrator	A COO	1
B C HR Manager - Editor	B HR Manager	2
A C COO – Editor	A COO	
D E Content Writer - Receptionist	C Content Writer	3
B E HR Manager - Receptionist	B HR Manager	
A E COO – Receptionist	A COO	

**(iii) Ranking along a Number Line**

In this method, the ranks obtained through job description and paired comparisons are taken along a number line. The jobs are placed on the line on the basis of the closeness to the job that is ranked highest. The following is an example obtained by combining the above two examples.

**Merits**

The following are the advantages of ranking method.

- It is the simplest and the oldest method.
- It is economical to be adopted and consumes less time.
- There is no wastage of material and involves less paper work.

**Demerits**

The demerits of ranking method are,

- Ranking method just reveals the importance of one job from the other but does not specify the degree of difference between the jobs.
- It involves subjective judgement and therefore it is less accurate and not fully reliable.
- The rater should be familiar with all the jobs to be rated.

**(b) Grading Method**

This method is also called as 'Job Classification Method'. This method involves the following procedure,

- Developing job grades (or) job classes. A job grade is a group of different jobs requiring similar skills to perform.
- A written description is used to define each job grade.

- Classifying each job into an appropriate grade depending on the degree to which its characteristics match the grade definitions.

**Merits**

The grading method has the following advantages

- It is simple and easy to understand.
- It is more systematic and accurate when compared to ranking method.
- It is economical and best fits the small concerns.
- It simplifies wage administration.
- It facilitates in developing a systematic organizational structure.
- This method is practised in government offices.

**Demerits**

Though this method is advantageous, it has the following limitations.

- Writing an accurate and precise job grades description is very difficult.
- It is difficult to classify the jobs that involve tasks which overlap.
- It is a rigid system.

**2. Quantitative Methods**

These methods use quantitative techniques for listing the jobs. They are very complex and are time consuming. They are also called as analytical systems. These include two methods namely,

- (a) Point Rating Method
- (b) Factor Comparison Method.

**(a) Point Rating Method**

This is the most commonly used technique of job evaluation. In this method the jobs are divided into component factors and each factor is assigned some points/weights depending upon its importance in a particular job.

Thus, the total points obtained for a job gives its relative worth.

The following procedure is used for point rating method.

**(i) Selecting the Jobs to be Evaluated**

A large organization has many jobs involving different skills, efforts and working conditions. Therefore, a few representative jobs are selected from each category.

**(ii) Choosing the Factors**

In this stage, the selected jobs are analyzed and the factors common to all these jobs are identified. The factors selected for evaluation should be significant, measurable and acceptable to both workers and the management. The factors can also be divided into sub-factors.

**Example**

Skills are divided into sub-factors like education, experience, training, judgemental capability etc. Efforts are divided into physical and mental sub-factors.

**(iii) Defining the Factors**

The chosen factors and sub-factors are defined in the written form so that all the raters can interpret the factors in the same way.

**(iv) Determining the Degree of Each Factor**

The degrees for each factor are defined clearly. Same number of degrees should be used for each factor in all the jobs.

**(v) Determining the Value of Job Factors**

The relative value of a factor depends upon its significance/ importance in a given job. The

points for a particular factor are allocated depending on its sub-factors.

**(vi) Assigning Point Values to Degrees**

Point values for each degree are assigned on the basis of arithmetic progression.

**(vii) Determining the Point Value of the Job**

The total points of a job are obtained by adding the points allocated to each of its factors. The total points obtained to a job indicate its relative worth.

**(viii) Assigning the Money Value to each Job**

As the worth of a job is determined, it is connected to money values in relation with the existing wage rates.

Sequentially and effectively followed, above steps lead to the success of point rating method.

**Merits**

The following are the advantages of point rating method,

- It facilitates in determining system wage differentials according to job content.
- It is most comprehensive and accurate as factors are divided into sub-factors.
- It is most comprehensive and accurate as factors are divided into sub-factors.
- It reduces bias and human judgement as uniform point scores and money values are assigned.

**Demerits**

Though point rating is the most commonly used method, it suffers from the following limitations.

- It is complicated and therefore difficult for an average worker to understand it.
- It is expensive and time consuming.
- Managerial jobs can't be measured by using this technique.

**(b) Factor Comparison Method**

This method is a combination of ranking and point systems. All jobs are compared to each other for the purpose of determining their relative importance by selecting four or five major job elements or factors which are more or less common to all jobs. These elements are not predetermined. These are chosen on the basis of job analysis. The few factors which are customarily used are :

- (i) Mental requirements
- (ii) Skill
- (iii) Physical requirements
- (iv) Responsibilities
- (v) working conditions, etc. A few jobs are selected as key jobs which serve as standard against which all other jobs are compared. Key job is one whose contents have been stabilized over a period of time and whose wage rate is considered to be presently correct by the management and the union.

This method follows the following procedure,

**(i) Selecting and Defining the Factors**

Factors like skills, responsibilities, working conditions common to all the jobs are selected and defined clearly.

**(ii) Selecting the Key/Representative Jobs**

The key jobs in the organization are selected and they are used as standards for comparing other jobs.

**(iii) Ranking the Key Jobs by Factors**

The key jobs are carefully analyzed and are rated in terms of selected factors.

**(iv) Deciding the Key Job Rates**

Fair and equitable wage rates are determined.

**(v) Assigning the Wage Rate**

Allocating the wage rate for a job depending on identified and ranked factors.

**(vi) Comparing the Other Jobs**

The remaining jobs are compared with the key jobs in terms of each factor.

**Merits**

Factor comparison method serves the following advantages,

- (a) Relatively more analytical and objective method.
- (b) The chances of overlap are less because only few factors are utilized.
- (c) Logical procedure is involved.
- (d) It is flexible and has no upper limit for the rating of a factor.
- (e) More reliable and valid.
- (f) Fair money values are assigned.

**Demerits**

The disadvantages are,

- (a) It is expensive and time consuming.
- (b) It is difficult to understand and operate.

**Q34. Explain the limitations of job evaluation.**

*Ans :*

- (i) Though many ways of applying the job evaluation technique are available, rapid changes in technology and in the supply and demand of particular skills have given rise to problems of adjustment.
- (ii) Substantial differences exist between job factors and the factors emphasized in the market. These differences are wider in cases in which the average pay offered by a company is lower than that prevalent in other companies in the same industry or in the same geographical area.

- (iii) Job factors fluctuate because of changes in production technology, information system, and division of labour and such other factors. Therefore, the evaluation of a job today is made on the basis of job factors, and does not reflect the time job value in future. In other words, continuing attention and frequent evaluation of a job are essential.
- (iv) Higher rates of pay for some jobs at the earlier stages than other jobs or the evaluation of a job higher in the organizational hierarchy at a lower rate than another job relatively lower in the organizational hierarchy often give rise to human relations problems and lead to grievances among those holding these jobs.

**Q35. What is Reward Management.**

*Ans :*

The achievement and benefit received by employees for their job performance in an organization are known as reward. Employees join the organization within certain expectation of reward. Some may be expecting for better salary and wages i.e., economic rewards while other may be seeking for facilities like accommodation, transportation, health, safety and other benefits as reward. Thus, economic and non economic benefits provided by organization to employees for their job performance regardless of their expectation is known as reward. Employees must be communicated about the reward provision in an advance.

Matching the reward system with the level of performance for each job assigned in organization is known as reward management. To make effective reward management, an organization has to prepare an appropriate reward system. Attractive and transparent reward system must have quality to motivate and empower the dedicated and reliable employees. Reward management will also assist in planning the long term financial management.

**Q36. Discuss the advantages in establishing a reward structure.**

*Ans :*

(May-18)

**a) Employee Retention**

Total rewards systems map out ostensible paths for the entire career of an employee

based on a basic template created by a business for its specific program. When a small business hires an employee on a total rewards program, the business can show that employee the points at which bonuses, pay raises, increased vacation or paid sick time and increased benefits occur during the individual's career trajectory. Such a plan provides immediate incentive for employee retention by giving an employee a series of long-term projections and goals. This type of transparency also helps foster a healthy working relationship in small businesses by putting the managers and employees on equal footing when it comes to knowledge regarding career trajectories.

**b) Employee Performance**

Total rewards programs provide direct incentive for employee performance. These programs present ostensible career trajectories, though employees understand that certain aspects of these trajectories, including bonuses, only occur if employees meet certain performance standards. These programs also include aspects such as professional development, training and performance management that allow employees to develop new and special skills through education and training, thereby increasing an employee's knowledge of and ability to perform his job. Total reward systems include methods of employee performance monitoring for employers that allow employees input and create dialogue, all of which help foster a relationship of mutual input, which potentially leads to increased levels of professional respect and understanding.

**c) Controllable Expenses**

The long-term and complete scope of total rewards programs allows a small business to create relatively accurate estimates of how much money it spends on each employee over the course of a number of years. When a business creates a total rewards plan, it possesses the ability to create a matrix of expenditure that fits not only the finances of the program at its outset but also within the

parameters of the projected growth of the company as it builds. The cyclical nature of the program, which includes the four steps of design, execution, evaluation, assessment and back to design, allows for adjustments in expenditure in keeping with changes in company budget. As a company earns more money, it can filter more money to employees through raising pay, giving employees the perception of worth and thus encouraging employee longevity and performance.

**d) Program Administration**

Total rewards programs provide the advantage of centralized administration in all employee-related concerns, including benefits, pay and training. For business, and particularly small businesses, such a system of administration provides the advantage of a complete system through which to control all of these aspects. In other systems of compensation and rewards, health care administration occurs separately from pay, while pay bonuses and raises happen on a different schedule than training and development. In total rewards, all of these things occur on a single time line and can be overseen simultaneously.

## 2.6 RECRUITMENT

**Q37. Define Recruitment. What are the objectives of Recruitment.**

*Ans :* (Dec.-19, July-21)

**Meaning**

Recruitment constitutes an initial contact which an organization conducts with its employees. It acts as a means through which employees get to know about the organization. Depending on the nature of recruitment, employees decide whether to join an organization or not. Hence, every organization must create good response towards their job applicants. A good impression/good response can be generated only when the recruiting process is well planned and well managed.

Recruitment process also enables the organization to achieve a competitive advantage, as adoption of effective approach to recruitment

helps the organization to successfully complete scarce human resource.

Once the manpower requirements are determined through manpower planning, the process of recruitment begins. The functions of personnel recruitment is to discover the sources of manpower to match job requirement specifications and to attract a large number of prospective employees so that meaningful selection may be done as the success of an organization is depends upon the team of skilled and qualified workforce.

Recruitment means "the process of attracting, screening and hiring personnel". Important element of recruitment is recruitment policy. It states whether the recruitment is from within or from external agencies.

**Definitions**

**(i) According to Dale Yoder** "Recruitment is a process to discover the source of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting manpower in adequate numbers to facilitate effective selection of an efficient working force".

**(ii) According to Dale S. Beach** "Recruitment is the development and maintenance of adequate manpower resources. It involves the creation of a pool of available labour upon whom the organization can depend when it needs additional manpower".

**(iii) According to Edwin B. Flippo**

"Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization".

"Recruitment involves, the organizational activities, used to identify the potential employees, and attracting them to apply for the vacant job positions of an organization.

From the above definitions, we can understand that recruitment has three sub-processes, and they are,

(a) Knowing the source from where the company can hire potential candidates.

- (b) Creating and using different tools and techniques, to attract and make them to apply for an interview.
- (c) Attract as many candidates as possible so as to select the best among them.

### Objectives

1. To provide the organization with a pool of potential and skilled human resources (Example: Job applicants).
2. To forecast the human resource requirements of the organization using various statistical and other tools.
3. To increase the number of job applicants at reduced cost.
4. To align the recruitment process with the strategic goals of an organization.
5. To use effective recruitment tools and techniques so that more number of aspirants can be recruited which helps in increasing the efficiency of selection process.
6. To recruit the people from every class/level of the society [Example: Minorities, physically challenged, women etc.] So as to have a diversified workforce.
7. To reduce the attrition rate by recruiting the right candidate at the right place.
8. To periodically appraise the recruitment process, to keep it upto date and effective as per the organizational requirements.
9. To increase the level of effectiveness (both individual and organizational) in both short run and long run.
10. To prepare and identify the potential job applicants for selecting appropriate candidate

**Q38. What are the factors affecting Recruitment.**

*Ans :*

The recruitment process, is influenced by various internal and external factors. The human resource management should take all these factors into consideration before initiating the recruitment process.

### A) Internal Factors

Internal factors are those factors, which are internal to the organization and the organization can change them if it desires. The important internal factors, affecting the recruitment process, are as follows,

#### 1. Company's Size

An important internal factor of recruitment is the company's size. In big organizations, we find continuous, recruitment. For example, we find the advertisement of big MNC's every week in newspapers as they exercises recruitment process throughout the year.

#### 2. Company's Goodwill, Reputation and Culture

An organization's name and its, reputation also have an impact on recruitment. This, is because, good companies, set higher standards. Even a large number of job aspirants apply for such companies, who are having good name/fame in the markets.

#### 3. Cost of Recruitment

Recruitment is also influenced by the availability of financial resources of a company. A big organization would like to spend a lot of money on recruitment to get the best possible candidate whereas, a small company may go for "knockout" rounds and concentrate more on getting the cheapest possible employees.

#### 4. Quality of Work Life (QWL) and Career Growth

Quality of work life and career opportunities provided by a company have a very good impact on the recruitment process. For instance, Self explanation Google incorporation provides gym facilities, Free food, Guest house, Sports and other recreational benefits to its employees, along with excellent career opportunities. In such



organizations, even the attraction rate would be very low. Employees, keep looking for better prospects, if they are not satisfied with the career growth.

## B) External Factors

External factors includes all those factors that are unconquerable. It has to change itself as per the external factors. A few important external impacting the recruitment process are as follow

### 1. Labour Market Conditions

The demand and supply of labour has a direct impact on the recruitment process. For instance, if there is more availability of employees in the market at the time of recruitment, a single informal method such as advertisement may attract many prospective applicants. However, if there is full employment in the market, the recruitment process becomes lengthy as, there are comparatively less number of candidates available in the employment market. Even the number of applicants that has to be recruited also depends upon the nature of economy. An employer can know the employment status, by studying the reports, published by the national stock exchange, trade journals, employment news and so on.

### 2. Legal and Political Factors

This is another important factor impacting recruitment. Example, In US, some states, have laws making it a must for companies to hire nationals instead of outsourcing them from the developing countries like India, China and so on. The government has also regulated recruitments, by passing laws, which prohibits discrimination hiring if it is based on religion, caste and so on.

### 3. Other Factors

Other factors, include the socio-economic conditions, employment rate, literacy rate, Demographic factors etc.

## Q39. Explain the process of recruitment.

(or)

Outline the process of recruitment.

Ans :

(Imp)

### Process of Recruitment

The process of recruitment consists of five steps. Let us discuss about each step in detail.

#### 1. Recruitment Planning

The first step of the recruitment process is, Planning. The HR department must collect the data about the number and type of vacancies available. Planning involves the setting of specific targets for a specific job, depending upon the number and types of applications to be collected and recruited. For example, a company may call 100 candidates, to fill two vacant posts by fixing the yield ratio as 50% which states that out of 50 candidates only a single competent and potential employee can be selected.

They must also decide the type of candidate to whom jobs need to be allotted. For example, fresher would be called for entry level jobs whereas, experienced workers would be called for managerial posts.

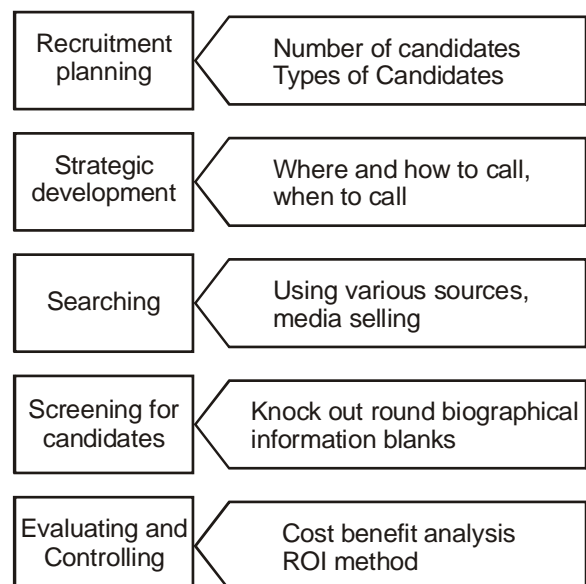


Fig. : Five Step Process of Recruitment

## 2. Strategic Development

The second step of the recruitment process is, Strategic development. This step provides answer to the following questions,

- Where to look for (campus job fairs etc.)
- How to look for (Internal and external sources)
- When to look for (perfect timing).

The company studies, whether to “make or buy” (i.e.,) is it better to hire and train (make) fresh graduates at a lower pay grade jobs or to select the experienced and trained candidates. Technical advancement have provided many alternatives for the selection of potential candidates.

For example, many companies in the U.S and Europe recruit Indian labours as they are good at English, highly skilled, motivated and are willing to perform their jobs at less salary than the nationals of the country who seek high salary for performing the same job. Lastly, an efficient recruitment strategy suggests the best time for recruitment.

## 3. Searching

This is the third step of recruitment process. The search for a candidate begins only after the line manager communicates that there is a vacancy or there would be a vacancy in the future.

Searching involves selecting and screening of potential candidates. It is also important to select the right medium of advertisement as it reflects the company's image. Example, a company advertising in a reputed business magazine may be able to build a strong image in the minds of the customers than those advertising in local magazines.

## 4. Screening for Potential Candidates

Screening is the fourth step in the recruitment process. Some researches considered screening as the first step of selection. Whereas, others argue that the selection process begins only after the candidates are short listed through recruitment.

For screening, recruiters mostly use “multiple hurdle process”. For this they use tools like “Biographical information blank” and “Knockout round”. In knockout round applicants have to fill on application form consisting of 2-3 key questions if they are found to be capable of performing a task.

## 5. Evaluating and Controlling

This is the last step in the recruitment process. It involves cutting and controlling costs of recruitment and evaluating the effectiveness of the company's recruitment policy. Recruitment mostly involves, costs like,

- (a) Cost of advertising in newspapers, magazines, on-line agencies. Example: naukri.com, monster.com etc.
- (b) Salaries paid to the recruiters.
- (c) Cost of outsourcing the job till the post is filled.
- (d) Administrative and overhead expenses.

Evaluating is done to modify and make recruitment more effective. Mostly companies use the cost benefit and ROI method of evaluation. Another method is to evaluate time taken to perform a job. If it takes more time, it implies that the method adopted for recruitment was not effective which ultimately leads to loss of productivity.

### 2.6.1 Sources of Recruitment

**Q40. Elaborate in detail about various sources of recruitment.**

**OR**

**Summarize the different sources of Recruitment. State its merits and demerits.**

*Ans :* (Dec-18, Dec-17, Imp)

The various sources of recruitment are classified in to 2 broad categories, namely

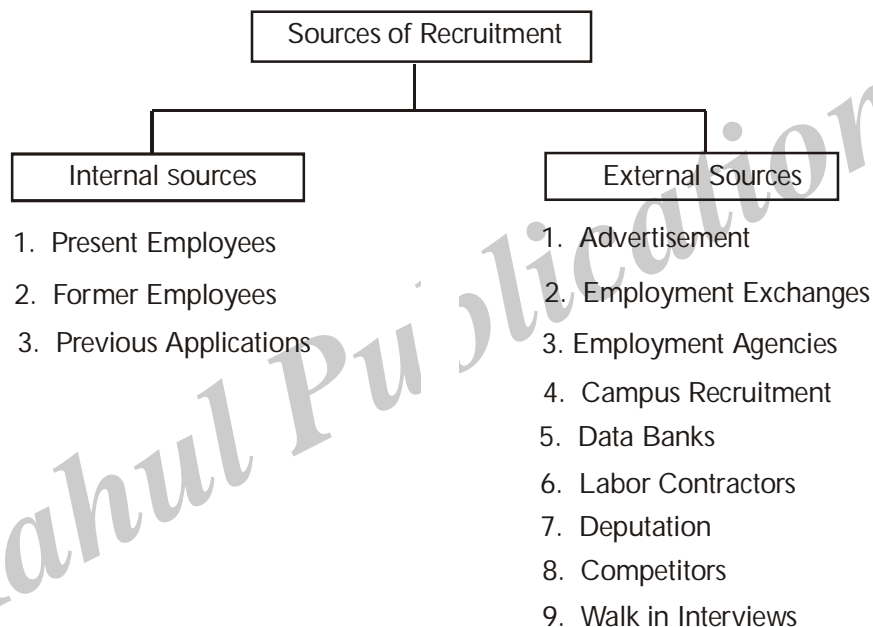
- A) Internal sources
- B) External sources

**A. Internal Sources****1. Present Employees**

Promotions and transfers from among the present employees can be a good source of recruitment. Promotion implies upgrading of an employee to a higher position carrying higher status, pay responsibilities. Promotion from among the present employees is advantageous because the employee promoted is well acquainted with the organizational culture they get motivated, and it is cheaper also.

However, the disadvantages is limiting the choice to a fewer people. This may also create dissatisfaction among the employees who are not promoted.

Transfers are shifting an employee from one job to another job with out any change in the present post, status, and responsibilities. This also facilitates job rotation and prepares the employee to under his base and gets ready for higher responsibilities.



**Fig.: Sources of Recruitment**

**2. Former Employees**

Retired, Resigned or retrenched employees may be interested to come back to the company for work. The advantages in this method are recruiting a person whose performance is already known.

**3. Previous Applications**

This is considered as internal source in the sense that applications from the potential candidates are already lying with the organizations. These candidates are contacted this telephone or e-mail. This method is useful for recruitment of unskilled/semiskilled labor.

**Advantages**

- Familiarity with own employees
- Better use of the talent
- Economic Recruitment

- Improves Morale
  - A motivator
- From the above it can be understood that
- (i) The organization will have more understanding with strength and weakness of its own employees than a strange outsiders
  - (ii) It provides an opportunity for better utilization of internal talent.
  - (iii) The time, energy, cost in recruitment is negligible and hence more economical.
  - (iv) It gives a confidence to the employees that they would be preferred if vacancy arises.
  - (v) This serves as a motivator to the employees to improve their career. This also helps in encouraging and retaining the competent employees of the organization.

#### **Disadvantages**

##### **(a) Limited Choice**

Due to this we can not tap the talent available in the labor market.

##### **(b) Discourages Competition**

Internal candidates are protected from competition. It develops a tendency to take promotion without showing any achievement.

##### **(c) Stagnation of Skills**

With the feeling that internal candidates will surely be promoted, their skill gets stagnant in the long run.

##### **(d) Creates Conflicts**

Conflicts and controversies surface among the internal candidates.

##### **(e) Biasedness**

The likes and dislikes and the personal biases of the management also play an important role in the selection.

##### **(f) Inbreeding**

Leads to inbreeding and discourages fresh blood to enter into the organization. Hence no fresh innovation is possible.

#### **B. External Sources**

External sources of recruitment lie outside the organization. The main ones are:

##### **1. Advertisement**

It is the best method of recruiting persons for higher and experienced jobs. The advertisements are generally in local/national news papers, radio, television, professional journals. The requirements are given in the advertisement. The prospective candidates evaluate themselves against the requirement before submitting the applications.

##### **2. Employment Exchanges**

This is also a good source of recruitment. Unemployed persons get themselves registered with these exchanges which are run by Government. Whenever there are vacancies they have to be notified with these exchanges. The exchange supplies a list of suitable candidates. Exchanges are generally a suitable source of recruitment for filling unskilled, semi skilled posts. The employees and candidates are brought into contact by the employment exchanges.

##### **3. Employment Agencies**

In addition to Government Agencies there are a number of private employment agencies who register candidates for employment and furnish a list of suitable candidates from their data bank as and where sought by employers. E.g. ABC consultants, SB Bill moriel, etc are some of the examples. These agencies select personnel for supervisory and high levels. They invite applications and short list the candidates.

for the organizations. This method is cheaper than the organization recruiting by itself. There is also considerable time saving. Attempts to influence selection can be avoided as the organizational identity remains unknown to the job seekers.

#### 4. Campus Recruitment

This is another source of recruitment. The employers visit the educational institutions of engineering and Management for recruitment purposes. HAL, L&T Reliance, ICICI, Tata etc go to IIT'S IIMS; and premier institutes to pick up fresh candidates. For this purpose the institutions maintain placement cells. The advantage with this is that the candidates are available at one place and their respective professors will always help in providing the required information about the candidate. However this is an expensive process and quite likely the organization when they get better opportunity.

#### 5. Data Banks

The recruiting firms can prepare a data bank about various persons in different fields. The information is normally collected from educational institutions, professional organizations, etc. The details are readily available as and when the firm goes for recruitment.

#### 6. Labor Contractors

It is quite common to engage contractors for the supply of labor. When workers are required for short periods, contractors are best source of getting them. The persons hired are generally unskilled labor.

#### 7. Deputation

Employees of an organization are sent to another organization for a short duration of 2 to 3 years; in the Government Departments and public sector organizations. Deputation

provides ready expertise for fulfilling a particular task. In this the initial cost of recruitment, induction and training are eliminated, generally 2 to 3 years is not enough to prove their mettle, and also they may not be loyal to the organization where they have gone on deputation.

#### 8. Competitors

This is also a source of recruitment. Popularly called as poaching or raiding this method involves identifying the right people to rival companies, offering them better terms and living them away. However there are legal and ethical issues involved. This practice is posing a big challenge to HR Managers.

#### 9. Walk in Interviews

This has become very popular method in the recent times. The applicants just walk in with their resumes for interviews. Here it becomes difficult to know how many candidates would turn up. However from the candidates point of view walk in interview are preferable as they are from the hassles associated with other methods of recruitment.

#### Advantages

- Suitable candidates with skills, talent & knowledge are available.
- Fresh blood can be inducted in the organization.
- Being an open process it attracts more no of candidates.
- The management will be able to fulfill reservation requirements in favour of the disadvantaged sections of the society.
- Scope for resentment, heartburns and jealousy can be avoided by recruiting from outside.
- Possibly of fresh ideas, innovations increase.

- Existing employees broaden their personality.

### Disadvantages

- More expensive and time consuming.
- Orientation and training cost increases.
- Of higher level jobs are filled from external sources, motivation and loyalties of existing staff are affected.
- Of the recruitment and selection process is not carried out, the chances of right candidates may be rejected or wrong candidates may be recruited.

## 2.7 SELECTION

### Q41. Define Selection.

*Ans :*

#### Introduction

After identifying the sources of human resources, searching for prospective employees and stimulating them to apply for jobs in an organization, the management has to perform the function of selecting the right employees at the right time.

The obvious guiding policy in selection is the intention to choose the best qualified and suitable job candidate for each unfilled job. The objective of the selection decision is to choose the individual who can most successfully perform the job from the pool of qualified candidates.

#### Meaning

Selection is "the process of screening the qualified applicants using different tools at every stage".

The hiring procedure is not single act but it is essentially a series of methods or steps or stages by which additional information is secured about the applicant.

#### Definitions

- According to Yoder**, "selection is the process by which candidates for employment are divided. Those who will be offered employment and those who will not".

If candidates get qualified in first round, they go to next round, if they are not eliminated from the list of the applicants.

- According to Koontz** "selection is the process of choosing from among the candidates from within the organization or from outside, the most suitable person for the current or future position.

### Q42. Explain the various stages in employee selection process.

(OR)

**Explain in detail the process of selection.**

(OR)

**What are the various procedures involved in selection.**

(OR)

**Explain the process of selection.**

*Ans :* (July-21, Dec.-19, Imp)

The selection process is a long process which involves the following methods,

#### 1. Application Blanks

This is one of the most common method used for collecting information from the applicants. With the help of the application process the company can know about history, detailed personal activities, skills and accomplishments of the applicant.

The application blank includes the following data,

##### (a) Biographical Information

It includes name, father's name, age, gender, nationality, marital status, etc.

##### (b) Educational Information

It covers candidate's academic qualification, courses, percentage, division, technical qualifications, etc.

##### (c) Work Experience

It includes position of candidate, nature of job, etc.

**(d) References**

It includes the names of referees who know the character, work and abilities of the candidate.

The information given by candidate should be correct. The information supplied by candidate in the application blank should be verifiable, otherwise it leads to the cancellation of their selection.

**2. Interview**

After completion of the pooling application forms, the interviewers must select the suitable applicant for a particular job.

The selected applicants have the following types of interviews.

**(a) Preliminary Interview**

The preliminary stage of interview is called Screening interview. The purpose of the preliminary interview, is to eliminate unqualified candidates from the selection process.

**(b) Patterned Interview/Structured Interview**

In this kind of interview what is to be asked is already structured is known as structured interview. This type of interview also allows an interviewer to prepare in advance, subject related and job related and complete a standardized evaluation form. The questions should be asked in a logical manner.

**(c) Stress Interview**

Stress interviews will create tension and pressure in an applicant. The main purpose of stress interview is to determine the stability of the applicant against tension and pressures. It involves the postage of questions one by one without allowing the applicant to complete his answers.

**(d) Depth Interview**

By conducting an in-depth depth interview, the interviewer can get detail information about the applicant. Based

on the in-depth interview understanding of his personality such as education, extra curricular activities, early childhood experiences, etc. This kind of interview is suited for executive selection than selection of white collar, blue collar employees. It's major advantage is complete and detailed information about an applicant. But it's very costly and a time consuming process.

**3. Selection Test**

Individual skills, abilities, ideas, mentalities are different in order to select right person for right job. For the comparison of those employees in this situation the test will be conducted. With the selection test we can know the skills, abilities of an applicant. The selected applicant in the selection test will go to another test or further rounds.

The selection test can be defined as, "A test is a systematic procedure for comparing the behaviour of two or more persons".

- Lee J. Groonbach

**4. Group Discussion**

Most of the companies use Group Discussion as selection technique. It is frequently used technique while selecting employees. Before individuals interviewed, the organization conducts the group discussion for hiring right person. The group discussion includes the range of six to ten candidates. The group discussion is a time saving process because, the interviewer can observe the six to ten applicants simultaneously. The group discussion process involves six to ten applicants sitting together and the topic is selected by the company and allow the participants to speak for sometime about a chosen topic. Then the interviewer observes the applicants and select right candidates from them.

The group discussion help that can easily select the candidates from group within few time. It's time saving and costless process. With this we can know the skills and abilities of an applicant.

**5. Reference Checks**

The Reference Check is one of the step in the selection process. This is useful for obtaining and verifying additional information about candidate. The candidate must write two-three names of persons (referees) to whom he know personally. The referees are those who are working in a particular organization, neighbours, friends, family, members also can act as references. With this references we can know the applicant's performance in previous organization and which form the base for predicting future work behaviour.

- (a) References are normally those who speak well about the candidate
- (b) Referee may give favourable opinion about the candidate.

**6. Physical Examination**

The last technique of selection process is Physical Examination. The main purpose of conducting medical or physical examination is to have proper matching of job requirements. This test is must because the employees carrying any infectious diseases which might endanger the health of existing employees. The organization avoid the possibility of an unhealthy applicant because, protect themselves from employees paying compensation claims for injuries caused preexisting ailments.

In public sector government jobs like defence and police department physical examination is a must. The organization wants the working environment to be free from diseases. So, the physical checkup has to be done through a specialist.

**7. Final Selection**

The last, that is after completion of the above all tests the next process is Final Selection. Candidates who have cleared all the above process are finally selected and job offer is issued to them. The job offer contains the pay-scale, allowances and other conditions

of the job. When the candidate reports for joining they need to be placed in a particular division.

**Q43. Explain the various methods of selection.**

*Ans :*

(Dec.-17)

The simple meaning of test is 'A systematic procedure for sampling human behaviour'. For the selection purpose. Tests are classified into five types. They are :

- i) Aptitude tests
- ii) Achievement tests
- iii) Situational tests
- iv) Interest tests
- v) Personality tests and
- vi) Multidimensional Testing

**i) Aptitude Tests**

These tests measure whether an individual has the capacity or latent ability to learn a given job if given adequate training. Aptitudes can be divided into general and mental ability or intelligence and specific aptitudes such as mechanical, clerical, manipulative capacity etc.

**a) Intelligence Tests**

These tests in general measure intelligence quotient of a candidate. In detail, these tests measure capacity for comprehension, reasoning, word fluency, verbal comprehension, numbers, memory and space. Other factors comprise of digit spans, both forward and backward, information known, comprehension, vocabulary, picture arrangement and object assembly.

Though these tests are accepted as useful ones, they are criticized against deprived sections of the community. Further, it is also criticized that these tests may prove to be too dull as a selection device.

Intelligence tests include: sample learning, ability, adaptability tests etc.



**Intelligence Quotient (IQ)**

The scope of the intelligence test is expressed in terms of Intelligence Quotient (IQ). IQ is calculated by using the following formula :

$$IQ = \frac{\text{Mental Age}}{\text{Actual Age}} \times 100$$

Candidates with high level of intelligence quotient can learn the complicated issues easily and fast. Therefore, it would be easy for the company to train such candidates easily for the new jobs and new technology.

**Emotional Quotient (EQ)**

Most of the organizations realized that emotional involvement and commitment of the employees determine their contribution to the company rather than their intelligence quotient. As such, emotional quotient (EQ) is used as important criteria in the employee selection process. EQ is calculated by using the following formula:

$$EQ = \frac{\text{Emotional Age}}{\text{Actual Age}} \times 100$$

**b) Skill Tests**

These tests measure the candidate's ability to do a job perfectly and intelligently. These tests are useful to select the candidates to perform artistic jobs, product design, design of tools, machinery etc. The candidates can be selected for assembly work, testing and inspection also.

**c) Mechanical Aptitude Tests**

These tests measure the capacities of spatial visualization, perceptual speed and knowledge of mechanical matter. These tests are useful for selecting apprentices, skilled, mechanical employees, technicians etc.

**d) Psychomotor Tests**

These tests measure abilities like manual dexterity, motor ability and eye-hand coordination of candidates. These tests are useful to select semi-skilled workers and workers for repetitive operations like packing and watch assembly.

**e) Clerical Aptitude Tests**

Measure specific capacities involved in office work. Items of this test include spelling, computation, comprehension, copying, word measuring etc.

**ii) Achievement Tests**

These tests are conducted when applicants claim to know something as these tests are concerned with what one has accomplished. These tests are more useful to measure the value of a specific achievement when an organization wishes to employ experienced candidates. These tests are classified into: (a) Job knowledge test: and (b) Work sample test.

**a) Job Knowledge Test**

Under this test, a candidate is tested in the knowledge of a particular job. For example, if a junior lecturer applies for the job of a senior lecturer in commerce, he may be tested in job knowledge where he is asked questions about Accountancy Principles, Banking, Law, Business Management etc.

**b) Work Sample Test**

Under this test, a portion of the actual work is given to the candidate as a test and the candidate is asked to do it. If a candidate applies for a post of lecturer in Management, he may be asked to deliver a lecture on Management Information System as work sample test.

Thus, the candidate's achievement in his career is tested regarding his knowledge about the job and actual work experience.

**iii) Situational Test**

This test evaluates a candidate in a similar real-life situation. In this test, the candidate is asked either to cope with the situation or solve critical situations of the job.

**a) Group Discussion**

This test is administered through the group discussion approach to solve a problem under which candidates are observed in the areas of initiating, leading, proposing valuable ideas, conciliating skills, oral communicating skills, co-ordinating and concluding skills.

**b) In Basket**

Situational test is administered through in basket. The candidate in this test is supplied with actual letters, telephone and telegraphic message, reports and requirements by various officers of the organization, adequate information about the job and organization. The candidate is asked to take decisions on various items based on the in basket information regarding requirements in the memoranda.

**iv) Interest Tests**

These tests are inventories of the likes and dislikes of candidates in relation to work, job occupations, hobbies and recreational activities. The purpose of this test is to find out whether a candidate is interested or disinterested in the job for which he is a candidate and to find out in which area of the job range/ occupation the candidate is interested. The assumption of this test is that there is a high correlation between

the interest of a candidate in a job and job success. Interest inventories are less faked and they may not fluctuate after the age of 30.

**v) Personality Tests**

These tests prove deeply to discover clues to an individual's value system, his notional reactions and maturity and characteristic mood. They are expressed in such traits like self-confidence, emotional control, optimism, decisiveness, sociability, conformity,

objectivity, patience, fear, distrust, imitative, judgement dominance or submission, impulsiveness, sympathy, integrity, stability and self-confidence.

**a) Thematic Apperception Test (TAT)**

Candidates are shown a series of pictures and are asked to write a story based on these pictures. This test measured candidates conceptual, imaginative, projective and interpretative skills.

**b) Ink-blot Test**

The Rorschach Ink-blot test was first described in 1921. The candidates are asked to see the ink-blot and make meaningful concepts out of them. The examiner keeps a record of the responses, time taken, emotional expressions and other incidental behaviours.

**vi) Other Tests****a) Cognitive Ability Tests**

These tests measure mathematical and verbal abilities. Popularly known tests of this category include Graduate Record Examination (GRE) and Scholastic Aptitude Test (SAT).

**b) Wechsler Adult Intelligence Scale**

This is a comprehensive test including general information, arithmetic, similarities, vocabulary, picture completion, picture arrangement, object assembly and similar items.

**c) Wonderlic Personnel Test**

This test includes perceptual, verbal and arithmetic.

**d) Polygraph Tests**

The polygraph is an instrument that records changes in breathing, blood pressure, pulse and skin response associated with sweating of palms and plots these reactions on paper. The candidate is asked a series of simple,

complicated, related, unrelated and critical questions. This test was used in personnel selection extensively in 1980s, but objections have been raised to the use of this test in personnel selection in 2000s.

**e) Honesty Tests**

The two types of pre-employment honesty tests are overt integrity tests and personality-based integrity tests. Overt integrity tests make direct questions to assess dishonest behaviour and gather a history of theft and illegal behaviour. Personality-based integrity tests assess an individual's predisposition towards deviant and disruptive behaviour.

**vi) Multidimensional Testing**

However, the need for multi-skills is being felt by most of the companies consequent upon globalization, competitiveness and the consequent customer-centred strategies. Organizations have to develop multidimensional testing in order to find out whether the candidates possess a variety of skills or not, candidate's ability to integrate the multi-skills and potentiality to apply them based on situational and functional requirement.

**Q44. Explain the factors affecting selection.**

*Ans :*

Various internal and external environment factors affecting selection are as follows :

**1. Internal Environmental Factors**

Internal environmental factors which influence selection process include:

**i) Size of the Organization**

The size of the organization affects the selection process, where the smaller the organization, the more informal the selection decision.

**ii) Type of the Organization**

Organizations with greater complexity requires more sophisticated selection techniques.

**iii) Nature of Social Pressure**

The nature of social pressure emerging from, e.g., legislation and trade unions also affects the selection process.

**iv) Applicant Pool**

The number of applicants for a particular job can also affect the selection process. The process can be truly selective only if there are several qualified applicants for a particular position. The number of people hired for a particular job compared to the individuals in the applicant pool is often expressed as a selection ratio.

**v) Speed of Decision-Making**

The time available to make the selection decision can have a major effect on the selection process. Closely following selection policies and procedures can provide greater protection against legal problems; however, there are times when the pressure of business will dictate that exceptions be made.

**2. External Environmental Factors**

External environmental factors which influence selection process include:

**i) Nature of the Labour Market**

The nature of the labour market affects the selection process, for example, where there are few individuals with the skills required, the selection process would be unsophisticated and short.

**ii) Trade Unions**

Trade unions where employees who belong to a trade union, can make certain demands in accordance with the trade union contract.

**iii) Government Regulations**

Government regulations where, e.g., legislation may affect the manner in which the selection process is executed.

**Q45. What are the difference between Recruitment and Selection.**

(or)

**Differentiate between recruitment and selection.**

*Ans :*

(Dec-18)

Basis	Recruitment	Selection
Meaning	It is an activity of establishing contact between employers and applicants.	It is a process of picking up more competent and suitable employees.
Objective	It encourages large number of Candidates for a job.	It attempts at rejecting unsuitable candidates.
Process	It is a simple process.	It is a complicated process.
Hurdles	The candidates have not to cross over many hurdles.	Many hurdles have to be crossed.
Approach	It is a positive approach.	It is a negative approach.
Sequence	It proceeds selection.	It follows recruitment.
Economy	It is an economical method.	It is an expensive method.
Time Consuming	Less time is required.	More time is required.

## 2.8 PLACEMENT

**Q46. Explain briefly about Placement.**

(or)

**What is Placement.**

*Ans :*

(June-19)

### Meaning

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

### Definition

**According to Pigors and Myers,** "Placement consists in matching what the supervisor has reason to think the new employee can do with what the job demands (job requirements), imposes (in strain, working conditions, etc.), and offers (in the form of pay rate, interest, companionship with other, promotional possibilities, etc.)"

They further state that it is not easy to match all these factors for a new worker who is still in many ways an unknown quantity. For this reason, the first placement usually carries with it the status of probationer.

**A few basic principles should be followed at the time of placement of an employee on the job.**

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

**Q47. Explain the significance of placement.**

*Ans :*

#### **Significance of placement**

The significance of placement are as follows:

1. It improves employee morale.
2. It helps in reducing employee turnover.
3. It helps in reducing absenteeism.
4. It helps in reducing accident rates.
5. It avoids misfit between the candidate and the job.
6. It helps the candidate to work as per the predetermined objectives of the organization.

**Q48. What are the steps involved in the placement process.**

*Ans :*

**(June-19)**

Generally, two stages are involved in the placement of new employees.

#### **Stage 1**

Placement of new individuals when the employees have successfully completed the selection process and orientation programs.

#### **Stage 2**

Placement of employees in the form of internal mobility such as promotion, demotion, transfer, separation, turnover etc.

#### **Placement Situations**

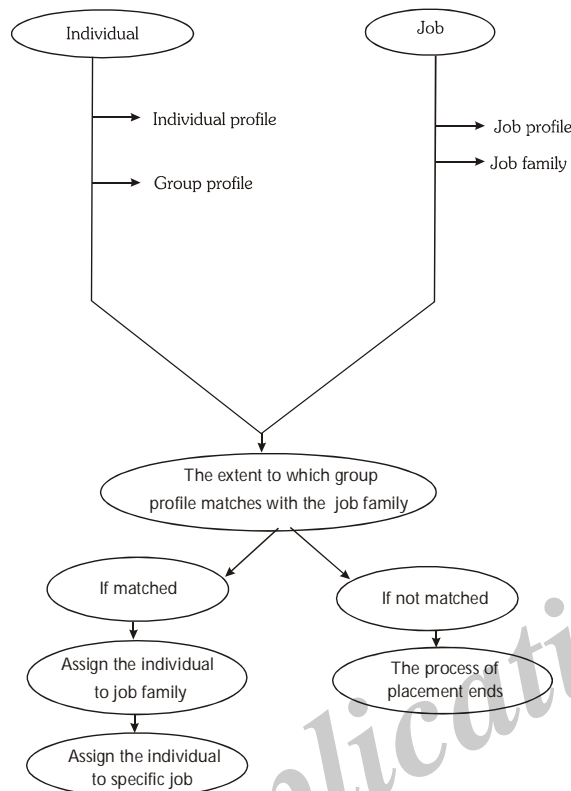
**The following are the three conditions in which the placement problem varies.**

- (a) If an individual's selection to a job is for a particular position, then he will be placed in that position.  
Example: Operations manager in operations department.
- (b) If an employee is selected to perform his responsibilities for a specific position but the position or the department is not specified.  
Example: Sales representative.
- (c) If an employee is selected for a job but does not have specific reference about the position or department.

Example: Management trainee/Manager/Advisor etc.

These types of problems are common in the organization. To avoid these problems the organization should make use of assessment classification model for employee placement.

#### **Assessment classification Model for Employee Placement**



**Fig.: Process of Placement**

The following are the two important aspects of this model,

- (a) Individual and
- (b) Job individual

If an individual is selected in an organization, but with no specific job, then the employee's suitability is judged by comparing his profile with the group profile.

➤ **Individual Profile**

Profile is a brief description of an individual's ability, interest, attitude and values, biographical features and motivation. This profile of employees helps an organization to get an idea of the person and his potential skills. The abilities of employees outlined in the profile acts as the basis for entering in the organization.

➤ **Group Profile**

In an organization, individuals work collectively in 'groups'. Even though two individuals share different profiles, some factors of these individuals match with each other. The common factors prevailing in two individuals provide scope for individuals to work in a group.

➤ **Job**

A Job consists of several interrelated tasks. The performance of the job relies on the job contents, the environment in which the job is performed and the individual's profile who is performing the job. The preparation of job profile helps in checking the suitability of the job and the individual performing it.

➤ **Job Profile**

A job profile has the following elements in it,

- (a) Job contents
- (b) Job context and
- (c) The relationship of one job with another job in the organization.

The job contents and job context are the outcome of job analysis and the relationship of one job with the other job is the result of usage of technology while performing the job.

➤ **Job Family**

Job Family explains the classification of various jobs based on the nature of the job and the pooling of various jobs of the same nature together.

➤ **Matching Group Profile and Job Family**

By matching the Group Profile with Job Family, an individual is placed in a job family. The organization ultimately places the individual in a specific position by conducting counselling and assessment process to judge the suitability of individual profile with that of group profile and job profile.

Thus, proper placement of employees helps in enhancing the morale of employees by significantly lowering employee turnover, absenteeism, dissatisfaction etc.

## 2.9 INDUCTION / ORIENTATION

**Q49. Define Induction. Explain the objectives of Induction.**

*Ans :*

(Imp)

### Meaning

The introduction of the new employee to the job is known as induction. It is the process by which new employees are introduced to the practices, policies and purposes of the organization. Induction follows placement and consists of the task of orienting or introducing the new employee to the company, its policy and its position in the economy. Induction literally means helping the worker to get or with his own environment. After an employee is

assigned his job, it is necessary to introduce him to his job situation, his associates in the job and the overall policies of the company.

In other words, it is a welcoming process-the idea is to welcome a newcomer, make him feel at home and generate in him a feeling that his job, even though small, is meaningful and has significant importance as part of the total organization.

### Definition

**According to John M. Ivancevich,** "Orientation orients, directs, and guides employees to understand the work, firm, colleagues, and mission. It introduces new employees to the organization, and to his new tasks, managers, and work groups."

Orientation is one component of the new employee socialization process. It is a process through which a new employee is introduced to the organization. The new employee is handed over a rulebook, company booklets, policy manuals, progress reports and documents containing company information which are informational in nature. It is responsibility of the human resource department to execute the orientation program.

### Objectives

An induction process properly designed should serve the following objectives :

- 1) Introduce the new employee and the organization to each other.
- 2) Create interest in his job and the company
- 3) Provide basic information about working arrangements
- 4) Make the new employee feel 'at home' in the new environment
- 5) Indicate the standards of performance and behaviour expected from him
- 6) Inform him about the training facilities
- 7) Reduce any misunderstanding about the job or the enterprise
- 8) Facilitate good employee relations
- 9) Assist the new employee to adjust to the company; and
- 10) Establish a favourable attitude about the company in the minds of the employee.

**Q50. What are the components of induction.**

*Ans :*

**There are two components of induction**

**1. Informal Induction**

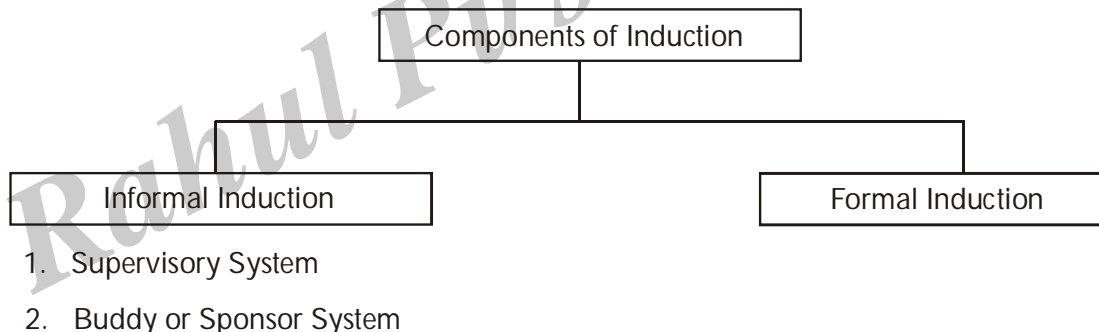
The informal induction means totally unplanned induction. It means an introduction to the new entrants about the job and organization. This kind of induction program is carried out by only medium and small scale sectors. Informal induction programs is of the following two types,

**(i) Supervisory System**

In supervisory system, the job supervisor conducts the induction programs for the new entrant about the job, department introduces to the co-workers and takes him to sections which are related to his job.

