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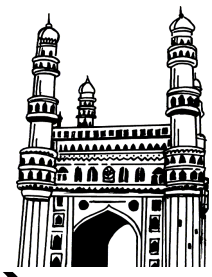

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MBA
I Year II Semester

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HUMAN RESOURCE MANAGEMENT

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HUMAN RESOURCE MANAGEMENT

CONTENTS

STUDY MANUAL

FAQ's and Important Questions	**V - IX**
Unit - I	**1 - 44**
Unit - II	**45 - 102**
Unit - III	**103 - 154**
Unit - IV	**155 - 202**
Unit - V	**203 - 264**
Internal Assessment	**265 - 270**

SOLVED MODEL PAPERS

Model Paper - I	**271 - 272**
Model Paper - II	**273 - 274**
Model Paper - III	**275 - 276**

SOLVED PREVIOUS QUESTION PAPERS

June / July - 2018	**277 - 277**
April / May - 2019	**278 - 279**
December - 2019	**280 - 281**
October / November - 2020	**282 - 282**
October / November - 2021	**283 - 283**
May - 2022	**284 - 284**
October / November - 2022	**285 - 285**
March - 2023	**286 - 287**

SYLLABUS

UNIT - I

Introduction of HRM: Introduction to HRM, Line Managers, HR Role and Responsibilities, New Approaches to Organizing HR, Globalization & Competition Trends, Technological Trends, Trends in Nature of Work, Workforce and Demographic Trends, Economic Challenges, High Performance Work System's, Equal Employment Opportunity, HR Score Card. Human Resource Information System (HRIS), e-HRM, HR Analytics: An Introduction.

UNIT - II

Recruitment and Selection: Basics of Talent Management Process, Job Analysis, Methods for Collecting Job Analysis Information, Job Descriptions and Specifications, Job Satisfaction, Job Enlargement, Job Enrichment and Job Rotation, HR Planning, Recruitment, e-Recruitment & Selection Process, Planning & Forecasting of human Resources, Sources of Recruitment, Recruitment on Diverse Work Force, Employee Testing and Selection, Basic Types of Interviews, Errors in Interviews.

UNIT - III

Training and Development and Performance Management: Importance of Training and Development, Training Process, Analyzing Training Needs & Designing the Program, Implementation of training programs, Training Methods, Management Development Process, Evaluation of Training and Development programs.

Performance Management: Concept of Performance Management and Appraisal, The Performance Appraisal Process, Techniques for Performance Appraisal, Career Management.

UNIT - IV

Compensation and Employee Welfare: Basic Factors in Determining Pay Rates, Job Evaluation Methods, Compensation and Reward Structure, Pricing Managerial and Professional Jobs, Performance based Pay Benefits: Insurance, Retirement Benefits, Employee Welfare Facilities. Salient Features of Workmen Compensation Act & Minimum Wages Act.

UNIT - V

Employee Relations: Labor Movement, Collective Bargaining Process, Grievances: Grievances Handling Procedure, Employee Separation, Employee Safety and Health, Occupational Safety Law, Work Place Health Hazards Problems, Remedies and Work-Life Integration, Stress Management: Salient Features of Industrial Disputes Acts 1947, Factories Act. **Prevention of Sexual Harassment** (PoSH) and Migrant Labor Act.

Contents

UNIT - I

Topic **Page No.**

1.1 Introduction of HRM 1
1.2 Line Managers 6
1.3 HR Role and Responsibilities 6
1.4 New Approaches to Organizing HR 12
1.5 Trends Shaping HRM 13
1.5.1 Globalization & Competition Trends 13
1.5.2 Technological Trends 13
1.5.3 Trends in Nature of Work 14
1.5.4 Workforce and Demographic Trends 15
1.5.5 Economic Challenges 16
1.6 High Performance Work System's 18
1.7 Equal Employment Opportunity 19
1.8 HR Score Card 21
1.9 Human Resource Information System (HRIS) 23
1.10 e-HRM 31
1.11 HR Analytics 35
1.11.1 An Introduction 35
- **Short Question and Answers ..... 37 - 40**
- **Choose the Correct Answers ..... 41 - 42**
- **Fill in the Blanks ..... 43 - 43**
- **One Mark Answers ..... 44 - 44**

UNIT - II

2.1 Basics of Talent Management Process 45
2.2 Job Analysis 49
2.3 Methods for Collecting Job Analysis Information 54
2.4 Job Descriptions and Specifications 55
2.5 Job Satisfaction 58
2.6 Job Design 58
2.6.1 Job Design Approaches 61
2.6.1.1 Job Enlargement 61

Topic **Page No.**

2.6.1.2 Job Enrichment 62
2.6.1.3 Job Rotation 64
2.7 HR Planning 65
2.8 Recruitment 76
2.8.1 Sources of Recruitment 79
2.8.2 Recruitment on Diverse Work Force 81
2.8.3 e-Recruitment 84
2.9 Selection 85
2.9.1 Selection Process 85
2.10 Planning & Forecasting of Human Resources 87
2.11 Employee Testing and Selection 88
2.12 Interview 89
2.12.1 Basic types of Interviews 90
2.12.2 Errors in Interviews 93
- **Short Question and Answers ..... 95 - 99**
- **Choose the Correct Answers ..... 100 - 100**
- **Fill in the Blanks ..... 101 - 101**
- **One Mark Answers ..... 102 - 102**

UNIT - III

3.1 Training and Development 103
3.2 Importance of Training and Development 105
3.3 Training Process 107
3.3.1 Analyzing Training Needs & Designing the Program 107
3.4 Training Methods 113
3.4.1 Implementation of Training Programmes 113
3.5 Management Development 120
3.5.1 Management Development Process 121
3.6 Evaluation of training and development programmes 122
3.7 Concept of Performance Management 126
3.7.1 Concept of Performance Appraisal 127
3.7.2 The Performance Appraisal Process 131

Topic		Page No.
	3.7.3 Techniques for Performance Appraisal	133
3.8	Career Management	137
	3.8.1 Career Planning	138
	3.8.2 Career Development	144
	➢ **Short Question and Answers**	**147 - 151**
	➢ **Choose the Correct Answers**	**152 - 152**
	➢ **Fill in the Blanks**	**153 - 153**
	➢ **One Mark Answers**	**154 - 154**
	UNIT - IV	
4.1	Compensation	155
4.2	Basic Factors in Determining Pay Rates	159
4.3	Job Evaluation	162
	4.3.1 Job Evaluation Methods	164
4.4	Compensation and Reward Structure	169
4.5	Pricing Managerial and Professional Jobs	174
4.6	Performance based Pay	176
	4.6.1 Benefits	181
4.7	Insurance–Retirement Benefits	182
4.8	Employee Welfare Facilities	186
4.9	Salient Features of Workmen Compensation Act 1923	188
4.10	Minimum Wages Act 1948	191
	➢ **Short Question and Answers**	**196 - 199**
	➢ **Choose the Correct Answers**	**200 - 200**
	➢ **Fill in the Blanks**	**201 - 201**
	➢ **One Mark Answers**	**202 - 202**
	UNIT - V	
5.1	Employee Relations	203
5.2	Labor Movement	204
5.3	Collective Bargaining	210
	5.3.1 Collective Bargaining Process	213

Topic **Page No.**

5.4 Grievances 214

5.4.1 Grievances handling procedure 215

5.5 Employee Separation 218

5.6 Employee Safety and Health 219

5.6.1 Occupational Safety Law 219

5.6.2 Work Place Health Hazards Problems & Remedies 221

5.6.3 Work life Integration 224

5.7 Stress Management 229

5.8 Salient Features of Industrial Disputes Acts 1947 235

5.9 Factories Act 1948 240

5.10 Prevention of Sexual Harassment (POSH) 254

5.10.1 Migrant Labour Act 255

- **Short Question and Answers ..... 258 - 261**
- **Choose the Correct Answers ..... 262 - 262**
- **Fill in the Blanks ..... 263 - 263**
- **One Mark Answers ..... 264 - 264**

Frequently Asked & Important Questions

UNIT - I

1. Explain the need for HRM.

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

Refer Unit-I, Q.No. 2.

2. Who are line managers. Explain the duties of line managers.

Ans : **(March-23, Nov.-22, May-22, Imp.)**

Refer Unit-I, Q.No. 7.

3. What are the functions of HRM?

Ans : **(May-22, May-19, Imp.)**

Refer Unit-I, Q.No. 8.

4. Describe the New approach in organizing HR.

Ans : **(May-22, July - 18, March-16)**

Refer Unit-I, Q.No. 9.

5. Explain the impact of globalization on HRM.

Ans : **(Nov.-21, Aug.-16)**

Refer Unit-I, Q.No. 10.

6. Discuss the technological trends HRM with example.

Ans : **(Nov.-20, Imp.)**

Refer Unit-I, Q.No. 11.

7. Explain in detail about the equal em-ployment - opportunity 1990-1991.

Ans : **(May-22, May-19)**

Refer Unit-I, Q.No. 20.

8. Explain the importance of HR Score card.

Ans : **(May-22, July-18, Aug.-17, Aug.-16)**

Refer Unit-I, Q.No. 22.

9. Define HR Analytics. Explain the various metrics of HR Analytics.

Ans : **(Imp.)**

Refer Unit-I, Q.No. 37.

UNIT - II

1. Explain the various stages in Talent Management Process ?

Ans : **(May-22, Imp.)**

Refer Unit-II, Q.No. 5.

2. Define job analysis. Explain the nature of job analysis.

Ans : **(March-15, Imp.)**

Refer Unit-II, Q.No. 6.

3. What are the major steps in conducting job analysis?

Ans : **(Nov.-22, Dec.-19, Imp.)**

Refer Unit-II, Q.No. 8.

4. Elucidate the various Methods for Collecting Job Analysis Information

Ans : **(March-23, Apr.-17, Mar.-16)**

Refer Unit-II, Q.No. 12.

5. Define job description. What are the characteristics of good job description ?

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

Refer Unit-II, Q.No. 13.

6. Outline the process of Human Resource planning.

Ans : **(Nov.-20, Imp.)**

Refer Unit-II, Q.No. 28.

7. Explain the process of recruitment.

Ans : **(March-23, Imp.)**

Refer Unit-II, Q.No. 34.

8. Summarise the different sources of Recruiment. State its merits and demerits.

Ans : **(Nov.-21, Dec.-19, May-19, Sep.-16, Sep.-14)**

Refer Unit-II, Q.No. 35.

9. Distinguish between different methods of recruitment.

Ans : **(Aug.-17, Sept.-15)**

Refer Unit-II, Q.No. 37.

10. Explain the steps involved selection process in detail.

Ans : **(March-23, Nov.-21, Dec.-19)**

Refer Unit-II, Q.No. 40.

11. Define Planning and Forecasting. Explain the main methods that are used in employment planning and fore-casting.

Ans : **(May-22, Imp.)**

Refer Unit-II, Q.No. 42.

12. Outline the common errors in the interview process.

Ans : **(March-23, Nov.-22, Nov.-20)**

Refer Unit-II, Q.No. 47.

UNIT - III

1. Explain the importance of training and development.

Ans : **(March-23, Nov.-21, May-19)**

Refer Unit-III, Q.No. 4.

2. On what basis the management will analysis the training needs. Design a suitable training programme fro business executives of any company.

Ans : **(March-23, May-22, Nov.-21, Dec.-19, Aug.-16, Mar.-15)**

Refer Unit-III, Q.No. 6.

3. Examine the various steps in analyzing training needs.

Ans : **(May-22, Aug.-17)**

Refer Unit-III, Q.No. 7.

4. Explain the various methods of training its merits and demerits.

Ans : **(Nov.-22, Sep.-14, Feb.-12)**

Refer Unit-III, Q.No. 10.

5. Explain the important computer based training methods used in production units in Indian organizations.

Ans : **(July-18)**

Refer Unit-III, Q.No. 12.

6. Describe the steps involved in Evaluation of Training Program.

Ans : **(Dec.-19, Mar.-16)**

Refer Unit-III, Q.No. 17.

7. Outline the process of performance appraisal.

Ans : **(March-23, Imp.)**

Refer Unit-III, Q.No. 28.

8. Explain Modern methods of performance appraisal.

Ans : **(March-23, May-22, Nov.-20, Aug.-16, Mar.-15, Sept.-13)**

Refer Unit-III, Q.No. 31.

9. Define Career Planning. What are the characteristics of Career Planning?

Ans : **(Imp.)**

Refer Unit-III, Q.No. 35.

UNIT - IV

1. Explain the various modes of compensation.

Ans : **(Nov.-22, Aug.-16, Imp.)**

Refer Unit-IV, Q.No. 3

2. Discuss the advantages and problems of linking compensation with performance.

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

Refer Unit-IV, Q.No. 7.

3. What are the basic factors determining pay rates ?

Ans : **(March-23, Nov.-20, Dec.-19, May-19)**

Refer Unit-IV, Q.No. 8.

4. Define job evaluation. What are the objectives of job evaluation?

Ans : **(May-22, Aug.-15)**

Refer Unit-IV, Q.No. 9.

5. What are the various quantitative and non quantitative methods of job evaluation.

Ans : **(May-22, Nov.-21, Dec.-19, Sep.-13, Feb.-12)**

Refer Unit-IV, Q.No. 11.

6. Explain briefly compensation for special groups.

Ans : **(Aug.-18, Sep.-13)**

Refer Unit-IV, Q.No. 21.

7. Define the term welfare. Explain various types of employee welfare facilities.

Ans : **(Nov.-20, May-19)**

Refer Unit-IV, Q.No. 31.

8. Explain the Salient Features of Workmen Compensation Act 1923.

Ans : **(Aug.-17, Aug.-16, Mar.-15)**

Refer Unit-IV, Q.No. 33.

9. What points should be taken into consideration while fixing minimum wages?

Ans : **(March-23, Imp.)**

Refer Unit-IV, Q.No. 35.

10. Explain the modifications would like to propose on workmen's compensation Act and minimum wages Act.

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

Refer Unit-IV, Q.No. 38.

11. Write about salient features of minimum wage act.

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

Refer Unit-IV, Q.No. 39.

UNIT - V

1. Describe the steps involved in collective barganing process.

Ans : **(March-23, May-22, Nov.-20, Dec.-19, Feb.-17, Mar.-16, Aug.-11)**

Refer Unit-V, Q.No. 12.

2. Nature the stages of grievances procedure.

Ans : **(Nov.-22, May-19, Mar.-15, Sep.-14, Aug.-11)**

Refer Unit-V, Q.No. 15.

3. Suggest suitable measures to minimize work place health hazards problems which employees are facing.

Ans: **(May-22, Aug.-l7, Sept.-16, Mar.-15)**

Refer Unit-V, Q.No. 23.

4. Explain the characteristics of Industrial Disputes Act.

Ans : **(Mar.-16, Imp.)**

Refer Unit-V, Q.No. 36.

5. Discuss the sailent features of factories act.

Ans : **(Aug.-17, Sep.-14)**

Refer Unit-V, Q.No. 42.

6. What are the challanges and strategies for enforcing Prevention of Sexual Harassment.

Ans : **(Imp.)**

Refer Unit-V, Q.No. 49.

7. Explain briefly about Migrant Labour Act.

Ans : **(Imp.)**

Refer Unit-V, Q.No. 50.

UNIT I

Introduction of HRM: Introduction to HRM, Line Managers, HR Role and Responsibilities, New Approaches to Organizing HR, Globalization & Competition Trends, Technological Trends, Trends in Nature of Work, Workforce and Demographic Trends, Economic Challenges, High Performance Work System's, Equal Employment Opportunity, HR Score Card. Human Resource Information System (HRIS), e-HRM, HR Analytics: An Introduction.

1.1 INTRODUCTION OF HRM

Q1. Define Human Resource Management (HRM). Explain the nature of HRM.

Ans :

Meaning

Human Resource Management is a process of bringing people and organizations together so that the goals each are met. It is that part of the management process which is concerned with the management of hurri-resources is an organization. It tries to secure the best from people by winning their whole hearted co-operation In short, it may be defined as the art of procuring, developing and maintaining competent work force to achieve e the goals of an organization is an effective and efficient manner.

Human Resource Management may be defined as the art of procuring, developing and maintaining compete: workforce to achieve organizational goals efficiently.

Human Resource Management (HRM) is the utilization of individuals to achieve organizational objectives Consequently, managers at every level must concern themselves with HRM. Basically, all managers get thine done through the efforts of others, this requires effective HRM.

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".

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Human Resource Management could thus be viewed as a dynamic process which needs to be kept aligned with the changing realities in the environment.

Nature

Nature of HRM are shown in figure below:

1. Pervasive Force

HRM is pervasive is 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 manages 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 short 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.

Q2. Explain the need for HRM.

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

It assists employees in attaining individual and organizational goals. This approach has been gaining the attention of management professionals in the last decade or so.

1. For Good Industrial Relations

There is large spread unrest, labor-management disputes, lack of trust in each other, increasing expectations of workers, growing of militancy in trade unions etc. These factors have generated a gap among workers and managements. Both sides are blaming of exploitation by the other side. In

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the absence of cordiality in an organization, the performance of workers is adversely affected.

HRM approach is needed to bring proper understanding among workers and management. The workers are trained and developed to meet their individual and organizational objectives. The workers are made to understand that various managerial actions will assist them in achieving their aspirations and organization's goal.

2. Create Organizational Commitment

There is a humanization of work environment in industrially advanced countries like Japan, U.S.A., and Germany etc. Globalization of economy has exposed Indian industries to international competition. An improvement in efficiency and quality of work can come only when workers develop organizational commitment. HRM approach helps in creating a sense of pride for the organization among the employees.

3. Meeting with Changing Environment

The business environment is changing rapidly. Technological improvements have revolutionized production processes. Automation has been introduced in office operations. Good communi-cation methods have revolutionized important areas of business.

Therefore, there is a need to cope with new and changing situation. The operational efficiency of workers must cope up with a revolutionary change in the technology which necessitates a new approach to manpower.

4. Change in Political Philosophy

Political philosophy has also undergone a substantial change all over the world. The new approach is to develop human resources properly for making their better use. In India, Central Government has created a separate ministry as Human Resource Development and put it under a Senior Cabinet Minister.

This shows the importance given to human resources in India, which opened up a door for a fresh approach to human resource development in the industrial sector too.

5. Enhanced Pressure On Employees

The technological innovations have made possible the use of sophisticated machines. The installation, monitoring of machines, maintenance and controlling of operations etc., require large number of trained and skillful personnel.

Technicians, repairers and service people are also necessary. The more the technical development and automation, the more would be the depen-dence on human beings. There should, therefore, be greater need for humane approach to manpower. Similarly, use of more capital intensive methods would result in greater productivity of men necessitating greater motivating and greater human resources approach to management.

6. Meeting Research and Development Requirements

Fresh initiatives and emphasis on research and development in the realm of industry also led to a new policy of human resource development to cope with the increasing demand for technically capable people. As a result of this, a need arose for a new approach to human resources.

Q3. Elucidate the evolution of Human Resource Management.

Ans : **(March - 15)**

The field of HRM as it currently exists represents a crystallization of a variety of historical and contemporary factors:

1. The Industrial Revolution

During this period machines were brought in; technology made rapid progress; jobs were more fragmented where the worker did only a small portion of the total job; and specialization increased speed and efficiency but left workers with dull, boring and monotonous jobs. Workers were treated like 'glorified machine tools'. Employers v/ere keen to meet production targets rather than satisfy workers' demands. Government did very little to protect the interests of workers.

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2. Scientific Management

To improve efficiency and speed F.W. Taylor advocated scientific management. Scientific management is nothing but a systematic analysis and breakdown of work into its smallest mechanical elements and rearranging them into their most efficient combination. In addition to the scientific study of the task itself, Taylor argued that individuals selected to perform the tasks should be as perfectly matched, physically and mentally, to the requirements of the task as possible and that overqualified individuals should be excluded.

3. Trade Unionism

Workers joined hands to protect against the exploitative tendencies of employers and the prohibitive, unfair-labor practices through unions. Unions tried to improve the lot of workers through collective bargaining, resolving the grievances of workers relating to working conditions, pay and benefits, disciplinary actions, etc.

4. Human Relations Movement

The famous Hawthorne experiments conducted by Elton Mayo and his Harvard colleagues during 1930s and 1940s demonstrated that employee productivity was affected not only by the way the job was designed and the manner in which employes were rewarded economically, but by certain social and psychological factor as well.

The human relations movement led to the wide scale implementation of behavioral science techniques in industry for the first time which included supervisory training programs, emphasizing support and concern for workers, programs to strengthen the bonds between labor and management and counseling programs whereby employees were encouraged to discuss both work and personal problems with trained counselors.

The movement was also influenced by the growing strength of unions during the late 1930s and 1940s. The rise of unionism during this period was due to the passage of the Wagner Act which gave workers the legal right to bargain collectively with employers over matters concerning, wages, job security, benefits ad many other conditions of work.

5. Human Resources Approach

However, during early 60s the 'pet milk theory', (advocating that happy workers are productive workers or happy cows give more milk) of human religionists had been largely rejected. Recognizing the fact that workers are unique in their own way - having individual needs. It was recognized that each employee is a unique and highly complex individual with different wants, needs and values. What motivates one employee may not motivate another and being happy or feeling good may have little or no impact on the productivity of certain employees. Slowly but steadily, the trend towards treating employees as resources or assets emerged.

Q4. Explain the significance Human Resource Management.

Ans : **(March - 15)**

HRM becomes significant for business organization due to the following reasons.

1. Objective

HRM helps a company to achieve its objective from time to time by creating a positive attitude among workers. Reducing wastage and making maximum use of resources etc.

2. Facilitates Professional Growth

Due to proper HR policies employees are trained well and this takes them ready for future promotions. Their talent can be utilized not only in the company in which they are currently working but also in other companies which the employees may join in the future.

3. Better relations between union and management

Healthy HRM practices can help the organization to maintain co-ordinal relationship with the unions. Union members start realizing that the company is also interested in the workers and will not go against them therefore chances of going on strike are greatly reduced.

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4. Helps an individual to work in a team/ group

Effective HR practices teach individuals team work and adjustment. The individuals are now very comfortable while working in team thus team work improves.

5. Identifies person for the future

Since employees are constantly trained, they are ready to meet the job requirements. The company is also able to identify potential employees who can be promoted in the future for the top level jobs. Thus one of the advantages of HRM is preparing people for the future.

6. Allocating the jobs to the right person

If proper recruitment and selection methods are followed, the company will be able to select the right people for the right job. When this happens the number of people leaving the job will reduce as the will be satisfied with their job leading to decrease in labour turnover.

7. Improves the economy

Effective HR practices lead to higher profits and better performance by companies due to this the company achieves a chance to enter into new business and start new ventured thus industrial development increases and the economy improves.

Q5. What are the objectives of Human Resource Management.

Ans : **(Aug. - 17)**

The following are the objectives of Human Resource Management :

1. Societal Objectives

It 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 standalone 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 in brief about different duties of HR manager.

OR

What are the primary duties of HR manager?

OR

Regardless of the size of the organizations, what are the minimum functions to be performed by HR manager in an organization?

Ans : **(Sept.-I6)**

Human resource manager performs the three different functions as follows,

1. Line Function

The human resource manager controls and monitors the activities of people functioning in his or her own department and also in the associated spheres such as the plant cafeteria.

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2. Co-ordinative Function

The human resource manager carries out the duty which is usually called as "functional authority" by co-ordinating the personnel activities. It is the responsibility of HR manager to make sure that the line managers follow the human resource policies and practices of the firm. For instance, strictly following the policies related to leaves.

3. Staff (Assist and Advise) Functions

The main function of human resource manager is to support and guide the line managers whenever they need. He/ she must give guidance related to personnel aspects of the company's strategic options to CEO. HR manager helps in appointing, providing training, carrying out evaluation, giving rewards, conducting counseling, looking out for promotions and firing off the employees. The HR manager also manages different benefit programs and also facilitates the line managers to follow the equal Employment and occupational safety laws, with the help of which they can deal with the grievances and labour relations.

1.2 LINE MANAGERS

Q7. Who are line managers. Explain the duties of line managers.

Ans : **(May-22)**

Line managers posses line authority with which they can give place orders to other managers or the employees. The line authority helps in developing a superior-subordinate relationship. Usually, managers link line managers with the managing operations such as sales or production which is necessary for the existence of the company. Human resource managers are the staff managers who help and guide the line managers in various activities like recruiting, hiring and compensation.

Duties of Line Managers

The most important duty of any line manager is to deal with people directly right from president to that of the first-line supervisors.

1. Positioning the right person in a right job.
2. Conducting orientation program for the new employees in the organization.
3. Providing training to the employees for the jobs which are new to them.
4. Enhancing the performance of all the employees in an organization.
5. Seeking and obtaining cooperation and building good cordial working relationships.
6. Explaining and understanding the policies and methods of the company.
7. Monitoring the labour costs.
8. Building and improving the capabilities of all the employees.
9. Building and carrying out the morale of the department.
10. Safeguarding the health and physical condition of the employees.

1.3 HR ROLE AND RESPONSIBILITIES

Q8. Discuss the roles and responsibilities of HR.

(OR)

What are the functions of HRM?

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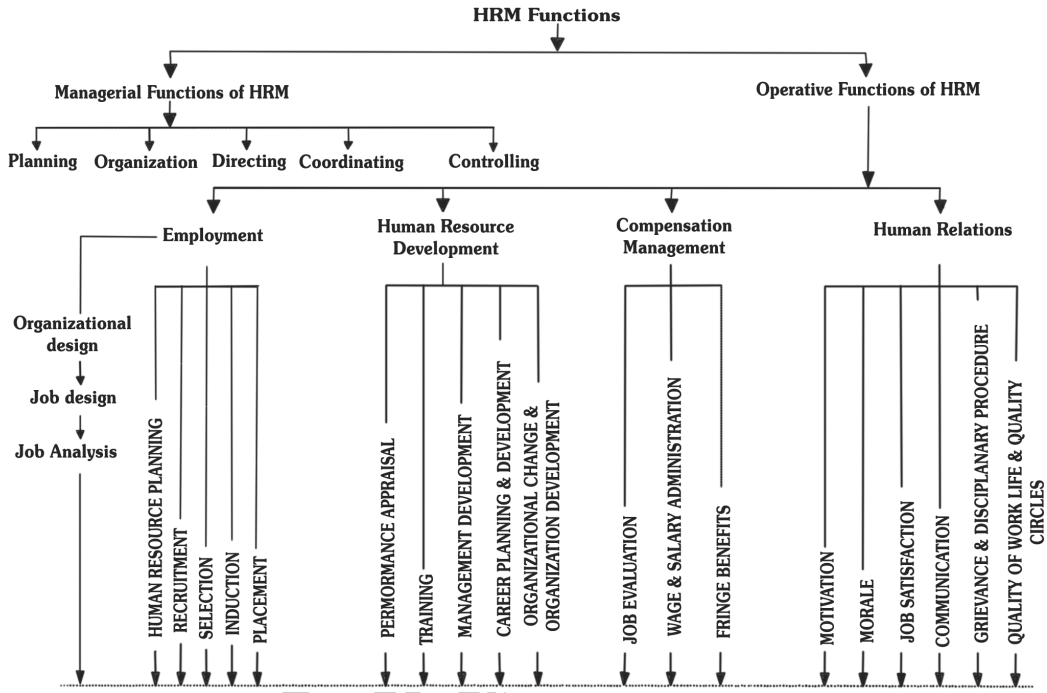
Ans : **(May-22, May-19, Aug. - 15, 17)**

The Functions of HRM can be broadly classified into two categories, viz:

1. Managerial Functions
2. Operative Functions



A) Managerial Functions

Managing people is the essence of being a manager. A human resource manager performs the functions of planning, organizing, directing and controlling.

1. Planning

Planning may be defined as deciding in advance what is to be done in future. It is the process of thinking before doing. It is a pre-determined course of action. Planning is determination of personnel programs and changes in advance that will contribute to the organizational goals. In other words it involves planning of human resources, requirement, recruitment, selection, training etc. It also involves forecasting of personnel needs, changing values, attitudes and behavior of employees and their Impact on organization.

2. Organizing

Organizing is the process of arranging people and other resources to work together to accomplish a goal. It is essential to carry out the determined course of action. Thus, organization establishes relationships among the employees so that they can collectively contribute to the attainment of company goals.

3. Directing

The next logical function after completing planning and organizing is the execution of the plan. The basic function of personnel management at any level is motivating commanding, leading and activating people. Thus, direction is an important managerial function in building sound industrial and human relations besides securing employee contributions.

4. Coordinating

Organizational objectives will be achieved only if group activities in the enterprise are coordinated effectively. Coordination of personnel is required at all levels of management. Personnel department coordinates the task of developing, interpreting and reviewing personnel policies and programs related to employees. The final decisions may be left to line managers but personnel department marks suggestions for improvements.

5. Controlling

After planning, organizing and directing various activities of the personnel management, the performance is to be verified in order to know whether the personnel functions are performed in conformity with the plans and directions or not. Controlling also involves checking, verifying and comparing the accruals with the plans, identification of deviations if any and correcting of identified deviations.

B) Operative Functions

The operative functions of personnel management are related to specific activities of personnel management (figure), viz., employment, development, compensation and relations. All these functions are interacted by managerial functions.

1. Employment

It is the first operative function of Human Resources Management (HRM). Employment is concerned with securing and employing the people possessing required kind and level of human resources necessary' to achieve the organizational objectives. It covers the functions such as job analysis, human resource planning, recruitment, selection, placement, induction and internal mobility.

(i) Job Analysis: It is the process of study and collection of information relating to the operations and responsibilities of a specific job. It includes:

(a) Collection of data, information, facts and ideas relating to various aspects of jobs including men, machines and materials.

(b) Preparation of job description, job specification, job requirements and employees specification which will help in identifying the nature, levels and quantum of human resources.

(c) Providing the guides, plans and basis for job design and for all operative functions of HRM.

(ii) Human Resources Planning: It is the process of getting the right number of qualified people into the right job at the right time. It is a system of matching the supply of people (existing employees and those to be hired or searched for) with openings the organization expects over a given time frame. It involves:

(a) Estimation of present and future requirements and supply of human resources based on objectives and long range plans of the organization.

(b) Calculation of net human resources requirements based on present inventory of human resources.

(c) Taking steps to mould, change, and develop the strength of existing employees in the organization so as to meet the future human resource requirements.

(d) Preparation of action programs to get the rest of human resources from outside the organization and too develop the human resources of existing employees.

(iii) Recruitment: It is the process of searching for prospective employees and stimulating them to apply for jobs in an organization. It deals with:

(a) Identification of existing sources of applicants and developing them.

(b) Creation/identification of new sources of applicants.

(c) Stimulating the candidates to apply for jobs in the organization.

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(d) Striking a balance between internal and external sources.

(iv) Selection: It is the process of ascertaining the qualifications, experience, skill knowledge etc., of an applicant with a view to appraising his/her suitability to a job appraising: This function includes:

(a) Framing and developing application blanks.

(b) Creating and developing valid and reliable testing techniques.

(c) Formulating interviewing techniques.

(d) Checking of references,

(e) Setting up medical examination policy and procedure.

(f) Line manager's decision.

(g) Sending letters of appointment and rejection.

(h) Employing the selected candidates who report for duty.

(v) Placement: It is the process of assigning the selected candidate with the most suitable job m terms of job requirements. It is matching of employee specifications with job requirements. This function includes:

(a) Counseling the functional managers regarding placement.

(b) Conducting follow-up-study, appraising employee performance in order to determine employee adjustment with the job.

(c) Correcting misplacements, if any.

(vi) Induction and Orientation: Induction and orientation are the techniques by which a new employee is rehabilitated in the changed surrounding and introduced to the practices, policies, purposes and people etc.. of the organization.

(a) Acquaint the employee with the company philosophy, objectives, policies, career planning and development, opportunities, product, marker share, social and community' standing, company history, culture etc.

(b) Introduce the employee to the people with whom he has to work such as peers, supervisors and subordinates.

(c) Mould the employee attitude by orienting him to the new working and social environment.

2. Human Resources Development

It is the process of improving, moulding and changing the skills, knowledge, creative ability, aptitude, attitude, values, commitment etc., based on present and future job and organizational requirements.

This function includes:

(i) Performance Appraisal: It is the systematic evaluation of individuals with respect to their performance on the job and their potential for development. It includes:

(a) Developing policies, procedures and techniques.

(b) Helping the functional managers.

(c) Reviewing of reports and consolidation of reports.

(d) Evaluating the effectiveness of various programs.

(ii) Training: It is the process of imparting the employees the technical and operating skills and knowledge. It includes:

(a) Identification of training needs of the individuals and the company.

(b) Developing suitable training programs.

(c) Helping and advising; line management in the conduct of training programs.

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(d) Imparting of requisite job skills and knowledge to employees.

(e) Evaluating be effectiveness of training programs.

(iii) Management Development: It is the process of designing and conducting suitable executive development programs so as to develop the managerial and human relation skill of employees. It includes:

(a) Identification of the areas in which management development is needed.

(b) Conducting development programs.

(c) Motivating the executives.

(d) Designing special development pro-grams for promotions.

(e) Using the services of specialists, and/or utilizing of the institutional executive development programs.

(f) Evaluating the effectiveness of executive development programs.

(iv) Career Planning and Development: It is the planning of one's career and implementation of career plans by means of education, training, job search and acquisition of work experiences. It includes internal and external mobility.

(a) Internal Mobility: It includes vertical and horizontal movement of an employee within an organization. It consists of transfer, promotion and demotion.

- **Transfer:** It is the process of placing employees in the same level jobs where they can be utilized more effectively in consistence with their potentialities and needs of the employees and the organization. It also deals with:
  - Developing transfer policies and procedures.
  - Guiding employees and line management on transfer.
  - Evaluating the execution of transfer policies and procedures,
- **Promotion:** It deals with upward reassignment given to an employee in the organization to occupy higher position which commands better status and/or pay keeping in view the human resources of the employees and the job requirements.
  - This function covers the formulating of equitable, fair and consistent promotion policies and procedures.
  - Advising line management and employees on matters relating to promotion.
  - Evaluating the execution of promotion policies and procedures.
- **Demotion:** It deals with downward reassignment to an employee in the organization:
- Develop equitable, fair and consistent demotion policies and procedure.
- Advising line managers on matters relating to demotions.
- Oversee the implementations of demotion policies and procedures.

(b) External Mobility: External mobility is of two types, viz., accessions and separations.

- **Accessions:** Accessions are additions of new candidates to the existing employees. Accessions include employment of new candidates, reemployment of former employees, employees called back to work after lay-off, etc.

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- **Separations:** Separations mean termination of employment. They are also called employee turnover. They include:
- **Voluntary' Quit:** Voluntary quit or resignations by employees when they are dissatisfied with the present job and/or organization, or when they get better employment in other organizations.
- **Lay-off or Lack of Work:** Organizations terminate the services of employees when the jobs are eliminated or reduced due to adoption to technology or adverse business conditions or lack of power, materials, breakdown of machinery', etc.
- **Disciplinary Lay-off or Discharge:** Organizations terminate the services of employees if they are dissatisfied with the performance or conduct of employees.
- Retirement, and
- **Deaths:** Stages in External Mobility: There are four stages in external mobility, viz.: Exploration, Establishment including mutual recruitment, acceptance to the recruitment conditions, entry, having first job assignment settlement, transfer, promotion and granting of tenure, Maintenance stage, and Decline stage.

(v) Organization Development: It is a planned process designed to improve organization effectiveness and health through modifications in individual and group behavior, culture and systems of the organization using knowledge and technology of applied behavioral science.

3. Compensation

It is process of providing adequate, equitable and fair remuneration to the employees. It includes job evaluation, wage and salary administration, incentives, bonus, fringe benefits, social security measures, etc.

(i) Job Evaluation: It is the process of determining relative worth of jobs:

(a) Select suitable job evaluation techniques.

(b) Classify jobs into various categories.

(c) Determining relative value of jobs in various categories.

(ii) Wage and Salary Administration: This is the process of developing and operating a suitable wage ad salary' program. It covers:

(a) Conducting wage and salary survey.

(b) Determining wage and salary' rates based on various factors.

(c) Administering wage and salary programs.

(d) Evaluating its effectiveness.

(iii) Incentives: It is the process of formulating, administering and reviewing the schemes of financial incentives in addition to regular payment of wages and salary. It includes:

(a) Formulating incentive payment schemes.

(b) Helping functional managers on the operation.

(c) Review them periodically to evaluate effectiveness.

(iv) Bonus: It includes payment of statutory bonus according to the Payment of Bonus Act, 1965, and its latest amendments.

(v) Fringe Benefits: These are the various benefits at the fringe of the wage Management provides these benefits to motivate the employees and to meet their life's contingencies. These benefits include:

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(a) Disablement benefit.

(b) Housing facilities

(c) Educational facilities to employees and children.

(d) Canteen facilities. Recreational facilities.

(e) Conveyance facilities.

(f) Credit facilities.

(g) Legal clinic.

(h) Medical, maternity and welfare facilities.

(i) Company stores.

(vi) Social Security Measures: Managements provide social security to their employees in addition to the fringe benefits. These measures include:

(a) Workmen's compensation to those workers (or there dependents) who involve in accidents.

(b) Maternity benefits to women employees.

(c) Sickness benefits and medical benefits.

(d) Disablement benefits/allowance.

(e) Dependent benefits.

(f) Retirement benefits like provident fund, pension, gratuity etc.

4. Human Relations

It is the process of interaction among human being. Human relations is an area of management in integrating people into work situation in a way that motivates them to work together productively, co-operatively and with economic, psychological and social satisfaction. It includes:

(i) Understanding and applying the models of perception, personality, learning, intra and inter personal relations, intra and inter group relations.

(ii) Motivating the employees.

(iii) Boosting employee morale.

(iv) Developing the comminution skills.

(v) Developing the leadership skills.

(vi) Redressing employee grievances properly and in time by means of a well formulated grievance procedure,

(vii) Handing disciplinary case by means of an established disciplinary procedure.

(viii) Counseling the employees in solving their personal, family and work problems and releasing their stress, strain and tensions.

(ix) Improving quality of work life of employees through participation and other means.

1.4 New Approaches to Organizing HR

Q9. Describe the New approach in organizing HR.

Ans : **(May-22, July - 18, Feb./March-16)**

Strategic Approach to Organizing HR

Employers are adopting new ways of providing human resource services. Usually, the HR services of the organisation are organised and administered through four approaches which are, Transactional, Embedded, Corporate and Centers of expertise.

1. In transactional approach, employer establishes a centralized call center and outsource the tasks to the vendors to offer specialized assistance to the employees performing their day-to-day transactional HR activities.

2. The corporate HR group emphasizes on assisting the top management in designing and formulating strategic plans for the company which are usually long-term in nature.

3. Through embedded HR unit, employers can directly allocate HR generalists ("Relationship managers" or "HR business partners") to the specialised departments such as sales and production with an objective of offering the localized human resource assistance to those departments which usually require it

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4. The centers of expertise are similar to the specialized HR consulting firms operating within the company. For example, offering specialized assurance in implementation of organizational change.

1.5 Trends Shaping HRM

1.5.1 Globalization & Competition Trends

Q10. Explain the impact of globalization on HRM.

Ans : **(Nov.-21, Aug. - 16)**

The range of activities that a company takes to staff its organization, thoroughly global or solely domestic is stated as HRM. The opening and operating of a business demands that companies determine their human resource needs, hire people for accomplishment of those needs, motivate them to perform well, update their skills as of which they can move towards more challenging tasks and ultimately retain them. HRM is very much crucial to the competitiveness of an organization and its productivity even due to the growing diversity of the world's workforce and the increasing importance of the international workforce. HRM is primarily applied to the managers in the company with the motive of international operations.

Human Resource Management (HRM) plays a prominent role in an international firm, which is having foreign direct investment in a foreign country. Moreover, HRM is also important while setting up of franchise or in technical collaborations.

Globalization means the likelihood/propensity of firms to diversify their sales, ownership and manufacturing into the new markets usually outside the country. For instance, Toyota manufactures Camry in Kentucky whereas Dell produces PCs in China. NAFTA and EU-free trade areas agreements help in lowering the tariff barriers between the trading partners and also develop international trade.

South Asian Association for Regional Cooperation (SAARC) of which India is also member provides preferential arrangements among the members. Indian organization is greatly effected by globalizations. Infosys, Wipro and TCS are making use of software codes for aiding their IT systems and are rendering the customers around the world.

The Indian firms which largely relies upon the global markets for business needs to bear the pressure of economic recession which is prevailing in global market. These companies usually face the problems like demand reduction, cancellation of the order and the issues taking place in acquiring funds for the development and diversification. Usually, the companies diversify their business in other countries for many reasons like spreading and increasing their sales for developing new foreign products and services, reduce the labour costs and to enter into partnerships.

Globalization has both merits and demerits. This implies that the customers usually want less priced products and services with good quality and at the same time need to do hard work and has less secured jobs. From the business owners point of view, globalization refers to the millions of new customers and it also refers to the strong threat from the new and strong global competitors emerge at the local level.

Infact, from the last 50 years or even more than 50 years globalization have increased drastically resulting in increase in imports and exports of the united states. Economic and political philosophies helped in the increase of globalization. Governments stopped the cross-border taxes or tariffs, built an economic "free trade areas" like NAFTA and also took other necessary steps to develop the free flow of trade between the nations. The main economic objective behind this was that all the countries not only U.S but also Europe and Asia would get the benefit and these countries also showed a quicker growth.

1.5.2 Technological Trends

Q11. Discuss the technological trends HRM with example.

Ans : **(Nov.-20)**

It is quite clear that with the development of technology, the method of performing and accomplishing a routine activity has changed drastically. Now-a-days, PDAs are being used to interact with the office to plan trips, maintenance of money and build new computers online.

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In the same way, technology has even changed the activities of business and also the way of performing them. Technology enabled the firms to establish many call center jobs in India for many companies like Dell. For example, Zara a retailer is not in a need to maintain costly inventories because of its own internet-based worldwide distribution network, which was related to the checkout registers across the globe. Whenever its main office at Spain, used tp traceout the shortage of garment then with the help of its computerised manufacturing system, Zara used to dye the needed fabric, used to do the required cutting, produce the item and immediately send it to the store within few days. In order to enhance and increase the levels of efficiency, companies usually makes use of virtual online communities. Even the Indian railways are making use of technology for booking tickets for the passengers from any and for any where of the railway station.

Technology is also helping the banking sector via their strong network of interconnected ATMs, with the help of which the customers can access their account from any ATM of any bank. Mobile banking facility is also developed by all Indian banks to take the advantage of the quickly growing mobile phone market. In Ahmedabad, the Bus Rapid Transit System (BRTS) public transport buses are having the GPS facility with the help of which the waiting passengers get alerts about the arrival of buses and other information.

In the sameway, technology is also helping out the Indian fishermen to collect data on catch availability and weather conditions in the sea.

Q12. Organizational strategies have nexus with HR strategies". Discuss.

Ans : **(Feb. - 17)**

In the highly competitive present day business environment, organization's manpower (HR) has become the centre stage for boosting the organizational development. Since the past decade, most business organizations have focused on HR for change in the areas of innovation, globalization, speed, international competition, adaptability, alternate products and services. Thus, the HR has become a source of competitive advantage for most firms today.

In order to integrate corporate business and HR strategies, the top management, business heads and the HR professionals need to work together. Moreover, a research study on the HR practices in the organization had stated positive response with regard to the strategic role in organization.

Recognization of the link between organization strategies and HR strategies involves four sub activities namely, selection, rewards, appraisal and development to fit in with the business strategies. These strategies ensure the HR professionals about the strategic role of their organization that reflects the perceptions and performance of the employees. The connectivity within the organizational strategy and the HR strategy not only correlates HR practices but also the HR functions in the organization.

The HR practitioners have an understanding of relating the HR with the organizations, so as to ensure the degree of integration and relative performance level. Different firms have been practicing different HR practices in terms of effectiveness, while others have thrown a light on the value of HR in terms of knowledge, skills and competencies. Therefore, HRM strategic integration has formulated the business strategy with measuring integration of HR in to business strategy.

Subsequently, HR strategies ensure that all resources are given equal consideration, which inturn helps an organization to gain competence and competitive advantage. Therefore, HR strategies has become a unique and differentiation asset that plays an important role in organization strategic formulation and implementation.

1.5.3 Trends in Nature of Work

Q13. In view of globalization and competition in business, discuss the modern approach to organizing of the human resources and recent trends in nature of work.

Ans : **(Feb. - 17)**

Jobs are changing due to new technological demands. Dramatic increases in productivity have allowed manufacturers to produce more with fewer employees. Nontraditional workers, such as those who hold multiple jobs, "contingent" or part-time workers, or people working in alternative work arrangements, enable employers to keep costs down.

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1. High Tech Jobs

More jobs have gone high tech, requiring workers to have more education and skills. Even traditional blue-collar jobs require more math, reading, writing, and computer skills than ever before.

2. Service Jobs

Most newly created jobs are and will continue to be in the service sector.

3. Knowledge Work and Human Capital

This refers to the knowledge, education, training, skills, and expertise of a firm's workers. The HR function must employ more sophisticated and creative means to identify, attract, select, train, and motivate the required workforce.

1.5.4 Workforce and Demographic Trends

Q14. Narrate the trends in corporate workforce.

Ans : **(Nov.-20, March - 16)**

The human resource management also has the workforce and demographic trends as follows.

Eventhough recession and job losses have been taking place around the world, yet the workforce demographic trends are identifying and recruiting good employees and this is acting as a challenge for the whole world. The problem of sever shortage of skilled employees is regarded as one of the main hurdle. It acts as a big difficulty in achieving the demographic dividend from its young population. According to NASSCOM, the approximate requirement of knowledge workers was 2.3 million by the year 2010 and the expected shortage of skilled knowledge professionals with adequate education was 0.5 million.

The rapidly developing hospitality sector of India has estimated a need of above 0.2 million trained people annually but the yearly supply is below 10% of the needed rate. The growing need of the sectors of the economy like financial services, manufacturing and retail business have resulted in a great demand for the skilled labour over a period of time. The shortage of skilled labour has made the companies to hire the labourers from other countries but Indian government has banned the companies from hiring unskilled and semiskilled Chinese labour as they were violating the visa norms and were resulting in local unemployment.

In order to solve the problem of shortage of trained human resources in the financial sector, ICICI and NUT has established the Institute of Finance, Banking and Insurance wherein graduates are being given training and are then given certificates for the jobs. Soon after releasing the national significance of skill development in the country the government of India has started a national skill development initiative with the objective of building a 500 million workforce of skilled people by the year 2022.

If India is filled with trained workforce then it becomes a preferred destination for countries undergoing demographic disadvantage.

"Generation Y"

Few experts have debated that majority of the young workers have varying work values when compared to their parents. On the basis of studies, it is being found out that the older employees are greatly work-centric in nature and while the younger workers are greatly family-centric or dual-centric. According to the fortune magazine todays "Millennial" or "Generation Y" employees would build and bring challenges and strengths, they considered as the most high maintenance workforce in the worlds history. With the proper use of information technology, "Generation Y" employees would become the most high-performing employees.

Retirees

According to the human resource professionals from the west side, the aging workforce is considered as one of the main demographic trends which influences the employers. The main issue/ problem is that there are inadequate number of young workers who would replace the older-worker retirees. According to a survey, it is being found out that 41 % of employers are appointing retirees as their workforce.

Nontraditional Workers

It is also being observed that employees are moving towards the non-traditional workers. These non-traditional workers are those workers who does several number of jobs, or who are contingent or

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part-time workers or who are working in other optional arrangements. In India and its neighbouring countries, the number of non-traditional workers are meagre. This is because 93% of the Indian workforce works under the unorganized informal sector.

1.5.5 Economic Challenges

Q15. Explain the economic challenges influencing HRM.

Ans : **(May-22)**

The economic conditions have a strong influence on human resources management People, goods, capital and information are moving around the globe and number of organizations are trying to become global players. IBM, Coca-Cola, Motorola and Gillette are earning more than half of their revenues from operations outside USA.

President Clinton's successful endorsement of NAFTA [North American Free Trade Agreement] will further increase efficiency and markets, and create a greatly, increased competitive challenge to enterprises worldwide. India has become a sourcing centre for many global organization. They have successfully utilized the services of skilled manpower which is available here at low price to create distinct cost advantages for their products.

Overall, growing international competition and interdependency, intensifies the pressure on executives, supervisors and all employees to become more innovative, more quality and cost conscious. Therefore, it is the responsibility of HR managers to play challenging roles and create a competitive advantage for the organization, into global market place.

Q16. Describe the challenges of Human resources in the era of digitalized communication and economic transaction in 2020.

Ans : **(Nov.-20, Dec. - 19)**

In the present scenario, HRM faces many challenges that result from various organizational, cultural and environmental changes. Fluctuating social and political trends and the recent economic development around the world facilitated the growing importance of HRM in an organization and at the same time posed some challenges. The various challenges faced by HRM are as follows,

Fig.: Key Issues/Challenges Faced by HRM

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1. Growth in Employee Education and Expectation

The workforce or employees today are better educated with high motivations, aspirations about participation and have more expectations about equality and fair dealings at work. A higher educated workforce wants a more meaningful work and a say in decision making, particularly regarding their working conditions and careers. Thus, HR Managers and organizations must develop flexible approaches to all aspects of HRM.

2. Changing Demographies and Life-styles of Workforce

The other challenge HRM is facing today is the changing nature of the workforce. The demographic changes in the workforce are,

(i) Growth of women employees.

(ii) Increasing number of young employees.

(iii) Increasing number of working mothers.

(iv) Decline of blue-collar workers who are giving way to white-collar employees.

(v) Increasing level of education.

Life-style considerations too play a significant role in an organization's ability to recruit or transfer people. Willingness of the people as to where to live and work are dependent on the factors like personal convenience and preferences, family commitments etc. All these have their own implications for the HR manager.

3. Organizational Restructuring/Corporate Reorganization

The next challenge that HRM is facing today is the reorganization resulting from acquisition, merger, divestiture or a takeover threat. In such circumstances, employees of the organization are affected because decision making is difficult and delayed. Individuals in the firms undergoing acquisition, merging are facing difficulties like,

- Changes in jobs including new roles and assignments.
- Loss of job.
- Transfers to new places.
- Changes in compensations and benefits.
- Possibilities of changes in career.
- Changes in corporate culture etc.

4. Economic Conditions and Competition

The changing economic conditions and the threat of competition has posed a great challenge to HRM. In the recent years, the Indian economy has undergone a process of liberalization and had been subjected to structural adjustments. Globalization and Privatization in the recent years increased the competition to a large extent. In such situations, HR managers should develop flexible approaches and strategies so that their firm is not threatened.

5. Quality of Work Life (QWL)

In the current scenario, many employees and managers are greatly concerned about the Quality of Work Life (QWL). It iS' a concept which contains the total range of organizational life particularly as it is reflected in HRM. These considerations have a great impact on HRM.

6. Technological Changes

Technology is changing with innovations and improvements like automation, robotics and computerization. In order to meet the requirements, the organizations need to train their human resources accordingly.

7. Achieving Competitive Advantage

Modern HRM practices and policies have to be formulated to achieve a competitive advantage. The organization in this scenario of high competition should try to be unique in the factors like quality, special features like after-sales service, free gifts, coupons etc., to attract a stream of customers towards its products.

8. Globalization

With the spread of globalization, many foreign firms are entering into the Indian market and are challenging the domestic firms. The internet is adding fuel to globalization and

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most of the MNCs are entering into joint ventures with local firms or setting up green field projects. These alliances of MNCs with local firms, benefit the local firms who increase their sales, expand their markets, share the new technology and professionalism of management. Every organization to survive and meet the threat of competition is willing to make an alliance with a foreign collaborator. In this situation it is a great challenge for HRM to meet these requirements.

9. Outsourcing of HR Activities

In the current scenario, many organizations are outsourcing HR activities like recruiting, training and development etc. For example: Proctor & Gamble has signed a 10-year deal with IBM to handle employee services.

Outsourcing has a negative impact. It carried to its logical end, creates a downfall of HR department in an organization i.e., in outsourcing, an organization can work without HR department. Therefore, it is a big challenge to a HR manager to prove the importance of his department.

10. The Bottom Line

Another challenge for HRM today is the necessity of cost-effective HR programs, approaches and policies. Though the HRM activities have their impact on profits, its importance has not yet been identified. For this, the HR department must be able to demonstrate that, what it does is of great importance to the success of the organization.

Conclusion

The field of HRM is rapidly evolving as it is facing a lot of challenges. In such situations, HR managers must be ready to face these multidimensional challenges with adequate foresight.

Q17. What is the importance of workforce diversity in terms of culture, gender, demography, and other relevant attributes in organizations catering to global market?

Ans : **(Nov.-22)**

For an organization looking to cultivate a more diverse and inclusive workplace, it is important to understand what constitutes workplace diversity.

Workplace diversity refers to the variety of differences between individuals in an organization. Diversity not only includes how individuals identify themselves but also how others perceive them. Diversity within a workplace encompasses race, gender, ethnic groups, age, religion, sexual orientation, citizenship status, military service and mental and physical conditions, as well as other distinct differences between people.

Benefits

- Employees from diverse backgrounds imbue organizations with creative new ideas and perspectives informed by their cultural experiences.
- A diverse workplace will help organizations better understand target demographics and what moves them.
- A diverse workplace can better align an organization's culture with the demographic make-up of America.
- Increased customer satisfaction by improving how employees interact with a more diverse clientele and public.

Encouraging diversity is the way forward for organizations. In a global talent market, businesses that can successfully manage diversity in the workplace will have a definite competitive advantage over others in terms of differentiation, innovation, and employer branding.

1.6 High Performance Work System's

Q18. Define high performance work systems (HPWS). What are the characteristics of HPWS?

Ans : **(May-22)**

Definition

There are many definitions of a high-performance work system (HPWS) and high-

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performance working. In their seminal work, Manufacturing Advantage: Why high performance work systems pay off, Appelbauin et al (2000) stated that high-performance work systems facilitate employee involvement, skill enhancement and motivation. An HPWS is 'generally associated with workshop practices that raise the levels of trust within workplaces and increase workers' intrinsic reward from work, and thereby enhance organizational commitment'. They define high performance as a way of organizing work so that front-line workers participate in decisions that have a real impact on their jobs and the wider organization.

Characteristics

- It links the firm's selection and promotion decisions to validated competency models.
- It is the basis for developing strategies that provide timely and effective support for the skills demanded to implant the firm's strategies.
- It enacts compensation and performance management policies that attract, retain and motivate high-performance employees.

Q19. Explain the components of HPWS.

Ans :

- Job infrastructure - workplace arrange-ments that equip workers with the proper abili-ties to do their jobs, provide them with the means to do their jobs, and give them the motivation to do their jobs. These practices must be combined to produce their proper effects.
- Training programmes to enhance employee skills - investment in increasing employee skills, knowledge and ability.
- Information sharing and worker involvement mechanisms - to understand the availa-ble alternatives and make correct decisions.
- Compensation and promotion opportunities that provide motivation - to encourage skilled employees to engage in effective discretio-nary decision making in a variety of environmental contingencies.

1.7 Equal Employment Opportunity

Q20. Explain in detail about the equal em-ployment - opportunity 1990-1991.

Ans : **(May-22, May-19)**

In 1980s, various supreme court rulings effected the restrictions on the protection of women and minority groups as per the equal employment laws. Because of this, it was forced to develop a new Civil Rights Act, which was signed by President George H.W. Bush in November 1991 and it was known as Civil Rights Act of 1991 (CRA 1991). The CRA 1991 basically aimed at bringing back equal employment law to its original place which it had before the 1980s decisions.

- **Burden of Proof**

  Initially the CRA 1991 tried to resolve the issue of burden of proof. Burden of proof refers to what plaintiff is supposed to represent to build possible illegal differences and what the employer needs to represent his/her actions plays an important role in equal employment cases. For instance, if an aggrieved applicant explains that an employment activity holds, a severe/great effect on a specific group then in such a case the burden of proof gets trans-ferred to the employer who must prove that the challenged activity is associated with the job.

- **Money Damages**

  Prior to the CRA 1991, the victims of intentional differences who did not incur any financial loss and who sued under Title VII were not eligible to sue for compensators or punitive damages. The only thing which they can expect was to reinstate their job and were eligible to pay back attorney's fees and court costs. With the emergence of CRA 1991, it becomes quite easier to sue for money damages. It offers that an employee who is claiming intentional differences could demand,

  1. Compensatory damages
  2. Punitive damages only incase if the or she can prove that employer was involved in discrimination or differences.

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- **Mixed Motives**

  Lastly, the CRA 1991 states that an unlawful employment practice is created when the aggrieved party explains that an employment practice has been encouraged by taking into consideration the factor like race, color, religion, sex or nationality is unlawful. Inspite of knowing that other factors have also encouraged such practise.

- **The Americans with Disabilities Act**

  The Americans with Disabilities Act (ADA) of 1990 restricts/stops the employment discrimination against individuals who are qualified disabled. It also restricts the employers with 15 or more workers from making differences against qualified individuals with disabilities with respect to applications, discharge, advancement or other terms circumstances compensation, training, hiring or privileges of employment.

  The ADA does not enlists a particular list of disabilities but EEOC guidelines explains that a person is a disabled person when he/she has either a physical or mental problem and who are not able to carry out the daily activities. The position of EEOC is that ADA restricts the process of discrimination against people suffering from HIV/AIDS.

- **Genetic Information Non-discrimination Act of 2008 (GINA)**

  The Genetic Information Non-discrimination Act (GINA) restricts and avoids the discrimination made by health insurers and employers on the basis of genetic information of the people. It Especially restricts the use of genetic information with respect to employment, stops the intentional acquisition of genetic information with respect to applicants and employees and lays strict confidentiality requirements.

- **State and Local Equal Employment Opportunity Laws**

  Besides the federal laws, all states and several local governments stops the employment discrimination. The state and local equal employment opportunity agencies plays an effective role in equal employment compliance.

Q21. Discuss the two most important labour legislation in India from the perspective of HRM.

Ans : **(March-23)**

1. Minimum Wages Act, 1948

The Minimum Wages Act was passed in 1948 to safeguard workers' rights by setting a minimum wage in certain occupations. The Act sets a minimum wage for time work, a minimum wage for piece work, a guaranteed time rate, and an overtime rate for different occupations, regions, or classes of work, as well as for adults, teenagers, children, and apprentices. It is also important to point out that this Act complies with Article 43 of the Indian Constitution, which ensures a living wage and respectable working conditions.

The Act was primarily enacted to protect the interests of workers in the unorganized sector. The Act establishes and revises the minimum wage for workers in scheduled employment. The Act mandates that both the central and state governments establish and revise the minimum wage, as well as enforce payment of the minimum wage for scheduled employment within their respective jurisdictions.

2. The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 doesn't define the word 'bonus'. The definition of a bonus according to Webster's International dictionary is "something given in addition to what is ordinarily received by or strictly due to the recipient." Bonus payments are made to close the pay gap between the actual wages and the ideal of a living wage. Every factory, as defined by the Factories Act, 1948, as well as any other establishment employing twenty or more people on any day during an accounting year, is covered by the Payment of Bonus Act of 1965.

If an employee works for his or her employer for at least 30 working days in a given accounting year, that employee is eligible for a bonus from the employer. A bonus must be at least 8.33% of an

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employee's yearly salary or wages, or 100 rupees, whichever is higher. To enforce the Act, inspectors work for the appropriate government. For violations of the Act, both imprisonment and fines are provided. A dispute over the payment of a bonus is considered an industrial dispute under the Industrial Disputes Act of 1947.

1.8 HR Score Card

Q22. Explain the importance of HR Score card.

Ans : **(May-22, July - 18, Aug. - 16, 17)**

In India, Prof. T.V. Rao (Consultant and former IIM Ahmedabad faculty) initiated the concept of Human Resource Development (HRD) scorecard which later became popular with the name "T.V. Rao Learning Systems" (TVRLS).

HRD scorecard represents the level of HR maturity of an organisation and its alliance with the strategy of organisation. The model is of the opinion that employees who are competent would produce good quality products and services at competitive rates and ways which improves customer satisfaction. HRD scorecard is usually employed to measure the maturity level on the basis of four dimensions by using a 10-point scale wherein 10 is the highest maturity level 5 is the moderate maturity level and 1 is the least level of maturity.

Methodology for Measuring various HRD systems

1. HRD Systems Maturity Score

Employee competency and commitment can be developed through appropriate HRD mechanisms (tools and systems). In an HRD mature organization, there will be well-developed HRD systems such as :

- Human resource planning and recruitment.
- Performance management systems.
- Feedback and coaching mechanisms.
- Training.
- Career development and succession planning.
- Job rotation.
- OD interventions.
- HR information systems (HRIS).
- Worker development methods and systems.
- Potential appraisal and development.
- Other subsystems, if any.

2. HRD Competence Score

The HRD competencies of the HRD department and the line managers play a significant role in implementing the systems and processes in ways that could ensure employee satisfaction, competence building, and customer satisfaction. For this section of scorecard, the competencies of the staff from different groups (HRD department, top management, line managers and supervisors, trade union leaders, and blue/white collar employees) are measured. Each group is assessed on the following dimensions:

- The level of HRD skills they possess.
- Attitudes and support to learning and their own development.
- Extent to which they facilitate learning among others in the corporation and those who work with them.
- Their attitudes and support to HRD function and system.

3. The HRD Culture

The HRD culture measures values and processes created by the HRD tools. Employees and their styles also play a crucial role in building sustainable competencies in the organization. These need to be measured and monitored. It is possible for some organizations to have minimal formal HR systems and yet have a high level of HR competencies and HRD culture. Specialized questionnaires have been developed for measurement of HRD culture for such organizations.

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4. Business Linkage Score

The HRD systems, competencies, and culture must be aligned with the business goals of the corporation. This score indicates the extent to which HRD efforts (tools, processes, culture, etc.) are driven to achieve business goals or goals of the organization. The business linkage goals include:

- Business excellence including profitability and other outcomes the organization is expected to achieve
- Internal operational efficiencies
- Internal customer satisfaction
- External customer satisfaction
- Employee motivation and commitment
- Cost-effectiveness and cost-consciousness among employees
- Quality orientation
- Technology adoption

Sample HRD Score Card

Name of the Organization			**XYZ**	
HRD Systems Maturity Grade	HRD Competence Score	HRD Culture Grade	Business Linkage Grade	Overall HRD Maturity Rating
F	D*	C	D*	FD*CD*

These four indices are the four pillars of HRD maturity of the organization. All the four dimensions are scored using a 10-point rating system.

A* : Highest score and highest maturity level

A : Very high maturity level

B* : High maturity level

B : Moderately high maturity level

C* : Moderate maturity level

C : Moderately low maturity level

D* : Low maturity level

D : Very low maturity level

F : Not at all present

U : Ungraded

Measurement is done by trained assessors. Some multi-unit/locational companies have developed a pool of internal assessors who peer-rate different units or locations. A comprehensive score is also prepared for the company.

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1.9 HUMAN RESOURCE INFORMATION SYSTEM (HRIS)

Q23. Define Human Resource Information System. Explain the components of HRIS.

Ans :

Meaning

Human resource manager needs considerable information data relating to all areas of HRM. A comprehensive data system is, therefore, necessary to fulfill the HR informational needs of an organization. The concept of Human Resource Information System (HRIS) has been derived from the concept of Management Information Systems (MIS). MIS is defined as systematic collection, maintenance, and retrieving data for providing support to the operations, management, analysis, and decision-making functions in an organization.

Human resource information system (HRIS) is a systematic procedure for collecting, storing, maintaining, and retrieving data needed by an organization about its human resources and various activities that are relevant for their management. From the manager's perspective, an HRIS can be used to support strategic decision-making, to avoid litigation, to evaluate programs or policies, or to support daily operating concerns.

Components

1. Inputs

The input of HRIS includes information related to employees such as education, age, experience, training, present status, present salary, whether promoted or not organization's policy past and present, procedures past and present and other necessary detailed information relating to the human resources in the organization. The computerized human resource information system is in all respect superior to manual system, which is time consuming and not so cost effective. The most important benefit of the system is that the information is available immediately as and when required.

2. Transformation

The information fed to the computer can be transformed into more meaningful and necessary information that is exactly required by the organization. This is the conversion stage of computerized HRIS. The information transformed into meaningful calculation is very useful to the managers and organization as well. This works as a decision support system, which aids in making appropriate decisions.

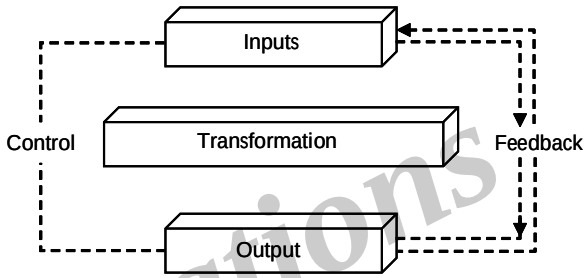

Fig.: Components of HRIS

3. Output

Output refers to the print rats of the transformed material from the computer printer like salary statement, report on performance of in employee, budget estimates, etc. A1J these can be had in the form of printouts, terminal screens etc. A well knit HRIS acts as a worthy decision support organism of a very high quality. The high quality output must be accurate, relevant, consistent, readable and comprehensive.

4. Feedback and Control

Whether the output obtained is relevant and useful or not must be known. The method of ensuring it is known as feedback. Feedback establishes control over the system.

Q24. Explain the need of HRIS.

Ans :

1. Large Organizations

For large organizations that employ very large number of people, it becomes necessary' to employ HRIS.

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2. Geographically Dispersed Company

In a geographically dispersed company, every office requires timely and accurate information about manpower. If information is stored in multiple locations, costs and inaccuracy will increase.

3. Several Labor Laws

An employer has to comply with several labor laws. Modern day compensation package is complex consisting of many allowances and deductions. A computerized information system would store and retrieve data quickly and correctly enabling the employer to comply with statutory requirements.

4. Quick Access

With the help of a computerized personnel information system, employee records and files can be integrated for fast retrieval, cross-referencing and forecasting.

5. Adaptation to Changes

Necessary flexibility' for adaptation to changes in environment can be built into a mechanized information system.

Q25. What are the objectives of HRIS.

Ans :

1. To enhance the ability of the human resource management to leverage and absorb new and emerging opportunities and challenges in the business horizons.
2. To ensure efficient collection, storage, and distribution of HR-related information in a paperless work environment.
3. To create an HR information hub for the whole organization, this facilitates effective people-to-people and people-to-information contacts.
4. To establish an integrated system for achieving an efficient and purposeful integration of various human resource functions and effective deployment of strategic human resources.
5. To facilitate faster processing of information and more effective decision-making to make the optimum use of the available human resources.
6. To enable the HR managers to devote more time to strategic issues by relieving them from routine operations through the Employee Self-Service Systems (ESS). The ESS in the HRIS lets the employees have direct access to select information without disturbing the HR manager.
7. To facilitate employees' direct and online access to information on training, payroll, and other relevant matters.
8. To maximize the accuracy, reliability and validity of workforce records, and eliminate the cost and wastages associated with the manual maintenance of HR records.

Q26. Elucidate the steps in implementing HRIS.

Ans :

Step 1: Inception of Idea

The idea having an HRIS must originate somewhere. The originator of the idea should prepare a preliminary report showing the need for an HRIS and what it can do for the organizations.

Step 2: Feasibility Study

Feasibility' study evaluates the present system and details the benefits of an HRIS. It evaluates the cost and benefits of an HRIS.

Step 3: Selecting a Project Team

Once the feasibility study has been accepted and the resources allocated project team should be selected. The project team should consist of an HR representative from both management information systems and payroll.

Step 4: Defining the Requirements

A statement of requirements specifies in detail exactly what the HRIS will do. A large part of the statement of requirements normally deals with the details of the reports that will be produced. Naturally, the statement also describes other specific requirements. This typically includes written descriptions of how users collect and prepare data, obtain approvals, complete forms, retrieve data, and perform other nontechnical tasks associated with FIRIS use. The key is here is to make sure that the mission of the HRIS truly matches management's needs for an HRIS.

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Step 5: Vendor Analysis

This step determines what hardware and software are available that will best meet the organization's needs for the lowest price. This is a difficult task. The best approach is usually not to ask vendors if a particular package can meet the organization's requirements but how it will meet the organization's requirements but how it will meet those requirements.

Step 6: Package Contract Negotiation

After a vendor has been selected, the contract must be negotiated; the contract stipulates the vendor's responsibilities with regards to software installation, service, maintenance, training, and documentation.

Step 7: Training

Training usually begins as soon as possible after the contract has been signed. First the HR members of the project team are trained to use the HRIS. Towards the end of the implementation, the HR representative will train managers from other departments in how to submit information to the HRIS and how to request information from it.

Step 8: Tailoring the System

This step involves making changes to the system to best fit the needs of the organization. A general rule of thumb is not to modify the vendor's package, because modifications frequently cause problems. An alternative approach is to develop programs that augment the vendor's program rather altering it.

Step 9: Collecting the Data

Prior to start-up of the system, data must be collected and entered into the system.

Step 10: Testing the System

Once the system has been tailored to the organization's needs and the data entered, a period of testing follows. The purpose of the testing phase is to verify the output of the HRIS and to make sure it is doing what it is supposed to do.

Step 11: Starting Up

Start-up begins when all the current actions are put into the system and reports are produced. It is wise to attempt start-up during a lull period so that maximum possible time can be devoted to HRIS. Even though the system has been tested, some additional errors often surface during start-up.

Step 12: Running in Parallel

Even after the new HRIS has been tested, it is desirable to run the new system in parallel with the old system for a period of time. This allows for the comparison of outputs of both the system and examination of any inaccuracies.

Step 13: Maintenance

It normally takes several weeks or even months for the HR people to feel comfortable with the new system. During this stabilization period, any remaining errors and adjustments should be handled.

Step 14: Evaluation

After the HRIS has been in place for a reasonable length of time, the system should be evaluated. Is the HRIS right for the organization and is it being properly used? Following the above steps when Implementing an HRIS will not guarantee success, but it will increase the probability.

Q27. What are the advantages and limitations of HRIS.

Ans :

Advantages

1. Effective Use of Human Resources

The chief benefit of an HRIS is the optimum and strategic use of human resources in an organization. Since there is a complete visibility in all the activities performed by the employees, it prevents duplication in the employee efforts by tracking people as they move through the system. It also ensures that all their activities are aligned to the enterprise objectives properly. Finally, an HRIS standardized the processes for key HR functions which ensure that there is uniformity in the performance of the HR activities in the entire organization.

2. Ability to Manage Voluminous Data

The inherent ability of an HRIS is its capacity to store, manipulate, retrieve and distribute

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large volumes of data within the shortest possible time. It is certainly unmatched in analyzing complex, voluminous and heterogeneous data and in guiding their interpretation and reporting In fact, an HRIS is variedly described as a transaction processor, editor and record-keeper. An HRIS can handle large data. This requires reconciliation with high speed and great accuracy, which is very difficult to accomplish in any manual operation.

3. Reduction in Labor Cost

An HRIS has the ability to reduce the labor requirement in the HR department significantly. When there is a decrease in the labor requirement, the labor cost, which is a recurring cost to the organization, is kept down. For example, automating the HR processes, like hiring through the applicant tracking system, lowers the time-to-hire and cost-per-hire considerably.

4. Faster and Effective HR Decisions

Since the decision support system of an HRIS in capable of generating as many alternative decisions as possible for solving a problem, the managers can make the best decisions quickly and precisely. Certainly, a timely decision enables the organization to capitalize quickly on the opportunities rising in the business environment.

5. Better Supervision and Control over Human Resources

The effectiveness of supervision and control exercised by the managers over the employees is certainly superior in an HRIS environment as compared to that in a manual environment. This is because all the activities of the employees are monitored round the clock on a real-time basis through HRIS. Besides, the managers are also spared of any physical supervision of the employees. Since supervisory requirements are less, the organization can also save on the cost of supervision.

6. Optimum Security and Confidentiality

Preserving the security and confidentiality of the employee data is a major problem for many organizations. They can keep their employees' records safer through an HRIS by limiting access to such information. They can use password and other authorization requirements to prevent any unauthorized access to valuable and sensitive information about the employees.

7. Anytime, Anywhere Access

HRIS enables its users to have anytime, anywhere access with multiple channels for task performance and reporting. It removes the need for the users to be within the premises to have access to the information available in the HRIS. E-mail, Web, Windows forms, SMS and Voice are some of the forms used prominently for accessing an HRIS in normal circumstances.

8. Better Focus on Strategic Activities by Managers

The automation of HR managers' routine administrative activities like attendance tracking, work scheduling, etc., allows them to devote more time to strategic planning tasks. HRIS enables the HR manager to perform from the top levels of the management by involving themselves in strategic decision-making processes. In fact, the HRIS has drastically changed the job characteristics and job expectations of the managers with a growing strategic role pressure.

9. Better Statutory Compliance

Since all statutory provisions are usually incorporated in an HRIS, it ensures that these provisions are strictly adhered to. When employees overlook any of the regulatory provisions even unintentionally while performing HR activities, it may invite legal troubles for the organization. This can be completely avoided when employees perform through the HRIS.

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10. Meeting the Future Challenges and Changes of HRM:

The historical role of HR managers has undergone drastic changes in the recent past with the changes in the labor market characteristics. With the increasing presence of knowledge workers in organizations, the role of HR managers has undergone tremendous changes and so have the management's expectations from the HR department. Besides, the mergers and acquisitions along with globalization have simply internatio-nalized the HR operations, bringing in a sharply diversified workforce.

Limitations

While the human resource information system, has many benefits but, it also has many problems which need to be addressed to before it can really be useful. Some of them are described below;

1. It can be expensive in terms of finance and manpower requirements.
2. It can be threatening and inconvenient to those who are not comfortable with computers. For computerized information to be useful at all levels there is an urgent need for large-scale computer literacy.
3. Often the personnel designing HRIS do not have a thorough understanding of what constitutes quality' information for the users. Thus, Tie user managers do not get exactly the reports which they want. Producing information that is of quality to the users requires an investment in time, effort and communicate ion on the part of HRIS managers.
4. Computers canne. substitute human being. Human intervention will always be necessary. Computers can at best aid the human effort. The quality of response is dependent upon the accuracy of data input and queries fired. The 'Garbage-In Garbage-Out' (GIGO) is the key expression in any computerized system.
5. In many organizations, the system is operated in batch mode with the records being updated once a week. Online facility in multi-user environment need to be developed so that the reports generated ate not out of phase with the realities. In many a situation, the stale information is as good as no information.

Q28. State the applications of HRIS in human resource management.

(OR)

Explain the applications of HRIS in organization.

Ans : **(July - 18)**

Many big and small organizations are now gradually automating their recruitment process by installing an applicant tracking system software. The purpose of the applicant tracking system is to streamline the complete recruitment process and offer a unique support for all forms of candidate applications. The applicant tracking system normally assists the organization in screening applicant capabilities. It facilitates the accomplishment of the hiring goals of the organization in a fast and cost-effective manner.

1. Training and Development System

The purpose of a training and development system is to help the employees gain new knowledge in a time-bound manner and prepare them for future assignments. The training system or module helps the user to track the qualifications and competency levels of the employees constantly.

2. Compensation Management System

It aims at computing employee payments through an integrated payroll system. It makes a flexible module available for the processing of pay and all related financial transactions. This compensation system normally considers employee working hours, attendance, and productivity for computing the salary of the employees. The structure of the pay slip can be altered to include any number of "income" and "deduction" heads in the compensation module.

3. Performance Management System

The main goal of the performance management system is to track employee performance reviews and the due dates for next

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reviews. It aims to develop, motivate, and retain a high-performance workforce all year round. The performance management system also allows the managers to have instant access to current and correct employee information, while writing performance reviews. It provides a performance evaluation report "on demand" to the higher authorities, while deciding the career and succession plans for the employees.

4. Manpower Planning System

The primary purpose of a manpower planning system is to ensure that are organization has the right number of employees working in it at any point of time to complete the organizational goals. The manpower planning module automates the manpower requests based on the long- and short-term goals of different departments.

5. Succession Planning System

It facilitates the identification of key positions in the organization and their requirements in terms of skills, competencies, qualifications and experience profiles. In the next stage, it identifies the employees who meet the requirements for these key positions. Finally, the succession planning module brings the identified and selected employees into the succession channel. Generally, this system works in close coordination with other systems like training system, compensation system, and performance manage-ment system.

6. Position Control and Budgeting System

The purpose of position control is to manage the position structure of an organization. This system maintains all information about each position in a separate database. This database maintains information about position descriptions, education and skill requirements, requisitions, incumbent history, reporting relationships, and budgeting information for each job in the organization.

7. Benefits Administration System

This system manages all the current and historical employee benefit information for the entire organization. A few examples of employee benefits are retirement plans, medical and life insurance plans, vacation pay, holiday pay, maternity leave, and employee stock ownership plans.

8. Personnel Information and Identification System

A basic personnel information system is usually the foundation of any HRIS. This may also be called a central staff database. The purpose of a personnel information system is to manage, report, and analyze employee information. This system provides almost all information about the employees. It contains general staff data like name, address, family details, identity number, date of appointment, job position and location in the organizational structure, job classification, job specifications and descriptions, and disciplinary action taken.

9. Grievance Management System

An effective grievance identification and redressal is an important prerequisite in improving employee satisfaction and labor-management relations. The grievance management module can effectively track and analyze the grievances of the employees. Since the man-agement is normally required to complete the redressal within a specified timeframe, an automated grievance management system enables it to gather all relevant information about the grievances quickly and in a cost-effective manner.

Q29. State the Human Resource Department functions as a nodal centre for the department.

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

Department of Personnel & Training

- The role of the Department of Personnel & Training can be conceptually divided into two parts, In its large nodal role, it acts as the formulator of policy and the watch-dog of the Government ensuring that certain accepted standards and norms, as laid down by it, are followed by all Ministries/ Departments, in the recruitment, regulation

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of service conditions, posting/transfers, deputation of personnel as well as other related issues.

- Towards this end, guidelines are issued by it for the benefit of all Ministries/Departments and it monitors the implementation of these guidelines. It also advises all organizations of the Central Government on issues of personnel Management.
- At a more immediate level, the Department has the direct responsibility of being the cadre controlling authority for the IAS and the three Secretariat Services in the Central Secretariat.
- The Department also operates the Central Staffing Scheme under which suitable officers from All India Services and Group 'A' Central Services are selected and then placed in posts at the level of Deputy Secretary/Director and Joint Secretary, on the basis of tenure deputation.
- The Department also deal with cases of appointment to posts of Chairman, Managing Director, full-time functional Director/Member of the Board of Management of various Public Sector Undertakings/ Enterprises, Corporations, Banks and financial institutions. It also deals with the assignment of Indian experts to various developing countries.
- It is also responsible for formulation and coordination of training policies for the All India and Central Services and providing support for the capacity building of State Government officials

Recruitment Agencies

- The two organizations through which the Department ensures recruitment of personnel for the Government are the Union Public Service Commission (UPSC) and the Staff Selection Commission (SSC). The former is constituted under a provision of the Constitution and is responsible for conducting examinations for appointment to the higher civil services and civil posts under the Union Government; including recruitment to the All India Services.
- There is a mandatory provision for consulting the Commission on all matters relating to methods of recruitment, principles to be followed in making promotions and transfers from one service to another and on all disciplinary matters.
- The SSC is responsible for making recruitment to subordinate staff such as Assistants, Stenographers etc. The office of the UPSC is located in Dholpur House, New Delhi, while that of the Staff Selection Commission is located at the CGO Complex, Lodhi Road, New Delhi.

Training Division

- Training Division is responsible for coordinating the implementation of National Training Policy which was adopted in April 1996.
- The Department also sponsors a number of training programmes on a variety of subjects for different categories of Central and State Government employees. Training Division also develops and undertakes capacity building initiatives under special packages for different levels of State Government officials.
- Training Division provides assistance for upgradation of the training infrastructure of State Government Training Institutions. It is responsible for the development of resource persons as trainers in different.

Q30. What are the various information categories of HRM system in an organization?

Ans : **(Nov.-22)**

Human resource information systems (HRIS), are, well-defined software programs that allow HR professionals to store and organize vast amount of data pertaining to employee information.

I) Operational HRIS

Operational HRIS is of immense help to the manager. It provides the manager with all the required data to support routine and repetitive human resource decisions. Many operational level human resource systems collect and report human resource data.

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These systems usually include information about the organization's employees and position and also about governmental regulations. Two major sub-divisions under operational HRIS comprise the following:

1. Employee Information Systems

Employee information systems is a major part of operational HRIS. Organizations need to keep a track of an employee's records and details pertaining to all kinds of personal and professional details including name, address, sex, minority status, citizenship, education, past professional experiences and much more.

2. Position Control Systems

The concept of position control systems is introduced in an organization in order to identify each position within the organization; the job title within which the position is classified; and the employee currently assigned to the position. Referring to the position control systems, a HR manager can identify the details about and unfilled position.

3. Performance Management Information Systems

Performance Management Information Systems include performance appraisal data and productivity information data. This system is frequently used as an evidence in employee grievance matters. Careful documentation of employee performance and of how the performance was measured and reported in critical to acceptance of appraisal information in grievance hearing. Performance management systems can lead to a number of decisions beyond merely the decisions to retain, promote, transfer or terminate an employee.

II) Tactical HRIS

Tactical human resource information systems provide managers with support for decisions that emphasize the allocation of resources. Within the domain of HR, these include recruitment decisions, job analysis, and design decisions, training and development and also employee compensation plans. Tactical HRIS also has a few subparts that are explained below:

1. Job Analysis and Design Information System

The inputs to the job analysis and design information system, include data form supervisors and workers and affirmative action guidelines. Inputs also comprise information from external sources to the firm, such as labour unions, competitors and government agencies.

2. Recruiting Information Systems

In order to direct the recruiting function, the organization needs to develop a proper recruiting plan. The plan is designed in order to address gaps such as vacant positions to be filled and skills required for the employees for these positions. If this plan is to be executed, a proper recruiting information system is pretty much required, so that everything is executed with proper ease.

3. Compensation and Benefits Information Systems

This particular information systems may support a variety of tactical HR decisions, especially when it comes to compensation and benefits systems. Compensation and benefits plan an important role in the overall productivity of the organization.

4. Employee Training and Development Systems

Another major aspect where HRIS is extensively implemented is the domain of employee training and development. The training must be directed at those individuals who are not only interested but also capable of benefiting from it.

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III) Strategic HRIS

Strategic HRIS focuses on supporting labour negotiations, workforce planning, and certain specialized human resources software. The main purpose of this is to have an overall good idea about labour resources and workforce planning. Major types of strategic HRIS comprise the following:

1. Information Systems Supporting Workforce Planning

Organization that are involved in long-term strategic planning, such as those planning to expand into new market areas, construct factories or offices in new locations, or add new products, will need information about the quantity and quality of the available workforce to achieve their goals. Information systems that support workforce planning serve this purpose.

2. Specialized Human Resource Information Systems Software

There has been a great deal of software that has been designed for the proper functioning of the human resources. Software that is specifically designed for the human resource management function can be divided into two basic categories: comprehensive human resource information systems software and limited-function packages that support one or a few human resource activities.

IV) Comprehensive HRIS

The computerization of HRIS has resulted in an integrated database of human resource files., employee files, position, skills inventory files, affirmative action files, job analysis and design files, occupational health and safety files, and many other human resource files are constructed in a coordinated manner using database management systems software so that application programs can produce reports from any or all of the files.

HRIS was introduced so that the overall human resources domain is able to function in a much easier and simpler way. Today, also most all organizations across the globe has started implementing HRIS and are benefiting from its use to a great extent.

1.10 e-HRM

Q31. What is e-HRM? How do web-based HR activities differ from the conventional personnel management functions?

Ans :

If HR's role has been to deliver workforce support and management based on the needs of the business, the role of technology has been one of enabler. During the past years, HR processes and procedures have been supported by everything from complicated file-folder systems to automation, going from usage of multiple systems and databases to a single version of the whole system. These are the days of e-HR. HR professional needs to be aware of and knowledeagable enough to adopt the new technology for the benefit of his or her business.

Nature

When HR departments make use of the Internet and related technologies to support their activities, the process becomes e-HRM (where e stands for electronic). e-HRM is the complete integration of all HR systems and processes based on common HR data and information and on interdependent tools and processes. Fully developed e-HRM could provide the data gathering tools, analysis capabilities, and decision support resources for HR professionals to hire, pay, promote, terminate, assign, develop, appraise and reward employees in ways that fully engage them in managing their own outcomes, maximise the contribution of each employee, and support execution of firm's strategy.

e-HRM has the potential to change all traditional HRM functions. Table shows major implications of using electronic media in support of HR activities. For example, employees in different geographic locations can work together. Use of Internet enables companies to search for talent cutting across time and distance constraints. Recruiting can include online job postings, applications, and candidates screening from the

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company's Website or the Websites of recruiting firms, such as monster.com, naukri.com., and clickjobs.com. Employees from geographic locations can all receive the same training over the company's computer network.

In addition, e-HR can contribute to enhanced performance of HR in four ways: self service, call centres, productivity improvement, and outsourcing. Using company's intranet, all the employees can self-service many of their personal transactions, such as updating personal information and changing benefits allocations. Thanks to technology, a centralised call centre can be created within the organisation. From the call centre, HR specialists can answer questions from all far-flung (company's) employees, reducing the need for HR department at each location.

More and more companies are installing Internet and computer-based systems for improving HR productivity. Ratio between HR staff to employees can be brought down to one to 150 from one to 100 as of now. Technology also makes it easier to outsource HR activities to specialist service providers by giving vendors real-time, Internet-based access to the employer's HR information database.

HRM Practices	Implications of e-HRM
Analysis and design of work.	Employees in geographically dispersed locations can work together in virtual teams using video, e-mail and the Internet.
Recruiting	Post job openings online, candidates can apply for jobs online.
Selection	Online simulations, including tests, videos, and e-mail, can measure candidates' abilities to deal with real-life business challenges.
Training	Online learning can bring training to employees anywhere, anytime.
Compensation and benefits	Employees can review salary and bonus details and seek information about and enroll in benefit plans.

Q32. What is e-recruiting? Explain the guidelines regarding e-recruiting.

Ans :

Meaning

E-recruitment is being widely used these days. Surveys show that 70 and 90 per cent of large firms nowmse e-recruiting systems, and it is anticipated that over 95 per cent of organisations plan to use them in the near future. Cisco Systems recruit employees only through e-recruiting.

E-recruiting offers several benefits to the firms practising it. Facility to apply online, wide reach often cutting across national borders, reduced cost, decreased cycle time and reduced burdensome administrative processes are some of the benefits of e-recruiting.

There are dysfunctional or unintended consequences of using electronic media for recruiting. Replacing traditional recruiters with computerised systems may make the recruitment process much more impersonal and inflexible leading to a negative impact on applicants' attraction and retention rates. In addition, the use of online recruitment may deny the opportunities to apply to people who have no access to computers and those who lack skills to make use of the electronic gadgets. Further, applicants may perceive that online systems are more likely to invade personal privacy than other recruitment processes. Misuse of confidential information by companies is possible. Consequently, many applicants are less willing to use online recruiting.

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The most common practices in e-recruitment are:

(a) Adding recruitment to existing organizational web-sites,

(b) Using special recruitment websites,

(c) Developing interactive tools for processing applications, and

(d) Using software for online screening of applications.

Cautions while using e-Recruiting

The following guidelines regarding e-recruiting will be highly useful for recruiters:

- E-recruiting needs to be aligned with organisation's strategic goals. For example, if a firm has an innovation strategy that focuses on developing new information technologies, e-recruiting shall identify individuals with skills that can help meet these goals.
- Organisations that have reputation can benefit from e-recruiting.
- Firms need to use e-recruiting as one of the sources but not the only source of attracting talents.
- May attract frequent job hoppers.
- The websites should be designed for easy use, simple to navigate and attract candidates rather than simply screening them.
- Organisations should develop online screening systems based on job analysis and ensure that inferences made from the systems are reliable and valid.
- The system should give adequate information about the company and the positions to the candidates.
- Organisations should use websites to promote values that will be attractive to most employees rather than just select those that fit with traditional culture.
- e-recruiting should not be used as fad but should be measured in terms of successful placements made.
- Collect feedback from job applicants on the direct and indirect messages conveyed by the website regarding the climate of the organisation.
- Companies should use appropriate languages in the website for people with diverse background can use the website.
- The system should be simple and should not cause anxiety in the minds of job applicants while navigating the site.
- Should meet all legal requirements and without any bias based on caste and religion.
- Should attract disadvantaged sections of the society.
- Protect the privacy of individual. The web should have limited access to data and the data collected are relevant to the job.

Q33. What is e-Selection? Explain the purpose of e-selection.

Ans :

Meaning

e-Selection includes such activities as 800 number scheduling, web based testing, face-to-face interviewing and job offering.

The purposes of e-selection are mainly three:

(a) Achieving Cost Reduction

Cost reduction is the main objective and infact, it is mainly for cost saving that organisations switch over to e-selection from conventional selection process, e-selection help cost reduction in several ways. Loss rates between events in the selection process are minimised, administrative costs involved in the selection process are reduced and costs of sourcing candidates into the employment process become less.

(b) Maximum Utilization of Human Capital

The second objective of e-selection is to achieve maximum utilisation of human capital. This is being achieved through high retention rates, increased percentage of candidates who meet employment requirements and improved productivity after the new hires.

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(c) Sustainability

Sustainability is the last objective of e-selection. Sustainability refers to the organisation's ability and willingness to maintain the e-enabled system and also progressively evolve the system to satisfy changing requirements. Sustainability is necessary to ensure that the business continues to reap ongoing benefits from e-enabled system.

Q34. What is e-Learning? Explain the requisites for e-learning.

Ans :

Meaning

e-Learning refers to the use of Internet or an organisational intranet to conduct training on-line. E-leaming is becoming increasingly popular because of the large number of employees, who need training e-leaming has come a long way from its early days when it was used extensively for technical education such as learning new language and familiarisation with new technologies. Today, firms are introducing soft skill modules as well.

Requisites

e-leaming does not simply mean putting existing courses and materials on a website. Following requisites need to be provided before launching learning on-line.

- Sufficient top management support and funding needs to be committed to develop and implement e-leaming.
- Managers and HR professionals need to be "retrained" to accept the idea that training is being decentralized and individualised.
- Current training methods (compared to e-leaming) are not adequately meeting organisational training needs.
- Potential learners are adequately computer literate and have ready access to computers and the Internet.
- Sufficient number of learners exist and many of them are self-motivated to direct their own learning.

Q35. What are the advantages and disadvantages of e-learning?

Ans :

Advantages

- It is self-paced. Trainees can proceed on their own time.
- It is interactive, tapping multiple trainee senses Allows for consistency in the delivery of training.
- Enables scoring of services/assessments and the appropriate feedback.
- Incorporates built-in guidance and help for trainees to use when needed
- It is relatively easy for trainers to update content
- Can be used to enhance instructor-led training.

Disadvantages

- May cause trainee anxiety
- Not all trainees may be ready for e-leaming Not all trainees may have easy and uninter-rupted access to computers Not appropriate for all training content (e.g. leadership, cultural change)
- Requires significant upfront cost and investment
- No significantly greater learning evidenced in research studies
- Requires significant top management support to be successful.

Q36. How does e-compensation help HR professionals in improving their productivity?

Ans :

e-Compensation represents a web-enabled approach to an array of compensation tools that enable an 'organisation to gather, store, manipulate, analyse, utilise, and distribute compensation data and information. Using an Internet browser, the Internet and the world wide web, individuals access electronically distributed compensation software,

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databases, and analytic tools from anywhere - their office, their home, on vacation, and on the other side of the globe.

HR professionals are able to gain access to knowledge management databases, best practices and competi-tive information. Web-enabled tools also enhance HR professionals' ability to distribute this key information and compensation metrics to employees and managers for critical decision making. In addition, web-based tools help increase HR managers' productivity through automating information access and distribution of transactional compensation administration responsibilities to line managers and employees).

1.11 HR Analytics

1.11.1 An Introduction

Q37. Define HR Analytics. Explain the various metrics of HR Analytics.

Ans :

Meaning

HR analytics also known as people analytics is the collection and application of talent data to improve critical talent and business outcomes. HR analytics leaders enable HR leaders to develop data-driven insights to inform talent decisions, improve workforce processes and promote positive employee experience.

Metrics

Here are some common metrics tracked by HR analytics:

1 Revenue Per Employee

Obtained by dividing a company's revenue by the total number of employees in the company. This indicates the average revenue each employee generates. It is a measure of how efficient an organization is at enabling revenue generation through employees.

2. Offer Acceptance Rate

The number of accepted formal job offers (not verbal) divided by the total number of job offers given in a certain period. A higher rate (above 85%) indicates a good ratio. If it is lower, this data can be used to redefine the company's talent acquisition strategy.

3. Training Expenses Per Employee

Obtained by dividing the total training expense by the total number of employees who received training. The value of this expense can be determined from measuring the training efficiency. Poor efficiency may lead you to re-evaluate the training expense per employee.

4. Training Efficiency

Obtained from the analysis of multiple data points, such as performance improvement, test scores, and upward transition in employees' roles in the organization after training. Measuring training efficiency can be crucial to evaluate the effectiveness of a training program.

5. Voluntary Turnover Rate

Voluntary turnover occurs when employees voluntarily choose to leave their jobs. It is calculated by dividing the number of employees who left voluntarily by the total number of employees in the organization. This metric can lead to the identification of gaps in the employee experience that are leading to voluntary attrition.

6. Involuntary Turnover Rate

When an employee is terminated from their position, it is termed "involuntary." The rate is calculated by dividing the number of employees who left involuntarily by the total number of employees in the organization. This metric can be tied back to the recruitment strategy and used to develop a plan to improve the quality of hires to avoid involuntary turnover.

7. Time to Fill

The number of days between advertising a job opening and hiring someone to fill that position. By measuring the time to fill, recruiters can alter their recruitment strategy to identify areas where the most time is being spent.

8. Time to Hire

The number of days between approaching a candidate and the candidate's acceptance of

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the job offer. Just like time to fill, data-driven analysis of time to hire can benefit recruiters and help them improve the candidate experience to reduce this time.

9. Absenteeism

Absenteeism is a productivity metric, which is measured by dividing the number of days missed by the total number of scheduled workdays. Absenteeism can offer insights into overall employee health and can also serve as an indicator of employee happiness.

10. Human Capital Risk

This may include employee-related risks, such as the absence of a specific skill to fill a new type of job, the lack of qualified employees to fill leadership positions, the potential of an employee to leave the job based on several factors, such as relationship with managers, compensation, and absence of a clear succession plan. HR analytics can be used to measure all these metrics.

Q38. What are the benefits of human resource analytics?

Ans :

Some of the merits/benefits/advantages of HR analytics are as follows,

1. HR analytics helps in making accurate decisions, without much dependence on guess-work.
2. It helps the organization develop strategies for employee retention.
3. HR analytics can help answer questions such as,
   (a) How much does it take to hire new employees?
   (b) How much investment is needed to improve employees productive speed?
   (c) Which employees may leave the organization within the year?
   (d) Is there is any impact of learning and development programmes on the performance of employees?
4. HR analytics ensures detailed performance management, career development and succession planning which in turn will lead to improved employee productivity.
5. It strengthens the employees trust by providing transparency, easy access and data security.
6. It helps the organization find out reasons for employee turnover rates and helps in improving the retention rate. This will further lead to cost savings in recruitment.
7. It enables the HR manager to better understand the employee experience through metrics like absenteeism, attendance and productivity. By analyzing these metrics, areas of improvement can be found out and strategies can be developed to improve employee satisfaction and experienced.

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Short Question and Answers

1. Define Human Resource Management.

Ans :

Human Resource Management is a process of bringing people and organizations together so that the goals each are met. It is that part of the management process which is concerned with the management of hurri-resources is an organization. It tries to secure the best from people by winning their whole hearted co-operation In short, it may be defined as the art of procuring, developing and maintaining competent work force to achieve e the goals of an organization is an effective and efficient manner.

(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".

2. Significance Human Resource Management.

Ans :

HRM becomes significant for business organization due to the following reasons.

(i) Objective: HRM helps a company to achieve its objective from time to time by creating a positive attitude among workers. Reducing wastage and making maximum use of resources etc.

(ii) Facilitates Professional Growth: Due to proper HR policies employees are trained well and this takes them ready for future promotions. Their talent can be utilized not only in the company in which they are currently working but also in other companies which the employees may join in the future.

(iii) Better relations between union and management: Healthy HRM practices can help the organization to maintain co-ordinal relation-ship with the unions. Union members start realizing that the company is also interested in the workers and will not go against them therefore chances of going on strike are greatly reduced.

3. Who are line managers?

Ans :

Line managers posses line authority with which they can give place orders to other managers or the employees. The line authority helps in developing a superior-subordinate relationship. Usually, managers link line managers with the managing operations such as sales or production which is necessary for the existence of the company. Human resource managers are the staff managers who help and guide the line managers in various activities like recruiting, hiring and compensation.

4. Duties of Line Managers

Ans :

The most important duty of any line manager is to deal with people directly right from president to that of the first-line supervisors.

(i) Positioning the right person in a right job.

(ii) Conducting orientation program for the new employees in the organization.

(iii) Providing training to the employees for the jobs which are new to them.

(iv) Enhancing the performance of all the employees in an organization.

(v) Seeking and obtaining cooperation and building good cordial working relationships.

(vi) Explaining and understanding the policies and methods of the company.

(vii) Monitoring the labour costs.

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(viii) Building and improving the capabilities of all the employees.

(ix) Building and carrying out the morale of the department.

(x) Safeguarding the health and physical condition of the employees.

5. Strategic Approach to Organizing HR

Ans :

Employers are adopting new ways of providing human resource services. Usually, the HR services of the organisation are organised and administered through four approaches which are, Transactional, Embedded, Corporate and Centers of expertise.

(i) In transactional approach, employer establishes a centralized call center and outsource the tasks to the vendors to offer specialized assistance to the employees performing their day-to-day transactional HR activities.

(ii) The corporate HR group emphasizes on assisting the top management in designing and formulating strategic plans for the company which are usually long-term in nature.

(iii) Through embedded HR unit, employers can directly allocate HR generalists ("Relationship managers" or "HR business partners") to the specialised departments such as sales and production with an objective of offering the localized human resource assistance to those departments which usually require it

(iv) The centers of expertise are similar to the specialized HR consulting firms operating within the company. For example, offering specialized assurance in implementation of organizational change.

6. Explain the economic challenges influencing HRM.

Ans :

The economic conditions have a strong influence on human resources management People, goods, capital and information are moving around the globe and number of organizations are trying to become global players. IBM, Coca-Cola, Motorola and Gillette are earning more than half of their revenues from operations outside USA.

President Clinton's successful endorsement of NAFTA [North American Free Trade Agreement] will further increase efficiency and markets, and create a greatly, increased competitive challenge to enterprises worldwide. India has become a sourcing centre for many global organization. They have successfully utilized the services of skilled manpower which is available here at low price to create distinct cost advantages for their products.

Overall, growing international competition and interdependency, intensifies the pressure on executives, supervisors and all employees to become more innovative, more quality and cost conscious. Therefore, it is the responsibility of HR managers to play challenging roles and create a competitive advantage for the organization, into global market place.

7. Define high performance work systems.

Ans :

There are many definitions of a high-performance work system (HPWS) and high-performance working. In their seminal work, Manufacturing Advantage: Why high performance work systems pay off, Appelbauin et al (2000) stated that high-performance work systems facilitate employee involvement, skill enhancement and motivation. An HPWS is 'generally associated with workshop practices that raise the levels of trust within workplaces and increase workers' intrinsic reward from work, and thereby enhance organizational commitment'. They define high performance as a way of organizing work so that front-line workers participate in decisions that have a real impact on their jobs and the wider organization.

8. Characteristics of an HPWS

Ans :

- It links the firm's selection and promotion decisions to validated competency models.
- It is the basis for developing strategies that provide timely and effective support for the skills demanded to implant the firm's strategies.

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- It enacts compensation and performance management policies that attract, retain and motivate high-performance employees.

9. Explain the components of HPWS.

Ans :

- Job infrastructure - workplace arrange-ments that equip workers with the proper abili-ties to do their jobs, provide them with the means to do their jobs, and give them the motivation to do their jobs. These practices must be combined to produce their proper effects.
- Training programmes to enhance employee skills - investment in increasing employee skills, knowledge and ability.
- Information sharing and worker involvement mechanisms - to understand the availa-ble alternatives and make correct decisions.
- Compensation and promotion opportunities that provide motivation - to encourage skilled employees to engage in effective discretionary decision making in a variety of environmental contingencies.

10. HR Score card.

Ans :

In India, Prof. T.V. Rao (Consultant and former IIM Ahmedabad faculty) initiated the concept of Human Resource Development (HRD) scorecard which later became popular with the name "T.V. Rao Learning Systems" (TVRLS).

HRD scorecard represents the level of HR maturity of an organisation and its alliance with the strategy of organisation. The model is of the opinion that employees who are competent would produce good quality products and services at competitive rates and ways which improves customer satisfaction. HRD scorecard is usually employed to measure the maturity level on the basis of four dimensions by using a 10-point scale wherein 10 is the highest maturity level 5 is the moderate maturity level and 1 is the least level of maturity.

11. Define Human Resource Information System.

Ans :

Meaning

Human resource manager needs considerable information data relating to all areas of HRM. A comprehensive data system is, therefore, necessary to fulfill the HR informational needs of an organization. The concept of Human Resource Information System (HRIS) has been derived from the concept of Management Information Systems (MIS). MIS is defined as systematic collection, maintenance, and retrieving data for providing support to the operations, management, analysis, and decision-making functions in an organization.

12. What is e-HRM?

Ans :

If HR's role has been to deliver workforce support and management based on the needs of the business, the role of technology has been one of enabler. During the past years, HR processes and procedures have been supported by everything from complicated file-folder systems to automation, going from usage of multiple systems and databases to a single version of the whole system. These are the days of e-HR. HR professional needs to be aware of and knowledeagable enough to adopt the new technology for the benefit of his or her business.

13. What are the advantages and disadvantages of e-learning?

Ans :

Advantages

- It is self-paced. Trainees can proceed on their own time.
- It is interactive, tapping multiple trainee senses Allows for consistency in the delivery of training.
- Enables scoring of services/assessments and the appropriate feedback.

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Disadvantages

- May cause trainee anxiety
- Not all trainees may be ready for e-leaming Not all trainees may have easy and uninter-rupted access to computers Not appropriate for all training content (e.g. leadership, cultural change)

14. Explain the various roles of HR Manager.

Ans :

Human Resource Managers, nowadays, wear many hats. They perform mainly three different types of roles, while meeting the requirement of employees and customers, namely administrative, operational and strategic.

(i) Administrative Roles: The administrative roies cf human resource management include policy formulatio and implementation, housekeeping, records maintenance, welfare administration, legal compliance, etc.

(ii) Operational Roles: These roles are tactical in nature and include recruiting, training and developing employees; coordinating HR activities with the actions of managers and supervisors throughout the organization and resolving differences between employees.

15. Scope of HRM

Ans :

The scope of Human Resource Management is extremely wide,

(i) Human Resources Planning: Human Resource Planning refers to a process by which the company tries to find the number of jobs vacancy in which a particular department and The number of staff required with the necessary qualification and experience.

(ii) Job Analysis Design: Another important area of Human Resource Management is job analysis. Job analysis gives detailed information about the job description and employee specifications in the company.

(iii) Recruitment and Selection: Based on information collected from job analysis the company prepares advertisements and publishes them in the newspapers, Employ-ment sites, etc. This is recruitment. A number of applications are gathered after the advertisement is published, interviews are conducted and the right employee is selected for the right post and right time thus recruitment and selection are yet another important areas of Human Resource Management.

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Choose the Correct Answer

1. Human resource management emphasisa. [a]
   (a) Development of people (b) Punishment of people
   (c) Adoption of people (d) None of these
2. Human resource management is amalgam of- [c]
   (a) Job analysis, recruitment and selection
   (b) Social behaviour and business ethics
   (c) Organisational behaviour, , personal management and industrial relation
   (d) Employer and employees
3. Operative functions of HRM includes [d]
   (a) Procurement, development, compensation & motivation
   (b) Maintenance
   (c) Integration and emerging trends
   (d) All of these
4. Basic managerial functions of HRM are [c]
   (a) Planning, organising, staffing
   (b) Planning, organising and co-ordinating
   (c) Planning, organising, directing and controlling
   (d) None of these
5. Which of the following statement is/are correct? [b]
   (a) HRM is a strategic management functions
   (b) Under HRM employee is treated as resource
   (c) HRM is the management of skills, talent and abilities
   (d) HRM lacks the organisation to achieve its goals
6. Following are the characteristics of HRM except [d]
   (a) Pervasive function (b) Interdisciplinary function
   (c) Integrating mechanism (d) Job oriented
7. Challenges faced by Human resource management includes [a]
   (a) Technological changes, workforce diversity, globalisation
   (b) Productivity, career planning
   (c) Compensation management
   (d) Downsizing and voluntary retirement scheme

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8. The process of familiarizing the new employees to the organisation rules and regulations is known as [b]

(a) Placement (b) Induction

(c) Recruitment (d) Selection

9. Human resource management means [c]

(a) A method which an organisation collects, maintains and reports information on people and jobs

(b) The process of integrating the employees' needs and aspirations with organizational needs

(c) The process of bringing people and organisation together so that the goals of each are achieved

(d) The efforts to make life worth living for workers

10. Planning, organizing and controlling of procurement, development, compensation, integration of human resources to the end that objectives of individual, organisation and society are achieved given by [b]

(a) Storey (b) Flippo

(c) Vetter (d) F.W. Taylor

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Fill in the blanks

1. _____ is a process of bringing people and organizations together so that the goals each are met.
2. _____ posses line authority with which they can give place orders to other managers or the employees.
3. _____ is the process of arranging people and other resources to work together to accomplish a goal.
4. HPWS stands for _____
5. _____ scorecard represents the level of HR maturity of an organization and its alliance with the strategy of organization.
6. HRIS stands for _____
7. The _____ culture measures values and processes created by the HRD tools.
8. The HRD systems, competencies, and _____ must be aligned with the business goals of the corporation.
9. _____ programmes to enhance employee skills - investment in increasing employee skills, knowledge and ability.
10. The field of _____ is rapidly evolving as it is facing a lot of challenges.

ANSWERS

1. Human Resource Management
2. Line managers
3. Organizing
4. High-performance work system
5. HRD
6. Human Resource Information System
7. HRD
8. Culture
9. Training
10. HRM

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One Mark Answers

1. Define Human Resource Management

Ans :

Human Resource Management (HRM) is the utilization of individuals to achieve organizational objectives Consequently, managers at every level must concern themselves with HRM. Basically, all managers get thine done through the efforts of others, this requires effective HRM.

2. Recruitment

Ans :

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

3. Selection

Ans :

It is the process of ascertaining the qualifications, experience, skill knowledge etc., of an applicant with a view to appraising his/her suitability to a job appraising:

4. Human Resource Information System

Ans :

Human resource manager needs considerable information data relating to all areas of HRM. A comprehensive data system is, therefore, necessary to fulfill the HR informational needs of an organization.

5. e-Learning

Ans :

e-leaming refers to the use of Internet or an organisational intranet to conduct training on-line. E-leaming is becoming increasingly popular because of the large number of employees, who need training e-leaming has come a long way from its early days when it was used extensively for technical education such as learning new language and familiarisation with new technologies.

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UNIT II

Recruitment and Selection: Basics of Talent Management Process, Job Analysis, Methods for Collecting Job Analysis Information, Job Descriptions and Specifications, Job Satisfaction, Job Enlargement, Job Enrichment and Job Rotation, HR Planning, Recruitment, e-Recruitment & Selection Process, Planning & Forecasting of human Resources, Sources of Recruitment, Recruitment on Diverse Work Force, Employee Testing and Selection, Basic Types of Interviews, Errors in Interviews.

2.1 Basics of Talent Management Process

Q1. Define Talent Management. Explain the importance of Talent Management.

Ans :

Definitions

(i) According to Jason Ayerbook, Mary Ruiz and Suzzanne Rumsey 'Talent management is the process of managing the supply and demand of talent to achieve optimal business performance and in direct alignment with organizational goals'.

(ii) According to Rhea Duttagupta "Talent management is the strategic management of the flow of talent through an organization"

(iii) According to In general, a talent management is defined as a strategic approach which is engaged in recruiting, integrating, developing, rewarding and retaining the highly calibred, multi-skilled, talented and competent personnel in an organization to accomplish the strategic objectives of the firm.

Importance

- **Right Person in the right Job**

  Through a proper ascertainment of people skills and strengths, people decisions gain a strategic agenda. The skill or competency mapping allows you to take stock of skill inventories lying with the organization. This is especially important both from the perspective of the organization as well as the employee because the right person is deployed in the right position and employee productivity is increased. Also since there is a better alignment between an individual's interests and his job profile the job satisfaction is increased.

- **Retaining the top talent**

  Despite changes in the global economy, attrition remains a major concern of organizations. Retaining top talent is important to leadership and growth in the market place. Organisations that fail to retain their top talent are at the risk of losing out to.

- **Competitors**

  The focus is now on charting employee retention programs and strategies to recruit, develop, retain and engage quality people. Employee growth in a career has to be taken care of, while succession planning is being performed those who are on the radar need to be kept in loop so that they know their performance is being rewarded.

- **Better Hiring**

  The quality of an organization is the quality of workforce it possesses. The best way to have talent at the top is have talent at the bottom. No wonder then talent management programs and trainings, hiring assessments have become an integral aspect of HR processes nowadays.

- **Understanding Employees Better**

  Employee assessments give deep insights to the management about their employees. Their development needs, career aspirations,

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strengths and weaknesses, abilities, likes and dislikes. It is easier therefore to determine what motivates whom and this helps a lot Job enrichment process.

- **Better professional development decisions**

  When an organization gets to know who its high potential is, it becomes easier to invest in their professional development. Since development calls for investment decisions towards learning, training and development of the individual either for growth, succession planning, performance management etc., an organization remains bothered where to make this investment and talent management just make this easier for them.

Apart from this having a strong talent management culture also determines how organization rate their organizations as work places. In addition if employees are positive about the talent management practices of the organization, they are more likely to have confidence in the future of their organization. The resultant is a workforce that is more committed and engaged determined to outperform their competitors and ensure a leadership position in the market for their organization.

Q2. Explain the benefits of Talent Management.

Ans :

Talent management refers to the skill of attracting and nurturing highly skilled employees, integrating new employees, and developing and retaining current employees to meet the current and future business objectives. It is also known as Human Capital Management.

Benefits

Talent management is integral to modern businesses and is one of the crucial management functions in an organization. Here, we have listed down the major benefits that Talent Management has to offer :

- It helps the organization fulfill its vision with the help of efficient and promising talented people.
- Talent management also assists the organization to build a talent pool comprising a list of talented people to meet future exigencies.
- It makes the organization more competitive and progressive.
- It paves the way for future leadership.
- It helps automate the core processes and helps capture data for making better decisions.
- Automates repetitive tasks like creating salaries thereby releasing time and resources for making strategies and more critical decisions.

Q3. Explain the various strategies of talent management.

Ans :

Talent Management, usually referred as Human Capital Management, is the process recruiting, managing, assessing, developing and maintaining an organization's most important resource it's people.

The typical strategies include :

1. Merge talent management data by having incorporated exceptional capabilities in learning, performance, and compensation management software
2. Automate the talent management process into an online solution there by reducing time and costs of performance reviews.
3. Recognize and close employee performance gaps by instantly turning automated performances appraisals into training development plans.
4. Align training demand with performance needs and strategic goals directly there by reducing time and money spent on non-strategic training activities.
5. Eliminate conflicting evaluation criteria by applying a standardized solution that impose consistent language, feedback, and evaluation criteria.
6. Use reliable, fair pay-for-performance initiatives.

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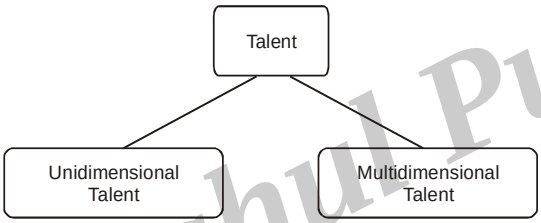
Q4. Explain the type of talent management.

Ans :

Talent management includes within its fold those individuals who can make a difference to the organization's goals, either through their immediate contribution or in the long run. Talent is a composite state made up of various elements. An Individual is said to be talented when he/she possesses or acquires the following elements.

- Skills, knowledge, intelligence, and experience
- Ability to learn and grow
- Judgment, attitude, character
- Perseverance and self-motivation

Talent is a set of unique abilities possessed by individuals. There are two types of talent found in an organization. They are unidimensional and multidimensional. Both types of talent have the same objective, however, with different perspectives.



1. Unidimensional Talent

In an organization, we observe that some employees are best in a particular skill and ability. For instance, some employee may be best in administration, some of them best in sales, while some employees may be best in their respective functions. When individuals possess a singular talent in any particular field, it is called unidimensional talent.

2. Multidimensional Talent

- On the other hand, in an organization we also observe that employees are adept at multiple skills and abilities. For example, one employee is best in administration sales, accounting and production at a stretch. Such an employee is said to possess multidimensional talent.
- Multi-dimensional talent is much sort after by organizations. Every organization seeks to retain employees with multidimensional talent as they prove highly beneficial in bridging the gap between organizational objectives and goals.
- Skill and Knowledge as Defined in Talent Management Skill and knowledge both are the abilities of individuals. Knowledge is information-based and skill is the ability to perform a particular task in the required time frame.

(i) Knowledge

It is the theoretical and practical understanding of any subject. It provides the foundation to gain skills on any subject or action. For example, an employee having good knowledge of English language and grammar may not be able to speak in good English, because communicating in English is a distinct skill.

(ii) Skill

One can develop skills through experience, training, and continuous effort. For example, an employee can develop communication skills while continuously practicing and communicating with colleagues or subordinates.

Q5. Explain the various stages in Talent Management Process ?

Ans : **(May-22)**

The various stages of Talent Management are as follows:

- **Identifying the goals**

This is the cardinal stage and pivotal to the success of the entire talent management process. The first step is to identify what the organization aims to achieve and what characteristic qualifications and skills the recruits should possess to realize the goals.

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- **Attracting the talent**

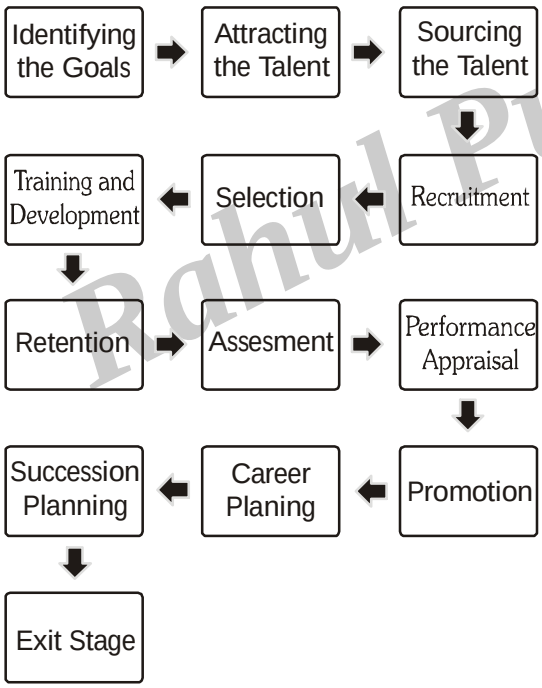
  The main aim of talent management process is to hire the best talent for an organization. Organizations at this stage make effort to attract the best talented people from the job market.

- **Sourcing the talent**

  In this stage, the talent management personnel looks for appropriate sources in the job market or industries where the targeted people can be hired or recruited.

- **Recruitment**

  This is the first stage of hiring the best talented people for the organization. Skilled and qualified people are invited to join the organization.



- **Selection**

  This is the stage where the objective of talent management becomes a reality. It is when truly talented people are recruited or hired in various roles.

- **Training and development**

  At this stage, the selected recruits are provided with necessary training to make them productive and efficient to work towards the goals of the organization.

- **Retention**

  The notable objective of talent management is not only hiring talent but also ensuring their retention in the organization. Factors upon which the retention rate depends are attractive pay package, job specification, safety and security of the employees, personal development of an employee, recognition and culture of the organization, and the fit between the job and talent.

- **Assessment**

  Periodical assessment of employees' skills, abilities, improvements and competencies enable the organization to know if they are fit for continuation and promotion.

- **Performance appraisal**

  It is a measurement of the actual performance of the employees in the job. It enables the organization to ascertain if the person can be loaded with extra responsibilities.

- **Promotion**

  It refers to job enrichment. It keeps the energy level high of the employees and they are inspired to continue to work for the organization.

- **Career planning**

  If an employee is found befitting to handle work pressure and extra responsibilities well, the management needs to plan his/her career so that he or she feels elevated and rewarded. Such recognition and rewards inspire the employees to remain with the organization for a long time.

- **Succession planning**

  This deals with the replacement of people within the organization. Employees who have given their best to the organization and have been serving for long deserve to hold higher positions.

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➢ **Exit stage**

This is the final stage of talent management process that ends in the retirement of the employees and they are no more a part of the organization.

2.2 JOB ANALYSIS

Q6. Define job analysis. Explain the nature of job analysis.

Ans : **(March-15)**

Meaning

Manpower planning is concerned with determination of quantitative and qualitative requirements of manpower for the organization.

The quantitative aspect deals with determining the total number of people required to do the work. The kind or quality of people required to do the work comes under the qualitative aspect. Detailed knowledge of the nature and requirements of jobs to be filled is essential for determining the kind of personnel required. Such knowledge can be obtained through the process of job analysis.

Job analysis is a formal and detailed examination of jobs. It is a process of gathering information about a job. It tries to "reduce to words the things that people do in human work."

Job-analysis is a detailed and systematic study of jobs to know the nature and characteristics of the people to be employed on various jobs. It involves collection of necessary facts regarding jobs and their analysis. Some of the definitions of job-analysis are given here under to understand the meaning of the term more clearly.

Definitions

(i) **According to Edwin B. Flippo**, "Job analysis is the process of studying and collecting information relating to the operations and responsibilities of specific job".

(ii) **According to Michael J. Jucius**, "Job analysis refers to the process of gathering information about the operations, duties and organizational aspect of jobs in order to write-up specifications or as they are called by some job descriptions".

(iii) **According to Donald**, "Job analysis is a method of scientifically dissecting a job in order to determine the component elements and their influence upon the length of learning period of the worker, production and labor turnover".

(iv) **According to Dale Yoder**, "Job analysis is the procedure by which the facts with respect to each job are systematically, discovered and noted. It is sometimes called 'Job study' suggesting the care with which tasks, processes, responsibilities and personnel requirements are investigated".

Nature

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

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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.

Q7. Explain the purpose of job analysis.

Ans : **(Nov.-22)**

1. Human Resource Planning

Job analysis helps in forecasting human resource requirements in terms of knowledge and skills. By showing lateral and vertical relationships between jobs, it facilitates the formulation of a systematic promotion and transfer policy. It also helps in determining quality of human resources needed in an organization.

2. Recruitment

Job analysis is used to find out how and when to hire people for future job openings. An understanding of the skills needed and the positions that are vacant in future helps managers to plan and hire people in a systematic way.

3. Selection

Without a proper understanding of what is to be done on a job, it is not possible to select a right person.

For example, if a Super bazaar manager has not clearly identified what a clerk is to do, it is difficult to find if the person selected must be able to position stores items, run a cash register, or keep the account books.

4. Placement and Orientation

After selecting people, we have to place them on jobs best suited to their interests, activities and aptitude. If we are not sure about what needs to be done on a job, it is not possible to identify the right person suited for the job. Similarly, effective job orientation cannot be achieved without a proper understanding of the needs of each job. To teach a new employee how to handle a job, we have to clearly define the job.

5. Training

If there is any confusion about what the job is and what is supposed to be done, proper training efforts cannot be initiated. Whether or not a current or potential job holder requires additional training can be determined only after the specific needs of the jobs have been identified through a job analysis.

6. Counseling

Managers can properly counsel employees about their careers when they understand the different jobs in the organization. Likewise, employees can better appreciate their career options when they understand the specific needs of various other jobs. Job analysis can point out areas that an employee might need to develop to further a career.

7. Employee Safety

A thorough job analysis reveals unsafe conditions associated with a job. By studying how the various operations are taken up in a job, managers can find unsafe practices. This helps in rectifying things easily.

8. Performance Appraisal

By comparing what an employee is supposed to be doing (based on jot analysis) to what the individual has actually done, the worth of that person can be assessed. Ultimately, every organization has to pay a fair remuneration to people based on their performance. To achieve this, it is necessary to com-

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pare what individuals should do (as per performance standards) with what they have, actually done (as per job analysis).

9. Job Design and Redesign

Once the jobs are understood properly, it is easy to locate weak spots and undertake remedial steps. We can eliminate unnecessary movements, simplify certain steps and improve the existing ones through continuous monitoring. In short, we can redesign jobs to match the mental make-up of employees.

10. Job Evaluation

Job analysis helps in finding the relative worth of a job, based on criteria such as degree of difficulty, type of work done, skills and knowledge seeded, etc. This, in turn, assists in designing proper wage policies, with internal pay equity between jobs.

11. Discipline

Job analysis studies the failure of the workers to meet the required standard of performance. Corrective measures may be taken in time to avoid untoward situations. In this way, it helps in maintaining discipline in the organization.

12. Labor Relations

Job analysis will be helpful in improving labor management relations. It can also be used to resolve disputes and grievances relating to work load, work procedures, etc.

13. Compensation and Benefits

In the area of compensation, it is helpful to know the relative value of a particular job to the company before a dollar value is placed on it. From an internal perspective, the more significant its duties and responsibilities, the more the job is worth. Jobs that require greater knowledge, skills, and abilities should be worth more to the firm.

14. Legal Considerations

A proper prepared job analysis is particularly important for supporting the legality of employment practices. In fact, the importance of job analysis is well documented in the Uniform Guidelines on Employee Selection Procedures. Job analysis data are needed to defend decisions involving promotion, transfers, and demotions, e.g., job analysis provides the basis for tying the functional areas together and the foundation for developing a sound human resource program.

15. Job Analysis for Teams

Historically, companies have established permanent jobs and filled these jobs with people who best fit the job description. The jobs then continued in effect for years to come.

Q8. Outline the process of job analysis.

(OR)

What are the major steps in conducting job analysis?

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

1. Determination of uses of Job Analysis

Initially, job analysis was used primarily for recruitment and selection. As the complexity of managing human resources increased, the scope of the use of job analysis also increased covering many more areas. Therefore, before undertaking the actual procedure of job analysis, the organization should define the uses of job analysis.

2. Strategic Choices in Job Analysis

With regard to job analysis, an organization is required to make at least five choices:

i) **Employee Involvement :** Job analysis involves collecting job-related information - duties, responsibilities, skills and knowledge required to perform the jobs. Employees are often asked to supply vital information about the contents of job; given their familiarity with it.

ii) **Level of Details :** The level of analysis may vary from detailed, as in time and motion studies, to broad as in analyzing jobs based on general duties. The level of analysis affects the nature of the data collected.

iii) **When and How Often:** Another strategic choice relates to the timing and frequency of conducting job analysis. Job-analysis is generally conducted when:

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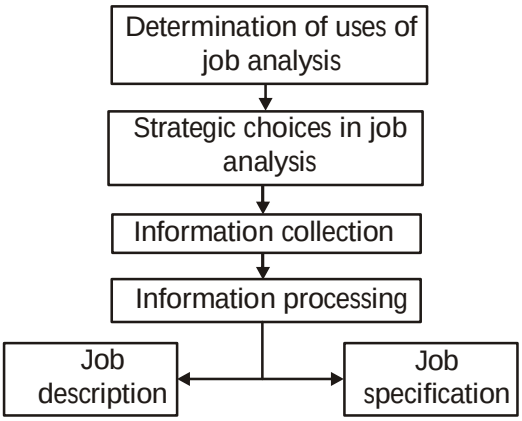

Fig. : Job analysis Process

a) An organization is newly established and the job-analysis is initiated for the first time;

b) A new job is created in an established company;

c) A job is changed significantly due to change in technology, methods, procedures or systems;

d) The organization is contemplating a new remuneration plan; or

e) The employees or managers feel that there exist certain inequities between job demands and the remuneration it carries.

iv) Past-Oriented versus Future-Oriented : If an organization is changing rapidly due to fast growth or technological change, a more future-oriented approach to job-analysis may be desired. Traditional job-analysis information describes how the job has been done in the past and the manner in which it is being currently done. If necessary, a future orientation can be given to the job-analysis and predictions may be made as to how the job will be done in future and the way it should be done. This will allow firms to begin hiring and training people for these jobs prior to the actual change.

v) Source of Job Data : Although the most direct source of information about a job is the job holder, a number of other human and non-human sources are available table. These sources may provide information which an average job holder cannot, thereby enabling the job analyst to question the jot holder more effectively.

Table. : Sources of Job Data

Non-Human Sources	Human Sources
Existing job descriptions and specifications	Job analysts
Equipment maintenance records	Job incumbents
Equipment design blueprints	Supervisors
Architectural blueprints of work area	Job experts
Films of employees working	
Training manuals and other job training materials	
Popular literature such as magazines and newspapers	

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3. Information Collection

This step involves decisions on three issues, viz;

i) Types of Job Analysis Information : Considerable information is needed for the successful accomplishment of job analysis. The job analyst identifies the job's actual duties and responsibilities and gathers the other types of data shown below:

Types of Data Collected In Job Analysis

a) Work Activities,

b) Worker-Oriented Activities,

c) Machines, Tools, EquipmenVand Work Aids Used,

d) Job-Related Tangibles and Intangibles,

e) Work Performance,

f) Job Context,

g) Personal Requirements for the Job.

ii) Persons Involved in Information Collection: There are three categories of persons who may be involved in information collection: '

a) Trained job analysts,

b) Superiors, and

c) Job holders.

iii) Methods for Data Collection: Following methods may be used to collect information for job analysis:

a) Questionnaire,

b) Checklist,

c) Interview,

d) Observation,

e) Participation,

f) Technical Conference,

g Self-Recording of Diary,

h) Critical Incident.

4. Information Processing

Once the job information has been collected, it needs to be processed, so that it would be useful in various personnel functions. Specifically, job-related data would be useful to prepare job description and job specification.

Different job analysis methods yield different outputs or products; however, the most common outputs of job analysis are 'job descriptions' and 'job specifications'.

5. Outputs of Job Analysis

Job analysis is the process of obtaining information about requirements of tasks and human attributes needed to meet those requirements. The immediate outputs of job analysis are job description and job specification. Job analysis is central to human resource management system and the data generated through this process can be utilized for all personnel functions. The methods of data collection for job analysis include job performance, observation, interview, critical incidents and standardized questionnaires.

Q9. What are the Objectives of Job Analysis?

Ans :

Job analysis is a process which determines the duties and skill requirements of a job. Hence, it indicates what activities and accountability the job entails. Following are the main objectives or purposes of job analysis:

1. Job Description

Job description is a job profile which describes the contents, environment and condition of jobs. It is prepared on the basis of data collected through job analysis. It provides information relating to activities and duties to be performed in a job. It differentiate one job from another by introducing unique characteristics of each job.

2. Job Specification

Job specification is another notable objective of job analysis. It includes the information relating to the requirements of skills and abilities to perform a specific task. It states the

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minimum acceptable qualifications that an incumbent must possess to perform the assigned duty successfully. The job specification statement identifies the knowledge, skills, abilities needed to perform that task effectively.

3. Job Evaluation

Job analysis also provides required information which are necessary for evaluating the worthiness of jobs. After the preparation of job description and job specification statements, it assists for the evaluation of actual performance against the predetermined standard. Then the deviation (if any) is found out that has taken place during the course of action. Moreover, it helps to establish the value of different jobs in a hierarchical order which allows to compare jobs one from another.

Q10. State the problems involved in job analysis.

Ans :

1. Lack of Support from Top Management

In most cases the support from top management is missing. They refuse to appropriately describe what an employee is supposed to do in the company creating confusion in the minds of employees. The top management should make it clear to all employees that their full the honest participation is extremely important for the process.

2. Single Method

All too often, job analyst relies on only one of the methods when a combination of two or more methods might provide a better idea.

3. Lack of Training/Motivation

Job holders are a great source of information about the job, but they are not trained or motivated to generate quality data for job analysis, further, job holders are rarely made aware of the importance of the data and are never rewarded for providing accurate data.

4. Distortion of Activities

When training qr preparedness does not exist, job holders tend to submit distorted data, either intentionally or inadvertently.