**(ii) Buddy or Sponsor System**

In buddy system, the supervisors acts as guides, i.e., they take the responsibility and introduce the new comer to an old employee. The old employee act as friend guide and philosopher to the new comer and the old employee introduces the new comer to the job and the organization and his particular job department in that section and also arrange the meeting with other employees and departments. And the old employee gives the relevant literature about rules and regulations of the organization.



**2. Formal Induction**

Formal Induction is a pre-planned programs, it is held with the intension of induction of the new comer into the organization. This kind of induction is very costly so, this is usually carried out by large scale organization but not small size organization. This induction programs is designed to introduce the new entrant to all about his job, colleagues and organization.

The formal induction program covers the following content,

- (i) Brief history of the organization.
- (ii) Policies and procedures of the organization.
- (iii) Rules and regulation of the organization.
- (iv) Top management authority.



- (v) Job related, salary, working hours, OT, promotion etc.
- (vi) Frienge benefits like canteen, educational , transport, medical facilities etc.

These are the formal induction program which are carried out by the HR specialist in period of days to weeks even months.

**Q51. What are the phases and benefits of orientation program ? State the measures taken for making induction successful.**

*Ans :*

### **Phases of Induction Program**

A induction program which is carefully designed consists of following three phases,

#### **1. General Induction**

The first phase of the induction program is General Induction, generally conducted by the HR specialist. The main aim of this phase is to introduce the new employee to the organization by explaining the objectives, history, mission, vision and philosophy of the organization. The new employee can also know about his job profile, pay, promotion procedure and particular department or section. The main aim of this phase is to create friendly environment to new comer in an organization. The period of induction may take a few days or few weeks.

#### **2. Specific Induction**

The second phase of specific induction is given by supervisor's to the new employee. The function of this Specific Induction is to know everything about his new job.

The employee is introduced to his new job, work place and premises around work, introduced to his co-workers and procedures, customs, rules and regulations regarding his job. The induction may take a period of few days or even months.

#### **3. Follow-up Induction**

The third and last phase of induction is Follow-up Induction. The main objective is to check whether the new employee is adjusted himself with the work and organization, or not. These inductions are given by the supervisors to know while giving training whether they have understood or not and suggestion and feedback from the new entrant. Such feed back is useful to the supervisor while giving training and counselling for the new entrant. The duration of follow-up induction may take some weeks to few months.

These are the induction programmes which provide the following benefits to the new employee as well as to the organization.

- A careful and well planned induction program objective is to reduce shyness, nervousness, anxiety of the new comer.
- Induction programmes helps new employee to perform his job actively and in a friendly environment and move closer to old employees.
- And also useful to clear the doubts with old employees and share the feelings.
- The introduction of new employee to the organization as well as organization to new employee is most important thing.
- The induction program has a greater significance in a developing country like India, where the illiteracy percentage is high.

#### **Measures**

**The following are the measures to be taken to make induction program successful:**

- (i) First, the new employee should be introduced to the people with whom he will work- superiors, subordinates, his colleagues etc.
- (ii) Make the new employee clear about the general company rules, policies, working conditions, requirements etc.
- (iii) Orientation should be carried out gradually.

- (iv) Doubts of the new comer about the job and the organization should be clarified.
- (v) Providing on-the-job training and counselling.
- (vi) Developing a cordial relationship between the superior and subordinate and offer help if required.
- (vii) Providing sufficient time to the new comer to, get adapted to the new environment and job.

**Q52. What are the prerequisite of an effective induction program.**

*Ans :* (June-19)

**1. Receiving new employees**

The new employees need to be duly received by the organization. This inculcates a feeling in the new entrants that they are required in the organization. Such a feeling serves as a corner stone to be interested to integrate into the organization.

**2. Determining the new employees' need for information**

The central element that guides the designing of an induction program is to decide first "What do the new employees need to know now?" Many a times, the new employees are given information which is not immediately required but the required one is not given. Such information lack tends to make the new comer confused about the job and the organization. Therefore, it is important to decide the vital information a new entrant needs to receive on his joining the organization.

**3. Determining how to present the information**

Having being decided what information employees want, the next important thing to be decided is how to present the same to the new employees. Obviously, the required information needs to be presented to the new employees in the right form and manner so as to have its maximum impact on the employees.

**4. Delivering induction training by the right instructor**

Much of the effectiveness of an induction programme depends on who conducts the induction training. This is because induction training cannot be given by anyone, but by the right instructor/trainer only. Possession of the required skill, knowledge and attitude are considered to be the requisites of a right instructor. Therefore, the induction programme needs to be conducted by the right trainer only. If required the trainer be given induction training before he/she conducts the induction training for the new entrants to the organization.

**5. Evaluating the induction programme**

Like all other training programmes, whether or not an induction programme is effective is determined by evaluating the programme. This is necessary to know to decide whether to continue the programme in future also or not or whether the programme needs any improvement in future. In fact, it is the evaluation of the induction programme that makes the organization know whether the amount incurred in induction programme remains as an expenditure or has turned into an investment'.

**2.10 LINE AND STAFF AUTHORITY**

**Q53. Define line authority.**

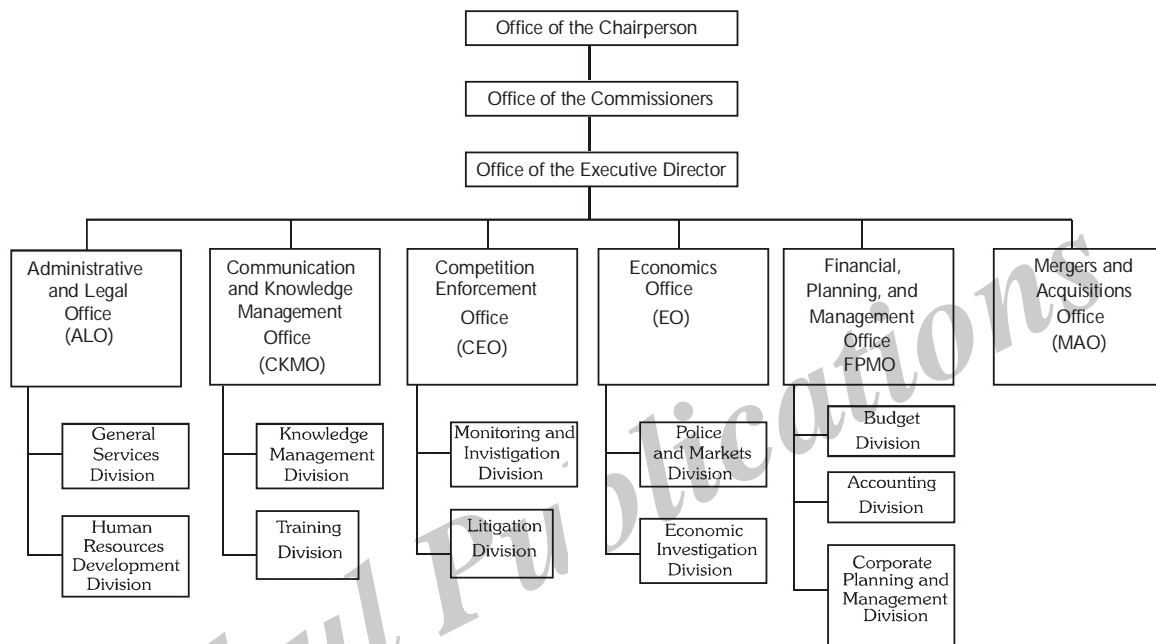
*Ans :* (Dec.-18)

Line authority is the type of authority that reflects superior-subordinate relationships. This is the most fundamental authority in an organization characterized by power of decision making. Line authority is the predominant component used in companies with a line organizational structure where direct lines of authority flow from top management, and the lines of responsibility flow in the opposite direction.

Line authority is a top-down approach to management where the decisions are made by the top management and communicated to the lower level staff in a hierarchy (a system in which employees are ranked according to relative status).

Line managers are assigned to manage teams that operate with the intention of achieving an intended result. Organizations with line authority allow better exertion of unified control.

Line authority is a less complicated way of allocating responsibility since every employee is clear regarding his or her position and clear lines of authority and responsibility is allocated to them. However, since this is a top down approach, it often results in one-way communication. Decisions are taken by the top management and complaints and suggestions of lower level staff may not be communicated back to the top authority. Lower level staff are closer to the customers. Thus, their experience and suggestions should be incorporated in decision-making.



**Fig.: Organizational Hierarchy is directly linked with line authority**

**Q54. Define staff authority.**

*Ans :*

**(June-19)**

Staff authority refers to the right to advise on improving the effectiveness for line employees in performing their duties. Staff personnel are generally independent employees who do not report to line managers, and they can be external staff who are temporarily employed to perform a particular task. These are highly specialized individuals, thus are employed for their expert knowledge and the ability to add value to the company.

Staff personnel may not be employed by all types of organizations. Since they are highly specialized, the cost of recruiting them is higher. Thus, they may not be affordable for small organizations. However, the larger the organization, the greater the need and ability to employ staff personnel since there is a need for expertise in diversified areas. Thus, the size of the organization is a significant factor in determining whether staff personnel should be employed.

Staff personnel may work part time for the organization, providing their expertise. Some of them may even provide the organization with an advisory role rather than engaging in business operations. Staff managers complement the work of line managers since line managers can focus more time on routine activities and related decision making when specialized work is carried out by staff personnel.

However, staff authority is not granted the power to take decisions that will affect the company as a whole, only for the specific area that they are responsible for.

It is vital that both line and staff personnel work closely in collaboration to ensure efficiency of operations. However, in practice, conflicts between line and staff personnel can be seen due to sometimes overlapping duties which in turn reduces the effectiveness of both.

**Q55. What are the differences between line authority and staff authority.**

*Ans :*

Nature	Line Authority	Staff Authority
i) <b>Meaning</b>	Line authority is the type of authority that reflects superior-subordinate relationships characterized by the power of decision making.	Staff authority refers to the right to advice on improving the effectiveness for line employees in performing their duties.
ii) <b>Main Responsibility</b>	Line managers are responsible for directing, motivating and supervising employees towards achieving organizational goals.	Main responsibility of line staff is to provide expert advice and support to line staff to allow smooth flow of operations.
iii) <b>Specialization</b>	Level of specialization is low in line authority.	High specialization is seen in staff authority.
iv) <b>Adaptation to Environment</b>	Line authority is mostly suitable for small and medium scale organizations.	Staff authority can bring wider benefits for large-scale organizations

## Short Question and Answers

### 1. Define staff authority.

*Ans :*

Staff authority refers to the right to advice on improving the effectiveness for line employees in performing their duties. Staff personnel are generally independent employees who do not report to line managers, and they can be external staff who are temporarily employed to perform a particular task. These are highly specialized individuals, thus are employed for their expert knowledge and the ability to add value to the company.

Staff personnel may not be employed by all types of organizations. Since they are highly specialized, the cost of recruiting them is higher. Thus, they may not be affordable for small organizations. However, the larger the organization, the greater the need and ability to employ staff personnel since there is a need for expertise in diversified areas. Thus, the size of the organization is a significant factor in determining whether staff personnel should be employed.

Staff personnel may work part time for the organization, providing their expertise. Some of them may even provide the organization with an advisory role rather than engaging in business operations. Staff managers complement the work of line managers since line managers can focus more time on routine activities and related decision making when specialized work is carried out by staff personnel.

### 2. Define job description.

*Ans :*

Job Description is an important document which is basically descriptive in nature and contains a statement of Job analysis. It serves to identify a job for consideration by other job analysis. It tells us what should be done, why it should be done and where it should be done.

A job description is "an organized, factual statement of duties and responsibilities of a specific job". It tells what is to be done, how it is done and why ?

### Contents of Job Description

- Job title
- Location of the job
- Supervision given and receive
- Materials, tools, machinery
- Designation of superior/subordinates
- Salary particulars
- List of duties
- Conditions of work
- Training and development facilities

### 3. Define the term job specification.

*Ans :*

Job specification is a written statement of qualifications, traits, and mental characteristics that all individual must possess to perform the job duties and discharge responsibilities effectively.

A job specification is "a statement of minimum acceptable human qualities necessary to perform a job properly. In contrast to the job description it is a standard of personnel and designates the qualities required for acceptable performance.

### Content of Job Specification

The job specification contains :

- **Physical specification**  
Height, weight, vision, hearing, ability to lift weight, health, age, capacity to operate machines, tools and equipments.
- **Mental specifications**  
Ability to perform, to interpret data, to read electrical circuits, drawings, reading abilities, judgement, memory, general intelligence etc.
- **Emotional and social specification**  
Emotional stabilities, flexibility, social adaptability, personal appearance, dress, posture, features, voice required by the job.

➤ **Behavior specification**

Judgment, creativity, research, teaching ability, maturity.

**4. Define line authority.**

*Ans :*

Line authority is the type of authority that reflects superior-subordinate relationships. This is the most fundamental authority in an organization characterized by power of decision making. Line authority is the predominant component used in companies with a line organizational structure where direct lines of authority flow from top management, and the lines of responsibility flow in the opposite direction.

Line authority is a top-down approach to management where the decisions are made by the top management and communicated to the lower level staff in a hierarchy (a system in which employees are ranked according to relative status). Line managers are assigned to manage teams that operate with the intention of achieving an intended result. Organizations with line authority allow better exertion of unified control.

**5. Job Position.**

*Ans :*

Position' is equivalent to the 'Job Title' (For Example, Assistant Sales Manager, HR Officer, etc). In contrast, 'job' is the duties you perform at a particular 'position'. For example if someone asks you 'Who are you in this Company?', you tell him your position in the company, but if someone asks you 'what do you do here?' you say the 'job' you do (literally).

a job profile is an outline, a high-level overview of a position. It provides only general information about a particular position. In contrast, a job description is a written statement which includes the working conditions, scope, purpose, duties and responsibilities of a job along with the title of the individual to whom the position reports.

**6. Define Job Evaluation.**

*Ans :*

Job Evaluation is a system where in a particular job of an enterprise is compared with its other jobs. In the present industrial era, there are different types of jobs which are performed in every business and industrial enterprise. Comparative study of these jobs is very essential because on the basis of such study the structure of wages for different types of jobs is prepared. The comparison of jobs may be made on the basis of different factors such as duties, responsibilities, working conditions, efforts, etc. In nut shell, it may be said that job evaluation is a process in which a particular job of a business and industrial enterprise is compared with other jobs of the enterprise.

**Definitions**

- i) **According to Kimball and Kimball** define job evaluation as "an effort to determine the relative value of every job in a plant to determine what the fair basic wage for such a job should be."
- ii) **According to Wendell French**, job evaluation is a process of determining the relative worth of the various jobs within the organization, so that differential wages may be paid to jobs of different worth.

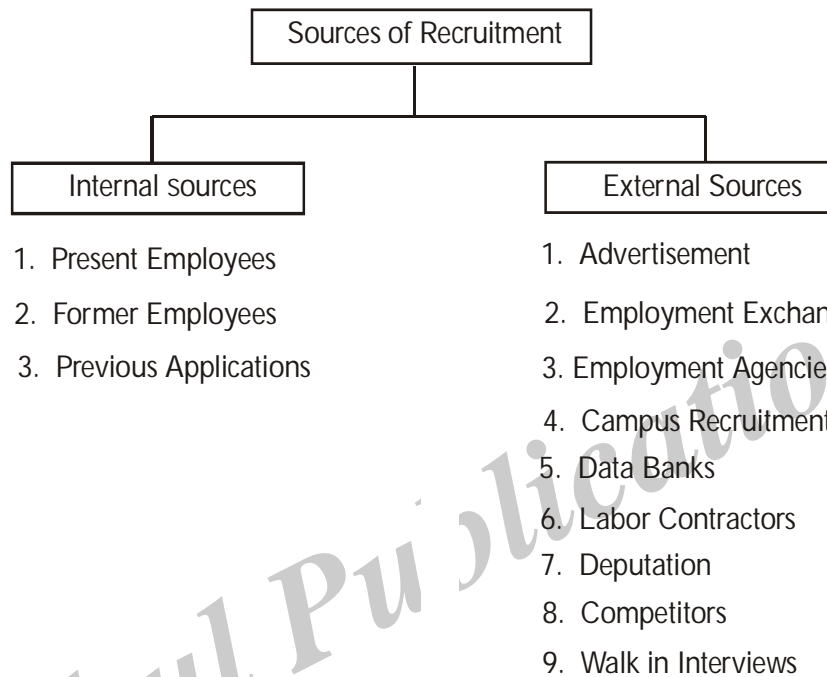
The relative worth of a job means relative value produced.

We may define job evaluation as a process of analyzing and describing positions, grouping them and determining their relative value of comparing the duties of different position in terms of their different responsibilities and other requirements.

**7. Sources of Recruitment.***Ans :*

The various sources of recruitment are classified in to 2 broad categories, namely

- A) Internal sources
- B) External sources

**8. Define Job Rotation.***Ans :*

Job rotation refers to moving employees from job to job to add variety and reduce boredom by allowing them to perform a variety of tasks. When an activity is no longer challenging, the employee would be moved to another job at the same level that has similar skill requirements. It reduces boredom and disinterest through diversifying the employee's activities. Employees with a wider range of skills give the management more flexibility in scheduling work, adapting to changes and filling vacancies. Job rotation also has its drawbacks. Training costs are increased, work is disrupted as rotated employees take time to adjust to a new set-up, and it can demotivate intelligent and ambitious trainees who seek specific responsibilities in their chosen speciality. According to Herzberg, job rotation is merely "substituting one zero for another zero".

**Advantages****1. Avoids monopoly**

Job rotation helps to avoid monopoly of job and enable the employee to learn new things and therefore enjoy his job

**2. Provides an opportunity to broaden one's knowledge**

Due to job rotation the person is able to learn different job in the organization this broadens his knowledge.

**9. Job Enlargement.***Ans :*

Job enlargement refers to the expansion of the number of different tasks performed by an employee in a single job. For example, an auto mechanic undergoes job enlargement when he switches from only changing oil to changing oil, greasing and changing transmission fluid. Job enlargement attempts to add somewhat similar tasks to the existing job so that it has more variety and be more interesting.

The job enlargement approach to job design has been criticized as well as appreciated.

**10. Socialization Process.***Ans :***Process of Socialization****1. Pre-Arrival Stage**

This stage recognizes that every individual employee comes with set of values and hope. For example, in some jobs like the managerial kind, the employee might need a substantial degree of about the process of Socialization. Selection process, most organizations inform their prospective candidates about the process of Socialization. Selection process also helps the organization in determining the right person to fit the right job. The success here depends mostly on the degree of forecasting made by the selection team.

**2. Encounter Stage**

Here the employees bump into the real working conditions of the organization. For example, the expectations of the job, co workers, immediate seniors and the business as a whole. Here, if the expectations confirm to be more or less correct this stage reaffirms the employees of the perceptions generated in past. If the reality is different, socialization helps the employees in understanding to replace these. But socialization cannot totally resolve the differences in expectations.

**3. Metamorphosis Stage**

The new employees, in this stage will work out solutions to meet any problems.

Hence this stage is called the metamorphosis stage. At this stage the new employees will have become comfortable with their jobs and the team members. New hires will feel that they have been accepted by their superiors and peers. Not only this, they would have by now understood the organization system as a whole. They will also know what is expected of them, how they are evaluated and how productive they are towards the goals of the organization.

**11. Define Human Resource Planning (HRP).***Ans :***Introduction**

Human Resource Planning is concerned with the planning the future manpower requirements are the organization. Human Resource manager ensures that the company has the right type of people in the right number at the right time and place, who are trained and motivated to do the right kind of work at the right time. Obviously, human resource planning primarily makes appropriate projections for future manpower needs of the organization envisages plan for developing the manpower to suit the changing needs of the organization from time to time, and foresees how to monitor and evaluate the future performance. It also includes the replacement plans and managerial succession plans. Human Resource planning is the process by which a management determines how an organization should move from its current manpower position to its desired manpower position. Through planning a management strives to have the right number and the right kinds of people at the right places, at the right time, to do things which result in both the organization and the individual receiving the maximum long-range benefit.

**Definitions of Human Resource Planning**

- i) **According to Wikstrom,** Human Resource Planning consists of a series of activities, viz.,
  - (a) Forecasting future manpower requirements, either in terms of mathematical projections of trends in



the economic environment and developments in industry, or in terms of judgemental estimates based upon the specific future plans of a company.

- (b) Making an inventory of present manpower resources and assessing the extent to which these resources are employed optimally

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## 12. Job Restructuring.

*Ans :*

Job restructuring occurs when your employer changes the nature and functions of your position. This can include horizontal restructuring, that your current job requirements are modified to include some new tasks performed in other jobs on the same level.

Vertical restructuring is the term used when your position takes on responsibilities and tasks previously performed at higher levels.

### 1. Company Reorganization

A job restructuring may be part of a broader company reorganization. In this case a company may lay off a number of workers, shut down departments, eliminate certain activities and processes or shift the nature of work within the organization. In these circumstances your job restructuring may result from changes in the department in which your position functions, or the addition of more vertical responsibilities associated from reduction in layers of management or workers.

### 2. Reasonable Accommodation

A common reason companies restructure jobs is to meet their requirements to make reasonable accommodations for disabled workers. If a certain job requires lots of movement around the office, for instance, the company can restructure a position for someone with a physical disability that inhibits effective mobility. The job might then entail more phone and electronic communication or other duties the worker can perform from his desk area. Typically, reasonable accommodations include marginal or less critical job functions, as opposed to a major overhaul of a position

### 3. Employee Satisfaction

In some cases, employers restructure jobs simply for the benefit of the employee. An employee who is unmotivated because of routine, repetitive work may be allowed to take on other tasks previously performed by other positions.

## Choose the Correct Answers

1. \_\_\_\_\_ can be defined as a written record of the duties, responsibilities and conditions of job. [ a ]  
(a) Job description (b) Job specification  
(c) Job profile (d) None of the above
2. The process of analyzing jobs from which job descriptions are developed are called \_\_\_\_\_. [ a ]  
(a) Job analysis (b) Job evaluation  
(c) Job enrichment (d) Job enlargement
3. \_\_\_\_\_ involves a one to one discussion between the participant and administrator. [ a ]  
(a) Counselling (b) Training  
(c) Motivation (d) All of the above
4. The Job Characteristics Model is one of the most influential attempts to \_\_\_\_\_. [ d ]  
(a) Design jobs with increased motivational properties  
(b) Assign jobs with proper motivational properties  
(c) Analyse jobs with increase and proper motivation  
(d) Describe jobs with increase motivation for proper jobs
5. A broad statement of the purpose, scope, duties and responsibilities of a particular job is [ c ]  
(a) Job specification (b) Job description  
(c) Job analysis (d) Job design
6. Executive recruiters are also called \_\_\_\_\_. [ a ]  
(a) Head hunters (b) Staffers  
(c) Alternative staffing companies (d) Contract technical recruiters
7. The best medium to reach a 'large audience for the process of recruitment is [ b ]  
(a) Casual applicants (b) Advertising  
(c) Employee referrals (d) Employment agencies
8. The most popular method of recruiting applicants to jobs is \_\_\_\_\_. [ b ]  
(a) Radio and TV advertisement (b) Corporate website  
(c) Employee referral schemes (d) Commercial job boards
9. Using a structured interviewing technique would likely achieve all of the following except [ d ]  
(a) Increased consistency across candidates  
(b) Reduced subjectivity on the part of the interviewer  
(c) Enhanced job relatedness  
(d) More opportunity to explore areas as they arise during the interview

10. Recruiting is necessary to [ b ]  
(a) Forecast the supply of outside candidates  
(b) Developing an applicant pool  
(c) Determine whether to use inside or outside candidates  
(d) Develop qualifications inventories
11. Campus Recruiting does not have the advantage of \_\_\_\_\_. [ b ]  
(a) High Intellectual Capacity  
(b) Higher understanding of organization  
(c) High level of curiosity  
(d) High potential
12. Best defines how well a test or selection procedure measures a person's attributes. [ c ]  
(a) Reliability (b) Testing  
(c) Validity (d) Organizational constraint
13. Job Enrichment involves \_\_\_\_\_. [ d ]  
(a) Increases the amount of money employees are paid for completing an unit of work  
(b) Is a programme through which management seeks greater productivity from workers  
(c) My answer: (that staff is moved periodically from task to task in order to increase variety and interest  
(d) Involves giving employees work with a greater degree of responsibility and autonomy
14. Moving employees from one job to another in a predetermined way is called \_\_\_\_\_. [ a ]  
(a) Job Rotation (b) Job Reengineering  
(c) Work Mapping (d) Job Enrichment
15. The Ranking method is best suited for \_\_\_\_\_. [ c ]  
(a) Complex Organizations (b) Large Organizations  
(c) Small Organizations (d) Any of the above
16. Point method is suitable for \_\_\_\_\_. [ d ]  
(a) Small size organization (b) Mid size organization  
(c) Large organization (d) Both (B) and (C)
17. In Factor Comparison method, each factor is ascribed a \_\_\_\_\_. [ a ]  
(a) Money Value (b) Ranking  
(c) Scale (d) None of the above

18. The following is (are) the key components of a business process Reengineering programme? [ d ]
- (a) Product Development (b) Service Delivery  
(c) Customer Satisfaction (d) All of the above
19. The actual achievements compared with the objectives of the job \_\_\_\_\_ [ a ]
- (a) Job performance (b) Job evaluation  
(c) Job description (d) None of the above
20. A job design is [ b ]
- (a) The design involving maximum acceptable job design qualities to perform a job  
(b) The division of total task to be performed into manageable and efficient units  
(c) A systematic way of designing and determination of the worth of a job  
(d) None of the above
21. According to Edwin Flippo, the first and immediate product of job analysis is [ a ]
- (a) The job description (b) The job design  
(c) The job production (d) The job specification

### *Fill in the blanks*

1. \_\_\_\_\_ is concerned with the planning the future manpower requirements are the organization.
2. \_\_\_\_\_ is a method of collecting and analyzing the facts related to a particular job in order to identify the job contents, job requirements.
3. A \_\_\_\_\_ is "an organized, factual statement of duties and responsibilities of a specific job".
4. Job description is prepared on the basis of data collected through \_\_\_\_\_.
5. A \_\_\_\_\_ is "a statement of minimum acceptable human qualities necessary to perform a job properly.
6. The term \_\_\_\_\_ refers to the way the tasks are combined to form a complete job.
7. \_\_\_\_\_ means moving employees from one job to another without any change in the job.
8. \_\_\_\_\_ involves expansion of more tasks in to a job.
9. Job Enrichment First coined by \_\_\_\_\_ .
10. \_\_\_\_\_ is a system where in a particular job of an enterprise is compared with its other jobs.
11. \_\_\_\_\_ method involves comparison of each job as a whole with other jobs and arranging them in the order of their importance from highest to lowest.
12. The achievement and benefit received by employees for their job performance in an organization are known as \_\_\_\_\_ .
13. \_\_\_\_\_ is the process of searching for prospective employees and stimulating them to apply for jobs in the organization".
14. \_\_\_\_\_ and \_\_\_\_\_ form among the present employees can be a good source of recruitment.
15. \_\_\_\_\_ is "the process of screening the qualified applicants using different tools at every stage".
16. \_\_\_\_\_ is a process of assigning a specific job to each of the selected candidates.
17. The introduction of the new employee to the job is known as \_\_\_\_\_ .
18. \_\_\_\_\_ authority is the type of authority that reflects superior-subordinate relationships.
19. \_\_\_\_\_ attempts to develop jobs that fit effectively into the flow of the organizational work that needs to be done.
20. \_\_\_\_\_ authority refers to the right to advice on improving the effectiveness for line employees in performing their duties.

#### ANSWERS

1. Human Resource Planning
2. Job Analysis
3. Job Description

4. Job Analysis
5. Job specification
6. Job design
7. Job rotation
8. Job enlargement
9. Herzberg
10. Job Evaluation
11. Ranking
12. Reward
13. Recruitment
14. Promotions transfers
15. Selection
16. Placement
17. Induction
18. Line
19. Job design
20. Staff

*Rahul Publications*

# UNIT III

## Developing Human Resources :

Training and Development – Employee Training and Retraining – Assessing Training Needs and Designing Training Programmes. An overview on employee orientation: Career Planning and Development: Role and Significance of Career Planning – Impact of Career Planning on Productivity.

### 3.1 TRAINING AND DEVELOPMENT

#### Q1. Define training.

*Ans :*

#### Introduction

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

Training is the important subsystem of human resource development. Training is specialized function and is one of the fundamental operative functions of human resource management.

Training is a short-term process utilizing a systematic and organized procedure by which non-managerial personnel acquire technical knowledge and skills for a definite purpose. It refers to instruction in technical and mechanical operations, like operation of some machine. It is designed primarily for non-managers, it is for a short duration and it is for a specific job-related purpose.

#### Definitions

- i) **According to Dale S Beach**, "Training is the organized procedure by which people learn knowledge and for skill for a definite purpose".
- ii) **According to Planting, Cord and Efferson**, "Training is the continuous, systematic development among all levels of employees of that knowledge and their skills

and attitude which contribute to their welfare and that of the company".

- iii) **According to Edwin B. Flippo**, "Training is the organized procedure by which learn knowledge and skill of an employee for doing a particular job".
- iv) **According to Chowdhry D.P.**, "Training is a process which enables the trainees to achieve the goals and objectives of their organizations".
- (v) **In other words**, training improves changes, moulds the employees knowledge, skill, behavior, aptitude, and towards the requirements of the job and organization. Training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organization, to acquire and apply the knowledge, skills, abilities and attitudes needed by a particular job and organization.

Thus, training bridges the differences between job requirements and employees present specifications.

#### Q2. Define development.

*Ans :*

#### Meaning

Development is a long-term educational process utilizing a systematic and organized procedure by which managerial personnel get conceptual and theoretical knowledge, In other words, it refers not to technical knowledge and skills in operation but to philosophical and theoretical educational concepts, It involves broader education and its purpose is long-term development.

**Definitions**

- i) **According to Koontz and Donnell**, "Manager Development concerns the means by which a person cultivates those skills which application will improve the efficiency and effectiveness with which the anticipated results of a particular organizational segment are achieved".
- ii) **According to Flipppo**, "Management development includes the processes by which managers and executives acquire not only skills and competency in their present jobs but also capacities for future managerial tasks".
- iii) **According to Dale S. Beach**, "Management development is a systematic process of training and growth by which individuals gain and apply knowledge, skills, insights and attitudes to manage orientation effectively".

A formal definition of training and development is "it is any attempt to improve current or future employee performance by increasing an employee's ability to perform through learning, usually by changing the employee's attitude or increasing his or her skills and knowledge."

**Q3. Explain the objectives of training and development.**

*Ans :*

**1. Induce New Employees**

Induce employee is the primary objective of training and this is very important for an organization.

**2. Gain Knowledge on New Method**

Training and development help to gain knowledge on new method.

**3. Obtain knowledge on Organizational Policy**

Employee should have sufficient knowledge about company policy for best performance. Training and development help employee to obtain knowledge on company policy.

**4. Earn Knowledge on Customer Relations**

Collecting data regarding customer relations is the major objectives of training and development.

**5. Change Attitude**

It facilitates changing of attitude so, that an employee can give their best to organization.

**6. Ensure Personal Growth**

Training and development give an employee everything which needed to be a good professional. And when he becomes a good employee it ensures his personal growth.

**7. Ensuring Loyalty**

Aim of training and development is to make a employee loyal to his organization

**8. Bring down Employee Attrition**

Another objective of training and development is to bring down attrition levels of employees.

**9. Enhanced Productivity**

Training develop a person's skill to professional level so, it is easy to say obviously training and development process increase productivity.

**10. Better Quality**

Better quality of employee is the main objective of training and development.

**11. Focus on Future Growth**

Growth of a company depends on their employee. So, development process helps the company to fulfill future growth.

**12. Improve Organizational Climate**

Improving organizational climate is the greatest objective of training and development.

**13. Improve Health Care**

Without good health employee can't serve properly to his / her company. So, training and development improve health care.



**14. Prevent Obsolesce**

Prevent obsolesce is one the most important objectives of training and development.

**15. Behavioural Change**

Training and development has a great impact on employee behavior. It polishes employee's behavior so, that he/she can fit with internal and external environment.

**3.2 EMPLOYEE TRAINING****Q4. What are the objectives of training ?**

*Ans :*

(Dec.-20, Dec.-17, Imp.)

- (i) To develop the potential employees (both old and new), so as to fulfill the present and future requirements of the organization.
- (ii) To make the new recruits to learn basic Knowledge, Skills and Abilities (KS A) of the job that has to be performed by them.
- (iii) To prepare the experienced employees to take up more complex and the challenging tasks.
- (iv) To ensure that the organization has a workforce consisting of competent and knowledgeable employees who possess the required skills to lead the organization. Such employees are made to acquire responsible positions in an organization.
- (v) To sharpen the skills and to broaden the area of functioning of middle level and senior level managers by providing them with different tasks so that they can become specialists.
- (vi) To enable employees to become better performers by making them aware about the best techniques, innovative technologies, best practices for performing their tasks efficiently.
- (vii) To make arrangements for the employees to overcome their deficiencies, thus ensuring the smooth and efficient working environment.
- (viii) To promote a sense of responsibility, co-operation and good relationships among its employees.

Thus, it can be said that employee training objectives play a significant role in the success of an organization.

**Q5. Explain the roles of Trainer.**

*Ans :*

(June-19)

S.No	Role	Nature of work
1.	<b>The Trainer</b>	A learning Specialist, Helps people to learn , provide feedback and adopt course design.
2.	<b>The Provider</b>	Training Need Analysis, setting objectives, designing courses, choosing methods, testing out put and evaluating courses.
3.	<b>The Consultant</b>	Analyzing business problems and assessing /recommending solutions.
4.	<b>The Innovator</b>	Educating Managers for change, facilitating change, identifying the real sources of power etc.
5.	<b>The Manager</b>	Planning, organising, controlling, and developing the training and development activity or function.

**Q6. Explain the need and importance of training.**

*Ans :*

**1. Increasing Productivity**

Instruction can help employees increase their level of performance on their present job assignment. Increased human performance often directly leads to increased operational productivity and increased company profit.

**2. Improving Quality**

Better informed workers are less likely to make operational mistakes. Quality increases may be in relationship to a company product or service, or in reference to the intangible organizational employment atmosphere.

**3. Helping a Company Fulfil its Future Personnel Needs**

Organizations that have a good internal educational programme will have to make less drastic manpower changes and adjustments in the event of sudden personnel alternations. When the need arises, organizational vacancies can more easily be staffed from internal sources if a company initiates and maintains an adequate instructional programme for both its non-supervisory and managerial employees.

**4. Improving Organizational Climate**

An endless chain of positive reactions results from a well-planned training programme. Production and product quality may improve; financial incentives may then be increased, internal promotions become stressed, less supervisory pressures ensue and base pay rate increases result.

**5. Improving Health and Safety**

Proper training can help prevent industrial accidents. A safer work environment leads,

to more stable mental attitudes on the part of employees.

**6. Obsolescence Prevention**

Training and development programmes foster the initiative and creativity of employees and help to prevent manpower obsolescence, which may be due to age, temperament or motivation, or the inability of a person to adapt himself to technological changes.

**7. Personal Growth**

Employees on a personal basis gain individually from their exposure to educational experiences. Again, Management development programmes seem to give participants a wider awareness, an enlarged skin, an enlightened altruistic philosophy, and make enhanced personal growth possible.

**Q7. Explain the benefits of training.**

*Ans :*

(Dec.-19, Dec.17)

**1. Better Performance**

A sound training programme results in better performance of the employee both in terms of quantity and quality of output

**2. Lesser Learning Period**

The learning time is considerably reduced by training. The employee need not indulge in trial and error method or self training. Besides, the training cost and waste of time are also reduced to the minimum.

**3. Elimination of Wastage**

The quantity of spoiled work or wastage is also reduced sizably. It leads to reduction in the cost of production.

**4. Uniformity of Procedure**

With the help of training, the best available method of performing the work can be

standardized and made available to all employees. Standardized procedures will ensure peak level of performance.

**5. Elimination of Misfits**

As stated already, mere selection and induction are not sufficient to procure proper personnel for the organization. It is only training that makes him suitable for the given job. Besides, promising candidates can also be brought into the light.

**6. Economy in Materials Handling**

Trained personnel will be able to use materials and equipment better and economically. Wastage will be low and accidents will be reduced to a minimum.

**7. Less Supervision**

The need for close and continuous supervision is also reduced considerably by proper training. Consequently, a few supervisors are sufficient to manage the whole show. This ultimately results in less supervision costs and lower cost of production.

**8. High Morale**

Training also motivates employees to work hard. Employees who understand the job are likely to have higher morale. They are able to maintain a closer relationship between their effort and performance.

**9. Reduction in Labour Turnover**

Scientific training reduces the labour turnover and introduces stability and flexibility of employees. If employees are given training for various jobs, short-term adjustments can be made in times of need by transferring one employee from one department to another.

**10. Removes Fear of the Employees**

Scientific training programmes are highly essential in dynamic companies undergoing changes. Because workers very often resist changes such as automation for fear that they will be incapable of handling the newly created jobs. Proper and adequate training programmes will remove the fears of the employees and create a sense of confidence in them.

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**Q8. Narrate the various training programs in Indian enterprise.**

**(OR)**

**Explain the various methods of training.**

*Ans :*

**(Dec.17, Imp.)**

There are two methods of training the employees,

1. On-the-Job Training (OJT)
2. Off-the-Job Training

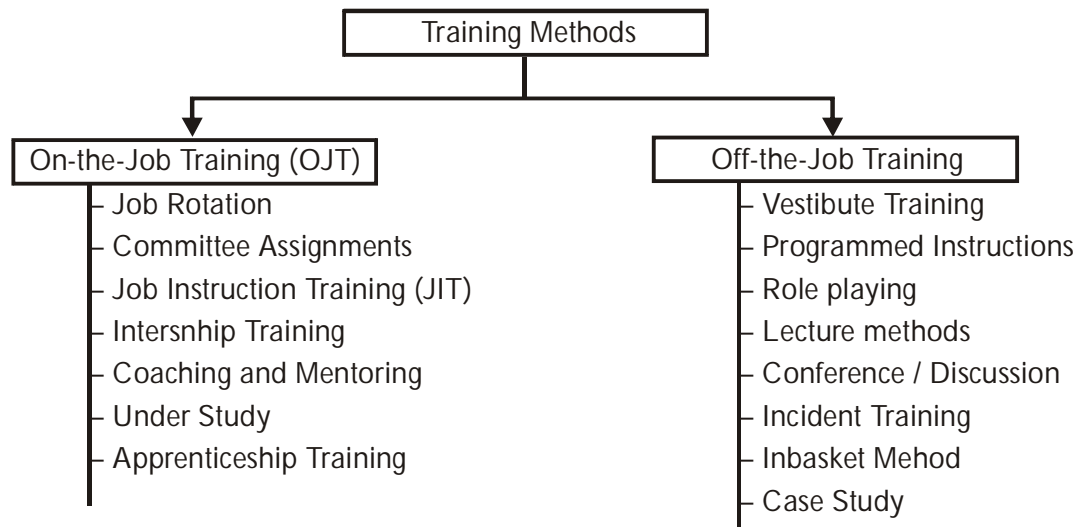


Fig. : Training Methods

### 1. On-the-Job Training (OJT)

This is the most commonly used method of training the employees. In this method, the employee is placed on his regular job and taught the skills necessary to do that job under the guidance of a supervisor. On-the-Job training is advantageous by providing first hand knowledge under the actual working conditions.

The different on-the-job training methods are,

- (a) **Job Rotation** : Job rotation is the movement of an employee from one job to the other of same nature. This method provides an opportunity to enhance the knowledge and skills of an employee and make him competent in several jobs rather than one. Though this method is advantageous, frequent movement of employees may disturb the regular job.
- (b) **Committee Assignments** : In committee assignments method, a group of employees are given an actual organizational task/problem and are asked to solve it. The group members collaborate and cooperate with each other to solve the problem. This method of training develops the team work and intergroup collaborations.
- (c) **Job Instruction Training (JIT)** : In this method, the trainer explains the trainee the job knowledge and skills, method of performing the job and allows him to do the job. At the same time, the trainer analyzes the employee performance and provides him the feedback.
- (d) **Internship Training** : In this, the educational institutes and business firms come together and select a group of candidates. The selected candidates carry on regular studies for a period of time and at the same time work in office or factory to acquire the practical knowledge. This method is advantageous as it provides a balance between theory and practice. But it is slow and time consuming.
- (e) **Coaching and Mentoring** : In this method, the trainee is placed under the guidance of a supervisor. The supervisor assesses the employee performance, provides him the feedback and offers some suggestions of improvement. In this method the trainee also shares the responsibilities of the supervisor. The main drawback of this method is that the trainee do not have any freedom to express his ideas.

- (f) **Under Study** : Under study is a method in which an employee is trained to take in future the full responsibility of the position of his superior. This method helps an organization to acquire an employee of equal competence as his superior and prevents the recruitment of a new unknown personnel.
- (g) **Apprenticeship Training** : This method of training is used in the trades, crafts and technical fields in which proficiency is required for training. Trainees are made to work under direct supervision of experts.

## 2. Off-the-Job Training

In this method of training, the trainee is separated from his actual job and trained for his future job performance. The different off-the-job training methods are,

- (a) **Vestibule Training** : In this method, training is provided by the simulation or creation of actual working conditions in a classroom. The classroom exactly represents the actual working conditions with same kind of machines, files, equipments etc. Vestibule training in general is used to train clerical and semi-skilled jobs.
- (b) **Programmed Instructions** : The theory or the subject-matter to be learned is presented in a series of carefully planned sequential units ranging from simple to more complex levels of instruction. The subject matter is presented in the form of multiple choice and fill in the blanks and then trainee passes through each unit by answering these questions. This method is time consuming and expensive.
- (c) **Role Playing** : Role playing is a realistic behaviour in an imaginary situation. The participant/trainee plays the role of certain characters like production manager, mechanical engineer etc. This method includes doing action and practice and is generally used to improve inter-personal skills.
- (d) **Lecture Method** : Lecture method is a traditional and direct method of training. In this method, the trainer/instructor prepares a material and delivers it to a group of trainees in the form of a lecture. The lecture prepared by the trainer should motivate the trainees and create interest in them. The lecture method is advantageous because it is direct and can be delivered to a large group of trainees at the same time. One of the major limitation of lecture method is it cannot transfer the training effectively.
- (e) **Conference/Discussion** : In conference method, group of people meet and pose ideas, share the facts, test the assumptions and draw conclusions to improve the job performance. This method is mainly used to train the clerical, supervisor and professional personnel. Unlike lecture method which involves only one way communication, discussion involves dyadic communication and also provides feedback. This method is advantageous that the trainee has the opportunity to speak.
- (f) **Incident Training** : Incident method was developed by Paul Pigors. The main aim of this method is to develop the trainee in areas of practical judgement, intellectual ability and social awareness. This method involves development of an employee in a group, i.e., a group of employees who require training are selected and are trained. For training the employees, incidents are prepared based on the actual situations that happened in other organizations. Each trainee in the group is given the incident and asked to make short-term decisions. Later, the group discusses on the incident and takes decisions through group interactions.

- (g) **In basket Training** : In this method, the trainee is given a basket or pile of papers and files related to his functional area. The trainee is then asked to study and analyze the situation and make necessary recommendations. The recommendations provided by all the trainees are compared and conclusions are made.

#### Advantages

- It is simple and economical.
- It helps the trainees to learn problem-solving skills.
- It reduces interdepartmental conflicts.

#### Disadvantages

- The solutions arrived at the participants may tend to be abstract.
- Trainee may find difficulty to adapt themselves to rigid situations and lack originality.

- (h) **Case Study** : Case study method of training was developed at Harvard Business School. In this method, a real business problem is presented to the trainees in the form of writing. The trainees are asked to analyze the problem and suggest the alternative courses of action.

**Q9. State the strength and weakness of on the job and off the job training.**

*Ans :*

#### On the Job Training

##### Strength

1. On the job training methods, help the trainees to learn quickly through observation while compared practically to the performance of the job.
2. These methods, provide first hand experience and knowledge to the trainees. It acts as an effective way of learning new skills.

3. Job rotation method provides, the trainee the opportunity to do different jobs. Thus, helping him/her to understand the problems, and challenges, of other jobs.
4. Internship training method provides the practical exposure to students, and provides competent assistants, to employees.
5. These trainings provide step-by-step information which helps them to improve their productivities.

#### Weakness

1. On job training methods, like coaching and mentoring do not give trainees, the freedom to be creative and experimental.
2. There are more and more instances, of accidents, or damage to the machinery. Since, the trainees are still in learning stage.
3. Productivity would be lost as the employees would be unaware about the ways in which equipments can be utilized.
4. Strong relationship between the trainer and trainee may lead to development of unethical behaviour. Thus, demotivating others in their work performance. Frequently changing jobs, (job rotation) may cause interruptions, in the performance of the job.  
Employees, too may feel irritated with job rotation and may develop a feeling of being over used.

#### Off the Job Trainings

##### Strength

1. A major advantage of these training programme is that the trainee can pay his/her full concentration towards learning the job, as he does not have the pressure of achieving targets.
2. Trainees, can develop good interpersonal relations, and better communication while performing its tasks.
3. Discussion methods, help to generate new creative ideas as, the trainees are free to express their views.

4. These training, helps the new trainees to better understand and adjust with the organizational culture as, they do not have the pressure of actually performing the job.
5. Simulation method is an excellent method of making new trainees to get experience with the real practical situations, thus helping them sharpen their skills.
6. Case study methods help to improve the analytical skills, and integrate interdisciplinary knowledge among the functional units of the organization.

#### Weaknesses

1. Such training could only be used to teach simple skills and is found to be suitable for clerical and semi-clerical jobs.
2. This method of training is highly expensive.
3. Sometimes, the trainees may not be able to adopt the role plays, and business, games, seriously. Thus, increasing the effectiveness of learning process.
4. If trainees are introverted then they may feel shy or embarrassed in performing the role plays.
5. Difference of opinion may lead to ego clashes, and groupism among trainees, leading to distraction from the training programme. Sometimes, differences in the opinion of employees lead to the development of conflict among the trainees.

#### Q10. Compare and contrast on the job training and off the job training.

Ans :

S.No.	On - the - job Training	S.No.	Off-the -Job Training
1.	Cheaper to carry out.	1.	Required expenses like separate training rooms, specialist, resources like projectors.
2.	Training is very relevant and practical dealing with day-to-day requirements of job.	2.	Can more easily deal with groups of workers at the same time?
3.	Workers not taken away from jobs so can still be productive.	3.	Employees respond better when taken away from pressures of working environment.
4.	Employees who are new to a job role become productive as quickly as possible.	4.	Workers may be able to obtain qualifications or certificates.
5.	Supervisors can directly observe the working skills of the trainee.	5.	Trainees learn from specialists in that area of work who can provide more in-depth study.
6.	Chances of distractions are here, as there may be noise and disturbances because of working machines.	6.	There is no distraction because trainees are away from the working environment.
7.	Coaching, job rotation, apprentice are on-the-job training.	7.	Role plays, seminars, lectures, case studies are off- the-job training.

**3.3 EMPLOYEE RETRAINING**

**Q11. Define the term Retraining. Explain the benefits of retraining.**

*Ans :*

(Dec.-20)

Retraining is a practice employers may require for their workers to make them learn new skills. Although most employees will receive training at the very beginning of their employments, further training may be necessary down the line in order to avoid having a stagnant workforce.

**For example**, companies that have upgraded to newer technologies may require retraining so that everyone learns how to use the new devices as opposed to simply relying on newer or younger employees. Retraining is also highly useful for the workers because they are learning new skills that could make them more viable candidates should they have look for new work elsewhere.