Q11. Explain the usefulness of job analysis.

Ans : **(Aug.-17)**

The following points show the importance of job analysis to an organization,

(i) Job analysis helps an organization to select the right people who are suitable for both job and organizational culture.

(ii) It helps the organization to work efficiently while maintaining growth and innovation.

(iii) It also permits the firms to develop good selection systems, effective training development programs, compensation and talent management system etc.

(iv) In case, if an organization is legally challenged, then the court would check whether the job analysis was done properly or not. Therefore, the organizations need to act proactively to reduce the legal challenges.

(v) Job analysis facilitates the organizations in determining the desired knowledge, skill sets, abilities and other important characteristics of individuals.

2.3 METHODS FOR COLLECTING JOB ANALYSIS INFORMATION

Q12. Elucidate the various Methods for Collecting Job Analysis Information

Ans : **(March-23, Apr.-17, Mar.-16)**

1. Questionnaire

This method is usually used to obtain information about jobs through a mail survey. The job incumbents who can easily express themselves in writing are asked to provide date about their jobs in their own words. This method is, therefore, best suited to clerical workers. But it is often a very time consuming and laborious process to analyze the data obtained in this manner.

2. Checklist

This method requires the worker to check the task he performs from a long list of possible task statements. However, in order to prepare the checklist, extensive preliminary work is required in collecting appropriate task state-

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ments. While checklists are easy for the incumbent to respond to, they do not provide an integrated picture of the job in question. They are easily administered to large groups and are easy to tabulate.

3. Interview

In this method a group of representative job incumbents are selected for extensive interview - usually outside of the actual job situation. The interview may be carried out either individually on in a group to save time. The replies obtained from the interviews are then combined into a single job description. This method though very costly and time-consuming helps in getting a complete picture of the job.

4. Observation

This method can be followed right on the job. The analyst observes the incumbent as he performs his work and questions him to get the required data. Besides being slow and costly, this method also interferes with normal work operations. However, it generally produces a good and complete job description. This method is particularly desirable where manual operations are prominent and where the work cycle is short. Working conditions and hazards can also be better described when observed personally by the analyst.

5. Participation

In this method the job analyst actually performs the job himself. In this way he is able to obtain first-hand information about what characteristics comprise the job under investigation. This method is fairly good for simple jobs but in case of complex jobs advance training of the analyst becomes necessary. The method is also time-consuming and expensive.

6. Technical Conference

In this method information about the characteristics of the job is collected from the expert - usually the supervisors - and not from the actual job incumbents. One important drawback of this method is that the experts may at times show poor knowledge about the job which they are not actually performing themselves and may give answers based upon their past experience.

7. Self-Recording of Diary

In this method the job incumbent is asked to record his daily activities each day using some type of logbook or diary. The method is good in that it systematically collects a great deal of information about the nature of and the time spent on various activities during the day by each incumbent. But it is very, time-consuming and the incumbent may start complaining that he spends more time in writing his diary than in doing his job. This method is particularly useful for high-level managerial jobs.

8. Critical Incident

In this method the supervisor is asked to provide instances of on-the -job behaviors of people which he considers to be noteworthy. Such instances can be both of good and bad on-the-job behavior. The number of such instances can be as many as the supervisor can recall. These instances can provide information about critical aspects of the job, but the method does not provide an integrated picture of the entire task.

2.4 Job Descriptions and Specifications

Q13. Define job description. What are the characteristics of good job description ?

Ans : **(May-19)**

Meaning

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 ?

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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

- Job description should indicate the scope and nature of the work including all important relation ships.
- 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.

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

Q14. 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.

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Q15. Define the term job specification ? Explain its contents.

Ans : **(May-19)**

Meaning

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

The job specification contains :

- **Physical specification:** Height, weight, vision, hearing, ability to list 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.

Q16. Explain the differences between the job description and job specifications.

Ans : **(July-18)**

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 performed 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

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2.5 JOB SATISFACTION

Q17. Explain briefly about job satisfaction.

Ans : **(March-16, Sep.-14)**

Meaning

Job satisfaction' is a positive emotional response of an individual arising out of the assessment of his/her job experiences. In simple words, job satisfaction refers to the positive outcomes of job experience of an employee. If in case the expectations of an employee are not met in the job then that employee would be dissatisfied with the job and this is called as "job dissatisfaction".

The following are the dimensions of job satisfaction,

- Compensation/pay
- Benefits
- Communication of employees with managers and executives
- Worker relationships
- Performance recognition.

Quite a few times, job satisfaction is also referred as "Morale". In today's business world, morale had decreased to a great extent in few companies in the last few years because of the following reasons,

- Economic factors
- Changes in the components of employer and employee relationship
- Difficult and burdensome work
- Less number of restricted relationships with management etc.,
- Low confidence levels with respect to compensation and other rewards.

The impact/effect of work-life balancing on the job satisfaction of employee basically relays upon the nature of job.

In order to solve the problem of job satisfaction and the retention of employees, employers must conduct surveys at regular intervals. Majority of the business organisations conducts "attitude survey" to emphasize upon the feelings and beliefs of employees with respect to their respective jobs and the organisation. Soon after obtaining the results from the survey, employer is supposed to take corrective action on the basis of the response of the survey results. If in case the employer does not do so then the employees would develop negative feelings for the employer which would ultimately leads to employee dissatisfaction.

2.6 JOB DESIGN

Q18. Define job design. What are the objectives of job design.

Ans :

Meaning

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 :

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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.

Q19. Bring out the factors affecting job design.

Ans :

Job design is affected by organisational, 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).

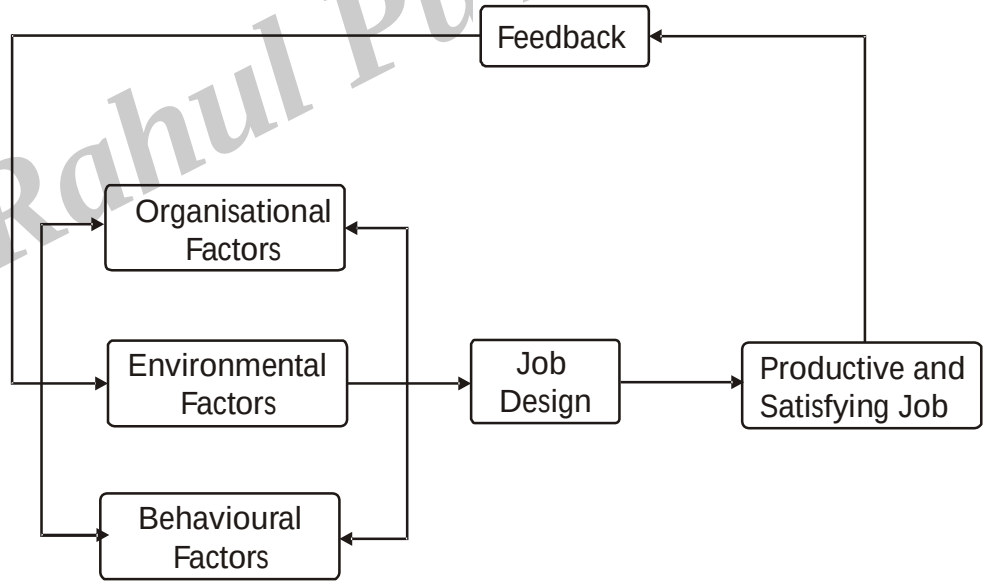

Fig.: Factors affecting job design

(A) Organisational Factors

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

(i) Characteristics of Task

Job design requires the assembly of a number of tasks into a job or a group of jobs. An individual

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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.

(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

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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.

2.6.1 Job Design Approaches

2.6.1.1 Job Enlargement

Q20. What is job enlargement? Explain the various approaches of job enlargement.

Ans :

Meaning

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 criticised as well as appreciated.

Approaches

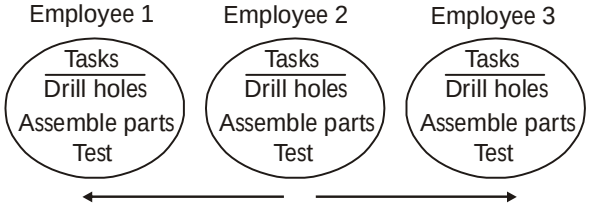
An enlarged job can motivate an individual for five reasons:

(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.



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(c) Ability Utilisation

Workers derive greater satisfaction from jobs that utilise 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 organisational rewards.

Q21. What are the advantages and disadvantnages 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 foe 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 employee's. 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.

2.6.1.2 Job Enrichment

Q22. What is job enrichment? Explain the characteristics of an enriched job.

Ans : **(Aug.-17)**

Meaning

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.

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

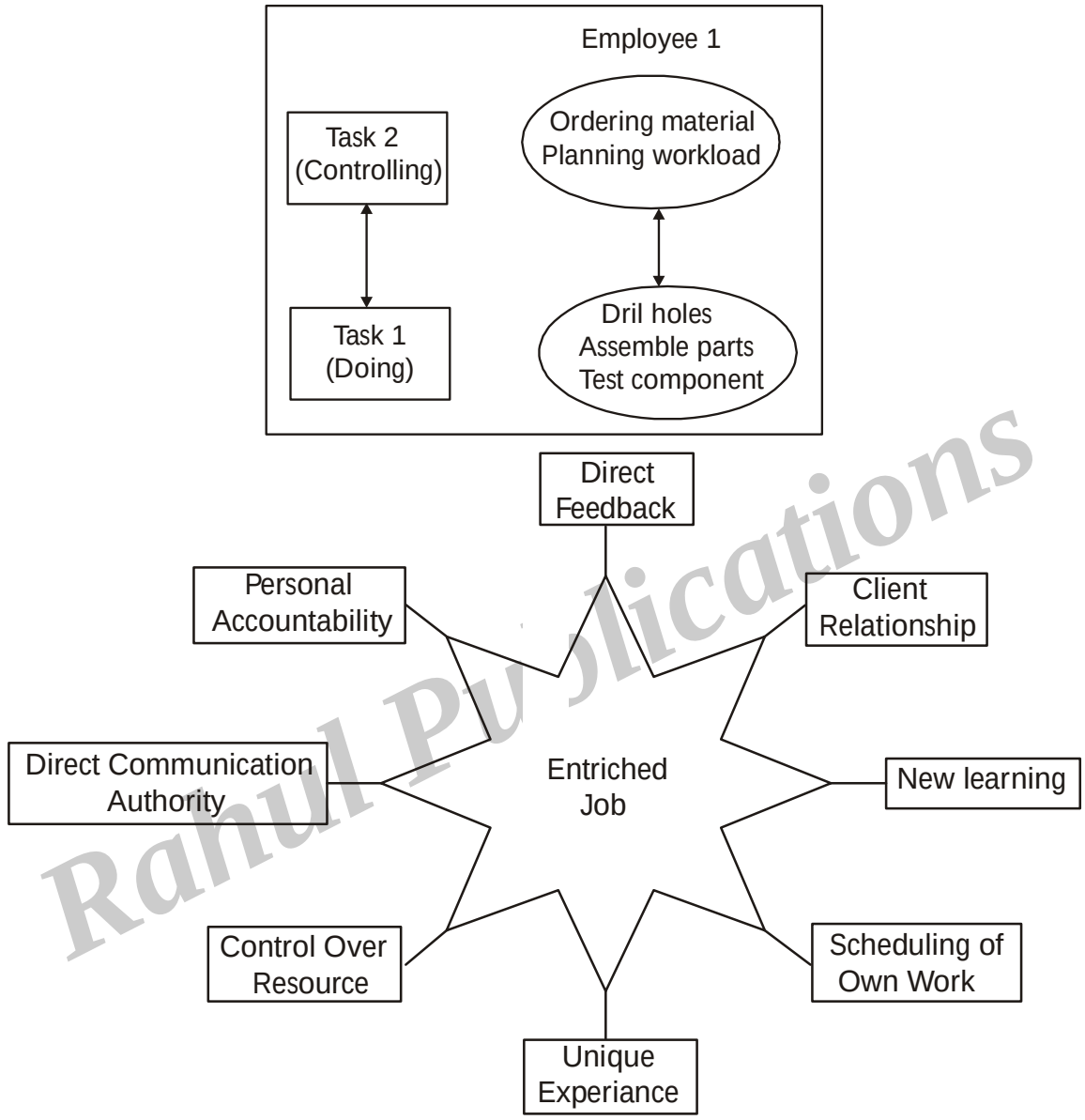

Fig. : Characteristics of an Entriched Job

(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).

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(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.

Q23. What are the advantages and disadvantages of Job Enrichment?

Ans : **(Aug.-17)**

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. Vation 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.

2.6.1.3 Job Rotation

Q24. Define job rotation. What are the advantages and disadvantages of Job Rotation?

Ans : **(Sep.-15)**

Meaning

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

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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 I 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.

2.7 HR PLANNING

Q25. Define human resource planning. Explain the importance of HRP.

Ans :

Meaning

HRP is the process of forecasting an organizations future demand for and supply of the right people in the right members. It is only after HRP is done, that the company can initiate and plan the recruitment and selection process.

Human Resource (Manpower or Personnel) Planning (HRP) involves

1. Forecasting (Estimating) the Manpower requirements and recruitment.
2. Manpower Allocation
3. Manpower Motivation
4. Manpower Development

Definitions

HRP is a process of translates organizational objectives and plans into the member of workers needed to meet those objectives.

(i) According to Column has defined human resource planning as "the process of determining manpower requirements and the means for meeting those requirements in order to carry an integrated plan at the organization".

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(ii) According to Stainer defines manpower planning as "strategy for the acquisition, utilization, improvement and preservation of an enterprise's human resources. It relates to establishing job specifications or the quantitative requirements of jobs determining the number of personnel required and developing resources of manpower".

Importance

Importance of HRP is shown in figure aside:

1. Forecasting Human Resource Requirements

Human resource planning is essential to determine the future human resource needs in an organization. In the absence of such a plan, it would be difficult to have the services of the right kind of people at the right time.

2. Effective Management of Change

Proper planning is required to cope with changes in market conditions, technology products, and government regulations in an effective way. These changes call for continuous allocation or reallocation of skills and in the absence of planning there might be under-utilization of human resource.

3. Realizing Organizational Goals:

In order to meet the needs of expansion programs and growth strategies of the organizations planning is essential.

4. Promoting Employees

The database available provides a comprehensive skill repertoire, which facilitates for decision making as to the promotional opportunities to be made available for the organization.

5. Effective Utilization of Human Resource

This database is also useful for identifying surplus and unutilized human resource and resources. In times of downsizing or in estimating the cost-benefit analysis of human resources would add value to the process.

6. Facilitates Economic Development

At the national level, manpower planning is essential for economic development. It is particularly helpful in the generation of employment in educational reforms and in geographical mobility of talent.

7. Helps Fill the Gap

Manpower planning identifies the gaps in existing manpower so that suitable training programs may be developed for building specific skills, required in future.

Q26. Bring out the factors influencing HRP.

Ans :

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

(i) type and strategy of organisation,

(ii) organisational growth cycles and planning,

(iii) environmental uncertainties,

(iv) time horizons,

(v) type and quality of forecasting information,

(vi) nature of jobs being filled, and

(vii) off-loading the work).

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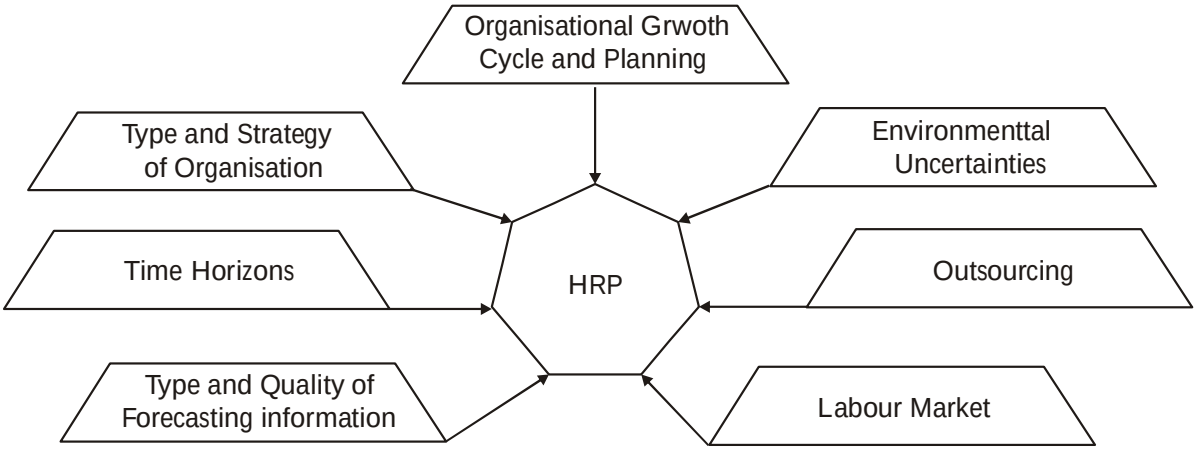

Fig.: Factors influencing HRP

(i) Type and Strategy of Organisation

The type of organisation is an important consideration because it determines the production processes involved, number and type of staff needed, and the supervisory and managerial personnel required. Manufacturing organisations are more complex in this respect than those that render services.

The strategic plan of the organisation defines the organisation's HR needs. For example, a strategy of organic growth means that additional employees must be hired. Acquisitions or mergers, on the other hand, probably mean that the organisation will need to plan for layoffs, since mergers tend to create, duplicate or overlapping positions that can be handled more efficiently with fewer employees.

Primarily, the organisation decides either to be proactive or reactive in HRP. It can either decide to care-fully anticipate the needs and systematically plan them to fill them far in advance, or it can simply react to needs as they arise. Of course, careful planning to fill HR needs better helps ensure that the organisation obtains the right number of HR people with proper skills and competencies when they are needed.

(ii) Organisational Growth Cycles and Planning

The stage of an organisation's growth can have considerable influence on HRP. Small organisations in the embryonic stage may not have personnel planning.

Need for planning is felt when the organisation enters the growth stage. HR forecasting becomes essential. Internal development of people also begins to receive attention in order to keep up with the growth.

A mature organisation experiences less flexibility and variability. Growth slows down. The workforce becomes old as few younger people are hired. Planning becomes more formalised and less flexible and innovative. Issues like retirement and possible retrenchment dominate planning.

(iii) Environmental Uncertainties

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

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(iv) Time Horizons

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

(v) Type and Quality of forcasting Information

The information used to forecast personnel needs originates from a multitude of sources. A major issue in personnel planning is the type of information which should be used in making forecasts. Table illustrates the type and levels of forecasting information useful to personnel planners. Closely related to the type of information is the quality of data used.

(vi) Labour Market

Labour market comprises people with skills and abilities that can be tapped as and when the need arises. Thanks to the mushrooming of educational, professional and technical institutions adequately trained human resource is always available on the market. Nevertheless, shortages do occur. For example, the Confederation of Indian Industry (CII) estimates that by 2015, India will be requiring 30 million additional skilled workers in sectors such as health care, banking and financial services, retail, auto and construction. It is doubtful whether so many skilled workers would be available in the country.

When one talks about labour supply, the following deserve due consideration:

- The size, age, sex and educational composition of the population
- The demand for goods and services in the country
- The nature of production technology
- Employability of the people

(vii) Outsourcing

Several organisations outsource part of their work to outside parties either in the form of sub-contracting or ancillarisation. Outsourcing is a regular feature both in the public sector as well as in the private sector. Most organisations have surplus labour and they do not want to worsen the problem by hiring more people. Hence, the need for off-loading.

Some organisations are known to carry the concept of off-loading to ridiculous lengths. One of the Bangalore based public sector undertakings outsources major part of its work, and in the process, the regular employees sit idle. Kickbacks from owners of ancillary units are the cause for such ancillarisation. HRP is rarely required in such circumstances.

Q27. Classify the different types of human resource planning.

Ans :

There are two main types of manpower planning, on the basis of time span, i.e., short-term manpower panning and long term manpower planning.

1. Short Term Manpower Planning

Short term planning as the name suggests is made for a short time, i.e., for a period of not more than two years. Short term plans are more concerned with specific projects and programs and the existing personnel must be adjusted, to match the requirements of that project and program.

In the short run, it may not be possible, either to change the personnel, to suit the jobs or eliminate jobs, to suit the personnel. So the basic problem in the short run is to match the individuals with jobs, as best as possible. Thus, the problems which are faced in the short run are:

i) Weak Incumbent

The first and the most difficult problem in short-term planning is experienced, when an existing personnel is not according to the specifications of the job. In such circumstances, there are four approaches, for matching jobs and individuals.

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a) Changing of the Man: The first approach in this regard is the changing of the present incumbent by improving his ability, through education, training and counseling.

b) Change in the Contents of the Job: The next approach can be, to change the job contents, to make them suitable to the individual. This can be done by:

- Withdrawing a duty from one position and assigning it to some other related position,
- Adjusting the degree of decentralization,
- Providing the additional assistance when a person is weak.

c) Changing the Job and the Man: Another approach may be a combination of the above two approaches, i.e., both man and the job can be adjusted according to each other, by:

- Improving the ability of the man through training and counseling, and
- Shifting a duty' from one position to another.

d) Removal of the Incumbent: The fourth approach may be the removal of the present incumbent. But this step should be taken only when:

- It is not possible to change the job to make it suitable to the individual, or
- The individual cannot be improved even after proper training and counseling.

ii) Strong Incumbent

Some people in the organization may have greater ability than their present job requires. In such a case, again there is a problem of matching jobs with the man, because a portion of an individual's ability remains unutilized. For the proper utilization of the ability, the following approaches may be tried out:

a) Assigning Additional Duties: A man may be assigned some additional but related duties beyond his assigned sphere. He may give advice to others who are poor in their job performance.

b) Assigning Some Special Problems: Sometimes, some special problems arise in the organization. The help of the capable man can be taken, to solve the problem.

c) Advice: Advice of the capable man can be sought, for any problem, for which he is supposed to be having special knowledge or any activity can be made part of his regular duty, which requires repeated advice of the capable man.

d) Change in Job: The ability of a man can be better utilized, by changing the job that suits his abilities and capabilities. Any activity, which is not being managed properly, may be assigned to the capable man.

iii) Unexpected Vacancy

The next problem, which the management has to face in the short run, is the filling up of posts, falling vacant, due to some unexpected reasons, such as death, resignation or some other social reason. As these unexpected factors are not known in advance, so again the problem of matching jobs and individuals arises. No one in the organization may match the vacant position. Much can be achieved, by changing the job reorganization or by changing the next person in the position, through training and for the mean time; some temporary' arrangements can be made.

2. Long Term Manpower Planning

Long term manpower planning is concerned with all jobs and persons at once - with matching total available personnel in the organization to total job requirements. It is concerned with fulfilling future vacancies, rather than matching the present

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incumbents to present jobs. The long-term manpower planning has the following elements:

i) Projecting Manpower Requirements

The first essential step in projecting the manpower requirements is to forecast the organization structure. The organization operates in a changing environment and therefore, it is bound to change in future. In matching the change with the present job structure, the management must predict the manpower requirements in future. The following factors should be analyzed to forecast the manpower requirements:

a) **Rate of Loss:** The rate of loss, due to known (e.g., retirement and transfer, etc.) and unknown (e.g., resignation, discharge, leave, etc.) factors may be guessed. An accurate forecast can be done for known factors but for unknown factors, only past records may help which may be adjusted, on the basis of present known circumstances.

b) **Change in Organization's Size:** The manpower requirement in future will depend upon the expansion or contraction in the size of the organization. The size of the organization can be predicted on the basis of the past rate of growth, by projecting the trend in the size of sales, capital requirements or manpower stock.

c) **Job Analysis:** A job analysis should also help in long-term planning. A prediction of what capabilities will be required in the people, to perform the job effectively. Such prediction is more important in case of managerial personnel, because it takes more time to develop managerial skill. Again, the development of other personnel also depends upon the management abilities.

ii) Taking Stock of Existing Manpower

Having projected the manpower requirements, the next step in manpower planning is to take stock of existing manpower and to find out how far the present stock of manpower would fulfill the qualifications of the anticipated jobs or how far they would be developed, through training. For this purpose, a list of present employees should be prepared, stating the present abilities of different persons. The list should also state the persons who can be developed within a period of five or ten years, either through experience or training, to suit the anticipated job requirements.

iii) Recruitment and Selection

Once the requirement of manpower is known, the process of recruitment and selection starts to identify the prospective candidates and to stimulate them, to apply for jobs. The recruiting activity may be selective or pre-selective, through choosing among various sources of supply and by the decision, as to which candidate should be permitted, to go through subsequent screening procedures.

iv) Manpower Development

Manpower development includes the development of individuals, through training, to fill up the prospective vacancies, so that they can meet the challenges with their full capabilities. It develops the man, according to the requirements of the job and thus, co-ordinates the man and the job. Having predicted the future needs of personnel, the existing personnel are trained, if possible and are appointed as and when necessary, to the suitable higher job.

Q28. Outline the process of Human Resource planning.

Ans : **(Nov.-20)**

HRP essentially involves forecasting personnel needs, assessing personnel supply and matching demand-supply factors through personnel-related programs. The planning process is influenced by overall organizational objectives and the environment of business.

1. Environmental Scanning

Environmental scanning refers to the systematic monitoring of the external forces influ-

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encing the organization. Managers monitor several forces but the following are pertinent for HRP:

i) Economic factors, including general and regional conditions.

ii) Technological changes, including robotics and automation.

iii) Demographic changes, including age, composition and literacy.

iv) Political and legislative child care, and educational facilities and priorities.

v) Social concerns, including child care, and educational facilities and priorities. By scanning the environment for changes that will affect an organization, managers can anticipate their impact and make adjustments early.

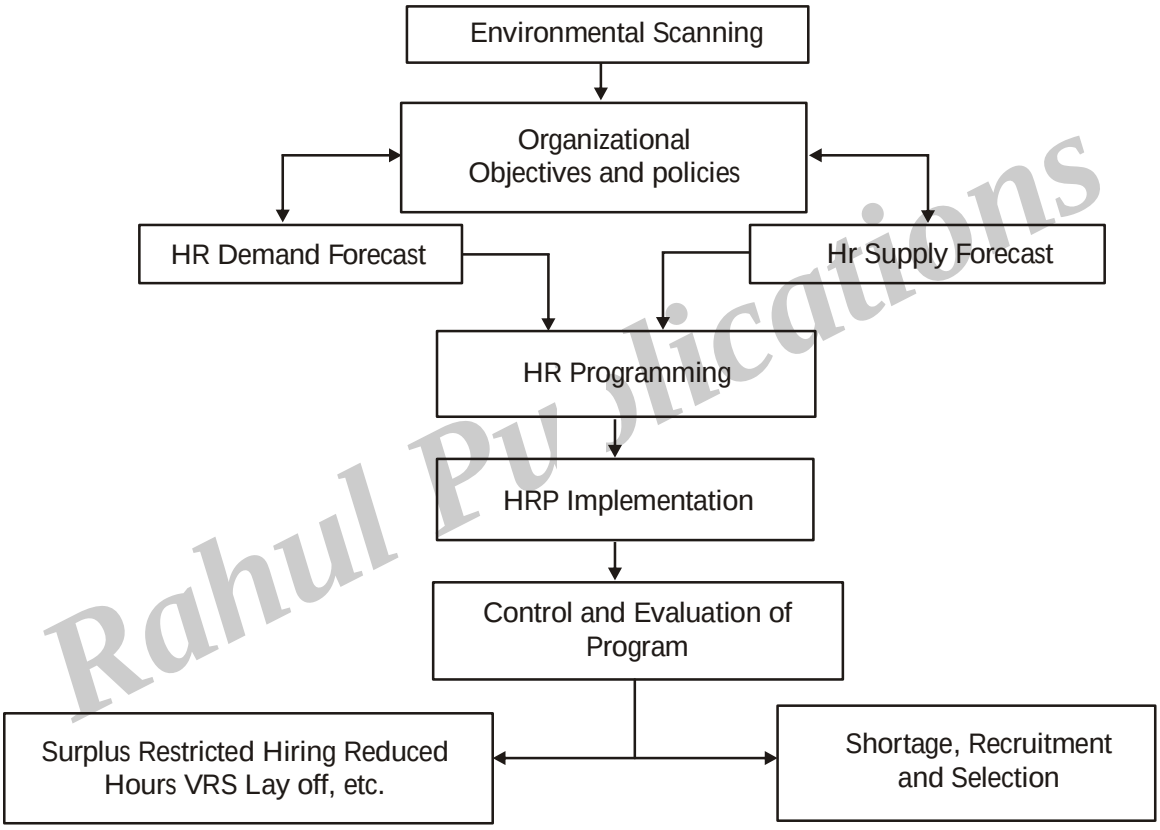

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Fig.: HRP Process

2. Organizational Objectives and Policies

HR plans need to be based on organizational objectives. In practice, this implies that objectives of the HR plan must be derived from organizational objectives. Specific requirements in terms of number and characteristics of employees should be derived from the organizational objectives.

3. HR Demand Forecast

Demand forecasting is the process of estimating the future quantity and quality of people required. The basis of the forecast must be the annual budget and long term corporate plan, translated into activity levels for each function and department.

4. HR Supply Forecast

Personnel demand analysis provides the manager with the means of estimating the number and kind of employees that will be required. The next logical step for the management is to determine weather it will be able to procure the required number of personnel and the sources for such procurement. This information is provided by supply forecasting. Supply forecasting measures the number of people likely to be available from within and outside an organization, after making allowance for absenteeism, internal movements and promotions, wastage and changes in hours, and other conditions of work.

5. HR Programming

Once an organization's personnel and supply are forecast, the two must be reconciled or balanced in order that vacancies can be filled by the right employees at the right time. HR programming, the third step in the planning process, therefore, assumes greater importance.

6. HR Plan Implementation

Implementation requires converting an HR plan into action. A series of action programs are initiated as a part of HR plan implementation. Some such programs are recruitment, selection and placement; training and development; retaining and redeployment; the retention plan; the succession plan and the redundancy plan.

Q29. Explain advantages of human resource planning.

Ans :

1. Meeting manpower needs

Every Organisation needs adequate and properly qualified staff for the conduct of regular business activities. Imaginative HRP is needed in order to meet the growing and changing human resource needs of an organisation.

2. Replacement of manpower

The existing manpower in an Organisation is affected due to various reasons such as retirement and removal of employees and labour turnover. HRP is needed to estimate the shortfall in the manpower requirement and also for making suitable arrangements for the recruitment and appointment of new staff.

3. Meeting growing manpower needs

The expansion or modernization programme may be undertaken by the enterprise. Manpower planning is needed in order to forecast and meet additional manpower requirement due to expansion and growth needs through recruitment and suitable training programmes.

4. Meeting challenges of technological environment

HRP is helpful in effective use of technological progress. To meet the challenge of new technology existing employees need to be retrained and new employees may be recruited.

5. Coping with change

HRP enables an enterprise to cope with changes in competitive forces, markets, products, and technology and government regulations. Such changes generate changes in job content, skill, number and type of personals.

6. Increasing investment in HR

An employee who picks up skills and abilities becomes a valuable resource because an organisation makes investments in its manpower either through direct training or job assignments.

7. Adjusting manpower requirements

A situation may develop in; an organisation when there will be surplus staff in one department and shortage of staff in some other department. Transfers and promotions are made for meeting such situations.

8. Recruitment and selection of employees

HRP suggests the type of manpower required

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in an organisation with necessary details. This facilitates recruitment and selection of suitable personnel for jobs in the Organisation. Introduction of appropriate selection tests and procedures is also possible as per the manpower requirements.

9. Placement of manpower

HRP is needed as it facilitates placement of newly selected persons in different departments as per the qualifications and also as per the need of different departments. Surplus or shortage of manpower is avoided and this ensures optimum utilisation of available manpower.

10. Training of manpower

HRP is helpful in selection and training activities. It ensures that adequate number of persons are trained to fill up the future vacancies in the Organisation.

Q30. What are the limitations of human resource planning?

Ans :

Inspite of all its contributions, HRP suffers from some of the limitations as stated below,

1. Limitation of Accuracy

Human resource personnel may not be able to forecast the future workforce requirements accurately. This is because an entire HRP depends on many uncontrollable factors like market conditions, technological advancement, political atmosphere, changing trends and preferences of human resources.

2. Ignorance of Quality

The HRP forecasting methods, like zero based forecasting, bottom-up approach, mathematical models etc., only helps in predicting the quantitative aspects of human resources whereas the qualitative aspects like culture, motivation, loyalty, morale may not be considered.

3. Time Consuming and Expensive

The HRP relies on lot of collected data. Gathering all this takes, a lot of time. Also, integrating a HRP system is very expensive and all will not be economic for small and medium firms, as it is backed up by capital constraints.

4. Problem of Over Staff

HRP gives, a clear solution for handling over staff-Termination lay off etc. This could have a negative effect on the morale of existing employees as they may feel job insecurity, over burdened, stressed and duress. HRP do not have answers like adjustment of over staff instead of firing them.

5. Conservative Thinking

Many Indian managers are still having the opinion that, it's a simple task to hire/fire people as per requirements by offering them attractive packages and incentives. Thus, they do not feel the requirement of an expensive and time consuming HRP.

Q31. Explain important demand and supply forecasting techniques of human resource planning.

Ans : **(July-18)**

Forecasting is the first step in the Human Resource Planning (HRP). Forecasting includes demand forecasting and supply forecasting.

I) Demand Forecasting - Demand Forecasting Techniques

The process of estimating the quality and quantity of Human source (HR) people needed to satisfy the requirements of organization in future is called 'Demand Forecasting'.

1. Trend Analysis

On the basis of the past events, trend analysis is done for forecasting the HR requirements. In trend analysis, the factors which influence the HR requirements are compared over time with the help of simple statistical analysis.

2. Ratio Analysis

Ratio analysis analyzes the relationship between any two numerical variables. As ratio analysis is a forecasting technique, it identi-

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fies a relationship between the two given variables and uses this relationship for forecasting the future HR requirements. Though, it is an effective forecasting tool, it neglects other important factors such as increase in employee efficiency and improvement in technology.

3. Delphi Technique

The delphi technique is primarily a group-based systematic forecasting method which does not need any face-to-face participation by the experts. Delphi technique involves two phases.

In the first phase, on the basis of the input, a group of independent experts predict the HR requirements of the organization, whereas in the second phase, a summary of the experts forecasts is created and returned back to experts for their suggestions and opinions. This process is continued till the experts reach at an agreement on the final HR requirements for the organization. This method focuses on increasing the benefits and reducing the dysfunctional aspects of group decision-making.

4. Normal Group Technique

Normal group technique is also a group forecasting method which is an interactive mode of decision making. In this technique, each expert in the group independently prepare HR requirements and submits it to the other experts in the group. The group examines the presentation, eliminates repetition and ranks them. Then the top-ranked proposal is selected as final HR demand forecast.

5. Managerial Judgement

In this method, senior managers of the organization forecast the HR requirements on the basis of the experience and subjective views on HR requirements in future. This method can be used in the situation wherein external environment is unstable and it is difficult to predict the future accurately based on the past events.

In this method, the opinions of the managers are gathered with the help of two approaches i.e., bottom-up approach and top-down approach.

6. Work Study Technique

Work study technique helps in analyzing the business activities for attaining optimum utilization of the human resource. The outcomes of work study implemented in organization influences its HR requirements. Hence, work study technique is considered as an important technique for HR forecasting. Work study technique is capable of forecasting the trends in the future HR requirements of the organization scientifically.

7. Zero-base Forecasting

This is a newly developed method of forecasting the HR requirements of an organization. In this technique, the managers have to perform a detailed study of the utility of each vacancy before making replacements. The zero-base forecasting technique is derived from a well known concept of zero-base budgeting.

8. Simulation Model

Simulation model is a mathematics-oriented and software-enabled technique which is applied in HR forecasting. It is a team-based approach which helps the organization in ascertaining the current and future HR requirements of their business.

II) Supply Forecasting - Supply Forecasting Techniques

Supply forecasting refers to the process of estimating whether the HR department will be able to acquire the required number of human resource/ people or not.

Supply analysis includes,

1. Analysis of existing employees.
2. Analysis of internal sources of supply and
3. Analysis of external sources of supply.

1. Analysis of Existing Employees

Hr audit is an effective method/technique for carrying out analysis of existing employees. HR audits give information about skills and capabilities of individual employee. Audits of management level employees are known as 'Management inventories'

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and audits of non-management staff are known as 'skills inventories'. Whether it is 'Skills Inventories' or 'management inventories', the term inventory refers to skills and capabilities of each employee. The information gathered from skills inventories is used to take decisions concerning promotion and transfers. The information which can be gathered from management inventories include, promotion potential, personal data, career goals, total budget managed, educational background etc., Usually, HR audits are computerized and updated at periodical intervals.

2. Analysis of Internal Sources of Supply

The various techniques available for analysis of internal sources of supply are,

(i) Turnover Rate

Turnover rate is the simple and traditional forecasting technique used for analysis of internal sources of supply. The formula to determine turnover rate is,

Turnover Rate,

$$\frac{\text{Number of separations in an year}}{\text{Average number of employees in an year}} \times 100$$

(ii) Productivity Level

A change in productivity level will have an impact on the number of human resource needed per unit of output. An increase in productivity level will decrease the number of human resource requirement and vice versa.

(iii) Inflows and Outflows

Inflows and outflows is the easiest technique for forecasting internal supply. The formula is,

Internal supply = Present Personnel Level - Outflows + Inflows

Transfers in and promotions in are the sources of inflows and resignation, discharges, demotions, retirements and promotions are sources of outflows.

(iv) Conditions of Work and Absenteeism

Changes in work conditions like overtime policies, holidays timings, retirement policy, part-time employment policy and shift system are required to be estimated to forecast the internal supply of human resource.

Apart from work conditions, absenteeism also effects internal supply. Absence from work without prior permission is considered as absenteeism. The formula to calculate absenteeism is,

Absenteeism,

$$\frac{\text{Number of persons} - \text{Days lost}}{\text{Average number of persons} \times \text{Number of working days}} \times 100$$

(v) Movement Among Jobs

Few jobs become sources of human resource of other jobs. For instance, typists can be promoted as secretaries and section managers can be promoted as branch managers.

3. Analysis of External Sources of Supply

Apart from internal supply, the organization must forecast supply from external sources. Sources of external supply differ from organization to organization, and from one geographical place to another. Some of the sources of external supply are colleges and universities, competitors, consultancies etc.

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2.8 RECRUITMENT

Q32. Define the term recruitment. State its purpose.

Ans :

Introduction

Recruitment involves attracting and obtaining as many applications as possible from eligible job seekers. In simple terms, recruitment is understood as the process of searching for and obtaining applications for jobs, from among whom the right people can be selected. Theoretically recruitment process is said to end with the receipt of applications. HRP helps determine the number and type of people a firm needs. Job analysis and job design specify the tasks and duties of jobs and the qualification expected from prospective job holders. The next logical step is to hire the right number of people of the right type to fill the jobs.

Human Resource Planning	→	Determine Recruitment and selection needs	←	Job analysis

Definition

(i) According to Edwin B. Flippo "Recruitment is the process of searching prospective employees and stimulating them to apply for jobs in the organasation".

Purpose

The purpose of recruitment is to provide a pool of potentially qualified job candidates.

(i) Determine the present and future requirements of the firm in conjunction with HR planning and job analysis.

(ii) Increase the pool of candidates at minimum cost.

(iii) To reduce the probability that job applicants once recruited and selected leave the organization at a very short time.

(iv) To meet the organization's legal and social obligations regarding the composition of its work force.

(v) Evaluate the effectiveness of various recruitment techniques and sources.

Q33. What are the factors affecting recruitment ?

Ans : **(Aug.-17)**

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.

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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. If has to change itself as, per the changing external factors. A few important external factors, impacting the recruitment process are as follows,

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 enacted 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, race, sex, caste and so on.

3. **Other Factors :** Other factors, include the socio-economic conditions, employment rate, library rate, Demographic factors etc.

Q34. Explain the process of recruitment.

Ans : **(March-23)**

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 H.R 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.

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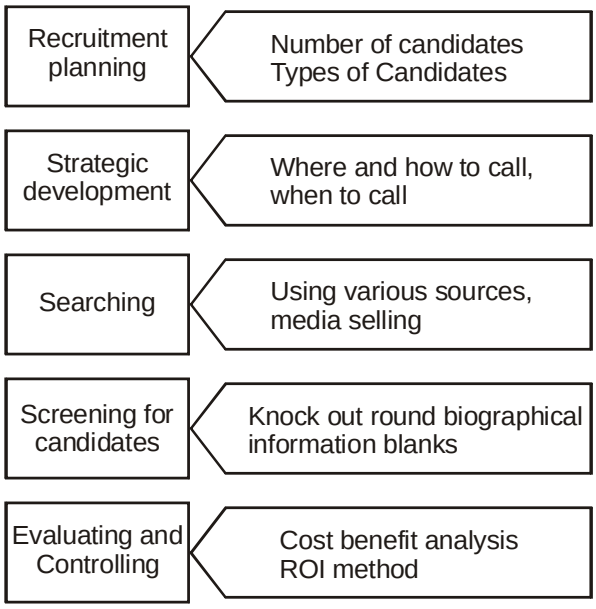

Fig. : Five Step Process of Recruitment

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.

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2.8.1 Sources of Recruitment

Q35. Elaborate in detail about various sources of recruitment.

OR

Summarise the different sources of Recruiment. State its merits and demerits.

Ans : **(Nov.-21, Dec.-19, May-19, Sep.-14, Sep.- 16)**

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

- Internal sources
- External sources

A. Internal Sources

(a) Present Employees

Promotions and transfers form 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.

(b) 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.

(c) Previous Applications

This is considered as internal source in the sense that applications form 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 outsides

(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 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 with out 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.

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(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 evaluates 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 are 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 finish 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 he 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 form 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

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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.

2.8.2 Recruitment on Diverse Work Force

Q36. What do you understand by diverse workforce? Explain how to recruit a more diverse workforce.

Ans :

Diverse Workforce

Diversity refers to the combination of different demographic features. Diverse workforce refers to the workforce varying in terms of gender, nation, religion, culture, age, origin, race, physical ability and so on. Recruitment of Diverse Workforce

The following series of steps should to be followed for recruiting a more diverse workforce,

1. Recruitment from Small Towns and Rural Areas Resident

Soon after taking into consideration population distribution and educational diversity of India, majority of the companies have started selecting small towns and rural areas of India for recruiting/hiring their workforce. Recruiting blue collar and non-managerial staff among local public was a conventional practice of manufacturing companies. Now-a-days, even retail and service organizations are following this practice.

Suffering from the problem of shortage of talented people in India, majority of the companies from IT/ITES field have began locating their facilities in smaller towns in order to grab the talented people easily. For example, Genpact, the ITES giant has its operations in some districts of India such as Hyderabad, Gurgaon and Jaipur. It has set up its recruitment offices in many small towns across the nation so that the unemployed people in such small towns can visit the recruiting offices and get the appointment Letter immediately.

2. Job Reservations

In government and public sector organisations of India, some percentage of job reservations are kept for particular communities like SC (Scheduled Castes), ST (Scheduled Tribes) and OBC (Other Backward Castes). The percentage of job reservation fixed for these three categories is 15%, 7.5% and 27% respectively. Some of the Indian states such as West Bengal, Andhra Pradesh and Kerala have set job reservations for weaker sec-

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tions for minorities like Islam, Sikhism and Christianity. It is the government which decides which communities can avail job reservations.

3. Recruitment of Disabled Employees

As per the estimations of EEOC, around 70% of the disabled people are suffering from unemployment. According to a research conducted on disabled people it has been revealed that disabled employees are "Capable workers". From the employers of the united states perspectives disabled employees are the most competent and excellent performers. They can work efficiently in all kinds of jobs that is right from the information technology to creative advertising and to the receptionist and so on.

Employers may make use of different ways to grab/acquire the disabled but capable workforce. Local agencies have started in all the states which would offer the placement services, and other recruitment and training tools and information to the employers who are looking out for recruiting the disabled workforce. For instance, the employers who are giving ads online about their job openings on internet should remember that they would be missing out the competent people who are blind as they would not be able to go through the ads.

4. Recruitment of Old Age Workers

In United States and Europe, the birth rates are less and life expectancy rates are high. Majority of the employees in United States usually belongs to 45 to 64 years age group. According to the survey conducted by SHRM, older workers are more punctual, regular and trustworthy and possesses good work, habits when compared to that of the younger workforce.

Q37. Discuss the various techniques of recruitment.

OR

Distinguish between different methods of recruitment.

Ans : **(Aug.-17, Aug/Sept.-15)**

Recruitment methods/techniques serve the purpose of the media which establishes the relationship between the organizational recruiter and the source. Through recruitment method, organizations are able to communicate its ideas, mission and information to various job applicants and make them satisfied to apply for the jobs. Depending on the type and nature of job and also the number of candidates required, a recruiter may use any of the following techniques,

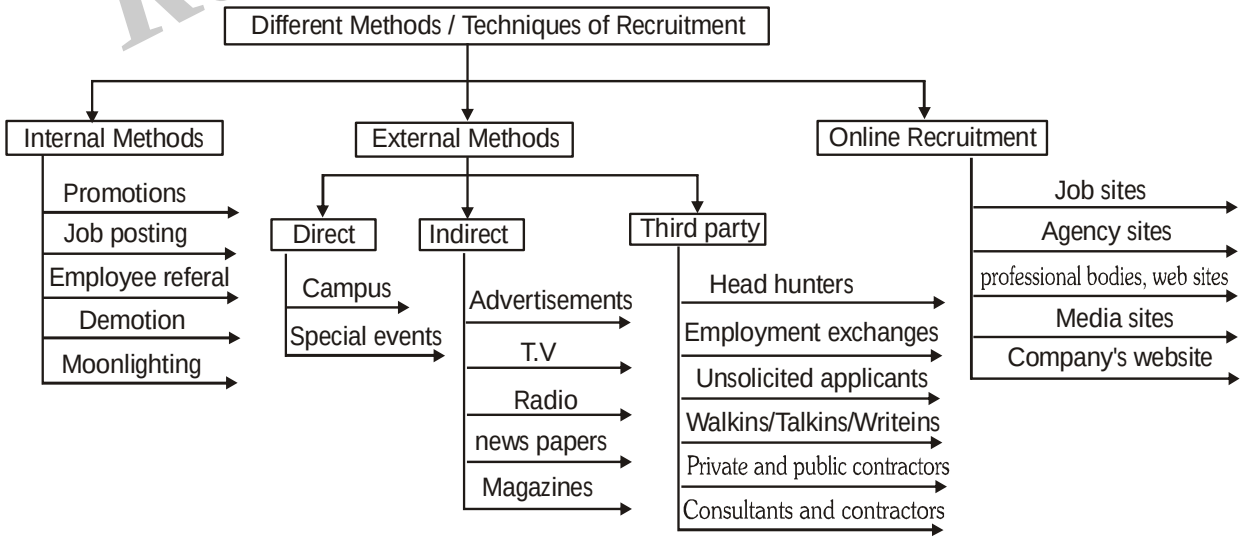

Fig. : Techniques of Recruitment

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I. Internal Methods

Internal method implies all techniques and methods. The recruiters use to fill a vacancy by selecting an appropriate candidate among the already employed candidates. The different types of internal techniques include,

(a) Promotion

In promotion method an employee is moved from the existing level to a higher level to fill up the vacant job position.

(b) Job Posting

In this, method an employee is moved from one department to another department within the same organization.

(c) Employee Referrals

Employee referral is an excellent source of recruitment. Employees are encouraged to give reference of their friends/ relatives for vacant jobs. This saves a lot of time, hardwork and money for the organization as the employees are well aware of the company's requirement and would refer candidates accordingly. Infact, recently many companies are offering monetary incentives (` 10,000 to 20,000) to a successful referral. In India too IT companies like Wipro, Infosys and so on are following this source of recruitment.

(d) Demotion

In rare cases, a job could be filled by demoting a non-performer to the lower level of the organizational hierarchy.

(e) Moonlighting

Organizations use Moonlighting, when there is a short-term shortage of employees. Moonlighting means making the existing employees work overtime.

II. External Methods

After ensuring that the internal supply of job applicants is exhausted, organizations move onto the external methods of recruitment for filling the vacant position. External methods of recruitment are of three types,

1. Direct Method

This involves the direct communication of recruiters with the job applicants through campus placement programmes, job fairs, seminars and placement cells.

(a) Campus recruitment

(b) Special events (Job Fairs).

2. Indirect Methods

Using these methods, companies contact job applicants indirectly by means of advertisements through newspapers, journals. Important indirect methods include, Advertisement, Television and Radio Ads.

3. Third Party Methods

Third party methods include people, agents, corporates or consultants who act as intermediate agents between recruiting organizations and job seekers. Such firms, possess specialized knowledge about the employee market and are considered as primary source of recruitment.

III. Online Recruitments

In today's highly competitive world, most of the companies are using internet for recruiting talented aspirants. Recruitment for positions from job seekers through internet is called as "on-line recruitment" or "e-recruitment". In e-recruitment, job seekers post their resumes on job sites such as Monter.com, Naukri.com, clickjobs.com etc., whose accession is free for both domestic companies as well as for MNCs. Companies access these sites for recruitment and selection of potential candidates which are as per their requirements.

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2.8.3 e-Recruitment

Q38. What is Virtual Recruitment? State the advantages and disadvantages of Virtual Recruitment.

Ans :

Meaning

Virtual recruitment is the process of hiring new employees remotely without meeting them face to face. Recruitment is done with video conferencing technology, surveys and assessments to understand a candidate's abilities and personality.

Advantages

Companies are discovering that virtual recruitment can be hugely beneficial. Even without a global pandemic, more organizations were turning to the new tools to help with assessments and tracking of candidates. These advantages include;

(i) Cost Savings

For a business, a virtual recruiting process allows you to automate a lot of manual tasks. This allows you to focus on finding the best candidates and advertising your roles in the right locations. Reimbursing candidates from further away is no longer a cost that businesses will also need to consider.

(ii) Time Efficiency

From screening candidates with assessment tools to having conversations over video conferencing software at a time that suits you both, you'll find that your time is being better spent on the recruiting process.

(iii) Wider Selection of Candidates

If there's one thing that virtual recruiting does better than anything, it's opening the door to candidates you may not have considered. With more remote working and opportunities to hot desk, you're automatically widening your selection of candidates.

(iv) Nil Risk of Infection

At this current time of a global pandemic, limiting the risk of infection to zero with virtual recruitment is, of course, a benefit to everyone involved.

Disadvantages

(i) Technology issues - virtual recruitment relies heavily on technology, so you are dependent on systems working smoothly for you. Extensive system testing and having a fall back plan can help you counteract this.

(ii) A high volume of applications – as virtual recruitment removes geographical barriers, you might attract a large volume of job applications. However, clearly describing job specifications and distinctly outlining required experience and qualifications will help to ensure you only invite responses from suitable candidates.

(iii) Too impersonal – candidates may find the process is too detached as there is no face-to-face physical interaction with virtual recruitment. By ensuring there are options for communication throughout the recruitment process, employers may find that they have the opportunity to interact more effectively with candidates in a virtual environment than they may have when recruiting traditionally.

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Q39. What are the differences between Virtual Recruitment and Recruitment.

Ans :

Following are the differences between virtual and real recruitment.

S.No.	Nature	Virtual Recruitment	Recruitment
1.	**Meaning**	Recruitment for positions through internet is known as Virtual or Online recruitment.	Recruitment of prospective employees by stimulating them to apply for jobs personally is known as Real recruitment.
2.	**Time duration**	It is short and time saving process.	It is lengthy and time consuming process.
3.	**Technological issues**	There may be technological issues as it completely depends on technology	There will be no technological issues as it is carried out manually.
4.	**Method**	It is an advanced method of recruiting employees.	It is a traditional method of recruiting employees.
5.	**Paperwork**	It does not involve much paper work as tests are conducted in digital format	It involves much paperwork as all tests are conducted in written format.
6.	**Expenditure**	It involves less expenses in hosting online recruitment events.	It involves more expenses in hosting physical job fairs.
7.	**Geographical barriers**	It removes geographical barriers and attract individuals from all over the world.	It does not remove geographical barriers and is restricted to area of workplace only

2.9 SELECTION

2.9.1 Selection Process

Q40. Define selection. Explain the natures & process of selection.

OR

Explain the steps involved selection process in detail.

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

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 nit single act but it is essentially a series of methods or steps or stages by which additional information is secured about the applicant.

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Objectives

1. To predict which job applicant would be successful if hired, and
2. To inform and sell the candidate on the job and the organization

The selection decision can result in four possible outcomes, two of them would indicate correct and the other two would be wrong or error as shown below.

Problem will arise when we make errors by rejecting the candidates

1. Who would later perform successfully on the job.
2. Accepting those candidates whose performance is poor on the job. (acceptance error) the cost of training of such employees would be heavy and burdensome to the management.

Steps in Selection Process

1. Application Form

Is the traditional and widely accepted technique for securing information from the prospective candidate.

The following items are generally found in the application form are

(a) Personal background information: Includes name, address, sex, date of birth, height, weight, etc.

(b) Educational attainments: Schools, colleges institutions attended, period of study, major subject, percentages of marks etc.

(c) Work experience: Previous jobs, nature of work, duties and responsibilities, period of experience.

(d) Salary: Salary drawn in the present job and expected salary.

(e) Personal Details: Personal likes and dislikes, hobbies etc.

(f) References: Name and addresses of persons who can be contacted for reference purpose.

The application form helps the management in learning about the applicants back ground and life history.

2. Written Examination

To measure the candidates ability in arithmetical calculations, aptitude, reasoning, knowledge in various disciplines, general knowledge and English knowledge.

3. Interview

To explore the facts and get at the attitudes of the applicant's and his family to the job.

4. Tests

Test is an instrument designed to measure the nature an degree of one's psychological potentialities, based on psychological factors, essential to perform a given job efficiently.

The purpose of these tests I to help in judging the ability of candidate in a given job situation.

5. Medical examination

Certain jobs require certain physical qualities like clear vision, Perfect hearing, unusual stamina, tolerance of hard working conditions, clear tone etc. Medical examination reveals whether or not a candidate possesses these qualities.

6. Reference check

Reference check will fetch useful reliable information about previous employer, candidate's regularity, character, behavior provided by the references given in the application form.

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7. Final selection

The manager's decision to select a candidate after soliciting the required information through different technique discussed above.

Q41. What are the difference between recruitment and selection?

Ans :

S.No.	Nature	Recruitment	Selection
1.	**Meaning**	It is an activity of establishing contact between employers and applicants.	It is a process of picking up more competent and suitable employees.
2.	**Objective**	It encourages large number of candidates for a job.	It attempts at rejecting unsuitable candidates.
3.	**Process**	It is a simple process.	It is a complicated process.
4.	**Hurdles**	The candidates have not to cross over many hurdles.	Many hurdles have to be crossed.
5.	**Approach**	It is a positive approach.	It is a negative approach.
6.	**Sequence**	It proceeds selection.	It follows recruitment.
7.	**Economy**	It is an economical method.	It is an expensive method.
8.	**Time Consuming**	Less time is required.	More time is required.

2.10 Planning & Forecasting of Human Resources

Q42. Define Planning and Forecasting. Explain the main methods that are used in employment planning and fore-casting.

Ans : **(May-22)**

(A) Planning

According to Philip Kotler planning is, "deciding in the present what to do in future. It is the process whereby companies reconcile their resources with their objectives and opportunities".

(B) Forecasting

According to Henry Fayol, "Forecasting is the essence of management. The success of a business greatly depends upon the efficient forecasting and preparing for future events".

Methods Used For Employment Planning and Forecasting

The following are some of the methods which are used in employment planning and forecasting,

1. Prediction of Personnel Needs

In prediction of personal needs, the first step is to predict the revenues/income of the firm and then on the basis of this the size of the needed staff is forecasted in order to aid the sales volume.

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Besides, this the manager also needs to take into consideration other factors like project turnover, productivity changes, financial resources, decisions relating to [upgrading or degrading] the products or services and so on. The following are some of the simple tools which are used for projecting personnel needs.

(i) Trend Analysis

Trend analysis refers to the method of studying about the changes that takes place in the firms employment trend levels in the last few years. It offers the basic expected level of future staffing needs but the level of employment quite a few times relies upon time. Other factors like changes in sales volume and productivity also influences the staffing needs.

(ii) Ratio Analysis

Ratio analysis refers to the method of predicting on the basis of historical ratio between few causal factor [such as, sales volume] and the required number of employees [like number of sales people].

(iii) The Scatter Plot

A scatter plot shows a graphical representation of the way how two variables say sales and staffing levels are related with each other. If in case there exists a relationship then with the use of scatter plot one would be able to forecast not only business activity but also personnel needs.

(iv) Making Use of Computers for Predicting Personnel Needs

Computerised forecasts helps the manager to create large number of variables in their personnel projections. The new systems basically depends upon mathematical setting vivid aims like reducing the inventory levels on hand and other variables like direct labour hours which are used to produce one unit of product and minimum, maximum and expected sales projections. On the basis of such data, computer generates the output like requirement of staff to meet product demand, individual forecasts productivity and sales level. Many firms are making use of computerised employee forecasting in order to estimate the short-term needs.

2. Forecasting the Supply of Inside Candidates

It is essential for the firm to estimate/determine the supply of both inside and outside candidates. Majority of the firms have started projection with the inside candidates. Wherein the HR is supposed to ascertain as to which current employees [in terms of their performance, education, experience] are eligible for the project openings. This can be done either manually or computerized/automatically.

3. Forecasting the Supply of Outside Candidates

If firm wants to fill up their vacancies by employing outside candidates, then they need to draw up a personnel plan. Where in the HR managers need to decide about the way of employing good candidates from outside. Candidate's data can be searched with the help of online service.

2.11 Employee Testing and Selection

Q43. What is employee testing? Explain the concept of reliability and validity in employee testing. Discuss in detail the various approaches to validity.

Ans : **(May-22)**

Employee testing is a screening device that helps in predicting the success of applicant on the job. In other words, it is a practice of organizing the oral, written and other list to determine the suitability of a job applicant.

➢ **Concept of Reliability**

After determining the type of test to be conducted, the test administrator must assure the reliability of test. If the candidate obtains the same level of score or results for all the tests conducted, then he will be regarded as reliable, but if the scores differ considerably then it is regarded as unreliable.

There can be different reasons of low reliability such as administering the test by different people and performing it in non-standardized conditions conducting test when candidate is in different psychological conditions, and the occurrence of factors like luck or ill-luck etc.

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➢ **Concept of Validity**

According to the standards for educational and psychological testing, validity is defined as, "the degree to which accumulated evidence and theory support specific interpretations of test scores entailed by proposed uses of a test".

When a predictor test is validated with the aim of making choice or selection, then the important factor here is the action taken on the basis of the results of test scores. Example: During the process of the employee's selection, different tests are used for measuring the characteristics of individual (i.e.,) the mechanical ability which determines how effectively an employee can perform the job. In such type of situations the test helps in determining the ability of a person with regard to his job performance. The decisions taken on basis of test scores of the job applicant is whether to appoint the individual or not to appoint the individual. Hence, the validation is a process in which proof is provided to carry out the test or measure and decisions and taken on the basis of test scores.

Various Approaches to Validity

The approaches of validity are as follows,

1. Content validation and
2. Criterion-related validation.

1. Content Validation

The content validation provides a proof whether a test is a representative of some construct's domain or not. This construct should include observable behaviours for carrying out content validation, effectively.

The decision regarding the ascertainment of content validity of a test, starts with a detailed job analysis. The test items are estimated based on the extent to which they correspond to the knowledge and skills required for carrying out the job tasks.

2. Criterion-related Validation

In this approach, the HR-specialist ascertains whether the test scores statistically relate to some significant criterion variable or not. The criterion variable includes, various aspects of individual behavior, (such as job performance, absenteeism or turnover) which the HR-specialists is trying to predict. In a criterion-related test, the nature of the job helps the HR specialists to select one or more tests which forecast the job performance. After this, validity test is performed for ascertaining the tests correlation with the criterion of job performance.

There are two main methods of criterion related validation which are,

(i) Concurrent validation

(ii) Predictive validation.

2.12 INTERVIEW

Q44. Define interview. What are the objectives of interview?

Ans :

Meaning

The interview is a selection technique which enables the employer to view the total individual and directly Appraise him and his behavior. It is a method by which an idea about an applicant's personality (including his intelligence, breadth of interests, and general attitudes towards life) can be obtained by a face-to-face contact.

Definitions

(i) According to Scott, "An interview is a purposeful exchange of ideas, the answering of questions and communication between two or more persons".

(ii) According to In other words, an interview is an attempt to secure maximum amount of information from the candidate concerning his suitability for the job under consideration.

Objectives

The following are the objectives of interview;

1. Judgment of Applicant

To get an opportunity to judge an applicants' qualifications and characteristics as a basis for sound selection and placement. On the basis of the information obtained about the family background, training, educational and other

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qualifications, personality, characteristics, aptitude, interests and skills of an applicant - the interviewer tries to arrive at as impartial a decision as possible. He may decide to hire him, to reject him or to pass him on to another step in the interview if it is not the final one. These types of interviews are referred to as selection or placement interviews.

2. Give Information to the Applicant

To give an applicant essential facts about the job and the company (nature and hours of work, medical requirements, opportunities for advancement, special hazards, employee benefits and services, company policies, etc.) in order to enable him to decide intelligently whether he should or should not accept the employment

3. Developing Mutual Understanding and Confidence

To establish a rapport, or a feeling of mutual understanding and confidence, between the personnel department and the applicant who is to be employed.

4. Promote Goodwill

To promote goodwill towards the company whether the interview culminates in employment or not.

5. Precious Tool

Interviewing is an invaluable tool of disciplinary action, grievance handling and relations with unions.

6. Solve Problems

To solve problems as when counseling a student conferring with a career guidance person or discussing a grievance with a superior.

7. Knowing Reasons

To find out why an employee is leaving the company and seeking job elsewhere. Such interviews are called exit or termination interviews.

2.12.1 Basic types of Interviews

Q45. Classify the different types of interviews.

Ans :

Various forms of employment interviews are adopted to solicit different kinds of information and to measure the candidate's skills, knowledge etc. at different planes. Employment interviews can be divided into three categories as shown in figure viz., preliminary interview, core interview and decision-making interview.

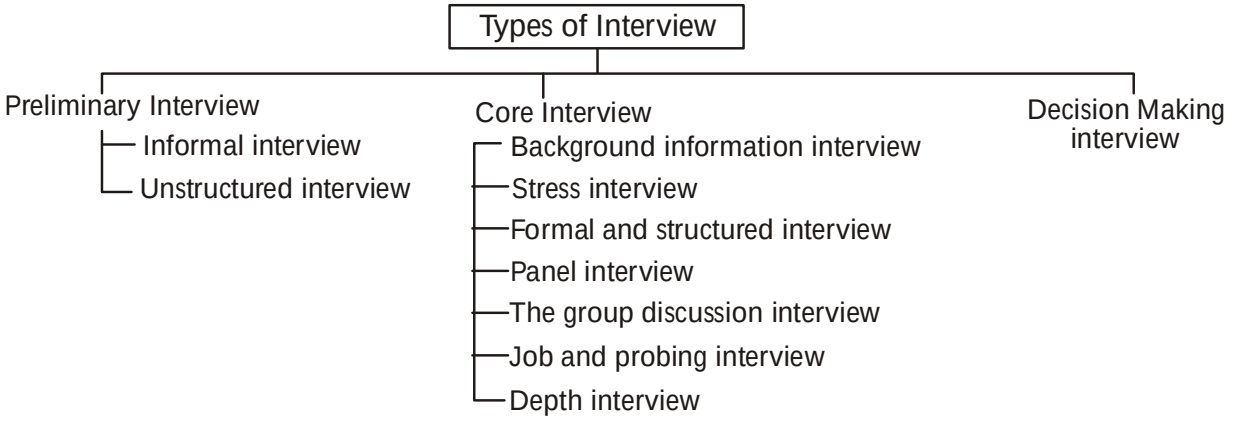

Fig. : Types of Interview

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1. Preliminary Interview

it is generally regarded as exchange of basic information between the candidate and the personnel manager about the job and organization, like job nature, salary', working conditions, benefits, etc. It is helpful to the organization to weed out unwanted hands and to the candidate to select or reject the job. Sometimes it may prove to be unsatisfactory, when the exchange of information between the candidate and the organization is not true. This interview may generally be informal and unstructured.

i) **Informal Interview :** This is the interview which can be conducted at any place by any person to secure the basic and non-job related information. The interaction between the candidate and the personnel manager when the former meets the latter to enquire about the vacancies or additional particulars in connection with the employment advertisement is an example of informal interview.

ii) **Unstructured Interview :** In this interview the candidate is given the freedom to tell about himself by revealing his knowledge on various items/areas, his background, expectations, interests etc. Similarly, the interviewer also provides information on various items required by the candidate.

2. Core Interview

In is normally the interaction between the candidate and the line executive or experts on various areas of job knowledge, skill, talent, etc. This interview may take various forms like:

i) **Background Information Interview:** This interview is intended to collect the information which is not available in the application blank and to check that information provided in the application blank regarding education, place of domicile. family, health, interests, hobbies, likes, dislikes, extracurricular activities of the applicant.

ii) **Stress Interview :** This interview aims at testing the candidate's job behavior and level of withstanding during the period of stress and strain. Interviewer tests the candidate by putting him under stress and strain by interrupting the applicant from answering, criticizing his opinions, asking questions pertaining to unrelated areas, taping silent for unduly long period after he has finished speaking etc. Stress during the middle portion of the interview gives effective results. Stress interview must be handled with at most care and skill. This type of interview is often invalid, as the interviewee's need for a job, his previous experience in such type of interviews may inhibit his actual behavior under such situations.

iii) **Formal and Structured Interview :** In this type of interview, all the formalities, procedures like fixing the value, time, panel of interviewers, opening and closing, intimating the candidates officially etc., are strictly followed in arranging and conducting the interview. The course of the interview is preplanned and structured, in advance depending on job requirements. The questions/ items for discussion are structured and experts are allotted different areas and question to be asked. There will be very little room for the interviewers to deviate from the questions prepared in advance in a sequence.

iv) **Pannel Interview:** Interviewing of candidates by one person may not be effective as he cannot judge the candidates in different areas/skills owing to lack of knowledge and competence in multiple disciplines and areas. Hence most organizations invite a panel of experts, specialized in different areas/fields/disciplines, to interview candidates. A Panel of experts interviews each candidate, judges his performance individually and prepares a consolidated judgment based on each expert's judgment and weight age of each factor. This type of inter-

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view is known as panel interview. This type of interview would be more effective as each candidate is appraised by an in relevant area. Experts should be cautioned against over accuracy, excessive weightage to a particular factor, domination of other experts, etc.

v) **Group Discussion interview:** There are two methods of conducting group discussion interviews viz., Group interview method and discussion interview method. All the candidates are brought into one room i.e., interview room and are interviewed one by one under group interview. This method helps busy executives to save valuable time and gives a fair account of the objectivity of the interview to the candidates.

Under the discussion interview method, one topic is given for discussion to the candidates who assemble in one room and they are asked to discuss the topic in detail. This type of interview helps the interviewer in appraising, certain skills of the candidates like initiative, inter-personal skills, dynamism, presentation, leading, comprehension, collaboration, etc.

Interviews are at ease in this category of interview because of its informality and flexibility. But it may fail to cover some significant portions of the candidates, background and skills.

vi) **Job and Probing Interview:** This interview aims at testing the candidate's job knowledge about duties, activities, methods of doing the job, critical/problematic areas, methods of handling those areas etc.

vii) **Depth Interview :** In this type of interview, the candidates would be examined extensively in core areas of knowledge and skills of the job. Experts in that particular field examine the candidates by posing relevant questions as to extract critical answers from them initiating discussions regarding critical areas of the job, and by asking the candidates to explain even minute operations of the job performance. Thus the candidate is examined thoroughly in critical/ core areas in their interview.

3. Decision-Making Interview

After the candidates are examined by the experts including the line managers of the organization in the core areas of the job, the head of the department/section concerned interviews the candidates once again, mostly through informal discussion. The interviewer examines the interest of the candidate in the job, organization, reaction/adaptability to the working conditions, career planning, promotional opportunities, work adjustment and allotment etc. The Personnel Manager also interviews the candidates with a view to find out his reaction/acceptance regarding salary, allowances, benefits, promotions opportunities etc. The head of the department and the personnel manager exchange the views and then they jointly inform their decision to the chairman of the interview board, which finally makes the decision about the candidate's performance and their ranks in the interview.

Q46. Explain the steps involved in interview process.

Ans :

The various steps involved in the process of interview are as follows :

Step 1: Preparation of interview:

Advance preparation by the interviewer is basic to the success of interview.

- Establishing the objectives of interviews
- Review applicants resume and note areas which are vague, which questions to be asked on strengths and weakness.
- Keep ready interview assessment forms.
- Select method of interview
- Choose panel of experts as interviewers

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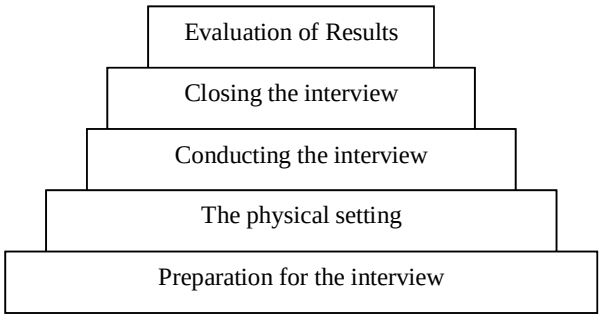
Step 2 : Physical setting :

Comfortable place of interview, away from noise and interruptions, property ventilated and lighted, good seating arrangement, 2 door for the room for entry and exit, good reception to the candidates by HR department providing drinking water, tea, newspaper in the waiting room, following punctuality in starting the interview.



Steps in an Employment Interview

Step 3 : Conducting the interview:

This step is most important

- Establish rapport with the candidate
- Try to get complete and accurate information by using clear language, listen to candidate patiently, avoid highly personal questions.
- Write down in brief the observation on the assessment form

Step 4: Closing the interview :

Interview should be closed as happily as it started with out creating any awkward Situation for the candidates. The interview should be closed diplomatically, so that the Candidate leaves with a satisfaction that the interview is fair and he is heard fully. At this stage the applicant should not be given any indication of his prospects.

Step 5: Evaluation of Results :

After the interviews are over the interviewers are required to evaluate a candidate's suitability for the job. The evaluation is based on the observations, impressions, and information collected from application form, test and other steps. Finally a list of selected candidates is prepared.

2.12.2 Errors in Interviews

Q47. What is an Interview? State the errors that occur in an interview.

OR

What are the various errors and bias in interview?

OR

Outline the common errors in the interview process.

Ans : **(March-23, Nov.-22, Nov.-20)**

Definition

Interview is "a selection process designed to predict future job performance on the basis of applicants oral answers to oral questions".

Errors and Bias in Interview

The interviews conducted by the interviewers can become ineffective due to the following errors and bias which occurs while conducting the interview,

1. Similarity Error

The interviewers may have a positive attitude towards the candidates who are similar to them in certain characteristics such as personal interests, personal background, native place etc., can have a negative attitude towards the candidates who are dissimilar to them. Such type of partial views affect the interviewer's judgement and develops invalid variance into the interviewer's ratings.

2. Contrast Error

If the interviewer interviews many candidates in a sequence, they rate them by comparing them with the candidates who comes before them instead of comparing them with absolute standards. Due to this, an average candidate can be rated as higher than the average, when he comes after one or two poor candidates and lower than the average if he comes after an intelligent candidate leading to contrast error.

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3. Focussing on Negative Information

Some interviewers consider their job as a search for negative information about the candidates and may react strongly to single minor negative information about the candidate. Apart from this, they may also change their initial opinion about the candidate from positive to negative.

4. Race, Sex and Appearance Bias

Race, sex and appearance of an individual influences the interviewer. He can be more positive towards the candidates who are similar to him. All such bias should be avoided for making the interview process an effective process.

Beautism bias also occurs in the process of interview where physical beautiful males and females are given higher ratings when compared to the others.

5. First Impression Error

Some times, the interviewers may form a first impression of the candidate very quickly on the basis of application blank or the initial stages of the interview. If this first impression is positive help the candidate, but if it is negative then it would, be very difficult for the interviewer to change his view about him and would be a loss for the candidate. Hence, the interviewer should not rate the candidate based on is first impression.

6. Traits Rated or Halo Error

If a candidate is judged on the basis of the single trait then it would lead to Halo error which may sometimes incur loss to the candidate and to the organization. This generally occurs when an interviewer has to rate several traits of the candidates or rate the traits which are difficult to observe in short interview.

7. Non-verbal Factors

Sometimes, the interviewer conducts the interview by considering certain non-verbal factors like direct eye contact, clothing, fluency in speaking, show animation, modulating their voices, impressing interviewers etc. But, these factors are not useful for the jobs which require high technical skills and low contact with others. Hence, the consideration of non-verbal factors in such jobs result in ineffective interview.

8. Faulty Listening and Memory

Sometimes, an interviewer may misunderstand or may not understand the interview, due to his poor listening ability or enthusiasm to ask his next question.

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Short Question and Answers

1. Define job analysis.

Ans :

Meaning

Manpowen planning is concerned with determination of quantitative and qualitative requirements of manpower for the organization.

The quantitative aspect deals with determining the total number of people required to do the work. The kind or quality of people required to do the work comes under the qualitative aspect. Detailed knowledge of the nature and requirements of jobs to be filled is essential for determining the kind of personnel required. Such knowledge can be obtained through the process of job analysis.

Job analysis is a formal and detailed examination of jobs. It is a process of gathering information about a job. It tries to "reduce to words the things that people do in human work."

Job-analysis is a detailed and systematic study of jobs to know the nature and characteristics of the people to be employed on various jobs. It involves collection of necessary facts regarding jobs and their analysis. Some of the definitions of job-analysis are given here under to understand the meaning of the term more clearly.

Definitions

i) **According to Edwin B. Flippo**, "Job analysis is the process of studying and collecting information relating to the operations and responsibilities of specific job".

ii) **According to Michael J. Jucius**, "Job analysis refers to the process of gathering information about the operations, duties and organizational aspect of jobs in order to write-up specifications or as they are called by some job descriptions".

iii) **According to Donald**, "Job analysis is a method of scientifically dissecting a job in order to determine the component elements and their influence upon the length of learning period of the worker, production and labor turnover".

iv) **According to Dale Yoder**, "Job analysis is the procedure by which the facts with respect to each job are systematically, discovered and noted. It is sometimes called 'Job study' suggesting the care with which tasks, processes, responsibilities and personnel requirements are investigated".

2. What are the Objectives of Job Analysis?

Ans :

1. Job Description

Job description is a job profile which describes the contents, environment and condition of jobs. It is prepared on the basis of data collected through job analysis. It provides information relating to activities and duties to be performed in a job. It differentiate one job from another by introducing unique characteristics of each job.

2. Job Specification

Job specification is another notable objective of job analysis. It includes the information relating to the requirements of skills and abilities to perform a specific task. It states the minimum acceptable qualifications that an incumbent must possess to perform the assigned duty successfully. The job specification statement identifies the knowledge, skills, abilities needed to perform that task effectively.

3. Job Evaluation

Job analysis also provides required information which are necessary for evaluating the worthiness of jobs. After the preparation of job description and job specification statements, it assists for the evaluation of actual performance against the predetermined standard. Then the deviation

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(if any) is found out that has taken place during the course of action. Moreover, it helps to establish the value of different jobs in a hierarchical order which allows to compare jobs one from another.

3. 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

4. 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 list 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.

5. Job satisfaction.

Ans :

Job satisfaction' is a positive emotional response of an individual arising out of the assessment of his/her job experiences. In simple words, job satisfaction refers to the positive outcomes of job experience of an employee. If in case the expectations of an employee are not met in the job then that employee would be dissatisfied with the job and this is called as "job dissatisfaction".

The following are the dimensions of job satisfaction,

- Compensation/pay
- Benefits
- Communication of employees with managers and executives
- Worker relationships
- Performance recognition.

Quite a few times, job satisfaction is also referred as "Morale". In today's business world, morale had decreased to a great extent in few companies in the last few years because of the following reasons,

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- Economic factors
- Changes in the components of employer and employee relationship
- Difficult and burdensome work
- Less number of restricted relationships with management etc.,
- Low confidence levels with respect to compensation and other rewards.

6. What is 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 criticised as well as appreciated.

7. What is job enrichment?

Ans :

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.

8. Advantages of Job Enrichment.

Ans :

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. Vation 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.

9. 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".

10. Define human resource planning.

Ans :

HRP is the process of forecasting an organizations future demand for and supply of the right people in the right members. It is only after HRP is done, that the company can initiate and plan the recruitment and selection process.

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Human Resource (Manpower or Personnel) Planning (HRP) involves

1. Forecasting (Estimating) the Manpower requirements and recruitment.
2. Manpower Allocation
3. Manpower Motivation
4. Manpower Development

Definitions

HRP is a process of translates organizational objectives and plans into the member of workers needed to meet those objectives.

i) **According to Column** has defined human resource planning as "the process of determining manpower requirements and the means for meeting those requirements in order to carry an integrated plan at the organization".

ii) **According to Stainer** defines manpower planning as "strategy for the acquisition, utilization, improvement and preservation of an enterprise's human resources. It relates to establishing job specifications or the quantitative requirements of jobs determining the number of personnel required and developing resources of manpower".

11. Recruitment.

Ans :

Introduction

Recruitment involves attracting and obtaining as many applications as possible from eligible job seekers. In simple terms, recruitment is understood as the process of searching for and obtaining applications for jobs, from among whom the right people can be selected. Theoretically recruitment process is said to end with the receipt of applications. HRP helps determine the number and type of people a firm needs. Job analysis and job design specify the tasks and duties of jobs and the qualification expected from prospective job holders. The next logical step is to hire the right number of people of the right type to fill the jobs.

12. Define selection.

Ans :

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 nit single act but it is essentially a series of methods or steps or stages by which additional information is secured about the applicant.

13. Define interview.

Ans :

The interview is a selection technique which enables the employer to view the total individual and directly Appraise him and his behavior. It is a method by which an idea about an applicant's personality (including his intelligence, breadth of interests, and general attitudes towards life) can be obtained by a face-to-face contact.

Definition

According to Scott, "An interview is a purposeful exchange of ideas, the answering of questions and communication between two or more persons".

In other words, an interview is an attempt to secure maximum amount of information from the candidate concerning his suitability for the job under consideration.

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14. Objectives of interview.

Ans :

1. Judgment of Applicant:

To get an opportunity to judge an applicants' qualifications and characteristics as a basis for sound selection and placement. On the basis of the information obtained about the family background, training, educational and other qualifications, personality, characteristics, aptitude, interests and skills of an applicant - the interviewer tries to arrive at as impartial a decision as possible. He may decide to hire him, to reject him or to pass him on to another step in the interview if it is not the final one. These types of interviews are referred to as selection or placement interviews.

2. Give Information to the Applicant

To give an applicant essential facts about the job and the company (nature and hours of work, medical requirements, opportunities for advancement, special hazards, employee benefits and services, company policies, etc.) in order to enable him to decide intelligently whether he should or should not accept the employment

3. Developing Mutual Understanding and Confidence

To establish a rapport, or a feeling of mutual understanding and confidence, between the personnel department and the applicant who is to be employed.

4. Promote Goodwill

To promote goodwill towards the company whether the interview culminates in employment or not.

5. Precious Tool

Interviewing is an invaluable tool of disciplinary action, grievance handling and relations with unions.

6. Solve Problems

To solve problems as when counseling a student conferring with a career guidance person or discussing a grievance with a superior.

15. Outline the common errors in the interview process

Ans :

(i) Similarity Error

The interviewers may have a positive attitude towards the candidates who are similar to them in certain characteristics such as personal interests, personal background, native place etc., can have a negative attitude towards the candidates who are dissimilar to them. Such type of partial views affect the interviewer's judgement and develops invalid variance into the interviewer's ratings.

(ii) Contrast Error

If the interviewer interviews many candidates in a sequence, they rate them by comparing them with the candidates who comes before them instead of comparing them with absolute standards. Due to this, an average candidate can be rated as higher than the average, when he comes after one or two poor candidates and lower than the average if he comes after an intelligent candidate leading to contrast error.

(iii) Focussing on Negative Information

Some interviewers consider their job as a search for negative information about the candidates and may react strongly to single minor negative information about the candidate. Apart from this, they may also change their initial opinion about the candidate from positive to negative.

(iv) Race, Sex and Appearance Bias

Race, sex and appearance of an individual influences the interviewer. He can be more positive towards the candidates who are similar to him. All such bias should be avoided for making the interview process an effective process.

Beautism bias also occurs in the process of interview where physical beautiful males and females are given higher ratings when compared to the others.

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Choose the Correct Answer

1. Which of these is the purpose of recruitment? [b]
   (a) Make sure that there is match between cost and benefit
   (b) Help increase the success rate of the selection process by reducing the number of visibly underqualified or over qualified job applicants.
   (c) Help the firm create more culturally diverse work - force
   (d) None of the above
2. The poor quality of selection will mean extra cost on _____ and supervision. [a]
   (a) Training (b) Recruitment
   (c) Work quality (d) None of the above
3. Which of these is the most important external factor governing recruitments? [d]
   (a) Sons of soil (b) Labour market
   (c) Unemployment rate (d) Supply and demand
4. While recruiting for non - managerial, supervisory and middle - management positions which external factor is of prime importance? [c]
   (a) Political - Legal (b) Unemployment rate
   (c) Labour market (d) Growth and Expansion
5. Which of the following act deals with recruitment and selection? [d]
   (a) Child labour act (b) The apprentices act
   (c) Mines act (d) All of the above
6. A major internal factor that can determine the success of the recruiting programme is whether or not the company engages in _____ . [a]
   (a) HRP (b) Selection
   (c) Induction (d) None of the above
7. _____ refers to the process of identifying and attracting job seekers so as to build a pool of qualified job applicants. [c]
   (a) Selection (b) Training
   (c) Recruitments (d) Induction
8. How many stages does the recruitment process comprise of? [d]
   (a) 2 (b) 6
   (c) 9 (d) 5
9. What is the natural perception of people on the process of recruitment and selection? [a]
   (a) Positive (b) Negative
   (c) Both positive and negative (d) None of the above
10. What is the main objective of the recruitment and selection process? [b]
    (a) Recruit the right candidates (b) Meet the high labour turnover
    (c) To reduce the costs of recruiting (d) None of the above

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Fill in the blanks

1. _____ is the process of studying and collecting information relating to the operations and responsibilities of specific job".
2. _____ is a job profile which describes the contents, environment and condition of jobs.
3. _____ also provides required information which are necessary for evaluating the worthiness of jobs.
4. _____ is another notable objective of job analysis.
5. _____ is a positive emotional response of an individual arising out of the assessment of his/her job experiences.
6. _____ refers to the expansion of the number of different tasks performed by an employee in a single job.
7. Job Enrichment First coined by _____
8. _____ refers to moving employees from job to job to add variety and reduce boredom by allowing them to perform a variety of tasks.
9. _____ is the process of managing the supply and demand of talent to achieve optimal business performance and in direct alignment with organizational goals'.
10. _____ is the process of forecasting an organizations future demand for and supply of the right people in the right members.

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ANSWERS

1. Job analysis
2. Job description
3. Job analysis
4. Job specification
5. Job satisfaction
6. Job enlargement
7. Herzberg
8. Job rotation
9. Talent management
10. HRP

One Mark Answers

1. Job Analysis.

Ans :

Job analysis is a method of scientifically dissecting a job in order to determine the component elements and their influence upon the length of learning period of the worker, production and labor turnover.

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.

3. Job Satisfaction.

Ans :

Job satisfaction' is a positive emotional response of an individual arising out of the assessment of his/her job experiences.

4. Define Job design.

Ans :

The term 'job design' refers to the way the tasks are combined to form a complete job.

5. Diverse Workforce.

Ans :

Diverse workforce refers to the workforce varying in terms of gender, nation, religion, culture, age, origin, race, physical ability and so on. Recruitment of Diverse Workforce

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UNIT III

Training and Development and Performance Management: Importance of Training and Development, Training Process, Analyzing Training Needs & Designing the Program, Implementation of training programs, Training Methods, Management Development Process, Evaluation of Training and Development programs.

Performance Management: Concept of Performance Management and Appraisal, The Performance Appraisal Process, Techniques for Performance Appraisal, Career Management.

3.1 TRAINING AND DEVELOPMENT

Q1. Define the terms training and development.

Ans :

i) Training

Introduction

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.

Meaning

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 is 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.

ii) Meaning of Development

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 hut to philosophical and theoretical educational concepts, It involves broader education and its purpose is long-term development.

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Q2. What are the objectives of training ?

Ans :

The objectives of employee training includes,

1. To develop the potential employees (both old and new), so as to fulfill the present and future requirements of the organization.
2. To make the new recruits to learn basic Knowledge, Skills and Abilities (KS A) of the job that has to be performed by them.
3. To prepare the experienced employees to take up more complex and the challenging tasks.
4. 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.
5. 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.
6. To enable employees to become better performers by making them aware about the best techniques, innovative technologies, best practices for performing their tasks efficiently.
7. To make arrangements for the employees to overcome their deficiencies, thus ensuring the smooth and efficient working environment.
8. 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.

Q3. Explain the benefits of training ?

Ans :

- Leads to improved profitability and/or more positive attitudes towards profit orientation
- Improves the job knowledge and skills at all levels of the organization
- Improves the morale of the workforce
- Helps people identify with organizational goals
- Helps create a better corporate image
- Fosters authenticity, openness and trust
- Improves relationship between boss and subordinate
- Aids in organizational development
- Learns from the trainee
- Helps prepare guidelines for work
- Aids in understanding and carrying out organizational policies.
- Provides information for future needs in all areas of the organization
- Organization gets more effective decision-making and problem-solving skills
- Aids in development for promotion from within
- Aids in developing leadership skills, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display
- Aids in increasing productivity and/or quality of work
- Helps keep costs down in many areas, e.g. production, personnel, administration, etc.
- Develops a sense of responsibility to the organization for being competent and knowledgeable
- Improves labour-management relations
- Reduces outside consulting costs by utilizing competent internal consultation
- Stimulates preventive management as opposed to putting out fires
- Eliminates suboptimal. behaviour (such as hiding tools)
- Creates an appropriate climate for growth, communication
- Aids in improving organizational communi-cation

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- Helps employees adjust to change
- Aids in handling conflict, thereby helping to prevent stress and tension.

Benefits to the Individual Which in Turn Ultimately Should Benefit the Organization.

- Helps the individual in making better decisions and effective problem solving
- Through training and development, motivational variables of recognition, achievement, growth, responsibility and advancement are internalized and operationalised
- Aids in encouraging and achieving self-development and self-confidence
- Helps a person handle stress, tension, frustration and conflict
- Provides information for improving leadership, knowledge, communication skills and attitudes
- Increases job satisfaction and recognition
- Moves a person towards personal goals while improving interactive skills
- Satisfies personal needs of the trainer (and trainee)
- Provides the trainee an avenue for growth and a say in his/her own future
- Develops a sense of growth in learning
- Helps a person develop speaking and listening skills; also writing skills when exercises are required
- Helps eliminate fear in attempting new tasks

3.2 IMPORTANCE OF TRAINING AND DEVELOPMENT

Q4. Explain the importance of training and development.

Ans : **(March-23, Nov.-21, May-19)**

1. Optimum Utilization of Human Resources

Training and Development helps in optimizing the utilization of human resource that further helps the employee to achieve the organizational goals as well as their individual goals.

2. Development of Human Resources

Training and Development helps to provide an opportunity and broad structure for the development of human resources' technical and behavioral skills in an organization. It also helps the employees in attaining personal growth.

3. Development of skills of employees

Training and Development helps in increasing the job knowledge and skills of employees at each level. It helps to expand the horizons of human intellect and an overall personality of the employees.

- **Productivity**

  Training and Development helps in increasing the productivity of the employees that helps the organization further to achieve its long-term goal.

- **Team spirit**

  Training and Development helps in inculcating the sense of team work, team spirit, and inter-team collaborations. It helps in inculcating the zeal to learn within the employees.

- **Organization Culture**

  Training and Development helps to develop and improve the organizational health culture and effectiveness. It helps in creating the learning culture within the organization.

- **Organization Climate**

  Training and Development helps building the positive perception and feeling about the organization. The employees get these feelings from leaders, subordinates, and peers.

- **Quality**

  Training and Development helps in improving upon the quality of work and work-life.

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- **Healthy work environment**

  Training and Development helps in creating the healthy working environment. It helps to build good employee, relationship so that individual goals aligns with organizational goal.

- **Health and Safety**

  Training and Development helps in improving the health and safety of the organization thus preventing obsolescence.

- **Morale**

  Training and Development helps in improving the morale of the work force.

- **Image**

  Training and Development helps in creating a better corporate image.

- **Profitability**

  Training and Development leads to improved profitability and more positive attitudes towards profit orientation.

- Training and Development aids in organizational development i.e. Organization gets more effective decision making and problem solving. It helps in understanding and carrying out organizational policies

- Training and Development helps in developing leadership skills, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display.

4. The Global Competent Manager

The advent of the global economy has led to recommended that organizations create management development programs to produce globally competent managers. Organizations such as Corning Glass, 3M ITT, and General Electronic have incorporated this perspective into their management development programs. We present three examples of how the competencies needed to be an effective global manager have been conceptualized.

Barlett and Ghosal argue that to succeed in a global environment, organizations need a network of managers who are specialists in global issues, and that organizations do not need to globalize all managers. They suggest four categories of managers are needed :

(a) Business Managers

This type of manager play three roles, serving as "the strategist for the organization, the architect of its worldwide asset configuration, and the coordinator of transactions across national borders.

(b) Country Managers

This type of manager, who works in the organisation's national subsidiaries, also plays three roles, serving as "the sensor and interpreter of local opportunities and threats, the builder of local resources and capabilities, and the contributor to active participation in global strategy"

(c) Functional Managers

These managers are functional specialists (e.g., in engineering, marketing, human resources) who "scan for specialized information worldwide, 'cross-pollinate' leading-edge knowledge and best practice, and champion innovations that may offer transnational opportunities and applications"

(d) Corporate Managers

These managers serve in corporate headquarters and orchestrate the organizations activities, playing the roles of leader and talent scout (i.e., by identifying potential business, country, and functional managers) and developing promising executives.

Q5. What are the objectives of training and development ?

Ans :

The principal objective of training and development division is to make sure the availability of a skilled and willing workforce to an organization.

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In addition to that, there are four other objectives: Individual, Organizational, Functional, and Societal. Training and development is a subsystem of an organization. It ensures that randomness is reduced and learning or behavioural change takes place in structured format.

i) Individual Objectives

It help employees in achieving their personal goals, which in turn, enhances the individual contribution to an organization.

ii) Organizational Objectives

It assist the organization with its primary objective by bringing individual effectiveness.

iii) Functional Objectives

It maintain the department's contribution at a level suitable to the organization's needs.

iv) Societal Objectives

It ensure that an organization is ethically and socially responsible to the needs and challenges of the society.

The quality of employees and their development through training and education are major factors in determining long-term profitability of a small business. If you hire and keep good employees, it is good policy to invest in the development of their skills, so they can increase their productivity.

3.3 TRAINING PROCESS

3.3.1 Analyzing Training Needs & Designing the Program

Q6. On what basis the management will analysis the training needs. Design a suitable training programme fro business executives of any company.

(OR)

How do you assess the training needs? Explain.

(OR)

"Training and development of employees is a critical component in enhancing the skills of the employees of an organization." In the light of the above statement analyse the role of HRM in assessing the training needs and designing and implementing the training programs.

Ans : **(Mar-23, May-22, Nov.-21, Dec.-19, Aug.-16, Mar.-15)**

Identification of Training Needs

According to McGhee and Thayer's model, the identification of training needs consists of the following three components. These components are considered as inputs of TNA.

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 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.

(b) Resource Utilization Analysis

Once the organizational objectives are analyzed, the next step is to identify training needs and analyze the allocation of human and other physical resources and evaluate their level of utilization.

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(c) Environmental Scanning

This analysis involves the determination of environmental, sociocultural, economic and cultural factors affecting the organisation. 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 it own impact on the organization.

2. 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.

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 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.

Designing a Training Programme for Business Executives

Let us understand the designing procedure of training program for Citi group financial incorporation. Citi group Company now known as Citi Company decided to design a training program for its business executives. It started an exclusive training program named "Managing People". The top management of the organization were worried about the increasing stress on the managers with respect to the rapid growth and change resulting in people problems in the organization and as per the top management, people were the most important resource and they must be managed effectively.

To design a good training program, a study was conducted where the best management talent was identified, differentiated the best and average managers and then designed an effective training program for further development. The managers were asked to get trained through a 5-day training program which included five groups and each day was dedicated to one group. The five session of each training cluster focussed upon the following aspects of managerial decisions,

(i) Getting commitment to goals and standards

(ii) Coaching

(iii) Appraising performance

(iv) Compensating and rewarding

(v) Building a team for continuity of performance.

Further, the training program had certain training techniques such as, case study, role practice, group problem-solving, decision-making exercises and occasional short lectures. On each day of the training program, the managers would receive printed ratings by their subordinates. Apart from this, the feedback given to the managers considered as important part of the training program as managers concentrated much on their learning, improvement objectives of lowest ratings. Thus, the program 'Managing people' was carried for about two decades. The managers highly valued the training program as it helped them to enhance the requisite managerial skills.

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Q7. Examine the various steps in analyzing training needs.

Ans : **(May-22, Aug.-17)**

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.

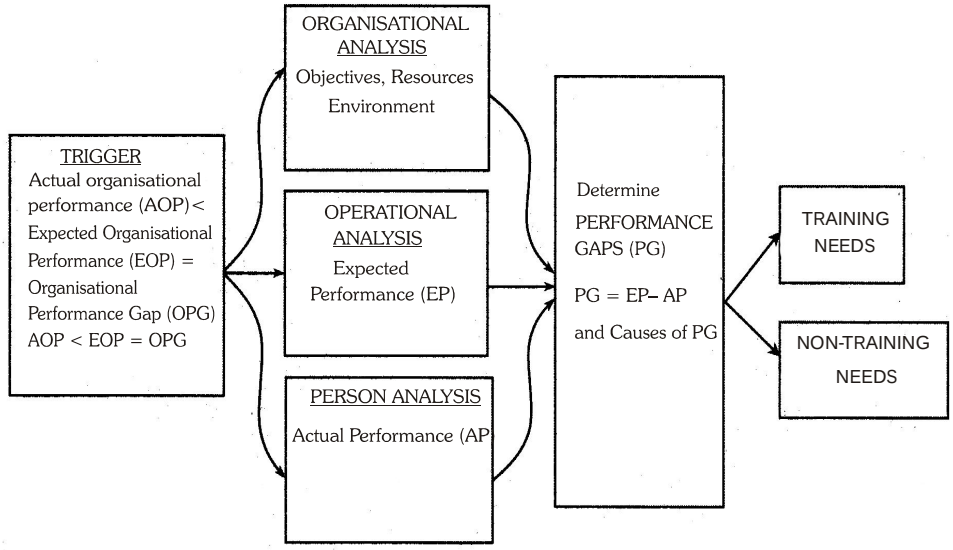

Fig. Framework for Conducting a TNA

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

< -Lessthan

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,

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(b) Resource Utilization Analysis

Once the organizational objectives are analyzed, the next step is to identify training needs and analyze 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 organisation. It helps in identifying the controllable and uncontrollable environmental factors by the organization.

(d) Organizational Climate Analysis

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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.

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(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.

Q8. 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.

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 arised 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

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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.

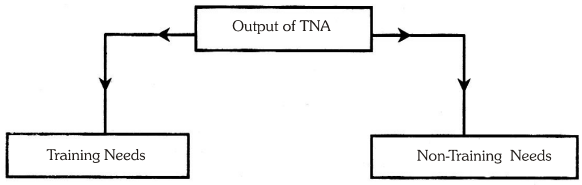

Fig. Output of TNA

Q9. Design a training program for a newly joined sales trainee of a Pharmaceutical Company.

Ans : **(Dec.-19, Feb.-17)**

The pharmaceutical industry is a highly competitive and dynamic place where all the elements are changing continuously. A newly joined sales trainee in a pharma company need to possess knowledge about,

(i) The company under which he is working.

(ii) The type of drugs/medicines etc., which his firm deals with.

(iii) Basic knowledge about the firms competitors.

(iv) Good soft skills and marketing skills.

(v) Good knowledge about the human body anatomy.

The training program for a newly joined sales trainee of a pharmaceutical company would involve the following steps,

Step-1: Home Study

The first step in the training program for sales trainee of a pharma company requires a detailed home study. The sales representatives need to be aware of their own company products, their competitors products and about the anatomy and physiology of the human system. The trainee needs to be provided with manuals, books and other e-resources relating to scientific and technical resources. This may help the trainee to gain complete knowledge about the product and services his firm deals with.

Step-2: Field Training

Under this step, the trainee is accompanied with the trainer on field in order to understand the soft skills, the various conditions of the drugs regarding the color of tablets, their indications and their side effects etc. Along with these, the trainee need to be aware of soft skills such as, how to approach a doctor, retailer and the wholesaler. However, in order to grab the market right from medical schools, some organizations make their sales representatives trained about how to approach medical students as well.

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Step-3: Technology Aspects

It ensures the technological aspects of training regarding the usage of company's software, details of drug and some other marketing information system.

Step-4: Selling Skills

This is identified as a prominent step of the training session for the sales/trainee. Under this step, the trainee's are trained in such a way that they are experts in characterizing the drug, asking relevant queries to physician and the retailers. Along with these, the trainers are trained in proficiency, scientific and marketing aspects in order to convince the physician with their good presentations.

On the whole, the sales representative needs to be trained not only about the skills of identifying the drug, but also about the skills of selling and marketing of the firms products.

Apart from the training program, trial and error practice and experience would go along way in preparing a professional sales trainee for the pharma company.

3.4 Training Methods

3.4.1 Implementation of Training Programmes

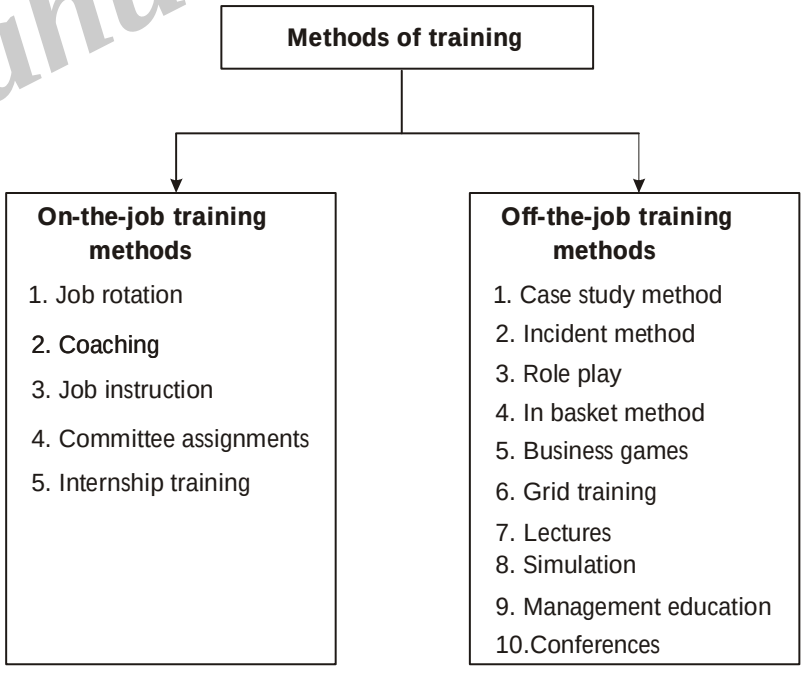
Q10. Narrate the various training programs in Indian enterprise.

(OR)

Explain the various methods of training its merits and demerits.

Ans : **(Nov.-22, Sep.-14, Feb.-12)**

On-the-job Training Method and Off-the-Job Methods



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Management development is a systematic process of growth and development by which the managers develop their abilities to manage. It is concerned with not only improving the performance of managers but also giving them opportunities for growth and development.

There are two methods through which managers can improve their knowledge and skills. One is through formal training and other is through on the job experiences. On the job training is very important since real learning takes place only when one practices what they have studied.

1. On-the-job Training (OJT) Methods

This is the most common method of training in which a trainee is placed on a specific job and taught the skills and knowledge necessary to perform it.

1. Job rotation

This training method involves movement of trainee from one job to another gain knowledge and experience from different job assignments. This method helps the trainee understand the problems of other employees.

2. Coaching

Under this method, the trainee is placed under a particular supervisor who functions as a coach in training and provides feedback to the trainee. Sometimes the trainee may not get an opportunity to express his ideas.

3. Job instructions

Also known as step-by-step training in which the trainer explains the way of doing the jobs to the trainee and in case of mistakes, corrects the trainee.

4. Committee assignments

A group of trainees are asked to solve a given organizational problem by discussing the problem. This helps to improve team work.

5. Internship training

Under this method, instructions through theoretical and practical aspects are provided to the trainees. Usually, students from the engineering and commerce colleges receive this type of training for a small stipend.

Advantages

1. Improve Productivity

Training improves the productivity of employees. Because when the employees well-trained they know what to do? and How to do?. So, training improves the productivity of the employees.

2. Multi-Skill

Training makes the employees multi-skilled. During the training, employees learn multiple skilled. which make them more skilled and multi-skilled as well.

3. Quick Learning

On the job training provides the learning environment to the trainees. which make them more quick learner.

4. Make Systematic Approach

On the job training make the systematic approach in the organization,because that time they know the right approach of the organization.

Disadvantages

1. Problem in Production

On job training create problems during the production of finish goods, because trainees ask the queries during production which distract the worker. So, on the job training create problems during production.

2. Costly

On Job training method is costly in the sense that the workers are disturbed by training activities.

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3. Possibility of Accidents

When the trainees work on the floor the risk of accidents increases because that time they will not be aware with the dangerous machine. that can be harmful.

2. Off-the-job Methods

On the job training methods have their own limitations, and in order to have the overall development of employee's off-the-job training can also be imparted. The methods of training which are adopted for the development of employees away from the field of the job are known as off-the-job methods.

The following are some of the off-the-job techniques:

1. Case study method

Usually case study deals with any problem confronted by a business which can be solved by an employee. The trainee is given an opportunity to analyse the case and come out with all possible solutions. This method can enhance analytic and critical thinking of an employee.

2. Incident method

Incidents are prepared on the basis of actual situations which happened in different organizations and each employee in the training group is asked to make decisions as if it is a real-life situation. Later on, the entire group discusses the incident and takes decisions related to the incident on the basis of individual and group decisions.

3. Role play

In this case also a problem situation is simulated asking the employee to assume the role of a particular person in the situation. The participant interacts with other participants assuming different roles. The whole play will be recorded and trainee gets an opportunity to examine their own performance.

4. In-basket method

The employees are given information about an imaginary company, its activities and products, HR employed and all data related to the firm. The trainee (employee under training) has to make notes, delegate tasks and prepare schedules within a specified time. This can develop situational judgments and quick decision making skills of employees.

5. Business games

According to this method the trainees are divided into groups and each group has to discuss about various activities and functions of an imaginary organization. They will discuss and decide about various subjects like production, promotion, pricing etc. This gives result in co-operative decision making process.

6. Grid training

It is a continuous and phased programme lasting for six years. It includes phases of planning development, implementation and evaluation. The grid takes into consideration parameters like concern for people and concern for people.

7. Lectures

This will be a suitable method when the numbers of trainees are quite large. Lectures can be very much helpful in explaining the concepts and principles very clearly, and face to face interaction is very much possible.

8. Simulation

Under this method an imaginary situation is created and trainees are asked to act on it. For e.g., assuming the role of a marketing manager solving the marketing problems or creating a new strategy etc.

9. Management Education

At present universities and management institutes gives great emphasis on

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management education. For e.g., Mumbai University has started bachelors and postgraduate degree in Manage- ment. Many management Institutes provide not only degrees but also hands on experience having collaboration with business concerns.

10. Conferences

A meeting of several people to discuss any subject is called conference. Each participant contributes by analyzing and discussing various issues related to the topic. Everyone can express their own view point.

Advantages

1. Effective Method

Off the job training is well organized and conducted by experts and specialists which makes the training program more effective.

2. High Productivity

It is conducted outside the organization or workstation and trainees are not involved in the production process. Only trained and skilled workers are placed at the work place. So, productivity will be higher.

3. Minimize Errors

Under this method, newly appointed employees are trained outside the production area and skilled and trained manpower perform the job. So, it lowers the production errors.

4. Economical

In this method, a large number of employees can be participated and orientation can be provided at a time. It helps to reduce training costs. So, it is a cost effective method.

5. No Disturbance

Trainees are not allowed to work in the actual work place. So, production process will not be disturbed and existing employees can do their jobs smoothly.

Disadvantages

1. More Expensive

This method of training may be very expensive due to extra space, accommodation and transportation costs and experts' fees etc.

2. Less Effective

Off the job training is less effective than on the job training method because it is conducted outside the working environment. Employees need extra induction training to handle their job.

3. Dissatisfaction

Training is conducted artificially outside the work place. So, employees cannot learn properly in this training method. Dissatisfaction may arise among the employees.

4. No Production

Trainees cannot take part in the production process. So, potential output and time is lost in this method of training.

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Q11. Compare and contrast on job training and off job training.

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

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.

Q12. Explain the important computer based training methods used in production units in Indian organizations.

Ans : **(July-18)**

The following are the important Computer Based Training methods (CBT).

(i) Programmed Instruction (PI)

The characteristics of PI are

1. It is a method of self paced learning program which is managed by the trainee and the computer system. It uses computer based programs consisting of text, graphics, multimedia enhancements etc.
2. It is used when programs are stored in the memory and computers are connected to one another electronically.
3. Training material is stored as fragments that are closely related to each other.
4. The training process begins by handling over a fragment of information to trainees testing on retention of that information.
5. If trainee has retained the information, he is given next fragment. If not, the previous fragment is given again.
6. PI is usually computer-based, but it can also be a printed material or interactive videos.

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(ii) Intelligent Computer Assisted instruction (ICAI)

The characteristics of ICAI are,

1. ICAI is a CBT system that provides some of the primary characteristics of a human tutor. It is the advanced form of PI.
2. It utilizes various expert systems to perform the tasks such as,

(a) Run the tutoring aspects of training

(b) Monitor the trainee KSAs

(c) Providing adaptive tutoring based on trainee responses.

(iii) Intelligent Tutoring System (ITS)

This is the advanced form of CBI that employs artificial intelligence to provide tutoring. This is the best of CBT methods as it facilitates trainee's learning depending on his/her responses.

ITS have five components,

1. Expert Knowledge

It is the set of knowledge about what is correct or not comparable.

2. Trainee Model

This component stores information about trainee's performance during training. It keeps a track of what a trainee seem to know.

3. Training Session Manager

This component interprets the trainee's responses and responds. It also determines the movement of trainee to the basic material and strategical remedies.

4. Training Scenario Generator

It is the component that determines the order and difficulty level of the problems presented to a trainee.

5. User Interface

It is an equipment that allows the trainee to interact with ITS. It include keyboard, mouse and joystick.

(iv) Virtual Reality (VR)

It is one of the best method of CBT. It is suitable training method for dangerous situations and when usage of real things is costly. For example, flying plane or fighting a war. In this method, the trainee is put in an artificial 3D environment that simulates the events same as on the job. The simulation is accomplished by wearing special equipments, such as head gear, gloves and so on, that controls what the trainee is able to see, feel and sense.

1. The trainee achieves some goals by interaction with the objects in electronic environment.
2. VR was a failure because many of the trainees faced simulator sickness i.e., vertigo and general motion sickness.

(v) Interactive Multimedia (IM)

IM is the creation of a training environment for trainee's interaction, by using text, video, photos, animation and sound. In this method, the trainee can receive the feedback instantly, facilitating in effective decision making. IM uses CDs, DVDs and Networking technologies for training.

Q13. What are the various impediments to effective training?

Ans :

There are many impediments which can make a training programme ineffective. Following are the major Hindrances :

i) Management Commitment is Lacking and Uneven

Most companies do not spend money on training. Those that do, tend to concentrate on managers, technicians and professionals.

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The rank-and-file workers are ignored. This must change, for, as a result of rapid technological change, combined with new approaches to organizational design and production management, workers are required to learn three types of new skills:

(a) The ability to use technology,

(b) The ability to maintain it, and

(c) The ability to diagnose system problems.

In an increasingly competitive environment, the ability to implement rapid changes in products and technologies is often essential for economic viability.

ii) Aggregate Spending on Training is Inadequate

Companies spend minuscule proportions of their revenues on training. Worse still, budget allocation to training is the first item to be cut when a company faces a financial crunch.

iii) Educational Institutions Award Degrees but Graduates Lack Skills

This is the reason why business must spend vast sums of money to train workers in basic skills. Organizations also need to train employees in multiple skills. Managers, particularly at the middle level, need to be retrained in team-playing skills, entrepreneurship skills, leadership skills and customer orientation skills.

iv) Large-scale Poaching of Trained Workers

Trained workforce is in great demand. Unlike Germany, where local business groups pressure companies not to poach on another company's employees, there is no such system in our country. Companies in our country, however, insist on employees to sign 'bonds of tenure' before sending them for training, particularly before deputing them to undergo training in foreign countries. Such bonds are not effective as the employees or the poachers are prepared to pay the stipulated amounts as compensation when the bonds are breached.

v) No Help to Workers Displaced because of Downsizing

Organizations are downsizing and de-layering in order to trim their workforces. The government should set apart certain fund from the National Renewal Fund for the purpose of retraining and rehabilitating displaced workers.

vi) Organized Labour can Help

Organized labour can play a positive role in imparting training to workers. Major trade unions in our country seem to be busy in attending to mundane issues such as bonus, wage revision, settlement of disputes, and the like. They have little time in imparting training to their members.

Q14. What is induction? What is its importance? What are the steps in induction process?

Ans : **(Nov.-22)**

Meaning

Induction is nothing but the introduction of the organization to employees where they are going to work. It is a sort of orientation. It brings comfort to employees and helps them to get settled in the new environment.

Brief information about history of the company, nature of business, work culture, policies, procedures, departments, rules and regulations, nature of job, duties and responsibilities, is provided to employees to create a proper background in their minds before they start working actively in the company.

Importance

1. A sense of belongingness is created in the mind of the new employee.
2. It gives favourable impression about the organization.
3. It gives chances of increasing loyalty towards the organization and reduction in the rate of labour turnover.

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4. It leads to regular and honest participation, and timely completion of the task by the employee.
5. It helps in removal of anxiety, bias and confusion about the organizational details.
6. It leads to the development of good and favourable public image of the company.
7. Adjustment with peers, seniors and the work assigned becomes easy

3.5 MANAGEMENT DEVELOPMENT

Q15. Define management development. Explain the need for management development.

Ans :

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 Flippo,** "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." The need for training and development is determined by the employee's performance deficiency, computed as follows :

Training and development need = Standard performance - Actual performance

Training and development programs are necessary in any organization for improving the quality of work of thee employees at all levels, particularly in a world of fast changing technology, changing values, and environment.

The purpose of both is similar. The main difference between the two is in respect to the levels of employee for whom these are meant, and the contents and techniques employed.

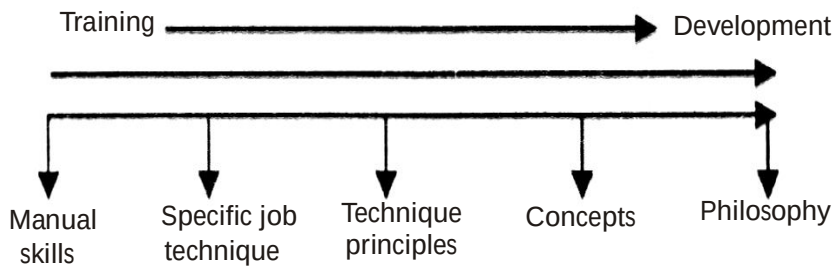

Fig: Training-Development Continuum

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Need for Management Development

A business organization has to develop the potential if all those who are in management positions or who are fresh from management institutions and have the potential for development, this development is necessary because of the following reasons:

1) Society is facing a rapid rate of technological and social change. Management personnel need to be developed as they have to tackle problems arising out of introduction of automation, intense market competition, growth of new markets, enlarged labor participation in management and greater interest being taken by the public and the government in various activities of business.

2) Business and industrial leaders are increasingly recognizing their social and public responsibilities which call for a much broader outlook on the part of management.

3) Management has to be developed for handing problems arising out of increasing size and complexity of the organizations.

4) Management labor relations are becoming increasingly complex.

5) To understand and adjust to changes in socio-economic forces, including changes in public policy and concepts of social justice, industrial democracy, problems of ecology (smog or pollution), ekistics (the problem of human settlements), ergonomics (the problem of working environment) and cultural anthropology (the problem of fitting machines to men).

3.5.1 Management Development Process

Q16. Explain the process of Management Development.

Ans :

The following are the steps or ingredients of management development programme,

1. Examining the present and developmental needs of an organization.
2. Evaluating the talent of existing management.
3. Inventory of management manpower.
4. Planning of individual development programme.
5. Creation of development programme and
6. Evaluation of the programme.

1. Examining the present and future developmental needs of an organization

- In this step, the decision to introduce a management development programme is taken. After taking this decision, the present as well as the future developmental needs of an organization must be analyzed.
- The firm must have the knowledge about the number and the type of managers needed for fulfilling such requirements.
- The organizational structure must be analyzed by considering the future organizational plans as it helps in determining what the organization needs with regard to its functions, departments and executive positions. After gathering this information, job descriptions and specifications for all the management positions can be prepared.
- This in turn helps in providing the information about the type of education, experience training, special knowledge, skills and personal traits needed for performing different tasks.
- Once, job specifications, job descriptions are made, top management must formulate a policy by comparing the existing talents with those that have been developed through training programmes. This policy helps the firm whether to recruit the employee from external sources or from internal sources.

2. Evaluating the Talent of Existing Management

For comparing the present talent with the projected required talent, a qualitative assessment of the present management talent must be done. This helps in estimating the areas where the potential development is required and they must be added to the programme for making comparison with the projected talent.

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3. Inventory of the Management Manpower

The inventory of management manpower helps in providing a detailed information about all executives present at different managerial levels. It includes preparation of a card consisting of the details of an executive such as name age, length of service, education, work experience, training courses completed, health record, performance appraisal data etc.,. Based on the information provided by such cards, the individuals are selected for the management development programme. The analysis of such information helps in identifying the strengths and weakness of different managerial functions with respect to the future organizational needs.

4. Planning of Individual Development programme

The results of performance appraisal help the executives to identify the strengths and weakness of their subordinates and in turn an executive plans for the individual development programmes. As different individuals are characterized by different physical, intellectual and emotional attributes, a separate developmental plan must be developed for each individual.

5. Creation of Developmental Programmes

HR department is responsible for providing effective developmental opportunities to its employees. It recognizes the present level of skills, knowledge etc., of different executives and compares them with their respective job requirements. It determines the developmental needs and on that basis, it creates specific development programmes such as leadership courses, management games and sensitivity training. Due to the emergence of rapid changes and developments in management framework, the HR department should suggest some individual and executive development programmes.

6. Evaluation of the Programme

As the organization spends high amount of money, time and efforts for conducting management development programmes, it is very essential to evaluate the programme. When the objectives of the programme are attained, then the programme is regarded as a "successful programme," However, it is very difficult to measure the changes or impact of programme on the objectives as the impact of some programmes can be noted only in the long run, whereas the impact of some other programmes can be noted in the short run.

All such programmes can be evaluated against the specific developmental needs for whose attainment they are established.

3.6 Evaluation of Training and Development Programmes

Q17. Bring out the need, criteria and techniques of evaluation of training results.

(or)

Describe the steps involved in Evaluation of Training Program.

Ans : **(Dec.-19, Mar.-16)**

Meaning

The last stage in the training and development process is the evaluation of results . Since huge Turns of money are spent on training and development, how far the programme has been useful must be judged/determined. Evaluation helps determine the results of the training and development programme. In practice, however, firms either overlook or lack facilities for evaluation.

Need

- The main objective of evaluating the training programmes is to determine if they are accomplishing specific training objectives, that is, correcting performance deficiencies.
- A second reason for evaluation is to ensure that any changes in trainee capabilities are due to the training programme and not due to any other conditions.

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- Training programmes should be evaluated to determine their cost effective-ness.
- Evaluation is useful to explain programme failure, should it occur. Finally, credibility of training and development is greatly enhanced when it is proved that the firm has benefited tangibly from it.

Principles

Evaluation of the training programme must be based on the following principles:

1. Evaluation specialist must be clear about the goals and purposes of evaluation.
2. Evaluation must be continuous.
3. Evaluation must be specific.
4. Evaluation must provide the means and focus for trainers to be able to appraise themselves, their practices, and their products.
5. Evaluation must be based on objective methods and standards.
6. Realistic target dates must be set for each phase of the evaluation process. A sense of urgency must be developed, but deadlines that are unreasonably high will result in poor evaluation.

- **Criteria for Evaluation**

1. Training validity

Did the trainees leam during training?

2. Transfer validity

What has been learnt in training, has it been transferred on the job? Has it enhanced performance in the work place?

3. Intra-organizational validity

Is performance of the new group of trainees, for which the training programme was developed, consistent with the performance of the original training group?

4. Inter-organizational validity

Can a training programme validated in one firm be used successfully in another company?

These questions often result in different evaluation techniques.

Techniques of Evaluation

- Several techniques of evaluation are being used in firms. It may be stated that the usefulness of the methods is inversely proportional to the ease with which the evaluation can be done.
- One approach towards evaluation is to use experimental and control groups. Each group is randomly selected, one to receive training (experimental) and the other not to receive training (control).
- The random selection helps to assure the formation of groups quite similar to each other. Measures are taken of the relevant indicators of success (e.g. words typed per minute, quality pieces produced per hour, wires attached per minute) before and after training for both groups.
- If the gains demonstrated by the experimental groups are better than those by the control group, the training programme is labelled as successful.

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- Another method of training evaluation involves longitudinal or time-series analysis. Measurements are taken before the programme begins and are continued during and after the programme is completed.
- These results are plotted on a graph to determine whether changes have occurred and remain as a result of the training effort. To further validate that change has occurred as a result of training and not due to some other variable, a control group may be included.
- One simple method of evaluation is to send a questionnaire to the trainees after the completion of the programme to obtain their opinions about the programme's worth.
- Their opinions could also be obtained through interviews. A variation of this method is to measure the knowledge and/or skills that employees possess at the commencement and completion of a training.
- If the measurement reveals that the results after training are satisfactory, then the training may be taken as successful.
- In order to conduct a thorough evaluation of a training programme, it is important to assess the costs and benefits associated with the programme.
- This is a difficult task, but is useful in convincing the management about the usefulness of training.
- Some of the costs that should be measured for a training programme include needs assessment costs, salaries of training department staff, purchase of equipment (computers, videos, handouts), programme development costs, evaluation costs, trainers' costs, rental facilities and trainee wages during the training period.
- The benefits to be compared with the cost are rupee payback associated with the improvement in trainees' performance, their behavioural change, and the longevity of the period during which the benefits would last.

Q18. Explain the concept of training evaluation with the help of kirkpatrick's model.

Ans : **(Feb.-17)**

In today's highly competitive world, human resources have become the most valuable resources of an organization. Because of this fact, most of the companies are investing heavily on the development of their Human Resources.

Human Resource Development (HRD) "It is the process of developing the skills, knowledge, competencies or 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 benefits 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".

An evaluation model provides information through which an HRD program can be effectively evaluated. It provides answers to the questions such as Is the training effective? Are we training the right employees? Is the training worth?

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 Kirkpatricks.

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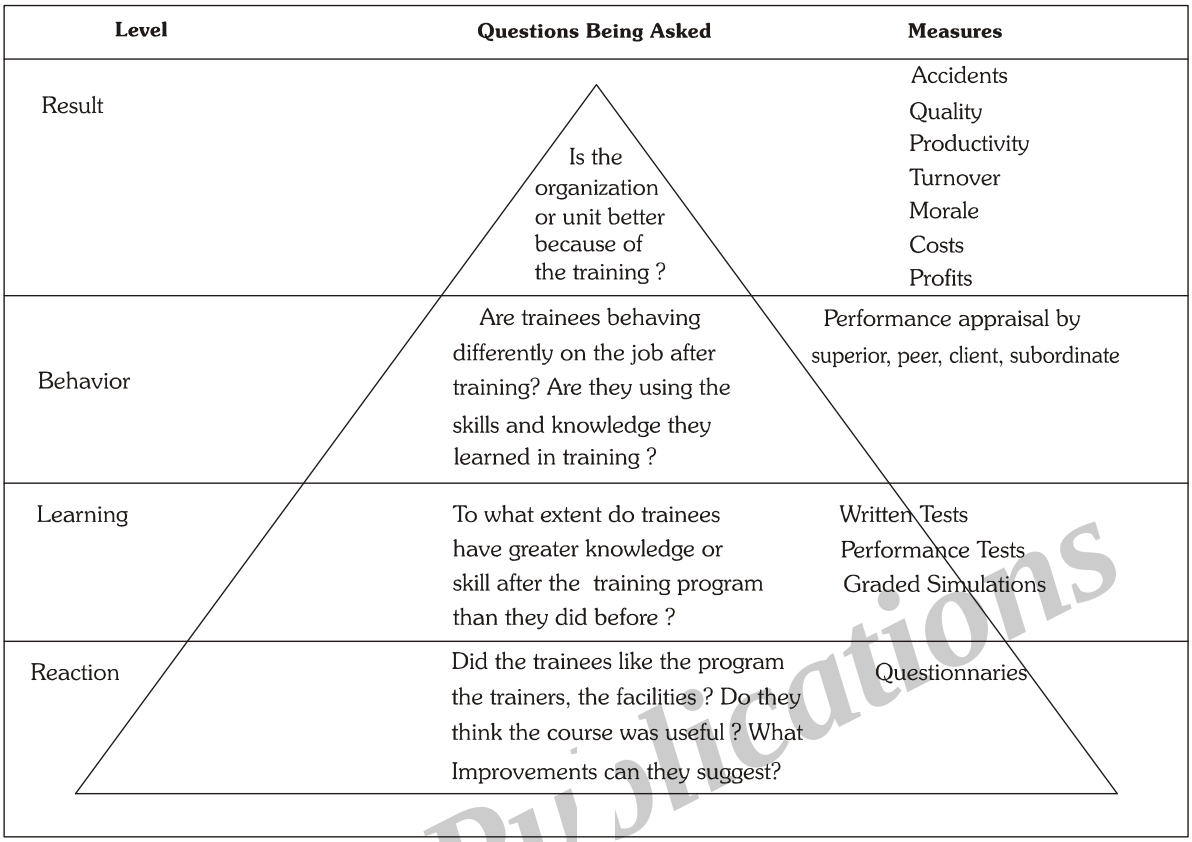

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1. Reaction (Level I)

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 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 to evaluate or 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, 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 behvaiour 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.

Q19. Compare and contrast training and development.

Ans : **(Mar.-15)**

S.No	Basic	Training	Development
1)	**Nature**	Training focuses on technical, mechanical oriented operations.	Development focuses on theoretical skill and conceptual ideas
2)	**Emphasis**	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)	**Relevance**	Training is mostly for non- managers	The development is for managers and executives.
4)	**Focus**	Training focuses on current jobs.	Development prepares for future jobs.
5)	**Goals**	Training focuses on short-term gains	Development focuses long-term accruals
6)	**Orientation**	The training is job-oriented process and is vocational in nature.	The development is general in nature and strives to inclucate initiative, enterprise, creativity, dedication and loyalty amongst executives
7)	**Process**	Training is one-short deal	Development is a continuous on-going process
8)	**Growth Opportunity**	Training may result in enhancement of a particular job skill.	Development may result in personal growth and development of overall personality.
9)	**Motivation**	Training is the result of organizational initiative and hence motivation is extrinsic	In development the motivation is intrinsic
10)	**Classification**	Training canbe classified into i) On - the job training ii) Off - the job training	No such classification is possible
11)	**Voluntary/ Imposed**	Training is usually imposed	Development activities, such as those supplied management development programmes, are generally voluntary.
12)	**Relationship with Career Development**	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)	**Evaluation**	Evaluation for training is considered to be essential	No evaluation for development is possible.

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3.7 CONCEPT OF PERFORMANCE MANAGEMENT

Q20. Define Performance.

Ans : **(Nov.-20)**

Definitions

(i) According to Moon (1996), Performance is a multidimensional construct, the measurement of which varies depending on a variety of factors that comprise it. According to, Macphearson and Mwita, 'Performance' refers to outcomes of work because they provide the strongest linkage to the strategic goals of the institution, customer satisfaction and economic contributions Performance is the measure of efficiency. It is an efficiency relationship between inputs and outputs. It indicates a reduction in input costs.

(ii) According to Armstrong and Baron, "Performance management is the strategic and integrated approach to deliver sustained success to the organizations by improving performance of the people who work in them and by developing the capabilities of teams and individual contributors".

Q21. Define performance Management state the features of Performance Management.

Ans : **(May-22)**

Performance Management

(i) According to Armstrong and Baron, "Performance management is the strategic and integrated approach to deliver sustained success to the organizations by improving performance of the people who work in them and by developing the capabilities of teams and individual contributors".

Features

Following are the features of performance management,

1. Performance management focuses mainly on shared organizational objectives and principles.
2. Top level management takes up the responsibility of performance management rather than HR manager and other staff members.
3. Management needs to make performance plans for all the employees of the organization.
4. Performance management is more specific and precised.

Q22. What are the objectives of performance management ?

Ans :

Some of the objectives of performance management are,

1. Motivating the employees by rewarding them as per their performance at work. Example: Salary enhancement, rewards and recognition etc.
2. To provide performance related information to employees and managers which may be used for training/appraisal purposes.
3. To design developmental programs which help employees to improve their work performance.
4. Align individual objectives with the organizational objectives and to motivate employees to develop corporate values.
5. An important objective of performance management is to assist employee to identify their goals and help them to develop their job related KSA's (Knowledge, Skills and Abilities)

3.7.1 Concept of Performance Appraisal

Q23. Define performance appraisal.

Ans :

Introduction

The work performed by the different employees differ in many aspects due to the difference in their backgrounds, experiences, knowledge, skills, abilities and aptitudes. Such differences determine the need of training and development activities. So, it is necessary for management to identify such differences so that employees having better job performance ability, skills and knowledge can be rewarded in one hand, and the wrong placements of the employees may be checked through transfer or punishments on other hand. In this regard, performance appraisal provides a measure in order to know the level of performance so that the employee may improve his/her performance.

Meaning

- Performance appraisal is a process of identifying, measuring and managing employee's performance in order to enhance organizational efficiency and effectiveness. It

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is a merit rating that denotes the appraisal of the performance of the employees in an organization.

- Performance appraisal systematically evaluates the personality and performance of each employee so that the productivity can be measured in terms of efficiency and effectiveness.
- The primary purpose of performance appraisal is to facilitate the orderly determination of an employee's worth in comparison to his/her fellow employees and expected level of performance.
- It provides information relating to various aspects of an individual upon which promotion, transfer and salary decisions can be made. It also provides an opportunity to review employee's work related behavior.

Definitions

i) **According to Dale S. Beach** Performance appraisal as the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.

ii) **According to Edwin B. Flippo** Performance appraisal is a systematic, periodic and an impartial rating of employee's excellence in matter pertaining to his/her present job and his/her potential for a better job.

Q24. Explain the concept of performance appraisal.

Ans : **(May-22)**

Performance appraisal is a method of evaluating the behaviour of employees in the work spot, normally including both the quantitative and qualitative aspects of job performance. It is a systematic and objective way of evaluating both work-related behaviour and potential of employees. It is a process that involves determining and communicating to an employee how he or she is performing the job and ideally, establishing a plan of improvement.

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 personal decisions concerning pay, promotions etc.

Appraisal of employees serves several useful purposes:

1. 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.

2. 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.

3. Training and development programs

It can serve as a guide for formulating a suitable training and development program. 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.

4. 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'.

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5. Personal development

Performance appraisal can help reveal the cause of good and poor employee performance. Through discussion 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.

Q25. What are the characteristics of performance appraisal ?

Ans : **(Aug.-11)**

The following are the 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 rand supervisors on a daily basis, yet the systematic (i.e., formal) appraisal of an individual employee is likely to occur at certain intervals throughout that person's history of employment (say quarterly, six monthly, annually, etc.)