**Benefits of Retraining**

**(i) Employer**

- Improved working environment, products, and services.
- Fresh outlook.
- Better team morale.

**(ii) Employee**

- Skills development.
- Improve career prospects.
- Increased job satisfaction.

---

**Q12. How to Effectively Retrain Employees.**

*Ans :*

**1. Define the retraining subject.**

During the retraining process, you'll be responsible for managing your employee's knowledge, skill, and ability to perform the new task or follow new policies while training. Therefore, it's important that you accurately define the goals and intention of the retraining.

**2. Make sure it's directed at the right department.**

If you are updating your payment processes with new machinery in a hospital, you wouldn't send your nursing staff on a retraining program. Target the right department or group of employees and ensure there is a real need for the retraining.

**3. Make retraining engaging and fun.**

Training does not have to be dull. Encourage a social environment that welcomes conversation and teamwork. Make sure there are sufficient breaks and room for socializing.

**4. Discuss feedback and outcomes with employees.**

Once retraining is completed, discuss the outcomes with your employees. Through an open conversation, you can identify room for improvement, collect feedback, and brainstorm suggestions for future retraining.

**5. Introduce a system that recognizes achievements.**

During the retraining process, employees may excel in certain areas. For example, employees may show great leadership and communication skills. Create a system that recognizes achievements and great work.



**Q13. Differences between training and induction.***Ans :*

Area	Training	Induction
<b>Meaning</b>	Increasing the knowledge and skills of an employee to do a particular job.	Orientation is also called 'Induction', it means in simple words 'introduction', introduction of a new person into any group or organization.
<b>Aim</b>	Improve performance, increase productivity, improve quality of products/services, improve organizational climate, improve health and safety, reduce resistance to change.	To help the newcomer to overcome nervousness in meeting people in a new environment. To build up the new employees confidence in himself and in the organization so that he may become an efficient employee. To develop sense of belongingness and loyalty to the organization among the new employees.
<b>Steps</b>	Preparing the instructor/trainer, preparing the trainee/learner, getting ready of the instructor to teach, presenting the operation trying out the trainee's performance, follow-up.	The first phase of induction programme is general induction, generally conducted by the HR. The second phase of specific induction is given by supervisor's to the new employee. The third and last phase of induction is follow-up induction.
<b>Duration</b>	Short-term	Long-term
<b>Benefits</b>	<ul style="list-style-type: none"> <li>➤ Improved Productivity</li> <li>➤ Improved Quality of Work</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost and Wastage Reduction</li> <li>➤ Reduced Supervision</li> <li>➤ Reduced Accidents</li> <li>➤ Employee Growth and High Morale</li> <li>➤ Improved organizational Climate</li> </ul>

**3.4 ASSESSING TRAINING NEEDS****Q14. What is Training Needs Assessment (TNA) ?***Ans :***(July-21)**

"Training Needs Assessment" (TNA) is the method of determining if a training need exists and, if it does, what training is required to fill the gap. TNA seeks to identify accurately the levels of the present situation in the target surveys, interview, observation, secondary data and/or workshop. The gap between the present status and desired status may indicate problems that in turn can be translated into a training need.

**Training Needs = Desired Capability – Current Capability of the Participants**

Training can reduce, if not eliminate, the gap, by equipping the participants with knowledge and skills and by encouraging them to build and enhance their capabilities. The data on the present status are vital to the evaluation or impact survey in the latter part of the training cycle. These shall serve as the baseline data. The following are some techniques for acquiring such data. These may be applied independently or in combination.

TNA is also the process of collecting information about an expressed or implied organizational need that could be met by conducting training. The need can be a performance that does not meet the current standard. It means that there is a prescribed or best way of doing a task and that variance from it is creating a problem.

**Q15. What is the purpose of Training Needs Assessment (TNA) ?**

*Ans :* (July-21, May-18)

First, identify dissatisfaction with the current situation and desire for change as similarities among the requests. Each request implies that a gap or discrepancy exists between what is and what could be or should be. A learning or performance gap between the current and desired condition is called a need. TNA aims at the following situations.

- Solving a current problem
- Avoiding a past or current problem
- Creating or taking advantage of a future opportunity
- Providing learning, development or growth

The purpose of TNA is to answer some familiar questions: why, who, how, what, and when. The following are descriptions of the questions and what analysis can be done to answer them.

**Q16. Who should participate in Training Needs Assessments (TNA) ?**

*Ans :*

Recruited and selected employees don't have knowledge, skill and abilities to perform work. So, every organization should provide the training period to the employees. The employees need the training for their new jobs.

Identifying training needs is a process that includes establishing areas where employees lack skills, knowledge and ability to perform their job effectively. The training needs help both the employee and the organization.

**According to McGhee and Thayer's model**, the identification of training needs consists of the following three components,

1. Organizational analysis
2. Task analysis / Operational Analysis
3. Man analysis / Personal Analysis

There are briefly discussed under:

**1. Organizational Analysis**

The organizational analysis involves complete analysis of organizational structure, objectives, culture, decision-making, resource allocation and so on. Such analysis would help in identifying organizational deficiencies and helps in filling these gaps. This analysis, is established for understanding the short-term and long-term goals of the organization. Generally organizational analysis includes the following steps,

**(a) Analysis of Objectives :** Organizational analysis includes both short-run and long-run goals. Long-run objectives are spread into specific objectives and strategies for each of the department. Short-run objectives are in need of adaptation to the changing environment.

**(b) Resource Utilization Analysis :** Once the organizational objectives are analysed, the next step includes identifying training needs to analyse the allocation of human and other physical resources and evaluate their level of utilization.

**(c) Environmental Scanning :** This analysis involves the determination of environmental, sociocultural, economic and cultural factors affecting the organization. It helps in identifying the controllable and uncontrollable environmental factors by the organization.

**(d) Organizational Climate Analysis :** It deals with the attitudes of members towards work, supervision, it has its own impact on the organization.

**2. Task Analysis/Operational Analysis**

This Task Analysis involves information about the various components of jobs and their performance. Task analysis shows that required skills and training are needed to perform the job at the required standard. Almost all jobs have an expected standard performance.

### 3. Man Analysis

This is the third component in the identification of employee training needs. The main aim of Man Analysis, is to focus on employee, his skills, abilities, knowledge and attitude. Among the three analysis, this is a more complex one because, it includes more difficulties when assigning human contribution. Because the reason is that, available measures to study man are much less objective and suffer from many individual variation. Generally data on production data, meeting deadlines, quality of performance, personal data such as work behaviour, late- coming etc., can be collected through records, observation, meeting with employee and other who work with him.

According to 'Dayat', a detailed study of jobs and skill analysis is absolutely necessary. The training accordingly imparted would help the employee adjust to their job requirements.

**Q17. Examine the various steps in analyzing training needs.**

**(OR)**

**Explain the steps to conduct training needs assessment at various levels of organization.**

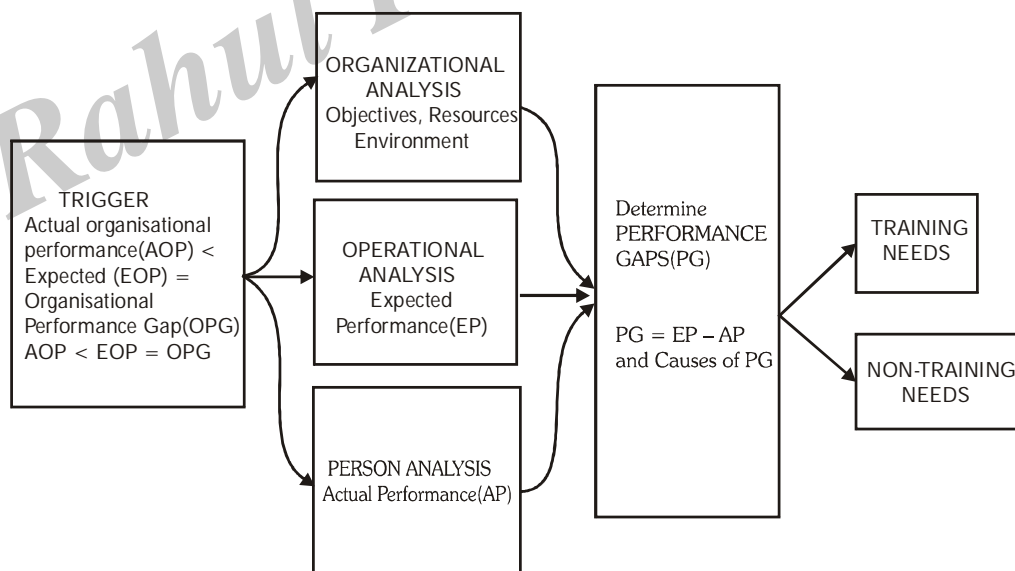
*Ans :*

**(May-18, Imp.)**

The Training need analysis Model is a pictorial representation of the sequential phases followed in conducting a Training Need Analysis (TNA). It consists of four main phases,

1. Trigger
2. Input
3. Process
4. Output

The following figure depicts the TNA Model.



**Fig. Framework for Conducting a TNA**

#### 1. Trigger

Trigger represents the first phase of TNA model. It acts as a simulation to the entire Training Need Analysis (TNA).

A trigger can be defined as the method of identifying actual or potential performance gaps in an organization. Under trigger phase, it is found that,

$$EP < PP$$

Where,

EP - Expected Performances

< -Less than

PP - Present Performances

This,  $EP < PP = PG$

PG - Performance Gap

Thus,  $PG = EP < PP$  acts as a trigger to the actual TNA.

## 2. Input

### (i) Organizational Analysis

The organizational analysis involves complete analysis of organizational structure, objectives, culture, decision-making, resource allocation and so on. Such analysis would help in identifying organizational deficiencies and helps in filling the gaps. This analysis is established for understanding the short-term and long-term goals of the organization. Generally organizational analysis includes the following steps,

**(a) Analysis of Objectives :** Organizational analysis includes both short-run and long-run goals. Long-run objectives are spread into specific objectives and strategies for each of the department. Short-run objectives are in need adaptation to the changing environment.

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controllable and uncontrollable environmental factors by the organization.

### (d) Organizational Climate Analysis :

It deals with the attitudes of members towards work supervision. It has its own impact on the organization.

### (ii) Task Analysis/Operational Analysis

Task analysis involves information about the various components of jobs and their performance. Task analysis shows that required skills and training are needed to perform the job at the required standard. Almost all jobs have an expected standard performance.

### (iii) Man Analysis / Personal Analysis

This is the third component in the identification of employee training needs. The main aim of man analysis, is to focus on employee, his skills, abilities, knowledge and attitude. Among the three analysis, this is a more complex one because, it includes more difficulties while assigning human contribution. Generally production data, concerning the realization of deadlines, quality of performance etc., can be collected through records, observation, meeting with employee and others who work with him.

## 3. Process

After gathering all the required information, through input phase, it is put into process phase. This phase includes,

- (i) Identifying the Performance Gaps (PG)
- (ii) Causes of performance Gap

Usually, PG is calculated by

$$PG = EP - AP$$

Where,

PG - Performance Gap

EP - Expected Performance

AP - Actual Performance

EP is the performance level expected from an employee in a particular job.

AP is the current performance level of an employee in a particular job.

#### 4. Output

##### (i) Training Needs

The Performance Gaps (PG) that result from the employee's deficiencies of KSAs and which can be solved by providing training are called Training Needs. For these deficiencies to be filled, the KSAs which are lacking in the employee must be identified and specified clearly. The KSA's thus identified helps in developing the training objectives.

##### (ii) Non-training Needs

Non-training needs are those which are not characterized as KSA deficiency and those which are characterized as deficiency but cannot be solved or filled by training. In other words, they are the deficiencies that affect the PP and cause PG, but cannot be resolved through training.

Non-training needs are those organizational attributes that do not lack in KSA's, but are responsible for PG for which training is not a solution.

**Q18. Explain in detail the output of Training need Assessment.**

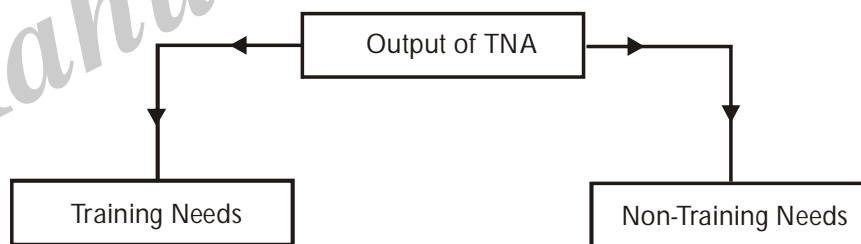
*Ans :*

Output is the third and the last phase of TNA Model. After a clear study of PG, output phase arises. Output of TNA consists of,

1. Training Needs
2. Non-training Needs.

##### 1. Training Needs

The Performance Gaps (PG) that result from the employee's deficiencies of KSAs and which can be solved by providing training are called Training Needs. For these deficiencies to be filled, the KSAs which are lacking in the employee must be identified and specified clearly. The KSA's thus identified helps in developing the training objectives.



**Fig. : Output of TNA**

##### 2. Non-training Needs

Non-training needs are those which are not characterized as KSA deficiency and those which are characterized as deficiency but cannot be solved or filled by training. In other words, they are the deficiencies that affect the PP and cause PG, but cannot be resolved through training.

Non-training needs are those organizational attributes that do not lack in KSA's, but are responsible for PG for which training is not a solution.

Non-training needs are of two types,

- (i) Non-training needs without any KSA deficiency
- (ii) Non-training needs characterized by a KSA deficiency.

(i) **Non-training needs without KSA Deficiency**

The case of "Hardworking employee who always gets a reward of difficult assignments, tending to reduce her performance level by herself, is a situation which cannot be solved by training." In this situation, providing training to employee is not needed. Instead the supervisor who is habituated to give more work to the hardworking employee should be given training. Supervisor must be taught that hardworking employee must be given rewards rather than punishment. Non-training needs without KSA deficiency is arisen due to following reasons,

- (a) **Inadequated Feedback** : Employees tend to perform less when they do not get any feedback positive or negative from their supervisors. In such case, not the employee but supervisors needs training.
- (b) **System Constraints** : Workplace conditions can also become a constraint for delivering desired performances. Examples of this are - Unavailability of required material on time use of outdated machinery, continuous disturbance etc. These kind of hurdles must be removed as and when identified at the workplace.

(ii) **Non-training Needs Characterized by a KSA Deficiency**

This is a situation where there are KSA deficiencies, but training is not the only solution. These includes,

- (a) **Job Aids** : Job Aids are generally the group of instructions, figures and other information available at the workplace. Job aid guide the employee in performing complex task. The method of using Job Aids is cost effective and efficient method than compared to providing training.
- (b) **Practice** : An infrequently performed task can develop PG. This can be solved by practice rather than training.

Thus, both Non-training needs and training needs are to be properly addressed to fill the performance gaps (PG) and meet the EP. The following figure depicts the output of TNA.

**Q19. Define Training Evaluation. Explain the objectives of Training Evaluation.**

*Ans :*

(Dec.-18)

**Meaning**

Evaluation of training effectiveness is the process of obtaining information or data on the effectiveness of training program conducted and assessing the value of training in the light of that information. Evaluation involves controlling and correcting the training program.

Evaluation means appraisal or assessment. In terms of training it is a activity of assessing the impact of the training as compared to the objectives that were set for achievement through the program, evaluation is done by obtaining feedback from the trainees, trainers and the line managers of the concerned departments. Perspectives of colleagues can also be considered to obtain 360 degree evaluation.

Evaluation measures can be undertaken before the start of training, at the start of training, during the training and at the end of training.

Training evaluation is the assessment of the total value of the training system, training course or program in social as well as financial term. The term is also used in general judgmental sense of the continuous monitoring of a program or of the training function as the whole.

**Objectives**

Evaluation is a systematic process to determine the worth, value or meaning of an activity or process. In broader sense evaluation is undertaken to improve training processes or to decide the future of a program, these broad purposes can be divided as following objectives.

1. To identify the program's strengths and weaknesses.
2. To assess whether content, organization and administration of the program contributes to learning and on the job utility of the content.

3. To identify which trainees benefited most or least from the program.
4. To determine the financial benefits and costs of the program.
5. To gather data to assist in marketing training programs.
6. To compare the cost and benefits of training vs non training investments.
7. To compare the cost and benefits of different training programs to choose the best program.

---

**Q20. State the various reasons for Training Evaluation.**

*Ans :*

There are various reasons for evaluating training, they are as follows:

1. Evaluation is important when the organization is not aware of the possible outcome of the training.
2. To justify the expenditure on future training programs. Evaluation enables the training manager (or) HR department to justify the expenditure on future training programs.
3. To measure effectiveness of approaches and techniques. Evaluation helps to assess the effectiveness of different approaches and techniques.
4. Evaluation provides feedback to trainers. It provides feedback regarding the performance and methods employed by the trainers.
5. Motivational for learners, evaluation can be motivational for learners as they know that they can give their opinions and secondly in many cases the data is used for performance evaluation and decisions regarding compensation and promotion.
6. It measures the degree of objectives achieved. It indicates to what extent the objectives have been met and whether and further training is needed for the individual or the group.

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**Q21. Explain the various models for evaluating training programs.**

(OR)

**How is training ROI calculated by organization.**

*Ans :*

(Dec.-18, Imp.)

**Introduction**

In today's highly competitive world human resources have become the most valuable resources of an organization. Because this fact, most of the companies are investing heavily on the development of their Human Resources.

Human Resource Development (HRD) "is the process of developing the skills, knowledge and competencies and capabilities of the workforce using HR interventions, like training, workshops, developmental programs and so on. The top management must estimate the return on investment (ROI) for financing such training programs, and also for determining their direct beneficial to the organization. This, could be done using Human Resource Evaluation models by HRM experts. Human Resource is described as "the process of collection of training information for making it more effective. It also includes changing the modes, methods and values of a training program".

Over a period of time, many different evaluation models have been developed (as shown in the table below). However, the best model for HRD evaluation had been proposed by Donald Kirkpatrick's.

### Different Models of Evaluation

S.No.	Models	Number of Levels	Evaluation Criteria
1.	Kirkpatrick's	4	Reaction, learning, job behaviour and results.
2.	Holton	5	Secondary influence, motivation, outcome ability, environmental factors.
3.	Phillip	5	Reaction, planned action, applied learning results, R.O.I.
4.	C.I.P.P	4	Context, input, process and product.

### (A) Kirkpatrick's, HRD Evaluation Model

Donald Kirkpatrick's, has suggested a four step evaluation model.

According to him, training frameworks can be evaluated based on four criteria as follows,

Levels		Criteria
1.	Level 1	Reaction
2.	Level 2	Learning
3.	Level 3	Job behaviour
4.	Level 4	Results

#### 1. Reaction (Level I)

At this level, only employees reactions or perceptions about the training programmes and its effectiveness can be considered. Employee's reactions constitute important information as their positive reactions make even the other employees to become a part of future programmes. Similarly, their negative reactions restrict some of their colleagues to attend such training programmes.

The main drawback of this step is that it is very difficult for an evaluator to assess the complete effectiveness of the programme whether it has successfully met its objectives or not.

#### 2. Learning (Level II)

At this level, training programmes are evaluated to determine whether the HRD objectives have been learnt by the trainees. It is an important perspective which needs to be satisfied. Learning constitute an entirely different method of assessing the participants's reaction.

#### 3. Job-behaviour (Level III)

At this level after training an evaluator needs to assess whether there is a change in the behaviour of employees or not. This evaluation represents the success of any training programme. Such evaluation can be done by observing the on-job behaviour of an employee or by assessing the organizational records. If an employee/trainee is unable to apply his training experience, knowledge and skills to the job then the entire training programme may go in vain without bringing any change in either employee's or organizations effectiveness.



#### 4. Results (Level IV)

It is the most critical step of Kirkpatrick's evaluation framework. At this level, effectiveness of training programmes are evaluated on the basis of organization's results. It must be considered the following aspects.

- (a) Level of improvement in the effectiveness of organization after training
- (b) Any increase or improvement in the efficiency/profitability of an organization
- (c) Economic and operating data can be collected and analyzed.
- (d) Is there any improvement in the service provided to its clients or customers after the training programmes.

Kirkpatrick's framework plays a vital role in assessing different consequences of training and reminding the evaluator that HRD efforts have multiple objectives.

#### Criticisms of Kirkpatrick's Model

Even though, Kirkpatrick's has suggested a simple four step evaluation framework, it also has certain drawbacks which can be dealt as follows,

##### 1. Incomplete Coverage

Some authors criticized this model as it has training programmes. However, the other processes of a training programme remained uncovered.

##### 2. No Measurement Techniques

According to Kraiger, Ford, Salas, this approach fails to predict the occurrence of most probable changes that might occur as a result of the learning/training programmes. This approach is purely qualitative in nature as it has not used or specified any tool/technique through which the outcomes of each step of HRD can be evaluated.

##### 3. Based on Invalid Assumptions

Kirkpatrick's model assumed that for the successful achievement of results at higher levels (say level 4) also assumed. It is based on an assumption that the outcomes achieved at the higher level reflects the achievement of outcomes at lower levels. But, according to Alliger and Janak the framework cannot be given more importance than an initial

rewistic level of Global training evaluation framework.

#### 4. It is a Taxonomy Rather than a Model

According to some critics, Kirkpatrick model Taxonomy consists of four levels, wherein an evaluator has to pass through sequential steps in evaluating the training programmes.

#### 5. No Explicit Relationships

Another major shortcoming of this model is the lack of clear and detailed connection among all the four levels of the model. It would be very difficult for an evaluator to measure all the four levels, in a sequence and to decide which tools, are found to be suitable for which level.

#### 6. Incomplete Model

Many researchers have suggested that Kirkpatrick model is incomplete and that a fifth element must be added to it. This fifth level constitutes the evaluating of the social contributions made by the HRD programs.

#### (B) Pecuniary Utility Models of Training

Training utility models are used to measure the benefits, of any training programme in monetary terms. If an organization provides training to its employees, then it has to incur different types of cost. Few of them include direct and indirect costs, developmental and overhead costs and compensation.

Thus, for determining the costs and benefits, financial impact of various HRD programmes needs to be considered.

Financial impact of development programmes can be studied,

1. By evaluating the training costs e.g., ROI and
2. By performing the utility analysis.

##### 1. Evaluation of Training Costs

Training costs can be evaluated by comparing the costs incurred in conducting HRD programme with that of the benefits obtained from it. Evaluation of training cost involves two activities,

- (a) Cost benefit analysis and
- (b) Cost effectiveness analysis.

Cost benefit analysis does the comparison of monetary costs of training with that of non-monetary benefits such as, improvements in attitudes, safety and health. Whereas achievement of financial benefits such as improvement in profits, quality, reduction in wastes and processing time constitute the important dimensions of cost-effectiveness analysis.

Evaluation of training costs can be done by using a mathematical tool, ROI (Return on Investment) which is given by a formula,

$$ROI = \frac{\text{Restul/Outcomes}}{\text{Traning cost}}$$

The top management can determine all such costs and the direct benefit occurring from all these trainings by following two concepts,

1. ROI (Return on Investment) and
2. Utility analysis ROI.

The human resource manager may let them know this, through the comparisons of costs and benefits.

#### (a) Cost Benefit Analysis

Comparing monetary cost of training to the non-monetary benefits, received (i.e., Non-pecuniary Benefits)

#### (b) Effective Analysis

This shows the financial benefits, derived from training (i.e.,) pecuniary benefits. Example: Increase in quality and profits, cost reduction etc.

If the R.O.I > 1 → The benefits, are more than cost

If the R.O.I < 1 → The costs are more than benefits for instance, Bank of America, Conducted an in-house training where the R.O.I was found to be 1.15 (more benefits, than costs) for which it was awarded excellence award by ASTD.

## 2. Models of Utility Analysis

Utility analysis is performed to detect identify the areas where improvements are achieved as a result of training. Utility analysis models help us to translate the benefits, occurring from any training programme into monetary terms. For instance, in

a call center, if an untrained employee takes 20 calls per hour and a trained employee takes 40 calls per hour, the gain of these 20 calls is expressed in dollar (monetary) terms using these simple utility models.

### Brogden Cronbach Gleser Model

This, is one of the simplest utility model. The model shows, the net gain to an organization in dollar terms as "change in utility" (benefits) represented by  $\Delta u$ .

Wayne Cascio invented a simple formula to know  $\Delta u$ . (i.e., the change in utility).

$$\Delta u = (n) (f) (d) (SD_y) - C$$

Where,

$\Delta u$  = Change in utility

$n$  = Number of trainees

$t$  = Time length, the benefit would last

$dt$  = Effect size (expresses the difference between job performance of trained and untrained employees).

$SD_y$  = Dollar value of job performance of untrained employees, (expressed in terms of standard duration).

$C$  = Cost of conducting the training.

The left side of the equation shows, the benefits, (pecuniary utility) derived from the training and the right side shows, the cost of the training. In the formula, terms  $n$ ,  $c$ , and  $dt$  can be directly measured, however terms,  $t$ ,  $SD_y$  should be estimated.

According to cascio, to get the accurate results of utility analysis, HR personal should:

- a – Calculate the required minimum benefit earned from the program
- b – Make use of break even analysis, to determine the minimum size effect ( $dt$ ).
- c – Correctly substitute all these in the formula to calculate the utility benefit.

### Critical Evaluation of the Model

The model has been criticized on various grounds. Some influential evaluators has questioned the practically of this, model while other have questioned its value.

**According to Latham**, many researchers do not accept this, as an appropriate tool for determining the effectiveness of HRD programme.

Utility analysis provides an opportunity to HRD professionals to make effective decisions about HRD programmes. It helps in evaluating the training programmes in monetary terms. Various authors have proposed certain recommendations for the effective utilization of information. Some of them includes,

1. Provide training to HR professionals and managers about the benefits and consequences of utility analysis.
2. Train and inform the HR personnel about the utility analysis.
3. Involve the top management in determining the standards.
4. Making use of conservative and credible estimates.
5. Only the results of utility analysis for comparing the alternatives not for justifying the individual programs.

**Q22. Describe the importance of experiential learning in training. Prepare a training schedule format for administrative staff of an educational institutions.**

*Ans :* (June-19)

Today, more and more organizations are gravitating to experiential training. Corporate trainers believe that the merger of two traditionally separate aspects of training, learning and hands-on experience, is the best way to provide skills which learners can immediately use.

#### Definition

Experimental training is all about learning by doing and understanding.

- Learners can learn something, only by doing the tasks.
- For learners to be able to do the tasks, they must first learn how to do them.

#### Advantages

- They produce real results faster than predominantly classroom-focused program.

- They expose earners to company-specific, real-world situations, not abstract constructs that may not apply to their job.
- While traditional training eventually produces work-ready individuals, who can immediately fail to perform their roles and then eventually undergo re-training, the experiential learning model allows learners to "fail fast", prompting immediate remedial training.

#### Techniques

##### 1. Simulations

This experiential training technique uses electronic, mechanical or software-based activities to simulate a real-world situation to which a learner must react. Since the simulations can vary depending on any number of parameters, simulated training offers a great way to educate staff on even the most remote hypothetical scenarios that they might have to deal with.

##### 2. Case Studies

These are great examples of experiential learning that are based on real-life instances, situations that have transpired in the past. By exposing trainees to what happened in the past, using illustrative case studies, trainers can give them invaluable insight into the appropriate behavior required to deal with similar situations, and the blow-back it may have.

##### 3. Role Playing

These are experiential training activities designed to help employees appreciate specific work situations from perspectives different than their own. For instance, a Customer Service manager might play the role of a customer, in order to experience the impact that a particular policy or procedure might have on the customer.

##### 4. Sensitivity Training

One highly effective experiential training strategy to enhance employee self-awareness and confidence is sensitivity training. The objective is to design activities that help learners appreciate how others (peers,

managers, customers) see them. As a result, workers become equipped with the skills and knowledge of how to deal with others more appropriately.

### 5. Gaming

Experiential learning games are a popular way to help employees learn by doing. The games can be organized in a way that individuals and groups play with each other, by either collaborating or competing, like in the real world. This process can teach them valuable lessons about how to deal with on-the-job situations. As part of this experiential training technique, motivation tools, such as points and merit badges, can be awarded to make the game more engaging for the learners.

### 6. On Job Training (OJT)

Of all the experiential learning strategies out there, OJT is probably the one that offers the most realistic training experience. By designing experiential activities for groups of trainees, based at the actual location where they will be working, OJT exposes staff to "business as usual" situations – real customers, peers, and supervisors, real products, and services – that they will continue to deal with once training is completed.

### Q23. Compare and contrast training and development.

Ans :

(Imp.)

S.No	Basic	Training	Development
1	<b>Nature</b>	Training focuses on technical, mechanical oriented operations.	Development focuses on theoretical skill and conceptual ideas
2.	<b>Emphasis</b>	Training is concerned with specific job skills and behavior.	Development is concerned with related enhancement of general knowledge and understanding of non-technical organization functions.
3.	<b>Relevance</b>	Training is mostly for non- managers	The development is for managers and executives.
4.	<b>Focus</b>	Training focuses on current jobs.	Development prepares for future jobs.
5.	<b>Goals</b>	Training focuses on short-term gains	Development focuses long-term accruals
6.	<b>Orientation</b>	The training is job-oriented process and is vocational in nature.	The development is general in nature and strives to inculcate initiative, enterprise, creativity, dedication and loyalty amongst executives
7.	<b>Process</b>	Training is one-short deal	Development is a continuous on-going process
8.	<b>Growth Opportunity</b>	Training may result in enhancement of a particular job skill.	Development may result in personal growth and development of overall personality.
9.	<b>Motivation</b>	Training is the result of organizational initiative and hence motivation is extrinsic	In development the motivation is intrinsic
10.	<b>Classification</b>	Training can be classified into i) On - the job training ii) Off - the job training	No such classification is possible
11.	<b>Voluntary Imposed</b>	Training is usually imposed	Development activities, such as those supplied management development programmes, are generally voluntary.
12.	<b>Relationship with Career Development</b>	The staff members may have no clear perception of the relationship between learning and career development.	Here, the staff members have experience and knowledge; a clear, direct relationship between self-development and career success.
13.	<b>Evaluation</b>	Evaluation for training is considered to be essential	No evaluation for development is possible.

### 3.5 DESIGNING TRAINING PROGRAMMES

#### Q24. How to design training programmes.

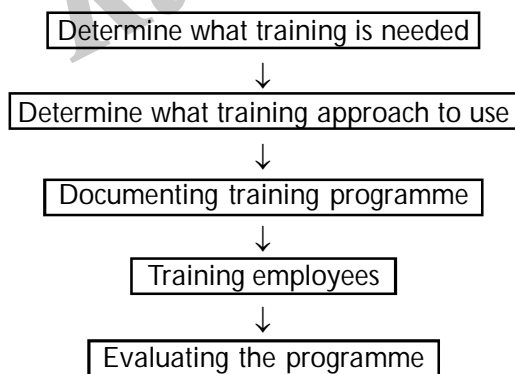
*Ans :* (Dec.-20)

Developing an effective employee training programme is vital to the long-term success of any business. Training programmes provide multiple benefits for employees and the company, but only if they are carefully planned and properly implemented. Clear understanding of policies, job functions, goals and company philosophy lead to increased motivation, morale and productivity for employees, and higher profits for your business.

Training is a means to a specific end, so keeping goals in mind during the development and implementation stages of your training programme will assist in creating a clearly defined and effective programme. Steps in designing a training programme can be explained as under :

##### Step 1: Determine what training is needed

The first step in designing a training system for a company is to determine what kind of training is needed. An organizational analysis, a task analysis and a person analysis has to be conducted. This three-tiered examination of a company's training needs will identify factors that will inhibit and aid training, to identify tasks that most employees will need to be trained and identify employees that need to be trained.



**Fig.: Design a training program**

##### Step 2: Determine what training approach to use

After identifying the needs to be trained, what training methodology is to be used has to be decided? There are several options available for

managers and business owners for training their employees. Seminars, simulations, programmed instruction, case studies, role-playing, apprentice, etc. are usually used methods.

##### Step 3: Documenting training programme

Documentation is the key to protecting the organization against legal complications. Required training like training objectives, training methodology, evaluation material and out-of-house material need to be prepared for making the training programme effective.

##### Step 4: Training employees

After preparing the training material, it is essential to let the employees know about the programmes and their processes. Employees need to know what training objectives are, how their progress will be monitored, what training methodologies are available and which ones are required.

##### Step 5: Evaluating the programme

After an employee has completed a training programme, an evaluation form has to be filled out that tells how well the information is presented. A evaluation sheet has to be filled on employee's progress and proficiency in the skill and skills that were focused on during the training programme.

### 3.6 AN OVERVIEW ON EMPLOYEE ORIENTATION

#### Q25. Explain briefly about employee orientation.

*Ans :*

An introductory stage in the process of new employee assimilation, and a part of his or her continuous socialization process in an organization. Major objectives of orientation are to

- gain employee commitment,
- reduce his or her anxiety,
- help him or her understand organization's expectations, and
- convey what he or she can expect from the job and the organization.

It is commonly followed by training tailored to specific job positions. See also acculturation and company orientation.

Orientation is the planned introduction of new employees to their jobs, coworkers, and the organization. However, orientation should not be a mechanical, one-way process. Because all employees are different, orientation must incorporate a sensitive awareness of the anxieties, uncertainties, and needs of the individual. Orientation in one form or another is offered by most employers.

The orientation is meant to educate new employees about the goals and responsibilities of the position and company, as well as to answer any questions they may have about HR, benefits and payroll information.

#### **Purpose**

- (a) To help the newcomer to overcome his natural shyness, any nervousness he may experience in meeting new people in the new environment;
- (b) To integrate the new employee into the organization and develop a sense of belonging which is a strong motivational force;
- (c) To supply information about the nature for workforce, conditions of service and welfare facilities.

### **3.7 CAREER PLANNING**

**Q26. Define Career Planning. What are the characteristics of Career Planning?**

*Ans :* (May-18, Dec.-17, Imp.)

#### **Meaning**

Career Planning is the systematic process by which one selects career goals and the path to these goals. From the organization's viewpoint, it means helping the employees to plan their career in terms of their capacities within the context of organization's needs. It involves designing an organizational system of career movement and growth opportunities for employees from the employment stage to the retirement stage. Individuals who can fill planned future positions are identified and prepared to take up these positions. It is a managerial technique for mapping out the entire career of young employees. It requires discovery, development, planned employment and re-employment of talents.

Career planning is the deliberate process through which a person becomes aware of personal skills, interests, knowledge, motivations, characteristics, career-related attributes, and the lifelong series of stages that contribute to his or her career fulfillment.

#### **Definitions**

- i) **According to Edwin B. Flippo**, "A career as a sequence of separate but related work activities that provide continuity, order and meaning in a person's life".
- ii) **According to Douglas T. Hall**, "An individually perceived sequence of attitudes and behaviors associated with work related experiences and activities over the span of the person's life".
- iii) **According to Schermerhorn, Hunt and Osborn**, "Career planning is a process of systematically matching career goals and individual capabilities with opportunities for their fulfillment".
- iv) **According to Schwind, Das and Wagar**, "Career planning is the process of enhancing an employee's future value".

#### **Characteristics of Career Planning**

The main characteristics of career planning are:

##### **1. Participative Process**

Career planning is a participative process and under it, job assignments are based on merit alone. This helps to improve employee morale and productivity.

##### **2. Involve Survey of Employee's Abilities and Attitudes**

Career planning involves a survey of employee's abilities and attitudes. It becomes possible, therefore, to group together people talking on a similar wavelength and place them under supervisors who are responsive to that wavelength. This results in more homogenous or cohesive work teams. The organization can identify the employee who can be promoted from within.

##### **3. Developmental Process**

Career planning is a process of developing human resources rather than an event. It is not an end in Useful but a means of managing people to obtain optimum results.

**4. Continuous Process**

Career planning is a continuous process due to an ever changing environment.

**5) Pervasive Process**

Basically, career planning is an individual's responsibility. But it is the responsibility of an organization to provide guidance and counseling to its employees in planning their careers and in developing and utilizing their knowledge and skills. Goals of employees should be integrated with the organizational goals.

**Q27. Explain the objectives of career planning.**

*Ans :* (May-18)

Career planning seeks to achieve the following aims:

**1. To Attract and Retain the Right Type of Persons**

Career planning helps to retain hard-working and talented employees. Workforce becomes more stable due to low employee turnover. The very fact that the organization provides opportunity for promotion and career progress increases the loyalty of employees. This helps to reduce the cost of hiring new people. Moreover, a unique corporate culture can develop and thrive, when people grow inside the organization.

**2. To Develop an Awareness of Each Employee's Uniqueness**

Career planning maps out careers of employees suitable to their ability, and their willingness to be trained and developed for higher positions.

**3. To Provide Guidance and Encourage Employees**

Career planning provides guidance and encourages employees to fulfill their potentials. It also identifies personal interests, abilities, strengths and weaknesses and how they relate to careers.

**4. To Anticipate Future Vacancies**

Career planning anticipates the future vacancies that may arise due to retirement, resignation, death, etc., at managerial level. Therefore, it provides a fairly reliable guide for manpower forecasting. A forward career plan helps to avoid dislocation in managerial positions.

**5. To Facilitate Expansion and Growth of Enterprise**

Career planning facilitates expansion and growth of the enterprise. The employees, required to fill job vacancies in future, can be identified and developed in time. Through systematic career planning, jobs enlargement can be introduced to meet future needs arising from job design and technological changes. It also helps to achieve higher productivity and organizational development.

**6. To Utilize Managerial Talent Available at all Levels within the Organization**

Career planning ensures better use of human resources through more satisfied and productive employees. It also ensures that promising persons get experiences that will equip them to reach responsibility for which they are able.

**7. To Integrate Individual and Organizational Needs**

The basic aim of career planning is integration of individual and organizational needs. Career Planning identifies positive characteristics about employees, which can be harnessed for organizational development. It helps in understanding of the relationship between personality and occupational/professional goals and how they can be aligned to organizational mission and objectives.

**8. To Improve Employee Morale and Motivation**

Career planning improves employee morale and motivation by matching skills to job requirements and by providing opportunities for promotion.

### 3.7.1 Role and Significance of Career Planning

**Q28. Explain the role of career planning.**

*Ans :* (Dec.-19)

- (i) To attract the competent people towards the organization and retain them.
- (ii) To provide suitable promotional gateways to the employees.
- (iii) To provide opportunities to the employee-develop and make them competent to meet future challenges.
- (iv) To enhance the usage of managerial reserves within an organization.
- (v) To rectify placement policy.
- (vi) To minimize employee turnover and employee dissatisfaction.
- (vii) To improve employee motivation and morale.

**Q29. Describe the significant of career planning.**

*Ans :* (Dec.-19)

#### A. Importance of Career Planning for Employees:

##### 1. Knowledge of Career Opportunities

The process assists employees to identify various career opportunities (available within the organization) consistent with their own career goals. Once the opportunities are known, the employee can take steps to fulfil his career aspirations and interests.

##### 2. Career Selection

The career planning requires employees to have clear understanding of their potential, skills and interest. Hence, the process assists employees in selecting career as per their own interests, goals, talents and abilities.

##### 3. Realistic Career Goals

Knowledge of various career opportunities within the organization and understanding of one's true potential and interests helps in setting up realistic career goals. It also helps them to avoid impractical expectations from the organization.

#### 4. Career Advancement

Proper career planning coupled with counselling from HR personnel helps employees to advance in their careers. It facilitates further development of their skills and potential. It also gives them an opportunity to take up higher responsibilities and roles.

#### 5. Improvement in Performance

The process helps to identify strengths and weaknesses of employees. The employees can take up appropriate training programme to improve on strengths and overcome weaknesses. It enables them to complete the job efficiently. Moreover, efficiency at current job leads to career advancement through promotions and transfers. This will motivate employees to give better performance.

#### 6. Job Satisfaction

The process helps employees to identify the tasks which they find interesting. Each employee is able to plan his career depending on his own interests, potential & life-goals. It ultimately increases their job satisfaction level & encourages them to perform even better.

#### 7. Higher Self-Esteem

The process helps employees to identify & achieve their career goals. It boosts their confidence & results in higher self-esteem.

#### 8. Utilization of Employee's Potential

This process helps employees in deciding career goals based on their interest and potential. It also helps the recruiters to assign right job to the employees. This ensures that skills and abilities of employees are put to best possible use by the organization.

#### 9. Reduces Boredom and Monotonous Work

The process offers opportunities of career advancement to employees. They get chance to perform different tasks in different environment with different people. It reduces boredom and monotony experienced by employee at workplace.



**10. Higher Standard of Living**

The process aids employees to achieve their career goals. It also offers opportunities of promotion and transfer, which results in higher pay, status and other monetary benefits. This helps employees to increase their standard of living.

**B. Importance for the Organization/ Employer:****1. Availability of Quality Manpower**

Training and development of employees is an important aspect of career planning. It ensures availability of right kind of manpower to carry out various activities in the organization. Training & development programmes also prepare employees to face new challenges like technological changes in the company in effective manner.

**2. Retain Employees**

The process helps to retain competent and talented workforce in the organization. The organization provides opportunities of growth and development to employees within the company itself. Hence, the employees feel satisfied, valuable and stay loyal to the organization. Further, acknowledgment and rewards given for achievements motivate employees to give their best.

**3. Succession Planning**

Succession planning is a process of identifying and developing employees within the organization to fill up key positions. The career planning process helps to identify skill, potential and capacity of employees. Thus, suitable and competent employees can be prepared through training and development programmes to take up higher roles and positions in the organization when the situation demands.

**4. Introduction of Innovative Ideas**

Various training & development programmes help employees to attain in-depth knowledge related to various aspects of the job. As a result, the employees are able to introduce new ideas, methods and techniques that will help in producing quality goods and services at reduced costs. It also helps the organization to face market competition.

**5. Increases Goodwill**

The HR department organizes various training and development programmes in order to improve the quality of manpower. It enables the employees to complete the job in an efficient manner. The improved performance, higher productivity and satisfied employees increase the goodwill of the company.

**6. Increased Efficiency**

This process increases efficiency of employees. Trained employees are able to produce quality goods at a faster rate. It results in lower production cost for the organization. Moreover, proper training also reduces occurrence of accidents and abnormal wastage, which ultimately increases profit of the organization.

**7. Satisfied and Motivated Employees**

The process requires self-assessment of one's interests, goals, talents and abilities. This information helps the recruiters to assign jobs and assignments depending on interests and abilities of employees. Hence, employees feel satisfied and valuable as their skills and abilities are utilized optimally.

**8. Reduces Labour Turnover**

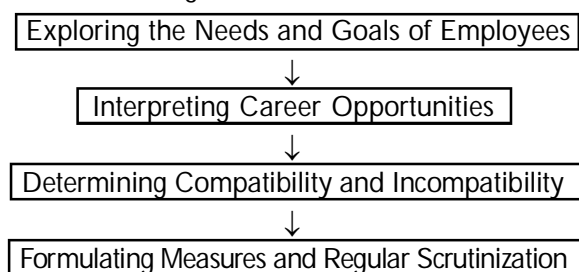
Job satisfaction is an important factor that motivates employees to stay loyal to the organization. Further, the organizations offer fair opportunities to employees to advance in their careers through internal promotions and deputation. It results in lowering labour turnover.

**Q30. Explain the steps involved in career planning process.****(OR)****Outline the process of career planning.****Ans :****(Imp.)**

The process of career planning helps employees to maintain an equilibrium between their career goals and the prevailing opportunities in the organization. The following are the steps involved in the career planning process,

### 1. Exploring the Needs and Goals of Employees

The first step in the career planning process is to identify and examine the needs, ambitions, career anchors and goals of the employees with the help of objective assessment, which is carried out on the basis of personal inventory. As most of the employees do not have complete information or knowledge about their career anchors and ambitions, it is essential to provide them with relevant information and also which type of work an employee would be able to accomplish, depending upon his skills, talent, experience and intelligence.



**Fig.: Process of career planning**

### 2. Interpreting Career Opportunities

After examining the goals and career ambitions of the employees, it is to evaluate the different career opportunities and career paths are available in the organization. These career paths represent career development or career succession. At this level also, most of the employees do not possess much knowledge about their own career paths, so they need to be made aware of it. Occasionally, organizations provide career progression to both young, direct recruits as well as to the older employees in the form of promotions. It is very important for an organization to identify different types of career anchors and ambitions of two types of employees. The organizations needs to outline their career paths and retain a balance between the internal employees who have experience but do not have a professional degree and recruit new employees who have a professional degree but no experience.

### 3. Determining Compatibility and Incompatibility

In this step, a procedure is being developed which helps in matching the career ambitions of the employees with the organizational career system. This system helps in recognizing few particular areas where mismatches or incongruence exists, which is achieved by linking various jobs to various career opportunities. This steps of identifying the congruence and incongruence between career ambitions and opportunities helps the organization in creating a long-term and short-term attainable career goals.

### 4. Formulating Measures and Regular Scrutinization

In the last step an alternative strategy is adopted which helps to deal with the incongruence or mismatch that has been identified in the organization between employee's goals and organization's career path. Most of the organizations adopt the following strategies,

1. The organization alters and modifies in the career system by developing new career paths, new incentives and new rewards through the redesigning process.
2. The organization tries to change the expectations, desires and ambitions of the employees by developing new needs, goals and ambitions.
3. The organization tries to create a new rationale of integration with the help of problem solving, negotiations, compromises and so on.

### Q31. What are the limitations of career planning?

*Ans :*

Inspite of planning the career in a systematic way, there are chances of employees facing certain career problems which are as follows,

**1. Families with Dual Career**

With an increase in the career orientation, there is an increase in the number of female employees leading to an increase in career families. The main problem arises when one of the member of a 'dual-career' couple is offered a transfer. This is one of the complex problem faced by the organizations and consequently the other employees will be at a disadvantage.

**2. Low Ceiling Careers**

In spite of proper career planning and development in a firm, there is no scope for much advancement in some careers and there is no chance of the employees getting promotions in their jobs.

**3. Decline in Career Opportunities**

Due to the impact of technological or economic factors, there is a decline in certain categories of career opportunities. Career shift is the only solution for such problems.

**4. Different Types of Issues**

Employees deal with different types of issues. The interaction of career related issues with the issues of different life stages of the employee, his family and his relatively changing needs, will make career issues elaborate and confusing.

**5. Downsizing Delaying**

A firm can be restructured by delaying and downsizing. There are different factors which compel the business firms to restructure. These factors are, Business Process Reengineering, Technological Changes and Business Environment factors. Downsizing leads to fixing some employees and reducing some other employees. For carrying out downsizing, it is very essential for the organization to offer training and create an appropriate job sharing environment.

**Q32. What is succession planning. How do organization develop succession plans.**

*Ans :*

(June-19, Imp.)

**Meaning**

Succession planning is a process of identifying and developing employees within the organization to fill up key positions. The career planning process helps to identify skill, potential and capacity of employees. Thus, suitable and competent employees can be prepared through training and development programmes to take up higher roles and positions in the organization when the situation demands.

**1. Understand Strategy & Structure.**

In order for succession planning to be effective, you should know what your organization's goals and interests are. Where do you want your company to be in the future? What strategy and organizational structure do you need in place to achieve those goals?

**2. Evaluate Employee Skills**

Start succession planning with an honest evaluation of your employees' skillset and unique strengths. This evaluation should include all hard/technical skills the employees say they have as well as soft/behavioral skills that you notice in your workers.

**3. Training and Development**

Training and development should be a highly personalized experience that is directly related to the career path of each individual employee. Gather their feedback to better know what their motivations and goals are. Determine what specific knowledge and training need to be provided to help them achieve their personal aspirations.

#### 4. Provide Recognition and Advancement Opportunities

As your employees gain skills and hit their goals, make sure to recognize their achievements and contribution to the company. Recognition can come in many forms whether it be a promotion, pay raise, or other perks and benefits. Being transparent about the rewards available to them will let them see the long-term benefits of staying with the company and following their succession plan.