6. Continuous Process

In addition to being periodic performance usually is an ongoing process. It means that appraisals are regularly scheduled and are not dumped on the employee on whimsical dates without relevance. The process has not been broken in person's history of employment however, the periodicity of appraisal may be changed as per needs of the situation.

Q26. 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 employee are evaluated in the same manner. It gives an in discriminatory 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.

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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.

Q27. Explain the objectives of performance appraisal.

Ans : **(Nov.-22)**

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 decidable 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

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(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.

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3.7.2 The Performance Appraisal Process

Q28. Outline the process of performance appraisal.

Ans : **(March-23)**

Process

1. Establishing performance standards

The first step in the process of performance appraisal is the setting up of the standards which will be used to as the base to compare the actual performance of the employees. This step requires setting the criteria to judge the performance of the employees as successful or unsuccessful and the degrees of their contribution to the organizational goals and objectives. The standards set should be clear, easily understandable and in measurable terms. In case the performance of the employee cannot be measured, great care should be taken to describe the standards.

2. Communicating the standards to employees

Once set, it is the responsibility of the management to communicate the standards to all the employees of the organization. The employees should be informed and the standards should be clearly explained to the employees. This will help them to understand their roles and to know what exactly is expected from them. The standards should also be communicated to the appraisers or the evaluators and if required, the standards can also be modified at this stage itself according to the relevant feedback from the employees or the evaluators. 3. Measuring the actual performance

The most difficult part of the Performance appraisal process is measuring the actual performance of the employees that is the work done by the employees during the specified period of time. It is a continuous process which involves monitoring the performance throughout the year. This stage requires the careful selection of the appropriate techniques of measurement, taking care that personal bias does not affect the outcome of the process and providing assistance rather than interfering in an employees work.

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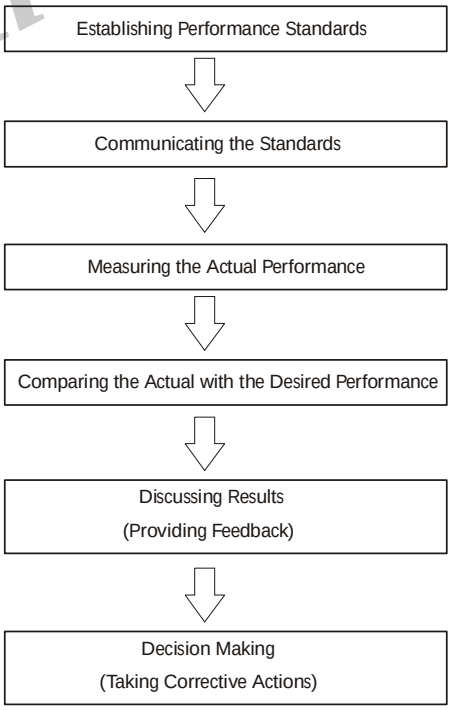

3. Comparing actual performance with desired performance

The actual performance is compared with the desired or the standard performance. The comparison tells the deviations in the performance of the employees from the standards set. The result can show the actual performance being more than the desired performance or, the actual performance being less than the desired performance depicting a negative deviation in the organizational performance. It includes recalling, evaluating and analysis of data related to the employees' performance.

4. Discussing results [Feedback]

The result of the appraisal is communicated and discussed with the employees on one-to-one basis. The focus of this discussion is on communication and listening. The results, the problems and the possible solutions are discussed with the aim of problem solving and reaching consensus. The feedback should be given with a positive attitude as this can have an effect on the employees' future performance. Performance appraisal feedback by managers should be in such way helpful to correct mistakes done by the employees and help them to motivate for better performance but not to demotivate. Performance feedback task should be handled very carefully as it may leads to emotional outburst if it is not handing properly. Sometimes employees should be prepared before giving them feedback as it may be received positively or negatively depending upon the nature and attitude of employees.

5. Decision-making (taking corrective action)

The purpose of conducting employee performance appraisal is for making decisions about employees without any bias by the HR manager. Decision-making by HR managers about employees rewarding, promotions, demotions, transfers and sometimes suspensions/dismissal of employees are depended upon the employee performance appraisal. The decision taken by HR manager should match exactly with performance appraisal results of employees to avoid grievance or disturbances in between them, as they affects overall performance of the organization.

Q29. What are the advantages of Performance Appraisal ?

Ans :

It is said that performance appraisal is an investment for the company which can be justified by following advantages :

1. Promotion

Performance Appraisal helps the supervisors to chalk out the promotion programmes for efficient employees. In this regards, inefficient workers can be dismissed or demoted in case.

2. Compensation

Performance Appraisal helps in chalking out compensation packages for employees. Merit rating is possible through performance appraisal. Performance Appraisal tries to give worth to a performance. Compensation packages which includes bonus, high salary rates, extra benefits, allowances and prerequisites are dependent on performance appraisal. The criteria should be merit rather than seniority.

3. Employees Development

The systematic procedure of performance appraisal helps the supervisors to frame training policies and programmes. It helps to analyses strengths and weaknesses of employees so that new jobs can be designed for efficient employees. It also helps in framing future development programmes.

4. Selection Validation

Performance Appraisal helps the supervisors to understand the validity and importance of the selection procedure. The supervisors come to know the validity and thereby the strengths and weaknesses of selection procedure. Future changes in selection methods can be made in this regard.

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5. Communication

For an organization, effective communication between employees and employers is very important. Through performance appraisal, communication can be sought for in the following ways:

(a) Through performance appraisal, the employers can understand and accept skills of subordinates.

(b) The subordinates can also understand and create a trust and confidence in superiors.

(c) It also helps in maintaining cordial and congenial labour management relationship.

(d) It develops the spirit of work and boosts the morale of employees.

All the above factors ensure effective communication.

6. Motivation

Performance appraisal serves as a motivation tool. Through evaluating performance of employees, a person's efficiency can be determined if the targets are achieved. This very well motivates a person for better job and helps him to improve his performance in the future.

Q30. What are the problems/errors in performance appraisal ?

Ans :

Since performance appraisal is conducted by human beings, it is subjected to a number of errors, biases, weaknesses and pitfalls.

1. The halo effect

The halo effect is introduced when an overall impression of an individual is judged on the basis of a single trait. A high rating on one trait leads automatically to high rating on all other trait. Also, a very high rating may be given to protect an employee for whom there may be personal sympathy.

2. Constant error

This error is a reflection on the trait of the rater. Some raters are, by nature, too liberal, others too strict and some tend towards rating most people in the middle.

3. Recency of events

There is a tendency of many evaluators to give much more weight to the recent behaviour of the candidate than the past behaviour. This is based on the reflection that the future trend is established by the mere recent behaviour.

4. The central tendency

It is the most commonly found error. It is the tendency of most raters to give average ratings to all or the center of the scale. This may be due to the fact that a very high rating or a very low rating could invite questions, criticisms or explanations.

Accordingly, an average rating is safer. It could also be due to the fact that the rather lacks sufficient knowledge about the applicant and hence, does not want to commit himself one way to another.

5. Errors of variable standards

It is quite possible that organizations follow different standards of performance. Some divisional heads may require much higher quality of performance than others.

6. Other miscellaneous biases

There may be some built - in biases in the minds of the rater, based upon his own perception of things, people and performances. A person may be rated higher because he is a 'nice' person or because of his seniority.

3.7.3 Techniques for Performance Appraisal

Q31. Explain various Techniques for Performance Appraisal.

(OR)

Explain Modern methods of performance appraisal.

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Ans : **(March-23, May-22, Nov.-20, Aug.-16, Mar.-15, Sept.-13)**

(A) Traditional Methods

1. Ranking Method:

It is the oldest and simplest formal systematic method of performance appraisal in which employee is compared with all others for the purpose of placing order of worth. The employees are ranked from the highest to the lowest or from the best to the worst.

2. Paired Comparison:

In this method, each employee is compared with other employees on one- on one basis, usually based on one trait only. The rater is provided with a bunch of slips each coining pair of names, the rater puts a tick mark against the employee whom he insiders the better of the two. The number of times this employee is compared as better with others determines his or her final ranking.

3. Grading Method

In this method, certain categories of worth are established in advance and carefully defined. There can be three categories established for employees: outstanding, satisfactory and unsatisfactory. There can be more than three grades. Employee performance is compared with grade definitions. The employee is, then, allocated to the grade that best describes his or her performance.

Such type of grading is done is Semester pattern of examinations and in the selection of a candidate in the public service sector. One of the major drawbacks of this method is that the rater may rate most of the employees on the higher side of their performance.

4. Forced Distribution Method

This method was evolved by Tiffen to eliminate the central tendency of rating most of the employees at a higher end of the scale. The method assumes that employees' performance level confirms to a normal statistical distribution i.e., 10,20,40,20 and 10 per cent. This is useful for rating a large number of employees' job performance and promo ability. It tends to eliminate or reduce bias.

5. Check-List Method

The basic purpose of utilizing check-list method is to ease the evaluation burden upon the rater. In this method, a series of statements, i.e., questions with their answers in 'yes' or 'no' are prepared by the HR department

6. Critical Incident Method

In this method, the rater focuses his or her attention on those key or critical behaviours that make the difference between performing a job in a noteworthy manner (effectively or ineffectively).

7. Graphic Rating Scale Method

The graphic rating scale is one of the most popular and simplest techniques for appraising performance. It is also known as linear rating scale. In this method, the printed appraisal form is used to appraise each employee.

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Performance Factor	Performance Rating				
Jod knowledge is information pertinent to the job that an individual should have for satis-factory job per-mance.	☐ Poorly in - formed formed about work duties	☐ Occasionally un-satisfactory	☐ Can answer most questions about the job	☐ Under- stands all phases of the job	☐ Has complete of all phases of the job
Dependability in following directions and company policies without supervision.	☐ Required constant supervision	☐ Rquires occasional follow-up	☐ Usually can be counted on	☐ Requires very little supervision	☐ Requires absolute minimum of super-vision

8. Essay Method

Essay method is the simplest one among various appraisal methods available. In this method, the rater writes a narrative description on an employee's strengths, weaknesses, past performance, potential and suggestions for improvement. Its positive point is that it is simple in use. It does not require complex formats and extensive/specific training to complete it.

9. Field Review Method

When there is a reason to suspect rater's biasedness or his or her rating appears to be quite higher than others, these are neutralized with the help of a review process. The review process is usually conducted by the personnel officer in the HR department.

10. Confidential Report

It is the traditional way of appraising employees mainly in the Government Departments. Evaluation is made by the immediate boss or supervisor for giving effect to promotion and transfer. Usually a structured format is devised to collect information on employee's strength weakness, intelligence, attitude, character, attendance, discipline, etc. report.

(B) Modern Methods

1. Management by Objectives (MBO)

Most of the traditional methods of performance appraisal are subject to the antagonistic judgments of the raters. It was to overcome this problem; Peter F. Drucker propounded a new concept, namely, management by objectives (MBO) way back in 1954 in his book.

The Practice of management. The concept of MBO as was conceived by Drucker, can be described as a "process whereby the superior and subordinate managers of an organization jointly identify its

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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 its members".

2. Assessment Centres:

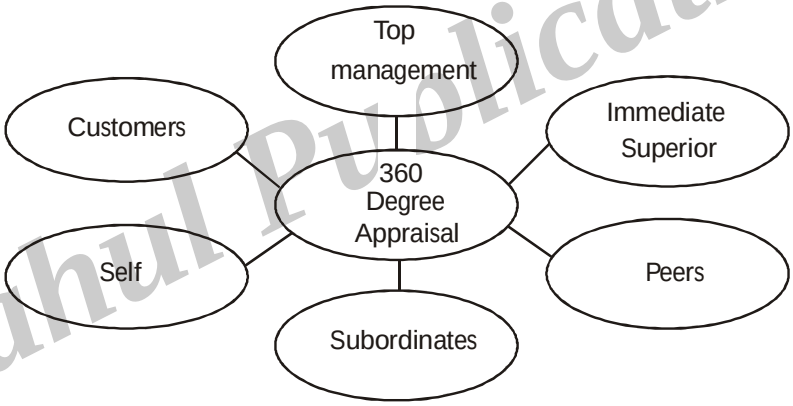
The introduction of the concept of assessment centres as a method of performance method is traced back in 1930s in the Germany used to appraise its army officers. The concept gradually spread to the US and the UK in 1940s and to the Britain in 1960s.

The concept, then, traversed from the army to business arena during 1960s. The concept of assessment centre is, of course, of a recent origin in India. In India, Crompton Greaves, Eicher, Hindustan Lever and Modi Xerox have adopted this technique of performance evaluation.

Advantages

- Enhance a participant's knowledge, boost his/her thought process, and improve employee efficiency
- Can be tailored to fit different roles, competencies, and business needs
- Offer an insight of the employee's personality (ethics, tolerance, problem-solving skill, introversion/ extroversion, adaptability, etc.)

3. 360 – Degree Appraisal



360-degree feedback is a multidimensional performance appraisal method that evaluates an employee using feedback collected from the employee's circle of influence namely managers, peers, customers, and direct reports. This method will not only eliminate bias in performance reviews but also offer a clear understanding of an individual's competence.

This appraisal method has five integral components like:

(i) Self-appraisals

Self-appraisals offer employees a chance to look back at their performance and understand their strengths and weaknesses. However, if self-appraisals are performed without structured forms or formal procedures, it can become lenient, fickle, and biased.

(ii) Managerial reviews

Performance reviews done by managers are a part of the traditional and basic form of appraisals. These reviews must include individual employee ratings awarded by supervisors as well as the evaluation of a team or program done by senior managers.

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(iii) Peer reviews

As hierarchies move out of the organizational picture, coworkers get a unique perspective on the employee's performance making them the most relevant evaluator. These reviews help determine an employee's ability to work well with the team, take up initiatives, and be a reliable contributor. However, friendship or animosity between peers may end up distorting the final evaluation results.

(iv) Subordinates Appraising manager (SAM)

This upward appraisal component of the 360-degree feedback is a delicate and significant step. Reportees tend to have the most unique perspective from a managerial point of view. However, reluctance or fear of retribution can skew appraisal results.

(v) Customer or client reviews

The client component of this phase can include either internal customers such as users of product within the organization or external customers who are not a part of the company but interact with this specific employee on a regular basis.

Customer reviews can evaluate the output of an employee better, however, these external users often do not see the impact of processes or policies on an employee's output.

4. Cost Accounting Method

This method evaluates an employee's performance from the monetary benefits the employee yields to his/her organisation. This is ascertained by establishing a relationship between the costs involved in retaining the employee, and the benefits an organisation derives from Him/her.

Advantages

- Effectively measure the cost and value that an employee brings to the organization
- Help identify the financial implications that an employee's performance has on the organization's bottom line

(vii) Behaviorally anchored rating scale (BARS)

It is a method used to identify the most important areas of an employee's performance and how much he needs to improve in what aspect of his achieve his objectives or goals.There is a predetermined behaviour that has shown the most effective and efficient work performance. Thus, the employees' behaviour is measured by comparing them to the predetermined behaviour and how much they deviate from this behaviour.

3.8 CAREER MANAGEMENT

Q32. Define :

(a) Career

(b) Career Management

Ans : **(Nov.-21)**

(a) Career

Career is progress or general course of action of a person in some profession or in an organisation. Elaborating further, career includes the specific jobs that a person performs, the kinds of responsibilities and activities that comprise those jobs, movements and transitions between jobs, and an individual's overall assessment of and feelings of satisfaction with these companies of his or her career.

(b) Career Management

Career management is the process of enabling employees to better understand and develop their skills and interests and use them for the benefit of the organisation and self. Specifically, career management activities include offering career development initiatives, providing realistic career-oriented appraisals and posting open jobs. We focus on development and management of careers in this section, the emphasis being more on development oriented activities.

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Q33. Explain the features of career.

Ans :

The features of career are as follows,

1. The concept of career covers both objective circumstances like duties, responsibilities and subjective responses like motivation, attitudes, enthusiasm and so on.
2. An individuals career develops during a period of time. He/She must set their own criteria for success.
3. An individuals career today basically comprises of various designations., transfers and organizations when compared to individuals career in the past.
4. The career's success of an individual should be evaluated/judged by himself/herself only.
5. An individual should set the criteria for judging his/her career success. Some of the criteria used for judging the career success are adventure, helping people, pay levels and so on.
6. Achieving psychological success is one of the essential aspect in an individuals career. It gives a feeling of self-satisfaction, self-attainment to an individual, encourages him to undertake new and complicated challenges and to achieve the heights of growth.

Q34. What are the Objectives of Career Management.

Ans : **(Nov.-21)**

Objectives of Career Management

Some of the objectives of career management are as follows,

(i) Identifying the job-related knowledge, skills, abilities, competencies and experience that employees need to be effective in their positions.

(ii) Assisting the employees in conducting self-assessment and defining career goals.

(iii) Helping the employees to define the short-term and long-term development needs that support agency objectives and employee career goals.

(iv) Supporting the "Employee Development Plans" by indicating specific steps that need to be taken and by whom to accomplish the learning goals.

3.8.1 Career Planning

Q35. Define Career Planning. What are the characteristics of Career Planning?

Ans : **(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".

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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.

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Q36. Define career management. What are the objectives of career management?

(OR)

List out the objectives of career manage- ment.

Ans :

Meaning

Career management is the process of helping the employees to understand, build their career skills and interests and to utilize them within the company and also after leaving the company.

Objectives

Some of the objectives of career manage- ment are as follows,

(i) Identifying the job-related knowledge, skills, abilities, competencies and experience that employees need to be effective in their positions.

(ii) Assisting the employees in conducting self-assessment and defining career goals.

(iii) Helping the employees to define the short-term and long-term development needs that support agency objectives and employee career goals.

(iv) Supporting the "Employee Development Plans" by indicating specific steps that need to be taken and by whom to accomplish the learning goals.

Q37. Explain the objectives of career planning.

Ans :

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 Organi- zational Needs

The basic aim of career planning is integration of individual and organizational needs. Career Planning identifies positive characteristics about employees, which can 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.

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Q38. Outline the process of career planning.

Ans :

Career planning is not event or an end in itself but is a process of human resource development. Being a process, career planning involves certain steps as shown in figure :

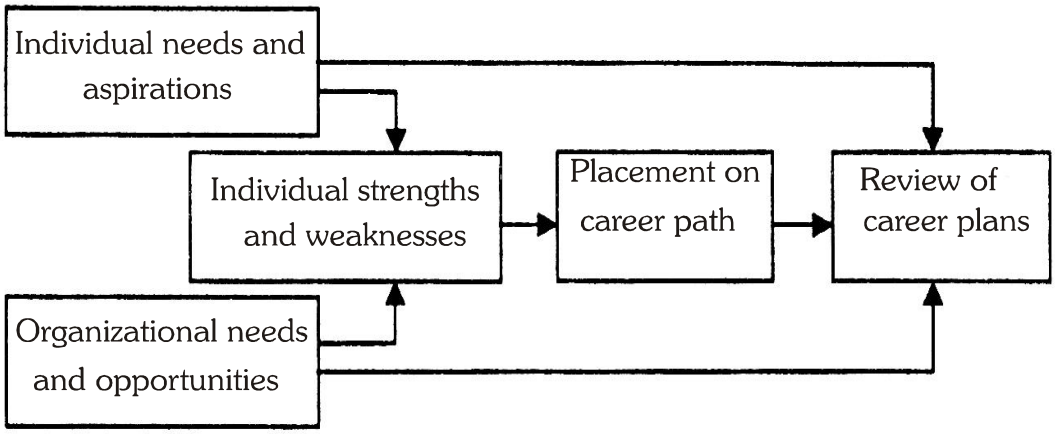

Fig . Career Planning Process

From it can be seen that career planning process involves the following steps :

1) Identification of individual needs and aspirations.
2) Identification of organizational needs and opportunities.
3) Assessment of individual strengths and weaknesses.
4) Placement on career path.
5) Review of career plans.

Let us see what functions are involved in each of these steps:

1) Identification of Individual Needs and Aspirations

When an individual joins an organization as an employee, he does it to satisfy his own needs and fulfill his aspirations. From the individual side, generally, personalizing process works with a much greater force. The personalizing process is defined as the process through which an. individual actualizes himself by making the organization as its agent. By actualizing, here, means fulfilling the goals life, that is, fulfilling needs and aspirations which may be expressed in many forms, such as earning more money, achieving status viewed highly by the society, challenging jobs, higher responsibility, career progression, and so on. Career planning meant for an individual should aim at providing such a satisfaction. Therefore, identification of these needs and aspirations may be taken as a starting point from the view of an individual.

2) Identification of Organizational Needs and Opportunities

When individuals emphasize personalizing process, an organization emphasizes socializing process. Socializing process is that by which an organization makes individuals agents for achieving its own objectives. Thus, while going through career planning process, the organization is concerned with own needs and the opportunities that it can provide to individual employees.

If an organization prepares its long-term human resource plan, it will come to know what kind of opportunities it can provide to employees. Therefore, the organization may not be in a position to

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provide career desired and demanded by every individual in the organization. This phenomenon may be delirious to both the organization and individuals. However, much impact of this phenomenon can be overcome at the stage of employee recruitment and selection where emphasis can be placed on matching between individual needs and aspirations and organizational needs and opportunities. The nature of organizational jobs are changing fast in which people have to match jobs with their multi-skilling rather than matching jobs with individuals.

3) Assessment of Individual Strengths and Weaknesses

Before finalizing career plan for an individual and placing him on career path, it is necessary to assess his strengths and weaknesses. Every individual has certain strengths and weaknesses. Strength is a feature of an individual that helps him in achieving his life's goals (in the context of work-life, career goals). A weakness is a feature that produces hindrance in achieving life's goals.

4) Placement on Career Path

The next step of career planning process is to place an individual on a chosen career path. A career path is the logical possible sequence of positions that could be held by an individual based on how he performs in the organization.

5) Review of Career Plans

Career plans, emerging out of career planning exercise, have long-term orientation. A career plan is developed based on assumptions about how the environment relevant to human resource management will behave in future. However, whatever the techniques for forecasting HRM environment are used, such a forecast may not always match with the actual environmental happenings. With the result, the career plans may be disturbed. Therefore, there must be in-built system of reviewing the career plans periodically in the career planning itself.

Q39. What are the benefits of career planning.

Ans :

1) Career Planning Benefits to Employees

A properly designed and implemented system of career planning can provide the following benefits to employees:

i) Explicit Career Path:

Career planning helps an employee to know the career opportunities available in an organization. A person comes to know in advance the level to which he can rise and the potential and aptitude he has. This knowledge enables the employee to select the career most suitable to his potential and aptitude. It also encourages him to avail the training and development facilities in the organization so as to improve his ability to handle new and higher assignments.

ii) Focused Self-Development:

Contrary to popular belief that an organization develops its employees, the fact is that employees develop themselves more through self-development methods. Once an individual is clear about his career path, he can make concerted efforts to develop himself by using a variety of methods. This self-development, based on explicit career path, takes the individual to a much greater height than what could have been possible otherwise.

iii) Increased Productivity:

Career unrest, particularly in the form of career content unrest, that is, dissatisfaction with work content of the chosen career is a major source of decreased productivity. On the other hand, positive work content of the chosen career is a major source of increased productivity' because work content is an intrinsic factor, and an intrinsic factor is valued more by people

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than an extrinsic factor. They derive meaning out of what they do. On accomplishing the work, people develop a feeling that they have achieved something meaningful for themselves, organization, and society. This feeling leads to higher motivation to work, increased potential for self-development, and ultimately increased productivity. Through proper career planning, an individual can ensure a work content that he likes.

2) Career Planning Benefits to Organization

i) Assured Availability of Talent

Successful organizations put emphasis on growing new managers internally by promotion from within. For, growing managers internally, it is essential that there is a well-worked out career path for every manager and every manager is developed to proceed effectively on this career path. From this point of view, organization-wide career planning becomes a pre-requisite. Changing human resource requirements over the intermediate and long term should be identified when the organization sets its long-term goals. Working with individual employees to help them align the needs and aspirations with those of the organization increases the probability that the right people will be available to meet the organization's changing human resource requirements.

ii) Attracting and Retaining Talent

Talented people are always scarce and they can be attracted and retained in the organization only when the organization ensures them a bright future. This can be done, to a very great extent, by effective career planning. An organization with well-designed career plans has a better image in the job market. Therefore, it can attract competent employees. The new entrant understands that he is entering a career-not a job in an organization that cares for his talents and aspirations. As more individuals seek jobs that offer challenge, responsibility, and opportunity for advancement, effective career planning becomes increasingly necessary. Not only career planning helps in attracting talented people, it helps in retaining these people by matching personal and work requirements.

iii) Promoting Organizational Image

Every year, some kind of survey is conducted by professional associations to identify the best employer in a country or in a geographical region. In this survey, high weightage is given to "matching individual and job requirements". The phenomenon of matching individual and job requirements emerges out of effective career planning. In fact, employees are one of the best media to project the image of an organization. If their career is planned well, they will project good image of the organization. In alternative case, a bad image is created.

iv) Protecting Interests of Special Groups of Employees

An organization, being a social entity, is responsible for the society at large. Therefore, it has to take care of those social groups which are in dis-advantageous position like women, weaker section of the society, physically handicapped, ex-service men, and so on. There is a social necessity to bring these groups at par with others. From the organizational side, this can start at human resource planning followed by career planning and development.

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3.8.2 Career Development

Q40. Define career development ? What are the characteristics of 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".

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 of Career Development

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 organisation.

5) It strengthens professionally work culture in the organisation.

Q41. 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

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- 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 organisation
- Establish goals and career plans
- Accept that career planning and development are one's own responsibility.

Q42. Explain briefly about career developments initiatives.

Ans :

Organisations 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 organisations 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, supervi-sors, or consultants.

iii) Mentoring

Mentoring involves coaching, advising, and encouraging employees of usually lessor 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 organisation, usually at a reduced amount c pay. Periodic leaves or sabbaticals help employees in terms of refreshing their learning and rejuvenating their energies.

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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 *os* 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 organisation's career policy, career options available in the organisation, organization structure, and job satisfactions along the career ladders.

Q43. What is career counseling? How does it help Organizations?

Ans : **(Nov.-22)**

Career counseling is a service that helps people begin, change, or advance their careers. It can include one-on-one conversations between a counselor and a career seeker, as well as assessments, activities, and projects designed to help career seekers make the most of their strengths.

A career counselor is similar to a career coach in that professionals in both roles can help you navigate your career path and understand your career goals. Although these terms are often used interchangeably, professionals may identify themselves as one or the other and describe their services in very specific ways.

- Assessing your strengths, skills, education, and experience
- Bringing your desires and dreams to the surface
- Identifying areas of untapped potential
- Considering various career options
- Exploring industry trends and hiring practices
- Researching job listings and employers
- Preparing for interviews
- Enhancing your resume
- Drafting cover letters
- Finding your first job or changing careers
- Charting a rewarding career path.

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Short Question and Answers

1. Define the term training and development.

Ans :

i) Training

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 is 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".

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.

ii) Development

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 hut to philosophical and theoretical educational concepts, It involves broader education and its purpose is long-term development.

2. What are the objectives of training and development ?

Ans :

i) Individual Objectives

It help employees in achieving their personal goals, which in turn, enhances the individual contribution to an organization.

ii) Organizational Objectives

It assist the organization with its primary objective by bringing individual effectiveness.

iii) Functional Objectives

It maintain the department's contribution at a level suitable to the organization's needs.

iv) Societal Objectives

It ensure that an organization is ethically and socially responsible to the needs and challenges of the society.

3. Job Instruction Training.

Ans :

This method is also known as 'training through step-by-step learning' as it involves all necessary

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steps in the job, each in proper sequence, which are as follows:

i) Preparation of the trainees for instruction.

ii) Presentation of trainees for instruction.

iii) Performance of the job by the trainee.

iv) Motivating the trainee to follow up the job regularly.

v) Instructors use job aids to ensure learning is most efficient and job performance is most effective.

4. Vestibule Training.

Ans :

In this method, the trainee is exposed to an artificial working environment wherein on-the job situations are duplicated in a company classroom. Equipment and machines, which are identical with those in use in the place of work, are utilized to impart the training.

Here, theoretical training is given in the classroom while the practical work is conducted on the production line. It is very useful to train semi-skilled personnel, particularly when many employees have to be trained for the same kind of work at the same time. Lectures, conferences, case studies, role-playing, and discussion are some forms of vestibule training.

5. Define management development.

Ans :

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 Flippo, "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".

6. Define Performance.

Ans :

(i) According to Moon (1996), Performance is a multidimensional construct, the measurement of which varies depending on a variety of factors that comprise it. According to, Macphearson and Mwita, 'Performance' refers to outcomes of work because they provide the strongest linkage to the strategic goals of the institution, customer satisfaction and economic contributions Performance is the measure of efficiency. It is an efficiency relationship between inputs and outputs. It indicates a reduction in input costs.

(ii) According to Armstrong and Baron, "Performance management is the strategic and integrated approach to deliver sustained success to the organizations by improving performance of the people who work in them and by developing the capabilities of teams and individual contributors".

7. Objectives of performance management ?

Ans :

Some of the objectives of performance management are,

1. Motivating the employees by rewarding them as per their performance at work. Example: Salary enhancement, rewards and recognition etc.

2. To provide performance related information to employees and managers which may be used for training/appraisal purposes.

3. To design developmental programs which help employees to improve their work performance.

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8. Define performance appraisal.

Ans :

Definition of Performance Appraisal

i) **According to Dale S. Beach** Performance appraisal as the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.

ii) **According to Edwin B. Flippo** Performance appraisal is a systematic, periodic and an impartial rating of employee's excellence in matter pertaining to his/her present job and his/her potential for a better job.

9. Ranking Method.

Ans :

This is a relatively easy method of performance evaluation. Under this method, the ranking of an employee in a work group is done against that of another employee. The relative position of each employee is expressed in terms of his numerical rank. It may also be done by ranking a person on his job performance against another member of the competitive group. The quintessence of this method is that employees are ranked according to their relative levels of performance. While using this method, the evaluator is asked to rate employees from highest to lowest on some overall criterion. Though it is relatively easier to rank the best and the worst employees, it is very difficult to rank the average employees. Generally, evaluators pick the top and bottom employees first and then select the next highest and next lowest and move towards the average (middle) employees. The longstanding limitations of this method are:

- The 'whole man' is compared with another 'whole man' in this method. In practice, it is very difficult to compare individuals possessing varied behavioural traits.
- This method speaks only of the position where an employee stands in his group. It does not tell anything about how much better or how much worse an employee is when compared to another employee.
- When a large number of employees are working, ranking of individuals becomes a vexing issue.

10. Define :

(a) Career

(b) Career Management

Ans :

(a) Career

Career is progress or general course of action of a person in some profession or in an organisation. Elaborating further, career includes the specific jobs that a person performs, the kinds of responsibilities and activities that comprise those jobs, movements and transitions between jobs, and an individual's overall assessment of and feelings of satisfaction with these companies of his or her career.

(b) Career Management

Career management is the process of enabling employees to better understand and develop their skills and interests and use them for the benefit of the organisation and self. Specifically, career management activities include offering career development initiatives, providing realistic career-oriented appraisals and posting open jobs. We focus on development and management of careers in this section, the emphasis being more on development oriented activities.

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11. Explain the features of career.

Ans :

The features of career are as follows,

1. The concept of career covers both objective circumstances like duties, responsibilities and subjective responses like motivation, attitudes, enthusiasm and so on.
2. An individuals career develops during a period of time. He/She must set their own criteria for success.
3. An individuals career today basically comprises of various designations., transfers and organizations when compared to individuals career in the past.
4. The career's success of an individual should be evaluated/judged by himself/herself only.
5. An individual should set the criteria for judging his/her career success. Some of the criteria used for judging the career success are adventure, helping people, pay levels and so on.

12. 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.

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".

13. 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.

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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.

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Choose the Correct Answers

1. Training process is [a]
   (a) Short term (b) Medium term
   (c) Long term (d) None of these
2. OJT stands for [a]
   (a) On the job training (b) On the job technique
   (c) On the job technology (d) Off the job training
3. On the job training includes [d]
   (a) Coaching (b) Conference
   (c) Understudy (d) All of these
4. In _____ training, a training centre is set-up and actual job conditions are duplicated or simulated in it - [d]
   (a) Classroom (b) Apprenticeship
   (c) Internship (d) Vestibule
5. _____ is the process of imparting or increasing knowledge or skill of an employee to do a particular job. [a]
   (a) Training (b) Development
   (c) Motivation (d) Leadership
6. Methods of training and development are- [c]
   (a) Off the job (b) On the job
   (c) Both (a) and (b) (d) None of these
7. _____ is a device or situation that replicates job demands at on the job site. [b]
   (a) Brainstorming (b) Simulation
   (c) Artificial intelligence (d) Transactional analysis
8. Management development – [d]
   (a) Is a short term in nature (b) Focuses on employees' current job
   (c) Is an informal activity (d) Aims at overall development of a manager
9. Off the job training method includes: [d]
   (a) Vestibule training (b) Syndicate
   (c) Sensitivity training (d) All of these
10. Simulation technique of off the job method includes: [d]
    (a) Role playing (b) In-basket exercise
    (c) Case study (d) All of these

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Fill in the Blanks

1. _____ is the important subsystem of human resource development.
2. TNA stands for _____
3. _____ represents the first phase of TNA model.
4. _____ analysis includes both short-run and long-run goals.
5. _____ analysis involves information about the various components of jobs and their performance.
6. JIT stands for _____
7. _____ as the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.
8. _____ Appraisal helps the supervisors to chalk out the promotion programmes for efficient employees.
9. Behaviourally Anchored Rating Scales Also known as _____
10. _____ requires the management to set specific, measurable goals with each employee and then periodically discuss the latter's progress towards these goals.

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ANSWERS

1. Training
2. Training Need Analysis
3. Trigger
4. Organizational
5. Task
6. Job Instruction Training
7. Performance appraisal
8. Performance
9. The behavioural expectations scale
10. MBO

One Mark Answers

1. Training.

Ans :

"Training is the organized procedure by which people learn knowledge and for skill for a definite purpose".

2. Man Analysis.

Ans :

The main aim of man analysis, is to focus on employee, his skills, abilities, knowledge and attitude.

3. Management Development.

Ans :

"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".

4. Development.

Ans :

Development is concerned with related enhancement of general knowledge and understanding of non-technical organization functions.

5. Halo Effect.

Ans :

The halo effect is introduced when an overall impression of an individual is judged on the basis of a single trait.

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UNIT IV

Compensation and Employee Welfare: Basic Factors in Determining Pay Rates, Job Evaluation Methods, Compensation and Reward Structure, Pricing Managerial and Professional Jobs, Performance based Pay Benefits: Insurance, Retirement Benefits, Employee Welfare Facilities. Salient Features of Workmen Compensation Act & Minimum Wages Act.

4.1 COMPENSATION

Q1. Define the term Compensation.

Ans :

Introduction

Compensation is a tool used by management for a variety of purpose to further the existence of the company. It is a remuneration that an employee receives in return for his or her contribution in the organization. So, the employee compensation programs are designed to attract capable employees to the organization, to motivate them towards superior performance and to retain their services over an extended period of time.

Meaning

In layman's language the word compensation' means something, such as money, given or received as payment for service. The word compensation may be defined as money received in the performance of work, plus the many kinds of benefits and services that organization provides their employee. It refers to wide range of financial and non-financial rewards to employee for their service rendered to the organization. It is paid in the form of wages, salaries , special allowance and employee benefits such as paid vacation, insurance, maternity leaves, free travel facility , retirement benefits etc.

Definition

According to Wendell French, Compensation is a comprehensive term which includes wages, salaries and all other allowance and benefits.

Wages are the remuneration paid for skilled, semi-skilled and unskilled operative workforce. Salaryis the remuneration of those employees who provides mental labour to the employer such as supervisor, office staff, executive etc wages are paid on daily or hourly basis where as salary is paid on monthly basis.

Q2. Explain the nature of compensation.

Ans :

The nature of compensation deals with the monetary gains, so that the employees are satisfied with his/her worth. The financial rewards and the benefits which are included in compensation are as follows,

(i) Basic Pay

Basic pay helps to match the job specification and description.

(ii) Variable Pay

Additional work or better performance is linked with variable pay.

(iii) Benefits

Benefits to encourage the confidence and determination of the employees and to provide comfort as a reward for loyalty.

An individual earns for his means of living through wages and salaries. This may releases his financial worries and enables him to maintain own life-style. Because of this, individuals tries to put best efforts to earn more, so that, their worth is justified and enjoys comfortable life by moving to higher levels in the hierarchy (i.e., through promotions).

In economic terms, wage/salary is considered as a factor of production which is a mean of increased earnings, savings and purchasing power of the people of a Locality/State/Regions/or a Nation.

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Q3. Explain the various modes of compensation.

Ans : **(Aug. - 16)**

Various modes of compensation are as follows -

(a) Wages and Salary

Wages represent hourly rates of pay and salary refers to monthly rate of pay irrespective of the number of hours worked. They are subject to annual increments. They differ from employee to employee and depend upon the nature of jobs, seniority and merit.

(b) Incentives

These are also known as payment by results. These are paid in addition to wages and salaries. Incentive depends upon productivity, sales, profit or cost reduction efforts. Incentive scheme are of two types:

(i) Individual – incentive schemes.

(ii) Group – incentive schemes.

Incentives are monetary benefits paid to workmen in lieu of their outstanding performance. Incentives vary from individual to individual and from period to period for the same individual. They are universal and are paid in every sector. It works as motivational force to work for their performance as incentive forms the part total remuneration. Incentives when added to salary increase the earning thus increase the standard of living. The advantage of incentive payment are reduced supervision, better utilization of equipment, reduced scrap, reduced lost time, reduced absenteeism and turnover & increased output.

(c) Frienge Benefits

Meaning

Employees are paid several benefits in addition to wages, salary, allowances and bonus. These benefits and services are called fringe benefits' because these are offered by the employer as a fringe. Employees of the organization are provided several benefits and services by the employer to maintain and promote employee's favorable attitude towards the work and work environment. It not only increases their morale but also motivate them. These provided benefits and services forms the part of salary and are generally refereed as fringe benefits.

Definitions

(i) According to D. Belcher, Fringe benefits are any wage cost not directly connected with the employees productive effort, performance, service or sacrifice . According to Werther and Davis, Fringe embrace a broad range of benefits and services that employees receive as part of their total compensation, packagepay or direct compensation and is based on critical job factors and performance.

(ii) According to Cockman, Employee benefits are those benefits which are supplied by an employer to or for the benefits of an employee and which are not in the form of wages, salaries and time rated payments. These are indirect compensation as they are extended condition of employment and are not related to performance directly.

Kinds of Fringe Benefits

The various organizations in India offers fringe benefits that may be categorized as follows:

1) Old Age and Retirement Benefits

These include provident fund schemes, pension schemes, gratuity and medical benefits which are provided to employee after their retirement and during old age as a sense of security about their old age.

2) Workman's Compensation

These benefits are provided to employee if they are got ignored or die under the working conditions and the sole responsibility is of the employer.

3) Employee Security

Regular wage and salary is given to employee that gives a feeling of security. Other than this compensation is also given if there is lay-off or retrenchment in an organization.

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4) Payment for Time Not Worked

Under this category of benefits, a worker is provided payment for the work that has been performed by him during holidays and also for the work done during odd shifts. Compensatory holidays for the same number in the same month are given if the worker has not availed weekly holidays.

5) Safety and Health

Under this benefit workers are provided conditions and requirements regarding working condition with a view to provide safe working environment. Safety and Health measures are also taken care of in order to protect the employees against unhealthy working conditions and accidents.

6) Health Benefits

Employees are also provided medical services like hospital facility, clinical facility by the organization.

Q4. What are the factors influencing compensation ?

Ans :

The various factors affecting compensation are :

I. External Factors

II. Internal Factors

I) EXTERNAL FACTORS

1. Labour Market

Demand for and supply of labour influence compensation. A low wage may be fixed when the supply of labour exceeds demand for it. Going rate of pay is another labour oriented factor. Going rate system involves fixing wage/ salary rate in tune with what is paid by different units of an industry in a locality. Productivity increase if it is linked to wages

2. Cost of Living

The justification for cost of living as a criterion for wage fixation is that the real wages of workers should not be allowed to be reduced by price increases. A rise on cost of living is to be compensated by payment of dearness allowance.

3. Labour Unions

The presence or absence of labour organizations often determine the quantum of wages paid to employees.

4. Legislation/Labour laws

We have large no. of labour laws at central as well as state level. E.g. Payment of minimum wage Act 1948, Payment of Bonus Act 195 Equal Remuner-ation Act 1976, Payment of Gratuity Act 197.

In addition to the above acts, there are wage Boards, tribunals and fair wages committees which aim at providing decent standard of living to workers.

5. Society

Remuneration paid to employee is reflected in the prices fixed by an organization for its goods and services. That is how society plays a role in remuneration decisions.

6. Economy

Economy also has its impact on wage and salary fixation. A depend economy probably increases the labour supply this lowers the going wage rate.

7. Technological Development

With the rapid growth of industries there is a shortage of skilled resources. The wages of skilled employees constantly change and an organization has to keep its level up to the mark to suit the market needs.

II) INTERNAL FACTORS

1. Firms Ability to Pay

The ability to pay of a firm will influence wage rates to be paid. A loosing concern pays lower wages where as profitable concern pays higher wages.

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2. Job Requirements

Basic wages depend largely on the difficulty level, and physical and mutual effort required in a particular job. The relative worth of a job can be estimated through job evaluation. Complex, challenging tasks can be done by few people with high skill levels and they get high pay.

3. Management Strategy

The over all strategy which a company pursues should determine the remuneration to its employees. When the strategy of the company is to achieve rapid growth, remuneration should be higher than what competitors pay.

4. Employee

Some of the employee related factors are :

- **Performance**

  Productivity increase is always reward with a pay increase.

- **Seniority**

  Unions view seniority as most objective criteria for pay increase, where as management considers performance as criterion.

- **Experience**

  Makes an employee gain Valuable insights and is generally rewarded.

- **Potential**

  Some organizations pay based on the potential. Eg: Young manager are paid more because their potential is expected to be high.

- **Luck**

  Some times luck plays its role.

Q5. "Compensation management plays a vital role in various aspects of HRM," Discuss.

Ans : **(Feb. - 17)**

Compensation management is one of the essential activity of HRM. It influence all other functions of HRM relating to personnel. The role played by compensation management in various aspects of HRM can be understood from following points,

1. Compensation management encourage employees to improve their productivity by providing them different benefits.
2. It attracts and retain qualified employees by increasing their loyalty towards organization.
3. It improves job evaluation process which facilitates in establishing realistic and achievable standards.
4. It also plays an important role in recruitment and selection as it is completely based on wages and salaries administration.
5. Without a proper compensation system, employees may be overpaid or underpaid which increases the cost of the company.
6. Compensation management facilitates in providing rewards and recognition to employees for their past performance.
7. Compensation management helps the organization to achieve its objectives as it comprises of job analysis, job definitions, job evaluation, compensation policy' payment and feedback.

Q6. Discuss the significance of compensation.

Ans : **(Aug. - 17)**

The significance of compensation can be explained from the following points,

(i) Fair compensation satisfies the workers and enhance the morale, efficiency and cooperations among workers.

(ii) Compensation helps the management to follow different labour laws.

(iii) It helps in improving the job evaluation process.

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(iv) Employees are motivated to perform efficiently and meet the specified targets.

(v) It also helps in reducing the labour turnover.

(vi) Ideal compensalion/Reward systems helps in maintaining peace among employer and employees.

(vii) A good compensation system have positive effect on efficiency and outcomes of employees.

(viii) It helps in deciding an effective job evaluation and setting up realistic and achievable standards.

(ix) An ideal compensation system must be clear and uniform so that it can be applied to any levels of the organisation as a general system.

(x) Compensation system offer progressive and improvement opportunities to the eligible employees.

Q7. Discuss the advantages and problems of linking compensation with performance.

Ans : **(Aug. - 17)**

Advantages

The advantages of linking compensation with performance are discussed below,

1. Linking compensation with performance would help in changing the perception of employees, who are dissatisfied with their job. Such linking would help them to start liking their jobs.
2. It would makes the employees understand about the importance of good performance which would have a positive impact upon the overall organizational performance.
3. It helps in enhancing carrer growth of the employees.
4. It promotes social justice that define the non-discrimination in terms of race, gender, social and religious groups.
5. High level of importance was given to the credibility and credentials of employee performance.
6. It would facilitate in building roles, responsibilities and skills of employees.

Problems

The problems of linking compensation with performance are as follows,

1. If connectivity between performance and compensation are not maintained, then there is a possibility that the top performers may leave the company.
2. The rewards and incentives are subjected to give only for the employees who has given long service to the company.
3. Discouragement of rewards and incentives to the employees who joined recently in the company.
4. Expectations of job stability will fade away in employees.
5. It may lead to demotivation among the low performing employees.

4.2 Basic Factors in Determining Pay Rates

Q8. What are the basic factors determining pay rates ?

Ans : **(Nov.-20, Dec.-19, May-19)**

Employee compensation refers to all forms of pay going to employees and arising from their employment. It has two main components, direct financial payments (wages, salaries, incentives, commissions and bonuses). And indirect financial payments (financial benefits like employer paid insurance and vacations).

In turn, there are basically two ways to make direct financial payments to employees: base them on increments of time, or on performance. Time based pay is still the foundation of most employers' pay plans.

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Factors Determine the Design of any Pay Plan:

(a) Legal factor

(b) Union factors

(c) Competitive strategy, corporate policies

(d) Equity factors

A) Legal factors on Compensation

Employee compensation systems around the world operate within the framework of legislations. Fair compensation for work is an integral component of decent work as defined by the ILO. In India also various legislations influence the structure computation and payment of compen-sation wages). Generally the non managerial level of employees and a section of workers in the informal sector of economy are covered by wage legislations.

The important wage related legislations are the Minimum Wages Act of 1948, the Payment of Wages Act of 1936 and the Equal Remuneration Act of 1976. Separate legislations have been enacted to cover bonus payment, retirement benefits, and social security benefits to employees in the formal sector.

1. Companies Act of 1956

The companies Act of 1956 sets the framework for remuneration of top management of Indian companies.

Till 1991, an upper ceiling of Rs 15,000 per month existed for top managerial remuneration. Similarly there were caps on profit sharing ad payable perquisites. The limits were later relaxed. Under section 198 of the act, the total remuneration payable to directors including managing directors (MDs) and whole time directors of publicly listed companies in any financial year should not exceed 11% of the net profits of the company. Further Section 309 (1) of the act requires the board of directors to fix the remuneration of directors. The remuneration committee one of the sub-committees of the board of directors of a firm, has the task of playing a key role in determining the salary structure of full time directors and senior management.

2. Employee Stock Option Scheme (ESOS) and Employee Stock Purchase Scheme (ESPS)

ESOS and ESPS are regulated by the guidelines issued by the Securities Exchange Board of India (SEBI). SEBI has issued guidelines under clause 11 of the SEBI Act, 1992, to this effect. Stock options to employees are popular in the IT sector, with Infosys being an example of creating millionaire employees, including company car drivers. But the volatility of the stock market and accounting issues forced Infosys (and others) to suspend ESOP at one point of time.[1] Later, see-ing many millionaire employees leave the company, Infosys considered replacing ESOPs with long tenure linked bonus payment.[2] Public sector employees are given ESOPs during disinvestment of the PSU shares in the open market.

3. Minimum Wage in India

The minimum wage in India is fixed both by central and state governments, following the provisions of the Minimum Wages Act, 1948. Though the act is a central legislation, many states have made amendments to suit their specific circumstances. Tripartite committees (comprising of representatives of employees, unions, and government) are set up both in the central and state governments to fix the minimum wage at regular intervals. The wage is fixed only with respect to scheduled employments, i.e., those specified in the schedule of the act. Workers are eligible for overtime for extra work (Section 14), but if the employer is unable to provide work for normal hours, the worker should be paid in full (Section 15).

4. Other Legislations Regarding Compen-sation in India

Indian legislation also provides for social security to workers in the form of Employee Provident Fund Scheme, family pension, and health care and insurance provided by the Employees State Insurance Corporation. By law, formal sector workers are eligible for

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gratuity (Payment of Gratuity Act) and also for an annual bonus (Payment of Bonus Act). Legislation also provides compensation for workers who are affected by accidents out of, and in the course of, employment.

Legal Considerations in Compensation in the United States

In the United States various laws specify things like minimum wages, overtime rates and benefits. For example, the 1931 Davis-Bacon Act allows the secretary of labor to set wage rates for laborers and mechanics employed by contractors working for the federal government. Amendments provide for paid employee benefits. The 1936 Walsh-Healey Public Contract Act sets basic labor standards for employees workin; on any government contract that amounts to more than $10,000. It contains mint- mum wage, maximum hour, and safety and health provisions, and requires time- and-a-half pay for work over 40 hours a week.

Title VII of the 1964 Civil Rights Act makes it unlawful for employers to discriminate against any individual with respec to hiring, compensation, terms, conditions, or privileges of employment because of race, color, religion, sex, or national origin. We'll look next at other importarr compensation-related laws.

1. Fair Labor Standards Act 1938

The Fair Labor Standards Act, originally passed in 1938 and since amended many times, contains minimum wage, maximum hours, overtime pay, equal pay, record-keeping, and child labor provisions that are familiar to most working people. It covers the majority of U.S. workers—virtually all those engaged in the production and/or sale of goods for interstate and foreign commerce. In addition, agricultural workers and those employed by certain larger retail and service companies are included. State fair labor standards laws cover most employers not covered by the Fair Labor Standards Act (FLSA).

2. The Equal Pay Act 1963

An amendment to the Fair Labor Standards Act, states that employees of one sex may not be paid wages at a rate lower than that paid to employees of the opposite sex for doing roughly equivalent work. Specifically if the work requires equal skills, effort, and responsibility and involves similar working conditions, employees of both sexes must receive equal pay, unless the differences in pay stem from a seniority system, a merit system, the quantity or quality of production or "any factor other than sex."

3. Employee Retirement Income Security Act 1974

The Employee Retirement Income Security Act (ERISA) provided for the creation of government-run, employer-financed corpo-rations to protect employees against the failure of their employers' pension plans. In addition, it sets regulations regarding vesting rights (vesting refers to the equity or ownership the employees build up in their pension plans.

B) Union Factors on Compensation Decisions

Unions and labor relations laws also influence the pay plan design. In India, formal collective bargaining agreements between trade unions and employers form the foundation of pay plans. However, such agreements are generally restricted to the public sector or formal private sector employment, leaving out the large group of informal sector employees. In the formal sector, pay agreements with union involvement happens either at the industry level (in nationalized banks, public sector insurance companies, etc., where the union representing employees across organizations negotiates a common pay agreement with the association of employers), multiunit company level (one agreement for different units of the same company), or are unit/plant specific agreements (localized agreement with the local union/unions). The agreements obtain legal sanctity when registered under the ID Act of 1947.

For employees of central or state governments, pay commissions are constituted by the government to recommend a suitable compensation structure. Representatives of

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government employees are given an opportunity to present their case before the pay commission. The pay commission's proposals are recommendatory in nature and it is for the government to act on the same.

C) Competitive Strategy, Corporate Policies

The compensation plan must enhance the strategic goals of the firm by introducing an aligned reward strategy. Reward strategy offers wages, incentives and benefits to influence the employee behaviors which is required to achieve its competitive strategy.

The employer's compensation strategy will make itself clear in pay poiicies.

D) Equity Factors

Equity is an essential factors for determining pay. Equity theory was introduced which specifies that person develops inequity, tension in their mind when they are underpaid. In relation to compensation, managers must identify four forms of equity i.e., external, internal, individual and procedural.

(a) External equity which compares pay rate of one company with pay rate of other company.

(b) Internal equity which compares pay rate of a specific job with other job within the company.

(c) Individual equity which compares pay of an individual with earning of his coworkers doing similar jobs.

(d) Procedural equity refers to equity in processes and procedures to make decisions relating to allocation of pay.

4.3 JOB EVALUATION

Q9. Define job evaluation. What are the objectives of job evaluation?

Ans : **(May-22, Aug.-15)**

Meaning

Job evaluation is the process of analyzing and assessing the various jobs systematically ascertain their relative worth in an organization. Jobs are evaluated on the basis of their content and are placed in the order of their importance. In this way, a job hierarchy is established in the organization, the purpose being fixation of satisfactory wage-differentials among various jobs.

Definitions

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

ii) **According to Dale Yoder,** "Job evaluation is a practice which seeks to provide a degree of objectivity in measuring the comparative value of jobs with in an organization and among similar organization. It is essentially a job rating process, not unlike the rating of employers".

iii) **According to Edwin B. Filippo,** "The systematic and orderly process of measuring the worth of job in an organization is called job evaluation".

Objectives

The principle upon which all job evaluation schemes are based is that of describing and assessing the value of all jobs in the firms in terms of a number of factors, the relative importance of which varies from job to job.

1. To secure and maintain complete, accurate and impersonal descriptions of each distinct job or the entire plant.
2. To provide a standard procedure for determining the relative worth of each worth of each job in a plant.
3. To determine the rate of pay for each job this is fair and equitable with relation to other job in the plant, community or industry.
4. To ensure that like wages are paid to all qualified employees for like work.
5. To promote a fair and accurate consideration of all employees for advancement and transfer.
6. To provide a factual basis for the consideration of wage rates for similar jobs in a community and in an industry.
7. To provide information for work organization, employees' selection, placement, training and numerous other similar problems.

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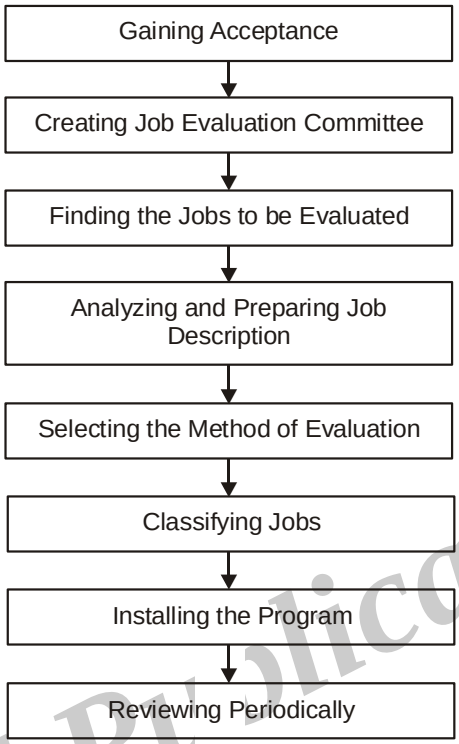
Q10. Outline the process of Job Evaluation.

Ans :

'The process of job evaluation involves steps which are shown in figure aside :



1. Gaining Acceptance

Before undertaking job evaluation, top management must explain the aims and uses of the program to the employees and unions. To elaborate the program further, oral presentations could be made. Letters, booklets could be used to classify all relevant aspects of the job evaluation program.

2. Creating Job Evaluation Committee

It is not possible for a single person to evaluate all the key jobs in an organization. Usually a job evaluation committee consisting of experienced employees, union represen-tatives and HR experts is created to set the ball rolling.

3. Finding the Jobs to be Evaluated

Every job need not be evaluated. This may be too taxing and costly. Certain key jobs in each department may be identified. While picking up the jobs, care must be taken to ensure that they represent the type of work performed in that department.

4. Analyzing and Preparing Job Description

This requires the preparation of a job description and also an analysis of job needs for successful performance.

5. Selecting the Method of Evaluation

The most important method of evaluating the jobs must be identified now, keeping the job factors as well as organizational demands in mind.

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6. Classifying Jobs

The relative worth of various jobs in an organization may be found out after arranging jobs in order of importance using criteria such as skill requirements, experience needed, under which conditions job is performed, type of responsibilities to be shouldered, degree of supervision needed, the amount of stress caused by the job, etc. Weights can be assigned to each such factor. When we finally add all the weights, the worth of a job is determined. The points may then be converted into monetary values.

7. Installing the Program

Once the evaluation process is over and a plan of action is ready, management must explain it to employees and put it into operation.

8. Reviewing Periodically

In the light of changes in environmental conditions (technology, products, services, etc.) jobs need to be examined closely. For example, the traditional clerical functions have undergone a rapid change in sectors like banking, insurance and railways, after computerization. New job descriptions need to be written and the skill needs of new jobs need to be duly incorporated in the evaluation process. Otherwise, employees may feel that all the relevant job factors - based on which their pay has been determined - have not been evaluated properly.

4.3.1 Job evaluation methods

Q11. What are the various quantitative and non quantitative methods of job evaluation.

(OR)

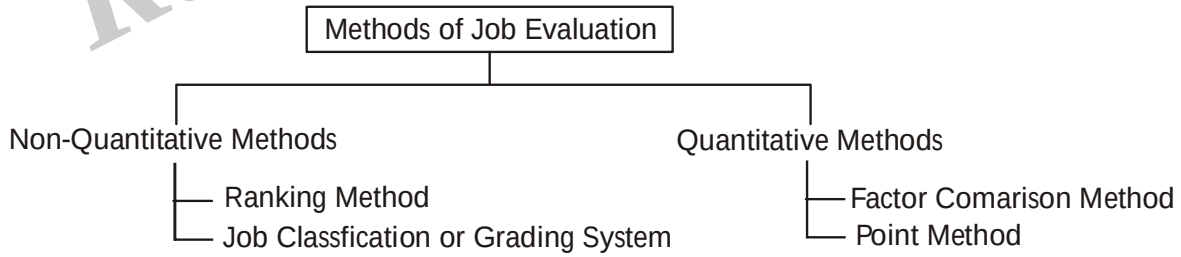
Explain :

(a) Point method

(b) Factor comparison method

Ans : **(May-22, Nov.-21, Dec. - 19, Sep. - 13, Feb. - 12)**

Methods of job evaluation are shown in figure below:



A) Non-Quantitative Methods

(i) Ranking System:

In this system, all jobs are arranged or ranked in the order of their importance from the simplest to the hardest, or in the reverse order, each successive job being higher or lower than the previous one in the sequence. It is not necessary to have job descriptions, although they may be useful. Some times, a series of grades or zones are established, and all the jobs in the org are arranged into these, A more common practice is to arrange all the jobs according to their requirements by rating them and then to establish the group or classification. The usually adopted technique is to rank jobs according to "the whole job" rather than a number of compensable factors.

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Merits

i) The system is simple, easily understood and easy to explain to employees (or a union). Therefore, it is suitable for small organizations with clearly defined jobs.

ii) It is far less expensive to put into effect than other systems and requires little effort for maintenance.

iii) It requires less time, fewer forms and less work, unless it is carried to a detailed point used by company.

Demerits

i) As there is no standard for an analysis of the whole job position, different bases of comparison betw een rates occur. The process is initially based on judgment and therefore, tends to be influenced b" a variety of personnel biases.

ii) Specific job requirements (such as skill, effort and responsibility) are not normally analyzed separate A Often a rater's judgment is strongly influenced by present wage rates.

iii) The system merely produces a job order and does not indicate to what extent it is more important than the one below it. It only gives us its rank or tell us that it is higher or more difficult than another; but it does not indicate how much higher or more difficult.

ii) Job Classification (or) Grading Method

In this system, a number of pre-determined grades or classifications are first established by a committee and then the various jobs are assigned with in each grade or class. Grade descriptions are the result of the basic job information which is usually derived from a job analysis. After formulating and studying job description and job specifications, job and grouped into classes or grades which represents different pay levels ranging from low to high. Common tasks, responsibilities, knowledge and experience can be identified by the process of job analysis. Certain job may then be grouped together into a common grade or classification. General grade description are written for each job classification, finally these are used as a standard for assigning all the other jobs to a particular pay scale.

The following 5 steps are involved:

i) Preparation of job descriptions.

ii) Preparation of grade description.

iii) Selection of grades and key jobs.

iv) Grading the key jobs.

v) Classification of all jobs.

Merits

i) This method is simple to operate and understand, for it does not take much time or require technical help.

ii) The use of fully described job classes meets the need for employing systematic criteria in ordering jobs to their importance. Since many workers think of jobs in, or related to, cluster or groups, this method makes it easier for them to understand ranking.

iii) If an organization consists of 500 people holding to different jobs, the jobs might be broken up into perhaps 5 classes, arranged in order of importance from high to low, and described class by class. This class description broadly reflects level of education, mental skill, profit impact or some combination of these.

iv) The grouping of jobs into classifications makes pay determination problems administratively easier to handle. Pay grades are determined for, and assigned to, all the job classification.

v) It is used in important government services and operates efficiently; but it is rarely used in an industry.

Demerits

i) Although it represents an advance in accuracy over the ranking method, it is still leaves much to desired because personal evaluations by executive (unskilled in such work) establish the major classes, and determine into which classes each job should be place,

ii) Since no detailed analysis of a job is done, the judgment in respect of a whole range of jobs may produce an incorrect classification.

iii) It is relatively difficult to write a grade description. The system becomes difficult to operate as the number of jobs increases.

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iv) It is difficult to know how much of a job's rank is influenced by the man on the job.

v) The system is rather rigid and unsuitable for a large organization or for very varied work.

B) Quantitative Methods

(i) Factor Comparison Method

Under this system, jobs are evaluated by means of standard yardsticks of value. It entails deciding which jobs have more of certain compensable factors than others. Here, the analyst or the evaluation committee selects some "key' or 'benchmark' jobs for which there are clearly understood job descriptions and counterparts in other organizations, and for which the pay rates are such as are agreed upon and are acceptable to both management and labor. Under this method, each job is ranked several times-once for each compensable factors selected.

The major steps in this system consist of the following:

i) Clear-cut job descriptions are written and job specifications then developed.

ii) Selecting of key-job.

iii) Ranking of 'key' jobs.

iv) Valuing the factors

v) Comparing all jobs with key jobs

vi) Establishing the monetary unit value for all jobs.

Merits

This system enjoys the following benefits:

i) It is a systematic, quantifiable method for which detailed step by step instructions are available.

ii) Jobs are compared to other jobs to determine a relative value.

iii) It is a fairly easy system to explain to employees.

iv) There are no limits to the value which may be assigned to each factor.

Demerits

The system suffers from the following shortcomings:

i) It is costly to install, and somewhat difficult to operate for any one who is not acquainted with the general nature of job evaluation techniques.

ii) Wage levels change from time to time, and their minor inconsistencies may be adjusted to bring all the jobs into alignment.

iii) Money rates, when used as a basis of rating, tend to influence the actual rate pre more than the abstract point.

iv) The system is complex and cannot be easily explained to, and understood by, every day non- supervisory organizational employee.

(ii) Point Method

This method is the most widely used type of job evaluation plan. It requires identifying a number of compensable factors (i.e., various characteristics of jobs) and then determining degree to which each of these factors is present in the job. A different number of points are usually assigned for each degree of each factor. Once the degree to each factor is determined, the corresponding number of points of each factor is added and an overall point value is obtained. The point system is based on the assumption that it is possible to assign points to respective factors which are essential for evaluating an individual's job. The sum of these points gives us an index of the relative significance of the jobs that are rated.

Merits

i) It gives us a numerical basis for wage differentials; by analysis a job by factors it is usually possible to obtain a high measure of agreement on job value,

ii) Once the scales are developed, they can be used for a long time;

iii) Jobs can be easily placed in distinct categories,

iv) Definitions are written in terms applicable to the type of jobs being evaluated, and these can be understood by all.

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v) Factors are rated by points which make it possible for one to be consistent in assigning money values to the total job points.

vi) The workers' acceptance of the system is favorable because it is more systematic and objective than other job evaluation methods.

vii) Prejudice and human judgment are minimized, i.e., the system cannot be easily manipulated.

viii) It has the ability of handling a large number of jobs and enjoys stability as long as the factors remain relevant.

Demerits

i) The development and installing of the system calls for heavy expenditure.

ii) The task of defining job factors and factor degrees is a time-consuming and difficult task.

iii) If many rates are used, considerable clerical work is entailed in recording and summarizing the rating scales.

iv) It is difficult to determine the factor levels within factors and assign values to them.

The non-quantitative or non-analytical or summary methods utilize non-quantitative methods of listing jobs in order of difficulty. They are simple methods. The job is treated as a whole and job descriptions rather to job specifications are often utilized. On the other hand, quantitative or analytical methods use quantitative techniques in listing the jobs. They are more complex and are time consuming.'

Q12. State the pitfalls of job evaluation.

Ans :

A job evaluation process suceeds job analysis, which in turn results in job descriptions

1. It encourages employees to focus on 'how to advance in position' in the organisation at a time wher there may be only limited opportunities for enhancement as a result of downsizing.
2. It promotes an internal focus instead of a customer-oriented focus.
3. It is not suitable for a forward-looking organisation that has trimmed multiple job titles into two or three broad jobs.
4. Elaborate exercises of wage and salary fixation through job evaluation can be dispensed with. Salaries can easily be fixed by adopting going rates, which can easily be ascertained through wage surveys.

Q13. Elaborate the process of job pricing.

Ans : **(Mar. - 15)**

Job pricing refers to the process of placing a dollar value on the job's worth. The process of job pricing generally involves the development of pay grades and pay ranges.

(A) Developing Pay Grades

Most of the managers group similar jobs into wage or pay grades for determining pay. These groups consists of jobs of approximately equal value or importance as determined by job evaluation. There are three methods for determining pay grades. There are as follows,

(i) Point Method

The pay grade consists of jobs falling within a range of points.

(ii) Ranking Method

In this method the pay grade consists of all jobs falling within two or three ranks.

(iii) Classification Method

This method automatically classifies jobs into grade, i.e., which jobs fall into which grade.

(B) Developing Pay Ranges

One must develop pay ranges that are flexible in meeting external job market-rates. It becomes easier for employees to move into pay grades of higher level that allows for rewarding differences in the performance and seniority.

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Steps : Job pricing involves the following steps,

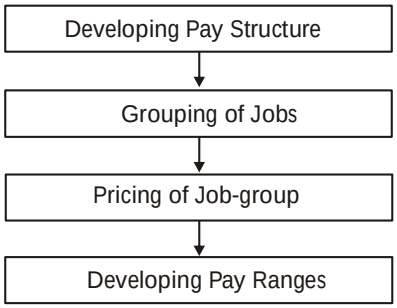

Fig. : Steps in Job Pricing

1. Developing Pay Structure

The initial stage in Job pricing is developing pay structure which translates the points into various job grades.

2. Grouping of Jobs

Jobs are grouped based on various job grades and grading is possible only if the nature of the jobs are distinct.

3. Pricing of Job-group

The task becomes easier after grouping of jobs. Pricing is carried out for different job-groups and based on this, the pay structure is developed further.

4. Developing Pay Ranges

Pay ranges are developed based on individual performance and seniority. Different pay ranges helps an organization to adopt a flexible method in recruiting new employees.

Q14. Compare and contrast point rating method of job evaluation versus factor comparison system.

Ans : **(Nov.-22)**

S.No.	Nature	Characteristics	Merits	Demerits
1.	**Comparing factors**	An analytical method based on determining the right hierarchy of job posts regardless of level of job difficulty.	- Universal - it can be used in different organizations	- Difficult in appropriate selection of key job posts - Subjective in character
2.	**Analytical point ranking**	Methods based on determining the level of job difficulty on the basis of analysis of previously described criteria and comparing them to the scale; a given number of points is attributed to each criterion.	- Easy in evaluating and describing the differences between posts. - Takes into account more factors influencing the difficulty level of a job post. - Gives the evaluator defined evaluation criteria - Guarantees a flexible relation between work and remuneration	- Its creation, implementation and application is complicated - It requires a great deal of knowledge on occupations, posts, tasks etc. from the people creating the remuneration systems - Surface objectivity giving points to criteria is based on subjective evaluation - Difficulty in explaining the difference between various levels of established criteria.

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4.4 Compensation and Reward Structure

Q15. What is Compensation Structure?

Ans :

Meaning

A sound compensation structure must be based on job evaluation programme in order to establish fair differentials in payments depending upon differences in job contents. Besides the basic factors provided by a job description and job evaluation, those that are usually taken into consideration for determining compensation structure are:

- The organisation s ability to pay
- Supply and demand for labour
- The prevailing market rate
- The cost of living
- Productivity
- Trade union s bargaining power
- Job requirements
- Managerial attitudes
- Psychological and sociological factors

The compensation structure must be linked to what the company is trying to achieve. It is not unusual to find a company with a wage structure in direct conflict with the company s overall objectives. For example, a company may plan to produce a high quality product while at the same time, it may have a direct incentive geared to quality.

An attitude survey should be made to ascertain what needs have to be satisfied through a compensation structure. What are the employees attitudes towards the current pay structure and what are their deeper expectations? The pay structure, to a large extent, determines and reinforces attitudes. Two of the areas a survey ought to highlight are the reasons why employees work for a particular company, and what motivates them.

Q16. Explain briefly about Compensation Structure in India?

Ans :

Compensation Structure In India

The employee salary package normally contains apart from basic wage, a dearness allowance, overtime payment, annual bonus, incentive systems, and a host of fringe benefits.

(i) Basic Wage

The concept of basic wage is contained in the report of the Fair Wages Committee. According to this Committee, the floor of the basic pay is the "minimum wage" which provides "not merely for the bare sustenance of life but for the preservation of the efficiency of the workers by providing some measure of education, medical requirements and amenities." The basic wage has been the most stable and fixed as compared to dearness allowance and annual bonus which usually change with movements in the cost of living indices and the performance of the industry.

(ii) Dearness Allowance

The fixation of wage structure also includes within its compass a fixation of rates of dearness allowance. In the context of a changing pattern of prices and consumption, real wages of the workmen are likely to fluctuate greatly. Ultimately, it is the goods and services that a worker buys with the help of wages that are an important consideration for him. The real wages of the workmen thus require to be protected when there is a rise in prices and a consequent increase in the cost of living by suitable adjustments in these wages. In foreign countries, these adjustments in wages are effected automatically with the rise or fall in the cost of living.

In India, the system of dearness allowance is a special feature of the wage system for adjustment of the wages when there are frequent fluctuations in the cost of living. In our country, at present, there are several systems of paying dearness allowance to the employees to meet the changes in the cost of living. In practice, they differ from place to place and industry to industry.

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(iii) Overtime Payment

Working overtime in industry is possibly as old as the industrial revolution. The necessity of the managements seeking overtime working from employees becomes inevitable mainly to overcome inappropriate allocation of manpower and improper scheduling, absenteeism, unforeseen situations created due to genuine difficulties like breakdown of machines. In many companies, overtime is necessary to meet urgent delivery dates, sudden upswings in production schedules, or to give management a degree of flexibility in matching labour capacity to production demands.

(iv) Annual Bonus

The bonus component of the industrial compensation system, though a quite old one, had assumed a statutory status only with the enactment of the Payment of Bonus Act, 1965. The Act is applicable to factories and other establishments employing 20 or more employees.

Q17. Define Reward. Explain the concept of Reward system in an organization.

Ans :

(i) Definition

Reward is defined as, "A combination of all the organization's methods and strategies which are used for recognizing the employee behaviour and performance. These methods or mechanism consists of various forms of monetary, non-monetary and infrinsic compensations".

Reward System in an Organization

A system is a collection of different components which are related or interdependent to form a complex whole. In the same way the "reward system is defined as "An integration of policies procedures and practices by an organization for rewarding its employees as per their performance, skills, competence and their market value".

The main objectives of the reward system in an organization are as follows.

1. To attract and motivate the talented candidates to join the organization.
2. To motivate the employees to work efficiently and effectively and enhance their productivity and quality.
3. To encourage the employees to continue to work for the organization and reducing the employee turnover.
4. To satisfy the financial and psychological needs of the workforce through intrinsic and extrinc rewards.

Elements

1. Reward Strategy

Reward strategy deals with the long-term action plan of the reward system of an organization. It gives i information all the reward plans, policies, procedures and practices which needs to be implemented in the organization for the achievement of its strategic business goals.

2. Reward Policy

It emphasizes on the various, rules and issues related with the reward administration. It mainly deals with:

(i) Fixation of pay grades

(ii) Relative importance of policies with respect to external competition and internal equity

(iii) Approaches/methods for determining the total reward of an employee

(iv) Role of the line and operations managers in reward administration.

3. Total Reward

It includes all typers of rewards such as indirect and direct rewards, and intrinsic and extrinsic rewards of employees.

4. Total Remuneration

It refers to the total of net earnings and the benefits offered to the employee.

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5. Basic Pay

This includes the monetary rewards received by an employee by their organisation for their services towards an organisation. It represents a standard pay package for performing a particular job. It is same for all the employees irrespective of their performance. Organizations may offer base pay to their employees in the form of hourly pay wage or salary.

6. Contingency Pay

Its, the extra monetary rewards paid to the employee based on their attributes like performance, skills, duration of service, seniority and so on.

7. Grade and Pay Structure

According to the size and worth, jobs are graded. A graded structure includes an hierarchy or levels in which ; jobs are placed. Whereas, a pay structure represents the different pay slabs for all types of jobs.

8. Job Evaluation

Is the process used to establish the relative worth of each job, of a job hierarchy. It ranks a job but not the job-holder. For this, it ignores the individual abilities of the job holder.

9. Non-Financial Rewards

Or intrinsic rewards deals with the benefits or services provided to motivate the employees and to make them more productive. This includes recognition, praise, autonomy etc.

10. Other Elements

Include benefits provided to employees, like sick pay, insurance, company transport, cafeteria, allowances and so on.

Q18. Explain various types of Rewards.

Ans :

Rewards are basically divided into two major types. They are,

1. Financial rewards
2. Non-financial rewards.

1. Financial Rewards

Financial rewards are related to money. As money in any field or business is an important aspect, it plays a significant role in motivating the employees. According to several scholars "a person who does something only) for money will do anything for money". The Herzbergs theory of motivation gave importance to money for satisfying the basic needs. Apart from Flerzberg, Maslow also gave a clear picture and importance to money in his lower order needs.

The response of man towards money, outlines his biography, his working environment, his competence training, his financial status and the different motives acquired by him. Though money is a major concept it has certain limitation such as law of diminishing return and its restriction to a material contract between employer and employees.

2. Non-Financial Reward

Non-financial rewards are concerned with the non-monetary factor. It is a wider concept in the "Theory of REWARD system" which helps in improving loyalty, motivation and satisfaction. The non-financial rewards satisfies the Maslow's higher order needs like esteem, affiliation and self actualization which Herzberg considered as motivators. These type of reward reinforces the psychological contract between the employer and employee.

Q19. Discuss the various dimensions of a reward system.

Ans :

The reward system of an organization is a vast, complex and dynamic system. It consists of subsystems and employees both inside and outside the company.

The dimensions of reward system consists of employees and their actions which should be rewarded.

Let, us discuss each of them in detail.

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1. People Dimension of Reward System

It provides information to the compensation manager about all those persons who should be rewarded, It not only includes the individual employees of the organization, but also includes the teams, departments and outsiders like creditors, vendors etc.

(a) Individual Employees

Those employees who show excellent performance both in productivity and quality should be rewarded as this will encourage them to reinforce their good performance researchers have discovered that in a typical organization twenty percent of managers get rewards. Organizations develops different programs for rewarding individual employees. For example, at Polaris incorporation, performance rewards are classified into four categories premium, outstanding competent and learning which are indexed at 90%, 75% and 25% respectively. At cognizant incorporation, high performing employees are rewarded through lucrative cash rewards.

(b) Teams

Teams are the group of individuals who are working together towards a common goal. To create a strong cohesive and competent teams, the compensation manager should give team rewards. One of the most effective method of team rewards is to empower the team to make decisions. For instance, self managed teams at Tata cummins are given cash to boost their performance. India incorporation came-up with Champions Trophy which is awarded to the best performing team.

(c) Whole Organization

Exceptionally good performance by the organization should also be celebrated. This can be done by celebrating one day as "Company day" annually.

(d) Outsiders

A good reward system also includes the organizations key customers, suppliers, distributors, spouse of employees, family members etc. For example, at ICICI bank, the children of employees are recognized through scholarships and sponsorships their outstanding performance in education and sports.

2. Desired Behaviour/Qualities/Value Dimension of Reward System

It includes the behaviour and qualities which are desired by the organization such as loyalty performance, good behaviour honesty etc.

(a) Good Performance

This is the most important aspect that should be rewarded. Rewarding good performance motivates the individual/team to reinforce the good behaviour. It also motivates mediocre (average) employee to improve their performance.

For judging the performance, organizations can use the criteria like customer satisfaction, increase in productivity, market share, profits, etc.

Companies should develop different reward programs for rewarding good performance. For example, at Gujrath Gas limited, they initiated "Simply the Best" employee award.

R.RG (Reliance Power Group) has developed reward programs like "Best Region and Best Division reward". "Outperformer reward" etc.

(b) Speed and Efficiency

Another important dimension that should be rewarded is the speed with which the work is performed and how efficiently it is executed. Making these qualities as reward criteria encourage the employees to become more productive. The organization can also take up large and urgent projects and can increase its market share in the industry. Increase in efficiency will intrun lead to huge financial savings for the organization. Example, Ericsson Incorporation initiated the "Ericsson Falcon Award". The desired behaviour for winning the award are quick completion of projects, ready to with stand pressure, being proactive etc.

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(c) Loyalty

Talented and loyal workforce is the biggest asset for the organization. Thus employees who are loyal (i.e., who work for the organization for a long period of time) should be rewarded. Example, At Hughes computer incorporation, employees (along with their family) are given a company paid holiday.

(d) Innovation and Creativity

Many organizations reward their employees for giving new innovative and creative ideas being innovation helps the organization to attain a competitive edge over its rivals.

For instance, Philps India Limited gives rewards of Rs 5,000 for giving a good and innovative idea and IBM has also rewarded employees for giving innovative ideas. It has patented eighty five ideas in the last ten years.

(e) Upholding Organizational Values

Values play a significant role in developing and maintaining organizational culture and will directly affect the performance of the organization. Rewards are given to the employees for encouraging them to follow the company values and beliefs.

(f) Other Qualities

Behaviour and quantities like social concern, learning attitude good behaviour, humour etc., also form an integral part of the reward system.

Thus, from the above points it is clear that the scope and dimension of reward system is not exhaustive. It and people within and outside the includes elements organization.

Q20. Write in detail, how rewards are used to motivate employees.

Ans :

Employees are rewarded on the basis of the nature of their performance (i.e., the work carried-out). As the job-description represents the job-design which outlines the nature of the work, it is regarded as the most essential document for designing a suitable system of rewards.

Rewards acts as a basis for employee motivation. The following are the ways is which job description can be used for design reward system and employee motivation.

1. Ascertaining Adequate Pay Levels

The basic salaries and wages which are payable to the employees should be in accordance with the job description of each employee such as, employees doing complex jobs should be paid higher than simplistic (or) routine jobs Hazardous and high-health risky jobs must be paid higher than the safe jobs, jobs related to formal authority must be paid more than the jobs containing less authority. Formal job evaluation methods are useful for identifying the value of performance/work which enables the company to fix wages and salaries which are fairly equitable and to respond to the employee requests for pay adjustments in a proper manner.

2. Matching Benefits

Job Description [JD] analysis about any job helps the management to gain knowledge about the different types of benefits that must be offered to an individual for performing the job. JD enables the firm to find the most suitable benefits which can be offered for a job.

For example, a job which imposes high stress on the worker due to inherent ambiguity (or) extreme fluctuations in the demands must provide adequate like vacation time, or when a job requires the worker to be idle for specific duration of time then gymnasium facilities must be provided to the worker for maintaining his physical fitness.

3. For Ascertaining Job Dimensions Adaptable with the Development of Contingent Rewards

Every reward package portion should incorporate the performance contingent element. The analyst while examining the JD can pick out the task dimensions for which the performance measurement criteria should be designed. The strategy bf rewards-for-performance, assets the analyst find out the

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percentage of which the rewards should be given to the employees. The task priorities defined in the JD assists the manager to find out the extent to which the performance based rewards can go along with various task dimensions.

4. Motivating by Making Job Expectations Clear

Job description clearly outlines the expectations of the organization from the employees.

Employees are guided with duty statements which outlines the priorities and time percentages with which they can perform efficiently and effectively in different fields. The employees after knowing the expectation of the organization tries to give their full efforts for achieving (accomplish) it as they will be offered with some form of rewards if they attain their goals. This process is termed as "motivation".

5. Developing Employees for Advancement

The job descriptions for higher level positions guides the employees at lower levels what to learn and to be competent to perform the quality work for promotion purpose.

JD should be studied carefully about position as it has a chance to be promoted and can help the employee/ worker to improve the sills and knowledge before promotion.

6. Disciplining Employees

Work requirements which are defined under job descriptions are beneficial for boss as well as subordinates for reference at the time of counselling sessions when the subordinates are scolded for non-execution or poor-execution of agreed assignments. Further, it gives a clear cut view or proof of the types of behavior the organizations expects about employee and acts as a standard.

7. Recognizing the Potential Personal Costs Related with High-Effort

Employees resist on giving higher levels of efforts on their jobs due to high levels of boredom, fatigue, stress (or) frustration related to higher-attempts.

Proper work scheduling, work breaks, better tools and others should be initiated for minimizing the costs. Employees willingness is encouraged for increasing energy levels that enhances motivation.

8. Assisting the Employee to Distribute their Efforts Adequating

The analysis of time percentages and priorities which are linked with the tasks assets the employees to learn about the effective use of hours in a day and the way they can divide their time and effort to accomplish different tasks.

9. Avoiding Resistance of Workers Forwards the Assignments

JD given to the employees when hired for first time guides them in carrying out their jobs limited assignments are also assigned to a new employee. The managers usually assigns them those sets of tasks which has to be completed urgently.

10. Identifying Opportunities for the Job to be Adapted to Individual Personality

The analysis of JD helps in discovering the extent of specificity in job design. When the employees work assignments are indefinite or confusing then it means that their is an opportunity to shape their jobs to a degree (level) which fit with their unique needs and personal features.

4.5 Pricing Managerial and Professional Jobs

Q21. Explain briefly compensation for special groups.

Ans : **(Aug.- 18, Sep.-13)**

The compensation of special groups involves the compensation of directors, executives and other manual workers or employees. From organizational perspective, the concept of compensating special groups is considered as the pricing of managerial and professional jobs of organizations.

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A) Compensation for Directors and Executives

The four main components of directors and executives compensation are as follows,

1. Basic Pay

The basic pay or basic salary of the directors and senior executives of the company are decided based on the relative value of such individuals in the market. The compensation for directors and senior executives is negotiable. The compensation set for the directors and executives must receive acceptance from remuneration committee.

2. Bonus (or) Incentive Schemes

Bonuses are calculated as a percentage of the basic pay. Most of the companies in UK offer incentive schemes/ bonus schemes to their senior executives. Under bonus schemes, directors and executives are given cash amount depending upon the individual performance and company's success. Usually, bonus pay is related with the attainment of profit and other financial objectives.

3. Share Option Schemes

Most of the companies makes use of share option schemes in their company. Under this schemes, executives and directors of the company have the right to buy certain part of the company's shares at future dates and at the price which is prevailing at the time of granting the option. Share option scheme is a type of long-term incentive plan which motivates the executives and directors to improve their performance, as when they estimate a significant capital gain if they are selling their shares at a price higher than prevailing at the time of buying option.

4. Restricted Share Schemes

The executives and directors are rewarded with free shares in the restricted share schemes. The executives do not get the ownership of the shares till the shares are released. Shares are released after the completion of the performance period. The number of shares to be released to the executives depends upon the performance of executives against set standards during the performance period.

B) Compensation for Sales Representatives

There are no standardized rules available for compensating the sales representatives. The compensation to sales representatives depends on the nature of company, the type of products/services offered by the company and sales process.

The various methods used for compensating the sales representatives or sales staff are as follows,

1. Only Salary

In this method of compensation, the sales representatives are paid only wages or salaries. Bonus or commission is not given to sales representatives.

2. Salary Plus Bonus Method

Under this method, the sales representatives are given basic salary as well as bonus. The amount of bonus depends on the sales target met by the sales staff, quotas achieved and the attainment of other selling objectives.

3. Salary Plus Commission Method

In this method of compensation, the sales representatives are given the fixed basic salary and commission. The cash commission is computed as the percentage of sales volume or sales value.

4. Only Commission

In this method of compensation, sales representatives are given only commission which depends upon the percentage of sales volume or sales value..

5. Extra Non-Cash Rewards

In this method, the sales representatives are compensated with incentives, gifts and prizes, chances to grow in career, recognition etc.

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C) Compensation for Manual Workers

The manual workers are paid on the basis of the time rates, which are also called as day rates, flat rates, hourly rate or day work. In addition to the base rates, the manual workers are also given incentives through payment-by-result schemes.

1. Time Rates

In the time rates method of payment, the rate of payment per hour is fixed. Time rates method is used when it is impossible to use the payment-by-results schemes in a particular work.

2. Payment-by-Result Schemes

The payment-by-result scheme gives incentives to workers by linking complete or a part of their payment with the quantity of products produced by them or the time taken by them to perform a specific work. Some of the significant types of payment-by-result schemes are,

(a) Performance-related pay

(b) Piece work schemes

(c) Measured day work schemes

(d) Work measured schemes.

Team bonus schemes are substitute to payment-by-result schemes.

4.6 PERFORMANCE BASED PAY

Q22. Define the following terms

(a) Total rewards

(b) Recognition

(c) Pay for performance.

Ans : **(May-19, Aug. - 17)**

(a) Total Rewards

Total reward is an aggregate of all the financial and non-financial reward offered to an employee.

The concept of total reward was emerged in 1990. It was found that employee's underestimated the value of their benefits by almost 70% and in this technologicaly fast changing world, the companies are searching for a tool for attracting, motivating and retaining the best available talent. The "total reward system" is found to be the best remedy.

Definitions

(i) **According to Manus and Graham, 2003** "Total reward includes all type of rewards - indirect as well as direct and intrinsic as well as extrinsic".

(ii) **According to Thompson, 2002** "Total reward not only represents the traditionally quantifiable elements like salary, variable pay and benefits but also more intangible non-cash elements such as responsibility, career opportunities and learning and development. The intrinsic motivation provided by the work and the quality of working life provided by the organization also comes under the preview of total reward system.

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(iii) Total reward are "all of the employer's available tools that may be used to attract, retain, motivate and satisfy employees" at work.

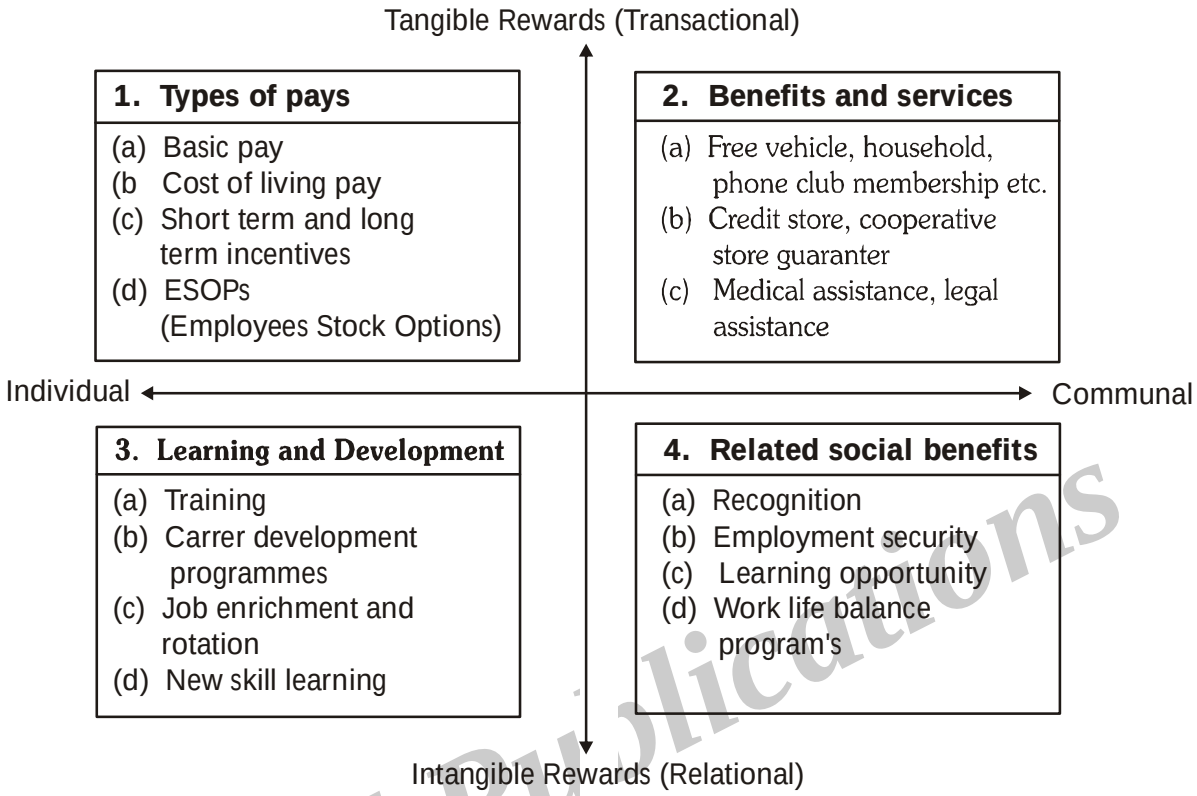

Fig.: Towers Perrin Model of Total Reward

(b) Recognition

Recognition helps in developing the performance levels of employee. Recognition makes the employee aware of that their work is being recognized and valued and they are considered as an essential part of the organization. Moreover, recognition acts as a motivating factor and helps the employees to develop loyalty at work place and a sense of community. The recognition must be an unexpected surprise and should be done in front of public. The recognition process should be fair and efficient. Individual's status will be enhanced among his/her peers through recognition.

Methods

Some of the methods of recognition are as follows,

(i) Pat on the Back

This method of recognition is considered to be powerful appreciation without any cost.

(ii) Words of Praise

The employee can be recognized by praising in public gatherings.

(iii) Certificates of Recognition

The certificates of recognition are useful for future considerations and can be shown with dignity. These are known to be physical proof of achievement.

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(iv) Trophies of Recognition

Generally, organisation make trophies of recognition with their logo. These are designed in unique way which are worth displaying at office or home.

(v) Gifts of Recognition

Gifts of recognition are useful at work or at home. These gifts are monogrammed with the organizations name and the name of the employee as well. Watches, wallets are some of the examples.

(c) Pay for Performance

In this parameter an employee's compensation is based on his/her performance. As the performance fluctuates or varies from one year to the other, the compensations should also be changed from one year to other year.

There are two major benefits of "pay for performance". Firstly, it motivates the employees to perform better throughout the year, as their pay is directly related to their job performance.

Secondly, the organization does not have to repeatedly pay bonuses to the employees for their good performance in just one year.

The main objective of pay for performance is to describe all the short-term and long-term inventive schemes for the employees, performance. Researchers have considered the pay for performance method as the most effective way of rewarding the employees.

Q23. State the different types of performance based pay methods

Ans : **(July. - 18)**

(a) Merit Pay

Merit pay is an adjustment to base pay that is directly related to the employee's performance. The increase in the base pay motivates the future performance of the employees and help employers in retaining valued employees in the organization.

Merit pay is one of the most common compensation methods used in the United States. Supervisors determine the amount of increase to employees based on subjective appraisals of employee's performance.

(b) Lumpsum Bonuses

Depending upon the company and employees performance, the employee will receive an end-of-years bonus which is not added into base pay. Thus, lumpsum bonuses are considered as a substitute for merit pay, because in the long run lumpsum bonuses are substantially less expensive than merit pay.

Companies significantly freezing the base pay for several years by providing lump-sum bonuses.

(c) Individual Spot Awards

Individual spot awards must be included in pay for performance plans. Around 35% of companies use spot awards and one survey reported that 74% of companies use these awards as moderately or highly effective. Typically, it is awarded for exceptional performance, (i.e., Special projects or above expectations) that deserves an add-on bonus.

Q24. Define incentives, Bring out their advantages and limitations.

Ans :

Meaning

Incentives are monetary benefits paid to workmen in recognition of their outstanding performance. Popularly called variable pay, incentives are defined as "variable rewards granted according to variations in the achievement of specific results.". The International Labour Organisation refers to incentives as 'payment by results'. But it is appropriate to call them 'incentive systems of payment' emphasising the point of motivation, that is, the imparting of incentives to workers for higher production and productivity. However, both these terms are used in this chapter. Unlike wage and salaries which are relatively fixed, incentives generally vary from individual to individual, and from period to period for the same individual.

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Advantages

- The primary advantage of incentives is the inducement and motivation of workers for higher efficiency and greater output.
- It may not be difficult to get people for fixed wages and salaries.
- But with fixed remuneration, difficult to motivate workers to show better performance.
- Fixed remuneration removes fear of insecurity in the minds of employees.
- A feeling of secured income fails to evoke positive response.
- Positive response will surely come when incentives are included as a part of the total remuneration.

Disadvantages

- There is a tendency for the quality of products to deteriorate unless steps are taken to ensure maintenance of quality through checking and inspection.
- It his involves added expenses. In some cases, it may not be possible or may be too expensive to maintain quality fully, and the benefit, gained in the form of increased output and lower cost may be offset to a considerable degree by deterioration in the quality of the products.
- Difficulties may arise over the introduction of new machines or methods.
- Workers may oppose such introduction for fear that new piece or bonus rates set, when the job is restudied at intervals of time, may yield lower earnings; or when new machines or methods are introduced; they may slacken their rate of work in order to avoid rising output to a level which would make a restudy of the job necessary. Costs may not, therefore, be lowered to the extent that would be necessary if the workers were on time-based work.
- Most trade unions agree that cuts in piece or bonus rates are justifiable in such circumstances. But individual workers may not share this view, and output and the level of costs may be affected accordingly.
- Workers tend, moreover, to regard their highest earnings as normal and may, therefore, press for a considerably higher minimum wage when they are paid by results than when they are paid by the hour.
- Payment by results may, therefore, lead to higher labour costs in certain industries such as paper-making and coal mining where workers experience, for reasons beyond their control, good and bad runs.
- Their earnings on the days they have good runs are apt to be regarded by them as normal earnings.

Q25. Bring out the prerequisites for the success of incentives payments.

Ans :

All things considered, it may be concluded that in many industries or undertakings and for a large group of operations well-designed systems of payment by results shall yield advantages to all concerned. Many of advantages will be realised provided sufficient safeguards are provided. Such pre-requisites are:

1. The co-operation of workers in the implementation of an incentive scheme is essential because the employees somehow devise, if they do not like a scheme, ingenious ways of evading or sabotaging me plan, often with the tacit connivance of the foreman or supervisor. Workers' co-operation may be .cured through proper discussion with their representatives, m particular, workers' co-operation is necessary in:
   i) the methods followed in measuring the results or output upon which payment is based;
   ii) the methods followed in setting wage rates for different classes of work; and

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iii) appropriate safeguards concerning earnings, job security and settlement of disputes over piece-work rates and allotted time.

2. The scheme must be based on scientific work measurement. The standards set must be realistic and must motivate workers to put in better performance. Workers must be provided with necessary tools, equipment and materials so as to enable them reach their standards.

3. Indirect workers, such as supervisors, foremen, charge hands, helpers, crane operators, canteen staff, more keepers, and clerical staff should also be covered by incentive schemes.

4. There should be management commitment to the cost and time necessary to administer incentive schemes properly, and these must be carefully assessed before embarking on an incentive programme. There are many situations in which the potential gains are just not worth the cost and effort involved. It also means a commitment in terms of integrity to the spirit as well as the letter of the programme—having the courage to abide by it when the payout deteriorates and the honour to own up when results are not forthcoming.

5. The other safeguards are:

(i) The incentive scheme should be appropriate to the type of work carried out and the workers employed.

(ii) The reward should be clearly and closely linked to the efforts of the individual or group.

(iii) Individuals or groups should be able to calculate the reward they get at each of the levels of output they are capable of achieving.

(iv) Individuals or groups should have a reasonable amount of control over their efforts and therefore their rewards.

(v) The scheme should operate by means of a well-defined and easily understood formula.

(vi) The scheme should be properly installed and maintained.

(vii) Provisions should be made for controlling the amounts paid, to ensure that they are proportionate to effort.

(viii) Provisions should be made for amending rates in defined circumstances.

(ix) Create incentives for performance and disincentives for non-performance.

(x) Set and review specific objectives for each employee periodically.

Q26. Define group incentive. Explain different types of group incentive.

Ans :

Meaning

Group incentive pay plans reward employees for their group performances rather than individual performances. Each and every individual of the group may not contribute equally in the same level of efforts for achieving the objective but all individuals are eligible to get reward on behalf of group's excellent performance.

Types of Group Incentive Pay Plans

Group incentive pay plans are categorized into,

1. Team-based incentive pay plans
2. Gain sharing pay plans
3. Profit sharing plans
4. Earnings at risk plans.

1. Team-based Incentive Pay Plans

Team-based incentive pay plan is also known as "small group incentive pay plan", wherein each individual member of the group gets the monetary reward for achieving the group objective. The on time completion of the group objective relies upon the combined efforts of all the group members. The various criteria depending upon which the group members receive incentive are quality, production, customer satisfaction and safety records.

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The three methods available for rewarding team members/group members in team-based incentive pay plans are,

(i) Payment of equal incentives to all group members

(ii) Payment of different incentives to group members depending upon their share in the total group's performance

(iii) Payment of different amount of incentives to each group member depending upon the proportion of his/ her base pay to the total group's base pay.

2. Gain Sharing Pay Plans

Gain sharing pay plan is a group incentive pay plan which rewards employees depending upon the enhancement in company's performance in the form of enhanced customer satisfaction, reduced costs, enhanced productivity or good safety records. Gain sharing plan represents a management philosophy which encourages the employee's participation.

3. Profit Sharing Plans

Profit sharing plans reward the employees by providing them a part of total company's profits. The two types of profit sharing plans are,

(i) Current Profit Sharing Plans

Current profit sharing plans reward employee with cash, usually on yearly basis or after every four months. The cash provided forms the part of total core compensation of an employee.

(ii) Deferred Profit Sharing Plans

In deffered profit sharing plans, cash rewards are transferred to the trust accounts for the employees which can be used after their retirement. This cash act as a sources of income to employees after their retirement profit sharing plans are taxed when employee starts withdrawing from the trust account after retirement.

4. Earnings at Risk Plans

Eamings-at-risk plan is one of the type of incentive pay plan. However, risk is involved in every incentive plans. Earning at risk fall under two categories. They are,

(i) Success sharing and

(ii) Risk sharing.

In success sharing plans, the base wages of employees remain constant but variable pay will be added to the base pay and the pay goes on increasing for the successful year. The employees will get a predetermined amount of such variable pay only if the company is performing well.

In risk-sharing plans, the base pay is being decreased by some percentage when compared to success sharing plan.

Hence, this type of plans shifts the amount of risk from the company to the employee during business. It leads to dissatisfaction among the employees. It also effects the performance levels of the employee. This type of plans helps in increasing the organizational turn over.

4.6.1 Benefits

Q27. Explain the benefits of performance based pay.

Ans :

Providing performance based pay to your workers comes with a lot of benefits for your business. Here are some of the advantages of performance based pay.

1. Employee motivation

We all want to be acknowledged for the great work we are doing, and one major way to do that is through monetary compensation. Knowing that achieving a certain goal means receiving additional pay can be a big incentive to put in extra work and exceed performance expectations.

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2. Increased productivity

Highly motivated employees tend to perform better and work more efficiently and productively. This means that offering a monetary reward for performance can actually make you more money in the long run, and see outstanding results in your company's overall productivity.

3. Attracting the best talent

Finding the right people to hire is a challenge, and with more and more companies exploring home office and remote work, the fight to get the most skilled and experienced employees is getting more intense. Having a competitive compensation package can be a big help in attracting the best talent, and also the right type of people who are motivated by performance based incentives.

4. Employee retention

If you have hired employees who are performing well and are a good fit for your company, you probably want to keep them around as long as possible. Performance based rewards can play a big factor in employee retention, and might just be the right incentive for them to stay where they are.

4.7 INSURANCE – RETIREMENT BENEFITS

Q28. Define Employee Benefits. What are the objectives of Benefits?

Ans :

Meaning

Employee benefits are the important elements of remuneration beside various forms of cash pay. The employee benefits acts as quantifiable measure for the individual employees. The benefits which are provided mandatorily to the employees are called obligatory benefits. Example social security, unemployment compensation, worker's disability compensation, financial protection comes under obligatory benefits.

Definition

According to Edwin B. Flippo, employee benefits should follow certain principles such as,

(a) The employee benefits must satisfy the real need or justify the real value of money.

(b) The benefits must aim at eliminating connotations of benevolent participation in granting or administrating the benefit programs.

(c) Employee benefits must be available to groups as well as individuals.

(d) The cost which is to be computed must have a provision in the budget.

Objectives of Benefits

Following are the objectives of benefits,

(a) To improve the standard of living of the employees.

(b) The benefits and services satisfies social, economic and human need aspects.

For instance, social aspects include the status of an individual and the standards of living.

Economic aspects deals with saving the earnings and utilizing it properly and the human aspects deals with developing the esteem needs of the individuals in a society.

(c) To enhance the employees commitment towards the organization.

(d) To offer high remuneration which helps in attraction and retention of the employees.

(e) To show/highlight that the company cares for the need of the employees.

(f) To provide financial assistance to the employees whenever required.

(g) It also helps in providing tax-efficient method of remuneration and reduces the burden of tax liabilities to a greater extent.

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Q29. Explain the classification of benefits.

Ans :

Benefits are classified into four categories. They are,

1. Pay for Time not Worked

Pay for time not worked is a type of benefit provided to employees which is expensive for employers. It is also termed as supplemental pay benefits. Payment for time not worked includes the following,

(a) Payment for holidays and vacation.

(b) Payment for sick leave, sabbatical leave and maternity leave.

(c) Other payments such as for jury duty, military duty, severance pay and supplemental unemployment benefits.

2. Insurance Benefits

(i) Worker's Compensation

Laws relating to worker's compensation mainly focus on offering income and medical benefits to work related accident victims or their dependents. Different states have different laws and commission relating to worker's compensation. Usually, employers carry out worker's compensation with private insurance companies as there is no contribution of funds from state and federal government to worker's compensation.

Worker's compensation can be in terms of money or medical services. In case of death of worker then cash benefits is paid to his dependents whereas if a worker is injured then he is entitled to receive additional benefits. Beside these cash benefits, employers must offer medical, surgical and hospital services which are needed by the employee. Worker's compensation is provided only if worker prove that injury occurred during work irrespective of fault.

(ii) Hospitalization, Health and Disability Insurance

Health insurance is preferred by most of the employers as it is considered as one of the important benefit. Hospitalization, health and disability insurance cover hospitalization cost and loss of income caused due to accidents or illness. Both employer and employee contributes for insurance plan. Life insurance companies, casualty insurance companies or Blue cross and Blue shield organizations are choose to buy insurance by employers.

Usually health plans cover basic hospitalization and surgical and medical insurance to all eligible employees. Most of the health plans pay charges for hospital room, surgery and medical expenses. In case of serious illness, some plans provide "Major medical" coverage to bear medical expenses. Some other health related expenses are covered under employer's health plans such as doctor's visits, eye care and dental services.

Disability insurance covers salary loss due to illness or accident, it range between 50% to 75% of employee's base pay incase of disability of employee. Employers offer membership to employees in health maintenance organization, preferred provider organizations, etc. It has become essential for employers to provide mental health benefits due to widespread of drug and alcohol problems.

3. Retirement Benefits

(i) Social Security

Social security provides income not only when the employees reach the age of 62 years but also provides three kinds of benefits. They are:

(a) Retirement benefits

(b) Survivors or death benefits

(c) Disability payments.

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(ii) Pension Plans

These are the financial programs which offer income to the employees during their retirement. Nearly, half of the employees who are working full time opt of specific pension plans. The participation rate mostly depends on many things. Hence, one of the ways to classify pension plans is defined contribution versus defined benefits plans.

(iii) Portability

It allows the employees to take over their accumulated pension funds easily when they decide to leave the firm before retirement.

(iv) Other Defined Contribution Plans

The other defined contribution plans are,

(a) Deferred Profit-sharing plan

(b) Employee stock ownership plan (ESOP).

4. Personal Services and Family-Friendly Benefits

Eventhough time off, insurance and retirement benefits occupy a major part of benefits costs, yet majority of the employers also offer several services benefits as personal services (like legal and personal counseling), "family- friendly" services (like child-care facilities), educational subsidies and executive perquisites (like company cars for its executives) and so on.

The personal services and family friendly services are being explained in detail as follows,

Personal Services

Majority of the employers offer personal services which are really needed by the employees at some point of time in life. Personal services include credit unions, legal services, counseling and social and recreational opportunities. Few employers considers these personal services benefits as "voluntary benefits" which lies from the pet insurance to automobile insurance.

(a) Credit Unions

Credit unions are the separate businesses made up of members of a single company or a group of companies to provide benefit to its members.

(b) Employee Assistance Programs

Employee Assistance Programs (EAPs) offer counselling and advisory services like personal legal and financial services, child and elder care referrals.

Family-Friendly (Work-life) Benefits

The trends are resulting in modifying the perspective of benefits i.e., it is changing. The trends include households wherein both adults work, more one-parent households, more women workforce and workers more than the age of 55. This has resulted in issues for both working men as well as women as they are not able to give time to their families.

Thus, in order to overcome these pressures many employers are going for family-friendly benefits. These benefits comprises child care, elder care, fitness facilities and flexible work schedules, they facilitate employees to balance their family and work lives.

(a) Subsidized Child Care

Child care is one of the fastest growing employee benefits. This is becoming one of the most demanded services with increasing number of both parents working.

(b) Sick Child Benefits

One of the main reason behind uniformed and unexpected absenteeism of employees is due to sickness of child. So, majority of the employers are providing emergency child-care such as web database to find child care providers and online child care centers to cope up with the last minute emergencies.

(c) Elder Care

Elder care assistance is increasingly becoming important among all the benefits because caring for elderly people is as important as child care. A few companies are beginning to assist the employees with this problem.

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(d) TIme-off

Few organizations have provided the employees with sabbatical (paid leave for study or travel) leaves without pay for years. In this situation, an employee gains an opportunity to perform or pursue an area of his/her special interest. Here, the advantage for the employee is that though he is not paid, he is covered by the employer's medical, life insurance and disability programs. During the sabbatical leave period the individual undertakes a volunteer work, pursues an advanced degree and returns to work with extra energy.

Q30. Discuss about various retirement benefits.

Ans : **(May-19)**

Retirement Benefits

As the employee spend their half of the young age in providing services to the organization in return they expect security against future liabilities in the form of retirement benefits. These includes social security and employer pension/retirement plans.

1. Social Security

Social security provides income not only when the employees reach the age of 62 years but also provides three kinds of benefits. They are:

(a) Retirement benefits

(b) Survivors or death benefits

(c) Disability payments.

(a) Retirement Benefits

If an employee retire at the age of 62 or more then he is eligible to get an income under this benefits and also insured under social security Act.

(b) Survivors or Death Benefits

Without considering the age of employee at the time of death, monthly payment is made to his dependents under these benefits and assume that the employee is insured under the social security Act.

(c) Disability Payments

These payments are provided to the employees on the monthly basis who are disabled completely if they meet some requirements.

The social security systems also manages the medicare program for the employees who are of age 65 or older. A tax on employee's wages must be equally shared by employees and employers funds social security.

2. Pension Plans

These are the financial programs which offer income to the employees during their retirement. Nearly, half of the employees who are working full time opt of specific pension plans. The participation rate mostly depends on many things. Hence, one of the ways to classify pension plans is defined contribution versus defined benefits plans.

(a) Defined Benefit Plans

In this plans, employees know the pension benefits that they are going to receive. Generally, benefit amount is decided by a formula which links the individual's retirement pension to an amount that is equal to the percentage of individuals pre-retirement pay by multiplying it with number of years an employee worked for the company.

(b) Defined Contribution Plans

In comparison, defined contribution pension plans describe the percentage of amount which is contributed by employee and/or employer to the employee's retirement or savings funds. In defined contribution pension plan the pension of the employee is based on the amount that is contributed to the fund and on retirement funds investment earnings. Defined contribution plans decreases the liabilities of employer's in the balance sheet, provides favourable tax treatment and very easy to manage.

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3. Portability

It allows the employees to take over their accumulated pension funds easily when they decide to leave the firm before retirement.

4. Other Defined Contribution Plans

The other defined contribution plans are,

(a) Deferred Profit-sharing plan

(b) Employee stock ownership plan (ESOP).

(a) Deferred Profit-Sharing Plan

It is a type of plan wherein employers contribute a specified amount in cash to pension fund irrespective of employee's contribution.

(b) Employee Stock Ownership Plan (ESOP)

It is qualified, tax-deductible defined contribution plan wherein employers contribute stock to a trust which can be used by retired employees.

4.8 Employee Welfare Facilities

Q31. Define the term welfare. Explain various types of employee welfare facilities.

Ans : **(Nov.-20, May-19)**

Welfare means helping, protecting or performing well at the workplace. It is a boarder concept used to reflect the physical mental, moral and emotional stability of an individual. Welfare is a relative concept which tends to vary from country to country, region to region and from time to time.

The term 'employee welfare' refers to the safeguard measures undertaken by the employers, trade unions, governmental and other related agencies.

International Labour Organization (ILO) defined labour welfare as an act of an employer or an organization to provide services, amenities and other facilities which help the employers to efficiently perform their tasks in an healthy and congential working environment. Welfare facilitates the good health and the high morale of the employees.

Moorthy has classified the entire welfare activities into two broad categories:

I. Welfare measures inside the workplace

II. Welfare measures outside the workplace.

I. Welfare Measures Inside the Workplace

In this type of welfare, welfare measures are internally implemented. Some of them are,

1. Favourable Conditions of the Working Environment

Favourable conditions of the working environment are,

(i) Focuses on the maintenance of clean and safe surroundings and pay attention towards various approaches of welfare measures.

(ii) Housekeeping, upkeeping of premises wherein it establishes the interior designing of the house, wall decorations and floor maintenance.

(iii) Care need to be taken for maintaining cleanliness at workshop by managing the room temperature, ventilation, lighting, humidity and avoiding dust, smoke and so on.

(iv) Controlling the discharge of wastage or effluents.

(v) Maintaining proper seating arrangements for providing convenience and comfort to the workforce.

(vi) Providing rest hours, tea breaks and lunch hours for refreshing the employees.

(vii) Adoption of safety measures during the operations by the maintenance management of machinery and equipments, by establishing protection wall around the machines, by providing guards, helmets, aprons, goggles and other first-aid items.

(viii) Supply of essential beverages, pills or tablets such as milk, juice or any softdrink, salt tablets, etc.

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(ix) Establishing notice boards for conveying message to the employees through postures, slogans, brochure, pictures etc.

2. Conveniences

It includes the additional or comfort facilities provided to the workforce such as, rest rooms, wash basins, bathrooms and provisions for spittoons or wastage, cloak rooms, drinking water and water coolers, cafeteria and canteen facilities and so on.

3. Worker's Health Services

It includes the provision of services such as, factory health centre dispensary, ambulance, emergency aid facilities, medical examination facilities for employees, health education, health research, family planning services, health camps and so on.

4. Women and Child Welfare

It includes facilities such as,

- Establishment of antenatal and post natal centre
- Family planning services
- Recreation services for women
- Maternity aid
- Sanctioning maternity leaves and benefits.

5. Worker's Recreation

It includes indoor games such as, table tennis, carrom, basket ball etc., which can be easily enjoyable during the break times.

6. Employment Follow-up

Conducts orientation programs and industrial counselling for the workforce to make them aware about the machines, tools, their jobs and subordinates or colleagues.

7. Economic Services

It includes,

- Loans
- Health insurance
- Bonus schemes
- Transport and canteen facilities
- Provident funds, gratduity, pension and incentives.

8. Employee-management Participation

(i) Forming and working through various committees such as, canteen committee, works committee, safety committee, etc.

(ii) Establishes the arbitration and grievance redressal councils.

(iii) Research bureau (or) research department,

9. Worker's Education/Employee's Education

It includes,

- Study room
- Library
- Visual education
- Conducts literary classes and training programmes
- Sponsors the further studies of the workforce

II. Welfare Measures Outside the Work Place

This comprises various welfare facilities,

(a) Housing, bachelor's quarters or the family residences.

(b) Water facilities, sanitary arrangements, waste disposal.

(c) Roads; lightings, parks, play grounds and games.

(d) Schools for nursery, primary and secondary standards including high schools.

(e) Markets, cooperatives, consumer and audit societies.

(f) Banking facilities such as ATM's and Bank.

(g) Transport facilities.

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(h) Communication services such as postage, telegrams and telephone.

(i) Health and medical facilities: dispensary, emergency or casualty wards, out-patient and in-patient services, family visiting and family planning.

(j) Entertainment: Games, clubs, craft centres, cultural programmes such as, musical clubs, festival celebrations, study circles, library and study room, swimming pools, athletics, gymnasia and so on.

(k) Security guard, wardens or watchman.

(l) Community leadership development includes,

Committee of elders, council of representatives, administration of community services and problems, child, youth and women's clubs.

4.9 Salient Features of Workmen Compensation Act 1923

Q32. Explain the following terms under the Employees' Compensation Act, 1923:

(i) Employer;

(ii) Dependent;

(iii) Disablement and

(iv) Wages.

Ans : **(May-22)**

The Employees' Compensation Act is social security legislation. It imposes statutory liability upon an employer to discharge his moral obligation towards his employees when they suffer from physical disabilities and diseases during the course of employment in hazardous working conditions. The Act also seeks to help the dependents of the employee rendered destitute by the 'accidents' and from the hardship arising out from such accidents. The Act provides for cheaper and quicker mode of disposal of disputes relating to compensation through special proceedings than possible under the civil law. The Act extends to the whole of India.

Definitions

Some important definitions are given below:

(i) Employer

The following persons are included in the definition of "employer":

(a) any body of persons incorporated or not;

(b) any managing agent of the employer;

(c) legal representative of a deceased employer. Thus, one who inherits the estate of the deceased, is made liable for the payment of compensation under the Act. However, he is liable only upto the value of the estate inherited by him;

(d) any person to whom the services of a employee are temporarily lent or let on hire by a person with whom the employee has entered into a contract of service or apprenticeship. [Section 2(1)(e)]

A contractor falls within the above definition of the employer. Similarly, a General Manager of a Railway is an employer.

(ii) Dependant

Section 2(1)(d) of the Act defines "dependant" as to mean any of the following relatives of a deceased employee, namely:

(i) a widow, a minor legitimate or adopted son, an unmarried legitimate or adopted daughter, or a widowed mother, and

(ii) if wholly dependent on the earnings of the employee at the time of his death, a son or a daughter who has attained the age of 18 years and who is infirm; and

(iii) if wholly or in part dependent on the earnings of the employee at the time of his death:

(a) a widower,

(b) a parent other than a widowed mother,

(c) a minor illegitimate son, an unmarried illegitimate daughter or a daughter legitimate or illegiti-mate or adopted if married and a minor, or if widowed and a minor,

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(d) a minor brother or an unmarried sister, or a widowed sister if a minor,

(e) a widowed daughter-in-law,

(f) a minor child of a pre-deceased son,

(g) a minor child of a pre-deceased daughter where no parent of the child is alive or

(h) a paternal grandparent, if no parent of the employee is alive.

Explanation - For the purpose of sub-clause (ii) and items (f) and (g) of sub-clause (iii) references to a son, daughter or child include an adopted son, daughter or child respectively.

(iii) Wages

According to Section 2(1)(m), the term "wages" include any privilege or benefit which is capable of being estimated in money, other than a travelling allowance or the value of any travelling concession or a contribution paid by the employer to an employee towards any pension or provident fund or a sum paid to employee to cover any special expenses entailed on him by the nature of his employment.

Wages include dearness allowance, free accommodation, overtime pay, etc.

The driver of a bus died in an accident. On a claim for compensation made by widow it was held that line allowance and night out allowance came under the privilege or benefit which is capable of being estimated in money and can be taken into consideration in computing compensation as part of wages. The claim of bonus being a right of the workman is a benefit forming part of wages and the same can be included in wages.

(iv) Disablement

The Act does not define the word Disablement. It only defines the partial and total disablement. After reading the partial or total disablement as defined under the Act one may presume that disablement is loss of earning capacity by an injury which depending upon the nature of injury and percentage of loss of earning capacity will be partial or total. The Act has classified disablement into two categories, viz. (i) Partial disablement, and (ii) Total disablement.

(i) Partial disablement

Partial disablement can be classified as temporary partial disablement and permanent partial disablement.

(a) Where the disablement is of a temporary nature

Such disablement as reduces the earning capacity of an employee in the employment in which he was engaged at the time of the accident resulting in the disablement; and

(b) Where the disablement is of a permanent nature

Such disablement as reduces for all time his earning capacity in every employment which he was capable of undertaking at the time. [Section 2(1)(g)] But every injury specified in Part II of Schedule I shall be deemed to result in permanent partial disablement.

(ii) Total disablement

Total disablement can also be classified as temporary total disablement and permanent total disablement.

"Total disablement" means, such disablement whether of a temporary or permanent nature, which incapacitates an employee for all work which he was capable of performing at the time of accident resulting in such disablement. Provided further that permanent total disablement shall be deemed to result from every injury specified in Part I of Schedule I or similarly total disablement shall result from any combination of injuries specified in Part II of Schedule I, where the

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aggregate percentage of loss of earning capacity, as specified in the said Part II against these injuries amount to one hundred per cent or more. [Section 2(1)(l)].

Q33. Explain the Salient Features of Workmen Compensation Act 1923.

Ans : **(Aug. - 17, 16, Mar. - 15)**

(a) The Compensable Injury Requirement

A worker is automatically entitled to certain compensation whenever he or she suffers from an accidental personal injury arising out of and in the course or scope of employment. There are differences among the states as to the exact language employed to qualify the injured worker for workers comp benefits, with some states having peculiar meanings to some of the same wording. The word "accident" is interpreted differently among the comp laws of states.

(b) Fault Is Irrelevant

Fault on the part of the employer and/or the worker is largely immaterial, although a body of cases has arisen over such issues as horseplay, intoxication, and willful disobedience to the instructions of the employer.

(c) Employee vs. Independent Contractor

Coverage is limited to those having the status of an employee, as opposed to an independent contractor. Again, a large body of cases has arisen over the distinction between an employee and an independent contractor, and this distinction is in many cases, hazy, at best.

(d) Workers Compensation Temporary Total Disability Comp

Lost income compen-sation to the worker during the period the worker is out of work under active medical care (called temporary total disability) of anywhere from one-half to two-thirds of the worker's average weekly wage . Insurance carriers seeking to terminate a workers' temporary total disability compensation often seek what is called an "independent medical examination by a doctor of its own choosing," but the term "independent" is more often than not misplaced, and a more accurate term would be "defense medical evaluation."

(e) Permanent impairment or permanent disability compensation

Most states provide some form of workmans compensation to the injured worker for certain categories of permanent injury. These are not to be mistaken for general damages for pain and suffering such as are awarded in civil damage claims brought by attorneys within the court system. There is a great deal of variance among the workmans comp laws of the various states as to the type of injuries which qualify for permanent impairment or permanent disability compensation, as well as the amounts of money allowed for permanent injuries.

(f) Death benefits compensation

Most states provide some form of compensation for survivors of workers who are killed as a result of job related accidents. Most often the compensation is an effort to replace the lost stream of income to the decedent's surviving dependents.

(g) Hospital, medical and vocational rehabilitation expenses

Generally, all reasonable and necessary compensation for medical care required by the injured worker is covered, including prescriptions, medical appliances, etc.. Needless to say, the medical condition requiring treatment must be causally related to the injury.

(h) "Statutory Immunity" of the Employer - Third Party Suits

The worker, in exchange for the certainty of receipt of workman's compensation regardless of fault, under most states' laws is deemed to have given up his or her common law right to sue the employer for negligence and damages for any injury covered by the statute. This is called the "statutory immunity"

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of employers. It was one of the historic trade-offs legislatures made to justify requiring employers to pay workers comp regardless of whether they were at fault.

Most states retain the right of the worker's lawyer to sue an outsider. These are called third party suits. There are widespread differences among the states as to who constitutes a third-party, what portion of the recovery from the third party suit the worker may keep and what portion of the compensation for damages in the third party suit must be repaid to the employer and its workers comp insurance carrier.

(i) Administration of workers compensation claims is typically in the hands of administrative agencies or commissions. Rules of procedure and evidence are generally relaxed in front of these agencies. A Commissioner or administrative law judge presides over workers compensation hearings and makes rulings on objections and procedural issues raised by the lawyers, similar to a judge in a law court.

(j) **Insurance:** In most states the employer must secure insurance coverage against workers comp claims through the purchase of private insurance or state-fund insurance. Many states have a procedure for authorizing larger, more secure employers to be their own self-insurer.

Provisions of Workmen's Compensation Act

The main theme of the Workmen's Compensation Act is to provide security to the worker who received partial or total incapacity resulting in a loss in earning capacity. The protection so afforded is independent of the acts of grace or mercy which the employer might show to him. Compensation rates vary depending upon whether the injury is leading to (a) temporary partial disability, (b) temporary total disability, (c) permanent partial disability, or (d) permanent total disability.

The Main Provisions of the Act are :

- Ensure the payment of compensation to an employee injured during the course of employment.
- Provide guidelines to the management and the employees regarding industrial safety
- Determine the liability of the employer
- Define and specify the duties of the employer and the employee in case of an accident
- Provide guidelines in determining and establishing the cause of an accident and responsibility for the same
- Maintain better safety standards in organizations.

Benefits

The Act specifies three conditions for claiming compensation from the employers :

i) There must be an injury,

ii) It should be caused in an accident, and

iii) It should be caused during the course of employment.

4.10 MINIMUM WAGES ACT 1948

Q34. Discuss the object and scope of the Minimum Wages Act.

Ans :

Object and scope of the legislation

The Minimum Wages Act was passed in 1948 and it came into force on 15th March, 1948. The National Commission on Labour has described the passing of the Act as landmark in the history of labour legislation in the country. The philosophy of the Minimum Wages Act and its significance in the context of conditions in India.

According to its preamble the Minimum Wages Act, 1948, is an Act to provide for fixing minimum rates of wages in certain employments. The employments are those which are included in the schedule and are referred to as 'Scheduled Employments'. The Act extends to whole of India.

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Q35. What points should be taken into consideration while fixing minimum wages?

Ans : **(Imp.)**

Fixation Of Minimum Rates of Wages [Section 3(1)(A)]

Section 3 lays down that the 'appropriate Government' shall fix the minimum rates of wages, payable to employees in an employment specified in Part I and Part ii of the Schedule, and in an employment added to either part by notification under Section 27. In case of the employments specified in Part II of the Schedule, the minimum rates of wages may not be fixed for the entire State. Parts of the State may be left out altogether. In the case of an employment specified in Part I, the minimum rates of wages must be fixed for the entire State, no parts of the State being omitted. The rates to be fixed need not be uniform.

Not with standing the provisions of Section 3(1)(a), the "appropriate Government" may not fix minimum rates of wages in respect of any scheduled employment in which less than 1000 employees in the whole State are engaged. But when it comes to its knowledge after a finding that this number has increased to 1,000 or more in such employment, it shall fix minimum wage rate.

Revision Of Minimum Wages

According to Section 3(1)(b), the 'appropriate Government' may review at such intervals as it may thing fit, such intervals not exceeding five years, and revise the minimum rate of wages, if necessary. This means that minimum wages can be revised earlier than five years also.

Manner Of Fixation/Revision Of Minimum Wages

According to Section 3(2), the 'appropriate Government' may fix minimum rate of wages for:

(a) time work, known as a Minimum Time Rate;

(b) piece work, known as a Minimum Piece Rate;

(c) a "Guaranteed Time Rate" for those employed in piece work for the purpose of securing to such employees a minimum rate of wages on a time work basis; (This is intended to meet a situation where operation of minimum piece rates fixed by the appropriate Government may result in a worker earning less than the minimum wage), and

(d) a "Over Time Rate" i.e. minimum rate whether a time rate or a piece rate to apply in substitution for the minimum rate which would otherwise be applicable in respect of overtime work done by employee.

Section 3(3) provides that different minimum rates of wages may be fixed for –

(i) different scheduled employments;

(ii) different classes of work in the same scheduled employments;

(iii) adults, adolescents, children and apprentices;

(iv) different localities

Further, minimum rates of wages may be fixed by any one or more of the following wage periods, namely:

(i) by the hour,

(ii) by the day,

(iii) by the month, or

(iv) by such other large wage periods as may be prescribed;

and where such rates are fixed by the day or by the month, the manner of calculating wages for month or for a day as the case may be, may be indicated.

However, where wage period has been fixed in accordance with the Payment of Wages Act, 1936 vide Section 4 thereof, minimum wages shall be fixed in accordance therewith [Section 3(3)].

Minimum Rate Of Wages (Section 4)

According to Section 4 of the Act, any minimum rate of wages fixed or revised by the appropriate Government under Section 3 may consist of –

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(i) A basic rate of wages and a special allowance at a rate to be adjusted, at such intervals and in such manner as the appropriate Government may direct to accord as nearly as practicable with the variation in the cost of living index number applicable to such worker (hereinafter referred to as the cost of living allowance); or

(ii) A basic rate of wages or without the cost of living allowance and the cash value of the concession in respect of supplies of essential commodities at concessional rates where so authorized; or

(iii) An all inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

The cost of living allowance and the cash value of the concessions in respect of supplies essential commodities at concessional rates shall be computed by the competent authority at such intervals and in accordance with such directions specified or given by the appropriate Government.

Q36. Write about Authority and Claims, Offences and Penalties under minimum wages Act 1948.

Ans :

Under Section 20(1) of the Act, the appropriate Government, may appoint any of the following as an authority to hear and decide for any specified area any claims arising out of payment of less than the minimum rate of wages or in respect of the payment of remuneration for the days of rest or of wages at the rate of overtime work:

(a) Any Commissioner for Workmen's Compensation; (or)

(b) Any officer of the Central Government exercising functions as Labour Commissioner for any region; or

(c) Any officer of the State Government not below the rank of Labour Commissioner; or

(d) Any other officer with experience as a Judge of a Civil Court or as the Stipendiary Magistrate.

The authority so appointed shall have jurisdiction to hear and decide claim arising out of payment of less than the minimum rates of wages or in respect of the payment remuneration for days of rest or for work done on such days or for payment of overtime.

The provisions of Section 20(1) are attracted only if there exists a disputed between the employer and the employee as to the rates of wages. Where no such dispute exists between the employer and employees and the only question is whether a particular payment at the agreed rate in respect of minimum wages, overtime or work on off days is due to an employee or not, the appropriate remedy is provided by the Payment of Wages Act, 1936.

Q37. Discuss briefly the compliance management under the Minimum Wages Act.

Ans :

The establishment must ensure following compliances under the Act. These compliances are not exhaustive but illustrative.

1. The Government revised the minimum wages once/twice/ thrice during the financial year under reference and the Establishment has paid to all its employees minimum wages in accordance with the rates at respective point of time and at the respective rates specified in notification under Section 5 of the MWA.

2. The Establishment has issued wage slips to all its employees in respect of each of the wage period.

3. Where the services of any employee were terminated for any reason whatsoever, the wages were paid within two working days from the date of such termination.

4. The Establishment did not make any unauthorized deduction from the wages of any of its employees. Further, the deductions if any, made were within the limits of fifty percent (or seventy five percent in case of cooperatives) of wages earned by such employees during the period under reference.

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5. Where the Establishment was constrained to impose any fine or deduct wages on account of damages caused by any employee, the latter was given an opportunity of being heard in the presence of a neutral person and was also communicated the amount of fine imposed or deduction made from the wages.

6. The Establishment has eight working hours per day, inclusive of half an hour of interval.

7. All claims under Section 20 of the MWA were paid within the time limit specified in the Order.

Q38. Explain the modifications would like to propose on workmen's compensation Act and minimum wages Act.

Ans : **(Feb. - 17)**

The Workmen's Compensation Act and Minimum Wages Act of India are very useful in saving the rights of workers, labours or employees. However, these Acts can be more effective if they are modified based on the current situation of Indian labour market. Because, currently labour/workers may get cheated by the employers due to lack of knowledge about these Acts. Following are some of the suggested modification to done under these Acts,

1. Workers must have the right to receive injuries compensation from employers on instant basis. The process of compensating workers for injuries during work is very lengthy one due to which most of the employers take the advantage of such lengthy process. As a result, worker may receive either 50% or less or no compensation from employers.

2. It should be mandatory for all the employers to follow the policies and procedures of Workmen's Compensation Act and Minimum Wages Act. Because, in India some employer may follow some may not or some may provide full compensation or some may provide 50% or less.