#### Q33. What are the advantages of succession planning.

*Ans :*

The following are the advantages of succession planning:

- (i) Provides a better understanding of the talent pipeline and highlights areas for development.
- (ii) Lowers hiring risks for key positions by keeps hiring reserved for entry-level positions.
- (iii) Ensures critical positions have people who are ready to fulfill them on different timeliness.
- (iv) Prepare employees for managerial positions by giving proper training and leadership opportunities.
- (v) Manages the risk of human capital by applying changes proactively rather than reactively.
- (vi) It gives a competitive advantage as company leaders focus strategically on the future rather than only the next few quarters.
- (vii) It creates a process that quickly drives itself and requires much less input from company leaders as time goes on, and in fact saves time in the long run.

#### Q34. Distinguish between career planning and succession planning.

*Ans :*

Basis For Comparison	Career Planning	Succession Planning
Meaning	Career Planning is the process through which an individual selects the goals of his work life and finds ways to reach the goals.	Succession Planning is a process who tends to spot and develop the employees, that can occupy the key positions in the organization, when they become vacant.
Subset of	Career Management	Succession Management
What is it?	Individual Planning	Organizational Strategy
Position	One employee holds different positions, in his/her work life.	One position is held by different employees, over a period of time.
Ensures	Success in one's career.	Continuity in leadership for all key positions.

### 3.7.2 Impact of Career Planning on Productivity

**Q35. Discuss how career planning influences productivity.**

*Ans :* (July-21, Dec.-17)

*Ans :*

The major benefit of career development system to employees is that they get helpful assistance and guidance with their career decisions. Employees get to know about their own aspirations, objectives and desires and understand how to shape their career.

- By using this system, employees can set more realistic goals and objectives that are feasible to be accomplished over the span of one's life.
- It fosters better communication between the employee and the manager as well as at all levels of the organization.
- The best part is that they can get feedback on their performance. This helps them improve their working style and compels them to upgrade their skills.
- The process leads to job enrichment and enhanced job satisfaction.

Effective HRM encompasses career planning, career development and succession planning. An organization without career planning and career development initiatives is likely to encounter the highest rate of attrition, causing much harm to their plans and programmes. Similarly, without succession planning, managing of vacancies, particularly at higher levels, become difficult. There are examples of many organizations that had to suffer for not being able to find a right successor for their key positions. With the increased scope for job mobility and corporate race for global head hunting of good performers, it is now a well established fact that normal employment span for key performers remains awfully short.

### 3.8 CAREER DEVELOPMENT

**Q36. Define career development. What are the characteristics of career development?**

*Ans :* (Dec.-18, Imp.)

#### Meaning

Career development involves making decisions about an occupation/profession and engaging in activities to attain career goals. Career development has been defined as the interaction of psychological, sociological, economic, physical and chance factors that shape the sequence of jobs, occupations/professions or careers that a person may engage in throughout a lifetime.

Career development is a major aspect of human development. It includes one's entire life span and concerns the whole person. Career development involves a person's past, present, and future work roles. It is linked to a person's self-concept, family life, and all aspects of one's environmental and cultural conditions.

#### Definitions

- i) **According to Pietrofesa and Splete** "Career Development is an on-going process that occurs over the life span; includes home, school, and community experiences".
- ii) **According to Gysbers and Moore** "Career Development is self-development over the life span through the integration of the roles, settings, and events of a person's life".
- iii) **According to Reardon, Lenz, Sampson, and Peterson Sears** "Career Development is total constellation of economic, sociological, psychological, educational, physical, and chance factors that combine to shape one's career".

Thus, Career Development is an ongoing and formalized effort that focuses on developing enriched and more capable employees.

**Characteristics**

- 1) It is an ongoing process.
- 2) It develops and shares transferability of skills and competencies.
- 3) It aligns individual goals with organizational goals for increased satisfaction of employees.
- 4) It helps individual to develop skills and competencies required to fulfill present and future leadership roles within an organization.
- 5) It strengthens professionally work culture in the organization.

**Q37. Explain the importance of career development to individual and organization.**

*Ans :* (Imp.)

Career development generates many positive results for an organization as well. Following points highlight the value of career development for an organization.

**1. Provides the Talent Needed**

Staff requirement changes should be identified for both intermediate and long-term time frame. Human resource managers can work with individual employees and align their goals with the organizations. It ensures that the right kind of employees are retained to suit the changing staffing requirements of the organization.

**2. Helps in Attracting and Retaining Talented Employees**

Aspiring and outstanding individuals have plenty of opportunities. But they look for organizations that show concern for employee's future. Through career development, organizations can attract such competing and potential individuals for recruitment.

Existing outstanding employees can also be retained by offering career advice to them and help them achieve their goals. With changes in social values, very few individuals serve their work with personal interests and commitments. When organizations offer

opportunities for advancement, employees tend to be more committed and loyal to the organizations. Hence career development helps in reducing employee turnover.

**3. Opportunities for Minority and Women as Per Legislation**

Legislation requirement for equal employment opportunities to minority and women workforce can be gained through career development. Government often insists that organizations also show concern for employees' career development and offer career guidance to them. Meeting these requirements proves helpful in case of disputes related to gender bias or minority discrimination.

**4. Contributes to Realistic Employee Expectations**

With rise in literacy levels, individuals become more aspiring. On the contrary, companies are continuously making efforts to reduce costs and hence opportunities. This gap in employee aspirations and available opportunities results in employees' frustration. Proper career counselling helps employees make realistic career goals. When employees have realistic expectations, it results in better job satisfaction and reduced frustration.

**5. Enhanced Cultural Diversity**

Today's workforce is more diverse in culture, region, religion, race and nationality. With globalization, these diversities increases day-by-day. The cultural diversities tend to hamper employment opportunities within an organization. With effective organizational career development, employees can gain access to all levels of an organization.

**6. Organizational Goodwill**

When employees are satisfied and know that their organization is concerned about their careers, they respond in kind. These employees produce a positive image of their organization in an industry, thereby, contributing to the organizational goodwill.

Needless to say, career development is important for individuals too. Changing meanings of a successful career signify the value of individual career development. Career success is not restricted to handsome salaries and higher position on hierarchical level. Today's employees are dynamic and look for more than financial security. They need 'psychic income', i.e., the work should be challenging, interesting and meaningful. From an individual's perspective, careers are classified into two dimensions -internal and external careers.

#### (i) External Career

It refers to the characteristics of an organization or occupation. For example consider a career within an organization junior accountant, accounts manager, company secretary and CEO. External career is realistic and objective.

#### (ii) Internal Career

It comprises of an individual's perceptions or attributes of a career. Internal dimensions in a career include subjective factors such as:

- Building up external success indicators like individual office and company, flat and car etc.
- Individual definitions of an occupation - characterising an occupation as good or bad like IT engineers have good careers while electricians get jobs.
- Long-term commitment to an occupation - opinions like once a soldier, always a soldier.
- A series of work related positions.
- Work related attitudes and behaviours like call centre employees are late sleepers.

Understanding this two dimensional perspective of an individual's career is important in career development. Human resource managers should realise that it is internal dimension that influences an individual's behaviour and attitudes. When an employee complains about work or shows high motivation, it is due to his/her subjective perceptions of their career that influence their

expectations. So, for developing careers, organizations should also pay attention to how an employee perceives a career. While an organization should consider employees' aspirations, it should ensure that their aspirations are realistic.

#### Q38. Describe the various roles in career development.

*Ans :*

#### Roles in Career Development

Roles of two parties are crucial in career development :

##### i) Employer's Role

Employer's role should be proactive. The manager should wake up, encourage, facilitate and reward an employee in his or her career advancement. We use the words 'wake up' deliberately. This is so because the tendency with most employees is to slog on given jobs. In other words, they lack ambition. Such employees need to be enlightened about the need for advancement in one's career. Specifically, employer's role in career management shall be on the lines shown below

- Job postings
- Formal education/tuition reimbursement
- Performance appraisal for career planning
- Counselling by manager
- Lateral moves/job rotations
- Counselling by HR
- Pre-retirement programmes
- Succession planning
- Formal mentoring
- Common career paths
- Dual ladder career paths
- Career booklets/pamphlets
- Written individual career plans
- Career workshops
- Assessment centres

- Upward appraisal
- Appraisal committees
- Training programmes for managers
- Orientation/induction programmes
- Special needs (high fliers)
- Special needs (dual career couples)
- Diversity management
- Expatriation/repatriation

## ii) Employee's role

Employees cannot remain passive spectators in their own advancement. They too have a role to play. In today's organizations, employees are responsible for initiating and maintaining their own careers. It is upto each individual to identify his or her own knowledge, skills, abilities, interests and values and seek out information about career options in order to set goals and develop career plans. Specifically, individual's responsibility shall be on the following lines:

- Assessing one's own KSA's
- Seek out information about career options
- Make use of development opportunities provided in the organization
- Establish goals and career plans
- Accept that career planning and development are one's own responsibility.

## Q39. Explain briefly about initiatives of career developments.

*Ans :*

Organizations devise and implement several initiatives in order to develop their employees' careers. More significant of them are career planning workshops, career counselling, mentoring, sabbaticals, personal development plans, and career workbooks.

### i) Career Planning Workshops

Structured workshops are available to guide employees individually through systematic self-assessment of values, interest, abilities, goals and personal development plans.

During workshops, employees are made to define and match their specific career objectives with the needs of the company. Generally, these workshops are designed to guide individuals to figure out their strengths and weaknesses, job and career opportunities, and necessary steps for reaching their goals. Suggested steps help organizations initiate appropriate action plans.

### ii) Career counselling

Career counselling helps employees discuss their career goals in one-to-one counselling sessions. Along with goals, other variables identified are capabilities, interests, and current job activities and performance. While some firms make counselling a part of the periodic performance appraisal, career counselling is usually voluntary. Career counselling may be provided by the HR staff, managers, supervisors, or consultants.

### iii) Mentoring

Mentoring involves coaching, advising, and encouraging employees of usually lesser rank? Mentor (superior officer) is an important aid in the development of an employee (mentee) or protege such as greater job satisfaction, organizational commitment, and attainment of higher salary and career progress. Mentoring is also valuable for improving the job involvement and satisfaction of the mentor.

### iv) Sabbaticals

These are temporary leaves of absence from an organization, usually at a reduced amount of pay. Periodic leaves or sabbaticals help employees in terms of refreshing their learning and rejuvenating their energies.

### v) Personal Development Plans (PDPs)

In these, employees write their own personal development plans. Such development plans include development needs and action plans to achieve them. A PDP could be the nucleus of a wider career plan such as setting out alternative long-term strategies, identifying one's long-term needs and setting out a plan of self-development.



**vi) Career workbooks**

These consist of questions and exercises designed to guide individuals to figure out their strengths and weaknesses, job and career opportunities, and necessary steps for reaching their goal. Many workbooks are tailor-made for a particular firm and can be completed in several sessions. Workbook generally contain organization's career policy, career options available in the organization, organization structure, and job satisfactions along the career ladders.

**Q40. How do organizations cater to the challenges of career development.**

*Ans :* (Dec.-18)

**1. Dual Career Families**

With the increase in career orientation among women, number of female employees is on the increase. With this the dual career families have also been on the increase. Consequently one of the family members might face the problem of transfer. This has become a complicated problem to organizations. Consequently other employees may be at a disadvantage.

**2. Changing Family Needs**

Interaction of career issues with the issues of life stages of the employee and his family, changing needs of employee throughout his life cycle complicate the career issues.

**3. Low Ceiling Careers**

Some careers do not have scope for much advancement. Employees cannot get promotions despite their career plans and development in such jobs.

**4. Declining Career Opportunities**

Career opportunities for certain categories might reach the declining stage due to the influence of the technological or economic factors. Solution for such a problem is career shift. For example, career opportunities for 'Statisticians' declined due to computerization. The existing statisticians could overcome this problem by acquiring skills in computer operations.

**Q41. Explain Greenhaus career development model.**

*Ans :* (May-18, Imp.)

- The Greenhaus model focuses on the individual as the one who needs to make a decision for the career
- A need that leads to a career search and into a process of setting career goals
- Developing strategies and tactics to fulfill them
- Making progress and
- All these form a process that requires career evaluation
- The organization is only an external player in the system, along with environmental influences.

For analyzing careers, we divide them in stages that every individual goes through, regardless of the type of the job. A career starts with exploring for a job and ends with retirement. A generalized five stage career model is discussed below:

**Stage 1: Exploration**

Before an individual joins a workforce for pay, he/ she chooses a career from different career choices. Various factors like education, interest, influence of family, relatives, teachers and friends, knowledge about the careers through different media, financial resources etc., affect one's choice of career.

By the time a person makes a transition from education to work the exploration stage comes to an end. For successful career exploration, individuals experiment with different potential fields, to understand their interests and the growth in different fields. Internship or project work form an important part of exploration stage. This stage is sometimes referred to as preparation for work. Since the stage occurs before employment, it is of little importance to organizations.

**Stage 2: Establishment**

This stage starts, when we start searching for our first job in the decided career field. The stage involves, starting the first job, knowing the peers,

learning the job and experiences the real world environment.

Two major problems faced in this stage are identifying a niche and making a mark. Good career exploration helps in overcoming the former problem. Making a mark involves making mistakes and learning from them. Employees in this stage are rarely assigned projects carrying higher priority. Individuals assume responsibilities and are required to give considerable time and energy. The stage ends when an individual makes a mark is considered an experienced employee and is responsible for ones mistakes.

### **Stage 3: Mid-career**

In this stage, individuals either continue to improve their performance and maintain productivity or lose interest in job. There are three categories of employees in mid-career characterising improving performance, maintaining performance or deteriorating performance.

First category consists of ambitious employees who on reaching their first goals move ahead to reach higher goals. They continue their high performance and growth.

Second type of mid-career employees are called plateaued employees. They are highly productive and technically competent but are not ambitious. They are rather satisfied with meeting production commitments.

The third category consists of deadwoods. They deteriorate their productivity and lose interest in work. Such employees are demoted to lower ranking jobs or removed from the organization altogether.

Alternatively, these employees can be moved to other departments that can boost up their morale and improve their productivity.

### **Stage 4: Late Career**

Employees successfully growing in there mid-career find this stage a pleasant one. They get more

of their jobs now. They delegate their work to subordinates while they relax and enjoy being a senior states person. They are not expected to outperform their previous targets. Organizations value these employees for their decisions, and ability to supervise. Other employees who did not do well in earlier stages realise that their work mobility is weak and that they would end up retiring from the same post. Such employees look forward to retirement and life off the career gains importance.

### **Stage 5: Decline**

Decline is the late stage when ones career comes to an end. Individuals successful in the earlier stages find this stage most difficult. Years of high performance and achievements end up with retirement. As for those employees who failed to achieve their goals in earlier stages, it is an end of frustration and job-stress.

However, for both employees of limelight and deadwoods, it is a difficult stage to pass. A major part of their identity and financial security is lost. Life is less structured with lesser responsibilities and more idle time. Individuals may shift to other paid or voluntary jobs after retirement. Financial security plays a vital role in taking up a paid or voluntary work. Some organizations provide vocational training to their retiring employees to help them gain financial security in future.

## Short Question and Answers

### 1. Roles of Trainer.

*Ans :*

S.No	Role	Nature of work
1.	<b>The Trainer</b>	A learning Specialist, Helps people to learn , provide feedback and adopt course design.
2.	<b>The Provider</b>	Training Need Analysis, setting objectives, designing courses, choosing methods, testing out put and evaluating courses.
3.	<b>The Consultant</b>	Analyzing business problems and assessing /recommending solutions.
4.	<b>The Innovator</b>	Educating Managers for change, facilitating change, identifying the real sources of power etc.
5.	<b>The Manager</b>	Planning, organising, controlling, and developing the training and development activity or function.

### 2. Low ceiling careers.

*Ans :*

In spite of proper career planning and development in a firm, there is no scope for much advancement in some careers and there is no chance of the employees getting promotions in their jobs.

### 3. Vestibule Training.

*Ans :*

In this method, training is provided by the simulation or creation of actual working conditions in a classroom. The classroom exactly represents the actual working conditions with same kind of machines, files, equipments etc. Vestibule training in general is used to train clerical and semi-skilled jobs.

### 4. Succession planning.

*Ans :*

Succession planning is a process of identifying and developing employees within the organization to fill up key positions. The career planning process helps to identify skill, potential and capacity of employees. Thus, suitable and competent employees can be prepared through training and development programmes to take up higher roles and positions in the organization when the situation demands.

### 5. Protean Career.

*Ans :*

The protean career is a process which the person, not the organization, is managing. It consists of all of the person's varied experiences in education, training, work in several organizations, changes in occupational field, etc. The protean person's own personal career choices and search for self-fulfillment are the unifying or integrative elements in his or her life.

**Characteristics**

- Focus on *psychological* success rather than vertical success
- Lifelong series of identity changes and continuous learning
- Career age counts, not chronological age
- Job security replaced by the goal of employability
- Sources of development are work challenges and relationships, not necessarily training and retraining programs
- The new career contract is not a pact with the organization; rather, it is an agreement with one's self and one's work.

**6. Benefits of training.***Ans :***1. Better Performance**

A sound training programme results in better performance of the employee both in terms of quantity and quality of output

**2. Lesser Learning Period**

The learning time is considerably reduced by training. The employee need not indulge in trial and error method or self training. Besides, the training cost and waste of time are also reduced to the minimum.

**3. Elimination of Wastage**

The quantity of spoiled work or wastage is also reduced sizably. It leads to reduction in the cost of production.

**4. Uniformity of Procedure**

With the help of training, the best available method of performing the work can be standardized and made available to all employees. Standardized procedures will ensure peak level of performance.

**5. Elimination of Misfits**

As stated already, mere selection and induction are not sufficient to procure proper personnel for the organization. It is only training that makes him suitable for the given

job. Besides, promising candidates can also be brought into the light.

**7. Define training.***Ans :***Introduction**

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

Training is the important subsystem of human resource development. Training is specialized function and is one of the fundamental operative functions of human resource management.

Training is a short-term process utilizing a systematic and organized procedure by which non-managerial personnel acquire technical knowledge and skills for a definite purpose. It refers to instruction in technical and mechanical operations, like operation of some machine. It is designed primarily for non-managers, it is for a short duration and it is for a specific job-related purpose.

**Definitions**

- i) **According to Dale S Beach**, "Training is the organized procedure by which people learn knowledge and for skill for a definite purpose".
- ii) **According to Planting, Cord and Efferson**, "Training is the continuous, systematic development among all levels of employees of that knowledge and their skills and attitude which contribute to their welfare and that of the company".
- iii) **According to Edwin B. Flippo**, "Training is the organized procedure by which learn knowledge and skill of an employee for doing a particular job".

**8. Objectives of training ?***Ans :*

- (i) To develop the potential employees (both old and new), so as to fulfill the present and future requirements of the organization.
  - (ii) To make the new recruits to learn basic Knowledge, Skills and Abilities (KS A) of the job that has to be performed by them.
  - (iii) To prepare the experienced employees to take up more complex and the challenging tasks.
  - (iv) To ensure that the organization has a workforce consisting of competent and knowledgeable employees who possess the required skills to lead the organization. Such employees are made to acquire responsible positions in an organization.
  - (v) To sharpen the skills and to broaden the area of functioning of middle level and senior level managers by providing them with different tasks so that they can become specialists.
  - (vi) To enable employees to become better performers by making them aware about the best techniques, innovative technologies, best practices for performing their tasks efficiently.
- 

**9. Define the term Retraining.***Ans :*

Retraining is a practice employers may require for their workers to make them learn new skills. Although most employees will receive training at the very beginning of their employments, further training may be necessary down the line in order to avoid having a stagnant workforce.

**For example**, companies that have upgraded to newer technologies may require retraining so that everyone learns how to use the new devices as opposed to simply relying on newer or younger employees. Retraining is also highly useful for the workers because they are learning new skills that could make them more viable candidates should they have look for new work elsewhere.

**Benefits of Retraining:****(i) Employer**

- Improved working environment, products, and services.
- Fresh outlook.
- Better team morale.

**(ii) Employee**

- Skills development.
  - Improve career prospects.
  - Increased job satisfaction.
- 

**10. Training Needs Assessment (TNA).***Ans :*

“Training Needs Assessment” (TNA) is the method of determining if a training need exists and, if it does, what training is required to fill the gap. TNA seeks to identify accurately the levels of the present situation in the target surveys, interview, observation, secondary data and/or workshop. The gap between the present status and desired status may indicate problems that in turn can be translated into a training need.

**Training Needs = Desired Capability – Current Capability of the Participants**

Training can reduce, if not eliminate, the gap, by equipping the participants with knowledge and skills and by encouraging them to build and enhance their capabilities. The data on the present status are vital to the evaluation or impact survey in the latter part of the training cycle. These shall serve as the baseline data. The following are some techniques for acquiring such data. These may be applied independently or in combination.

TNA is also the process of collecting information about an expressed or implied organizational need that could be met by conducting training. The need can be a performance that does not meet the current standard. It means that there is a prescribed or best way of doing a task and that variance from it is creating a problem.

**11. Define Training Evaluation.**

*Ans :*

**Meaning**

Evaluation of training effectiveness is the process of obtaining information or data on the effectiveness of training program conducted and assessing the value of training in the light of that information. Evaluation involves controlling and correcting the training program.

Evaluation means appraisal or assessment. In terms of training it is a activity of assessing the impact of the training as compared to the objectives that were set for achievement through the program, evaluation is done by obtaining feedback from the trainees, trainers and the line managers of the concerned departments. Perspectives of colleagues can also be considered to obtain 360 degree evaluation.

Evaluation measures can be undertaken before the start of training, at the start of training, during the training and at the end of training.

Training evaluation is the assessment of the total value of the training system, training course or program in social as well as financial term. The term is also used in general judgmental sense of the continuous monitoring of a program or of the training function as the whole.

**12. Reasons for Training Evaluation.**

*Ans :*

There are various reasons for evaluating training, they are as follows:

1. Evaluation is important when the organization is not aware of the possible outcome of the training.
2. To justify the expenditure on future training programs. Evaluation enables the training manager (or) HR department to justify the expenditure on future training programs.
3. To measure effectiveness of approaches and techniques. Evaluation helps to assess the effectiveness of different approaches and techniques.
4. Evaluation provides feedback to trainers. It provides feedback regarding the performance and methods employed by the trainers.

**13. Define Career Planning.***Ans :***Meaning**

Career Planning is the systematic process by which one selects career goals and the path to these goals. From the organization's viewpoint, it means helping the employees to plan their career in terms of their capacities within the context of organization's needs. It involves designing an organizational system of career movement and growth opportunities for employees from the employment stage to the retirement stage. Individuals who can fill planned future positions are identified and prepared to take up these positions. It is a managerial technique for mapping out the entire career of young employees. It requires discovery, development, planned employment and re-employment of talents.

Career planning is the deliberate process through which a person becomes aware of personal skills, interests, knowledge, motivations, characteristics, career-related attributes, and the lifelong series of stages that contribute to his or her career fulfillment.

**Definitions**

- i) According to Edwin B. Flippo, "A** career as a sequence of separate but related work activities that provide continuity, order and meaning in a person's life".
- ii) According to Douglas T. Hall, "An** individually perceived sequence of attitudes and behaviors associated with work related experiences and activities over the span of the person's life".
- iii) According to Schermerhorn, Hunt and Osborn, "Career planning is a process of** systematically matching career goals and individual capabilities with opportunities for their fulfillment".

**14. Role of career planning.***Ans :*

- (i) To attract the competent people towards the organization and retain them.
- (ii) To provide suitable promotional gateways to the employees.
- (iii) To provide opportunities to the employee-develop and make them competent to meet future challenges.
- (iv) To enhance the usage of managerial reserves within an organization.
- (v) To rectify placement policy.
- (vi) To minimize employee turnover and employee dissatisfaction.
- (vii) To improve employee motivation and morale.

**15. Advantages of succession planning.***Ans :*

Some other advantages of succession planning include:

- (i) Provides a better understanding of the talent pipeline and highlights areas for development.
- (ii) Lowers hiring risks for key positions by keeps hiring reserved for entry-level positions.
- (iii) Ensures critical positions have people who are ready to fulfill them on different timeliness.
- (iv) Prepare employees for managerial positions by giving proper training and leadership opportunities.
- (v) Manages the risk of human capital by applying changes proactively rather than reactively.
- (vi) It gives a competitive advantage as company leaders focus strategically on the future rather than only the next few quarters.

**16. Define career development.**

*Ans :*

**Meaning**

Career development involves making decisions about an occupation/profession and engaging in activities to attain career goals. Career development has been defined as the interaction of psychological, sociological, economic, physical and chance factors that shape the sequence of jobs, occupations/professions or careers that a person may engage in throughout a lifetime.

Career development is a major aspect of human development. It includes one's entire life span and concerns the whole person. Career development involves a person's past, present, and future work roles. It is linked to a person's self-concept, family life, and all aspects of one's environmental and cultural conditions.

**Definitions**

- i) **According to Pietrofesa and Splete** "Career Development is an on-going process that occurs over the life span; includes home, school, and community experiences".
  - ii) **According to Gysbers and Moore** "Career Development is self-development over the life span through the integration of the roles, settings, and events of a person's life".
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**17. Sensitivity Trining**

*Ans :*

Sensitivity training, psychological technique in which intensive group discussion and interaction are used to increase individual awareness of self and others; it is practiced in a variety of forms under such names as T-group, encounter group, human relations, and group-dynamics training.

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**18. Compensation**

*Ans :*

Compensation refers to the remuneration that an employee receives in return for his/her services to the organization. Compensation management is an integral part of human resource management and helps in motivating the employees and improving organizational effectiveness.



### *Choose the Correct Answer*

1. \_\_\_\_\_ refers to the learning opportunities designed to help employees grow. [ b ]  
(a) Training (b) Development  
(c) Education (d) All of the above
2. How does training and development offer competitive advantage to an organisation. [ a ]  
(a) Removing performance decencies  
(b) Deficiency is caused by a lack of ability  
(c) Individuals have the aptitude and motivation to learn  
(d) None of the above
3. Which of the following is a benefit of employee training. [ b ]  
(a) Improves morale  
(b) Helps people identify with organisational goals  
(c) Provides a good climate for learning, growth and co-ordination  
(d) None of the above
4. Choose which of the following is a benefit to the individual while receiving training. [ c ]  
(a) Creates an appropriate climate for growth, communication  
(b) Aids in increasing productivity and/ or quality of work  
(c) Satisfies a personal needs of the trainer  
(d) None of the above
5. Which of this is a step in training process. [ d ]  
(a) KSA deficiency (b) Provide proper feedback  
(c) Obstacles in the system (d) Use of evaluation models
6. Which of the following is a method used in group or organisational training needs assessment. [ a ]  
(a) Consideration of current and projected changes  
(b) Rating scales  
(c) Interviews  
(d) Questionnaires
7. \_\_\_\_\_ seeks to examine the goals of the organisation and the trends that are likely to affect these goals. [ b ]  
(a) Organisational Support (b) Organisational analysis  
(c) Person analysis (d) Key skill abilities analysis

8. Which of these is the benefit of needs assessment. [ a ]  
(a) Assessment makes training department more accountable  
(b) Higher training costs  
(c) Loss of business  
(d) Increased overtime working
9. Which of these is an off-the-job training method. [ a ]  
(a) Television (b) Job rotation  
(c) Orientation training (d) Coaching
10. Which of these is a hindrance to effective training. [ b ]  
(a) Career planning workshop  
(b) Aggregate spending on training is inadequate  
(c) Mentoring  
(d) Career counselling
11. The following are the benefits of training. [ d ]  
(a) Increased productivity (b) Reduced accidents  
(c) Reduced supervision (d) All of the above
12. The following training aims to provide broad training to enable the trainee to take up a wide variety of tasks within his field of specialisation. [ c ]  
(a) Demonstration (b) On-the-job training  
(c) Apprenticeship (d) All of the above
13. Demonstration type of training method is used to train. [ a ]  
(a) Workers (b) Supervision  
(c) Managers (d) All of the above
14. Training within the industry (TWI) scheme imparts training in \_\_\_\_\_. [ d ]  
(a) Job instructions (b) Job rotation  
(c) Job method (d) All of the above
15. The following is not a on the job training method. [ d ]  
(a) Understudies (b) Job rotation  
(c) Management by objectives (MBO) (d) Case study method
16. The following is vertical expansion of the job. [ b ]  
(a) Job rotation (b) Job enrichment  
(c) Management by objectives (MBO) (d) All of the above

17. Personnel management of an organisation specifically deals with human resources in respect of \_\_\_\_\_ . [ d ]
- (a) Their procurement
  - (b) Develop their skills, knowledge and attitude
  - (c) Their motivation towards the attainment of organisational objectives
  - (d) All of the above
18. In career planning of employees, the strong vocational interest inventory and Lindsey study of values are tests used for \_\_\_\_\_ . [ b ]
- (a) reality feedback
  - (b) self-assessment
  - (c) spaced assessment
  - (d) massed assessment
19. The type of career planning which prioritize the career of individuals over the needs of organization is classified as \_\_\_\_\_ . [ d ]
- (a) Compression career planning
  - (b) Tactile career planning
  - (c) Organization centered career planning
  - (d) Individual-centered career planning
20. The series of positions that a person occupies throughout the life regarding job is classified as \_\_\_\_\_ [ b ]
- (a) Organization planning
  - (b) Careers
  - (c) Career planning
  - (d) Learning plans

## *Fill in the blanks*

1. \_\_\_\_\_ is an organized activity for increasing the knowledge and skills of people for a definite purpose.
2. \_\_\_\_\_ is a long-term educational process utilizing a systematic and organized procedure
3. JIT stands for \_\_\_\_\_ .
4. \_\_\_\_\_ is a realistic behaviour in an imaginary situation.
5. \_\_\_\_\_ method is a traditional and direct method of training.
6. Incident method was developed by \_\_\_\_\_ .
7. \_\_\_\_\_ is a method in which an employee is trained to take in future the full responsibility of the position of his superior.
8. TNA stands for \_\_\_\_\_ .
9. The \_\_\_\_\_ analysis involves complete analysis of organizational structure, objectives, culture.
10. \_\_\_\_\_ involves information about the various components of jobs and their performance.
11. \_\_\_\_\_ are generally the group of instructions, figures and other information available at the workplace.
12. HRD stands for \_\_\_\_\_ .
13. \_\_\_\_\_ is the systematic process by which one selects career goals and the path to these goals.
14. \_\_\_\_\_ planning is a process of identifying and developing employees within the organization to fill up key positions.
15. \_\_\_\_\_ involves making decisions about an occupation/profession and engaging in activities to attain career goals.
16. The \_\_\_\_\_ model focuses on the individual as the one who needs to make a decision for the career.
17. \_\_\_\_\_ is the important subsystem of human resource development.
18. OJT stands for \_\_\_\_\_ .
19. \_\_\_\_\_ method, group of people meet and pose ideas, share the facts, test the assumptions and draw conclusions to improve the job performance.
20. \_\_\_\_\_ is a method of training is used in the trades, crafts and technical fields.

**ANSWERS**

1. Training
2. Development
3. Job instruction training
4. Role playing
5. Lecture
6. Paul Pigors
7. Under study
8. Training Need Assessment
9. Organizational
10. Task Analysis
11. Job Aids
12. Human Resource Development
13. Career Planning
14. Succession
15. Career development
16. Greenhaus
17. Training
18. On-the-Job training
19. Conference
20. Apprenticeship Training

# UNIT IV

## Labour Management :

Industrial Relations and Industrial Disputes. Principles and guidelines for effective handling of Industrial Disputes and Industrial Relations – Standing Orders – Role and Contents of standing orders – Labour Relations and Collective Bargaining – Employee Health and Safety.

### 4.1 INDUSTRIAL RELATIONS

**Q1. Define Industrial Relations. Explain the nature of Industrial Relations.**

*Ans :* (June-19, Dec.-18, Imp.)

#### Meaning

Industrial relations has become one of the most delicate and complex problems of modern industrial society. Industrial progress is impossible without cooperation of labors and harmonious relationships. Therefore, it is in the interest of all to create and maintain good relations between employees (labor) and employers (management).

The term 'Industrial Relations' comprises of two terms: 'Industry' and 'Relations'. "Industry" refers to "any productive activity in which an individual (or a group of individuals) is (are) engaged". By "relations" we mean "the relationships that exist within the industry between the employer and his workmen." The term industrial relations explains the relationship between employees and management which stem directly or indirectly from union-employer relationship.

#### Definitions

(i) **According to Prof. T.N. Kapoor** "Industrial relations refers to a dynamic and a developing concept which is not limited to the complex relations between trade unions and management but also refers to the general web of relationships normally obtaining between employers and employees a web much more complex than the simple concept of labour capital conflict."

(ii) **According to Prof. Dunlop** "Industrial relations may be defined as the complex of interrelations among workers, managers and government".

(iii) **According to Richard A. Lester** "Industrial relations involve attempts to arrive at workable solutions between the conflicting objectives and values between profit motive and social gains, between discipline and freedom, between authority and industrial democracy, between bargaining and co-operation and interests of the individual, the group and the community'.

(iv) **According to Casselman 's Labour Dictionary** "The relations between employers and employees in industry in the broad sense, the term also includes the relations between the various unions, between the state and the unions as well as those between the employers and the government".

(v) **According to Bethel, Smith and Others** "Industrial relations is that part of management which is concerned with the manpower of the enterprise whether machines-operator, skilled worker or manager".

(vi) **According to Encyclopedia Britannica** "The concept of industrial relations has been extended to denote the relations of the state with employers, workers and their organization... the subject, therefore, includes individual relations and joint consultations

between employers and work people at their work place, collective relations between employers and their organizations and trade unions and the part played by the state in regulating these relations”.

- (vii) **According to International Labour Organization** “ Industrial relations in wide sense denote such matters as freedom of association and the right to organize the application of the principle of the right to organize and right of collective bargaining of conciliation and arbitration proceeding, and the machinery for co-operation between the authorities and the occupational organizations at various levels of the economy”.

### Nature of Industrial Relations

However much cooperation maybe sought as an organizational objective, some conflict will always remain. There are at least 3 reasons for this:

#### 1. Mixture of Cooperation and Conflict

Both labour and management develop different orientations and perceptions of their interests. They also develop generally negative images about each other.

#### 2. Absence of Norms

There are no mutually accepted yardsticks or norms to tell to the two groups how far they should go in the pursuit of their objectives. In the absence of norms both groups claim complete rationality for their demands.

#### 3. No Natural Field

There is no neutral field for the groups to meet on. Whenever the two groups meet each other for negotiations they bring with them some carry over from the past besides their inherent distrust and suspicion for each other.

### Q2. Explain the scope of industrial relation.

*Ans :* (Dec.-18)

The scope of industrial relations can be briefly classified into the following four dimensions:

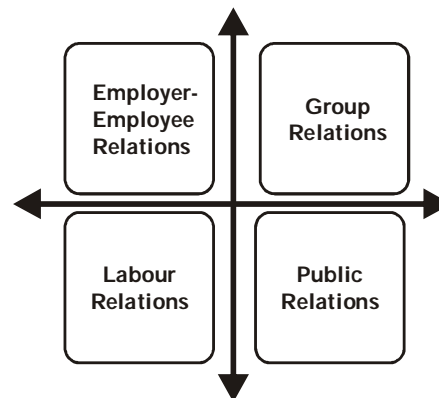


Fig.: Scope of Industrial Relations

#### 1. Employer-Employee Relations

The relationship that pertains between the business owner and the employees of a particular company is known as the employer-employee relationship. To maintain sound relations, the employer must treat the employees fairly and should value their efforts.

Also adopting the various human resource strategies like employee relations program, performance-based promotions and even making the productive employees the stakeholders of the company.

#### 2. Group Relations

The interactions and communication between the workers belonging to different workgroups are studied under group relations.

#### 3. Labour Relations

In an organization, the relationship shared by the managers and the workers is termed as labour relations. It includes their behaviour, thoughts, actions and perception against each other.

#### 4. Public Relations

It is also termed as community relations. The interaction and relationship of the organization (i.e., its owner, management and employees) with the society or external bodies is termed as public relations. For long-term existence in the business, every organization needs to maintain cordial public ties.

**Q3. State the importance of Industrial Relations.***Ans :* (Dec.-19)

1. **Uninterrupted Production:** The most important benefit of industrial benefits is that it ensures continuity of production. This means continuous employment for all involved right from managers to workers. There is uninterrupted flow of income for all. Smooth running of industries is important for manufacturers, if their products are perishable goods and to consumers if the goods are for mass consumption (essential commodities, food grains etc.). Good industrial relations bring industrial peace which in turn tends to increase production.
2. **Reduction in Industrial disputes:** Good Industrial relations reduce Industrial disputes. Strikes, grievances and lockouts are some of the reflections of Industrial unrest. Industrial peace helps in promoting co-operation and increasing production. Thus good Industrial relations help in establishing Industrial democracy, discipline and a conducive workplace environment.
3. **High morale:** Good Industrial relations improve the morale of the employees and motivate the worker workers to work more and better.
4. **Reduced wastage:** Good Industrial relations are maintained on the basis of co-operation and recognition of each other. It helps to reduce wastage of material, manpower and costs.
5. Contributes to economic growth and development.

**Q4. Describe the perspectives of industrial relations.***Ans :* (Dec.-18)

The three major perspectives on Industrial Relations are;

**1. Unitary Perspective**

In unitarism, the organization is perceived as an integrated and harmonious system, viewed as one happy family. A core assumption of unitary approach is that management and staff, and all members of the organization share the same objectives, interests and purposes; thus working together, hand-in-hand, towards the shared mutual goals. Furthermore, unitarism has a paternalistic approach where it demands loyalty of all employees. Trade unions are deemed as unnecessary and conflict is perceived as disruptive.

**From employee point of view, unitary approach means that :**

- Working practices should be flexible. Individuals should be business process improvement oriented, multi-skilled and ready to tackle with efficiency whatever tasks are required.
- If a union is recognized, its role is that of a further means of communication between groups of staff and the company.
- The emphasis is on good relationships and sound terms and conditions of employment.
- Employee participation in workplace decisions is enabled. This helps in empowering individuals in their roles and emphasizes team work, innovation, creativity, discretion in problem-solving, quality and improvement groups etc.
- Employees should feel that the skills and expertise of managers supports their endeavors.

**From employer point of view, unitary approach means that:**

- Staffing policies should try to unify effort, inspire and motivate employees.
- The organization's wider objectives should be properly communicated and discussed with staff.
- Reward systems should be so designed as to foster to secure loyalty and commitment.
- Line managers should take ownership of their team/staffing responsibilities.



- Staff-management conflicts – from the perspective of the unitary framework – are seen as arising from lack of information, inadequate presentation of management's policies.
- The personal objectives of every individual employed in the business should be discussed with them and integrated with the organization's needs

## 2. Pluralistic Perspective

In pluralism the organization is perceived as being made up of powerful and divergent sub-groups – management and trade unions. This approach sees conflicts of interest and disagreements between managers and workers over the distribution of profits as normal and inescapable. Consequently, the role of management would lean less towards enforcing and controlling and more toward persuasion and co-ordination. Trade unions are deemed as legitimate representatives of employees. Conflict is dealt by collective bargaining and is viewed not necessarily as a bad thing and if managed could in fact be channeled towards evolution and positive change. Realistic managers should accept conflict to occur. There is a greater propensity for conflict rather than harmony. They should anticipate and resolve this by securing agreed procedures for settling disputes.

### The implications of the pluralistic approach to industrial relations include:

- The firm should have industrial relations and personnel specialists who advise managers and provide specialist services in respect of staffing and matters relating to union consultation and negotiation.
- Independent external arbitrators should be used to assist in the resolution of disputes.
- Union recognition should be encouraged and union representatives given scope to carry out their representative duties
- Comprehensive collective agreements should be negotiated with unions

## 3. Marxist Perspective

Marxist perspective is also called radical perspective. This perspective is to reveal the nature

of the capitalist society. It thinks that workplace relations are against the history. It recognizes inequalities in power in the employment relationship and in wider society as a whole. Consequently, conflict is perceived as an inevitable result. What's more, a natural response regarding workers against the capitalism exploitation is seen as trade unions. This view of industrial relations is a by product of a theory of capitalist society and social change. Marx argued that:

- Weakness and contradiction inherent in the capitalist system would result in revolution and the ascendancy of socialism over capitalism.
- Capitalism would foster monopolies.
- Wages (costs to the capitalist) would be minimized to a subsistence level.
- Capitalists and workers would compete/be in contention to win ground and establish their constant win-lose struggles would be evident.

### Q5. State the factors influencing industrial relations.

*A/s :*

The following are the factors which influence the industrial relations:

#### 1. Institutional Factor

Institutional factors which influence the industrial relations are the policies of the government legislations for the labourers, voluntary courts, collective agreement, courts for the employees federations of the employer's, social institutions such as community, caste, joint family, creed, system of beliefs, work attitudes, power status etc.

#### 2. Economic Factors

Economic factors influencing industrial relations are: economic organizations such as capitalist, communist, mixed etc., demand and supply of labour force, force structure and so on.

#### 3. Technological Factors

Mechanisation, automation, nationalization, computerization etc., are some of the technological factors which influences the industrial relations.

**4. Social and Cultural Factors**

The social and cultural factors such as population, religion, customs and traditions of individuals, race ethnic groups, cultures of different groups of individuals etc., also influence industrial relations.

**5. Political Factors**

The political factors influencing industrial relations are, the political system in the country, political parties and their principles, their progress, method of achieving their policies, participation in trade unions and so on,

**6. Governmental Factors**

Governmental factors like, the policies of the government such as industrial policy, economic policy, labour policy, export policy and so on influence the industrial relations.

**Q6. What are the objectives and functions of industrial relations.**

*Ans :* (May-18, Imp.)

**Objectives**

Industrial relations hold a high significance in the context of human resource management about addressing the industrial disputes in an organization.

The various other goals of carrying out such practices are as follows:

**1. Handling Grievance**

Industrial relations aim to maintain cordial relationship between the management and the employees by resolving the disputes and setting up a mechanism to address the grievances of both the parties.

**2. Mental Revolution**

It emphasizes on transforming the way of thinking of both the management and the workers. The employer must value the worker's contribution towards the organization, and at the same time, the employees must respect the authority of the management.

**3. Employees' Rights Protection**

Under industrial relations, various acts (like in India National Labor Relations Act) and associations were formed to safeguard the rights and interests of the employees (irrespective of their membership of the labour union).

**4. Contract Interpretation**

Industrial relations emphasizes on providing proper training to the supervisors and the managers on the labour law contracts to clarify any misunderstanding.

**5. Boosting Morale**

The motivated workforce is the most efficient resource of the organization. Therefore, industrial relations emphasizes on building employee's confidence and boosting their morale to perform better than before.

**6. Collective Bargaining**

The worker's representative and the management put up their proposals in front of each other and negotiates over the same. This is to reach a mutual decision which is written down in a collective bargaining agreement.

**7. Increasing Productivity**

Industrial relations aims at improving the efficiency and productivity of the organization by ensuring employees' long-term retention and minimizing the rate of their absenteeism.

**Functions**

Industrial Relations performs the following functions:

1. It builds close and cordial relationships between the managers and the employees.
2. It develops an effective communication between the workers and management for reducing the gap between them.
3. It assures that there is a creative contribution of trade unions by preventing industrial conflicts, protecting workers interests and managements, preventing poor and immoral atmosphere in an industry.

4. It formulates the considerations which can encourage creativity, understanding and cooperativeness in order to increase the industrial productivity and ensuring increased workers participation.

**Q7. Write about the various approaches to industrial relations.**

**(OR)**

**State the various approaches to Industrial Relations.**

*Ans :* **(May-18)**

Industrial Relations problems are difficult and numerous in nature, as these Industrial Relations issues are the outcomes of social, cultural, economic, political and governmental factors. The study of industrial relations is basically from a multi disciplinary approach. Several people have given several approaches. The following are some important approaches to industrial relations,

**1. Psychological Approach to Industrial Relations**

Psychologists have identified that, Industrial Relations issues begin due to the differences in the perspectives of managements, unions, rank and file workers. These differences in perspectives occur mainly due to the variations that takes place in personalities, attitudes etc. In the same way, industrial conflicts are also caused due to the factors like motivation, leadership, group objectives versus individual objectives and so on.

**2. Sociological Approach to Industrial Relations**

Industry is considered as a small social world. Organizations refers to the group of individuals with different personalities, emotions, feelings, educational and family backgrounds. These individual differences lead to conflicts and competition between the members of industrial society.

**3. Human Relations Approach to Industrial Relations**

Human Resources consist of human beings, who require freedom of speech, thought,

expression, movement and control over timings. This approach, mainly deals with the human relationship, which exists among employer and employee. The word 'Human Relations', also includes the relationship which exists in the situations other than employment.

**4. Gandhian Approach to Industrial Relations**

The Gandhian approach to Industrial Relations, depends on Gandhiji's basic principles of truth, non-violence and non-possession. Through the principles of non-violence and truth, Gandhiji outlined a peaceful co-existence of capital and labour. Trusteeship refers to the co-operation between capital and labour. According to Gandhiji, the following rules should be followed for solving the industrial conflicts in any organization,

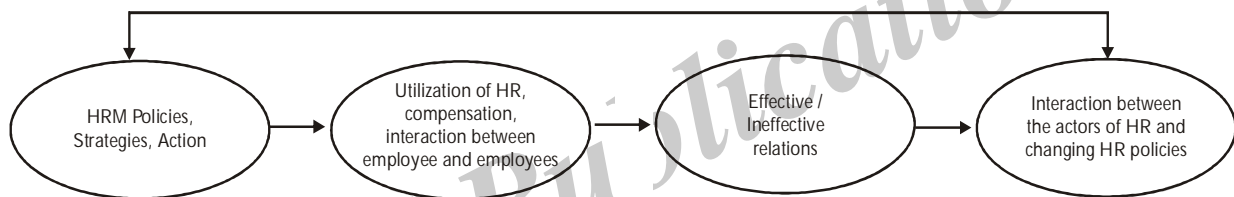
- (i) The employees must obtain redressal of reasonable demands with the help of collective action.
- (ii) The employees must try to avoid strikes to a great extent.
- (iii) Trade unions must not be formed by employees in a humanitarian philanthropic organizations.
- (iv) Strikes must be considered as the last alternative for solving a difficult situation.
- (v) The decision to go on a strike, must be taken by the trade unions on the basis of voting of all the employees in order to carry out smoothly and make use of gentle and mild methods i.e., non-violent methods.
- (vi) In case if the direct settlement fails, then the workers must take voluntary arbitration.

**5. Interactive Outcome of HRM Approach**

Human Resource Management is concerned, with the management of employees right from the 'acquisition period' to the 'separation period'. The main activities of HRM are, 'human resource development', 'compensation' and 'optimum utilization of the human resources'.

An 'interactive behaviour', exists between an employer and an employee in HRM. Therefore, HRM outsources its activities to which it provides various services such as recruiting services, training services and benefits administrators: Pulapa Subba Rao has identified that, HRM includes a cordial relationship among the employee and employer with respect to employment, development, compensation and relationships. These relationships may result in either satisfaction or dissatisfaction to the employee and the employer. The employees who are dissatisfied, will express their problems or grievance procedure to employer for redressal. In the same way, the dissatisfied employer expresses his problem to their groups or associations for redressal.

If both employees or employers do not obtain a redressal, then the parties will try to obtain it with the help of government and private agencies, apart from referring to the labour laws, rules and courts of laws for redressal. This whole process creates and develops the relationships between employees and their associations, employers and their association, government agencies, private agencies and outsourcing agencies. These interactive relationships which exist in HRM process, are considered as, Industrial Relations by Subba Rao. He identified that Industrial Relations affect the HRM process. The following figure helps in understanding the interactive relationship.



**Fig. : Industrial relation – An interactive Outcome of HRM**

The use of suitable HR practices by the employer, helps in satisfying both the employer and the employees and develops an effective industrial relations in organization. Ineffective HR practices, lead to dissatisfaction of the employees and their associations, and dissatisfied employees and their associations produce ineffective industrial relations in an organization.

**Q8. Write in detail about Dunlop's approach to industrial relations. State its criticisms.**

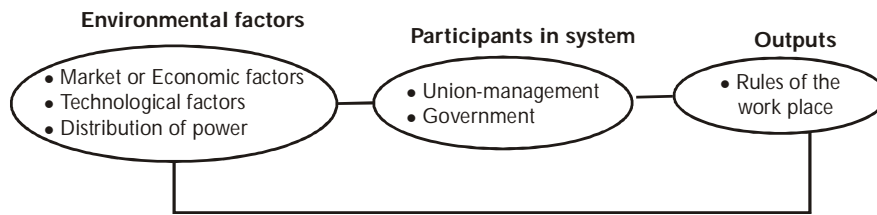
(or)

**Explain the Dunlop's IR model. What are its criticisms?**

*Ans :*

(Imp.)

**According to John T. Dunlop** designed a systematic structure of industrial relations in his book on "Industrial Relations System". The main aim of this approach, is to provide tools which help in analysing, interpreting and having a better understanding of industrial facts and practices. The use of this approach helps in analysing the Industrial Relations by concentrating on the participants involved in the process, environmental forces and output. It also analyses the inter-relations between various aspects of industrial relations systems. The Dunlop's model of industrial relations can be illustrated in the figure:



**Fig. : Dunlop's Approach to industrial Relations**

The main elements of systems approach are,

### 1. Participants/Actors of the system

The participants or actors of Industrial Relations are, the workers and their organizations, management and their representatives and government agencies such as labour courts.

### 2. Ideological Linking

Ideological linking to a great extent, controls the relationships between the parties. Dunlop defined ideology as, "a set of ideas and beliefs, commonly held by the actors that help to build or integrate the systems together as an entity".

### 3. Environment/Context

Environment acts as a basis where in the participants or actors of Industrial Relations, interact. According to Dunlop, there are three types of environment which are significant to industrial relations as follows:

- (i) Technological factors
- (ii) Market or economic factors
- (iii) Locus and distribution of power
- (iv) Interaction of parties.

Dunlop considered these elements as "a Technological Sub-system", an Economic Subsystem and a Political Subsystem.

#### (i) Technological Factors

Industrial relations are completely different in a labour intensive industry, when compared to the capital intensive industry. The technological changes help in improving the expectations of the employers, about the skills of the workers. The use of modern techniques in work processes and methods, decreases the adversities of manual work and help the workers to gain a greater control over their work, which further leads and helps in achieving higher productivity.

#### (ii) Market (or) Economic Factors

It also affects the Industrial Relations, as the need for labour is proximity related with the products demand. With the increase in competition, the market share of a firm becomes uncertain and affects the industrial relations both in short and as well as an long run.

#### (iii) Locus and Distribution of Power

The relationship which exists between the labour and management, is affected by the focus and balance of power in a society. Initially, employees and employers show interest towards their work. The government acts as a regulator and plays an important role in building the industrial relations pattern.

Conflicts mainly occur when both the parties are less matured, power conscious and assertive. On the other hand, conflicts do not occur in the organizations, where in both the parties are more matured, responsible and carefully use the power.

**According to Shister**, three sets of characteristics / factors must be used for defining labour management relationship as follows:

- (a) Economic, social, psychological and political forces which control the policy decisions, management actions and union officials.
- (b) The framework of power relationships within the management and union.
- (c) The distribution of power among the union and management.

The first factor or characteristic is considered as the Framework Factor, whereas the other two factors are considered as the 'Structure of Power factors'. These factors affect the relationship among the government, business and labour. The interactions between government, business and labour result in the formulation of behaviour rules, such as labour laws, voluntary codes, collective agreements etc. These rules control the behaviour of the parties which take part in the industrial relations system.

#### (iv) Interaction of Parties

The interaction of the parties or actors of system which is done within the network of rules, labour policy and labour agreements of the country etc., produce the desired output.

#### Criticisms

Dunlop's approach to industrial relations has been criticized by several authors.

- According to Kochan et al, systems approach to IR plays a more active role in management, rather than just an adaptive role, as it has a good status to execute strategic choices.
- It is believed that there are many interrelated levels of industrial relations. Apart from the functional level of collective bargaining, there is also strategic level and a workplace level, which consists of the supervisory style, participation, job design and work organization.
- Due to the work levels, interacting action and different ideologies dominating each other, it is impossible to avoid instability and conflicts in the organization.
- The collective ideology is essential only at the functional level (collective bargaining level) for holding up the system together.
- Schilstra in the year 1998, also criticized the systems approach to IR.
- It was criticized that the behavioural factors were practically not present in this approach and that this approach focussed upon the rules and procedures as outputs and did not specify the way in which these rules were ascertained.
- The emphasis on rules and job regulators as the outputs of system, focusses on accommodation and equilibrium and does not consider conflict and change.
- The Dunlop's approach to IR helps in focussing on the significance of rules with respect to the traditional industrial relations.
- However, it does not adequately consider the distribution of power among the management and trade unions and its impact on state. It also does not specify the role of individual in industrial relations.

**Q9. What are the differences between Human resource management and Industrial relations?**

*Ans :*

S.No.	Human Resource Management	S.No.	Industrial Relations
1.	Human Resource Management involves only two parties i.e., employee and employer.	1.	Industrial relations involves four parties i.e., employees, employer, trade unions and government.
2.	In HRM, grievance and disciplinary procedures are used for solving the employer, employee issues.	2.	Collective bargaining and different types/forms of industrial conflicts are used for solving the problems.
3.	The objectives and policies were formulated 'on the industrial conflicts resulting out of based industrial ineffective industrial relations.	3.	Effective industrial relations helps in attaining the organizational objectives. The ineffective industrial relations leads to industrial conflicts which require change and reformulation of HRM objectives and policies.
4.	The individual employee has an easy access over its superior.	4.	The individual employees can directly contact the top level management.

#### 4.2 INDUSTRIAL DISPUTES

**Q10. Define Industrial Disputes. What are the causes of Industrial Disputes.**

*Ans :*

(July-21, Dec.-17, Imp.)

The Industrial Disputes Act, 1947, was enacted to promote industrial peace by providing appropriate machinery for amicable settlement of disputes arising between employers and employees.

#### Definition

**According to Industrial Dispute Act 1947**, Industrial disputes is "any dispute between employers and employees, and between employer & workman, between workman & workman, which is connected with the employment or non employment or the terms of employment or with the conditions of labour, of any person."

The practical meaning and form of the concept of 'industrial dispute' is unrest and discontent among the workers, which, in turn give rise to a number of complicated situations and difficult problems. Generally, the industrial disputes are the spill-over or a consequence of deterioration of relations between workers and employers.

These disputes give rise to conflicts and tensions which manifest themselves in the form of strikes, gears, hostile demonstration and even sabotage. Due to industrial disputes the worker remains discontented and unable to keep the pace of production or put in his best efforts. This results in the loss of production. Therefore, in the ultimate analysis, the employer stands to lose by the continuance of the industrial disputes. India is a welfare state. Therefore, the Indian Government has given special attention to the labour welfare. Many efforts have been made to prevent and resolve industrial conflicts and disputes.

#### Causes

##### 1. Wage Demands

The most important cause for disputes is related to wages. The demand for wages has never been fully met because of inflation and high cost of living. High inflation results in increased cost of living

resulting in never-ending demands from unions.

Management and Unions have wage agreement generally valid for three years. Each new agreement is preceded by a prolonged battle between managements and unions, often resulting in strikes and lockouts. Agreement reached in one company will inspire unions in other plants in the locality, and make them pitch tents demanding similar rise in wages.

## 2. Political Interference

Major trade unions are affiliated to political parties. Political affiliation is not peculiar to our country alone. Even a cursory assessment of labor movements around the world would show that trade unions are, by their very nature, political, and that politicization of labor is the rule rather than the exception.

## 3. Unfair Labour Practices

The management is generally not willing to talk over any disputes with the employees or the representatives, or refer it to 'arbitration' even when trade unions want it so, and this enrages the workers.

A management's unwillingness to recognise a particular trade union and the dilatory tactics to which it resorts while verifying the representative character of any trade union have been a source of industrial strife.

### Q11. What are the various forms of industrial disputes.

*Ans :*

The various forms of industrial disputes are as follows,

#### (a) Demonstration

Demonstration is a two faceth form of agitation (both violent and peaceful) which is undertaken to resolve the unsettled labour issues.

The measures involved in demonstration are:

- Shouting slogans outside the organizational premises.
- dummy figures Of management and authority.
- Prolonged strikes and hunger strikes etc.

Demonstration uses coercive ways for convincing the employers to arrive at a mutually acceptable solution to the impending issues.

#### (b) Gherao

Gherao is a violent form of portraying the mismatch of thoughts between employer and workers.

It was first initiated in Bengal and was gradually spread all over the nation.

In this form of agitation, the managers are taken within the organizational premises by the workers or trade unions and are prevented from leaving the premises or getting in touch with any other person.

#### (c) Picketing and Boycott

##### Picketing

In this form of agitation, the workers use aggressive methods of pelting the stones at organizations' infrastructure, damaging the office property and causing harm to the visitors. In such type of situation, the employers take the help of the police forces for controlling the picketing agitation.

##### Boycott

Boycott is a claim and silent method of displaying the worker's grievances to their employers.

The workers tend to cause loss to business by stopping their work related tasks and forces the management to accept their demands.

#### (d) Strike

Strike is one of the important weapon of labour or trade union which can be used against the employer at the time of disagreement between employer and labour. According to the Industrial



Disputes Act, 1947 the labour or trade unions is required to give a prior notice of strike in the important services like electricity, water supply, nuclear power plant, etc.

**(e) Lockouts**

Lockouts is an important weapon of employer which is often used against the threat of striking workers. In lockout, the employer prevents the employees from working. Lockout may take place due to several reasons.

**Q12. What are the different types of industrial disputes.**

*Ans :*

**1. Interest Dispute**

Interest disputes are known as economic disputes or conflicts of interest. It mainly deals with the ascertainment of the terms and conditions of employment for workers across the industry. Generally such disputes, originates from the demands of trade unions or proposals for better wages, job security, fringe benefits or other employment terms and conditions.

As there are no hard and specific standards for setting such disputes, the disputing parties bargain and compromise to resolve such disputes.

**2. Grievance Disputes**

Grievance disputes are also known as legal disputes of conflict or rights. They originate from a single worker or from a group of workers in the same group as a protest against the day to day working relations. Grievances are related to the fields, like over time payment, promotion, demotion, transfer etc.

The interested parties should resolve such disputes in a tactful manner as, if these disputes are not resolved then it may result in bitter hateful working relations and a climate of industrial strife between the management and the workers.

**3. Disputes Related to Unfair Labour Practices**

These disputes arise as a result of unfair / discriminatory treatment of employees, who

actively participate in trade union activities, by the management. The aim of such unfair labour practices is to restrain/prevent the employees, from joining/establishing trade unions.

In many countries many strict laws are enforced to prevent such unfair practices.

**4. Recognition Disputes**

This type of disputes occurs, if the management does not wants to recognize a trade union for collective bargaining. Such a refusal may be because of the different reasons like:

- (a) The management refuses to recognize the concept of trade unions as it dislikes the trade unions due to trade union victimization.
- (b) The management refuses to recognize trade unions as there are more than one trade union, making conflicting claims to recognition. In such a case, the parties, may follow the guidelines of voluntary codes of discipline as laid down in different countries.

**Q13. What are the effects of industrial disputes ?**

*Ans :*

Effects of industrial disputes can be both positive and negative which are as follows :

**1. Positive Effects of Industrial Disputes**

Positive effects of industrial disputes are as follows :

- i) **High Impression** : Dispute brings new impression in the mind of employees and management and brings about a change in the organizations environment. This leads to a new arrival as things come in the concern of the organization.
- ii) **New Outlook** : Dispute helps to find out existing problems of the organization and help the organization to add some new changes that can be conducive for the improvement of activities of the

organization and its resources include the human resources.

- iii) **Prompt Solution** : Any dispute within the organization require the organization to take prompt initiative for solving the conflict because any delay in decision-making can have a negative impact on organizational activities or any loss that may incur because of the existence of the dispute. So, it helps organization to become efficient in giving quick solution.
- iv) **Clear Explanation**: When any dispute arises, it needs a clear explanation to know the reasons of conflict, nature of the dispute and these details explanation help organization to identify the lacking or weakness of the organization and give an opportunity to the organization to improve its internal decoration or policy with necessary changes.
- v) **Creativity**: When any dispute arises, suggestion, opinion, recommendation or decision is needed to take from different units of the organization, which allow or help the employees to explore their creativity because any solution needed is not easy to find out. Therefore, any suggestion if asked from the employees, helps the organization to know the creativity level of the employee.

## 2. Negative Effects of Industrial Disputes

Negative effects of industrial disputes are as follows:

- i) **Feeling of Defeat**: Dispute creates deprivation in the mind of employees as they remain in fear that they may be defeated to others in terms of authority or power. This feeling may affect the level of performance of employees, reduce morale, and increase dissatisfaction that ultimately affect the productivity of the organization.
- ii) **Distance**: Dispute creates distance between or among employees that deteriorates the relationship among

them and create a chaotic condition within group or within organization.

- iii) **Lack of Confidence**: Dispute induces lack of confidence among the employees that can reduce their morale and dissatisfaction may uplift.
- iv) **Labour Turnover**: Dispute increases labour turnover of the organization as the employees may have the organization either to avoid conflict or to retain authority and status. That is why the more will be the labour turnover as the employees will not be able to adapt themselves with such a conflicting situation.
- v) **Problem-Making Attitude**: Dispute raises the problem-making attitude on employees and they try to do the same tasks repeatedly to hold power or to fulfil their own interests, such negative approach leads to a long-term bad consequence of dispute and organization faces ceaseless problem relating to dispute and the cost of conflict resolution reach to the peak.
- vi) **Change in Intention**: Dispute may stimulate change in the intention of the employees. It creates misunderstanding in the mind of employees and interrupts the general flow of performance.

### 4.3 PRINCIPLES AND GUIDELINES FOR EFFECTIVE HANDLING OF INDUSTRIAL DISPUTES AND INDUSTRIAL RELATIONS

**Q14. Explain about principles and guidelines for effective handling of industrial disputes and industrial relations.**

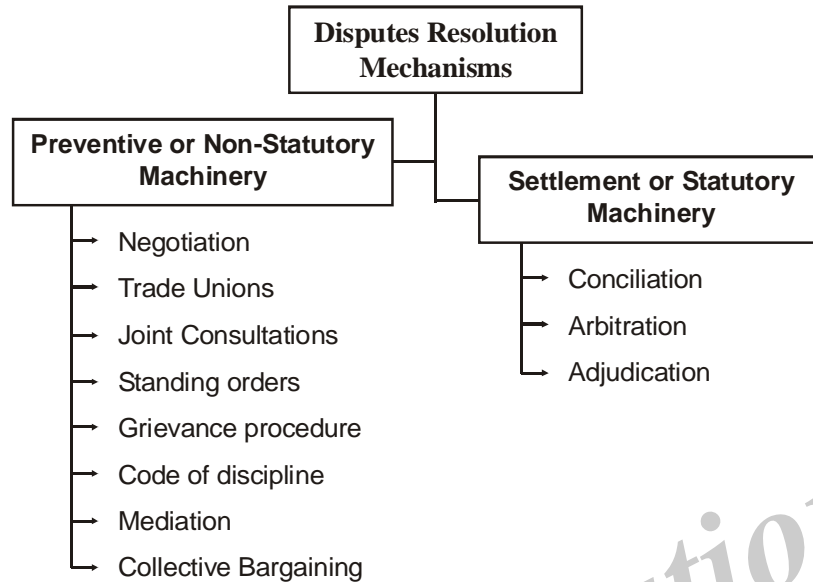
(OR)

**Illustrate the various methods to resolve industrial disputes.**

*Ans :* (July-21, Dec.-20, Dec.-17)

Dispute resolution is the process of resolving or managing a dispute by sharing each side's needs and adequately addressing their interest so that they

are satisfied with the outcomes. The procedure for resolution of industrial disputes involves two types of machinery. These are as follows :



#### A) Preventive Machinery of Industrial Disputes

Pleasant industrial relations and lasting industrial peace require that the causes of industrial disputes should be eliminated. In other words, preventive steps should be taken so that industrial disputes do not occur. The prevention machinery ensures that there are no disputes. It aims at creating an environment in which the employees are allowed to participate and there are very less chances of conflicts. It is thus proactive in nature. It includes following methods:

##### i) Negotiation

Negotiation is one of the most common approaches used to make decisions and manage disputes. It is a dialogue intended to resolve disputes, to produce an agreement upon courses of action, to bargain for individual or collective advantage, or to craft outcomes to satisfy various interests. It is also the major building block for many other alternative dispute resolution procedures.

##### ii) Trade Unions

Strong trade unions help prevent industrial disputes relating to wages, benefits, job security, etc.

##### iii) Joint Consultations

To prevent industrial disputes two ways of joint consultations are adopted:

- **Works Committees:** Though Works Committee is preventive machinery, it is a statutory body too. The Industrial Dispute Act, 1947 requires the employer to constitute a Works Committee consisting of equal representatives of employers and workmen engaged in the industrial establishment to promote amity and good relations among them.
- **Joint Management Councils (JMCs):** In the Industrial policy Resolution 1956, the need for joint management council consisting of representatives of management, technicians and workers was emphasised.

**iv) Standing Orders**

The term 'standing orders' refers to rules and regulations, which govern the condition of the employment of workers. They specify the duties and responsibilities of both employers and employees.

**v) Grievance Procedure**

Under the model of grievance procedure, as suggested by the Indian Labour Conference, 1958, both the employer and the workers are expected to follow certain steps so as to put out the frictions between them.

**vi) Code of Discipline**

The code aims at preventing disputes by providing for voluntary and mutual settlement of disputes through negotiations without the interference of an outside agency. The Code of Discipline is a set of self-imposed mutually agreed voluntary principles of discipline and relations between the management and workers in the industry.

**vii) Mediation**

Mediation is a process for resolving conflict in which an impartial third party assists disputants to negotiate an informed and consensual agreement for themselves. Decision-making authority always rests with the disputants. It is viewed as bringing the parties in dispute, not only to resolve the existing conflict, but to plan for the prevention of similar conflict in the future. Moreover, mediation under this thinking involves not only a contractual agreement, but active work to help with the implementation of decisions at organizational level.

**viii) Collective Bargaining**

Collective bargaining is probably the most effective method of resolving industrial disputes. It occurs when representatives of a labour union meet management representatives to determine employees' wages and benefits, to create or revise work rules, and to resolve disputes or violations of the labour contract.

**B) Settlement Machinery of Industrial Disputes**

Government should activate the industrial settlement machinery when preventive machinery fails because non-settlement of disputes proves to be harmful not only for the workers, but also for the management and the society as a whole. The Bombay Industrial Relations Act, 1946 and the Industrial Disputes Act, 1947 have provided three important statutory methods for settlement of industrial disputes, which are as follows:

**i) Conciliation**

Conciliation is a dispute resolution process whereby the parties to a dispute (including future interest disputes) agree to utilise the services of a conciliator, who then meets with the parties separately in an attempt to resolve their differences.

**Definition**

**According to The International Labour Organization,** "Conciliation is the practice by which the services of a neutral third party are used in a dispute as a means of helping the disputing parties to reduce the extent of their differences and to arrive at an amicable settlement or agreed solution. It is a process of rational and orderly discussion of differences between the parties to a dispute under the guidance of a conciliator". Conciliation machinery in India consists of following :

- **Conciliation Officer:** According to the Industrial Disputes Act, 1947 the Central and State Governments can appoint a Conciliation Officer to mediate in all disputes brought to his notice. The Appropriate Government has been empowered under the Industrial Disputes Act to appoint such number of persons as it thinks fit to be Conciliation Officers. The Government may appoint such officers either for a specified area or for specified industries in a specified area or for one or more specified industries charged with the duty of mediating in and promoting the settlement of industrial disputes. The

appointment is made by notification in the Official Gazette either permanently or for a limited period.

The officer enjoys the powers as a Civil Court. He is expected to give judgment within 14 days of the commencement of the conciliation proceedings. His judgment is binding on all the parties to the dispute. The Conciliation Officer has a lot of discretion over the ways and means to be followed to bring about a settlement between the disputants. He may do all such things as he thinks fit for the purpose of including the parties to come to a fair and amicable settlement of disputes.

- **Board of Conciliation :** The Board of Conciliation is not a permanent institution like the Conciliation Officer. It is an ad hoc, tripartite body having the powers of a Civil Court created for a specific dispute. It consists of a Chairman and two or four other members nominated in equal numbers by the parties to the dispute. The chairman who is appointed by the government should not be connected with the dispute or with any industry directly affected by such dispute. The board cannot admit a dispute, is referred to it, by the government. The board conducts conciliation proceedings in the same way as conducted by Conciliation Officer. The board however is expected to submit its report within two months of the date on which the dispute was referred to it. The Board of Conciliation is rarely constituted by the government these days. In actual practice, settling disputes through a Conciliation Officer was found to be more flexible when compared to the Board of Conciliation.
- **Court of Inquiry:** In case the conciliation proceedings fail to resolve a dispute, a Court of Inquiry is constituted by the government to investigate the dispute and submit the report within six

months. It is merely a fact-finding body and its findings are not binding on the parties to the dispute. The Appropriate Government may as occasion arises by notification in the Official Gazette constitute a Court of inquiry for enquiring into any matter appearing to be connected with or relevant to an industrial dispute. A Court of Inquiry consists of one independent person or of such number of independent persons as the Appropriate Government thinks fit. Where such court consists of two or more members, one of them is appointed as the Chairman.

## ii) Arbitration

Arbitration is the process in which a neutral third party listens to the disputing parties, gathers information about the dispute, and makes a decision to be binding on both the parties. It differs from conciliation in the sense that in arbitration, the arbitrator gives a decision on a dispute while in conciliation; the conciliator merely facilitates the disputing parties to arrive at a decision. Qualities of an arbitrator concern the individual's attributes. There are a number of generic attributes relevant to most good arbitrators, such as language abilities and experience, reputation for professionalism, integrity, impartiality and decisiveness. In India, there are two types of arbitration which are as follows:

- **Voluntary Arbitration:** In voluntary arbitration, the arbitrator is appointed by both the parties through mutual consent. The arbitrator acts when the dispute is referred to him. In order to promote voluntary arbitration. Government of India constituted National Arbitration Promotion Board in 1967. The Board promotes the concept of voluntary arbitration by providing updated list of arbitrators, booklets containing procedures and positive sides of voluntary arbitration.
- **Compulsory Arbitration:** When the disputing parties exhaust other means of settling their disputes, the

Government can force the parties for compulsory arbitration, or the Government may refer the dispute for arbitration on the written request of both the parties. The award of the compulsory arbitration is binding on both the parties. Where the dispute has been referred to arbitration, the Government may prohibit any unilateral action by any of the competing parties.

### iii) Adjudication

Adjudication is the ultimate remedy for the settlement of disputes in India. An industrial dispute can be referred to adjudication by the mutual consent of the disputing parties. The government can also refer a dispute to adjudication without the consent of the parties. The Industrial Disputes Act, 1947, provides three-tier adjudication machinery which includes the following:

- **Labour Courts:** The Appropriate Government may, by notification in the Official Gazette, constitute one or more Labour Courts for adjudication of industrial disputes relating to any matters specified in the Second Schedule. These Courts shall also perform such other functions as may be assigned to them. A Labour Court consists of one person only to be appointed by the Appropriate Government. The person so appointed is known as Presiding Officer of a Labour Court.
- **Industrial Tribunals:** The Appropriate Government may, by notification in the Official Gazette, constitute one or more Industrial Tribunals (hereinafter called the Tribunal) for the adjudication of industrial disputes relating to any matter, whether specified in the Second schedule or the Third Schedule and for performing such other functions as may be assigned to them under this Act. This is also a one-man ad hoc body (Presiding Officer) appointed by the government.

- **National Tribunals:** This is the third one-man adjudicatory body to be appointed by the Central Government to deal with disputes of national importance or issues which are likely to affect the industrial establishments in more than one state. The National Tribunal shall consist of one person not below the rank of a High Court Judge and not below sixty-five years of age.

National Tribunals can be appointed by Government of India for adjudication of industrial disputes which in the opinion of the Central Government involve questions of national importance or are of such nature that industrial establishments situated in more than one State are likely to be interested in or affected by such disputes. No person shall be appointed to, or continue in, the office of the Presiding Officer of a National Tribunal, if:

- a) He is not an independent person; or
- b) He has attained the age of 65 years.

## 4.4 STANDING ORDERS

**Q15. Define Standing Orders. Explain the objectives of Standing Orders.**

*Ans :* (Dec.-19, Dec.-18, Imp.)

### Meaning

Section 2(g) "Standing orders" means rules relating to matters set out in the Schedule;

'Standing Orders' means rules of conduct for workmen employed in industrial establishments.

The object of the Act is to require employers in industrial establishments to formally define conditions of employment under them.

### Objectives

- The first objective states that the act is to provide regular standing orders for factories, workers and the main professional or working relationship.

- The second aim is to ensure that all employees recognize their employment terms and conditions they are expected to follow or adhere to. This is to help minimize the exploitation of workers against their will and knowledge.
- The third objective states that it also supports the promotion of industrial peace and harmony by supporting fair industrial practices.

**Q16. State the Salient Features of the Standing Orders Act.**

*Ans :*

**1. Applicability of the standing order act**

The Standing Order Act applies to every industrial establishment wherein 100 (hundred) or more workmen are employed or were employed in the preceding 12 (twelve) months. Once the Standing Order Act becomes applicable to an establishment it does not cease to apply due to subsequent fall in the number of workmen in the establishment.

**2. Workman under the standing order act**

It's important to note that the Standing Order Act and subsequent certification of standing orders apply only to workmen of an organization, not to its employees. The term workman has not been defined in the Standing Order Act itself, but it has been adopted from clause (s) of section 2 of Industrial Dispute Act, 1947.

**3. Certification of draft standing orders**

After having prepared the draft standing orders, the next step is to get the same certified by the concerned certifying officers by submitting the same within six months from the date on which the Standing Order Act becomes applicable. An employer is required to submit to the certifying officer, five copies of the draft standing orders for certification.

**4. Temporary application of model standing orders**

During the interim period between the applicability of the Standing Orders Act to an establishment and certification of standing orders, the model standing orders shall be deemed to be adopted in the establishment. This is an interim measure until the standing orders are finally certified.

**5. Date of operation of standing orders**

Standing orders shall, unless an appeal is preferred under section 6 of the Standing Order Act, come into operation on the expiry of 30 (thirty) days from the date on which authenticated copies thereof are sent to the employer.

**6. Duration and modification of standing order**

- i) Standing orders finally certified by the certifying officer shall not be liable to modification, except by an agreement between the employer and workmen to the contrary, until the expiry of six months from the date on which the standing orders or the last modification came into operation.
- ii) An employer or workman or a trade union or other representative body of the workman may apply to the certifying officer to have the standing orders modified and such application shall be accompanied by five copies of the modifications proposed to be made.

**7. Display of standing orders**

Text of the standing orders as finally certified shall be prominently posted by the employer in English and in the language understood by the majority of his workmen near the entrance through which the majority of workmen enter the industrial establishment and in all departments where the workmen are employed.

**8. Payment of Subsistence Allowance**

Where any workman is suspended pending investigation or inquiry into complaints or

charges of misconduct against him, it is mandatory for the employer to pay to such workman subsistence allowance at the following rates :

- i) **First 90 (ninety) days:** at the rate of 50% (percentage fifty) of the wages which the workman was entitled to immediately preceding the date of such suspension; and
- ii) **91 (ninety one) to 180 (one hundred eighty) days:** at the rate of 75% (percentage seventy five) of such wages of suspension if the delay in the completion of disciplinary proceedings against such workman is not directly attributable to the conduct of such workman.

Virtually the order of suspension does not put an end to a workman's service though he is not permitted to work and is paid only substance allowance which is less than is salary. This reduced rate of salary constitutes subsistence allowance.

#### 9. Procedure for certification of standing orders

- i) On receipt of the draft standing orders, the certifying officer shall forward a copy thereof to the trade union, if any, of the workmen, or where there is no such trade union, to the workmen in such manner as may be prescribed, for their comments and objections, if any, with a notice in form II.
- ii) After giving the employer and representatives of workmen an opportunity of being heard, the certifying officer shall decide whether or not any modification of or addition to the draft submitted by the employer is necessary to render the draft standing order certifiable, and shall make an order in writing accordingly.
- iii) The certifying officer shall, thereupon, certify the draft standing orders, after making any modifications therein which may be required and shall, within seven

days thereafter, send copies of the certified standing orders authenticated to the employer and representatives of workmen.

#### 10. Penalty

If an employer fails to submit draft standing orders as required by Section 3, or who modifies his standing orders otherwise than in accordance with Section 10 of the Standing Order Act, shall be punishable with fine which may extend to Rs 5,000 (five thousand), and in the case of a continuing offence with a further fine which may extend to Rs 200 (two hundred) for every day after the first during which the offence continues.

If the establishment does any act in contravention of the standing orders finally certified under this Act, the employer shall be punishable with fine which may extend to Rs 100 (One hundred), and in the case of a continuing offence with a further fine which may extend to Rs 25 (twenty five) for every day after the first during which the offence continues.

#### 4.4.1 Role and Contents of standing orders

#### Q17. Discuss the Contents of standing orders.

*Ans :* (Dec.-19, Dec.-18)

#### Contents

1. Short title, extent and application.
2. Interpretation.
3. Submission of Draft Standing Orders.
4. Conditions of certification of Standing Orders.
5. Certification of Standing Orders.
6. Appeals.
7. Date of operation of Standing Orders.
8. Register of Standing Orders.
9. Posting of Standing Orders.
10. Duration and modification of Standing Orders.



- 10A. Payment of subsistence allowance.
- 11. Certifying officers appellate authorities to have powers of Civil Court.
- 12. Oral evidence in contradiction of Standing Orders not admissible.
- 12A. Temporary application of Model Standing Orders.
- 13. Penalties and procedure.
- 13A. Interpretation, etc., of standing Orders.
- 13B. Act not to apply to certain industrial establishments.
- 14. Power to exempt.
- 14A. Delegation of powers.
- 15. Power to make rules.

#### 4.5 LABOUR RELATIONS

**Q18. Define Labour Relations. What are the objectives of Labour Relations.**

*Ans :*

In general term, labor relation refers to the relationship among the employer, employees and the government. Labor relation refers to the system in which employers, employees and their representatives and government interact to situate the ground rules for the governance of work relationship. Government may directly or indirectly interact to set the basic rules. It also describes a field of study devoted to examining such relationships. Both private and public interests are at stake in any labor relations system.

A labor relations system incorporates societal values like freedom of association, a sense of group solidarity etc. and techniques like methods of negotiation, work organization, consultation, and dispute resolution. Labor relation is also known as industrial relation.

#### **Objectives of Labor Relations**

Labor relation plays important role in maintaining appropriate environment in the organization. Following are the major objectives of labor relation :

#### **1. Harmonious relation**

Employees expect better return despite of their poor performance, whereas organization expects for better return at a lower cost. Labor relation makes cordial relationship between these two different expecting parties and makes the dynamic, effective and productive organization.

#### **2. Quality working condition**

Labor relation helps in establishing good faith, mutual trust and respect among the employees and the organization. Respecting each other, respecting the job, harmonizes the relationship between employees and the employer which will help in making a quality working condition.

#### **3. Industrial peace**

Maintaining industrial peace is another important objective of labor relation. Building trustful and reliable environment will maintain the peace and harmony in the industry. This gives a feeling of trust and dependability. It helps in increasing the job satisfaction to the employees. This will avoid employees from dispute and conflict. Employees will be far away from the abnormal situation like demonstration, conflict, dispute, fight and other unfavorable situation. Thus the environment of cooperation, trust, harmony and peace can be established.

#### **4. Effective communication**

The next objective of labor relation is to maintain effective communication in the organization. Decision will be made in the participation of both parties and the information will be communicated among and between the two parties. This brings openness for sharing of their knowledge, skill, experience and creation.

#### **5. Improving participation**

None of the policy and rule can be implemented without participation of

concerned employees. Employees participation is necessary for effective execution of the strategy. Distance between the employee and employer can be minimized through labor relation. As a result, employees will participate in the enactment of the policy, rule and programme determined by the organization. Culture of participation will be developed in the organization. Successful execution of each program is possible through the increased employees participation for which the labor relation becomes helpful.

#### 6. Increasing the productivity

Increasing the productivity of an organization is another important objective of labor relation. Employees and the management become creative. Employees play coordinated and supportive role for the programme decided by the organization. This will also support in the optimal utilization of resources. Thus the productivity of the organization can be increased.

#### 7. Change management

Politics, law, economic, social, technological and other aspects get change with time. Apart from this, the concept, thought, values, assumptions and expectation of employees also get change. Management has to accept these things within the suitable time. Labor role becomes crucial for change management. Management will be failed if the environment of accepting change by employees is not created. Through labor relation any types of change can be managed.

#### 8. Legal relationship

Issues on the well being and right of employees are discussed in the national and international programme. Work on establishing their right is carrying on and according to which the organizations need to establish legal foundation. By maintaining good legal relationship, objectives of establishing legal relationship can be fulfilled.

#### Q19. Define workers participation In management state the objectives of WPM'S.

*Ans :*

##### Introduction

Workers participation in management refers to the participation of non-managerial employees in the decision-making process of the organization. Workers participation gives employees the mental and psychological satisfaction and thereby increase their involvement in the affairs of the organization. Workers participation in management is the most accepted principle of industrial relations in modern industry throughout the world and in India too.

##### Definition

(i) **According to Keith Davis** "Participation is a mental and emotional involvement of a person in a group situation which encourages to contribute to group goals or objectives and share responsibilities."

(ii) **According to the British Institute of Management** Workers participation in management is the practice in which employees take part in Management decisions and it is based on the assumption of commonality of interest between employer and employee in furthering the long term prospects of the enterprise and those working in it

Workers participation is a system where the workers get the rights to participate in decisions on issues which are of concern to the workers like wages, working conditions, safety, welfare, sharing of gain, production related aspects, incentives and allowances were considered to be legitimate areas of workers concern and therefore workers should be consulted when these are determined.

Participation has to be done at different levels of management.

- a) At the shop floor level.
- b) At the department level and
- c) At the board level.

The decision making at these different levels would assume different levels would assume

different patterns in regard to policy formulation and execution. When workers participate in decision-making and they have to commit themselves for the implementation of decisions made.

They become more responsible and involved. Workers participation in management is a humanitarian approach to the labor class giving them new set of values giving them a social status, base and a place in the industrialized society.

### Objectives

The objectives of workers participation in management may vary from country to country, state to state, and from industry to industry depending upon the quality of manpower, level of technology, level of competition socio-economic status, political philosophy, attitude of the working class and the industrial relations scene. Though there are so many factors governing the objectives of workers participation some common objectives are:

1. To prevent workers from exploitation by the management or by the owners of the organization.
2. To have democracy in the organization.
3. To have proper development of the working class
4. To resolve conflicts and differences between management and employees in a democratic manner.
5. To create in employees a sense of participation in industry.
6. To encourage suggestions from employees.
7. To improve the working and living conditions of employees.
8. To promote better understanding between labors and management on the various issues of the organizations.
9. To give employees a better understanding of their role in the working of the industry.
10. To give the employees an opportunity for self expression leading to industrial peace, good relations and increased co-operation.

**Q20. What is significance of workers participation in management. Present the pre-requisites for the success of WPM.**

*Ans :*

(Dec.-17, Imp.)

### Significance

1. It helps in managing resistance to change which is inevitable. For the growth and development of industry, changes have to be welcomed, otherwise the organization will stagnate and be left behind. If the need for change is jointly felt by all partners of production its acceptance can be high. Workers' participation in change strategy can facilitate acceptable solutions with a view to secure effective and smooth implementations of decisions.
2. Workers' participation can encourage communication at all levels. Since both partners of production are involved in the decision-making there will be fewer changes of distortion and/ or failure in communicating the decision.
3. Joint decision-making ensures the there will be minimum industrial conflict an economic growth can be free from distracting strife.
4. Workers' participation at the plant level can be seen as the first step to establishing democratic values in society at large.

### Pre-requisites for the success of WPM.

In order to have successful working of worker's participation in management, the management, trade unions and Workers needs to fulfill the following pre-requisites.

- All the parties involved must have mutual trust and faith in each other.
- There must be a progressive management in the organization which must identify its responsibilities and duties towards workers and trade unions.
- One objectives of the organization must be formulated closely and mutually so that both the trade unions and management can participate in attaining it.

- All the parties involved in participative management must be ready to participate at all the organizational levels.
- The management and workers must effectively communicate with each other in the organization. There should also be an effective consultation of workers by the management.
- A strong, democratic and representative union which denotes/shows the cause of workers without ignoring the management's interest must be present in each organization.
- All the parties involved should be provided with adequate training by management and government, so that they get ready for participative management.
- The parties involved must have a positive attitude towards the schemes of participative management.
- The parties involved in anticipative management must be aware of the benefits of the schemes.

#### 4.6 COLLECTIVE BARGAINING

**Q21. Define Collective Bargaining. Explain the characteristics of collective bargaining .**

*Ans :*

**Meaning (Dec.-20, Imp.)**

The term collective bargaining is made up of two words, 'collective' – which means a 'group action' through representation and 'bargaining', means 'negotiating', which involves proposals and counter proposals, offers and counter offers. Thus it means collective negotiations between the employer and the employee, relating to their work situations. The success of these negotiations depends upon mutual understanding and give and take principles between the employers and employees.

#### **Definitions**

The phrase collective bargaining is made up of two words collective which implies group action through its representatives; and bargaining which

suggests haggling and/ or negotiating. The phrase, therefore, implies collective negotiation of a contract between the management's representatives on one side and those of the workers on the other. Thus collective bargaining is defined as a process of negotiation between the employer and the organized workers represented by their union in order to determine the terms and conditions of employment.

**i) According to Stevens** Collective Bargaining as a 'social control technique for reflecting and transmitting the basic power relationships which underlie the conflict of interest in an industrial relations system.'

**ii) According to Prof. Allan Flanders** Collective Bargaining is primarily a political rather than an economic process. He describes collective bargaining as a power relationship between a trade union organization and the management organization. The agreement arrived at is a compromise settlement of power conflicts. Collective Bargaining has also been described as "the great social invention that has institutionalized industrial conflict"

**iii) According to Richardson says,** "Collective bargaining takes place when a number of work people enter into negotiation as a bargaining unit with an employer or a group of employers with the object of reaching agreement on conditions of the employment of the work people".

The ILO has defined collective bargaining as "negotiations about working conditions and terms of employment between an employer and a group of employees or one or more employees' organizations with a view to reaching an agreement wherein the terms serve as a code of defining the rights and obligations of each party in their employment relations with one another; fix a large number of detailed conditions of employment, and derivatives validity, none of the matters it deals which can in normal circumstances be given as a ground for a dispute concerning an industrial worker".

**Characteristics of Collective Bargaining**

The main characteristics of collective bargaining are :

- i) **Group action:** On the management side are its delegates at the bargaining table; on the side of the workers is their trade union, which may represent the local plant, the city membership or nation-wide membership.
- ii) **Flexible and mobile:** It has fluidity and scope for compromise, for a mutual give-and-take before the final agreement is reached or the final settlement is arrived at.
- iii) **Two-party process:** It is a mutual give-and-take rather than a take-it-or-leave-it method of arriving at the settlement of a dispute. Both parties are involved in it.
- iv) **Continuous process:** Collective bargaining is a continuous process that provides mechanism for continuing and organised relationships between management and trade unions.
- v) **Dynamic:** Collective bargaining is dynamic because it is a relatively new concept, and is growing, expanding, and changing. In the past, it used to be emotional, turbulent and sentimental; but now it is scientific, factual and systematic. Its coverage and style have changed.
- vi) **Industrial democracy at work:** Industrial democracy is the government of labour with the consent of the governed — the workers. The principle of arbitrary unilateralism has given way to that of self-government in industry.
- vii) **Not a competitive process:** Collective bargaining is not a competitive process, but it is essentially a complementary process, i.e., each party needs something that the other party has, namely labour can make a greater productive effort and management has the capacity to pay for that effort and to organise and guide it for achieving its objectives.
- viii) **An Art:** "It is an art, an advanced form of human relations. To substantiate this, one need only witness the bluffing, the oratory, dramatics, and coyness mixed in an inexplicable fashion which may characterise a bargaining session."

**Q22. Explain the importance of collective bargaining.**

*Ans :*

Collective bargaining includes not only negotiations between the employers and unions but also includes the process of resolving labor-management conflicts. Thus, collective bargaining is, essentially, a recognized way of creating a system of industrial jurisprudence. It acts as a method of introducing civil rights in the industry, that is, the management should be conducted by rules rather than arbitrary decision making. It establishes rules which define and restrict the traditional authority exercised by the management.

**(i) Importance to Employees**

Collective bargaining develops a sense of self respect and responsibility among the employees.

- It increases the strength of the workforce, thereby, increasing their bargaining capacity as a group.
- Collective bargaining increases the morale and productivity of employees.
- It restricts management's freedom for arbitrary action against the employees. Moreover, unilateral actions by the employer are also discouraged.
- Effective collective bargaining machinery strengthens the trade unions movement.
- The workers feel motivated as they can approach the management on various matters and bargain for higher benefits.
- It helps in securing a prompt and fair settlement of grievances. It provides a flexible means for the adjustment of wages and employment conditions to economic and technological changes in the industry, as a result of which the chances for conflicts are reduced.

**(ii) Importance to employers**

- It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.

- Collective bargaining tends to promote a sense of job security among employees and thereby tends to reduce the cost of labor turnover to management.
- Collective bargaining opens up the channel of communication between the workers and the management and increases worker participation in decision making.
- Collective bargaining plays a vital role in settling and preventing industrial disputes.

### (iii) Importance to society

- Collective bargaining leads to industrial peace in the country
- It results in establishment of a harmonious industrial climate which supports which helps the pace of a nation's efforts towards economic and social development since the obstacles to such a development can be reduced considerably.
- The discrimination and exploitation of workers is constantly being checked.
- It provides a method or the regulation of the conditions of employment of those who are directly concerned about them.

### Q23. Explain the different types of collective bargaining.

*Ans :*

A collective bargaining process generally consists of four types of activities- distributive bargaining, integrative bargaining, attitudinal restructuring and intra-organizational bargaining.

- (i) **Distributive bargaining** : It involves haggling over the distribution of surplus. Under it, the economic issues like wages, salaries and bonus are discussed. In distributive bargaining, one party's gain is another party's loss. This is most commonly explained in terms of a pie. Disputants can

work together to make the pie bigger, so there is enough for both of them to have as much as they want, or they can focus on cutting the pie up, trying to get as much as they can for themselves. In general, distributive bargaining tends to be more competitive. This type of bargaining is also known as conjunctive bargaining.

- (ii) **Integrative bargaining** : This involves negotiation of an issue on which both the parties may gain, or at least neither party loses. For example, representatives of employer and employee sides may bargain over the better training programme or a better job evaluation method. Here, both the parties are trying to make more of something. In general, it tends to be more cooperative than distributive bargaining. This type of bargaining is also known as cooperative bargaining.

- (iii) **Attitudinal restructuring** : This involves shaping and reshaping some attitudes like trust or distrust, friendliness or hostility between labour and management. When there is a backlog of bitterness between both the parties, attitudinal restructuring is required to maintain smooth and harmonious industrial relations. It develops a bargaining environment and creates trust and cooperation among the parties.

- (iv) **Intra-organizational bargaining** : It generally aims at resolving internal conflicts. This is a type of maneuvering to achieve consensus with the workers and management. Even within the union, there may be differences between groups. For example, skilled workers may feel that they are neglected or women workers may feel that their interests are not looked after properly. Within the management also, there may be differences. Trade unions maneuver to achieve consensus among the conflicting groups.

**Q24. Outline the Process of Collective Bargaining.****(or)****Describe the steps involved in collective bargaining process.****Ans :****(Dec.-20)**

Collective bargaining plays an important role in settlement industrial disputes. The role/importance of collective bargaining in dispute settlement can be understood from the collective bargaining process.

Collective bargaining has two dimensions.

1. Negotiating the collective agreements.
2. Interpreting and enforcing the collective agreement and resolving the conflicts arising.

**According to R. Wayne Mondy and Robert M. Noe III**, the process of collective bargaining has six major steps. They are as follows,

**1. Getting Ready for Negotiation**

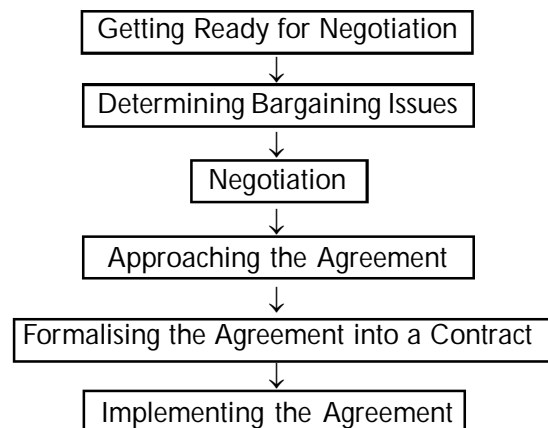
Both employees and employers should carefully prepare to discuss a wide range of complex issues during negotiations. Preparing for negotiation involves selection of negotiators from both sides and identifying a suitable site for negotiation.

**Negotiators of the management side should,**

- (i) Present specific proposals for changing the language of the contract.
- (ii) Identifying the budget that the company proposes to offer.
- (iii) Preparing statistical data to be used in negotiation,
- (iv) Gathering information during negotiation such that it can be used for future purposes.

**Unions should collect information about,**

- (i) Financial position of the organizations and its ability to pay.
- (ii) Managements attitude from past negotiations.
- (iii) Employee attitudes and desires.



**Fig.: Process of Collective Bargaining.**

**2. Determining Bargaining Issues**

The major issues that are discussed under collective bargaining are,

**(a) Wage-related Issues**

The issues like determination of basic wage rate, adjustments regarding cost of living, wage differentials, wage adjustments, overtime rates etc., fall under this category.

**(b) Additional Monetary Benefits**

Pension plans, paid vacations, paid holidays, health- insurance plans, retrenchment pay, unemployment pension and the like fall under this category.

**(c) Organizational Issues**

These consists of the rights and duties of employees, employers, unions, employee schemes, welfare programmes etc.

**(d) Management Issues**

The issues such as seniority, work rules, code of discipline, grievance redressal procedure, health and safety measures, technological changes, job security training etc., fall under management related issues to be discussed in collective bargaining.

### 3. Negotiation

After the preparations are made and issues are being identified, 'negotiation' is the next logical step in collective bargaining process. Negotiation begins when each side presents its initial demand and continues till the final agreement is reached. As the final agreement is reached, the agreement is signed by both management and union representatives.

The success of negotiation depends upon the skills and abilities of negotiators from both the sides.

### 4. Approaching the Agreement

After a battle of wits, using individual tactics and cleverness, threats of strikes and lockouts, finally an agreement is reached which is amicable to both the parties. After the agreement is reached, the two sides return to their constituencies and discuss about the agreement with their respective groups.

### 5. Formalising the Agreement into a Contract

In this stage, the negotiators of the union explain the agreement to the union members and take their votes. As the voting is completed, the agreement is formalised into a contract. The contract thus formalised should be clear and precise as any ambiguity can lead to grievances and other problems.

### 6. Implementing the Agreement

Formalising of agreement is not the end of collective bargaining process, rather it is the real beginning of the process. The signed agreement must be implemented according to letter and spirit of provisions of the agreement. But, it is not easy to strictly follow the agreement in day-to-day work stress. Management is primarily responsible for implementing the agreement. It should communicate the agreement to all the levels by conducting the meetings or training sessions.

### 4.6.1 Essential Conditions for the Success of Collective Bargaining

**Q25. Bring out the essential conditions that must be present for collective bargaining successfully.**

**(OR)**

**List out the essential conditions for the success of collective bargaining.**

**(OR)**

**Explain the essential conditions for the success of collective bargains.**

**Ans. : (Imp.)**

- i) Constructive consultation between the trade union and the management is possible only when the bargaining power of two parties is relatively equal and is exercised with responsibility and discrimination
- ii) Two parties of collective bargaining accept the principle of 'free consultation' and 'free enterprise consistent with the advancement of public interest.
- iii) The willing acceptance by the management to recognise representative union for this purpose.
- iv) Both the parties must have mutual confidence, good faith and a desire to make collective bargaining machinery a success.
- v) Management should not await the Union to raise problems but should make every reasonable effort prevent them from arising and to remove them promptly when they arise.
- vi) An emphasis upon a problem-solving approach with de-emphasis upon excessive legalism.
- vii) Dispose off the issues in the same meeting and minimise pending of items.
- viii) Desire of the management to settle the issues to the satisfaction of employees. This does not mean that the management must relinquish its right to direct the company or that it must accede to all union demands.