3. The compensation amount of a worker's death injury during work should be fixed based on the number of family members of a worker. If any worker had more family members or dependents then the compensation should be provided based on requirement of dependents.

Q39. Write about salient features of minimum wage act.

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

The important provisions of the Minimum Wages Act, 1948 are as follows,

1. Fixing of Minimum Wages

The fixation of minimum wages for an employment basically requires that it must be considered in the schedule of the act. The minimum rates of wages payable to the employees employed in the industries as mentioned in the schedule is fixed by the appropriate government and revisions are done once in five years. The minimum wage is fixed at time rate, piece rate, guaranteed time rate and overtime rate. The minimum rate of wages includes basic wages and an allowance related to the cost of living index, basic wages and supply of important commodities or consolidated wages.

2. Minimum Rate of Wages

The government fixes the following rates,

(i) A minimum time rate

(ii) A minimum price rate

(iii) A guaranteed time rate

(iv) An overtime rate, suitable to various occupations, localities, or work classes and for adults, adolescents, children and apprentices.

Eventhough, the appropriate government may entitle the payment of minimum wages, such wages will be paid in cash either wholly or partly as per the specifications.

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3. Procedure for Fixing and Revising Minimum Wages

In case of any scheduled employment, the act specifies the fixing and revision of minimum rates of wages. This act recommends the appointment of committees and sub-committees for doing enquires and advising the appropriate government in fixing and revising the minimum rates of wages, for appointing the advisory board for coordinating the work of committees and sub-committees and for advising the appropriate government on the matters related to the fixing and revising of minimum rates of wages. For guiding the central and state governments and for coordinating the work of the advisory board, a central advisory board must be appointed. This board act as tripartite in composition which includes the individuals who are nominated by the appropriate government representing the respective employers and employee and dependent persons who must notbe more than one third of thetotal number of members. From the independent persons, one person will be appointed as the chairman of the appropriate government.

4. Working Hours

The number of working hours is also fixed by the government, the government should give a weekly day off rest, pay remuneration for the days of rest and payment for work on a day of rest at rate not less than the overtime rate.

5. Overtime

If an employee works on any day more than the number of working hours constituting a normal working day then the employer must pay him at the overtime rate fixed as per this act or any other law of the appropriate government which ever is higher.

6. Employer's Obligation

It is the legal obligation of the employers to pay the rates after the fixation or revision of minimum rates of wages as per the procedure specified under the act. They cannot claim for the incompetency of the industry to pay.

7. Exemptions

The appropriate government specifies that the provisions of this act is not applicable to the wages payable to the disabled employees. For certain reasons, the government may recommend that the provisions of this act or any other act is not applicable to all or any class of employees or to any locality where employment is conducted. No provision of this act applies to the wages payable by an employer to a member of his/her family who is living with him/her and is dependent on him/her.

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Short Question and Answers

1. Define the term Compensation.

Ans :

Compensation is a tool used by management for a variety of purpose to further the existence of the company. It is a remuneration that an employee receives in return for his or her contribution in the organisation. So, the employee compensation programs are designed to attract capable employees to the organisation, to motivate them towards superior performance and to retain their services over an extended period of time.

According to Wendell French, Compensation is a comprehensive term which includes wages, salaries and all other allowance and benefits.

Wages are the remuneration paid for skilled, semi-skilled and unskilled operative workforce. Salaryis the remuneration of those employees who provides mental labour to the employer such as supervisor, office staff, executive etc wages are paid on daily or hourly basis where as salary is paid on monthly basis.

2. Significance of compensation.

Ans :

The significance of compensation can be explained from the following points,

(i) Fair compensation satisfies the workers and enhance the morale, efficiency and cooperations among workers.

(ii) Compensation helps the management to follow different labour laws.

(iii) It helps in improving the job evaluation process.

(iv) Employees are motivated to perform efficiently and meet the specified targets.

(v) It also helps in reducing the labour turnover.

(vi) Ideal compensalion/Reward systems helps in maintaining peace among employer and employees.

(vii) A good compensation system have positive effect on efficiency and outcomes of employees.

3. Discuss the advantages and problems of linking compensation with performance.

Ans :

Advantages

The advantages of linking compensation with performance are discussed below,

1. Linking compensation with performance would help in changing the perception of employees, who are dissatisfied with their job. Such linking would help them to start liking their jobs.
2. It would makes the employees understand about the importance of good performance which would have a positive impact upon the overall organizational performance.
3. It helps in enhancing carrer growth of the employees.
4. It promotes social justice that define the non-discrimination in terms of race, gender, social and religious groups.
5. High level of importance was given to the credibility and credentials of employee performance.
6. It would facilitate in building roles, responsibilities and skills of employees.

Problems

The problems of linking compensation with performance are as follows,

1. If connectivity between performance and compensation are not maintained, then there is a possibility that the top performers may leave the company.
2. The rewards and incentives are subjected to give only for the employees who has given long service to the company.

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3. Discouragement of rewards and incentives to the employees who joined recently in the company.
4. Expectations of job stability will fade away in employees.
5. It may lead to demotivation among the low performing employees.

4. Define job evaluation.

Ans :

Meaning of Job Evaluation

Job evaluation is the process of analyzing and assessing the various jobs systematically ascertain their relative worth in an organization. Jobs are evaluated on the basis of their content and are placed in the order of their importance. In this way, a job hierarchy is established in the organization, the purpose being fixation of satisfactory wage-differentials among various jobs.

5. Objectives of Job Evaluation.

Ans :

The principle upon which all job evaluation schemes are based is that of describing and assessing the value of all jobs in the firms in terms of a number of factors, the relative importance of which varies from job to job.

1. To secure and maintain complete, accurate and impersonal descriptions of each distinct job or the entire plant.
2. To provide a standard procedure for determining the relative worth of each worth of each job in a plant.
3. To determine the rate of pay for each job this is fair and equitable with relation to other job in the plant, community or industry.

6. Demerits of Job Grading

Ans :

i) Although it represents an advance in accuracy over the ranking method, it is still leaves much to desired because personal evaluations by executive (unskilled in such work) establish the major classes, and determine into which classes each job should be place,

ii) Since no detailed analysis of a job is done, the judgment in respect of a whole range of jobs may produce an incorrect classification.

iii) It is relatively difficult to write a grade description. The system becomes difficult to operate as the number of jobs increases.

iv) It is difficult to know how much of a job's rank is influenced by the man on the job.

v) The system is rather rigid and unsuitable for a large organization or for very varied work.

7. Point Method.

Ans :

This method is the most widely used type of job evaluation plan. It requires identifying a number of compensable factors (i.e., various characteristics of jobs) and then determining degree to which each of these factors is present in the job. A different number of points are usually assigned for each degree of each factor. Once the degree to each factor is determined, the corresponding number of points of each factor is added and an overall point value is obtained. The point system is based on the assumption that it is possible to assign points to respective factors which are essential for evaluating an individual's job. The sum of these points gives us an index of the relative significance of the jobs that are rated.

8. Demerits of Point Method.

Ans :

i) The development and installing of the system calls for heavy expenditure.

ii) The task of defining job factors and factor degrees is a time-consuming and difficult task.

iii) If many rates are used, considerable clerical work is entailed in recording and summarizing the rating scales.

iv) It is difficult to determine the factor levels within factors and assign values to them.

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9. Pay for Performance.

Ans :

In this parameter an employee's compensation is based on his/her performance. As the performance fluctuates or varies from one year to the other, the compensations should also be changed from one year to other year.

There are two major benefits of "pay for performance". Firstly, it motivates the employees to perform better throughout the year, as their pay is directly related to their job performance.

Secondly, the organization does not have to repeatedly pay bonuses to the employees for their good performance in just one year.

10. Define group incentive.

Ans :

Group incentive pay plans reward employees for their group performances rather than individual performances. Each and every individual of the group may not contribute equally in the same level of efforts for achieving the objective but all individuals are eligible to get reward on behalf of group's excellent performance.

11. Define Employee Benefits. What are the objectives of Benefits?

Ans :

Employee benefits are the important elements of remuneration beside various forms of cash pay. The employee benefits acts as quantifiable measure for the individual employees. The benefits which are provided mandatorily to the employees are called obligatory benefits. Example social security, unemployment compensation, worker's disability compensation, financial protection comes under obligatory benefits. Employee benefits are offered to the employees by the managers in order to attract and retain the valuable asset, encourage and satisfy the employees with the compensation package, improve their standard of living, by providing medical facilities both to the employees and their families, which makes the employees work efficiently for the organization.

12. Objectives of Benefits.

Ans :

Following are the objectives of benefits,

(a) To improve the standard of living of the employees.

(b) The benefits and services satisfies social, economic and human need aspects.

For instance, social aspects include the status of an individual and the standards of living.

Economic aspects deals with saving the earnings and utilizing it properly and the human aspects deals with developing the esteem needs of the individuals in a society.

(c) To enhance the employees commitment towards the organization.

13. Define the term welfare.

Ans :

Welfare means helping, protecting or performing well at the workplace. It is a boarder concept used to reflect the physical mental, moral and emotional stability of an individual. Welfare is a relative concept which tends to vary from country to country, region to region and from time to time.

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The term 'employee welfare' refers to the safeguard measures undertaken by the employers, trade unions, governmental and other related agencies.

14. Minimum Wages Act.

Ans :

The Minimum Wages Act was passed in 1948 and it came into force on 15th March, 1948. The National Commission on Labour has described the passing of the Act as landmark in the history of labour legislation in the country. The philosophy of the Minimum Wages Act and its significance in the context of conditions in India.

15. State the features of a good compensation system

Ans :

1. It must be simple to understand.
2. There should be equal work for equal pay
3. It should offer minimum wages to workers and incentives for good performance
4. It should attract and train people in the organization.
5. It should motivate workers to contribute their best to organizational goal by linking Wages with output
6. It should satisfy lower and higher-order needs of the employees.
7. It should maintain balance and harmony amongst managers and workers. Confects should be reduced.

16. What other benefit other than compensation can keep the employees of an organization happy and satisfied?

Ans :

To attract and keep their best employees, companies provide a "package" that includes compensation (money), incentives (special perks or rewards for good work), and benefits (valuable options such as health insurance and paid vacation).

Because each employee is unique, larger corporations offer a wide range of mix-and-match options to suit individual needs and preferences. As a manager, you may have the option of offering your team members specific incentives based on their type of work and particular areas of interest and need.

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Choose the Correct Answers

1. Relative worth of a job is known by - [a]
   (a) Job design (b) Job analysis
   (c) Job evaluation (d) Job change
2. Methods of job evaluation are - [c]
   (a) Qualitative method (b) Quantitative method
   (c) Both (a) and (b) (d) None of these
3. Quantitative job evaluation method are [d]
   (a) Ranking method (b) Point rating method
   (c) Factor comparison method (d) Both (b) and (c)
4. Qualitative job evaluation method are [d]
   (a) Ranking (b) Grading
   (c) Point Rating (d) Both (a) and (b)
5. _____ arranges the job in numerical order from highest rank to lowest rank on the basis of duties and responsibilities. [a]
   (a) Ranking method (b) Grading method
   (c) Point rating method (d) Factor comparison method
6. _____ a predetermined groups or classes are established and jobs are assigned to each classification: [b]
   (a) Ranking method (b) Grading method
   (c) Point rating method (d) Factor comparison method
7. _____ the more compensable factor a job possess the more points are assigned to it: [c]
   (a) Ranking method (b) Grading method
   (c) Point rating method (d) Factor comparison
8. _____ few key jobs are selected and compared in terms of common factors: [a]
   (a) Factor comparison method (b) Ranking method
   (c) Grading method (d) Point rating method
9. _____ is the systematic, periodic and impartial rating of an employee excellence in matters pertaining to his present job and his potential for a better job. [a]
   (a) Performance appraisal (b) Compensation and motivation
   (c) Training and Development (d) Performance indicator
10. Traditional method of performance appraisal includes [d]
   (a) Confidential reports (b) Paired comparison method
   (c) Free form or easy method (d) All of these

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Fill in the Blanks

1. _____ is a tool used by management for a variety of purpose to further the existence of the company.
2. _____ compensation refers to all forms of pay going to employees and arising from their employment.
3. _____ is an aggregate of all the financial and non-financial reward offered to an employee.
4. _____ helps in developing the performance levels of employee.
5. _____ is an adjustment to base pay that is directly related to the employee's performance.
6. _____ awards must be included in pay for performance plans.
7. _____ benefits are the important elements of remuneration beside various forms of cash pay.
8. _____ means helping, protecting or performing well at the workplace.
9. The Minimum Wages Act was passed in _____
10. The fixation of _____ wages for an employment basically requires that it must be considered in the schedule of the act.

ANSWERS

1. Compensation
2. Employee
3. Total reward
4. Recognition
5. Merit pay
6. Individual spot
7. Employee
8. Welfare
9. 1948
10. Minimum

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One Mark Answers

1. Compensation.

Ans :

Compens-ation is a comprehensive term which includes wages, salaries and all other allowance and benefits.

2. Frienge Benefits

Ans :

Fringe benefits are any wage cost not directly connected with the employees productive effort, performance, service or sacrifice .

3. Job Evaluation

Ans :

Job evaluation is the process of analyzing and assessing the various jobs systematically ascertain their relative worth in an organization.

4. Total rewards

Ans :

"Total reward includes all type of rewards - indirect as well as direct and intrinsic as well as extrinsic".

5. Incentives

Ans :

Incentives are monetary benefits paid to workmen in recognition of their outstanding performance.

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UNIT V

Employee Relations: Labor Movement, Collective Bargaining Process, Grievances: Grievances Handling Procedure, Employee Separation, Employee Safety and Health, Occupational Safety Law, Work Place Health Hazards Problems, Remedies and Work-Life Integration, Stress Management: Salient Features of Industrial Disputes Acts 1947, Factories Act.

Prevention of Sexual Harassment (PoSH) and Migrant Labor Act.

5.1 Employee Relations

Q1. Define Employee Relations. What are the objectives of Employee Relations.

Ans :

Meaning

The term 'employee relation' is defined as the relationship between the employer or representative manager and the employees who aims towards building and maintaining commitment, morale and trust for forming a productive and secure work environment.

Objectives

The following are the objectives of employee relations,

1. To motivate and build good employee-employer relations.
2. To reduce conflicts at various levels such as at workplace, at individual, inter-group/team and intra-roup/team levels.
3. To minimize the attrition of good performers.
4. To increase the morale of the workers and develop a sense of organizational pride.
5. To assure discipline at the workplace and develop a constructive and congential work environment.
6. To offer motivational incentives and benefits for improving the economic status of the workers.
7. To develop democratic systems which seeks employee partnership by employee-empowerment and employee-engagement programmes.
8. To assist the worker in solving their problems by coaching, counselling and mentorship programmers.
9. To motivate workers for participating in sessions of quality improvements, technical and process innovations and brainstorming for organizational excellence.
10. To enhance the quality of work-life, reduce the stress at workplace and provide a healthy work-life balance for improving the employee productivity.

Q2. Explain the concept of employee Relationship Management in Organizational context.

Ans : **(Feb.-17)**

Employee relationship management plays a key role in developing organization's value. Employees hold a long-term relationship with the organization.

Equal commitment from both the parties (i.e., employee and management) would enable in establishing a good relationship. In order to improve the relationship between management and employee, technology can be used. Technology is one of the important constituents in developing the relationship. Some of the facilities offered by technology are as follows,

(i) Technology of knowledge management facilitates the employee to be aware of events occurring in the firm

(ii) Technology of work flow systems ensure proper coordination and continuous flow of work

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(iii) Firms utilize payroll system to make accurate and on time payment of salaries to employees

(iv) Technology provides the opportunity of online self-training for employees in order to make them up-to-date and enhance the ability of the employees.

(v) The tools such as e-mail, company portals and electronic calendars help employees in knowing the status of the company and to contribute their ideas effectively through this advanced technology.

Employee relationship management will enhance productivity by enhancing employee morale, loyalty etc. Thus, employee relationship management is an essential element of the management and it is possible through the mutual understanding of both, the management and the employees.

5.2 Labor Movement

Q3. What do you understand by Labour movement

Ans :

- The labor movement grew out of the need to protect the common interest of workers. For those in the industrial sector, organized labor unions fought for better wages, reasonable hours and safer working conditions.
- The labor movement led efforts to stop child labor, give health benefits and provide aid to workers who were injured or retired.
- The origins of the labor movement lay in the formative years of the American nation, when a free wage-labor market emerged in the artisan trades late in the colonial period. The earliest recorded strike occurred in 1768 when New York journeymen tailors protested a wage reduction. The formation of the Federal Society of Journeymen Cordwainers (shoemakers) in Philadelphia in 1794 marks the beginning of sustained trade union organization among American workers.
- From that time on, local craft unions proliferated in the cities, publishing lists of "prices" for their work, defending their trades against diluted and cheap labor, and, increasingly, demanding a shorter workday.
- Thus a job-conscious orientation was quick to emerge, and in its wake there followed the key structural elements characterizing American trade unionism-first, beginning with the formation in 1827 of the Mechanics' Union of Trade Associations in Philadelphia, central labor bodies uniting craft unions within a single city, and then, with the creation of the International Typographical Union in 1852, national unions bringing together local unions of the same trade from across the United States and Canada (hence the frequent union designation "international").
- Although the factory system was springing up during these years, industrial workers played little part in the early trade union development. In the 19th century, trade unionism was mainly a movement of skilled workers.
- The early labor movement was, however, inspired by more than the immediate job interest of its craft members. It harbored a conception of the just society, deriving from the Ricardian labor theory of value and from the republican ideals of the American Revolution, which fostered social equality, celebrated honest labor, and relied on an independent, virtuous citizenship.
- The transforming economic changes of industrial capitalism ran counter to labor's vision. The result, as early labor leaders saw it, was to raise up "two distinct classes, the rich and the poor." Beginning with the workingmen's parties of the 1830s, the advocates of equal rights mounted a series of reform efforts that spanned the nineteenth century.
- Most notable were the National Labor Union, launched in 1866, and the Knights of Labor, which reached its zenith in the mid- 1880s.
- On their face, these reform movements might have seemed at odds with trade unionism, aiming as they did at the cooperative commonwealth rather than a higher wage,

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appealing broadly to all "producers" rather than strictly to wageworkers, and eschewing the trade union reliance on the strike and boycott.

- But contemporaries saw no contradiction: trade unionism tended to the workers' immediate needs, labor reform to their higher hopes.
- The two were held to be strands of a single movement, rooted in a common working-class constituency and to some degree sharing a common leadership. But equally important, they were stands that had to be kept operationally separate and functionally distinct.

Q4. Define Trade Union? What are the features of Trade union?

Ans :

Meaning

Trade unions are a major component of the modern industrial relations system. According to webbs, a trade union is a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives. Under the Trade Union Act of 1926, the term is defined as any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workers and employers, or for imposing restrictive conditions on the conduct of any trade or business and includes any federation of two or more unions.

Definitions

i) **According to Dale Yoder**, "A trade union is a continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives."

ii) **According to S.D. Puneker**, "A trade union is a monopolistic combination of wage-earners who as individual producers are complementary to one another but who stand to employers in a relation of dependence for the sale of their labour and production, and that the general purpose of association is in view of that dependence to strengthen their power to bargain with the employers or bargaining collectively."

iii) **According to the British Trade Union Act** views it thus, "A trade union is a combination with the main objective of regulating the relation between workmen and masters or between workmen and workmen or between masters and masters for imposing of restrictive conditions on the conduct of any trade or business and also provision of benefits to members."

iv) **According to of Indian Trade Union Act, 1926,** "A trade union is any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers, or between workmen and workmen, between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions."

Features

Features of trade unions are as follows :

1. Voluntary Association

A trade union is basically a voluntary association of employees. Individuals agree on their own to join and act together in order to try and fulfil the purposes for which they come together. It has large number of worker members from one or more occupations.

2. Community of Interests

Members of a trade union have common interests and problems, which motivates them to unite. A union seeks to regulate relations between employers and workers.

3. Having Authority Flow from the Members

Since trade unions are voluntary associations of employees, the leaders are elected by the members. Thus, the real authority is vested only with the members of the unions. This is in contrast to the formal organisations, where authority flows from the top to the bottom.

4. Dealing with Collective Action

By means of collective action, trade unions attempt to match the power and resources of the employers. This collective nature of activities alone helps the trade unions to establish equality with the employers. It also

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facilitates better bargaining with the employers on matters relating to the interests and rights of the employees.

5. Acting as an Intermediary

The role of the trade unions within an organisation is similar to that of mediators. Though a trade union is primarily meant for the protection of its members' interests, it actually plays the role of intermediary between employers and employees. It indeed eliminates the employers' need to consult each and every employee before taking decisions affecting him.

6. Sub-System

A trade union is a sub-system of the social system. Therefore, its character undergoes change with changes in economic, social, legal and political conditions of the country. A union functions collectively to protect and promote the interests of its members within a given socio-economic system together in a body.

Q5. What are the Objectives of Trade Unions?

Ans :

The following are the Objectives of Trade Unions :

1. To attain economic security

In other words, securing permanent employment with higher salary and benefits.

2. To improve bargaining power

Workers would like to restrain and resist the management's irrational, illogical and discriminating actions.

3. Ventilation

To ventilate to the management their grievances.

4. Wages and salaries

The subject which drew the major attention of the trade unions is wages and salaries. Of course, this item may be related to policy matters. However, differences may arise in the process of their implementation. In the case of unorganised sector the trade union plays a crucial role in bargaining the pay scales.

5. Working conditions

Trade unions with a view to safeguard the health of workers demands the management to provide all the basic facilities such as, lighting and ventilation, sanitation, rest rooms, safety equipment while discharging hazardous duties, drinking, refreshment, minimum working hours, leave and rest, holidays with pay, job satisfaction, social security benefits and other welfare measures.

6. To fight against improper personal policies

Trade unions may fight against improper implementation of personnel policies in respect of recruitment, selection, promotions, transfers, training, etc.

7. Discipline

Trade unions not only conduct negotiations in respect of the items with which their working conditions may be improved but also protect the workers from the clutches of management whenever workers become the victims of management's unilateral acts and disciplinary policies. This victimisation may take the form of penal transfers, suspensions, dismissals, etc.

8. Welfare

As stated earlier, trade unions are meant for the welfare of workers. Trade union works as a guide, consulting authority and cooperates in overcoming the personnel problems of workers. It may bring to the notice of management, through collective bargaining meetings, the difficulties of workers in respect of sanitation, hospitals, quarters schools and colleges for their children's cultural and social problems.

9. Harmonious Employee-employer relations

Harmonious relations between the employee employer are a sine quo non-for industrial peace. A trade union always strives for

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achieving this objective. However, the bureaucratic attitude and unilateral thinking of management may lead to conflicts in the organisation, which ultimately disrupt the relations between the workers and management. Trade union being the representative of all the workers may carry out continuous negotiations with the management with a view to promote industrial peace.

10. Negotiating Machinery

Negotiations include the proposals made by one party and the counter proposals of the other party. This process continues until the parties reach an agreement. Thus, negotiations are based on 'give and take' principle. Trade union being a party for negotiations protects the interests of workers through collective bargaining. Thus the trade union works as the negotiating machinery.

11. Safeguarding organisational health and interest of the machinery

Organisational health can be diagnosed by methods evolved for grievance redressal and techniques adopted to reduce the rate of absenteeism and labour turnover and to improve the employee relations. Trade unions by their effective working may achieve employee satisfaction. Thus, trade unions help in reducing the rate of absenteeism, labour turnover and developing systematic grievance settlement procedures leading to harmonious industrial relations.

Q6. What are the Functions of trade union?

Ans :

(i) Increasing Co-operation and Well-being among Workers

The modem industry is complex and demands specialization in jobs. This results in extreme division of labor, which leads to the growth of individualism and development of impersonal and formal relationships. There is no common unifying bond among the workers.

(ii) Securing Facilities for Workers

Most of the industrialists are not very keen on providing the facilities and proper working conditions to the workers. They are more interested in getting their work done to the maximum extent. In such conditions, trade unions fight on behalf of the workers and see that the facilities have been provided by the management.

(iii) Establishing Contacts between the Workers and the Employers

In present days, there are many industries, which have grown into giants. A single unit in a particular industry may employ hundreds of employees. Many times a worker or employee may not have a chance to see their managers. In this situation, the workers are not able to express their grievances before their employers, and even the management does not know the difficulties faced by the workers.

(iv) Trade Unions working for the Progress of the Employees

The trade unions try to improve the economic conditions of the workers by representing their cases to the employers and try to get adequate bonus to the workers.

(v) Safeguarding the Interests of the Workers

Most of the industries try to exploit the workers to the maximum. They do not provide any benefits such as increasing their wages, granting sick leaves, giving compensation in case of accidents, etc. The workers are not made permanent even after many years of service and in some eases they are removed from service summarily. The trade unions provide security to the employees in such situations.

(vi) Provision of Labor Welfare

The economic conditions of the industrial workers in India are very poor. The standard of living is very low. A majority of industrial workers in India are illiterate or semi-literate. It is the responsibility of the trade unions to

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get them proper housing facilities and promote the socio-economic welfare of the laborers. The trade unions also try to arrange educational facilities for the children of the workers.

Q7. What are the Problems of Trade Union.

Ans :

The trade union movement in India is still in its infancy and, therefore, we cannot compare it with the giant unions of U.K. and U.S.A. some of the weaknesses of the trade union movement in India may be enumerated below:

1. Small size of trade unions

Most of the trade unions in India are of small size having very small membership. 80% of the unions are of less than 500 members. This is not a healthy development because small unions are not in a position to carry on collective bargain, negotiate effectively, maintain discipline among their own members and finance mutual benefit schemes. Small unions fail in pressurizing the Government or the employers in the pursuit of meeting worker's demands. The small size of the trade unions is attributed to the provision in the Trade Union Act, requiring only seven members to form an association or union.

2. Limited membership

Trade union in India are confined to urban areas and their total membership forms a small percentage of the total workers. Even in organized sector, where trade unions are strong, a good number of workers do not join any union. A Government survey disclosed that there are 82% of the units where number of workers are below 500 but only 18% of the total workers were the members of the Trade union.

3. Outside leadership

In India trade unions are in the hands of outsiders are generally professional men such as Sawyers or social and political workers. They have no technical knowledge of industry concerned and of the problems the workers face. They could not pay proper attention to the union work. Further philanthropic nature of their work weakens their sense of responsibility. The main reason of this outside leadership in illiteracy among workers.

4. Low income of members and meager funds

Poverty and low saving capacity of the members hinder the growth of healthy trade union movement. The workers fail to contribute their subscription or some members do not even become member of the union just to avoid their contribution. Moreover, subscription is not paid regularly hence the funds with the trade union are limited and they cannot contribute much to the labour welfare. A survey estimates disclose that only 4% of their income h spent on welfare work.

5. Migratory Character

The migratory character of Indian labour has proved a great hindrance hi the development of the movement. The workers do not take keen interest in union activities, because they are mainly concerned with coming from and going to their villages. Workers are generally themselves absent from their duty at the time of crops.

6. Illiteracy

Indian labour is illiterate and fails to understand the trade unionism. Workers do not understand the implications of the law and the outside leadership. They tend to develop a complex feeling and a slavish mentality. They are easily exploited by their leaders for their own vested interests.

7. Multiplicity of Unions

There are more man one unions in most of the industries in India because of various political parties' dominance over workers. So the membership of each union remains very meager to influence the employer or the government in safeguarding their interest. A good number of workers could not become the member of any union because they could

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not decide which union they should join. The multiplicity of union leads inter-union rivalries and weakens the collective bargaining power.

8. Political Influence

Trade union in India have been an arena for the struggle of the conflicting political ideologies. Different political parties have always been trying to capture the labour movement. It is not uncommon that strikes are arranged by the leader only to serve their political aims. Consequently movement lacks unity and solidarity. It is evident form the fact that all the central union are controlled by different political ideologies

9. Lack of Unity

Indian labour is not only illiterate, and financially backward but also divided on the basis of their caste, creed and religion which prevent them to unite. Individual differences increase and foil the movement.

10. Instability of Trade Union

In India, many trade unions continue to be virtually strike associations expanding rapidly when a conflict arises but liquidating equally with the same speed when a conflict is over. This character weakens the strength of the trade union movement.

11. Attitude of Employers

The attitude of the employers in India has been found to be hostile to the organization of trade unions. They adopt all means to disrupt the activities and unity of workers. They also victimize the leaders of labour movement and employ in sonic cases, gonads and strikebreakers to sabotage the union activities. Inducing the' setting up of rival union has also been a popular practice with employers,

12. Defective System of Recruitment

The recruitment is made by intermediaries who oppose the formation of trade unions. Sometimes they impose the conditions at the time of recruitment that workers shall not join any trade union.

13. Narrow Outlook of Unions

Trade unions have a very narrow range of services. They rarely look after the social needs of workers. They do not cooperate with employers in the accomplishment of organizational goals. They are always in striking position.

Q8. Explain the Measures to Overcome Problems of Trade Unions

Ans :

Sound trade union has the potentialities for generating a healthy circle of better labour productivity, increasing earnings of labour, expanding their purchasing power, improving their working and living conditions, increasing efficiency, and having more production.

Such a state of affairs would be beneficial not only to workers, but also to the industry and to the nation. Therefore, it is essential to recognize the vital importance of trade union as an integral part of the industrial structure of India. The Government and many enlightened employers do appreciate the importance of the role of trade unions, and their policy is one of encouragement and assistance to the trade unionism.

A few suggestions for the development of such unions are:

I. One Union in One Industry

Multiplicity of unions in the same plant leads to inter-union rivalry that ultimately cuts at the root of the trade union movement. It weakens the power for collective bargaining and reduces the effectiveness of workers in securing their legitimate rights. Therefore, there should be only one union in one industry.

II. Paid Union Officials

Generally, the trade unions avail the services of the honorary workers due to lack of funds. The practice should be stopped because honorary office bearers cannot do full justice to the task entrusted to them because of lack of time at their disposal. Suppose that you are asked to do something in the office, which

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requires a lot of responsibility. You are not offered any thing in return. Of course the motivational levels will come down unless and until you are a very passionate or a committed person. The same applies to the officials of the unions. Therefore, paid union officials should be employed who are persons of proven integrity and who are able to evaluate the demands of workers so that they may negotiate with employers on equal footing.

III. Development of Leadership from Within

It is of crucial importance that trade unions are managed by the workers, and not by outsiders. Leadership should be developed from within the rank and file of the workers. We have already discussed the problems related to the outside leadership in the organisations. Please note that the outside leadership should not be encouraged in the organisations because of the following reasons:

The outsiders do not have any knowledge about the functioning of the organisation.

5.3 COLLECTIVE BARGAINING

Q9. Define collective bargaining ? Explain the characteristics of collective bargaining.

Ans : **(Imp.)**

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" Dubin

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".

iv) 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".

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Characteristics

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."

Q10. 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.

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(ii) Importance to employers

1. It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.
2. Collective bargaining tends to promote a sense of job security among employees and thereby tends to reduce the cost of labor turnover to management.
3. Collective bargaining opens up the channel of communication between the workers and the management and increases worker participation in decision making.
4. Collective bargaining plays a vital role in settling and preventing industrial disputes.

(iii) Importance to society

1. Collective bargaining leads to industrial peace in the country
2. 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.
3. The discrimination and exploitation of workers is constantly being checked.
4. It provides a method or the regulation of the conditions of employment of those who are directly concerned about them.

Q11. What are the Levels of Collective Bargaining?

Ans :

Levels of Collective Bargaining

Collective bargaining is generally structured at three levels :

(i) Plant level

(ii) Industry level

(iii) National level

(i) Plant level

This is the basic or micro level unit, where negotiations are conducted between the management of the plant and union (s) of the plant. Generally, the unions are centered around the plant, with little or no involvement in other bodies.

There are many plant level agreements but the pioneers, in this field, are Tata Iron and Steel Co. Ltd. And Tata Workers Union (Jamshedpur), for their agreement s of 1956 and 1959 contained many novel features, including workers' participation in management. The Belur Agreement between Indian Aluminium Company and its union in 1956, the one between Voltas and Volkart and Voltas Employees Federation and the 1956 agreement in Modi spinning are some other examples.

(ii) Industry Level

Several units in the same industry band together and form an association, which negotiates with a union having a similar status. The agreements are some what broader in scope and delineation than the plant level settlements which are very specific. (The BIR Act also provides for industry union- see chapter on Trade Unions)

(iii) National Level

Here the terms of reference and scope are much wider though such agreements are not so common in India. The representatives of the trade union and the employer negotiate and arrive at a settlement, but given the industry cum-region convention in India, such national level agreement s are few. At some tripartite conferences convened by the Government of India, certain specific issues have been negotiated and contracted, e.g. the Agreement to Rationalize Work Practices and manning and related issues, concluded in 1951 between labour unions (INTUC) and management. The other agreement was the 1956 agreement on bonus for plantation workers between the representatives of the Indian Tea Planters Association and Indian Tea Association and representatives of HMS.

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5.3.1 Collective Bargaining Process

Q12. Outline the process of Collective Bargaining.

OR

Describe the steps involved in collective barganing process.

Ans : **(May-22, (Nov.-20, Dec.-19, Feb.-17, Mar.-16, Aug.-11)**

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 organisations and its ability to pay.

(ii) Managements attitude from past negotiations.

(iii) Employee attitudes and desires.

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) Organisational 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

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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.

5.4 GRIEVANCES

Q13. Discuss briefly about Grievances.

Ans : **(Sep.-15)**

Meaning

Grievance can be defined as any discontent or dissatisfaction with any aspect of the organization. When a complaint remains unattended and the employee concerned feels a lack of justice and fair play, then the dissatisfaction grows and assumes a status of grievance. The concept 'grievance', has been variously defined by different authorities.

Definitions

i) **According to Keith Davis,** "Grievance is any real or imagined feeling of personal injustice which an employee has concerning his employment relationship".

ii) **According to Beach,** "Grievance is any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the notice of the management".

iii) **According to Dale Yoder,** "Grievance is a written complaint filed by an employee and claiming unfair treatment."

iv) **According to International Labor Organization,** "Grievance is a complaint of one or more workers in respect of wages, allowances, conditions of work and interpretation of service stipulations, covering such areas as overtime leave, transfer, promotion, seniority, job assignment and termination of service."

v) **According to National Commission on Labor,** "Complaints affecting one or more individual workers in respect of wage payments, overtime, leave, transfer, promotion, seniority, work assignment and discharges constitute grievances.'

Reasons

Grievances may occur for a number of reasons:

(a) Economic

Wage fixation, overtime, bonus, wage revision, etc. Employees may feel that they are paid less when compared to others.

(b) Work environment

Poor physical conditions of workplace, tight production norms, defective tools and equipment, poor quality of materials, unfair rules, lack of recognition, etc.

(c) Supervision

Relates to the attitudes of the supervisor towards the employee such as perceived notions of bias, favoritism, nepotism, caste affiliations, regional feelings, etc.

(d) Work group

Employee is unable to adjust with his colleagues; suffers from feelings of neglect, victimisation and becomes an object of ridicule and humiliation, etc.

(e) Miscellaneous

These include issues relating to certain violations in respect of promotions, safety methods, transfer, disciplinary rules, fines, granting leave, medical facilities.

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Q14. Explain the sources of grievances.

Ans :

From a practical point of view, it is probably easier to list those items that don't precipitate grievances than to list the ones that do. Employees may use just about any factor involving wages, hours, or conditions of employment as the base of a grievance.

However, certain grievances are more serious, since they're usually more difficult to settle. Discipline cases and seniority problems including promotions, transfers, and layoffs would top this list. Others would include grievances growing out of job evaluations and work assignments, overtime, vacations, incentive plans, and holidays. Here are four examples of grievances:

1. **Absenteeism**

   An employer fired an employee for excessive absences. The employee filed a grievance stating that there had been no previous warnings or discipline to excessive absences.

2. **Insubordination**

   An employee on two occasions refused to obey a supervisor's order to meet with him, unless a union representative was present at the meeting. As a result, the employee was discharged and subsequently filed a grievance protesting the discharge.

3. **Overtime**

   The employer discontinued Sunday overtime work after a department was split. Employees affected filed a grievance protesting loss of the overtime work.

4. **Plant rules**

   The plant had a posted rule barring employees from eating or drinking during unscheduled breaks. The employees filed a grievance claiming the rule was arbitrary.

5.4.1 Grievances handling procedure

Q15. Examine the Grievances procedure.

OR

Nature the stages of grievances procedure.

Ans : **(May-19, Mar.-15, Sep.-14, Aug.-11)**

The four stages of the machinery are briefly discussed here:

1. **Initial level at which grievance occurs:**

   The greatest opportunity to redress a grievance is to resolve it at the initial level at which it occurs. A worker's grievance should be resolved by their immediate boss, the first-line supervisor. The first stage of the procedure usually involves three persons the aggrieved employee, his immediate boss and the union representative.

   It is possible to involve the union in laying down the framework of the grievance procedure and thereafter restrain union involvement in the actual process, at least in the first two stages. Supervisory role needs to be strengthened, with appropriate training in problem-solving skills, grievance handling, and counselling.

2. **Intermediate stage**

   If the dispute is not redressed at the initial state at supervisor's level, it is usually referred to the head of the concerned department. It is important that the management assumes prime responsibility for the settlement of a grievance. At the intermediate level, grievance can be settled with or without union involvement.

3. **Organization level**

   If a grievance is not settled at the intermediate level also, it can be referred to the top management. Usually, a person of a level not less than the general manager designated for

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the purpose directly handles the issue. At this level, it is very difficult to reconcile the conflicting interests.

4. Third-party mediation

If the grievance has not been settled bilaterally within the organization, it goes to a third party for mediation. Arbitration or adjudication or the matter may even be referred to a labour court. At this stage, the parties concerned lose control over the way the grievance is settled.

Q16. What are the objectives of Grievances handling procedure?

Ans :

The following methods can help the employer to identify the grievances:

1. Directive observation

Knowledge of human behaviour is requisite quality of every good manager. From the changed behaviour of employees, he should be able to snuff the causes of grievances. This he can do without its knowledge to the employee. This method will give general pattern of grievances. In addition to normal routine, periodic interviews with the employees, group meetings and collective bargaining are the specific occasions where direct observation can help in unfolding the grievances.

2. Grip boxes

The boxes (like suggestion boxes) are placed at easily accessible spots to most employees in the organisation. The employees can file anonymous complaints about their dissatisfaction in these boxes. Due to anonymity, the fear of managerial action is avoided. Moreover management's interest is also limited to the free and fair views of employees.

3. Open door policy

Most democratic by nature, the policy is preached most but practiced very rarely in Indian organizations. But this method will be more useful in absence of an effective grievance procedure, otherwise the organisation will do well to have a grievance procedure. Open door policy demands that the employees, even at the lowest rank, should have easy access to the chief executive to get his grievances redressed.

4. Exit interview

Higher employee turnover is a problem of every organisation. Employees leave the organisation either due to dissatisfaction or for better prospects. Exit interviews may be conducted to know the reasons for leaving the job. Properly conducted exit interviews can provide significant information about the strengths and weaknesses of the organisation and can pave way for further improving the management policies for its labour force.

Rahul Pu blications

Q17. What are the benefits of Grievances handling procedure ?

Ans :

Benefits that accrue to both the employer and employees are as follows:

1. It encourages employees to raise concerns without fear of reprisal.
2. It provides a fair and speedy means of dealing with complaints.
3. It prevents minor disagreements developing into more serious disputes.
4. It serves as an outlet for employee frustrations and discontents.
5. It saves employer's time and money as solutions are found for workplace problems. It helps to build an organizational climate based on openness and trust.

Details of a grievance procedure/machinery may vary from organization to organization.

Q18. Differentiate grievance from discipline. Write about the importance of grievance handling machinery in industrial organizations.

Ans : **(July-18)**

S.No	Grievance	S.No	Discipline
1.	Dale. S. Bearch' defined grievance as any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the attention of management".	1.	'Richard D. Calhoon' defined discipline as "a force that prompts individuals or groups to observe the rules, regulations and procedures which are deemed to be necessary for the effective functioning of an organization".
2.	Grievance is a complaint from employee against the management.	2.	Discipline is a complaint from management against the employee.
3.	Some of the features of grievance are, (i) Grievance is a form of dissatisfaction. (ii) Grievances may be expessed grievances or implied grievances.	3.	Some of the features of discipline are, (i) Discipline is self-control (ii) Discipline is negative and punitive approach.
4.	Grievance redressal machinery is adopted to resolve grievances.	4.	Disciplinary action is undertaken to correct indiscipline.

Importance

The importance of grievance handling machinery can be understood from the following points,

1. Grievance handling machinery resolve grievances and helps in maintaining harmonious industrial relations.
2. If facilitates a channel through which the aggrieved employee can put forward his/her grievance.
3. It gives a chance to all employees/workers to ask their doubts and express their feelings and dissatisfaction.
4. Grievance handling machinery enables the management to know the behaviour and attitude of superier with their subordinates.

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5. It encourages the workers to express all the problems faced by them.
6. It improves productivity and morale of employees/workers.
7. It enables peacful relationship between superior and subordinate.
8. Grievance handling machinery ensures discipline in the organization.
9. It stops minor disagreements growing into serious conflicts.
10. If facilitates fair and speedy means to handle employee grievances.

5.5 Employee Separation

Q19. Define employee separation. What are the different types of employee separation?

Ans : **(Nov.-21)**

Meaning

Employee separation is an act where in the employee and the organization split up. Employee separation is a painful and delicated matter in every organization. Few examples of employee separation are, lay-offs, dismissals, resignation, retirement and so on.

Types

Employee separation can be broadly categorized into two types are as follows,

1. Voluntary separations and
2. Involuntary separations.

1. Voluntary Separations

In case, if the employee leaves or get separated from the organization by his/her without any force from the employer then such kind of separation is known as 'voluntary separation. Voluntary separations is of following types,

(i) Quits

An employee will quit his/her job when his job dissatisfaction level tends to be high or when he/she gets a far more better job opportunity.

Employees would be dissatisfied, if they are displeased with the policies of the company, compensation paid, career opportunities, health issues, spouse relocation, supervision or may be due to other similar type of reasons.

In reality most of the competent workforce get several career opportunities. But, their loyalty and commitment bound them with the organization. However, there are certain employees who don't want to stay with the organization and always keep on looking for their career opportunities.

(ii) Retirements

Retirements are of two types,

(a) Compulsory Retirement : Retirements takes place when the employee reaches final stage of his career. The retirement age differs from state to state but it is found to be around 60-62 years for the employees who are performing their jobs for central government.

(b) Voluntary Retirement : It is another type of separation wherein the number of employees in both public and private sector are allowed to voluntarily quit their jobs by adopting a new scheme called as Voluntary Retirement Scheme (VRS). Management of some companies decide to pay lumpsum amount of salary to the employees taking voluntary retirement so as to decrease the strength of the staff instead of maintaining excess labour and paying them idle wages.

2. Involuntary Separation

If the employer force the employee to get separated from the organization then such kind of separation is known as 'Involuntary Separation'.

Involuntary separation are of following types,

(i) Discharges
(ii) Lay offs
(iii) Dismissal
(iv) Retrenchment
(v) Right sizing
(vi) Suspension

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5.6 Employee Safety and Health

Q20. Define the term Employee Safety and Health. State the need for safety.

Ans : **(Feb.-17)**

Meaning

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 of 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

(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.

5.6.1 Occupational Safety Law

Q21. Explain the Occupational Health & Safety Management System.

Ans : **(July.-18)**

Health and safety of the employees is an important aspect of a company's smooth and successful functioning. It is a decisive factor in organizational effectiveness. It ensures an accident-free industrial environment. Companies must attach the same importance towards achieving high OH&S performance as they do to the other key objectives of their business activities. This is because, proper attention to the safety and welfare of the employees can yield valuable returns to a company by improving employee morale, reducing absenteeism and enhancing productivity, minimizing potential of work-related injuries and illnesses and increasing the quality of manufactured products and/ or rendered services.

The Constitution of India has also specified provisions for ensuring occupational health and safety for workers in the form of three Articles i.e. 24, 39(e and f) and 42. The regulation of labour and safety in mines and oil fields is under the Union list. While the welfare of labour including conditions of work, provident funds, employers' invalidity and old age pension and maternity benefit are in the Concurrent list.

Major Initiatives undertaken by DGFASLI during the Xth Five Year Plan are:-

- Improvement and strengthening of enforcement system for safety and health of dock workers in major ports.

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- Development of safety and health information system and data bank.
- Establishment of Regional Labour Institute at Faridabad.
- Setting up of a National Board on occupational safety and health.

Legislations

The statutes relating to OH&S are broadly divided into three :

- Statutes for safety at workplaces
- Statutes for safety of substances
- Statutes for safety of activities At present, safety and health statutes for regulating OH&S of persons at work exist only in four sectors :
  - Mining
  - Factories
  - Ports
  - Construction

The major legislations are :

(i) The Factories Act, 1948

- It regulates health, safety, welfare and other working conditions of workers in factories.
- It is enforced by the State Governments through their factory inspectorates. The Directorate General Factory Advice Service & Labour Institutes (DGFASLI) co-ordinates matters concerning safety, health and welfare of workers in the factories with the State Governments.
- DGFASLI conducts training, studies and surveys on various aspects relating to safety and health of workers through the Central Labour Institute in Mumbai and three other Regional Labour Institutes located at Kolkata, Chennai and Kanpur.

(ii) Mines Act, 1952

- It contains provisions for measures relating to the health, safety and welfare of workers in the coal, metalliferous and oil mines.
- The Mines Act, 1952, prescribed duties of the owner (defined as the proprietor, lessee or an agent) to manage mines and mining operation and the health and safety in mines. It also prescribes the number of working hours in mines, the minimum wage rates, and other related matters.
- Directorate General of Mines Safety conducts inspections and inquiries, issues competency tests for the purpose of appointment to various posts in the mines, organises seminars/conferences on various aspects of safety of workers.
- Courts of Inquiry are set up by the Central Government to investigate into the accidents, which result in the death of 10 or above miners. Both penal and pecuniary punishments are prescribed for contravention of obligation and duties under the Act.

(iii) Dock Workers (Safety, Health and Welfare) Act, 1986

- It contains provisions for the health, safety and welfare of workers working in ports/docks.
- It is administered by Director General Factory Advice Service and Labour Institutes, Directorate General FASLI as the Chief Inspector there are inspectorates of dock safety at 10 major ports in India viz. Kolkata, Mumbai, Chennai, Visakhapatnam, Paradip, Kandla, Mormugao, Tuticorin, Cochin and New Mangalore
- overall emphasis in the activities of the inspectorates is to contain the accident rates and the number of accidents at the ports.

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Q22. Describe briefly various measures to be taken by the companies regarding employees safety.

Ans: **(Sept.-16)**

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.

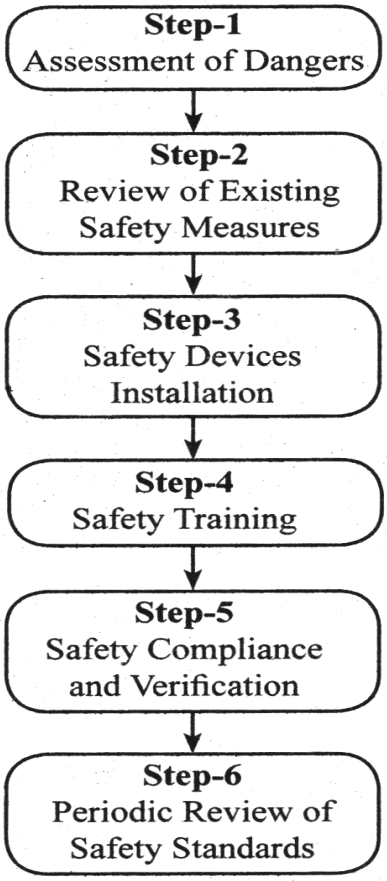

Fig. : Steps in an Employee Safety Programme

5.6.2 Work Place Health Hazards Problems & Remedies

Q23. 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: **(May-22, Aug.-l7, Aug/ Sept.-16, Mar.-15)**

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.

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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 organisational policies which helps them in managing employee issues. The aim of such organisation is to minimum violence by implementing fair policies

Q24. What are the occupational hazards faced by employees in mining and quarrying industry? How does it affect the human resources of an organization?

Ans : **(Nov.-22)**

1. Physical hazards

Noise is ubiquitous in mining. It is generated by powerful machines, fans, blasting and transportation of the ore. The underground mine usually has limited space and thus creates a reverberant field. Noise exposure is greater if the same sources were in a more open environment.

Exposure to noise can be reduced by using conventional means of noise control on mining machinery. Transmissions can be quieted, engines can be muffled better, and hydraulic machinery can be quieted as well. Chutes can be insulated or lined with sound-absorbing materials. Hearing protectors combined with regular audiometric testing is often necessary to preserve miners' hearing.

2. Chemical hazards

Mineworkers are often exposed to harmful chemicals. As an example, the most common group of chemicals that cause concern in a coal mining environment is polymeric chemicals. Regardless of the chemicals, you work in close proximity therefore appropriate safety wear and precautions need to be taken to minimize your body's exposure to them, Risks include chemical bums, respiratory problems, and poisoning. Each chemical has a unique set of hazards and needs to be handled properly to ensure worker safety, so employers need to conduct risk assessments to establish best practices.

A standard operating procedure (SOP) that addresses the use of correct personal protective equipment, safe handling, safe use. and proper disposal should be established. Ventilation is also an important factor in minimizing exposure, as well as general housekeeping and cleanliness. Thorough training and drills should be conducted regarding the company's spill response plans and chemical hygiene plans.

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3. Biological hazards

The risk of tropical diseases such as malaria and dengue fever is substantial at some remote mining locations. Leptospirosis and ankylostomiasis were common in mines, but eradication of rats and improved sanitation has controlled these hazards effectively in the developed world. Cooling towers are commonly found on mine sites. Regular microbiological analysis of the water is necessary to detect Legionella contamination or high concentrations of other heterotrophic microorganisms.

Ergonomics hazards Although mining has become increasingly mechanized, there is still a substantial amount of manual handling. Cumulative trauma disorders continue to constitute the largest category of occupational disease in mining and often result in prolonged disability (4). Overhead work is common underground, during ground support the suspension of pipes and electrical cables. This can cause or exacerbate shoulder disorders. Brokenground is often encountered and can cause ankle and knee injuries. Most mines operate 24 h per day. 7 days per week, so shift work is very common. There has generally been atrend towards 12 h shifts in recent years. Fatigue in relation to shiftwork has been subject to considerable investigation in the industry. Sleepdeficits. which might be expected in hot locations, have been shown to cause impairments of cognitive and motor performance among drivers from other industries. The remote control of mobile equipment in under ground mining has been introduced to reduce the risk of fatal injuries from rock falls. This has required attention to cognitive ergonomic issues, many of which are Similar to those found in metallurgical plant control rooms. Proximity safety devices have also been developed.

4. Psychosocial hazards

Drug and alcohol abuse has been a difficult issue to deal with in mining, but policies and procedures are now in place in most large mining operations. Debate continues about how to measure psychophysical impairment-

Nevertheless, mining operations commonly require the measurement of urinary drug metabolites and breath or blood alcohol on pre-employment and following accidents

5.6.3 Work life Integration

Q25. Describe the workplace hazards that may occur in a textile manufacturing company and suggest measures to handle them.

Ans : **(Nov.-21)**

Risk and Hazardsin Industry

Risk is a random incident that may possibly occur, and if it occurs, it would have a negative impact on achieving organisational goals.

A hazard is an agent having the potential to cause harm or hurt to the target. We can call the possible source of danger as hazard. The terms 'risk' and 'hazard' are mostly used interchangeably. However, in terms of risk assessment, they are two very different terms. A hazard is any agent which can cause harm/damage/ injury to human beings and their environment. Risk is defined as the probability that exposes one to a hazard which leads to a negative effect.

All industries have different type of tools, equipment and machinery. There is always a risk of hazard while operating machines. They may be physical, biological, chemical, mechanical, etc. It is crucial for all operators to be aware of the risk of hazards associated with the industry they work in. While handling tools and machines, the Operators should follow safety instructions. Specialised training must be given to the Operators to prevent injuries from these hazards. Operators should take precautions to guard against work related hazards and accidents.

Type of hazards

In a garment manufacturing unit, all the hazards mentioned in this session may not be common, but awareness about various hazards is essential to be able to deal with them in case they occur. Different work environments can pose different type of hazards and risks to the health of the Operators. Therefore, it is important to identify and address the different type of hazards with

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appropriate safety measures, not only by the employers but also for each individual to be responsible for the safety and welfare of the self, all persons working in the organization as well as the environment.

1. Physical hazards

They often affect many Operators in the workplace, for example occupational hearing loss, postural defects, falls, accidents, etc. Hearing loss is one of the most common problems in a manufacturing unit with heavy noise-making machines like some industrial sewing machines or cutters; postural defects like cervical and bone shape change can occur if a person needs to sit or stand in a particular wrong position for long time. Accidents and falls are also a common cause of occupational injuries and deaths in industries, like transportation, construction, extraction, healthcare, building, etc.

Some of the problems associated with the physical environment at the workplace include:

(i) Respiratory problems, allergies, skin problem, etc., may be caused due to excessive dust. Adequate ventilation, exhaust fans, etc., are helpful to make the environment clean and dust-free.

(ii) A low light environment for working, and shortage of eye protective glasses, can cause eye problems.

(iii) Prolonged sitting, and continuous work involving the eye, creates eye problems (strained eyes) and backbone problems for the Operators. Repetitive Strain Injury (RSI) is likely to occur at the workplace due to long hours of sitting to complete the work. Problems like backache, stiffening of neck, cervical and wrist joint problems can also occur during stitching work.

2. Fire hazards

They are common in those industries that use a lot of flammable material, like cotton, chemicals, etc. Fire hazards occur mainly due to the following reasons.

(i) Improper working of fire and smoke alarm bells in industries

(ii) Absence of fire and smoke alarm systems in many industries

(iii) Improper maintenance of fire exits or emergency staircase

(iv) Lack of proper exit route or emergency staircase to reach the place of safety

Every industry should keep fire extinguishers as a safety measure.

3. Biological hazards

These involve hazards due to bacteria, viruses and toxins. It can be due to non-airy and dark rooms, suffocation (bad ventilation), and unhygienic conditions of washrooms. These also include animal bites and stings, problems from toxic plants, and transmitted diseases through animals.

4. Chemical hazards

Some chemicals can cause a hazard in the work area. There are many categories of hazardous chemicals. Certain chemicals are harmful when mixed with other chemicals. Chemical hazards are very common in apparel and textile industry while at the time of dyeing and printing.

A worker in the garment industry should practise caution while handling chemicals. The worker must be made aware of the specific instructions to be followed while handling a particular chemical.

5. Psychosocial hazards

This means that the status of mental health and emotional well-being of the Operators in an organization may not be normal. These could be due to a feeling of job insecurity, long working hours, lack of enthusiasm

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towards work, frustration about not being allowed to deliver quality product due to pressure of quantitative production, harassment at workplace and poor work-life balance. This aspect should be dealt with care, as these are sensitive issues. Behavioural therapy, like continuous counselling, meditation, yoga, participation in recreation centres, music therapy or occupational care are effective in reducing sick leave days and poor work efficiency at the workplace.

6. Electrical hazards

These are common in the textile industry as fabrics, machines and other fire-prone equipment are being dealt with here. It is quite dangerous when an Operator creates an electrical contact with keyed up equipment or a conductor. Electrical accidents mostly occur when the individuals are working around electrical apparatus which is live but they think it is dead. Wrong use of equipment and use of faulty electrical equipment also causes accidents. Working on, or near electric equipment, without adequate training or appropriate equipment, may be one of the reasons.

Shocks from faulty equipment can lead to brutal and permanent injuries. Due to serious injuries, the chances to fall off from ladders or other work platforms are high. Apart from injuries or accidents, such mistakes or avoidance lead to damage of the plant, machines, equipment and property.

Q26. Discuss about Work Life Integration.

Ans :

Meaning

Work-life integration is the combination of two or more roles/domains. Individuals may move from one role to another several times a day. These role transitions involve crossing role boundaries, switching back and forth among one's currently held roles. For example, on workdays, employees may play the role of a parent and spouse at home, transitioning to employee after reaching the workplace, and transitioning back to the role of spouse and parent on reaching home after work. Telecommuting employees may need to switch roles more frequently.

Work-life integration can be understood in terms of two mechanisms, these are as follows :

1. Flexibility

It is the ability of the boundary between two or more roles/domains to expand or contract to accommodate the demands of one domain or another. For example, a female telecommuter may be called upon to play the role of a mother at any time of the day. Hence, she would require flexibility in her work roles.

2. Permeability

It refers to the extent to which a boundary allows psychological or behavioral aspects of one role/domain to enter and overlap one another. A call center operator who is not allowed to receive visitors or accept personal calls at work has an impermeable work role boundary.

HRD Perspectives on Integration

The primary purpose of organizations is business. Hence, there may be a fundamental conflict between the efficiency and productivity-oriented values of an organization, on one hand and the work-life needs of employees, on the other. Since organizations have to jointly manage these competing values, employees may often receive mixed-messages related to work-life balance. Kossek and Block proposed two perspectives of HRD that may be adopted by organizations for managing these competing values.

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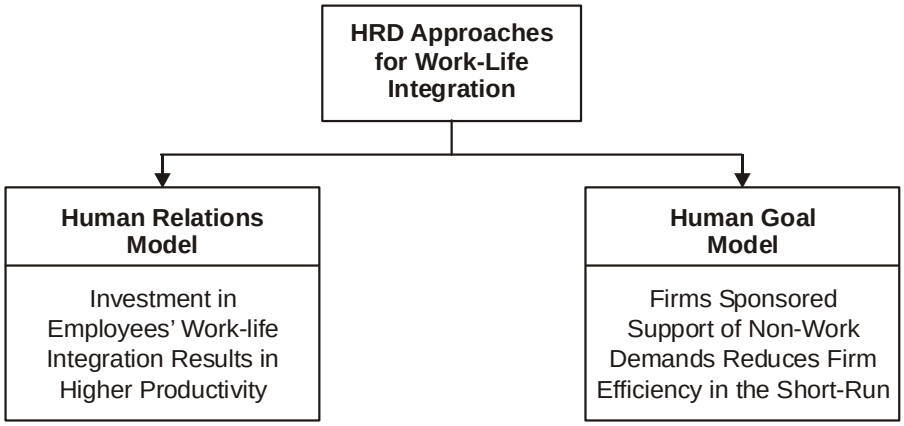

Fig. : HRD Perspectives on Integration

1. Long-Term View or the Human Relations Model

This view sees investment in employees' work-life integration needs as a means for promoting productivity through caring about workers. This perspective assumes that when employees are provided with support in dealing with personal needs, organizational productivity will be maximized in the long-run due to higher employee morale and commitment.

2. Short-Term View or Rational Goal Model

The major concern here shifts to quarterly maximization of output and shorter timeliness. According to this perspective, employee needs for firm sponsored support of non-work demands may negatively influence firm efficiency over the short-run. For example, if an employee takes leave of absence to complete some personal work, efficiency is hurt over the short-run since the employee is not productive during the leave period.

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Q27. Explain the work life Need for Integration.

Ans :

Integration is necessary for several reasons :

1. As the organization encounters environmental complexity, diversity, and change, it requires more and more differentiation of its units. Need for integration also increases with increase in structural dimensions.
2. Different specialized units are required to achieve broad strategic objectives rather than only individual objectives. For the purpose of achieving these strategic objectives, the employer has to coordinate different units.
3. An employer has to settle conflicts and disputes between different specialized units. When different units are assigned different goals and tasks, conflicts are inevitable. The employer needs to integrate and coordinate the work of different sub-units to effectively resolve conflicts.
4. Employers also need to coordinate and integrate independent units to ensure that their objectives and functioning are in consonance with overall organizational goals and strategies.
5. The necessity for integration increases with increased specialization, because increase in specialized functions leads to decision-making in specialized units or sub-units. This may cause conflict.

Q28. Explain various Approaches to work life Integration.

Ans :

Both the employer and the employee share the responsibility for work-life integration. The approaches to work-life are as follows :

1. Organizational Approaches

In selecting the approaches towards work-life integration, organizations must consider the extent of corporate involvement in employees' personal lives. This approach must fit with the organizational mission, culture, values, company's way of doing business, and the needs of the workforce. Three main organizational approaches to work-life balancing are possible, which are as follows :

i) **Social Arbiter Approach :** According to this approach, the employer should get involved only if the employees request help or if the organization feels that non-work issues are getting in the way of performance. Hence, this approach is reactive. The organization does not get involved in the non-work lives of their employees until there is a performance problem.

ii) **Whole Persons and Systems Approach:** According to this approach, work-life balance should be an organizational goal. The organizations should view employees as internal customers and demonstrate more sensitivity to their needs. This perspective reflects the human relations approach to management and promotes 'whole systems' and 'whole persons' approach to employment. By implementing holistic work-life programs, organizations will have employees who will be more loyal and committed.

iii) **Omniscient Organization :** In this approach, the organization attempts to make workplace a home to employees. Hence, there is virtually no separation between work and personal life. With workplace developments such as telecommuting and flexible workplace options, there is a blurring of boundaries between the work and personal domains. The omniscient approach places the onus of separating the two domains on the employer. However, the omniscient organization faces HR issues such as how to measure performance appraisal when the boss rarely sees the telecommuter face-to-face and what constitutes absenteeism for a telecommuter.

2. Individual / Employee Approaches

The main responsibility for managing a career, reducing negative spillover, and achieving a good work-life balance lies with the individual employee. Consciously or unconsciously, most employees let their work-life spill over into their personal life to the extent of over-powering the latter by working late hours or by getting official work home. Employees need to self-reflect on their own value for managing the integration of work and personal life.

Q29. Explain various steps in worklife Integration Process.

Ans :

Balancing work demands with life demands is a shared responsibility between the employer and employee. It is the employer, however, who must design and implement formal work-life balance programs in the organization. The organization should also encourage employees to utilize these programs by providing supportive culture.

Formal adoption of work-life initiatives by organizations progresses through a sequence of stages, which are as follows:

Stage 1: Developing a Programmatic Response

In this stage, the organization adopts separate initiatives in a piecemeal manner that does not challenge existing work norms about the primacy of the work role over the family role. Policies are mainly viewed as benefits for the employees. This stage is that of 'developing a programmatic response'. When an organization ties-up with a bank to set-up an ATM facility in its premises or providing concierge services to employees is an example of stage one.

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Stage 2 : Development of Integrated Approach

In this stage, the firm develops an integrated approach and establishes a number of work family programs in place. The top management begins to champion these programs. The work-life programs are seen as comprising the core of HRM policy. Hence, all HRM practices are evaluated for their impact on work-family issues. Company productivity and bottom-line impact of work- life practices are beginning to be measured.

Stage 3 : Changing the Culture of the Firm

When the organization reaches the third stage of changing the culture, it believes that by having a culture supportive of employees' work-family needs, the firm will be able to attract high performers. Work-family practices are integrated with other HRM practices of the organization.

Company mission statements may be changed to reflect values supporting personal employee needs. Performance evaluations of managers may also reflect how well work-family needs of subordinates were handled.

Employees may use several Mechanisms to cope with rising family and personal demands they face off-the- job, which are as follows :

i) Coping mechanism is to psychologically minimize the attention that the families actually need.

ii) Coping mechanism is to relv on paid help for meeting many of the off-work demands.

iii) When employees dream that someday they will take the time to have a rich and rewarding family life. Hence they may resolve the current conflicting demands by giving more attention to work issues.

True work-life balance can be achieved only when both organizational approaches as well as employee approaches are complementary. Contemporary thinking places greater emphasis on employee empowerment and employer-employee partnership for facilitating work and personal life effectiveness.

5.7 STRESS MANAGEMENT

Q30. Define stress. What are the causes and consequences of stress.

Ans :

Definition

(i) According to Robbins, stress is defined as "A on in which an individual is confronted with an opportunity, constraint or demand related to what he or she desires and for which the outcome is perceived to be both uncertain and important".

Causes of Stress

There are many factors which stress in individuals and these factors are referred as stressors. Causes of stress are classified into two groups i.e., organizational and personal.

1. Organizational Factors

Organizational factors are further classified into types of causes. They are,

(i) Interpersonal Demands

These pressures are imposed by other employees, colleagues etc., on individuals. Stress is developed among employees due to lack of social support and poor interpersonal relationships.