- ix) Unions must understand the economic implications of collective bargaining and realise that union demands must be met from the income and resources of the organization.
- x) Both the parties should represent the rights and responsibilities of each other.
- xi) The process of bargaining should be free from unfair practices.
- xii) Unanimity among workers: Before entering into negotiations, there must be unanimity among workers. At least the representatives of workers should be able to represent the opinion or demands of majority of workers.
- xiii) The attitudes of the parties (involved) should be positive. Both the parties should reach the negotiating table with an intention to find better solutions.
- xiv) The parties involved in collective bargaining should be prepared to give away something in order to gain something.
- xv) Both the parties to collective bargaining should observe and follow the terms and conditions of previous agreements that are reached. Collective bargaining, being a continuous process, can be effective only with the successful implementation of previous agreements. Any lapse on the part of any party concerned, shows its effect on the present process.
- xvi) The representatives of both the parties should fully understand and be clear about the problems and their implications.
- xvii) The workers can make effective use of collective bargaining process to achieve participative management and good working conditions. They should not confine collective bargaining for mere monetary benefits.

**Q25. How can you make collective bargaining effective in Indian organization.**

*Ans :* (May-19)

Collective bargaining was introduced in India for the first time in 1952 and it gradually acquired importance and significance in the following years.

Though information on the growth of the collective bargaining process is somewhat meager, the data released by the Labour Bureau show that the practice of determining the rates of wages and the conditions of employment through collective agreement has spread to most of the major segments of the Indian economy. A large majority of disputes were resolved through this mechanism. Most agreements were concluded at the plant level.

In centres like Mumbai, Ahmedabad, industry level agreements were quite common thanks to the legal blessings extended by the respective state Acts. The agreements were found in industries such as chemicals, petroleum, tea, coal, oil, aluminium etc. In ports and docks, banking and insurance collective agreements at the national level were also arrived at.

Since 1955, a number of plant level agreements have been reached. These include the Bata Shoe Company Agreement, 1955, 1958 and 1962, the Tata Iron and Steel Co.

Agreement 1956 and 1959, the Modi Spinning and Weaving Mills Company's agreement of 1956, the National newsprint Napanagar Agreement of 1956, the Belur Agreement of 1956, the Metal Corporation of India Agreement of 1960 and 1961, the agreement reached between Caltex India and its workmen in 1959 and the one arrived at between the Hind Mercantile Corporation and the workers of the manganese mines at Chikangyakam, Hatti in 1968, the Bhilai Steel Plant and its workers.

At industry level, the best example is offered by the textile industry of Bombay and Ahmadabad. The agreement between the Ahmadabad Mill owner's association and the Ahmadabad Textile Labor Association, which was signed on June 27, 1955 laid down the procedure to be followed for the grant of bonus and the voluntary settlement of industrial disputes.

The agreements at the national level are generally bipartite and are finalized at conferences of labor and managements convened by the Government of India. The Delhi Agreement of 1951 and the Bonus Agreements for plantation workers of 1956 are examples of such bipartite agreements.

There are interesting contradictions in the collective bargaining scene in India. Over 80 different unions may represent a single firm. Some large multi-plant firms such as BHEL, SAIL and departmental undertakings such as Railways have to live with over a hundred unions each.

The bargaining process in public sector has become quite coercive and demanding so as to appease the claims of different sections of workers having ties with different unions. Due to recession, computerization, cut throat competition, many large firms have resorted to productivity bargaining to a limited extent and unions had to yield ground owing to their own helplessness in fighting till the end in a fruitless battle.

#### 4.7 EMPLOYEE HEALTH AND SAFETY

**Q26. Define the term Employee Safety and Health. State the need for safety.**

*Ans :*

The terms health, safety and security are closely related to each other. Health is the general state of well being. It not only includes physical well being, but also emotional and mental well being. Safety refers to the act of protecting the physical well being of an employee. It will include the risk of accidents caused due to machinery, fire or diseases. Security refers to protecting facilities and equipments from unauthorized access and protecting employees while they are on work.

#### Safety

Safety refers to the absence of accidents, stated differently; safety refers to the protection of workers from the danger of accidents.

Safety means freedom from the occurrence or risk of injury or loss. An accident is an unplanned and uncontrolled event in which an action or reaction of an object, a substance a radiation results in personal injury.

#### Need for Safety

##### (a) Cost Saving

Two types of costs are uncovered by the management when an accident. There are the direct costs uncovered in the form of

compensation payable and medical expense is the victim is not covered under ESI scheme.

Indirect costs which include cost of production decrease in productivity, psychological effects on the co workers etc. An accident free i.e., safety unit eliminates all there problem.

##### (b) Increased productivity

Safety plants are efficient. Workers can devote more time on quantity and quality. Since downtime is Len utilization of man and machines will be high resulting in higher productivity.

##### (c) Moral

Safety is important on human grounds too. Managers should take all precautionary measures to ensure that work environment is safe, so that the dependents of the family can be happy and need not worry about the safe really of the employee to home.

##### (d) Legal

There are laws covering occupational health and safety and penalties for non-compliance have become quite service. The responsibility extends to the safety and health of the surrounds comity.

**Q27. Describe briefly various measures to be taken by the companies regarding employees safety.**

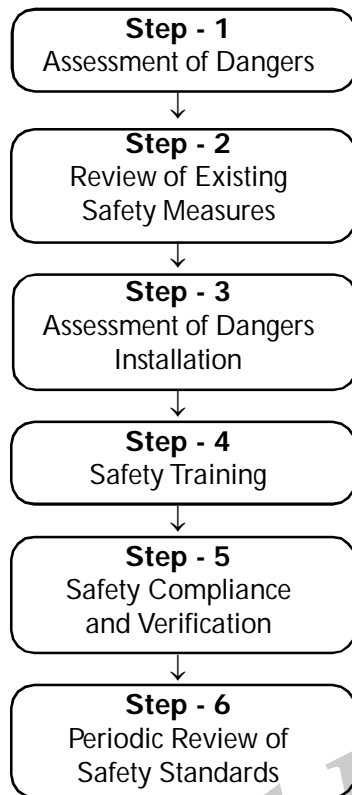
*Ans :*

(July-21)

Most organizations develop their own safety programmes based on their requirements. The companies adopt certain measures with some changes. The steps involved in employee safety programme are as follows,

- (i) Assessment of dangers
- (ii) Review of existing safety measures
- (iii) Safety devices installation
- (iv) Safety training
- (v) Safety compliance and verification and
- (vi) Periodic review of safety standards.

The following figure illustrates the sequential steps in employee safety program.



**Fig. : Steps in an Employee Safety Programme**

**Q28. Write about work place health hazards and explain the remedies.**

**(OR)**

**Why do hazards occur in the work place?  
Provide the strategies to avoid the hazards.**

**(OR)**

**Suggest suitable measures to minimize work place health hazards problems which employees are facing.**

*Ans :*

#### **Work Place Hazards - Reasons**

At work place there exists a large number of problems related to the employee's health which can be either seen or unseen like slippery floors, unguarded equipment, mold etc. Other problems which may be created by the employees for themselves include "Drug abuse". Drug abuse is a

serious problem when compared to the slippery floors. Even exposure to various chemicals and other hazardous materials and ergonomic hazards also comes under the category of work place hazards.

Problems and Strategies/Measures/Remedies of Work Place Hazards

The various strategies to avoid work place health hazards are,

#### **1. The Basic Industrial Hygiene Program**

Under such program, OSHA has set certain standardised exposure limit for about 600 chemicals. As per the provisions of this program, company must adopt air sampling and other precautionary measures to prohibit the hazardous impact on the health of the employees.

#### **2. Asbestos Exposure at Work**

Asbestos exposure is considered as one of the main cause of respiratory diseases where employers need to check the density so as to estimate the level of asbestos whether it has increase above the tolerable level. If so then they need to adopt the safety controls like construction of walls, installation of special filters and so on. All such steps must be taken to maintain the level of asbestos exposure within the prescribed standards of OSHA.

#### **3. Using Internet to Improve Safety Solutions**

Internet based system is providing a platform to the employees for managing the safety programs efficiently. For example, the employees who are dealing with hazardous material chemicals must be aware of the safety data sheets [MSDS] which guides them in using appropriate chemicals of standardised percentages.

#### **4. Alcoholism and Abuse Substance**

Alcoholism and abuse substances are also responsible for the outbreak of work place accidents. Where 1/3" of employees are habituated to alcohol intakes during working hours. 50% of the employees problem are due to alcohol and usually, workplace accidents takes place due to irresponsible behaviour of the drug-using employees.

The employer needs to formulate a substance abuse policy. Wherein they should clearly instruct their workers not to consume either alcohol or drugs in the company premises. If any one is found guilty then they will be penalised for the violations of policy.

### 5. Stress, Burnout and Depression

Due to psychological causes like stress and depression an individual may be developing a habit of alcohol and drug consumption. A variety of factors are responsible for the emergence of such psychological problems. Some of them include, job security, pace of work, poor supervision and nature of customer or clients and other personal factors. The following are some of the steps which needs to be adopted in overcoming stress or depressions,

#### (i) Reducing Job Stress

Job stress can be reduced by conducting counselling and guiding sessions for the employees which enables them to plan and organise this daily activities. Dr. Karl Albrecht in his book "stress and the manager" has suggested the following ways so as to reduce job stress,

- By building co-operative and rewarding relationship with the employees.
- By developing effective and supportive relationship with boss and so on.

#### (ii) Burnout

Burnout is associated with the job related stress and usually occurs with the combination of both physical and mental stress developed as a result of employee striving hard for the attainment of unrealistic goals. Employers need to minimise the employees burnout by reducing their work load.

#### (iii) Employee Depression

Employee depression is the main cause for absenteeism and low levels of productivity. In depression, people are unable to maintain safety records. That's why employer needs to design their policy in such a manner that it should support depressed employee to utilize the available services. Even supervisors should

be trained which enables him to identify the depressed employees so that he can conduct counselling and assistance program.

### 6. Solving Computer-Related Ergonomics Problems

Computer related health problems could be resolved, where problems like short term eye burning, itching, tearing, eyestrain, eye soreness, backaches, neck aches and so on could be resolved. NIOSH has recommended certain measures for the workers while using computer technology. Some of them includes,

- (i) Employees should oftenly takes a break of about 3-5 minutes in every 30 minutes. During that period, it has been suggested that he/she should perform other task of making software copies and so on.
- (ii) Workstation should be designed in such a manner that it should be easily adapted by the individual operator.
- (iii) Allow the user to take up comfortable position.

### 7. Workplace Smoking

Smoking is becoming a serious problem for both the employer and the employee. As it is severely effecting the health of the employees, the employer is facing problem of absenteeism and low productivity [as employees are taking 10-15 minutes break for smoking] at workplace.

### 8. Violence at Work

Violence at workplace is considered as one of the major cause of fatal injuries. Where more than half of the Human Resources and Security executives have reported that some workers are threatening the senior Manager for the past 12 months. Similarly other type of violence was also seen at workplace. The following are some of measures taken by management to control it,

#### (i) Elevated Security Measures

As per the provisions of NIOSH, every employee is required to suggest the following measures,

- (a) Must install silent alarms and surveillance cameras

- (b) Must provide staff training to resolve conflicts
- (c) Must improve external lightening
- (d) Installing mirrors
- (e) Reducing the high-risk working hours.

### (ii) Improved Employee Screening

Under this measure, employee is screened and tested for his attitude and anger.

### 9. Organizational Justice

In one Research, it was observed that the main reason of violence is injustice among the employees. To overcome this, organization should have fair judgemental organizational policies which helps them in managing employee issues. The aim of such organization is to minimum violence by implementing fair policies.

### Q29. Write a note on legislation in India regarding employee health and safety.

*Ans :* (May-18)

- There are presently 16 laws related to working hours, conditions at work and employment. There are two acts containing the main provisions for legal measures for the protection of health and safety of workers; they are the Factories Act (1948) and the Mines Act (1952).
- The Factories Act was amended in 1987 and stipulates pre-employment examination as a pre-placement procedure, statutory periodic medical examination for job in hazardous areas. In India, occupational health is under two ministries:
  - 1) Labour and
  - 2) Health and Family Welfare.
- The Ministry of Labour and the labour departments of the states and union territories are mainly responsible for health and safety of workers.

- The Ministry of Health and Family Welfare is responsible for providing health and medical care to workers through its facilities.
- The DGMS (Directorate General of Mines Safety) and the DGFASLI (Directorate General – Factory Advisory Services and Labour Institutes) assist the Ministry in technical aspects of occupational health and safety in mines, ports and factories respectively.

### Q30. What are health and safety management programs ? What are the components of such programs used in organizations ?

*Ans :* (June-19)

The importance of a well-designed safety management program is known by most, but unfortunately not implemented by all. An organization's ability to keep its employees safe depends on its ability to design, implement, and improve upon safety management processes and programs within their company.

There are 8 key components of a successful safety management program:

1. Formalized safety policies
2. Effective and regular communication about safety and health
3. Support for behavior-based safety
4. Utilization of both leading and lagging indicators of safety
5. Cutting edge tools and systems
6. Frequent safety training and discussion
7. Empowered and motivated employees
8. Comfort with reporting issues related to safety

#### 1. Formalized safety policies

The first step to safety success is to outline the organization's safety policies the organization's position on the importance of safety, and the general expectations from each employee as to how to act in certain situations.

Safety policies should include critical operating information for employees to embrace and follow throughout their day to day working lives. These policies should include everything from general operating procedures such as: what to do in case of a fire, how often fire drills are practiced to detailed instructions for dealing with injuries if someone is hurt on the job or while in the building.

## **2. Effective and regular communication about safety and health**

The safety policies that are frequently communicated and accessible to everyone is important. It's critical that organizations discuss the safety policies with employees and managers to ensure understanding and adoption.

It's also a good idea to remind employees often that safety takes priority over productivity. This message can sometimes get lost with the daily pressures of meeting order commitments. Employees sometimes feel that they get mixed messages, so be sure to remind employees of the priority of safety.

Focused, consistent messaging about safety and health can create loyal, productive, and accountable employees who feel respected and valued by the company. Regular, ongoing communication educates employees, helps to show the values of the company, and it helps to reinforce the right behaviors.

## **3. Support for behavior-based safety**

The safest companies in the world recognize the importance of creating habits around safety.

Unsafe behavior is naturally habitual for most employees and they are unaware of it. Oftentimes, an activity has been done the wrong way for so long that employees aren't even conscious of the incorrect behavior in many cases. Companies can create good behavior by forming positive habits while breaking old ones.

In order to create habit change, Clear uses a framework called the 3R's of Habit Change:

- (i) Reminder (the trigger that initiates the behavior)
- (ii) Routine (the behavior itself; the action you take)
- (iii) Reward (the benefit you gain from doing the behavior)

## **4. Utilization of both leading and lagging indicators**

Organizations with outstanding safety records develop a systematic method to measure what's going on throughout their entire safety operation. It enables them to quickly and easily understand why something went wrong if it ever does. However, most organizations are far from this type of systematic reporting capability.

Many organizations primarily utilize lagging indicators – a measure of what's happened in the past such as lost workdays, workers' comp costs, or injury frequency. As safety leaders know, these reactive metrics do very little for future prevention of accidents and injuries.

## **5. Cutting edge tools and systems**

Companies with low injury rates equip their employees for success and they do so through more than just processes and programs. They leverage cutting-edge tools and systems to keep their employees prepared and ready to handle whatever they need to.

The most impactful safety management program is one that equips any employee to quickly access the information they need and report an issue.

## **6. Frequent safety training and discussion**

The safest companies in the world recognize the importance of continuous education of their employees, and they prioritize it.

- (i) Knowledge of proper practices to do their job safely
- (ii) Awareness of how to eliminate hazards to reduce risk
- (iii) Specialization when their specific roles require unique preparation

#### **7. Empowered and motivated employees**

Empowering employees through your approach to safety can result in tremendous outcomes for your organization. However, many organizations struggle to achieve the proper level of employee engagement.

Successful safety management programs consistently promote proper safety through continuous education, consistent reinforcement, and ongoing improvements.

#### **8. Comfort with reporting issues related to safety**

It's natural to want to get the job finished on schedule — or even ahead of time — but with a “get it done quick” attitude, accidents happen. Top tier organizations emphasize the importance of reporting potential problems before they occur, or reporting incidents the moment they happen.

Make sure employees understand that they shouldn't take shortcuts and that safety is the top priority. An accident impacts productivity more than anything in a business, so make sure that the correlation between safety and productivity is understood by all – especially those managers who are evaluated on productivity.

## Short Question and Answers

### 1. Arbitration.

*Ans :*

Arbitration is the process in which a neutral third party listens to the disputing parties, gathers information about the dispute, and makes a decision to be binding on both the parties. It differs from conciliation in the sense that in arbitration, the arbitrator gives a decision on a dispute while in conciliation; the conciliator merely facilitates the disputing parties to arrive at a decision. Qualities of an arbitrator concern the individual's attributes. There are a number of generic attributes relevant to most good arbitrators, such as language abilities and experience, reputation for professionalism, integrity, impartiality and decisiveness. In India, there are two types of arbitration which are as follows:

- **Voluntary Arbitration :** In voluntary arbitration, the arbitrator is appointed by both the parties through mutual consent. The arbitrator acts when the dispute is referred to him. In order to promote voluntary arbitration, Government of India constituted National Arbitration Promotion Board in 1967. The Board promotes the concept of voluntary arbitration by providing updated list of arbitrators, booklets containing procedures and positive sides of voluntary arbitration.
- **Compulsory Arbitration:** When the disputing parties exhaust other means of settling their disputes, the Government can force the parties for compulsory arbitration, or the Government may refer the dispute for arbitration on the written request of both the parties. The award of the compulsory arbitration is binding on both the parties. Where the dispute has been referred to arbitration, the Government may prohibit any unilateral action by any of the competing parties.

### 2. Negotiation.

*Ans :*

Negotiation is one of the most common approaches used to make decisions and manage disputes. It is a dialogue intended to resolve disputes, to produce an agreement upon courses of action, to bargain for individual or collective advantage, or to craft outcomes to satisfy various interests. It is also the major building block for many other alternative dispute resolution procedures.

### 3. Psychological contract.

*Ans :*

The psychological contract refers to the unwritten set of expectations of the employment relationship as distinct from the formal, codified employment contract. Taken together, the psychological contract and the employment contract define the employer-employee relationship.

Originally developed by organisational scholar Denise Rousseau, the psychological contract includes informal arrangements, mutual beliefs, common ground and perceptions between the two parties.

The psychological contract develops and evolves constantly based on communication, or lack thereof, between the employee and the employer. Promises over promotion or salary increases, for example, may form part of the psychological contract.

### 4. Tripartism.

*Ans :*

Tripartism is economic corporatism based on tripartite contracts of business, labour, and state affiliations within the economy. Each is to act as a social partner to create economic policy through cooperation, consultation, negotiation, and compromise. Tripartism is a common form in neo-corporatism.

Tripartism became a popular form of economic policy during the economic crisis of the 1930s.



**5. Define Industrial Relations.***Ans :***Meaning**

Industrial relations has become one of the most delicate and complex problems of modern industrial society. Industrial progress is impossible without cooperation of labors and harmonious relationships. Therefore, it is in the interest of all to create and maintain good relations between employees (labor) and employers (management).

The term 'Industrial Relations' comprises of two terms: 'Industry' and 'Relations'. "Industry" refers to "any productive activity in which an individual (or a group of individuals) is (are) engaged". By "relations" we mean "the relationships that exist within the industry between the employer and his workmen." The term industrial relations explains the relationship between employees and management which stem directly or indirectly from union-employer relationship.

**Definitions**

- (i) **According to Prof. T.N. Kapoor** "Industrial relations refers to a dynamic and a developing concept which is not limited to the complex relations between trade unions and management but also refers to the general web of relationships normally obtaining between employers and employees a web much more complex than the simple concept of labour capital conflict."
- (ii) **According to Prof. Dunlop** "Industrial relations may be defined as the complex of interrelations among workers, managers and government".
- (iii) **According to Richard A. Lester** "Industrial relations involve attempts to arrive at workable solutions between the conflicting objectives and values between profit motive and social gains, between discipline and freedom, between authority and industrial democracy, between bargaining and co-operation and interests of the individual, the group and the community'.

- (iv) **According to Casselman 's Labour Dictionary** "The relations between employers and employees in industry in the broad sense, the term also includes the relations between the various unions, between the state and the unions as well as those between the employers and the government".

**6. Functions of industrial relations.***Ans :*

Industrial Relations performs the following functions:

1. It builds close and cordial relationships between the managers and the employees.
2. It develops an effective communication between the workers and management for reducing the gap between them.
3. It assures that there is a creative contribution of trade unions by preventing industrial conflicts, protecting workers interests and managements, preventing poor and immoral atmosphere in an industry.
4. It formulates the considerations which can encourage creativity, understanding and cooperativeness in order to increase the industrial productivity and ensuring increased workers participation.

**7. Define Industrial Disputes.***Ans :*

The Industrial Disputes Act, 1947, was enacted to promote industrial peace by providing appropriate machinery for amicable settlement of disputes arising between employers and employees.

**Definition**

**According to Industrial Dispute Act 1947**, Industrial disputes is "any dispute between employers and employees, and between employer & workman, between workman & workman, which is connected with the employment or non employment or the terms of employment or with the conditions of labour, of any person."

The practical meaning and form of the concept of 'industrial dispute' is unrest and

discontent among the workers, which, in turn give rise to a number of complicated situations and difficult problems. Generally, the industrial disputes are the spill-over or a consequence of deterioration of relations between workers and employers.

### 8. Define Standing Orders.

*Ans :*

#### Meaning

Section 2(g) "Standing orders" means rules relating to matters set out in the Schedule;

'Standing Orders' means rules of conduct for workmen employed in industrial establishments.

The object of the Act is to require employers in industrial establishments to formally define conditions of employment under them.

#### Objectives

- The first objective states that the act is to provide regular standing orders for factories, workers and the main professional or working relationship.
- The second aim is to ensure that all employees recognize their employment terms and conditions they are expected to follow or adhere to. This is to help minimize the exploitation of workers against their will and knowledge.
- The third objective states that it also supports the promotion of industrial peace and harmony by supporting fair industrial practices.

### 9. Contents of standing orders.

*Ans :*

1. Short title, extent and application.
2. Interpretation.
3. Submission of Draft Standing Orders.
4. Conditions of certification of Standing Orders.
5. Certification of Standing Orders.
6. Appeals.

7. Date of operation of Standing Orders.
8. Register of Standing Orders.
9. Posting of Standing Orders.
10. Duration and modification of Standing Orders.
- 10A. Payment of subsistence allowance.
11. Certifying officers appellate authorities to have powers of Civil Court.
12. Oral evidence in contradiction of Standing Orders not admissible.
- 12A. Temporary application of Model Standing Orders.
13. Penalties and procedure.
- 13A. Interpretation, etc., of standing Orders.
- 13B. Act not to apply to certain industrial establishments.
14. Power to exempt.
- 14A. Delegation of powers.
15. Power to make rules.

### 10. Define Labour Relations.

*Ans :*

In general term, labor relation refers to the relationship among the employer, employees and the government. Labor relation refers to the system in which employers, employees and their representatives and government interact to situate the ground rules for the governance of work relationship. Government may directly or indirectly interact to set the basic rules. It also describes a field of study devoted to examining such relationships. Both private and public interests are at stake in any labor relations system.

A labor relations system incorporates societal values like freedom of association, a sense of group solidarity etc. and techniques like methods of negotiation, work organization, consultation, and dispute resolution. Labor relation is also known as industrial relation.

**11. Define workers participation In management.***Ans :***Introduction**

Workers participation in management refers to the participation of non-managerial employees in the decision-making process of the organization. Workers participation gives employees the mental and psychological satisfaction and thereby increase their involvement in the affairs of the organization. Workers participation in management is the most accepted principle of industrial relations in modern industry throughout the world and in India too.

**Definition**

- (i) **According to Keith Davis** "Participation is a mental and emotional involvement of a person in a group situation which encourages to contribute to group goals or objectives and share responsibilities."
- (ii) **According to the British Institute of Management** Workers participation in management is the practice in which employees take part in Management decisions and it is based on the assumption of commonality of interest between employer and employee in furthering the long term prospects of the enterprise and those working in it

Workers participation is a system where the workers get the rights to participate in decisions on issues which are of concern to the workers like wages, working conditions, safety, welfare, sharing of gain, production related aspects, incentives and allowances were considered to be legitimate areas of workers concern and therefore workers should be consulted when these are determined.

**12. Define Collective Bargaining.***Ans :***Meaning**

The term collective bargaining is made up of two words, 'collective' – which means a 'group action' through representation and 'bargaining',

means 'negotiating', which involves proposals and counter proposals, offers and counter offers. Thus it means collective negotiations between the employer and the employee, relating to their work situations. The success of these negotiations depends upon mutual understanding and give and take principles between the employers and employees.

**Definitions**

The phrase collective bargaining is made up of two words collective which implies group action through its representatives; and bargaining which suggests haggling and/ or negotiating. The phrase, therefore, implies collective negotiation of a contract between the management's representatives on one side and those of the workers on the other. Thus collective bargaining is defined as a process of negotiation between the employer and the organized workers represented by their union in order to determine the terms and conditions of employment.

- i) **According to Stevens** Collective Bargaining as a 'social control technique for reflecting and transmitting the basic power relationships which underlie the conflict of interest in an industrial relations system.'
- ii) **According to Prof. Allan Flanders** Collective Bargaining is primarily a political rather than an economic process. He describes collective bargaining as a power relationship between a trade union organization and the management organization. The agreement arrived at is a compromise settlement of power conflicts. Collective Bargaining has also been described as "the great social invention that has institutionalized industrial conflict"
- iii) **According to Richardson says,** "Collective bargaining takes place when a number of work people enter into negotiation as a bargaining unit with an employer or a group of employers with the object of reaching agreement on conditions of the employment of the work people".

**13. Need for Safety**

*Ans :*

**(a) Cost Saving**

Two types of costs are uncovered by the management when an accident. There are the direct costs uncovered in the form of compensation payable and medical expense if the victim is not covered under ESI scheme.

Indirect costs which include cost of production decrease in productivity, psychological effects on the co workers etc. An accident free i.e., safety unit eliminates all these problems.

**(b) Increased productivity**

Safety plants are efficient. Workers can devote more time on quantity and quality. Since downtime is less, utilization of man and machines will be high resulting in higher productivity.

**(c) Moral**

Safety is important on human grounds too. Managers should take all precautionary measures to ensure that work environment is safe, so that the dependents of the family can be happy and need not worry about the safety of the employee at home.

**(d) Legal**

There are laws covering occupational health and safety and penalties for non-compliance have become quite service. The responsibility extends to the safety and health of the surroundings.

### *Choose the Correct Answer*

1. An employer's refusal to provide work opportunities, is classified as [ b ]  
(a) Grievance procedure (b) Lock out  
(c) Injunction (d) Strike procedure
2. The types of third party negotiation, known as arbitration, includes [ d ]  
(a) Non-binding arbitration (b) Interest arbitration  
(c) Non-binding arbitration (d) All of above
3. The kind of union security, in which organizations can hire current union members is classified as [ a ]  
(a) Closed shop (b) Union shop  
(c) Agency shop (d) Preferential shop
4. The items for bargaining, that are not allowed to deal by law are classified as [ c ]  
(a) Voluntary bargaining items (b) Permissible bargaining items  
(c) Illegal bargaining items (d) Mandatory bargaining items
5. In arbitration, dispute parties no longer accord with agreement, willing to change the existing agreement, known as [ c ]  
(a) Binding arbitration (b) Non-binding arbitration  
(c) Interest arbitration (d) Rights arbitration
6. Which term describes union membership is not required as a condition of employment, classified as [ b ]  
(a) Right to proceed (b) Right to work  
(c) Right to get hired (d) Right to join a union
7. The voluntary withdrawal of labor of company is classified as [ a ]  
(a) Strike (b) Picketing  
(c) Boycott (d) Impasse boycott
8. The types of available union securities are [ d ]  
(a) Preferential shop (b) Agency shop  
(c) Closed shop (d) All of above
9. The kind of bargaining, in which both parties make every possible effort to negotiate and communicate for an agreement, called [ a ]  
(a) Good faith bargaining (b) Distributive bargaining  
(c) Descriptive bargaining (d) Collective bargaining

10. The type of third party intervention in which an arbitrator dictates and determines the terms of contract settlement is classified as [ d ]  
(a) Mediation (b) Impasse  
(c) Fact finder (d) Arbitration
11. The types of strikes include [ d ]  
(a) Economic strike (b) Sympathy strike  
(c) Wildcat strike (d) All of above
12. Which of the following is usually not an objective of industrial relations? [ d ]  
(a) Connectedness (b) Collective wisdom  
(c) Conflict prevention (d) None of the above
13. Identify the major actor of industrial relations from the following [ d ]  
(a) Employers (b) Unions  
(c) Government (d) all of the above
14. The utility of non-violence as the means of conflict resolution is the core principle of the: [ b ]  
(a) Marxist approach (b) Gandhian approach  
(c) Human relations approach (d) None of these
15. "Organisations are made up of people and the success of management lies in its dealings with these people." This is the fundamental of the: [ d ]  
(a) Marxist approach (b) Gandhian approach  
(c) Human relations approach (d) Giri approach
16. Which of the following approaches assumes that voluntary negotiations between employers and employees are a means of settling disputes? [ b ]  
(a) Marxist approach (b) Giri approach  
(c) Human relations approach (d) Gandhian approach
17. Which of the following approaches insists on investigating the underlying trends and patterns in the cause and effect of industrial disputes? [ d ]  
(a) Gandhian approach (b) Giri approach  
(c) Industrial sociology approach (d) Pluralist approach
18. Which of the following methods are used in Industrial Relations System? [ d ]  
(a) Collective Bargaining (b) Discipline Procedure  
(c) Grievance Redressal Machinery (d) All of the above
19. Who has coined the term Industrial Democracy? [ b ]  
(a) Karl Marx (b) Sydney and Beatrice Webbs  
(c) Peter F. Drucker (d) John Dunlop

20. Industrial relations are influenced by \_\_\_\_\_ factors. [ d ]  
(a) Economic and institutional factors (b) Social and cultural factors  
(c) Technological and political factors (d) All the above
21. \_\_\_\_\_ approach to industrial relations mainly deals with the human relationship which exists between employer and employee. [ b ]  
(a) Psychological (b) Human relations  
(c) Gandhian (d) Dunlop's
22. The main elements of Dunlop's approach are \_\_\_\_\_. [ d ]  
(a) Participants of the system (b) Ideological linking  
(c) Environment/context (d) All the above
23. \_\_\_\_\_ grievance takes place mainly due to the rights of union members under contract. [ a ]  
(a) Contract interpretation (b) Employee discipline  
(c) (a) and (b) (d) None

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### *Fill in the blanks*

1. \_\_\_\_\_ has become one of the most delicate and complex problems of modern industrial society.
2. Good Industrial relations reduce \_\_\_\_\_ disputes.
3. \_\_\_\_\_ is a two faceth form of agitation (both violent and peaceful) which is undertaken to resolve the unsettled labour issues.
4. \_\_\_\_\_ is a violent form of portraying the mismatch of thoughts between employer and workers.
5. \_\_\_\_\_ is a claim and silent method of displaying the worker's grievances to their employers.
6. \_\_\_\_\_ is one of the important weapon of labour or trade union which can be used against the employer at the time of disagreement between employer and labour.
7. \_\_\_\_\_ is an important weapon of employer which is often used against the threat of striking workers.
8. Interest disputes are known as \_\_\_\_\_ disputes
9. The term \_\_\_\_\_ refers to rules and regulations, which govern the condition of the employment of workers.
10. \_\_\_\_\_ is probably the most effective method of resolving industrial disputes.
11. \_\_\_\_\_ is the process in which a neutral third party listens to the disputing parties, gathers information about the dispute, and makes a decision to be binding on both the parties.
12. \_\_\_\_\_ is the ultimate remedy for the settlement of disputes in India.
13. \_\_\_\_\_ relation plays important role in maintaining appropriate environment in the organization.
14. \_\_\_\_\_ in management refers to the participation of non-managerial employees in the decision-making process of the organization.
15. \_\_\_\_\_ plays an important role in settlement industrial disputes.

### ANSWERS

1. Industrial relations
2. Industrial
3. Demonstration
4. Gherao
5. Boycott
6. Strike
7. Lockouts
8. Economic
9. Standing orders
10. Collective bargaining
11. Arbitration
12. Adjudication
13. Labor
14. Workers participation
15. Collective bargaining



# UNIT V

## REWARDING HUMAN RESOURCES

Performance Appraisal – Methods and needs for Performance Appraisal – Organization Climate and its impact on HRM. Components of Organization Culture. Quality of Work Life – Determinants of quality of work life. Impact of QWL on Organization Climate and Culture.

### 5.1 PERFORMANCE APPRAISAL

**Q1. Define Performance Appraisal. Explain the characteristics of Performance Appraisal.**

*Ans :* (Dec.-17, Imp.)

#### Meaning

Performance appraisal or Performance evaluation is a method of evaluating the behaviour of employees in a work place, normally including both the quantitative and qualitative aspect of job performance. Performance here refers to the degree of accomplishment of the tasks that makeup an individual's job. It indicates how well an individual fulfilling the job demands. Performance is measured in terms of results. Thus, Performance appraisal is the process of assessing the performance or progress of an employee, or a group of employees on the given job, as well as his potential for future development. Thus, performance appraisal comprises all formal procedures used in organizations to evaluate contributions, personality, and potential of individual employees.

#### Definitions

- i) **According to Edwin Flippo**, "Performance appraisal is the systematic, periodic and an impartial rating of an employee's excellence in matters pertaining to his present job and his potential for a better job."
- ii) **According to Cummings**, "The overall objective of performance appraisal is to improve the efficiency of an enterprise by attempting to mobilize the best possible efforts from individuals employed in it. Such appraisals achieve four objectives including

the salary reviews the development and training of individuals, planning job rotation and assistance promotions."

#### Characteristics of Performance Appraisal

##### 1. A Process

Performance appraisal is not a one-act play. It is rather a process that involves several acts or steps.

##### 2. Systematic Assessment

Performance appraisal is a systematic assessment of an employee's strengths and weakness in the context of the given job.

##### 3. Main Objective

The main objective of it is to know how well an employee is going for the organization and what needs to be improved in him.

##### 4. Scientific Evaluation

It is an objective, unbiased and scientific evaluation through similar measure and procedures for all employees in a formal manner.

##### 5. Periodic Evaluation

Although informal appraisals tend to take place in an unscheduled manner (on continuous) basis with the enterprises a supervisors evaluate their subordinates work and as subordinates appraise each other and supervisors on a daily basis.

##### 6. Continuous Process

In addition to being periodic performance usually is an ongoing process.

**Q2. Explain the purpose of performance appraisal.***Ans :*

The following are the main purposes of performance appraisal:

**1. Appraisal Procedure**

It provides a common and unified measure of performance appraisal, so that all employees are evaluated in the same manner. It gives an indiscriminatory rating of all the employees.

**2. Decision Making**

Performance appraisal of the employees is extremely useful in the decision making process of the organization. In selection, training, promotion, pay increment and in transfer, performance appraisal is very useful tool.

**3. Work Performance Records**

Performance appraisal gives us a complete information in the form of records regarding every employee. In the case of industrial disputes even arbitrator accepts these records in the course of grievance handling procedure.

**4. Employees Development**

Performance appraisal guides the employees in removing their defects and improving their working. The weaknesses of the employee recorded in the performance appraisal provide the basis for an individual development programme. If properly recorded and used, the performance appraisal gives the fair opportunities to employees to correct and rectify their mistakes.

**5. Enables Supervisors to be More Alert and Competent**

Performance appraisal enables supervisor to be more alert and competent and to improve the quality of supervision by giving him a complete record of employee's performance. He can guide an employee, where he is prone to commit mistakes.

**6. Merit Rating**

Merit rating is another name of performance appraisal, it gives supervisors a more effective

tool for rating their personnel. It enables them to make more careful analysis of employee's performance and make them more productive and useful.

**7. Improves Employer Employee Relations**

Performance appraisal is not only a useful guide for the supervisors and employees but it improves the employer-employee relations by creating a more conducive and amicable atmosphere in the organization. It also stimulates free exchange of thoughts and ideas between the supervisor and his men. In this way performance appraisal bridges the emotional gap between the employer and employee by bringing them more close and by reducing man-to-man differences in the organization.

**5.1.1 Needs for Performance Appraisal****Q3. Explain the Needs for Performance Appraisal.***Ans :*

- (i) Performance appraisal serves as the basis for personnel policies by providing valuable information for personnel decisions such as pay increase, promotions, demotions, transfers and terminations.
- (ii) Guides in judging the effectiveness of HR activities like recruitment, selection, placement, orientation and training existing in the organization.
- (iii) It facilitates in identifying training needs by revealing the people who require training.
- (iv) It identifies individuals with high potential for higher positions.
- (v) By providing appropriate feedback, working and counselling, performance appraisal improves performance of an employee.
- (vi) It guides in human resource planning, career planning and succession planning.
- (vii) It creates a positive working environment that increases productivity.
- (viii) Performance appraisal motivates and creates competitive spirit in employees to improve their performance.

- (ix) Systematically carried out performance appraisal provides an opportunity to the management to size up its employees.
- (x) It enables the manager/supervisor to understand his/ her strengths and weaknesses.
- (xi) Helps in reducing employee grievances.
- (xii) Systematically maintained appraisal records protect the management from the discriminations levelled by the trade union leaders.

**Q4. State the uses of performance appraisal.**

*Ans :*

Performance appraisal helps the employees in Self-improvement and Self-development. It helps the management in taking decisions about Placement, Promotions, Transfer, Training and Development, etc. It helps to achieve individual and organizational goals. It is useful to the employees and the organization. Therefore, Performance Appraisal should be conducted objectively from time to time.

**1. Help in Deciding Promotion**

It is in the best interest of the management to promote the employees to the positions where they can most effectively use their abilities. A well-organized, development and administered performance appraisal programme may help the management in determining whether an individual should be considered for promotion.

**2. Help in Personnel Actions**

Personnel actions such as lay-offs, demotions, transfers and discharges etc. may be justified only if they are based on performance appraisal.

**3. Help in Wage and Salary Administration**

The wage increase given to some employees on the basis of their performance may be justified by the performance appraisal results.

**4. Help in Training and Development**

An appropriate system of performance appraisal helps the management in devising training and development programmes and

in identifying the areas of skill or knowledge in which several employees are not at par with the job requirements.

**5. Aid to Personnel Research**

Performance appraisal helps in conducting research in the field of personnel management. Theories in personnel field are the outcome of efforts to find out the cause and effect relationship between personnel and their performance. By studying the various problems which are faced by the performance appraiser, new areas of research may be developed in personnel field.

**6. Help in Self Evaluation**

Performance appraisal helps the employee in another way also. Every employee is anxious to know his performance on the job and his potentials for higher jobs so as to bring himself to the level of that position.

**Q5. Explain the essentials of effective performance appraisal system.**

*Ans :*

**1. Mutual Trust**

The existence of an atmosphere of confidence and trust so that both supervisor and employee may discuss matters frankly and offer suggestions which may be beneficial for the organization and for an improvement of the employee. An atmosphere of mutual trust and confidence should be created in the organization before introducing the appraisal system.

**2. Clear Objectives**

The objectives and uses of performance appraisal should be made clear and specific. The objectives should be relevant, timely and open.

**3. Standardization**

Well-defined performance factors and criteria should be developed. These factors as well as appraisal form, procedures and techniques should be standardized. It will help to ensure uniformity and comparison of ratings.

**4. Training**

Evaluators should be given training in philosophy and techniques of appraisal. They should be provided with knowledge and skills in documenting appraisals, conducting post appraisal interviews, rating errors, etc.

**5. Job Relatedness**

The evaluators should focus attention on job-related behaviour and performance of employees. The results of performance rather than personality traits should be given due weight.

**6. Strength and Weaknesses**

The raters should be required to justify their ratings. The supervisor should try to analyse the strength and weaknesses of an employee and advise him on correcting the weakness.

**7. Individual Differences**

While designing the appraisal system, individual differences in organizations should be recognized. Organizations differ in terms of size, nature, needs and environment. Therefore, the appraisal system should be tailor-made for the particular organization.

**8. Feedback and Participation**

Arrangements should be made to communicate the ratings to both the employees and the raters. The employees should actively participate in managing performance and in the ongoing process of evaluation. The superior should play the role of coach and counsellor.

**9. Post Appraisal Interview**

A post-appraisal interview should be arranged so that employees may be supplied with feedback and the organization may know the difficulties under which employees work, so that their training needs may be discovered.

**10. Review and Appeal**

A mechanism for review of ratings should be provided. Which particular technique is to be adopted for appraisal should be governed by such factors as the size, financial resources, philosophy and objectives of an organization.

**Q6. What are the steps involved in the process of performance appraisal.**

*Ans :*

**Steps involved in the process of performance appraisal**

The, process of performance appraisal consists of the following steps carried out sequentially.

**1. Creating the Performance Standards**

The performance appraisal process begins with creating performance standards. The management should determine the degree of output, skills and accomplishments to be evaluated. Management must make use of job analysis and job description statements to set out the performance standards. The performance standards thus framed should be clear, objective, understandable and measurable.

**2. Communicating the Performance Standards to Employees**

The performance standards established in the first step are communicated and explained to the employees to know what is expected from them. The standards should also be well communicated to the performance evaluators. Feedback about the standards is obtained from both employees and employers and necessary modifications are to be made.

**3. Measuring Employees Actual Performance**

As the performance standards are specified and accepted, next is measuring employees' actual job performance. Measuring the performance includes identifying the right technique for measuring performance, identifying factors (internal and external) influencing the performance, and collecting the data on performance. The data can be collected by personal observation, written reports, interviews etc. The data thus collected from different employees should be measured and compared.

#### 4. Comparing the Actual Performance with Standards

In this step employees actual performance is compared with the standards. By comparing some deviations in employee performance can be known.

The following figure gives a clear description of steps in performance appraisal process.

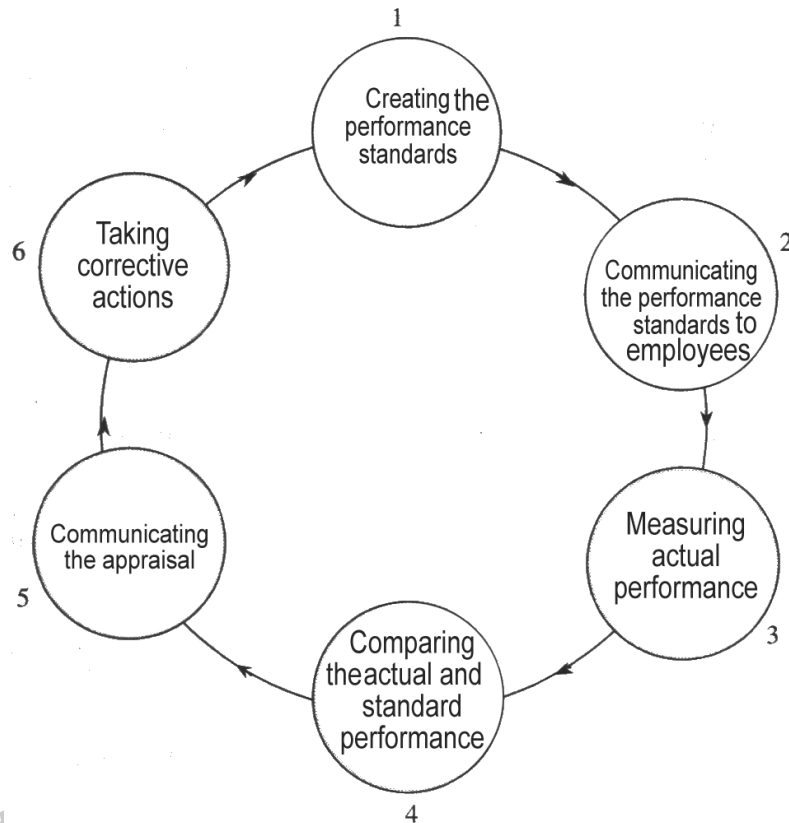


Fig.: Process of Performance Appraisal

#### 5. Communicating the Appraisal with Employees

The results of the appraisal are communicated to the employees. This makes an employee know his strengths and weaknesses and has a great impact on his/ her performance.

#### 6. Taking Corrective Actions

After communicating the appraisal to the employee, steps required to improve employee performance are identified and taken. Employee performance can be improved by providing training, coaching, counselling etc.

**Q7. Evaluate the significance of performance appraisal. What are the objectives of performance appraisal.**

*Ans :*

(Dec.-18, Imp.)

#### Significance

Performance appraisal provides important and useful information for the assessment of employee's skill, knowledge, ability and overall job performance. The following are the points which indicate the importance of performance appraisal in an organization:

1. Performance appraisal helps supervisors to assess the work performance of their subordinates.
2. Performance appraisal helps to assess the training and development needs of employees.
3. Performance appraisal provides grounds for employees to correct their mistakes, and it also provides proper guidance and criticism for employee's development.
4. Performance appraisal provides reward for better performance.
5. Performance appraisal helps to improve the communication system of the organization
6. Performance appraisal evaluates whether human resource programs being implemented in the organization have been effective.
7. Performance appraisal helps to prepare pay structure for each employee working in the organization.
8. Performance appraisal helps to review the potentiality of employees so that their future capability is anticipated.

### Objectives

Performance appraisal could be taken either for evaluating the performance of employees or for developing them. The evaluation is of two types: telling the employee where he stands and using the data for personnel decisions concerning pay, promotions, etc. The developmental objectives focus on finding individual and organizational strengths and weaknesses; developing healthy superior-subordinate relations; and offering appropriate counselling/coaching to the employee with a view to develop his potential in future.

Appraisal of employees serves several useful purposes.

#### (a) Compensation Decisions

It can serve as a basis for pay raises. Managers need performance appraisal to identify employees who are performing at or above expected levels. This approach to compensation is at the heart of the idea that raises should be given for merit rather than for seniority. Under merit systems, employee receives raises based on performance.

#### (b) Promotion decisions

It can serve as a useful basis for job change or promotion. When merit is the basis for reward, the person doing the best job receives the promotion. If relevant work aspects are measured properly, it helps in minimizing feelings of frustration of those who are not promoted.

#### (c) Training and development programmes

It can serve as a guide for formulating a suitable training and development programme. Performance appraisal can inform employees about their progress and tell them what skills they need to develop to become eligible for pay raises or promotions or both.

#### (d) Feedback

Performance appraisal enables the employee to know how well he is doing on the job. It tells him what he can do to improve his present performance and go up the 'organizational ladder'.

#### (e) Personal development

Performance appraisal can help reveal the causes of good and poor employee performance. Through discussions with individual employees, a line manager can find out why they perform as they do and what steps can be initiated to improve their performance.

### 5.1.2 Methods

**Q8. Explain the various methods of performance appraisal.**

**(OR)**

**Bring out the methods of performance appraisal. Explain them in detail.**

**Ans :** **(June-19, May-18, Imp.)**

Several methods and techniques are used for evaluating employee performance. They may be classified into two broad categories. They are Traditional Methods and Modern Methods.

### Traditional Methods

#### 1. Ranking Method

Ranking method is the oldest and simplest method of rating. Here, each employee is compared with all others performing the same job and then he is given a particular rank i.e. First Rank, Second Rank etc. This method ranks all employees but it does not tell us the degree or extent of superiority. In this method, the performance of individual employee is not compared with the standard performance. Here, the best is given first rank and poorest gets the last rank.

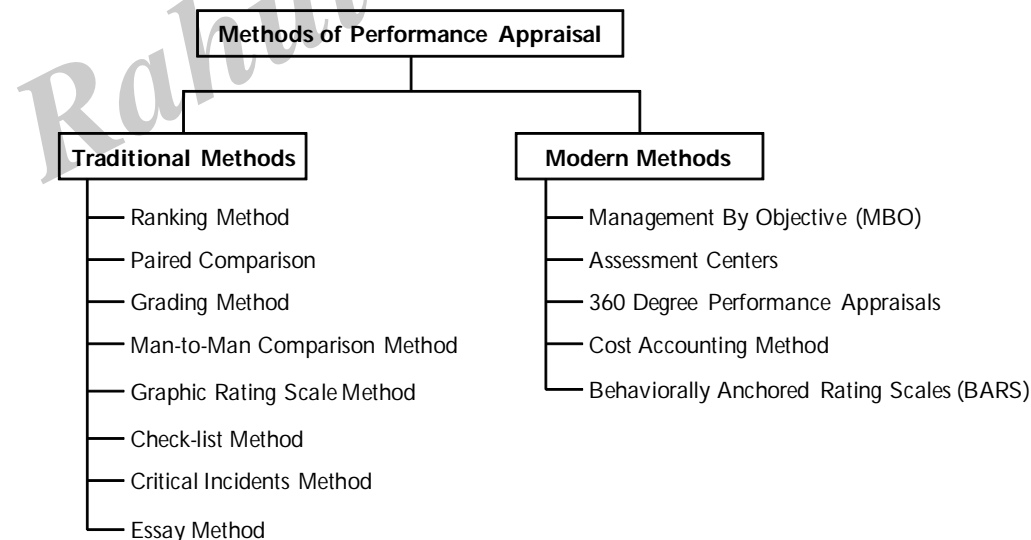
#### 2. Paired Comparison

In method is comparatively simpler as compared to ranking method. In this method, the evaluator ranks employees by comparing one employee with all other employees in the group. The rater is given slips where, each slip has a pair of names, the rater puts a tick mark next those employee whom he considers to be the better of the two. This employee is compared number of times so as to determine the final ranking.

#### 3. Grading Method

Under this method of performance appraisal, different grades are developed for evaluating the ability of different employees and then the employees are placed in these grades. These grades may be as follows:

- (i) Excellent
- (ii) very good
- (iii) Good
- (iv) Average
- (v) Bad
- (vi) Worst.



#### 4. Man-to-Man Comparison Method

This method was first used in USA army during the 1st World War. Under this method, few factors are selected for analysis purposes. These factors are: leadership, dependability and initiative. After that a scale is designed by the rate for each factor.

A scale of person is also developed for each selected factor. Each person to be rated is compared with the person in the scale, and certain scores for each factor are awarded to him/her. In other words, instead of comparing a whole man to a whole man personnel are compared to the key man in respect of one factor at a time. We can use this method in job evaluation. This method is also known as the Factor Comparison Method.

#### 5. **Graphic Rating Scale Method**

This is the very popular, traditional method of performance appraisal. Under this method, scales are established for a number of fairly specific factors. A printed form is supplied to the rater. The form contains a number of factors to be rated. Employee characteristics and contributions include qualities like quality of work, dependability, creative ability and so on. These traits are then evaluated on a continuous scale, where the rater places a mark somewhere along the scale. The scores are tabulated and a comparison of scores among the different individuals is made. These scores indicate the work of every individual.

#### 6. **Check-list Method**

The main reason for using this method is to reduce the burden of evaluator. In this method of evaluation the evaluator is provided with the appraisal report which consist of series of questions which is related to the appraise. Such questions are prepared in a manner that reflects the behavior of the concerned appraise.

#### 7. **Critical Incidents Method**

This method is very useful for finding out those employees who have the highest potential to work in a critical situation. Such an incidence is very important for organization as they get a sense, how a supervisor has handled a situation in the case of sudden trouble in an organization, which gives an idea about his leadership qualities and handling of situation. It is also said to be a continuous appraisal method where employees are appraised continuously by

keeping in mind the critical situation. In this method, only the case of sudden trouble and behaviour associated with these incidents or trouble are taken for evaluation.

#### 8. **Essay Method**

In this method, the rater writes a detailed description on an employee's characteristics and behavior, Knowledge about organizational policies, procedures and rules, Knowledge about the job Training and development needs of the employee, strengths, weakness, past performance, potential and suggestions for improvement. It is said to be the encouraging and simple method to use. It does not need difficult formats and specific training to complete it.

#### **Modern Methods**

##### 1. **Management by Objective (MBO)**

It was Peter F. Drucker who first gave the concept of MBO to the world in 1954 when his book *The Practice of Management* was first published. Management by objective can be described as, a process whereby the superior and subordinate managers of an organization jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members.

##### 2. **Assessment Centres**

It is a method which was first implemented in German Army in 1930. With the passage of time industrial houses and business started using this method. This is a system of assessment where individual employee is assessed by many experts by using different technique of performance appraisal. The techniques which may be used are role playing, case studies, simulation exercises, transactional analysis etc.

In this method employees from different departments are brought together for an assignment which they are supposed to perform in a group, as if they are working for a higher post or promoted. Each employee is ranked by the observer on the



basis of merit. The basic purpose behind assessment is to recognize whether a particular employee can be promoted, or is there any need for training or development. This method has certain advantages such as it helps the observer in making correct decision in terms of which employee has the capability of getting promoted, but it has certain disadvantages also it is costly and time consuming, discourages the poor performers etc.

### 3. 360 Degree Performance Appraisals

This method is also known as 'multi-rater feedback', it is the appraisal in a wider perspective where the comment about the employees' performance comes from all the possible sources that are directly or indirectly related with the employee on his job. In 360 degree performance appraisal an employee can be appraised by his peers, managers (i.e. superior), subordinates, team members, customers, suppliers/ vendors - anyone who comes into direct or indirect contact with the employee and can provide necessary information or feedback regarding performance of the employee the "on-the-job".

The four major component of 360 degree performance appraisal are:

- i) Employees Self Appraisal
  - ii) Appraisal by Superior
  - iii) Appraisal by Subordinate
  - iv) Peer Appraisal.
- i) **Employees Self Appraisal:** Employee self appraisal gives an option to the employee to know his own strengths and weaknesses, his achievements, and judge his own performance.
  - ii) **Appraisal by Superior:** Appraisal by superior forms the traditional part of the 360 degree performance appraisal where the employees' responsibilities and actual performance is judged by the superior.
  - iii) **Appraisal by Subordinate:** Appraisal by subordinate gives a chance to evaluate the employee on the basis of

communication and motivating abilities, superior's ability to delegate the work, leadership qualities etc. It is also known as internal customers.

- iv) **Peer Appraisal:** The correct opinion given by peers can aid to find employees' who are co-operative, employees who ready to work in a team and understanding towards others.

### 4. Cost Accounting Method

In this method performance of an employee is evaluated on the basis of monetary returns the employee gives to his or her organization. A relationship is recognized between the cost included in keeping the employee in an organization and the benefit the organization gets from him or her. The evaluation is based on the established relationship between the cost and the benefit. The following factors are considered while evaluating an employee's performance:

- Interpersonal relationship with others.
- Quality of product produced or service given to the organization.
- Wastage, damage, accidents caused by the employee.
- Average value of production or service by an employee.
- Overhead cost incurred.

### 5. Behaviorally Anchored Rating Scales (BARS)

- This method is a combination of traditional rating scales and critical incidents methods.
- It consists of preset critical areas of job performance or sets of behavioural statements which describes the important job performance qualities as good or bad (for e.g. the qualities like inter personal relationships, flexibility and consistency, job knowledge etc).
- These statements are developed from critical incidents.
- These behavioral examples are then again translated into appropriate performance dimensions.

- Those that are selected into the dimension are retained. The final groups of behavior incidents are then scaled numerically to a level of performance that is perceived to represent.
- A rater must indicate which behavior on each scale best describes an employee's performance.
- The results of the above processes are behavioural descriptions, such as anticipate, plan, executes, solves immediate problems, carries out orders, and handles urgent situation situations. This method has following advantages:
  - a) It reduces rating errors
  - b) Behavior is assessed over traits.
  - c) It gives an idea about the behavior to the employee and the rater about which behaviors bring good Performance and which bring bad performance.

**Q9. Define management by objective (MBO) State the characteristics of MBO.**

*Ans :*

The term Management by Objectives was coined by Peter Drunker in 1954.

Management by objective can be described as, a process where by the superior and subordinate managers of an organization jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members.

**Essential Characteristics of MBO**

1. **A Philosophy:** Management by objective is a philosophy or a system, and not merely a technique.
2. **Participative Goal Setting:** It emphasises participative goal setting.
3. **Clearly Define Individual Responsibilities:** Management by objective (MBO) clearly defines each individual's responsibilities in terms of results.

4. **Accomplishment of Goal:** It focuses a tension on what goal must be accomplished rather than on how it is to be accomplished (method).
5. **Objective Need into Personal Goal:** MBO converts objective need into personal goals at every level in the organization.

**Q10. Explain the need for management by objectives (MBO).**

*Ans :*

- The Management by Objectives process helps the employees to understand their duties at the workplace.
- Management by Objectives process leads to satisfied employees. It avoids job mismatch and unnecessary confusions later on.
- Employees in their own way contribute to the achievement of the goals and objectives of the organization. Every employee has his own role at the workplace. Each one feels indispensable for the organization and eventually develops a feeling of loyalty towards the organization. They tend to stick to the organization for a longer span of time and contribute effectively. They enjoy at the workplace and do not treat work as a burden.
- Management by Objectives ensures effective communication amongst the employees. It leads to a positive ambience at the workplace.
- Management by Objectives leads to well defined hierarchies at the workplace. It ensures transparency at all levels. A supervisor of any organization would never directly interact with the Managing Director in case of queries. He would first meet his reporting boss who would then pass on the message to his senior and so on. Every one is clear about his position in the organization.
- The MBO Process leads to highly motivated and committed employees.
- The MBO Process sets a benchmark for every employee. The superiors set targets for each of the team members. Each employee is given a list of specific tasks.

**Q11. Outline the process of management by objective (MBO).**

*Ans :*

**1. Establishment of Goal**

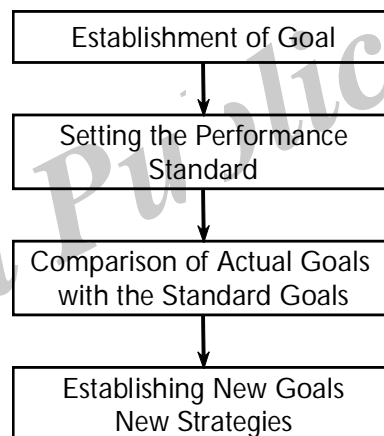
The first step is to establish the goals of each subordinate. In some organizations, superiors and subordinates work together to establish goals. While in other organization, superiors establish goals for subordinates. The goals typically refer to the desired outcome to be achieved. Thereafter these goals can be used to evaluate employee performance.

**2. Setting the Performance Standard**

The second step involves setting the performance standard for the subordinates in a previously arranged time period. As subordinates perform, they know fairly well what there is to do, what has been done, and what remains to be done.

**3. Comparison of Actual Goals with the Standard Goals**

In the third step the actual level goal attainment is compared with the standard goals. The evaluator explores reasons of the goals that were not met and for the goals that were exceeded. This step helps to determine possible training needs.



**Fig. : Process of MBO**

**4. Establishing New Goals, New Strategies**

The final step involves establishing new goals and, possibly, new strategies for goals not previously attained. At this point, subordinate and superior involvement in goal-setting may change. Subordinates who successfully reach the established goals may be allowed to participate more in the goal-setting process next time.

**Q12. State the advantages and disadvantages of MBO.**

*Ans :*

**Advantages of MBO**

**1. Balanced Focus on Objectives**

MBO forces the management to set objectives with balanced stress on key result area. Thus, crisis conditions are avoided to take place in the organization.

**2. Better Managing Things**

MBO forces managers to think about planning for results, rather than merely planning activities or work. Managers are required to ensure that the targets are realistic and needed resources are made available to subordinates to achieve the targets.

**3. Better Organizing**

The positions in the enterprise can be built around the key result areas. Managers are required to clarify organizational roles and structures hence better organizing.

**4. MBO Reduces Role Conflict and Ambiguity**

Role conflict exists when a person is faced with conflicting demands from two or more supervisors; and role ambiguity exists when a person is uncertain as to how he will be evaluated, or what he has to achieve. Since MBO aims at providing clear targets and their order or priority, it reduces both these situations.

**5. It Provide more Objective Appraisal Criteria**

The targets emerge from the MBO process provide a sound set of criteria for evaluating the manager's performance.

**Disadvantages of MBO****1. Unfavourable Attitude of Managers**

Some executives have an attitude that the regular attention required of them by Management by objectives system, drawn heavily on their busy time-schedule and is not consistent with their roles. They feel that it is not so effective a way as some other approaches.

**2. Difficult to Apply MBO Concepts**

Those executives who have been involved very often find it difficult to apply MBO concepts to their own work habits. They find it hard to think about the results of work rather than the work itself.

**3. Heavy Paper Work**

MBO involves a huge amount of news letter, instruction booklets, training manuals, questionnaires, performance data review and appraisals report to be prepared by the superior and subordinates. Thus MBO is said to have created one more paper mill in organization added to the already existing large amount of paper work.

**4. Tug of War**

There is sometimes tug of war in which the subordinates try to set the lowest targets possible and the supervisors the highest.

**5. Time Consuming**

MBO is time consuming especially in the early phases of its introduction when employees are unfamiliar with its process.

**Q13. What are the limitations of performance appraisal.**

**(OR)**

**Explain the possible errors in the process of performance appraisal.**

**Ans :** (May-18, Dec.-17, Imp.)

The main limitations of Performance Appraisal are explained below :

**1. Time Consuming**

Performance appraisal is a time taking affair. It is a very lengthy process under which different forms are to be filled in and various observations are required to be noted in a careful manner.

**2. Lack of Reliability**

Reliability implies stability and consistency in the measurement. Lack of consistency over time and among different raters may reduce the reliability of performance appraisal.

**3. Incompetence**

Raters may fail to evaluate performance accurately due to lack of knowledge and experience. Post appraisal interview is often handled ineffectively.

**4. No Uniform Standards**

The standards used for appraisal purpose are not uniform within the same organization. This makes the rating unscientific. Similarly, the rating is done on the basis of an overall impression, which is not proper.

**5. Absence of Effective Participation of Employees**

In performance appraisal effective participation of concerned employee is essential. In many methods of appraisal he is given a passive role. He is evaluated but his participation or self evaluation is rather absent.

**6. Resistance of Employees to Appraisal**

Employees oppose the system as they feel that the system is only for showing their defects and for punishing them. The managers resist the system as they are not

willing to criticize their subordinates or have no capacity to guide them for self improvement or self development.

**7. Paperwork**

Some supervisors feel that performance appraisal is paperwork. They make such complaints because many a times, performance appraisal reports are found only in the files rather than rendering any practical use.

**8. Fear of Spoiling Relations**

Performance appraisals may also affect superior-subordinate relations. As appraisal makes the superior more of a judge rather than a coach, the subordinate may look upon the superior with a feeling of a suspicion and mistrust.

**9. Stereotyping**

This implies forming a mental picture of a person on the basis of his age, sex, caste or religion. It results in an over-simplified view and blurs the assessment of job performance.

**10. Negative Approach**

Performance appraisal loses most of its value when the focus of management is on punishment rather than on development of employees.

**11. Multiple Objectives**

Raters may get confused due to too many objectives or unclear objective of performance appraisal.

**12. Resistance**

Trade unions may resist performance appraisal on the ground that it involves discrimination among its members. Negative ratings may affect interpersonal relations and industrial relations particularly when employees/unions do not have faith in the system of performance appraisal.

**13. Halo Effect**

Generally, there is the presence of a 'halo' effect which leads to a tendency to rate the same individual first, which once have stood first.

**14. Individual Differences**

Some people are more distinct while some are very liberal in assigning the factors, points or number to the employees. They are unable to maintain a fair distinction between two individuals. It also nullifies the utility of this system.

**15. Unconfirmed**

Sometimes the results of performance appraisals are not confirmed by other techniques of motivation, incentive wages plans and so on. Factors are introduced in the managerial appraisal because of a fact or bias in the person concerned conducting the appraisal.

**5.2 ORGANIZATION CLIMATE****Q14. Define Organization Climate. Explain the dimensions of Organization Climate.***Ans :***(July-21, June-19)****Meaning**

The concept of organizational climate was formally introduced by the human relation in its in the late 1940s.

Before understanding the meaning of organizational climate, we must first understand the concept of climate.

"Climate in natural sense is referred to as the average course or condition of the weather at a place over a period of years as exhibited by temperature, wind, velocity and precipitation."

**Definitions**

- i) **According to Campbell**, "Organizational climate can be defined as a set of attributes specific to a particular organization that may be induced from the way that organization deals with its members and its environment. For the individual members within the organization, climate takes the form of a set of attitudes and experiences which describe the organization in terms of both static characteristics (such as degree of autonomy) and behavior outcome and outcome-outcome contingencies."

- ii) **According to James and Sells**, "Organisational climate is a collective perception of the work environment by the individuals within a common system".

- iii) **According to Renato Tagiuri**, "Organisational climate is a relatively ending quality of the internal environment that is experienced by the members, influences their behaviour and can described in terms of values of a particular set of characteristics of the Organization".

- iv) **According to Bowen and Ostroff**, "Organizational climate is a shared perception of what the organization is like in terms of practices, policies, procedures, routines, and rewards - what is important and what behaviours are expected and rewarded - and is based on shared perceptions among employees within formal organizational units".

**Dimensions of Organizational Climate**

Various dimensions of organizational climate are as follows :

**1. Orientation**

The domain orientation of an organization is the main concern of its members, and the dimension is an important determinant of climate. If the dominant orientation or concern is to adhere to established rules, the climate will be characterized by control, on the other hand, if the orientation is to excel, the climate will be characterized by achievement.

**2. Interpersonal Relationship**

An organization's interpersonal-relations process is reflected in the way in which informal groups are formed, and these processes affect climate.

For example, if groups are formed for the purpose of protecting their own interest, cliques may develop and a climate of control may result; similarly, if people tend to develop informal relationships with their supervisors, a climate of dependency may result.

**3. Supervision**

Supervisory practices contribute significantly to climate. If supervisors focus on helping their subordinates to improve personal skills and chances of advancement, a climate characterized by the extension motive may result, if supervisors are more concerned with maintaining good relations with their subordinates, a climate characterized by the affiliation motive may result.

**4. Problem Management**

Problems can be seen as challenges or as irritants. They can be solved by the supervisor or jointly by the supervisor and the subordinates concerned, or they can be referred to a higher level. These different perspectives and ways of handling problems contribute to the creation of an organization's climate.

**5. Management of Mistakes**

Supervisor's attitudes toward subordinate's mistakes develop the organizational orientation, which is generally one of annoyance or concern or tolerance an organization approach to maintain influence on the climate.

**6. Conflict Management**

Conflicts may be seen as embracing announces to be covered up or as problem to be solved. The process of dealing with conflicts has as significant effect on climate as that of handling problems or mistakes. Purpose of protecting their own interest, cliques may develop and a climate of control may result; similarly, if people tend to develop informal relationships with their supervisors, a climate of dependency may result.

**7. Communication**

Communication, another important determinant of climate, is concerned with the flow of information - its direction (top-down, bottom-up, horizontal), its disbursement (selectively or to everyone concerned), its mode (formal or informal), and its type (instructions or feedback on the state of affairs).

**8. Decision-Making**

An organization's approach to decision-making can be focused on maintaining good relations or on achieving results. In addition, the issue of who makes decisions is important - people high in the hierarchy, experts, or those involved in the matters about which decisions are made. These elements of decision-making are relevant to the establishment of a particular climate.

**9. Trust**

The degree of trust or its absence among various members and groups in the organization affects climate. The issue of who is trusted by management and to what degree is also relevant.

**10. Management of Rewards**

Rewards reinforce specific behaviours; they are by arousing and sustaining specific motives. Consequently, what is rewarded in an organization influences the motivational climate.

**11. Risk Taking**

How people respond to risks and whose help is sought in situations involving risk are important determinants of climate.

**12. Innovation and Change**

Who initiates change, how change and innovations are perceived, and how change is implemented in all critical establishing climates.

**Q15. State the characteristics of organizational climate.**

*Ans :*

**1. General Perception**

Organizational climate is a general expression of what the organization is. It is the summary perception which people have about the organization. It conveys the impressions people have of the organizational internal environment within which they work.

**2. Abstract and Intangible Concept**

Organizational climate is a qualitative concept. It is very difficult to explain the components of organizational climate in quantitative or measurable units.

**3. Unique and District Identity**

Organizational climate gives a distinct identity to the organization. It explains how one organization is different from other organizations.

**4. Enduring Quality**

Organizational climate built up over a period of time. It represents a relatively enduring quality of the internal environment that is experienced by the organizational members.

**5. Multi-Dimensional Concept**

Organizational climate is a multi-dimensional concept. The various dimensions of the organizational climate are individual autonomy, authority structure, leadership style, pattern of communication, degree of conflicts and cooperation etc.

**Q16. Explain the Importance of Organizational Climate.**

*Ans :*

Importance of organizational climate is as follows :

**1. Increased Employee Performance**

Climate at the workplace is an excellent predictor of performance of an organization and employee, because positive environment results in motivated employees who enjoy working.

**2. Develops Strong Relationship**

Organizational climate supports manager to know the relationship stuck between the processes and practices of the firm and the needs of employees. By understanding how different practices and initiatives stimulate employees, managers will be able to understand what motivates employees to behave in a manner that leads to a positive climate and results in the organization's success.

**3. Determinant of Success or Failure**

Organizational climate plays an important role in the success or failure of organizations. As if organizational climate is good, employees will

be willing to be in association with others. Then employees like to perform the job with pleasure and satisfaction. Therefore, organizational climate decides the success or failure of the organization.

**4. Managers can Get their Work Done Easily**

Managers experience that employees follow their orders with respect. Manager's instructions will be pleasantly obliged by the subordinates.

**5. Develops Confidence**

When the organizational climate is good it develops confidence in the subordinates. As subordinates will work hard and show confidence to their superiors.

**6. Resource Conservation**

Dissatisfied employees destroy the organizational resources whereas satisfied employees will help in maintaining the resources. Management and employees will have ultimate gains through low cost of production and better incentives respectively.

**7. Social Benefit**

The society will be benefited by the regular supply of goods at lower prices from an effective organization. As when the employees are satisfied and are cooperative in nature will help in reserving the organization's resources.

**8. Reduces Turnover**

Employees work happily and associate with the company for a long time. Employee turnover, absenteeism will be lowered when morale is high.

**9. Develops a Sense of Attachment with Organization**

Employees feels attachment with the organization, as high morale attracts and holds good employees for a long time. It results in increased job performance and improves cooperation and brings unity.



**10. Develops Healthy Organization**

Organizational climate creates favourable atmosphere among customers, public, suppliers and organizational particulars. It keeps organization healthy.

**11. Creates Innovativeness**

Organizational climate is the key factor to explain the innovativeness of the employees. If climate is healthy, employees will be more innovative as compared to other organization's stressful climate. With changing scenarios in the world economy, companies want very smart, professional and innovative team members, who are groomed within the organization by outperforming other non-productive team members. Companies promote a healthy work environment and organizational climate so that the employees feel free to innovate and outshine for their organization.

**12. Increases Production**

Good and healthy climate increases productivity level of employees. Organizational climate represents how the employees feel about the atmosphere. Employees are the key resources of an organization. For the development of an organization it is necessary to make them feel good.

**Q17. Explain the various techniques to improve organizational climate.**

*Ans :*

**1. Effective Communication System**

There should be a two way communication in the organization so that the employees know what is going on and react to it. The manager can modify his decision on the basis of feedback received.

**2. Concern for People**

The management should be interested in the human resource development. It should work for the welfare of employees and an improvement in their working conditions. For developing a sound organizational climate, the management should have show concern for the people.

**3. Participative Decision Making**

The management should involve the employees in decision making process, particularly those decisions which are related to goal setting and affect them. Participative decision making will make the employees committed to the organization and more co-operative also.

**4. Change in Policies, Procedures and Rules**

The organizational climate can also be changed by making changes in the policies, procedures and rules. It is a time consuming process but the changes will also be long lasting if the workers see the changes in policies, procedures and rules as favorable to them.

**5. Technological Changes**

Generally, the workers and employees resist any innovative changes. But where technological changes improve the working conditions of the employees, the change will be easily accepted. Better climate will be there if the management adopts innovative changes in consultation with the employees.

**5.2.1 Impact of HRM on Organizational Climate**

**Q18. What is the impact of HRM on Organizational Climate ?**

*Ans :*

(July-21, Dec.-20)

Organizational climate influences to a great extent the performance of the employees because it has a major impact on motivation and job satisfaction of individual employees. Organizational climate determines the work environment in which the employee feels satisfied or dissatisfied. Since satisfaction determines or influences the efficiency of the employees, we can say that organizational climate is directly related to the efficiency and performance of the employees.

The organizational climate can affect the human behaviour in the organization through an impact on their performance, satisfaction and attitudes. There are four mechanisms by which climate affects the behaviour of the employees.

### 1. Constraint System

Organizational climate can operate as a constraint system in both the positive and negative sense. This can be done by providing information to the employees about what kind of behaviour will be rewarded, punished or ignored. Thus, behaviour can be influenced by varying degrees of rewards and punishments. Such a constraint system would influence the behaviour of those people who are most interested in those specific values which are assigned to different behavioural outcomes.

### 2. Evaluation of Self and Others

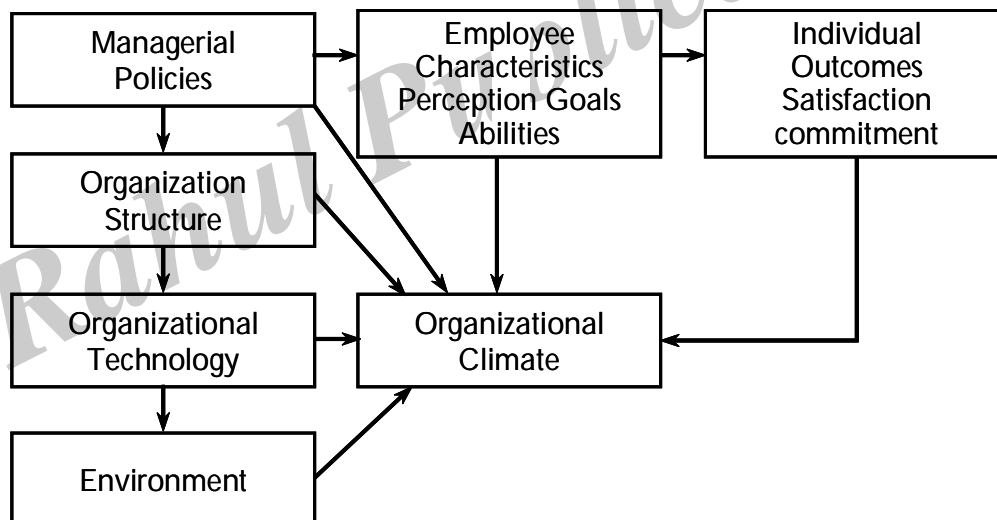
Organizational variables may affect behaviour through evaluation of self and others. In this evaluation process, both the physiological and psychological variables will be associated. Such evaluation will affect the human behaviour.

### 3. By Acting as Stimuli

Organizational factors can influence human behaviour by acting as stimuli. As stimuli, they influence individual's arousal level, which is a motivational variable directing human behaviour. The level of arousal will directly affect the level of activation and hence performance.

### 4. By Helping the Individual to Form a Perception

Organizational factors influence the behaviour by helping the individual in forming a perception of the organization. The perception then influences behaviour. Thus, good organizational climate is instrumental to higher employee satisfaction, better human relations and higher productivity. The role of climate can be explained with the help of the following figure.



**Fig. : Organizational Climate and Effectiveness**

The factors indicated in the figure represent major determinants of climate in an organization and as such represent important areas of management concern. If employees satisfaction and job performance are to be improved, the management must modify these factors so that the employees view climate as favorable to them. Various research studies also confirm the positive relationship between organizational climate and employee performance.

Frederiksen on the basis of laboratory studies involving 260 middle level managers concludes that different organizational climate has different impact on human performance. He summarizes his findings in the following statement.

"It appears that the amount of administrative work in the stimulated job is more predictable in a climate that encourages innovation than in one that encourages standard procedures and that in an innovative climate, greater productivity can be expected of people with skills and attitudes that are associated with independence of thought and action and the ability to be productive in free unstructured situations."

This study suggests that the performance was more predictable for subjects who worked in a consistent climate than those who had to work in an inconsistent environmental climate. Inconsistent climate was having indirect impact on productivity. Another laboratory study shows that significant differences were found in performance and satisfaction of people in varying organizational climates.

For example, in this study three types of organizational climates were created:

- i) Authoritarian structured,
- ii) Democratic friendly and
- iii) Achieving business.

It was found that the achieving organization produced the most in terms of money volume, numbers of new products and cost saving innovations. People in democratic-friendly environment expressed maximum satisfaction with their jobs. However, people in the authoritarian-structured organization produced goods of highest quality because of right specifications put by government orders. Other studies have shown the similar results.

### 5.3 ORGANIZATION CULTURE

**Q19. Define Organization Culture. State the characteristics of Organization Culture.**

*Ans :* (Dec.-19, Imp.)

Culture is the set of important understandings that of a community share in common. It consists of patterns and ways of thinking, feeling, and reactions that are acquired by language and symbols that create distinctiveness among human group.

Culture of the organization plays an important role in the area of motivation and the level of

economic rewards. It also influences the level of commitment to work on the part of the members. Organizational culture represents a common perception shared by the member of an organization and has a tendency to describe the organizational culture in almost similar terms.

The term 'Organizational Culture' refers to the norms and values of an organization, which together make the personality of the company. Improving organizational culture is the need of the hour, as people want to work for a company that enables them to maintain a balance between their work life and personal life and organizations who give importance to organizational culture increase their productivity and lower are the attrition rates. So, a healthy organizational culture is a win-win situation for all the stakeholders, shareholders, management, customers and employees.

#### Definitions

- (i) "The organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members."
- (ii) "Organizational culture can be defined as the philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms that knit an organization together and are shared by its employees."
- (iii) **According to Edgar Schein**, "Organizational culture can be defined as a pattern of basic assumptions-invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration-that has worked well enough to be considered valuable and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems."

#### Characteristics

The following characteristics help us to understand the nature of organizational culture better.

##### 1. Individual Autonomy

The degree of responsibility, freedom and opportunities of exercising initiative that individuals have in the organization.

**2. Structure**

The degree to which the organization creates clear objectives and performance expectations. It also includes the degree of direct supervision that is used to control employee behaviour.

**3. Management Support**

The degree to which, managers provide clear communication, assistance; warmth and support to their subordinates.

**4. Identity**

The degree to which, members identify with the organization as a whole rather than with their particular work group or field of professional expertise.

**5. Performance Reward System**

The degree to which reward system in the organization like increase in salary, promotions etc. is based on employee performance rather than on seniority, favouritism and so on.

**6. Conflict Tolerance**

The degree of conflict present in relationships between colleagues and work groups as well as the degree to which employees are encouraged to air conflict and criticisms openly.

**7. Risk Tolerance**

The degree to which, employees are encouraged to be innovative, aggressive and risk taking.

**8. Communication Patterns**

The degree to which, organizational communications are restricted to the formal hierarchy of authority.

**9. Outcome Orientation**

The degree to which, management focuses on results or outcomes rather than on the techniques and processes used to achieve these outcomes.

**10. People Orientation**

The degree to which, management decisions take into consideration the impact of outcomes on people within the organization.

When we appraise the organization on the basis of the above characteristics, we get a complete picture of the organization's culture. This picture becomes the basis of shared norms, beliefs and understanding that members have about the organization, how things are done in it and how the members are supposed to behave.

**5.3.1 Components****Q20. Discuss the components of organization culture.**

*Ans :* (Dec.-19, June-19, Imp.)

There are many possible elements of organizational culture. The above definition includes three of the elements of organizational culture.

**1. Organizational Values**

Values reflect what we feel is important. Organizations may have core values that reflect what is important in the organization. These values may be guiding principles of behaviour for all members in the organization. The core values may be stated on the organization's website. For example, an organization could state that their core values are creativity, humor, integrity, dedication, mutual respect, kindness and contribution to society.

**2. Organizational Beliefs**

Beliefs that are part of an organization's culture may include beliefs about the best ways to achieve certain goals such as increasing productivity and job motivation. For example, an organization may convey the belief that the expression of humor in the workplace is an effective way to increase productivity and job motivation.

**3. Organizational Norms**

Norms reflect the typical and accepted behaviours in an organization. They may reflect the values and beliefs of the organization. They may reflect how certain tasks are generally expected to be accomplished, the attributes of the work environment, the typical ways that people communicate in the organization, and the typical leadership styles in the organization. For example, the work environment of a

company may be described as relaxed, cheerful and pleasant. Moreover, the organization may have a participative decision-making process in which many people in the organization are able to express their views concerning important decisions. Also, an organization may have many meetings to discuss ideas.

**Q21. Discuss the importance of organizational culture ?**

*Ans :*

Importance of organizational culture is as follows :

**1. Acts as Talent Attractor**

Organizational culture is part of the package that prospective employees look at when assessing organization. The talent market is tighter and those looking for a new organization are more selective than ever. The best people want more than a salary and good benefits. They want an environment they can enjoy and succeed in. Good organization culture can help in attracting good and potential employees.

**2. Engages People**

People want to be engaged in their work. Organization culture can engage people. Engagement creates greater productivity, which can impact profitability.

**3. Creates Greater Synergy**

A strong culture brings people together. When people have the opportunity to (and are expected to) communicate and get to know each other better, they will find new connections. These connections will lead to new ideas and greater productivity and create a great synergy in employees' work. Literally, 1+1+ right culture = more than 10.

**4. Makes Everyone more Successful**

An investment of time, talent and focus on organizational culture will make everyone more successful. Not only is creating better culture a good thing to do for the human capital in the business, it makes good business sense too.

**5. Acts as Control System**

That culture is a deeply embedded form of social control that influences employee decisions and behaviour. As a control system, culture is

pervasive and operates unconsciously. Employers might think of it as an automatic pilot, directing employees in ways that are consistent with organizational expectations.

**6. Operates as Social Glue**

Organizational culture is the "social glue" that bonds people together and makes them feel part of the organizational experience. Employees are motivated to internalise the organization's dominant culture because it fulfils their need for social identity.

**7. Helps in Sense Making**

Organizational culture assists the sense-making process. It helps employees understand what goes on and why things happen in the company. Corporate culture also makes it easier for them to understand what is expected of them and to interact with other employees who know the culture and believe in it.

**Q22. State the indicators of organizational culture.**

*Ans :*

**1. Value**

This is revealed by sincerity, humanitarian approach, steadfastness (firmly needs of management and employees to achieve the goals of the organization).

**2. Selflessness**

This exactly means that people who work for the organization should identify themselves with the organization. Self-centered people ruin the firm. This indicates the degree of dedication of people who work for the organization and level of organizational consciousness they possess.

**3. Faith**

This refers to the extent of belief that employees have about practices in the organization. Both top management and employees should believe each other to develop overall organizational culture. Good faith is indicated by win-win situation. For example – Tata's, Infosys, who give importance for human factor to achieve their goals.

**4. Knowledge**

People in organization should have the knowledge of work and on other organizational aspects. This will help them to work with devotion and dedication to produce quality work. Knowledge worker can understand the situation and works. This leads to the development of good culture. This also tunes the behavior of worker/manager/ top management in organizations.

**5. Problem Sharing**

Every organization at every stage is confronted with several problems. The good culture of the organization in such problem situations is that management should share the problems with employees and together come out with a workable salvation. Hierarchy may prevail in the organization. But good culture is that the top management should share the problem with employees to develop team spirit instead of bossing.

**6. Risk Taking**

Organizations have to take risk to achieve business goals. The culture of an organization is also governed by the level of calculated risk taken by management and challenges faced by the workforce of that unit. The tasks to be performed by workers look like routine matter. But in each task, disturbing factors come on the way. Employees should face these challenges and drive the organization to attain good result. To such an extent the employees should have confidence, courage, commitment and conviction.

**Q23. What are the differences between organizational climate and organizational culture.**

*Ans :*

(Dec.-17)

S.No.	Nature	Organizational Climate	Organizational Culture
1.	<b>Concept</b>	Organization climate reflects current atmosphere of the organization in which the employees work. It provides opportunities to perform jobs according to the skills and a reward system which serves as motivators for employees (financial and non-financial).	Organization culture, on the other hand, reflects the atmosphere of the organization which has evolved over a number of years. It takes years for organizations to develop culture and climate is generally reflected for shorter periods.
2.	<b>Evolution</b>	Organization climate evolves according to needs of the organization to adapt to the internal and external environment. It gives a feel of current atmosphere of the organization	Organization culture evolves over years. An organization earns goodwill and reputation through its culture. It gives a feel of the organization itself.
3.	<b>Manipulation</b>	Organization climate can be manipulated and changed according to needs of the environment (internal and external). It can change according to behaviour of its employees.	Organization culture cannot be easily manipulated and changed. As it takes years to develop organization culture, changes are introduced only if felt absolutely necessary.
4.	<b>Perspective</b>	Organization climate defines employees' feelings about what the organization is and organization culture defines what the organization is as perceived by those who deal with the organization.	Organization culture is a broader framework that determines its climate. Organization climate is short-term perspective that defines its day-to-day functioning.

## 5.4 QUALITY OF WORK LIFE

**5.4.1 Determinants of quality of work life****Q24. Define quality of work life. What are the Determinants of quality of work life.***Ans :*

(July-21, Dec.-19, May-18, Dec.-18, Dec.-17, Imp.)

**Meaning**

Quality of work life denotes all the organizational inputs which aim at the employee's satisfaction and enhancing organizational effectiveness. QWL refers to the favorableness or unfavorableness of a total job environment of the people. The basic purpose is to develop jobs and working conditions that are excellent for people as well as for the economic health of the organization. QWL provides a more humanized work environment. It attempts to serve the higher order needs of workers as well as their more basic needs.

Q	- Quest for excellence
U	- Understanding
A	- Action
L	- Leadership
I	- Involvement of the people
T	- Team spirit
Y	- Yardstick to measure progress

**Definition**

- i) **According to Harrison** defined Quality of Work Life (QWL) as, the "degree to which work in an organization contributes to material and psychological well being of its members".
- ii) **According to American Society of Training and Development** defined quality of work life as "a process of work organization which enables its members at all levels to actively participate in shaping organization's environment, methods and outcomes. This value based process is aimed towards meeting the twin goals of enhanced effectiveness of organization and improved quality of life at work for employees".

Quality of work life affects the productivity of employees significantly. According to a research conducted on QWL, it was found out that effective QWL results in physically and psychologically strong employees who have positive feelings towards the organization.

Quality of work life has gained importance recently due to several/various factors like increased education levels, worker's association, importance of human resource management, increase in the knowledge of human behavior and so on.

**Determinants of Quality of Work Life**

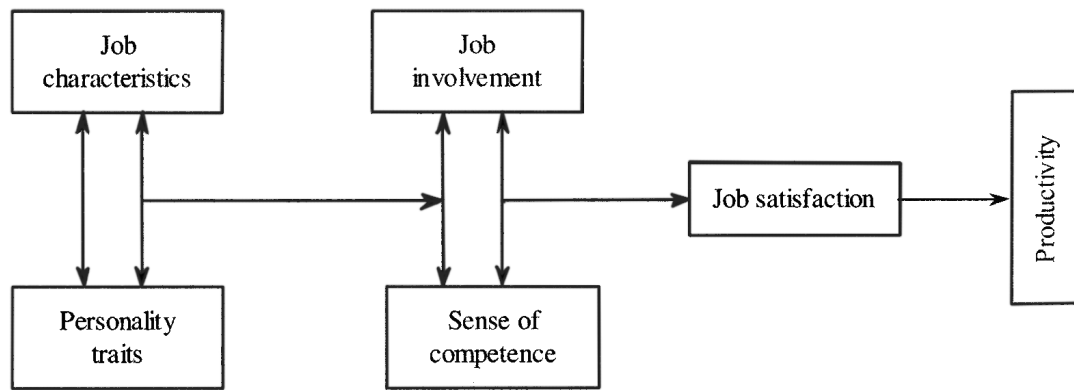
The quality of work life can be measured with the help of following determinants,

**1. Job Involvement**

Job involvement refers to the extent of which an individual identifies/recognizes with its job or its level of ego involved in the job. If an individual considers her/his job crucial in one's life, then their involvement in it would : also be more. According to a research conducted on job ; involvement, it was found out that several factors like skill variety, achievement and challenge contributes towards enhancing the level of job involvement.

**Example**

The employees who are highly involved in their job, spend more time and energy on their job and try to produce more productive results for the organization. In short, they ! put in more than 100 percent efforts.



**Fig.: Conceptual Model of Quality of Work Life**

## 2. Job Satisfaction

Job satisfaction refers to the satisfaction which the workers have with their job environment (which involves quality of supervision, pay, co-employees, promotion opportunities, work nature etc.). Job satisfaction is associated with the job involvement and the employees get content with their jobs and vice versa.

**Example**

The employees who are highly involved in their jobs are greatly satisfied with their work or job while the employees who are less involved in their jobs are greatly dissatisfied with their job.

## 3. Sense of Competence

Sense of competence refers to the feelings of confidence which a person has towards his own competence. Job involvement and sense of competence support each other. If sense of competence and job involvement are high then the job satisfaction level will also be high.

**Example**

If an employee feels competent, he increases his job involvement which further helps in increasing his job satisfaction level.

## 4. Job Performance

If an employee holds greater job involvement, job satisfaction and sense of competence, then it would ultimately increase one's job performance.

## 5. Productivity

If the job performance level increases, then the output per unit of input also increases. Hence, if the job characteristics suit with the productivity traits of employees then it would lead to higher productivity.

The figure depicts the inter-relationship which exists between job characteristics, job satisfaction, sense of competence and motivation.



**Q25. What are the dimensions and principles of quality of work life.***Ans :*

The concept of Quality of Work Life (QWL) is multidimensional. QWL focuses mainly on humanization of work i.e., it creates such a work environment which assures that the employees are respected, encourages creative abilities and facilitates self-growth.

**Dimensions****1. Acceptable and Fair Compensation**

The effort and reward must be balanced fairly. The compensation given to the workers must be adequate and satisfactory in nature, so that it helps the employees to maintain a socially desirable standard of living. Such type of compensation can be ascertained by considering the factors like ability of the organization to pay, demand and supply of labour, labour productivity, job evaluation, cost of living etc.

**2. Safe and Hygienic Working Conditions**

It is not possible to have high quality of work until and unless the work environment is free from all the dangers which may be harmful to the health and safety of the employees. An effective physical work environment can be created with the help of a pollution free atmosphere, cleanliness, adequate work hours, riskfree work etc.

**3. Career Growth Opportunity**

The work must offer career opportunities for developing new abilities and diversifying the current skills in a consistent manner.

**4. Opportunity to Utilize and Enhance Human Abilities**

The job performed by the worker must possess adequate types of tasks so that it provide challenges to the worker and makes sure that their talents are being utilized effectively. If the job gives adequate autonomy and control, provides timely feedback on the performance and makes use of different types of skills then the quality of work life would definitely be a better one.

**5. Social Integration in Work Force**

The employees must be made to inculcate the feeling of sense of identity with the organization as well as the feeling of self esteem. These feelings can be developed with the help of openness, trust, sense of community feeling, equitable treatment and scope for upward mobility.

**6. Work and Personal Life**

The work life and personal life of the employees must be adequately balanced. The work demands like late hours, quick travel, frequent travel are both psychologically and socially very costly and unfavourable to quality of work life.

**7. Constitutionalization in the Work Organization**

Quality of work life protects the employees constitutionally. Such type of protection is given to the employees on various matters like free speech, equity and due process.

**8. Social Importance of Work**

Work should not only act as a source of material and psychological satisfaction, but must also serve as a means of social welfare. The firms which pays more attention towards social causes such as pollution, consumer protection, national integration, employment etc., can enhance the quality of work life.

**Principles**

The following four principles help in humanizing the work and enhancing the quality of work life,

**1. The Principle of Security**

It is not possible to enhance the quality of work life till the employees are free from the feelings of anxiety, fear and loss of future employment. Safe and healthy working conditions must be provided to the employees so that the employees do not hold the fear of economic want. The job security and protection against occupational hazards act as an important prerequisite for humanization of work.

**2. The Principle of Equity**

A direct and adequate/equitable relationship must exist between effort and reward. There should be no differences made among the employees who accomplish the same work and hold the same performance level. The profits of the organization must also be shared equally.

**3. The Principle of Individualism**

Different employees hold and possess different attitudes, skills, potential and so on. Thus, all the employees must be given an equal chance to develop one's personality and potential. In humanization of work, it is quite essential to give freedom to the employees to decide their own movement of activity and design of work operations.

**4. The Principle of Democracy**

According to this principle, the employees should be given more authority and responsibility so that it increases the participation in the decision making process and enhances the quality of work life.

**Q26. Discuss the role of quality of work life on productivity.**

(OR)

**Discuss the impact of QWL on productivity.**

*Ans :* (Dec.-17, Imp.)

It is generally perceived that improvements in Quality of Work Life cost much to the organization. But, it is a wrong perception because the improvement over the existing salary, working conditions and other benefits do not cost much. In fact, the rate of increase in productivity is more than the cost of improving quality of work life. Thus, an increase in quality of work life results in an increase in productivity. But a continuous increase in quality of work life leads to a reduction in productivity due to increased cost of output. This situation occurs because the output given by workers does not increase proportionally after a certain level though quality of work life increases. An improvement in QWL leads to improved performance. Performance here

implies not only to increased physical output but also workers' behaviour in helping colleagues in solving job related problems, accepting orders with enthusiasm etc.

**Q27. State the various issues involved in Quality of work life.**

*Ans :*

**1. Pay and Stability of employment**

Good pay still dominates most of the other factors in employee satisfaction. Various alternative means for providing wages should be developed in view of increase in cost of living index, increase in levels and rates of income tax and profession tax. Stability to a greater extent can be provided by enhancing the facilities for human resource development.

**2. Occupational Stress**

It is a condition of strain on one's emotions, thought process and physical condition. Stress is determined by the nature of work, working conditions, working hours, pause in the work schedule, worker's abilities and nature match with the job requirements. The HR manager in order to minimize the stress has to identify, prevent and tackle the problem.

**3. Organizational Health Programmes**

Organizational health programmes aim at educating employees about health problems, means of maintaining and improving health etc. These programmes cover drinking and smoking cessation, hypertension control, other forms of cardiovascular risk reduction, family planning etc. Effective implementation of these programmes results in reduction in absenteeism, hospitalization, disability, excessive job turnover and premature death. This programme should also cover relaxation, physical exercise, diet control etc.

**4. Alternative Work Schedules**

Alternative work schedules including work at home, flexible working hours, staggered hours, reduced work week, part-time employment which may be introduced for the convenience and comfort of the workers as the work which offers the individual the leisure time, flexible hours of work is preferred.

**5. Participative Management and control of work**

Trade unions and workers believe that workers participation in management improves work life. Workers also feel that they have control over their work, use their skills and make a real contribution to the job if they are allowed participate in creative and decision making process.

**6. Recognition**

Recognizing the employee as a human being rather than as a labour increases the QWL. Participative management, awarding or rewarding system, congratulating the employees for their achievement, job enrichment, offering prestigious designations to the jobs, providing well furnished and decent work places, offering membership in clubs or association, providing vehicles, offering vacation trips are some means to recognize the employees.

**7. Grievance Procedure**

Workers have a sense of fair treatment when the company gives them the opportunity to ventilate their grievances and represent their case succinctly rather than settling the problems arbitrarily.

**8. Adequacy of Resources**

Resources should match with stated objectives otherwise employees will not be able to attain the objectives. This results in employee dissatisfaction and lower QWL.

**9. Seniority and Merit in promotions**

Seniority is generally taken as the basis for promotion in case of operating employees. Merit is considered as the basis for advancement for managerial people whereas seniority is preferred for promotion of ministerial employees. The promotional policies and activities should be fair and just in order to ensure higher QWL.

**10. Congenial worker Supervisor Relations**

Harmonious supervisor worker relations gives the worker a sense of social association belongingness, achieve of work results etc. This in turn leads to better QWL.

**11. Employment on Permanent basis**

Employment of workers on casual, temporary probationary basis gives them a sense of insecurity. On the other hand, employment on permanent basis gives them security and leads to higher order QWL.

**Q28. Explain various approaches to improve QWL**

*Ans :*

The strategies for improvement in quality of work life include self managed work teams, redesign and enrichment, effective leadership and supervisory behaviour, career development, alternative work schedules, job security, administrative organizational and participating management.

**1. Self-managed Work Teams**

These are also called autonomous work groups or integrated work teams. These work teams are formed with 10 to 20 employees who plan, co-ordinate and control the activities of the team with the help of a team leader who is one among them. Each team performs all activities including selecting their people. Each team has authority to make decisions and regulate the activities. The group as a whole is accountable for the success or failure. Salaries are fixed both on the basis of individual and group achievement.

**2. Job Redesign and Enrichment**

Narrow jobs can be combined into larger units of accomplishment. Jobs are redesigned with a view to enriching them to satisfy higher order human needs.

**3. Effective Leadership and Supervisory Behaviour**

For effective leadership and supervisory behaviour '9-9' style of managerial grid is suitable.

**4. Career Development**

Provision of career planning, communicating and counseling the employees about the career opportunities, career path, education and development and for second careers should be made.

**5. Alternative Work Schedules**

Provision for flexible working hours, part time employments, job-sharing and reduced work week should be made.

**6. Job security**

This top the employee's list of priorities .It should be adequately taken care of.

**7. Administrative (or) organizational Justice**

The principles of justice, fair and equity should be taken care of in disciplinary procedure, grievance procedures, promotions, transfers, demotion, work assignment, leave etc.

**8. Participative management**

Employees should be allowed to participate in management participative schemes which may be of several types. The most sophisticated among them is quality circle.

**9. Implementing Suggestion Systems**

The suggestion system helps in improving the system of the organization which in turn provides better facility system.

**Q29. State the tools for improving quality of work life.**

*Ans :* (May-18, Imp.)

Quality of work life can be improved with the help of following tools;

**1. Job Redesign**

Redesigning of jobs help in improving the quality or value of job. Small and restricted job units must be integrated with the large and complex job units. Job enrichment provides interesting, encouraging and challenging work to the employees and fulfills their higher order needs.

**2. Career Development**

Career development and personality growth opportunities enhance organizational commitment. Career planning, counselling second careers etc., helps in fulfilling the expectations of attainment-oriented employees.

**3. Independent Work Groups**

In independent work groups, the employees are authorized to make the decisions freely. In this type of groups, the employees plan, coordinate and control their activities. The whole group is held responsible jointly for the success or failure of the group and therefore it is also called as self-managed work team.

**4. Flexible Work Schedules**

Flexible working hours, job sharing, part-time employment, unsteady work hours, reduced work week and other alternative work schedules help the employees to plan their work freely.

**5. Participative Management**

Workers wish to take part in decision-making process of the matters which influences their lives. So, Quality Circles (QC), Management By Objectives (MBO), suggestion systems and other types of employees participation in management can be used for enhancing the quality of work life.

**6. Job Security**

Job security is first preference of employees, so adequate job security must be provided to the employees.

**7. Administrative Justice**

The management must make various use of principles of justice, fair and equity in disciplinary procedure, governance procedures, promotions, transfers, leave, work assignment and so on, as it helps in improving the quality of work life.

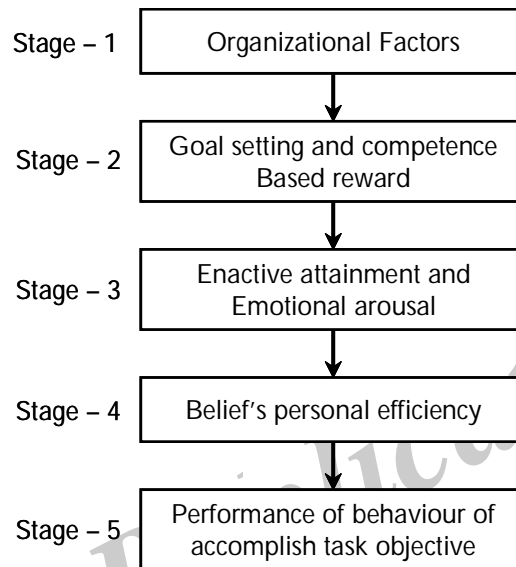
**5.4.2 Impact of QWL on Organization Climate and Culture****Q30. What is the impact of QWL on organization climate and culture ?**

*Ans :*

According to Biswas, U.N. and Mathew, R. (2001), changing concepts regarding work environment and work culture have come into light with the advent of total quality management (TQM). In the notion of total quality management, lot of

stress has been put on the process of empowering. An operational framework has been developed by Biswas for measuring people's empowerment at work in academic settings.

The findings of this study suggested that the perceived empowerment does not affect perception of work climate, learning environment, decision involvement and goal clarity emerged as salient features that affects and leads to favorable work culture. Few other indicators have also been found that were related to task assignment and communication as well as colleague management. Initially, Conger, J.A. and Kanungo, R.N (1988) has formulated five stages of empowerment process which has been diagrammatically shown below.



The main finding of this test suggested that organizational effectiveness is dependent upon perception of organizational climate. However, the main findings of Biswas and Mathew's study highlights the significant and unique contribution of decision involvement and support climate to the predictability of work culture. It was found to be quite crucial.

## Short Question and Answers

### 1. Determinants of quality of work life.

*Ans :*

The quality of work life can be measured with the help of following determinants,

#### (i) Job Involvement

Job involvement refers to the extent of which an individual identifies/recognizes with its job or its level of ego involved in the job. If an individual considers her/his job crucial in one's life, then their involvement in it would also be more. According to a research conducted on job involvement, it was found out that several factors like skill variety, achievement and challenge contribute towards enhancing the level of job involvement.

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The employees who are highly involved in their job, spend more time and energy on their job and try to produce more productive results for the organization. In short, they put in more than 100 percent efforts.

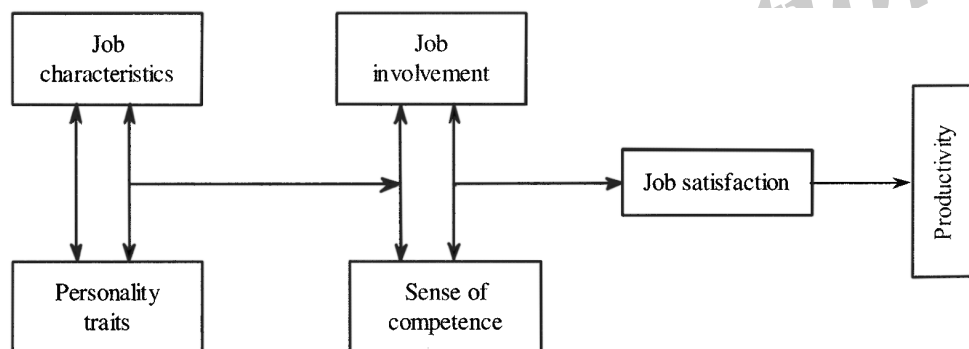


Fig.: Conceptual Model of Quality of Work Life

#### (ii) Job Satisfaction

Job satisfaction refers to the satisfaction which the workers have with their job environment (which involves quality of supervision, pay, co-employees, promotion opportunities, work nature etc.). Job satisfaction is associated with the job involvement and the employees get content with their jobs and vice versa.

#### Example

The employees who are highly involved in their jobs are greatly satisfied with their work or job while the employees who are less involved in their jobs are greatly dissatisfied with their job.

#### (iii) Sense of Competence

Sense of competence refers to the feelings of confidence which a person has towards his own competence. Job involvement and sense of competence support each other. If sense of competence and job involvement are high then the job satisfaction level will also be high.

#### Example

If an employee feels competent, he increases his job involvement which further helps in increasing his job satisfaction level.

**(iv) Job Performance**

If an employee holds greater job involvement, job satisfaction and sense of competence, then it would ultimately increase one's job performance.

**2. Components of organization culture.**

*Ans :*

**(i) Organizational Values**

Values reflect what we feel is important. Organizations may have core values that reflect what is important in the organization. These values may be guiding principles of behaviour for all members in the organization. The core values may be stated on the organization's website. For example, an organization could state that their core values are creativity, humor, integrity, dedication, mutual respect, kindness and contribution to society.

**(ii) Organizational Beliefs**

Beliefs that are part of an organization's culture may include beliefs about the best ways to achieve certain goals such as increasing productivity and job motivation. For example, an organization may convey the belief that the expression of humor in the workplace is an effective way to increase productivity and job motivation.

**(iii) Organizational Norms**

Norms reflect the typical and accepted behaviours in an organization. They may reflect the values and beliefs of the organization. They may reflect how certain tasks are generally expected to be accomplished, the attributes of the work environment, the typical ways that people communicate in the organization, and the typical leadership styles in the organization. For example, the work environment of a company may be described as relaxed, cheerful and pleasant. Moreover, the organization may have a participative decision-making process in which many people in the organization are able to express their views concerning important decisions. Also, an organization may have many meetings to discuss ideas.

**3. 360 Degree Performance Appraisals**

*Ans :*

This method is also known as 'multi-rater feedback', it is the appraisal in a wider perspective where the comment about the employees' performance comes from all the possible sources that are directly or indirectly related with the employee on his job. In 360 degree performance appraisal an employee can be appraised by his peers, managers (i.e. superior), subordinates, team members, customers, suppliers/ vendors - anyone who comes into direct or indirect contact with the employee and can provide necessary information or feedback regarding performance of the employee the "on-the-job".

The four major component of 360 degree performance appraisal are:

- i) Employees Self Appraisal
- ii) Appraisal by Superior
- iii) Appraisal by Subordinate
- iv) Peer Appraisal.

**i) Employees Self Appraisal:** Employee self appraisal gives an option to the employee to know his own strengths and weaknesses, his achievements, and judge his own performance.

**ii) Appraisal by Superior:** Appraisal by superior forms the traditional part of the 360 degree performance appraisal where the employees' responsibilities and actual performance is judged by the superior.

**iii) Appraisal by Subordinate:** Appraisal by subordinate gives a chance to evaluate the employee on the basis of communication and motivating abilities, superior's ability to delegate the work, leadership qualities etc. It is also known as internal customers.

**iv) Peer Appraisal:** The correct opinion given by peers can aid to find employees' who are co-operative, employees who ready to work in a team and understanding towards others.

#### 4. Define quality of work life.

*Ans :*

##### Meaning

Quality of work life denotes all the organizational inputs which aim at the employee's satisfaction and enhancing organizational effectiveness. QWL refers to the favorableness or unfavorableness of a total job environment of the people. The basic purpose is to develop jobs and working conditions that are excellent for people as well as for the economic health of the organization. QWL provides a more humanized work environment. It attempts to serve the higher order needs of workers as well as their more basic needs.

Q	- Quest for excellence
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##### Definition

- i) **According to Harrison** defined Quality of Work Life (QWL) as, the "degree to which work in an organization contributes to material and psychological well being of its members".
- ii) **According to American Society of Training and Development** defined quality of work life as "a process of work organization which enables its members at all levels to actively participate in shaping organization's environment, methods and outcomes. This value based process is aimed towards meeting the twin goals of enhanced effectiveness of organization and improved quality of life at work for employees".

#### 5. Define Performance Appraisal.

*Ans :*

##### Meaning

Performance appraisal or Performance evaluation is a method of evaluating the behaviour

of employees in a work place, normally including both the quantitative and qualitative aspect of job performance. Performance here refers to the degree of accomplishment of the tasks that makeup an individual's job. It indicates how well an individual fulfilling the job demands. Performance is measured in terms of results. Thus, Performance appraisal is the process of assessing the performance or progress of an employee, or a group of employees on the given job, as well as his potential for future development. Thus, performance appraisal comprises all formal procedures used in organizations to evaluate contributions, personality, and potential of individual employees.

##### Definitions

- i) **According to Edwin Flippo**, "Performance appraisal is the systematic, periodic and an impartial rating of an employee's excellence in matters pertaining to his present job and his potential for a better job."
- ii) **According to Cummings**, "The overall objective of performance appraisal is to improve the efficiency of an enterprise by attempting to mobilize the best possible efforts from individuals employed in it. Such appraisals achieve four objectives including the salary reviews the development and training of individuals, planning job rotation and assistance promotions."

#### 6. Assessment Centres

*Ans :*

It is a method which was first implemented in German Army in 1930. With the passage of time industrial houses and business started using this method. This is a system of assessment where individual employee is assessed by many experts by using different technique of performance appraisal. The techniques which may be used are role playing, case studies, simulation exercises, transactional analysis etc.

In this method employees from different departments are brought together for an assignment which they are supposed to perform in a group, as if they are working for a higher post or promoted. Each employee is ranked by the observer on the



basis of merit. The basic purpose behind assessment is to recognize whether a particular employee can be promoted, or is there any need for training or development. This method has certain advantages such as it helps the observer in making correct decision in terms of which employee has the capability of getting promoted, but it has certain disadvantages also it is costly and time consuming, discourages the poor performers etc.

### 7. Behaviorally Anchored Rating Scales (BARS)

*Ans :*

- This method is a combination of traditional rating scales and critical incidents methods.
- It consists of preset critical areas of job performance or sets of behavioural statements which describes the important job performance qualities as good or bad (for e.g. the qualities like inter personal relationships, flexibility and consistency, job knowledge etc).
- These statements are developed from critical incidents.
- These behavioral examples are then again translated into appropriate performance dimensions.
- Those that are selected into the dimension are retained. The final groups of behavior incidents are then scaled numerically to a level of performance that is perceived to represent.
- A rater must indicate which behavior on each scale best describes an employee's performance.
- The results of the above processes are behavioural descriptions, such as anticipate, plan, executes, solves immediate problems, carries out orders, and handles urgent situation situations. This method has following advantages:
  - a) It reduces rating errors
  - b) Behavior is assessed over traits.

- c) It gives an idea about the behavior to the employee and the rater about which behaviors bring good Performance and which bring bad performance.

### 8. State the characteristics of MBO.

*Ans :*

The term Management by Objectives was coined by Peter Drunker in 1954.

Management by objective can be described as, a process where by the superior and subordinate managers of an organization jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members.

#### Essential Characteristics of MBO

- (i) **A Philosophy:** Management by objective is a philosophy or a system, and not merely a technique.
- (ii) **Participative Goal Setting:** It emphasises participative goal setting.
- (iii) **Clearly Define Individual Responsibilities:** Management by objective (MBO) clearly defines each individual's responsibilities in terms of results.
- (iv) **Accomplishment of Goal:** It focuses a tension on what goal must be accomplished rather than on how it is to be accomplished (method).
- (v) **Objective Need into Personal Goal:** MBO converts objective need into personal goals at every level in the organization.

### 9. Define Organization Climate.

*Ans :*

#### Meaning

The concept of organizational climate was formally introduced by the human relation is its in the late 1940s.

Before understanding the meaning of organizational climate, we must first understand the concept of climate.

"Climate in natural sense is referred to as the average course or condition of the weather at a place over a period of years as exhibited by temperature, wind, velocity and precipitation."

### Definitions

- i) **According to Campbell**, "Organizational climate can be defined as a set of attributes specific to a particular organization that may be induced from the way that organization deals with its members and its environment. For the individual members within the organization, climate takes the form of a set of attitudes and experiences which describe the organization in terms of both static characteristics (such as degree of autonomy) and behavior outcome and outcome-outcome contingencies."
- ii) **According to James and Sells**, "Organisational climate is a collective perception of the work environment by the individuals within a common system".
- iii) **According to Renato Tagiuri**, "Organisational climate is a relatively ending quality of the internal environment that is experienced by the members, influences their behaviour and can described in terms of values of a particular set of characteristics of the Organization".
- iv) **According to Bowen and Ostroff**, "Organizational climate is a shared perception of what the organization is like in terms of practices, policies, procedures, routines, and rewards - what is important and what behaviours are expected and rewarded - and is based on shared perceptions among employees within formal organizational units".

### 10. Define Organization Culture.

*Ans :*

Culture is the set of important understandings that of a community share in common. It consists of patterns and ways of thinking, feeling, and reactions that are acquired by language and symbols that create distinctiveness among human group.

Culture of the organization plays an important role in the area of motivation and the level of

economic rewards. It also influences the level of commitment to work on the part of the members. Organizational culture represents a common perception shared by the member of an organization and has a tendency to describe the organizational culture in almost similar terms.

The term 'Organizational Culture' refers to the norms and values of an organization, which together make the personality of the company. Improving organizational culture is the need of the hour, as people want to work for a company that enables them to maintain a balance between their work life and personal life and organizations who give importance to organizational culture increase their productivity and lower are the attrition rates. So, a healthy organizational culture is a win-win situation for all the stakeholders, shareholders, management, customers and employees.

### Definitions

- (i) "The organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members."
- (ii) "Organizational culture can be defined as the philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms that knit an organization together and are shared by its employees."
- (iii) **According to Edgar Schein**, "Organizational culture can be defined as a pattern of basic assumptions-invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration-that has worked well enough to be considered valuable and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems."

### 11. Dimensions of QWL

*Ans :*

#### (i) Acceptable and Fair Compensation

The effort and reward must be balanced fairly. The compensation given to the workers must be adequate and satisfactory in nature, so that it helps the employees to maintain a socially

desirable standard of living. Such type of compensation can be ascertained by considering the factors like ability of the organization to pay, demand and supply of labour, labour productivity, job evaluation, cost of living etc.

**(ii) Safe and Hygienic Working Conditions**

It is not possible to have high quality of work until and unless the work environment is free from all the dangers which may be harmful to the health and safety of the employees. An effective physical work environment can be created with the help of a pollution free atmosphere, cleanliness, adequate work hours, riskfree work etc.

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The work must offer career opportunities for developing new abilities and diversifying the current skills in a consistent manner.

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The job performed by the worker must possess adequate types of tasks so that it provide challenges to the worker and makes sure that their talents are being utilized effectively. If the job gives adequate autonomy and control, provides timely feedback on the performance and makes use of different types of skills then the quality of work life would definitely be a better one.

**(v) Social Integration in Work Force**

The employees must be made to inculcate the feeling of sense of identity with the organization as well as the feeling of self esteem. These feelings can be developed with the help of openness, trust, sense of community feeling, equitable treatment and scope for upward mobility.

**(vi) Work and Personal Life**

The work life and personal life of the employees must be adequately balanced. The work demands like late hours, quick travel, frequent travel are both psychologically and socially very costly and unfavourable to quality of work life.

## *Choose the Correct Answer*

1. \_\_\_\_\_ is an objective assessment of an individual's performance against well-defined benchmarks. [ a ]  
(a) Performance Appraisal (b) HR Planning  
(c) Information for goal identification (d) None of the above
2. What is linked with performance appraisal? [ c ]  
(a) Job Design (b) Development  
(c) Job analysis (d) None of the above
3. Which of the following is an alternate term used for performance appraisal? [ c ]  
(a) Quality and quantity of output (b) Job knowledge  
(c) Employee assessment (d) None of the above
4. How performance appraisal can contribute to a firm's competitive advantage? [ d ]  
(a) Ensures legal compliances (b) Minimising job dissatisfaction and turnover  
(c) Improves performance (d) All of the above
5. Successful defenders use performance appraisal for identifying \_\_\_\_\_. [ c ]  
(a) Staffing needs (b) Job behaviour  
(c) Training needs (d) None of the above
6. When appraisals are made by superiors, peers, subordinates and clients then it is called \_\_\_\_\_. [ a ]  
(a) 360 degree feedback (b) 180 degree feedback  
(c) Self - appraisal (d) None of the above
7. Which is the simplest and most popular technique for appraising employee performance? [ a ]  
(a) Rating Scales (b) Critical Incident  
(c) Cost accounting (d) BARS
8. Which of these is a major weakness of the forced distribution method? [ a ]  
(a) Assumes that employee performance levels always conform to a normal distribution  
(b) Work is reliable  
(c) The error of central tendency  
(d) None of the above
9. \_\_\_\_\_ is defined as the record of outcomes produced on a specific job function or activity during a specific time period. [ a ]  
(a) Performance (b) Work function  
(c) Evaluation (d) None of the above

10. In which evaluation method, the evaluator is asked to describe the strong and weak aspects of the employee's behaviour. [ c ]  
(a) Graphic rating scale (b) Forced choice  
(c) Essay evaluation (d) Management by Objective
11. In this technique, personnel specialists and operating managers prepare lists of statements of very effective and very ineffective behavior for an employee. [ a ]  
(a) Critical incident technique (b) Forced choice  
(c) Essay evaluation (d) Management by Objective
12. The following technique(s) is based on the critical incident approach. [ c ]  
(a) Behaviorally anchored rating scales (BARS)  
(b) Critical incident technique  
(c) Both (a) and (b)  
(d) None of the above
13. Paired comparison method can be used by \_\_\_\_\_. [ d ]  
(a) Superiors (b) Peers  
(c) Subordinates (d) All of the above
14. The multiple-input approach to performance feedback is sometimes called \_\_\_\_\_ degree assessment. [ d ]  
(a) 90 (b) 180  
(c) 270 (d) 360
15. The following technique is used to evaluate an employee individually. [ a ]  
(a) Graphic scale rating (b) Ranking  
(c) Paired comparison (d) Forced distribution
16. The technique that have been used to evaluate an employee in comparison with other employees. [ a ]  
(a) Ranking (b) Forced choice  
(c) Essay evaluation (d) Critical incident technique
17. The Recognition may be shown in the form of \_\_\_\_\_. [ d ]  
(a) A pat on the back of employee (b) Promotion  
(c) Assignment of more interesting tasks (d) All of the above

## *Fill in the blanks*

1. \_\_\_\_\_ evaluation is a method of evaluating the behaviour of employees in a work place
2. \_\_\_\_\_ is another name of performance appraisal, it gives supervisors a more effective tool for rating their personnel.
3. \_\_\_\_\_ method is the oldest and simplest method of rating.
4. \_\_\_\_\_ method was first used in USA army during the 1st World War.
5. \_\_\_\_\_ who first gave the concept of MBO.
6. MBO stands for \_\_\_\_\_.
7. \_\_\_\_\_ method which was first implemented in German Army in 1930.
8. 360 Degree Performance Appraisals method is also known as \_\_\_\_\_.
9. \_\_\_\_\_ forms the traditional part of the 360 degree performance appraisal
10. BARS stands for \_\_\_\_\_.
11. \_\_\_\_\_ is a collective perception of the work environment by the individuals within a common system.
12. Organizational climate can operate as a \_\_\_\_\_ in both the positive and negative sense.
13. Organizational factors can influence human behaviour by acting as \_\_\_\_\_.
14. \_\_\_\_\_ can be defined as the philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms.
15. The term 'Organizational Culture' refers to the \_\_\_\_\_ and \_\_\_\_\_ of an organization.
16. \_\_\_\_\_ denotes all the organizational inputs which aim at the employee's satisfaction and enhancing organizational effectiveness.
17. \_\_\_\_\_ of jobs help in improving the quality or value of job.
18. QC stands for \_\_\_\_\_.
19. Job involvement and \_\_\_\_\_ support each other.
20. \_\_\_\_\_ method, the rater writes a detailed description on an employee's characteristics and behavior, Knowledge about organizational policies.
21. Man-to-man comparison method is also known as \_\_\_\_\_.

### **ANSWERS**

1. Performance
2. Merit rating
3. Ranking
4. Man-to-Man Comparison Method
5. Peter F. Drucker
6. Management by objective

7. Assessment centres
8. 'Multi-rater feedback'
9. Appraisal by superior
10. Behaviorally Anchored Rating Scales
11. Organizational climate
12. Constraint system
13. Stimuli
14. Organizational culture
15. Norms, Values
16. Quality of work life
17. Redesigning
18. Quality Circles
19. Sense of competence
20. Essay
21. Factor Comparison Method

*Rahul Publications*

FACULTY OF MANAGEMENT  
B.B.A (CBCS) III - Semester Examination  
July - 2021  
**HUMAN RESOURCE MANAGEMENT**

Time : 2 Hours]

[Max. Marks : 80

**PART - A**

**Note : Answer any four questions**

**(4 × 5 = 20 Marks)**

**ANSWERS**

- |                                    |                        |
|------------------------------------|------------------------|
| 1. HRD                             | (Unit-I, SQA-11)       |
| 2. HRM                             | (Unit-I, SQA-2)        |
| 3. Job Specification               | (Unit-II, SQA-3)       |
| 4. Indirect methods of recruitment | (Unit-II, SQA-7)       |
| 5. Sensitivity training            | (Unit-III, SQA-17)     |
| 6. Career Management               | (Unit-III, SQA-13, 16) |
| 7. Collective bargaining           | (Unit-IV, SQA-12)      |
| 8. QWL                             | (Unit-V, SQA-4)        |

**PART - B**

**Note : Answer any four questions**

**(4 × 15 = 60 Marks)**

- |  |                          |
|--|--------------------------|
| 9. HRD is part of HRM. Explain.  | (Unit-I, Q.No. 26)       |
| 10. Explain the impact of globalization of HR policies & practices.              | (Unit-I, Q.No. 19)       |
| 11. Explain :  |                          |
| (a) Job enlargement  | (Unit-II, Q.No. 24)      |
| (b) Job enrichment   | (Unit-II, Q.No. 26)      |
| (c) Job evaluation   | (Unit-II, Q.No. 30)      |
| 12. Define recruitment. Explain the different types of interviews.               | (Unit-II, Q.No. 37, 42)  |
| 13. Assessing training needs is important for designing training programs.       | (Unit-III, Q.No. 14, 15) |
| 14. Define career. Explain the impact of career on productivity and performance. | (Unit-III, Q.No. 35)     |
| 15. Define industrial disputes. Explain the guidelines for handling disputes.    | (Unit-IV, Q.No. 10, 14)  |
| 16. Explain the importance of healthy & safety measures in an organization.      | (Unit-IV, Q.No. 27)      |
| 17. Define organization climate, its impact on culture of organization.          | (Unit-V, Q.No. 14, 18)   |
| 18. Define QWL. Explain the determinants of QWL.                                 | (Unit-V, Q.No. 24)       |



FACULTY OF MANAGEMENT  
**B.B.A III - Semester (CBCS) Examination**  
**November / December - 2020**  
**HUMAN RESOURCE MANAGEMENT**

Time : 2 Hours]

[Max. Marks : 80

**PART - A****Note : Answer any four questions****(4 × 5 = 20 Marks)****ANSWERS**

- |  |                         |
|--|-------------------------|
| 1. HR Policy                                 | (Unit-I, SQA-7)         |
| 2. Compensation                              | (Unit-III, SQA-18)      |
| 3. HRD                                       | (Unit-I, SQA-11)        |
| 4. Line and Staff                            | (Unit-II, Q.No. 53, 54) |
| 5. Impact of career planning on productivity | (Unit-III, Q.No. 35)    |
| 6. Employee safety measures                  | (Unit-IV, Q.No. 27)     |
| 7. Standing Order                            | (Unit-IV, SQA-8)        |
| 8. QWL                                       | (Unit-V, SQA-4)         |

**PART - B****Note : Answer any four questions****(4 × 15 = 60 Marks)**

- |   |                             |
|---|-----------------------------|
| 9. What is the role and responsibilities of HR manager ? Explain.   | (Unit-I, Q.No. 9)           |
| 10. Compare and contrast between personnel management and human resource management.                              | (Unit-I, Q.No. 10)          |
| 11. What is Job Analysis ? Explain in detail.   | (Unit-II, Q.No. 7, 8)       |
| 12. Explain the terms job rotation, job enlargement, and job enrichment.  | (Unit-II, Q.No. 23, 24, 26) |
| 13. Explain the terms employee training and retraining.   | (Unit-III, Q.No. 4, 11)     |
| 14. What are the steps in designing the training programme.   | (Unit-III, Q.No. 24)        |
| 15. Discuss the principles and guidelines for effective handling of industrial disputes and industrial relations. | (Unit-IV, Q.No. 14)         |
| 16. What is collective bargaining ? Explain the process.  | (Unit-IV, Q.No. 21, 24)     |
| 17. What is performance appraisal? Briefly explain the methods.   | (Unit-V, Q.No. 1, 8)        |
| 18. What is the impact of organization climate on HRM? Explain.   | (Unit-V, Q.No. 18)          |

FACULTY OF MANAGEMENT  
**B.B.A III - Semester (CBCS) Examination**  
**November / December - 2019**  
**HUMAN RESOURCE MANAGEMENT**

Time : 3 Hours]

[Max. Marks : 80

**Note : Answer all the question****PART - A (5 × 4 = 20 Marks)****[Short Answer Type]****ANSWERS**

1. Answer any five of the following in not exceeding 20 lines:

- |                                 |                     |
|---------------------------------|---------------------|
| (a) Scope of HRM                | (Unit-I, Q.No. 7)   |
| (b) Managerial functions of HRM | (Unit-I, SQA-3)     |
| (c) Job Specification           | (Unit-II, SQA-3)    |
| (d) Job Enlargement             | (Unit-II, SQA-9)    |
| (e) Placement                   | (Unit-II, Q.No. 46) |
| (f) Retraining                  | (Unit-III, SQA-9)   |
| (g) Industrial Disputes         | (Unit-IV, SQA-7)    |
| (h) Organization Climate        | (Unit-V, SQA-9)     |

**PART - B (5 × 12 = 60 Marks)****[Essay Answer Type]****Note : Answer all the questions using the internal choice**

- |   |                          |
|---|--------------------------|
| 2. a) Discuss the operative functions of Human Resource Manager.                            | (Unit-I, Q.No. 9)        |
| OR  |                          |
| b) What is the Impact of Globalization on HR Policy and Practice? Explain.                  | (Unit-I, Q.No. 24)       |
| 3. a) What is HRP? Write the steps in HRP.  | (Unit-II, Q.No. 1, 3)    |
| OR  |                          |
| b) Briefly explain recruitment and process of selection.                                    | (Unit-II, Q.No. 37, 42)  |
| 4. a) Why the training is essential in organizations? Explain.                              | (Unit-III, Q.No. 7)      |
| OR  |                          |
| b) Explain the role and significance of career planning.                                    | (Unit-III, Q.No. 28, 29) |
| 5. a) What is the importance of harmonial industrial relations in an organization? Discuss. | (Unit-IV, Q.No. 3)       |
| OR  |                          |
| b) What is a Standing Order? Explain the role and contents of Standing Order.               | (Unit-IV, Q.No. 15, 17)  |
| 6. a) What is Organization Culture? Discuss its components.                                 | (Unit-V, Q.No. 19, 20)   |
| OR  |                          |
| b) What are the determinants of quality of work life? Explain.                              | (Unit-V, Q.No. 24)       |

FACULTY OF MANAGEMENT  
**B.B.A III - Semester (CBCS) Examination**  
**June / July - 2019**  
**HUMAN RESOURCE MANAGEMENT**

Time : 3 Hours]

[Max. Marks : 80

**Note : Answer all the question****PART - A (5 × 4 = 20 Marks)****[Short Answer Type]****ANSWERS**

1. Answer any five of the following questions :

- |                                |                     |
|--------------------------------|---------------------|
| (a) Staff authority            | (Unit-II, SQA-1)    |
| (b) Strategic HRM              | (Unit-I, SQA-1)     |
| (c) Job position               | (Unit-II, SQA-5)    |
| (d) Components of job analysis | (Unit-II, SQA-2, 3) |
| (e) Trainer roles              | (Unit-III, SQA-1)   |
| (f) Low ceiling careers        | (Unit-III, SQA-2)   |
| (g) Arbitration                | (Unit-IV, SQA-1)    |
| (h) Determinants of QWL.       | (Unit-V, SQA-1)     |

**PART - B (5 × 12 = 60 Marks)****[Essay Answer Type]****Note : Answer all the questions using the internal choice**

- |   |                         |
|---|-------------------------|
| 2. (a) What is the purpose of HRM? Identify and explain how its objectives contribute to that purpose?  | (Unit-I, Q.No. 3, 5)    |
| OR  |                         |
| (b) Describe the relevance of HRM in the context of globalization and diversification of workforce.   | (Unit-I, Q.No. 25)      |
| 3. (a) What is placement? What are the steps involved in the placement process?   | (Unit-II, Q.No. 46, 48) |
| OR  |                         |
| (b) What are the pre-requisites of an effective induction programme?  | (Unit-II, Q.No. 52)     |
| 4. (a) Describe the importance of experiential learning in training. Prepare a training schedule format for administrative staff of an educational institution. | (Unit-III, Q.No. 22)    |
| OR  |                         |
| (b) What is succession planning? How do organizations develop succession plans?   | (Unit-III, Q.No. 32)    |
| 5. (a) Define Industrial Relations and explain the sequential steps in the process.   | (Unit-IV, Q.No. 1, 7)   |

OR

- (b) What are health and safety management programs? What are the components of such programs used in organizations? **(Unit-IV, Q.No. 30)**
6. (a) Bring out the methods of performance appraisal. Explain them in detail. **(Unit-V, Q.No. 8)**

OR

- (b) Discuss the components of organization culture and their impact on productivity. **(Unit-V, Q.No. 20)**

FACULTY OF MANAGEMENT  
B.B.A (CBCS) III- Semester Examination  
November / December - 2018  
**HUMAN RESOURCE MANAGEMENT**

Time : 3 Hours]

[Max. Marks : 80

Note : Answer all the question

PART - A (5 × 4 = 20 Marks)

[Short Answer Type]

**ANSWERS**

1. Answer any five of the following questions :

- |  |                   |
|--|-------------------|
| (a) Line authority                     | (Unit-II, SQA-4)  |
| (b) Personnel Policy                   | (Unit-I, SQA-9)   |
| (c) Job worth                          | (Unit-II, SQA-6)  |
| (d) Sources of recruitment             | (Unit-II, SQA-7)  |
| (e) Vestibule training                 | (Unit-III, SQA-3) |
| (f) Succession planning                | (Unit-III, SQA-4) |
| (g) Negotiation                        | (Unit-IV, SQA-2)  |
| (h) Components of organization culture | (Unit-V, SQA-2)   |

PART - B (5 × 12 = 60 Marks)

[Essay Answer Type]

Note : Answer all the questions using the internal choice

- |   |                          |
|---|--------------------------|
| 2. (a) What are the major functions of HRM? Discuss in detail the major challenges of HRM.          | (Unit-I, Q.No. 9, 18)    |
| OR  |                          |
| (b) Distinguish between traditional HR practices and strategic HR practices.                        | (Unit-I, Q.No. 17)       |
| 3. (a) Differentiate between recruitment and selection.   | (Unit-II, Q.No. 45)      |
| OR  |                          |
| (b) Define Job Design? Discuss various approaches of job design.                                    | (Unit-II, Q.No. 19, 22)  |
| 4. (a) What is training evaluation? How is training ROI calculate by an organization?               | (Unit-III, Q.No. 19, 21) |
| OR  |                          |
| (b) What is career development? How do organizations cater to the challenges of career development? | (Unit-III, Q.No. 36, 40) |
| 5. (a) What do you mean by the IR system? What is its scope? Describe the perspectives of IR.       | (Unit-IV, Q.No. 1, 2, 4) |
| OR  |                          |

- (b) Define standing orders. Discuss the role and contents of standing orders. (Unit-IV, Q.No. 15, 17)
6. (a) Evaluate the significance of performance appraisal. What are its key objectives? Explain how self-appraisal can help in enhancing managerial effectiveness. (Unit-V, Q.No. 7)
- OR
- (b) What are the determinants of quality of work life? Discuss the impact of QWL on productivity. (Unit-V, Q.No. 24, 26)

**FACULTY OF MANAGEMENT****B.B.A II Year III Semester Examination****MAY / JUNE - 2018****HUMAN RESOURCE MANAGEMENT****Time : 3 Hours]****[Max. Marks : 80****Note : Answer all the question****PART - A (5 × 4 = 20 Marks)****[Short Answer Type]****ANSWERS**

1. Answer any five of the following questions :

- |                              |                   |
|------------------------------|-------------------|
| (a) Operational roles of HRM | (Unit-I, SQA-4)   |
| (b) Job Rotation             | (Unit-II, SQA-8)  |
| (c) Job enlargement          | (Unit-II, SQA-9)  |
| (d) Job specification        | (Unit-II, SQA-3)  |
| (e) Socialisation Process    | (Unit-II, SQA-10) |
| (f) Psychological contract   | (Unit-IV, SQA-3)  |
| (g) Arbitration              | (Unit-IV, SQA-1)  |
| (h) 360 Degrees feedback     | (Unit-V, SQA-3)   |

**PART - B (5 × 12 = 60 Marks)****[Essay Answer Type]****Note : Answer all the questions using the internal choice**

- |  |                              |
|--|------------------------------|
| 2. a) Define Human Resource Management. Explain the objectives and functions of HRM.   | (Unit-I, Q.No. 1, 5, 9)      |
| OR   |                              |
| b) Define Strategic HRM. Discuss the strategic management approach in organisations.   | (Unit-I, Q.No. 11, 14)       |
| 3. a) What is HR Planning ? Explain the process of HR Planning.  | (Unit-II, Q.No. 1, 3)        |
| OR   |                              |
| b) What is job evaluation ? Discuss its advantages in establishing a reward structure.   | (Unit-II, Q.No. 30, 36)      |
| 4. a) What is the purpose of training needs assessment ? Explain the steps to conduct training needs assessment at various levels of organisation. | (Unit-III, Q.No. 15, 17)     |
| OR   |                              |
| b) What is career planning ? Discuss the objectives and explain Greehaus career development model.   | (Unit-III, Q.No. 26, 27, 41) |
| 5. a) What are the objectives of Industrial Relations ? Discuss the various approaches to industrial relations.                                    | (Unit-IV, Q.No. 6, 7)        |
| OR   |                              |

- b) Write a note on legislation in India regarding employee health and safety (Unit-IV, Q.No. 29)
6. a) Explain the various methods of performance appraisal, along with their limitations. (Unit-V, Q.No. 8)

OR

- b) What is Quality of Work Life (QWL). What are the tools developed to measure and evaluate QWL programming in Organisations. (Unit-V, Q.No. 24, 29)



**FACULTY OF MANAGEMENT****B.B.A II Year III Semester Examination****December - 2017****HUMAN RESOURCE MANAGEMENT****Time : 3 Hours]****[Max. Marks : 80****Note : Answer all the question****PART - A (5 × 4 = 20 Marks)****[Short Answer Type]****ANSWERS**

1. Answer any five of the following questions :

- |                          |                   |
|--------------------------|-------------------|
| (a) HR planning          | (Unit-II, SQA-11) |
| (b) Job re-structuring   | (Unit-II, SQA-12) |
| (c) Job description      | (Unit-II, SQA-2)  |
| (d) Benefits of Training | (Unit-III, SQA-6) |
| (e) Protean Career       | (Unit-III, SQA-5) |
| (f) Tripartism           | (Unit-IV, SQA-4)  |
| (g) Assessment centres   | (Unit-V, SQA-6)   |
| (h) Quality of work      | (Unit-V, SQA-4)   |

**PART - B (5 × 12 = 60 Marks)****[Essay Answer Type]****Note : Answer all the questions using the internal choice**

- |  |                          |
|--|--------------------------|
| 2. a) What is HRM ? Differentiate between personnel management and HR management.                        | (Unit-I, Q.No. 1, 10)    |
| OR   |                          |
| b) Define HRM policy and discuss the challenges of HRM in the present scenario.                          | (Unit-I, Q.No. 19, 18)   |
| 3. a) Discuss the objectives of job analysis and explain the various methods of job analysis.            | (Unit-II, Q.No. 10, 17)  |
| OR   |                          |
| b) What are the sources available for recruitment in an organisation ? Explain the methods of selection. | (Unit-II, Q.No. 40, 43)  |
| 4. a) What are the objectives of training ? Explain the various methods of training.                     | (Unit-III, Q.No. 4, 8)   |
| OR   |                          |
| b) What is career planning ? Discuss how career planning influences productivity.                        | (Unit-III, Q.No. 26, 35) |

5. a) What are the consequences of industrial disputes ? Illustrate the various methods to resolve industrial disputes. **(Unit-IV, Q.No. 10, 14)**

OR

- b) What is the significance of Worker's Participation in Management (WPM). Present the pre-requisites for the success of WPM. **(Unit-IV, Q.No. 20)**
6. a) What is meant by performance appraisal ? Explain the possible errors in the process of performance appraisal. **(Unit-I, Q.No. 1, 13)**

OR

- b) Differentiate organisational climate from organisational culture. Discuss organisational culture as a comprehensive framework. **(Unit-I, Q.No. 23)**

**FACULTY OF MANAGEMENT**  
**BBA II Year - III Semester**  
**Model Paper - I**  
**HUMAN RESOURCE MANAGEMENT**

Time : 3 Hours ]

[Max. Marks : 80

**Note :** Answer **all** the questions

**PART - A (5 × 4 = 20 Marks)**

**[Short Answer type]**

**ANSWERS**

1. Answer any five of the following questions :

- |   |                    |
|---|--------------------|
| (a) Define Human Resource Management.           | (Unit-I, SQA-2)    |
| (b) Define the term job specification.          | (Unit-II, SQA-3)   |
| (c) Define Job Evaluation.                      | (Unit-II, SQA-6)   |
| (d) Define line authority.                      | (Unit-II, SQA-4)   |
| (e) Succession planning.                        | (Unit-III, SQA-4)  |
| (f) Training Needs Assessment (TNA).            | (Unit-III, SQA-10) |
| (g) Define workers participation In management. | (Unit-IV, SQA-11)  |
| (h) Define quality of work life.                | (Unit-V, SQA-4)    |

**PART - B (5 × 12 = 60 Marks)**

**[Essay Answer type]**

Answer all the questions using the internal choice

- |  |                         |
|--|-------------------------|
| 2. (a) What are the major functions of HRM.  | (Unit-I, Q.No. 9)       |
| (OR)   |                         |
| (b) Distinguish between traditional HR practices and strategic HR practices.   | (Unit-I, Q.No. 17)      |
| 3. (a) Explain the objectives and methods of Job Evaluation.   | (Unit-II, Q.No. 30, 33) |
| (OR)   |                         |
| (b) Elaborate in detail about various sources of recruitment.  | (Unit-II, Q.No. 40)     |
| 4. (a) Define training. Explain the various methods of training.   | (Unit-III, Q.No. 1, 8)  |
| (OR)   |                         |
| (b) Explain Greenhaus career development model.  | (Unit-III, Q.No. 41)    |
| 5. (a) Explain about principles and guidelines for effective handling of industrial disputes and industrial relations. | (Unit-IV, Q.No. 14)     |
| (OR)   |                         |

- (b) Bring out the essential conditions that must be present for collective bargaining successfully. **(Unit-IV, Q.No. 25)**
6. (a) Define Performance Appraisal. Explain the characteristics of Performance Appraisal. **(Unit-V, Q.No. 1)**
- (OR)
- (b) What are the differences between organizational climate and organizational culture. **(Unit-V, Q.No. 23)**

**FACULTY OF MANAGEMENT**  
**BBA II Year - III Semester**  
**Model Paper - II**  
**HUMAN RESOURCE MANAGEMENT**

Time : 3 Hours ]

[Max. Marks : 80

**Note :** Answer **all** the questions**PART - A (5 × 4 = 20 Marks)****[Short Answer type]****ANSWERS**

1. Answer any five of the following questions :

- |  |                    |
|--|--------------------|
| (a) Define HRM Policy.                         | (Unit-I, SQA-7)    |
| (b) Define staff authority.                    | (Unit-II, SQA-1)   |
| (c) Job Restructuring.                         | (Unit-II, SQA-12)  |
| (d) Define Training Evaluation.                | (Unit-III, SQA-11) |
| (e) Define career development.                 | (Unit-III, SQA-16) |
| (f) Roles of Trainer.                          | (Unit-III, SQA-1)  |
| (g) Define Standing Orders.                    | (Unit-IV, SQA-8)   |
| (h) Behaviorally Anchored Rating Scales (BARS) | (Unit-V, SQA-7)    |

**PART - B (5 × 12 = 60 Marks)****[Essay Answer type]**

Answer all the questions using the internal choice

- |   |                       |
|---|-----------------------|
| 2. (a) Define HRM Policy. State the characteristics of HRM Policy.                | (Unit-I, Q.No. 19)    |
| (OR)  |                       |
| (b) Define HRM. Identify and explain the objectives of human resource management. | (Unit-I, Q.No. 1, 5)  |
| 3. (a) Define Human Resource Planning (HRP). Explain the process of HR Planning.  | (Unit-II, Q.No. 1, 3) |
| (OR)  |                       |
| (b) Explain the various stages in employee selection process.                     | (Unit-II, Q.No. 42)   |
| 4. (a) Examine the various steps in analyzing training needs.                     | (Unit-III, Q.No. 17)  |
| (OR)  |                       |
| (b) Discuss how career planning influences productivity.                          | (Unit-III, Q.No. 35)  |
| 5. (a) Define Industrial Relations. Explain the nature of Industrial Relations.   | (Unit-IV, Q.No. 1)    |
| (OR)  |                       |

- (b) What are health and safety management programs ? What are the components of such programs used in organizations ? **(Unit-IV, Q.No. 30)**
6. (a) Bring out the methods of performance appraisal. Explain them in detail. **(Unit-V, Q.No. 8)**
- (OR)
- (b) Define Organization Culture. State the characteristics and components of Organization Culture. **(Unit-V, Q.No. 19, 20)**

**FACULTY OF MANAGEMENT**  
**BBA II Year - III Semester**  
**Model Paper - III**  
**HUMAN RESOURCE MANAGEMENT**

Time : 3 Hours ]

[Max. Marks : 80

**Note :** Answer **all** the questions**PART - A (5 × 4 = 20 Marks)****[Short Answer type]****ANSWERS**

1. Answer any five of the following questions :

- |                          |                    |
|--------------------------|--------------------|
| (a) HRD                  | (Unit-I, SQA-11)   |
| (b) Job Specification    | (Unit-II, SQA-3)   |
| (c) Job position         | (Unit-II, SQA-5)   |
| (d) Compensation         | (Unit-III, SQA-18) |
| (e) Trainer roles        | (Unit-III, SQA-1)  |
| (f) Vestibule training   | (Unit-III, SQA-3)  |
| (g) Negotiation          | (Unit-IV, SQA-2)   |
| (h) 360 Degrees feedback | (Unit-V, SQA-3)    |

**PART - B (5 × 12 = 60 Marks)****[Essay Answer type]**

Answer all the questions using the internal choice

- |   |                             |
|---|-----------------------------|
| 2. (a) HRD is part of HRM. Explain.   | (Unit-I, Q.No. 26)          |
| (OR)  |                             |
| (b) Explain the impact of globalization of HR policies & practices.             | (Unit-I, Q.No. 19)          |
| 3. (a) What is Job Analysis ? Explain in detail.                                | (Unit-II, Q.No. 7, 8)       |
| (OR)  |                             |
| (b) Explain the terms job rotation, job enlargement, and job enrichment.        | (Unit-II, Q.No. 23, 24, 26) |
| 4. (a) Why the training is essential in organizations? Explain.                 | (Unit-III, Q.No. 7)         |
| (OR)  |                             |
| (b) Explain the role and significance of career planning.                       | (Unit-III, Q.No. 28, 29)    |
| 5. (a) Define Industrial Relations. Explain the nature of Industrial Relations. | (Unit-IV, Q.No. 1)          |
| (OR)  |                             |

- (b) What is the importance of harmonial industrial relations in an organization? Discuss. **(Unit-IV, Q.No. 3)**
6. (a) What is Organization Culture? Discuss its components. **(Unit-V, Q.No. 19, 20)**
- (OR)
- (b) What are the determinants of quality of work life? Explain. **(Unit-V, Q.No. 24)**