(ii) Task Demands

These kind of pressures are related to job of employee which includes work layout and working conditions. Targets and interdependency of tasks often results in stress among employees.

(iii) Organization Structure

Organization structure also cause stress if there is excessive rules and no involvement of employees in decision making.

(iv) Role Demands

These pressures are imposed on employees based on the role played by him in organization. Role conflicts develops expectations which can be hardly satisfied. Role overload develops when employee is expected to work more in less time. Role ambiguity develops if employee is not sure and role is unclear to him.

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(v) Organizational Leadership

The leadership style followed by management officials also develop stress among employees. If managers develop fear, anxiety and tension through tight control and by firing employees then it results in stress among employees.

2. Personal Factors

Personal factors which cause stress are personal economic problems, family issues and inherent personality traits. Personality of employees always affects susceptibility to stress. Usually, there are two types of personalities i.e., Type A which are mostly related with negative effects of stress and Type B which are subject to anxiety producing elements.

Consequences/Effects of Stress

The consequences resulting due to stress are grouped under the following categories,

1. Physiological Effects

Stress disturbs the physiological system of individuals. Person suffering from stress undergo many health issues such as high blood pressure, increase in heart beat, unconsistent breathing rates, headaches, respiratory illness, heart diseases and so on.

2. Psychological Effects

Psychologically, stress results in symptoms such as tension, boredom, negative feeling, anxiety etc. As a result, these symptoms results in job dissatisfaction.

3. Behavioural Effects

Researchers studied that stress has significant impact on behaviour of employees. Stress is closely related to performance. Higher stress levels leads to change in eating habit, chain smoking, consumption of alcohol, insomnia and so on.

4. Organizational Effects

Stress has a significant impact on the organizational performance. High level of stress on employees leads to increased absenteeism, poor industrial relations, less productivity, antagonism at work place, employee dissatisfaction etc.

Q31. Explain the potential sources of stress.

Ans :

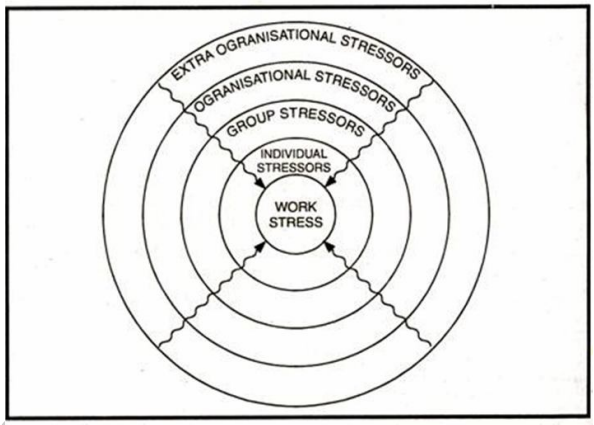
There are four different sources of stress.

A) Extra Organizational Stressors

B) Organizational Stressors

C) Group Stressors, and

D) Individual Stressors.



A) Extra Organizational Stressors:

Job stress is not limited to things that happen inside the organization, during the working hours. Extra organizational factors also contribute to job stress.

These stressors include the following factors:

1. Political Factors

Political factors are likely to cause stress in countries which suffer from political uncertainties as in Iran, for example. The obvious reason is that the countries have stable political system where change is typically implemented in an orderly manner.

2. Economic Factors

Changes in business cycles create economic uncertainties. When the economy contracts, people get worried about their own security. A very important example is the great depression of 1930s. During this period, suicide rates touched the sky. Minor recessions also cause stress in the work force as downward swings in the economy are often

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accomplished by permanent reductions in the work force, temporary layoff or reduction in pay.

3. Technological Factors

Technological uncertainty is the third type of environmental factor that can cause stress. In today's era of technological development new innovations make an employee's skills and experience obsolete in a very short span of time. Computers, automation are other forms of technological innovations, which are threat to many people and cause them stress.

B) Organizational Stressors

In organizations, there is no shortage of factors which can cause stress. Almost every aspect of work can be a stressor for someone. Although there are many factors in the work environment that have some influence on the extent of stress that people experience at the job, the following factors have been shown to be particularly strong in inducing stress:

1. Job Related Factors

Job related factors or task demands are related to the job performed by an individual.

These factors include the following:

(i) If a job is too routine, dull and boring or happens to be too demanding in terms of frequent transfers or constant travelling, which limits the time he can spend with his family, the individual is likely to experience stress.

(ii) Some jobs also be hazardous or morally conflicting to the individual who interfaces with it, for example, working in a explosives manufacturing factory for the individual who is a staunch believer in and advocate of peace. For lack of other job opportunities, he may be forced to work in this environment and this may be a constant source of severe stress and anguish to the person.

(iii) Some duties and responsibilities have inbuilt stress such as those of the fire fighter or the police squad which defuses bombs.

(iv) Jobs where temperatures, noise or other working conditions are dangerous or undesirable can increase anxiety. Similarly, working in an overcrowded room or invisible location where interruptions are constant, can also lead to stress.

(v) The more interdependence between a person's tasks and the tasks of others, the more potential stress there is. Autonomy, on the other hand tends to reduced stress.

(vi) Security is another task demand that can cause stress. Someone in a relatively secure job is not likely to worry unduly about losing that position. On the other hand, if job security is threatened stress can increase dramatically.

(vii) Another task demand stressor is workload. Overload occurs when a person has more work to do than he can handle. The overload can be either quantitative (the individual has too many tasks to perform or too little time in which to perform them) or qualitative (the person believes that he lacks the ability to do the job). On the other hand, the opposite of overload is also undesirable. It can result in boredom and apathy just as overload can cause tension and anxiety. Thus, a moderate degree of work related stress is optimal because it leads to high level of energy and motivation.

2. Role Related Factors

Role related factors relate to pressures placed on a person as a function of the particular role he or she plays in the organization.

Individuals can experience the following role related stresses:

(i) Role Conflict : Role conflict occurs when two or more persons have different and sometimes opposing expectations of a given individual. Thus, there are two or more sets of pressures on the individual so that it is not possible

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to satisfy all of them. Role conflict takes place when contradictory demands are placed upon an employee simultaneously. For example, an advertising manager may be asked to produce a creative ad campaign while on the other hand, time constraint is put upon him, both roles being in conflict with each other.

Another type of role conflict is the inter-role conflict where an individual plays more than one role simultaneously in his life and the demands of these roles conflict with each other. For example, a police officer is invited to his friend's wedding party where the guests use drugs which are against the law. Here he faces a role conflict.

(ii) Role Ambiguity : Stresses from job ambiguity arise when an employee does not know what is expected of him or her or how to go about doing the job. For example, if an employee who joins an organization is left to himself to figure out what he is supposed to be doing and nobody tells him what the expectations of him or his role are, the newcomer will face a high level of role ambiguity.

(iii) Role Overload : Role overload refers to the situation when an individual is expected to do too many things within a limited time as part of the daily routine. For example, if Mrs. X is expected to perform the duties of a supervisor, receptionist, public relations officer and an accountant, she is likely to experience a lot of stress from the several roles she has to play during the day. She may be able to manage the various roles for a short period of time, but if expected to continue in this fashion on a long term basis, she is likely to fall sick or quit.

3. Inter Personal and Group Related Factors

Interpersonal demands are pressures created by other employees. Group related stressors include factors like conflicts, poor communication, unpleasant relationship and fear of being ostracized from the group as a valued member.

Working with superior, peers or subordinates with whom one does not get along can be a constant source of stress. Some people can deal with conflicts and misunderstandings in an open way and resolve issues as they arise. Many, however, find it difficult to do this and build internal stresses for themselves.

4. Organizational Structural Factors

Organizational structure defines the level of differentiation, the degree of rules and regulations and where decisions are made. Excessive rules and lack of participation in decisions that affect an employee are examples of structural variables that might be potential stressors.

5. Organizational Leadership Factors

These factors represent the managerial style of the organization's senior managers. Some managers create a culture characterised by tension, fear and anxiety. They establish unrealistic pressures to perform in the short run impose excessively tight controls and routinely fire employees who fail to turn up.

6. Organization's Life Cycle

Organizations go through a cycle. They are established; they grow, become mature and eventually decline. An organization's life cycle creates different problems and pressures for the employees. The first and the last stage are stressful. The establishment involves a lot of excitement and uncertainty, while the decline typically requires cutback, layoffs and a different set of uncertainties. When the organization is in the maturity stage, stress tends to be the least because uncertainties are lowest at this point of time.

C) Group Stressors

Another source of stress in organizations is poor interpersonal relationships or conflicts. These conflicts can be among the members of the group or between the superiors and subordinates. Groups have a lot of influence on the employees' behaviour,

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performance and job satisfaction. On the other hand, the group can also be a potential source of stress.

Group stressors can be categorized into the following factors:

According to Albercht, doctors have the highest rate of alcoholism of any of the professions and that psychiatrists have the highest rate of suicide.

1. Lack of Social Support

Satisfaction, though, a state of mind is primarily influenced by the positive external factors. These factors include friendliness, respect from other members and self respect, support, opportunity to interact, achievement, protection against threats and a feeling of security. In this type of social support is lacking for an individual, it can be very stressful.

2. Conflicts

People who are working in the organizations are prone to interpersonal and intergroup conflicts. Conflict has both functional and dysfunctional aspects. Whenever conflict has dysfunctional consequences, it will lead to stress in all the concerned parties.

3. Organizational Climate

Much of the group or interpersonal relationships depend upon the organizational climate. An overall organizational climate may have a relaxed style of working or it may be tense and crisis oriented. All the employees of such organization will be continuously tense, if the climate in general is unfriendly, hostile or totally task oriented.

D) Individual Stressors

The typical individual works for about 8 to 10 hours a day. The problems and experiences which he has to face in the remaining 14 to 16 non-working hours can spill over to his work place. Our final category of stressors thus includes personal or individual stressors.

Following are the main factors which can cause stress to individuals:

1. Job Concerns

One of the major job concerns is lack of job security which can lead to concern, anxiety or frustration to the individual. The prospect of losing a job especially when you have a family and social obligations is always very stressful. Career progress is another reason of anxiety. This is particularly true for middle aged people, because middle age is a period of soul searching and self doubt. If these people were not given promotions when due or they feel that the jobs which were given to them were beneath their qualifications, they may become very anxious. This anxiety will lead to stress.

2. Career Changes

When an employee has to relocate geographically because of a transfer or promotion, it disrupts the routine of his daily life causing concern and stress.

The relocation can lead to the following problems:

(i) The fear of working in a new location.

(ii) Unpredictability about new work environment.

(iii) Anxiety about creating new relationships.

(iv) Uprooting of children from their schools and friends.

(v) If the employee has got a working spouse then the stress is greater.

Uncertainty about getting a new job at the new location creates some degree of stress.

Thus, when a person is geographically relocated, his stress will depend upon how many changes occur in his social relationships and family life. More the changes, more will be the stress.

3. Economic Problems

Some people are very poor money managers or they have wants and desires that always seem to exceed their earning capacity. When individuals overextend their financial resources, or in simple words, if they spend more than they earn, it will always cause stress and distract the employees from their Work.

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4. Changes in Life Structure

The life structure of a person changes as he grows older. As a person grows older, his responsibilities to himself as well as others change and increase. The higher the responsibility, the greater the stress.

5. The Pace of Life

As the responsibilities of a person increase, his capacity to execute them should also increase. A hectic pace of life when the person is always busy in business or otherwise can create more stress than a relaxed pace of life. Certain professions like teaching are less stressful than those of company executives, bankers or businessmen.

6. Life Change and Life Traumas

Life change and life traumas are both stress producing. Life changes may be slow (like getting older) or sudden (like the death of a spouse). Sudden changes are highly stressful. Life traumas can be highly stressful. A life trauma is any upheaval in an individual's life that alters his or her attitudes, emotions or behaviours. Life change and life trauma look alike but there is difference between the two.

Q32. Define stress management. Explain the strategies available to reduce stress.

Ans :

Definition

(i) According to J. Bright and D. Fiona, "Stress management - it involves different types of interventions, which are carried out to fight stress. These interventions involve preventive measures. For example, training, courses, working with specialists etc.".

Strategies to Manage/Reduce Stress

Stress has a direct effect on the individual's personal life and on organization in which they work. Efforts are to be made to overcome the negative impact of stress using the following strategies both at individual and organizational level.

A. Strategies to Manage Stress at Individual Level

The following are the strategies that are often used to manage stress at individual level.

1. Physical Exercises

Physical exercises such as walking, yoga, swimming etc., helps to reduce the anxiety, depression and fear. Physical exercises helps the individuals to focus more on the body/ physical health thereby reducing the stress to maximum extent.

2. Time Management

Lack of proper time management leads to delay in work, confusion, remarks from management etc., which leads to stress at work. This can be overcomed using time management tips such as carrying "to do list", reviewing the list at the end of the day.

3. Relaxation Techniques

Relaxation techniques such as Bio feedback and meditation helps to overcome the stress. Meditation relaxes the mind by removing the negative thoughts. Bio feedback helps to focus on the internal body pressures and to control them by adjusting the one's own mental condition in order to reduce the stress, anxiety etc.

4. Cognitive Therapy

It is a contemporary technique used to overcome stress. In this lectures and interactive sessions are arranged to help the employees in,

(i) Recognizing the cognitions of the events at work.

(ii) Identifying the effects of such cognitions on their physiological and emotional responses.

(iii) Replacing the self-defeating cognitions that unnecessarily arouse stress.

B. Strategies to Manage Stress at Organizational Level

The following are the strategies that are often used to manage stress at organizational level,

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1. Sound Organizational Climate

An effective organization climate such as freedom to take decisions, friendly communication along the hierarchy, participative decision making etc., facilitate the employees to overcome stress. An effective and supportive organizational climate leads to increased employee morale and confidence.

2. Role Clarity

Stress often caused due to the unclarified roles and expectations of the organization. The organizations need to clearly defines and communicates the role of the employees and their expectations from the employees. So that employees will understand their role and feel confident to meet the expectations of the management.

3. Job Enrichment

It is a technique used to reduce the monotonous and disinteresting jobs, thereby facilitating the employees to overcome stress.

4. Career Planning and Counselling

Career planning and employee counselling are the techniques that guides the employees to overcome personal as well as professional stress.

5.8 Salient Features of Industrial Disputes Acts 1947

Q33. Discuss briefly about Industrial Disputs Act 1947.

Ans :

Introduction

The first enactment dealing with the settlement of industrial disputes was the Employers' and Workmen's Disputes Act, 1860. This Act weighed much against the workers and was therefore replaced by the Trade Disputes Act, 1929. The Act of 1929 contained special provisions regarding strikes in public utility services and general strikes affecting the community as a whole. The main purpose of the Act, however, was to provide a conciliation machinery to bring about peaceful settlement of industrial disputes. The Whitely Commission made in this regard the perceptive observation that the attempt to deal with unrest must begin rather with the creation of an atmosphere unfavourable to disputes than with machinery for their settlement.

The next stage in the development of industrial law in this country was taken under the stress of emergency caused by the Second World War. Rule 81-A of the Defence of India Rules was intended to provide speedy remedies for industrial disputes by referring them compulsorily to conciliation or adjudication, by making the awards legally binding on the parties and by prohibiting strikes or lock-outs during the pendency of conciliation or adjudication proceedings and for two months thereafter. This rule also put a blanket ban on strikes which did not arise out of genuine trade disputes.

With the termination of the Second World War, Rule 81-A was about to lapse on 1st October, 1946, but it was kept alive by issuing an Ordinance in the exercise of the Government's Emergency Powers. Then followed the Industrial Disputes Act, 1947. The provisions of this Act, as amended from time to time, have furnished the basis on which industrial jurisprudence in this country is founded.

Q34. Write Object and Significance of the Industrial disputes Act 1947.

Ans :

The Industrial Disputes Act, 1947 makes provision for the investigation and settlement of industrial disputes and for certain other purposes. It ensures progress of industry by bringing about harmony and cordial relationship between the employers and employees. Definitions of the words 'industrial dispute, workmen and industry' carry specific meanings under the Act and provide the framework for the application of the Act.

This Act extends to whole of India. The Act was designed to provide a self-contained code to compel the parties to resort to industrial arbitration for the resolution of existing or apprehended disputes without prescribing statutory norms for varied and variegated industrial relating norms so that the forums created for resolution of disputes may remain unhampered by any statutory control

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and devise rational norms keeping pace with improved industrial relations reflecting and imbibing socio-economic justice. This being the object of the Act, the Court by interpretative process must strive to reduce the field of conflict and expand the area of agreement and show its preference for upholding agreements sanctified by mutuality and consensus in larger public interest, namely, to eschew industrial strife, confrontation and consequent wastage.

The Act applies to an existing and not to a dead industry. It is to ensure fair wages and to prevent disputes so that production might not be adversely affected. It applies to all industries irrespective of religion or caste of parties. It applies to the industries owned by Central and State Governments too.

Q35. What are the variouis Forms of Industrial Disputes ?

Ans :

The industrial disputes assume different forms as the issues involved therein range as widely as individual aspirations and group interests. The basic forms of disputes are

a) Gherao
b) Lockout
c) Layoff
d) Retrenchment

(a) Gherao

Gherao is a weapon which introduced in West Bengal in 1967 during the united front regime. The movement reemerged in 1969 and has now been extended from the industrial area to other fields in India.

Like strike, Gherao is also a method to pressurize employer to fulfill union demands. In Gherao workers force the employer or managers to remain confined in the offices for hours or even days. The employer sometimes is forced to remain without water and food; he is not allowed to go out even for natural calls.

Workers encircle the office of the employer, close all the exits and sit around in batches. A Gherao involves physical coercion i.e., it tends to inflict physical duress on the employer or manager. Thus a gherao besides endangering industrial harmony creates problems of law and order also.

(b) Lockout

Layout has been defined under the industrial dispute act 1947 as "the closing of a place of employment or the suspension of work, or the refusal by an employer to continue to employ any number of persons by him. As the employer declares a lockout, he tells workers to keep away from the work. Lockout involves an act of belligerency on the part of the employer. It can be described as an antithesis of strike.

(c) Layoff

It means failure, refusal or inability of an employer on account of shortage of coal, power, or raw materials or the accumulation of stocks or the breakdown of machinery or for any other reason to give employment to a workman whose name is borne on the muster role of his 'industrial establishment and who has not been retrenched.

The failure, refusal or inability of employer to give employment to give a workman whose name is borne on the muster rolls of the industrial establishment with in two hours of his presenting himself at the scheduled time is considered to be layoff but it must be on account of shortage of coal, power or raw material, or accumulation of stock or the breakdown of the machinery, or for any other reason.

The expression 'any other reason' must be construed with the words, preceding it and therefore, refers to these reasons which are not subject to control of the employer. The words like pay-off are included in the definition of layoff.

(d) Retrenchment

It is defined as termination by the employer of the service of a workmen for any other reason what so ever otherwise than as a punishment inflicted by the way of disciplinary action but does not include the followings :

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i) voluntary retirement of the workman, or

ii) retirement of the workman or reaching the age of superannuation if the contract of employment between the employer and the workman concerned contains a stipulation in that behalf, or

iii) termination of the service of a workman on the ground of continued ill death.

A closure of business as a result of winding up order cannot be equated with retrenchment.

Q36. Explain the characteristics of Industrial Disputes Act.

Ans : **(Mar.-16)**

Main features of the Industrial Dispute Act :

1. Strike and lock-outs are prohibited during the pendency of conciliation, adjudication settlement preceding.
2. Any industrial dispute may be referred to an industrial tribunal by an agreement of parties to dispute or by State Government.
3. An award shall be binding on both the parties to the dispute for a specified period not exceeding one year enforced by the government.
4. In public interest or emergency, the appropriate government has the power to declare the transport, coal, iron and steel industry to be public utility services for the purpose of The Industrial Dispute Act, for a maximum period of six months.
5. In case of lay off or retrenchment of workmen, the employer is required to pay compensation.
6. Provision has also been made for payment of compensation to workmen.
7. A number of authorities such as works committee, Conciliation Officer, Board of Conciliation, Labour court, Tribunal are provided for settlement of industrial disputes.

Q37. What are the functions of industrial disputes act 1947?

Ans : **(May-19)**

Functions of The Industrial Dispute Act:

1. Aspires for co-operation and good relation among employer and employees.
2. Constructed by the representatives of employer and employees by democratic pattern.
3. To provide a piece of effective machinery for the settlement of the industrial dispute. There are 3 types of machinery:
   - Conciliation
   - Adjudication
   - Voluntary arbitration
4. During the post-independence era, we have witnessed the development of a new jurisprudence, namely 'Industrial Law'.
5. The economic growth of the country depends upon the industrial development.
6. Industrial Law plays an important role in the national economy of a country.

Q38. What are the causes of industrial disputes act ?

Ans :

Fundamentally industrial dispute is due to mental unrest or discontent in the workers. This unrest is a psychological fact but has also social, political and economic aspects. Briefly, the causes of industrial disputes in India may be classified as follows :

1. Low Wages, Inland

The remuneration paid to workers is not adequate to meet their daily expenses. They can neither provide for the education of their children nor can they feed them properly. Their living conditions are deplorable.

Their future is uncertain and a deep sense of insecurity pervades their life. With the death of the earning member the dependents are reduced to penury and compelled to take to beggary, prostitution and other social evils.

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The low wages are the main reason of discontent among the workers. It is discontent which expresses itself in the form of Industrial disputes and tensions.

2. Rising Prices

If we review the statistics regarding the wages of workers in India we find that in most states have doubled. For example, in 1954, the average annual income of workers in Andhra Pradesh was Rs. 595/-, which in the year 1964 rose to Rs. 1,097. However, the doubling of income has brought no relief to the workers, because whereas the wages have gone up sharply.

After the Second World War, the prices of commodities have been steadily rising, eroding the real earning of the workers. Therefore this inflationary spiral has made the workers poorer still. This obviously produces tension and conflict among workers.

3. Lack of Link in D.A. & Price Rise

The various trade unions in India have been clamoring for 100% neutralization of prices rise by corresponding increase in the dearness allowance. This, however, has not happened in all industries. This is a great source of conflict and tension between workers and their employers.

4. Unsatisfactory Working Conditions

An other cause of industrial disputes is the fact that the working conditions in most of the factories are unhygienic and pout in respect of lighting and ventilation. This tells upon the health of workers. They are mostly suffering from some or the other chronic ailment. Being ill and unhealthy they are depressed and irritable. This makes them permanently discontented.

5. Demand for Leave with Pay

Like workers everywhere the industrial workers, too, need holiday from work from time to time. Therefore, Trade Unions press for a permanent provision of regular leaves with pay. This is also a source of content among workers and employers.

6. Resistance to Misconduct of officers

Today there is sufficient awakening among the workers and they are very conscious of self respect and preserve it jealously. Therefore any slight or insult by officers provokes them. Such incidents many at time ignite fire of conflict and tension which takes the form of gheraos etc.

7. Demand for Adequate Bonus

The political leaders and trade unionist have inspired the workers to think and believe that they are partners in mills and factories and that they are fully entitled to share the profits earned by the factory as a result of their labour. Though in many industries bonus is being paid now, but the amount or percentage of bonus is a source of frequent disputes among workers and employers.

8. Demand for Re-installment

At times the employers arbitrarily retrench many workers and this naturally is resisted by the affected workers. Besides, other workers are made to feel insecure. Therefore, the workers resist such moves. They stand united and agitate for the re-installment of the retrenched colleagues.

9. Non-recognition of Trade Unions

Sometimes employers refuse to recognize the trade unions in their factories. This too becomes a source of contention and conflict and may result in strikes etc.

10. Retrenchment Due to Sophisticated Machinery

In Modern industries, many new and sophisticated machines are installed. These machines are labour saving. Naturally, therefore, as a result of these there is retrenchment of workers. Recently there was a great hue and cry in the Life Insurance Corporation of India due to installation of computers.

11. Political Causes

A major cause of industrial disputes is political machinations. Now-a-days various political parties in India vie with each other to gain

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sympathy and support of workers and for this reason go out of way to support all types of agitations and even foment discontent among them.

12. Misconduct of Intermediaries

In many industries there is no direct contact between the employer and the workers. The workers are recruited through intermediaries or brokers. These brokers usually subject workers to various kinds of humiliation and exploitation. In resentment to these foul tactics the workers start agitations and launch other forms of protests.

Q39. What are the remedial measures of industrial disputes under industrial disputes act 1947 ?

Ans :

The following remedial measures are provided under the Industrial Disputes Act, 1947,

1. Conciliation

Conciliation is one of the most important method for the prevention and settlement of industrial disputes through the intervention of a neutral third party. Conciliation is defined as, "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".

2. Voluntary Arbitration

If the proceeding of the conciliation fails to resolve the dispute, then the conciliation officer may advise or convince the disputant parties to refer the dispute to the arbitrator who is an independent party, appointed by the mutual agreement of the disputants. Both the parties to the dispute gives out the viewpoints to the arbitrator who listens and gives his award of judgement on the dispute. He is only required to produce a report by conducting fair hearings by collecting all the available facts about the problem, the report needs to be submitted to the government which publishes its judgement within the 30 days from the receipt of the report. After a period of 30 days it will become a final binding for all the members of the disputes whether they directly or indirectly linked to the settlement.

3. Adjudication

Adjudication is the process in which a neutral third party appointed by the government intervenes into the dispute with an aim to give the final settlement. Failure of conciliation to settle the dispute leads the government to refer the dispute to adjudication. Adjudication can be done by,

(i) Labour Courts

The Labour court includes one independent person (who is known as the presiding officer) who is or has been working as a high-court judge or a district-judge for atleast 3 years and who is having a judicial office experience for more than a period of 7 years.

The Labour court deals with the disputes which are related to,

(a) Legality of order given by employer

(b) Withdrawal of any statutory privilege

(c) Strike or lockouts

(d) All matter except the reserved matters of the industrial tribunals.

(ii) Industrial Tribunal

The industrial tribunal also consists of one presiding officer who is appointed by the government. It's jurisdiction is much wider than the labour court's jurisdiction. In order to provide advise to the presiding officer in the proceedings two assessors are appointed by the concerned government. The industrial tribunal makes judgements in the following matters,

(a) Compensation and others allowances.

(b) Working hours and resting hours.

(c) Working shift.

(d) Classification on the basis of grades.

(e) Discipline rules

(f) Rationalisation and so on.

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(iii) National Tribunal

National tribunals also consists of independent person (who is known as adjudicatory body) and must be appointed by the central government in order to resolve the national disputes which can influence the industries in different states.

5.9 FACTORIES ACT 1948

Q40. Explain the history and objective of indian factors Act -1948.

Ans :

The first Factories Act was enacted in 1881 which was replaced by the Act of 1934. The 1934 Act revealed a number of defects and weaknesses which hampered effective administration of the Act, therefore the Factories Act, 1948 was passed. The Act is in tune with the spirit of the Constitution of India i.e. article 24, 39(e), 39(f), 42 and 48A.

The Factories Act, 1948 has been amended from time to time, especially after the Bhopal gas disaster, which could have been prevented. The amendment demanded a shift away from dealing with disaster (or disease) to prevention of its occurrence. The Factories (Amendment) Act came into force on December 1, 1987. A special chapter on occupational health and safety to safeguard workers employed in hazardous industries was added. In this chapter, pre-employment and periodic medical examinations and monitoring of the work environment are mandatory for industries defined as hazardous under the Act. A maximum permissible limit has been laid down for a number of chemicals.

Object

- The Factories Act, 1948 was, therefore, enacted and came into force with the objective to provide adequate compensation to the affected persons.
- The Act extends to the whole of India and persons employed in factories, mines, plantation, construction, mechanically propelled vehicles and in some hazardous occupations are covered under the provisions of the Act. It is an Act to consolidate and amend the law regulating labour in factories (Preamble of the Act).
- The main object of the Factories Act, 1948 is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories.

Q41. Explain various elements involved in indian factories Act-1948.

Ans :

Section 2 provides for definition of certain words used in the Act as –"In this Act, unless there is anything repugnant in the subject or context,-

i) "Adult" {Section 2(a)}

Adult means a person who has completed his eighteenth year of age;

ii) "Adolescent" {Section 2(b)}

Adolescent means a person who has completed his fifteenth year of age but has not completed his eighteenth year;

iii) "Calendar Year"

{Section 2(bb)} Calendar Year means the period of twelve months beginning with the first day of January in any year;

iv) "Child" {Section 2(c)}

Child means a person who has not completed his fifteenth year of age;

v) "Competent Person" {Section 2(ca)}

Competent Person, in relation to any provision of this Act, means a person or an institution recognized as such by the Chief Inspector for the purposes of carrying out tests, examinations and inspections required to be done in a factory under the provisions of this Act having regard to-

(i) the qualifications and experience of the person and facilities available at his disposal; or

(ii) the qualifications and experience of the persons employed in such institution and facilities available therein, with regard to the conduct of such tests,

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examinations and inspections, and more than one person or institution can be recognized as a competent person in relation to a factory;

vi) "Hazardous Process" {Section 2(cb)}

Hazardous process means any process or activity in relation to an industry specified in the First Schedule where, unless special care is taken, raw materials used therein or the intermediate or finished products, bye-products, wastes, or effluents thereof would-

(i) cause material impairment to the health of the persons engaged in or connected therewith, or

(ii) result in the pollution of the general environment:

It is provided that the State Government may, by notification in the Official Gazette, amend the First Schedule by way of addition, omission or variation of any industry, specified in the said Schedule;

vii) "Young Person" {Section 2(d)}

Young person means a person who is either a child or an adolescent;

viii) "Day" {Section 2(e)}

Day means a period of twenty-four hours beginning at midnight;

ix) "Week" {Section 2(f)}

Week means a period of seven days beginning at midnight on Saturday night or such other night as may be approved in writing for a particular area by the Chief Inspector of Factories;

x) "Power" {Section 2(g)}

Power means electrical energy, or any other form of energy which is mechanically transmitted and is not generated by human or animal agency;

xi) "Prime mover" {Section 2(h)}

Prime mover means any engine, motor or other appliance which generates or otherwise provides power;

xii) "Transmission Machinery"{Section 2(i)}

Transmission Machinery means any shaft, wheel drum, pulley, system of pulleys, coupling, clutch, driving belt or other appliance or device by which the motion of a prime mover is transmitted to or received by any machinery or appliance;

xiii) "Machinery" {Section 2(j)}

Machinery includes prime movers, transmission machinery and all other appliances whereby power is generated, transformed, transmitted or applied.

Q42. Discuss the sailent features of factories act.

Ans : **(Aug.-17, Sep.-14)**

The salient features of factories act, 1948 are as follows,

1. Section 11 to 20 of factories act covers provisions concerning health. All these provisions are required to be followed by the employers in order to protect the health of their workers. The provisions concerning health are,
   (i) Clean lines [Sec. 11],
   (ii) Disposal of wastes and effluents [Sec. 12],
   (iii) Ventilation and temperature [Sec. 13],
   (iv) Dust and fumes [Sec. 14],
   (v) Artificial humidification [Sec. 15],
   (vi) Over crowding [Sec. 16],
   (vii) Lighting [Sec. 17],
   (viii) Drinking water [Sec. 18],
   (ix) Conservancy arrangements [Sec. 19] and
   (x) Spittoons [Sec. 20],
2. Section 21 to 41 of the factories act, 1948 deals with safety provisions. Section 21 to 41 of the Indian constitution Act deals with safety provisions. The safety provisions include,

   Fencing of machinery (section-21), Work on or near machinery in motion (section 22), Employment of young persons on dangerous

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machines (section 23), Striking gear and revises for cutting off power (section 24), Self-acting machines (section 25), Casing of new machinery (section 26), Prohibition of employment of women and children near cotton openers (section 27), Hoists, Lifts, Lifting Machines etc., (section 28 and 29), Revolving machinery (section 30), Pressure plant (section 31), Floors, stairs and means of access (section 32), Pits, sumps, openings in floors etc., (section 33), Excessive weights (section 34), Protection of eyes (section 35), Precautions against dangerous fumes (section 36), Precautions regarding the use of portable electric light (section 36 A), Explosive or Inflammable dust, gas etc., (section 37), Precaution in case of fire (section 38), Power to require specifications of defective parts or tests of stability (section 39), Safety of buildings and machinery (section 40), Maintenance of buildings (section 40 A), Safety offers (section 40 B), Power to make rules (section 41)

The safety provisions listed down above are fixed in nature and each and every occupier is supposed to obey these provisions.

3. The act has given/enlisted certain detailed provisions for the welfare of workers. The different provisions stated in the Act are as follows,

   Washing facilities (Section 42), Facilities for storing and drying clothing (Section 43), Facilities for sitting (Section 44), First AID appliance (Section 45), Canteens (Section 46), Shelter, rest room and lunch rooms (Section 47), Creches (Section 48), Welfare officers (Section 49), Power to make rules in connection with welfare activities (Section 50).

4. Section 41 (A) to 41(H) enlists the provisions concerning hazardous process. Participation of workers in safety management, limited exposure of chemicals and toxic substance and so on are discussed.

5. Section 51 to 66 of the factories Act, 1948 are concerned with restriction on working hours of workers like weekly off, night-shifts, over times, weekly-hours and so on.

6. Section 67 to 77 of the factories Act, 1948 enlists the provisions concerning employment of young persons.

7. Section 78 to 84 of the Act are concerned with eligibility of workers to avail leave.

8. Section 92 to 106(A) of the factories Act, 1948 concerned with penalty provisions. The factory manager who disobey the provisions of factories Act, 1948 will be sent to jail for maximum 2 years or fined with maximum ` 1,00,000 or both.

Q43. Discuss the measures to be taken by factories for health of workers.

Ans :

(i) Cleanliness

Section 11 of the Act makes provisions for ensuring cleanliness in the factory. It states that every factory shall be kept clean and free from effluvia arising from any drain, privy or other nuisance, and in particular-

- accumulation of dirt and refuse shall be removed daily by sweeping or by any other effective method from the floors and benches of workrooms and from staircases and passages, and disposed of in a suitable manner;
- the floor of every workroom shall be cleaned at least once in every week by washing, using disinfectant, where necessary, or by some other effective method;
- Where a floor is liable to become wet in the course of any manufacturing process to such extent as is capable of being drained, effective means of drainage shall be provided and maintained;
- all inside walls and partitions, all ceilings or tops of rooms and all walls, sides and tops of passages and staircases shall-
  - (i) where they are painted otherwise than with washable water-paint or varnished, be repainted or revarnished at least once in every period of five years;

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(ia) Where they are painted with washable water-paint, be repainted with at least one coat of such paint at least once in every period of three years and washed at least once in every period of six months;

(ii) where they are painted or varnished or where they have smooth impervious surfaces, be cleaned at least once in every period of fourteen months by such method as may be prescribed;

(iii) in any other case, be kept whitewashed or colour washed, and the whitewashing or colour washing shall be carried out at least once in every period of fourteen months;

- all doors and window frames and other wooden or metallic framework and shutters shall be kept painted or varnished and the painting or varnishing shall be carried out at least once in every period of five years;
- the dates on which the processes required by clause (d) are carried out shall be entered in the prescribed register.

(ii) Disposal of wastes and effluents (Section 12)

Every occupier of a factory shall make effective arrangements for the treatment of wastes and effluents due to the manufacturing process carried on in the factory so as to render them innocuous and for their disposal. Such arrangements should be in accordance with the rules, if any, laid down by the State Government. If the State Government has not laid down any rules in this respect, arrangements made by the occupier should be approved by the prescribed authority, if required by the State Government.

(iii) Ventilation and temperature (Section 13)

Section 13 provides that every factory should make suitable and effective provisions for securing and maintaining (1) adequate ventilation by the circulation of fresh air; and (2) such a temperature as will secure to the workers reasonable conditions of comfort and prevent injury to health. What is reasonable temperature depends upon the circumstances of each case.

Measures to reduce excessively high temperature: To prevent excessive heating of any workroom following measures shall be adopted:

(i) walls and roofs shall be of such material and so designed that such temperature shall not be exceeded but kept as low as practicable;

(ii) where the nature of the work carried on in the factory involves, or is likely to involve, the production of excessively high temperatures, such adequate measures as are practicable shall be taken to protect the workers there from, by separating the process which produces such temperatures from the workroom, by insulating the hot parts or by other effective means.

The Chief Inspector is empowered to direct any factory to adopt such methods which will reduce the excessively high temperature. In this regard, he can specify the measures which in his opinion should be adopted.

(iv) Dust and fume (Section 14)

There are certain manufacturing processes like chemical, textile or jute, etc., which generates lot of dust, fume or other impurities. It is injurious to the health of workers employed in such manufacturing process. Therefore, section 14 provides for the following measures to be adopted in this respect:

- Effective measures should be taken to prevent the inhalation and accumulation of dust, fumes etc., in the work-rooms.
- Wherever necessary, an exhaust appliances should be fitted, as far as possible, to the point of origin of dust

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fumes or other impurities. Such point shall also be enclosed as far as possible.

- In stationery internal combustion engine, exhaust should be connected into the open air.
- In cases of other internal combustion engine, effective measures should be taken to prevent the accumulation of fumes therefrom.

(v) Artificial humidification (Section 15)

Humidity means the presence of moisture in the air. In certain industries like cotton, textile, cigarette, etc., higher degree of humidity is required for carrying out the manufacturing process. For this purpose, humidity of the air is artificially increased. This increase or decrease in humidity adversely affects the health of workers. In respect of all factories in which the humidity of the air is artificially increased, the State Government may make rules,-

(a) prescribing standards of humidification;

(b) regulating the methods used for artificially increasing the humidity of the air;

(c) directing prescribed tests for determining the humidity of the air to be correctly carried out and recorded;

(d) prescribing methods to be adopted for securing adequate ventilation and cooling of the air in the workrooms.

(vi) Overcrowding (Section 16)

Overcrowding in the work-room does not only affect the workers in their efficient discharge of duties but their health also. Section 16 has been enacted with a view to provide sufficient air space to the workers. The section prohibits the overcrowding in the work-rooms to the extent it is injurious to the health of the workers. Apart from this general prohibition, the section lays down minimum working space for each worker as 14.2 cubic metres of space per worker in every workroom. For calculating the work area, the space more than 4.2 metres above the level of the floor, will not be taken into consideration.

(vii) Lightening(Section 17)

Section 17 made it mandatory to provide and maintain sufficient and suitable lighting, natural or artificial, or both in every part of a factory where workers are working or passing. In every factory all glazed windows and skylights used for the lighting of the workroom shall be kept clean on both the inner and outer surfaces and so far as compliance with the provisions of any rules made under section 13 will allow, free from obstruction. In every factory effective provision shall, so far as is practicable, be made for the prevention of

(a) glare, either directly from a source of light or by reflection from a smooth or polished surface;

(b) the formation of shadows to such an extent as to cause eye-strain or the risk of accident to any worker.The State Government may prescribe standards of sufficient and suitable lighting for factories or for any class or description of factories or for any manufacturing process.

(viii) Drinking water (Section 18)

Section 18 deals with the provisions relating to arrangements for drinking water in factories. It provides that in every factory effective arrangements shall be made to provide and maintain at suitable points conveniently situated for all workers employed therein a sufficient supply of wholesome drinking water. All such points shall be legibly marked “drinking water” in a language understood by a majority of the workers employed in the factory, and no such point shall be situated within six meters of any washing place, urinal, latrine, spittoon, open drain carrying sullage or effluent or any other source of contamination] unless a shorter distance is approved in writing by the Chief Inspector.In every factory wherein more than two hundred and fifty workers are

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ordinarily employed, provisions shall be made for cooling drinking water during hot weather by effective means and for distribution thereof. In respect of all factories or any class or description of factories the State Government may make rules for securing compliance with the provisions of this section and for the examination by prescribed authorities of the supply and distribution of drinking water in factories.

(ix) Latrines and urinals (Section19)

The section made it mandatory that in every factory

(a) sufficient latrine and urinal accommodation of prescribed types shall be provided conveniently situated and accessible to workers at all times while they are at the factory;

(b) separate enclosed accommodation shall be provided for male and female workers;

(c) such accommodation shall be adequately lighted and ventilated, and no latrine or urinal shall, unless specially exempted in writing by the Chief Inspector, communicate with any workroom except through an intervening open space or ventilated passage;

(d) all such accommo-dation shall be maintained in a clean and sanitary condition at all times;

(e) sweepers shall be employed whose primary duty it would be to keep clean latrines, urinals and washing places.

(x) Spittoons (Section20)

According to the section, there shall be provided, in every factory, a sufficient number of spittoons in convenient places and they shall be maintained in a clean and hygienic condition.

The State Government may make rules prescribing the type and the number of spittoons to be provided and their location in any factory and provide for such further matters relating to their maintenance in a clean and hygienic condition.

A notice containing the provision shall be prominently displayed at suitable places in the premises that no person shall spit within the premises of a factory except in the Spittoons provided for the purpose. The notice shall also stipulates the penalty for its violation which shall exceeding five rupees.

Q44. How Safety of worker must be ensured in factory as per indian factories Act 1948. Discuss.

Ans :

(i) Fencing of machinery (Section21)

According to the section, fencing of machinery in use or in motion is obligatory. This Section requires that following types of machinery or their parts, while in use or in motion, shall be securely fenced by safeguards of substantial construction and shall be constantly maintained and kept in position, while the parts of machinery they are fencing are in motion or in use. Such types of machinery or their parts are:

(i) every moving part of a prime mover and every flywheel connected to a prime mover, whether the prime mover or flywheel is in the engine house or not;

(ii) the headrace and tailrace of every water-wheel and water turbine;

(iii) any part of a stock-bar which projects beyond the head stock of a lathe; and

(iv) unless they are in such position or of such construction as to be safe to every person employed in the factory as they would be if they were securely fenced, the following, namely,-(a) every part of an electric generator, a motor or rotary convector;(b) every part of transmission machinery; and(c) every dangerous part of any other machinery;

(ii) Work on (or) near machinery in motion (Section 22)

Section 22 lays down the procedure for carrying out examination of any part while it is in motion or as a result of such examination to carry out the operations mentioned under

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Section 21. Such examination or operation shall be carried out only by specially trained adult male worker wearing tight fitting clothing (which shall be supplied by the occupier) whose name has been recorded in the register prescribed in this behalf and who has been furnished with a certificate of appointment and while he is so engaged. No woman or young person shall be allowed to clean, lubricate or adjust any part of a prime-mover or any transmission machinery while the prime-mover or transmission machinery is in motion or to clean, lubricate or adjust any part of any machine if the cleaning, lubrication and adjustment thereof would expose the woman or the young person to risk of injury from any moving part either of that machine or of any adjacent machinery.

(iii) Employment of young persons on dangerous machines (Section 23)

According to the section, any young person shall not be required or allowed to work at any machine to which this section applies, unless he has been fully instructed as to the dangers arising in connection with the machine and the precautions to be observed and

(a) has received sufficient training in work at the machine, or

(b) is under adequate supervision by a person who has a thorough knowledge and experience of the machine.

(iv) Striking gear and devices for cutting off power (Section 24)

The section provides that in every factory suitable striking gears or other efficient mechanical appliances shall be provided and maintained and used to move driving belts to and from fast and loose pulleys which form part of the transmission machinery and such gear or appliances shall be so constructed, placed and maintained as to prevent the belt from creeping back on the fast pulley. Further, driving belts when not in use shall not be allowed to rest or ride upon shafting in motion. Suitable devices for cutting off power in emergencies from running machinery shall be provided and maintained in every work-room in every factory. It is also provided that when a device which can inadvertently shift from 'off' to 'on position in a factory', cutoff power arrangements shall be provided for locking the devices on safe position to prevent accidental start of the transmission machinery or other machines to which the device is fitted.

(v) Self-acting machines (Section 25)

The section provides further safeguards to the workers injured by self-acting machines. It provides that no traversing part of a self-acting machine in any factory and no material carried thereon shall, if the space over which it runs is a space over which any person is liable to pass, whether in the course of his employment or otherwise, be allowed to run on its outward or inward traverse within a distance of forty-five centimeters from any fixed structure which is not part of the machine.

(vi) Casing of new machinery (Section 26)

The section provides for mandatory casing of new machinery to safeguard the lives of workers, It makes it mandatory to provide in all machinery driven by power and installed in any factory after the commencement of this Act,

(a) every set screw, bolt or key on any revolving shaft, spindle, wheel or pinion shall be so sunk, encased or otherwise effectively guarded as to prevent danger;

(b) all spur, worm and other toothed or friction gearing which does not require frequent adjustment while in motion shall be completely encased, unless it is so situated as to be as safe as it would be if it were completely encased.

(vii) Prohibition of employment of women and children near cotton-openers (Section 27)

No woman or child shall be employed in any part of a factory for pressing cotton in which a cotton opener is at work. It is provided that if the feed-end of a cotton-opener is in a

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room separated from the delivery end by a partition extending to the roof or to such height as the Inspector may in any particular case specify in writing, women and children may be employed on the side of the partition where the feed-end is situated.

(viii) Hoists and lifts (Section 28)

Section 28 (1) requires that in every factory every hoist and lift shall be

(i) of good mechanical construction, sound material and adequate strength;

(ii) properly maintained, and shall be thoroughly examined by a competent person at least once in every period of six months and a register shall be kept containing the prescribed particulars of every such examination;

(ix) Lifting machines, chains, ropes and lifting tackles (Section 29)

The section provides for that the following provisions shall be complied in any factory in respect of every lifting machine (other than a hoist and lift) and every chain, rope and lifting tackle for the purpose of raising or lowering persons, goods or materials:

(a) all parts, including the working gear, whether fixed or movable, of every lifting machine and every chain, rope or lifting tackle shall be-(i) of good construction, sound material and adequate strength and free from defects;(ii) properly maintained; and(iii) thoroughly examined by a competent person at least once in every period of twelve months, or at such intervals as the Chief Inspector may specify in writing; and a register shall be kept containing the prescribed particulars of every such examination;

(b) no lifting machine and no chain, rope or lifting tackle shall, except for the purpose of test, be loaded beyond the safe working load which shall be plainly marked thereon together with an identification mark and duly entered in the prescribed register; and where this is not practicable, a table showing the safe working loads of every kind and size of lifting machine or, chain, rope or lifting tackle in use shall be displayed in prominent positions on the premises;

(x) Revolving machinery (Section 30)

This section prescribes for permanently affixing or placing a notice in every factory in which process of grinding is carried on. Such notice shall indicate maximum safe working peripheral speed of every grindstone or abrasive wheel, the speed of the shaft or spindle upon such shaft or spindle necessary to secure such safe working peripheral-speed. Speed indicated in the notice shall not be exceeded and effective measures in this regard shall be taken to ensure that the safe working peripheral speed of every revolving vessel, cage, basket, fly-wheel, pulley, disc or similar appliance driven by power is not exceeded.

(xi) Pressure plant (Section 31)

The section provides for taking effective measures to ensure that safe working pressure of any plant and machinery, used in manufacturing process operated at pressure above atmospheric pressure, does not exceed the limits. The State Government may make rules to regulate such pressures or working and may also exempt any part of any plant or machinery from the compliance of this section.

(xii) Floors, stairs and means of access (Section 32)

The section provides that in every factory

(a) all floors, steps, stairs passages and gangways shall be of sound construction and properly maintained and shall be kept free from obstruction and substances likely to cause persons to slip and where it is necessary to ensure safety, steps, stairs passages and gangways shall be provided with substantial handrails,

(b) there shall, be so far as is reasonably practicable, be provided, and maintained safe means of access of every

Rahul Publications

place at which any person is at any time required to work;

(c) when any person has to work at a height from where he is likely to fall, provision shall be made, so far as is reasonably, practicable, by fencing or otherwise, to ensure the safety of the person so working.

(xiii) Pits, sumps, opening in floors, etc. (Section 33)

The section requires that in every factory every fixed vessel, sump, tank, pit or opening in the ground or in a floor which, by reason of its depth, situation, construction, or contents is or may be source of danger shall be either securely covered or securely fence. The State Government may exempt any factory from the compliance of the provisions of this Section subject to such conditions as it may prescribe.

(xiv) Excessive weights (Section 34)

This section provides that no person shall be employed in any factory to lift, carry or make any load so heavy as to be likely to cause him injury. The State Government may make rules prescribing the maximum weights which may be lifted, carried or moved by adult men, adult women, adolescents and children employed in factories or in any class or description of factories or in carrying on any specified process.

(xv) Protection of eyes (Section 35)

The section requires the State Government to make rules and require for providing the effective screens or suitable goggles for the protection of persons employed on or in immediate vicinity of any such manufacturing process carried on in any factory which involves

(i) risk of injury to the eyes from particles or fragments thrown off in the course of the process or;

(ii) risk to the eyes by reason of exposure to excessive light.

(xvi) Precautions against dangerous fumes, gases, etc.(Section 36)

In order to prevent the factory workers against dangerous fumes, special measures have been taken under the Factories Act. The Act prohibits entry in any chamber, tank, vat, pit, pipe, flue, or other confined space in any factory in which any gas, fume, vapour or dust is likely to be present, to such an extent as to involve risk to persons being overcome thereby, except in cases where there is a provision of a manhole of adequate size or other effective means of egress. [Section 36 (1)].

(xvii) Precautions regarding the use of portable electric light (Section 36-A)

The Act prohibits use of portable electric light or any other electric appliance of voltage exceeding 24 volts inside any chamber, tank, vat, pit, pipe, flue or other confined space in any factory unless adequate safety devices are provided; and if any inflammable gas, fume or dust is likely to be present in such chamber, tank, vat, pit, pipe, flue or other confined space ,no lamp or light other than that of flame proof construction shall be permitted to be used therein unless adequate safety devices are provided.

(xviii) Explosive or inflammable dust, gas, etc. (Section 37)

The section provides for mandatory requirement to take all practicable measure in every factory where any manufacturing process produces dust, gas, fume or vapour of such character and to such extent to be likely to explode on ignition, to prevent any such explosion. These practical measures include

(a) effective enclosure of the plant or machinery used in the process

(b) removal or prevention of the accumulation of such dust, gas fume or vapour, and

(c) exclusion or effective enclosure of all possible sources of ignition.

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(xix) Precautions in case of fire (Section 38)

In every factory all practicable measures shall be taken to outbreak of fire and its spread, both internally and externally and to provide and maintain

(a) safe means of escape for all persons in the event of fire, and

(b) the necessary equipment and facilities for extinguishing fire. Effective measures shall be taken to ensure that in every factory all the workers are familiar with the means of escape in case of fire and have been adequately trained in the outline to be followed in such case.

(xx) Power to require specifications of defective parts or tests of stability (Section 39)

If it appears to the Inspector that any building or part of a building or any part of the ways, machinery or plant in a factory is in such a condition that it may be dangerous to human life or safety, he may serve on the occupier or manager or both of the factory an order in writing requiring him before a specified date-

(a) to furnish such drawings, specifications and other particulars as may be necessary to determine whether such buildings, ways, machinery or plant can be used with safety, or

(b) to carry out such tests in such manner as may be specified in the order, and to inform the Inspector of the results there of.

(xxi) Safety of buildings and machinery (Section 40.)

If it appears to the Inspector that any building or part of a building or any part of the ways, machinery or plant in a factory is in such a condition that it is dangerous to human life or safety, he may serve on the occupier or manager or both of the factory an order in writing specifying the measures, which in his opinion should be adopted and requiring them to be carried out before a specified date.

If it appears to the Inspector that the use of any building or part of a building or any part of the ways, machinery or plant in a factory involves imminent danger to human life or safety he may serve on the occupier or manager or both of the factory an order in writing prohibiting its use until it has been properly repaired or altered.

(xxii) Maintenance of buildings (Section 40-A)

If it appears to the Inspector that any building or part of a building in a factory is in such a state of disrepair as is likely to lead to conditions detrimental to the health and welfare of the workers, he may serve on the occupier or manager or both of the factory an order in writing specifying the measures which in his opinion should be taken and requiring the same to be carried out before such date as is specified in the order.

(xxiii) Safety Officers (Section 40-B)

If State Government requires, by notification in Official Gazette, the occupier shall employnsuch number of Safety Officers as may be specified in that notification in every factory-

(i) wherein one thousand or more workers are ordinarily employed, or

(ii) wherein, in the opinion of the State Government, any manufacturing process or operation is carried on, which process or operation involves any risk of bodily injury, poisoning or disease or any other hazard to health, to the person employed in the factory.

The duties, qualifications and conditions of service of Safety Officers shall be such as may be prescribed by the State Government.

(xxiv) Power to make rules to supplement this Chapter (Section 41)

This section vests in the State Government authority to make rules requiring the provision in any factory or in any class or description of factories of such further devices and measures for securing safety of persons employed therein as it may deem necessary.

Rahul Publications

Q45. Explain provisions relating to hazardous processes of indian factories Act 1948.

Ans : **(July.-18)**

The Factories (Amendment) Act, 1987, has inserted this new chapter in the Act after Chapter IV. The new Chapter lays down provisions relating to hazardous process in sections 41A to 41H.

i) Constitution of Site Appraisal Committees (Section 41A)

The State Government may, for purposes of advising it to consider applications for grant of permission for the initial location of a factory involving a hazardous process or for the expansion of any such factory, appoint a Site Appraisal Committee. The Committee shall examine an application for the establishment of a factory involving hazardous process and make its recommendation to the State Government within a period of ninety days of the receipt of such application in the prescribed form.

ii) Compulsory disclosure of information by the occupier (Section 41B)

The occupier of every factory involving a hazardous process shall disclose in the manner prescribed, all information regarding dangers including health hazards and the measures to overcome such hazards arising from the exposure to or handling of the materials or substances in the manufacture, transportation, storage and other processes, to the workers employed in the factory, the Chief Inspector, the local authority, within whose jurisdiction the factory is situate, and the general public in the vicinity. The information furnished shall include accurate information as to the quantity, specifications and other characteristics of wastes and the manner of their disposal.

The occupier shall, at the time of registering the factory involving a hazardous process lay down a detailed policy with respect to the health and safety of the workers employed therein and intimate such policy to the Chief Inspector and the local authority and, thereafter, at such intervals as may be prescribed, inform the Chief Inspector and the local authority of any change made in the said policy.

Every occupier shall, with the approval of the Chief Inspector, draw up an on-site emergency plan and detailed disaster control measures for his factory and make known to the workers employed therein and to the general public living in the vicinity of the factory, the safety measures required to be taken in the event of an accident taking place.

iii) Specific responsibility of the occupier in relation to hazardous processes (Section 41C)

Every occupier of a factory involving any hazardous process shall maintain accurate and up-to-date health records or, as the case may be, medical records, of the workers in the factory who are exposed to any chemical, toxic or any other harmful substances which are manufactured, stored, handled or transported and such records shall be accessible to the workers subject to such conditions as may be prescribed.

iv) Power of Central Government to appoint Inquiry Committee (Section 41D)

The Central Government may, in the event of the occurrence of an extraordinary situation involving a factory engaged in a hazardous process, appoint an Inquiry Committee to inquire into the standards of health and safety observed in the factory with a view to finding out the causes of any failure or neglect in the adoption of ally measures or standards prescribed for the health and safety of the workers employed in the factory or the general public affected, or likely to be affected, due to such failure or neglect and for the prevention and recurrence of such extraordinary situations in future in such factory or elsewhere.

The Committee so appointed shall consist of a Chairman and two other members and the terms of reference of the Committee and the tenure of office of its members shall be such as may be determined by the Central Government according to the requirements of the situation.

The recommendations of the Committee shall be advisory in nature.

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v) Emergency standards (Section 41E)

Where the Central Government is satisfied that no standards of safety have been prescribed in respect of a hazardous process or class of hazardous processes, or where the standards so prescribed are inadequate, it may direct the Director-General of Factory Advice Service and Labour Institutes or any Institution specialised in matters relating to standards of safety in hazardous processes, to lay down emergency standards for enforcement of suitable standards in respect of such hazardous processes.

The emergency standards laid down shall, until they are incorporated in the rules made under this Act, be enforceable and have the same effect as if they had been incorporated in the rules made under this Act.

vi) Permissible limits of exposure of chemical and toxic substances (Section 41F)

The maximum permissible threshold limits of exposure of chemical and toxic substances in manufacturing processes (whether hazardous or otherwise) in any factory shall be of the value indicated in the Second Schedule. The Central Government may, at any time, for the purpose of giving effect to any scientific proof obtained from specialised institutions or experts in the field, by notification in the Official Gazette, make suitable changes in the said Schedule.

vii) Workers' participation in safety management (Section 41G)

The section provides for constitution of Safety Committee consisting of equal number of representatives of workers and management. Such Safety Committee shall be set up by the occupier in every factory where a hazardous process takes place, or where hazardous substances are used or handled. The functions of the Safety Committee are to promote co-operation between the workers and the management in maintaining proper safety and health at work and to review periodically the measures taken in that behalf.

It is provided that the State Government may, by order in writing and for reasons to be recorded, exempt the occupier of any factory or class of factories from setting up such Committee.

The composition of the Safety Committee, the tenure of office of its members and their rights and duties shall be such as may be prescribed.

viii) Right of workers to warn about imminent danger (Section 41H)

Where the workers employed in any factory engaged in a hazardous process have reasonable apprehension that there is a likelihood of imminent danger to their lives or health due to any accident, they may, bring the same to the notice of the occupier, agent, manager or any other person who is in-charge of the factory or the process concerned directly or through their representatives in the Safety Committee and simultaneously bring the same to the notice of the Inspector. It shall be the duty of such occupier, agent, manager or the person in-charge of the factory or process to take immediate remedial action if he is satisfied about the existence of such imminent danger and send a report forthwith of the action taken to the nearest Inspector.

Q46. Explain various welfare activities to be conducted in factories Act 1948.

Ans :

i) Washing facilities (Section 42)

In every factory, there shall be provided

(a) adequate and suitable facilities for washing shall be provided and maintained for use of the workers therein;

(b) separate and adequately screened facilities shall be provided for the use of male and female workers;

(c) such facilities shall be conveniently accessible and shall be kept clean.

The State Government may, in respect of any factory or class or description of factories or of any manufacturing process, prescribe standards of adequate and suitable facilities for washing.

ii) Facilities for storing and drying clothing (Section 43)

The State Government may, in respect of any factory or class or description of factories, make rules requiring the provision therein of suitable place for keeping clothing not worn during working hours and for the drying of wet clothing.

Rahul Publications

iii) Facilities for sitting (Section 44)

There shall be suitable arrangements for sitting in every factory and they shall be maintained for all workers obliged to work in a standing position. The provision ensures such worker may take advantage of any opportunities for rest which may occur in the course of their work.

iv) First-aid-appliances (Section 45)

In every factory, there shall be provided and maintained so as to be readily accessible during all working hours' first-aid boxes or cupboards equipped with the prescribed contents. At least one such box or cupboard shall be provided and maintained for every one hundred and fifty workers ordinarily employed at any one time in the factory.

It is also mandatory that nothing except the prescribed contents shall be kept in a first-aid box or cupboard.

Each first-aid box or cupboard shall be kept in the charge of a separate responsible person, who holds a certificate in first-aid treatment recognized by the State Government and who shall always be readily available during the working hours of the factory. There shall be provided and maintained an ambulance room of the prescribed size, containing the prescribed equipment in every factory wherein more than five hundred workers are ordinarily employed. The ambulance shall be in the charge of such medical and nursing staff as may be prescribed and those facilities shall always be made readily available during the working hours of the factory.

v) Canteens (Section 46)

The State Government may make rules requiring that the occupier shall provide and maintain a canteen or canteens for the use of the workers in any specified factory wherein more than two hundred and fifty workers are ordinarily employed. Without prejudice in the generality of the foregoing power, such rules may provide for-

(a) the date by which such canteen shall be provided;

(b) the standard in respect of construction, accommodation, furniture and other equipment of the canteen;

(c) the foodstuffs to be served therein and the charges which may be made therefor;

(d) the constitution of a managing committee for the canteen and representation of the workers in the management of the canteen;

(dd) the items of expenditure in the running of the canteen which are not to be taken into account in fixing the cost of foodstuffs and which shall be borne by the employer ;

(e) the delegation to Chief Inspector subject to such conditions as may be prescribed, of the power to make rules under clause (c).

Shelters, rest-rooms and lunch-rooms (Section 47)

It is mandatory to provide and maintain adequate and suitable shelters or rest-rooms and a suitable lunch-room, with provision for drinking water, where workers can eat meals brought by them in every factory wherein more than one hundred and fifty workers are ordinarily employed.

It is provided that any canteen maintained in accordance with the provisions of section 46 shall be regarded as part of the requirements of this section. It is also provided further that where a lunch-room exists no worker shall eat any food in the work-room.

The shelters or rest-room or lunch-room to be provided shall be sufficiently lighted and ventilated and shall be maintained in a cool and clean condition. The State Government may (a) prescribe the standards, in respect of construction accommodation, furniture and other equipment of shelters, rest-rooms and lunch-rooms to be provided under this section;(b) by notification in the Official Gazette, exempt any factory or class or description of factories from the requirements of this section.

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Creches (Section 48)

It is compulsory to provide and maintain a suitable room or rooms for the use of children under the age of six years of women in every factory wherein more than thirty women workers are ordinarily employed. Such rooms shall provide adequate accommodation, shall be adequately lighted and ventilated, shall be maintained in a clean and sanitary condition and shall be under the charge of women trained in the care of children and infants.

Welfare Officers (Section 49)

In every factory wherein five hundred or more workers are ordinarily employed the occupier shall employ in the factory such number of welfare officers as may be prescribed. The State Government may prescribe the duties, qualifications and conditions of service of officers so employed.

Q47. Describe the safety precautions that a chemical company shall for the employees to prevent health Hazards.

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

There are three tasks to perform before any meaningful analy

sis of an emergency response system can begin. The first task is to identify the key processes and elements of the production process and to understand how operational processes are kept within safe bounds under normal conditions. Conceptually, it is the normal process instrumentation and control measures that provide the first and greatest degree of protection to plant employees and to the public. The four areas listed below identify some major subsystems or components which are commonly found in chemical plants. Each has a bearing on the safety of operations under normal and emergency conditions.

1. A management subsystem which includes management personnel, process specifications, plant design, standard operating procedures, and the written emergency plan.
2. A personnel subsystem which assigns and defines roles, for both normal and emergency operations, and provides appropriate training. This may also include labor/ management safety committees.
3. A physical subsystem which may include transportation systems for materials, ventilation systems, waste removal systems, containment systems, refrigeration systems, storage areas, communications systems, and other process related equipment
4. An emergency services subsystem including plant and community components.

A second task is to understand how critical failure points are identified, and what controls are used to ensure safe operations. This involves assessing the interrelation of the components and, particularly, identifying which safety features in the system should be backed up with alternative instrumentation, procedures, or equipment designed to ensure process variables are kept within safe limits.

The third task is to identify the emergency response system that is embedded in the operating system. Conceptually, it is a latent system that is active only when preventative measures have failed and an incident has occurred. This system is the most difficult to evaluate because:

- It is not observable except in emergencies.
- The emergency response system also may involve resources and subsystems that lie wholly or partially outside of the physical or managerial boundaries of the chemical plant. **For example,** local fire fighters may supplement in-plant fire brigades; local hospitals may provide care to injured workers in addition to inplant first aid local police may be involved with traffic control, evacuating of workers and community, and expediting communications and the flow of emergency and rescue equipment.

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5.10 Prevention of Sexual Harassment (POSH)

Q48. Explain briefly about Prevention of Sexual Harassment (POSH).

Ans :

Introduction

The Protection of Women from Sexual Harassment at Workplace Act, 2013 (POSH Act 2013) is a landmark legislation in India that seeks to protect women from sexual harassment. This law has enabled Indian women to stand up for their rights and assert their autonomy in the workplace.

Through this Act, the government has sought to provide women with a safe and secure working environment and has put in place mechanisms to prevent and redress complaints of sexual harassment. In this blog, we will explore the critical provisions of the POSH Act 2013, its impact on women, the challenges in implementing it, and strategies for enforcing the POSH Act.

Overview of the POSH Act, 2013

The Protection of Women from Sexual Harassment Act, 2013, was passed by the Indian government to protect against sexual harassment and abuse of women in the workplace. This Act was created to ensure that workplaces remain free from sexual harassment and to provide a safe and secure environment for women.

It also seeks to create awareness about the issue of sexual harassment and to provide the necessary legal remedies for victims. The POSH Act 2013 also provides for establishing Internal Complaints Committees (ICCs) in organisations to address complaints of sexual harassment and to create a safe working environment for women employees.

The POSH Act is an important step forward in ensuring that women in India can enjoy a safe and respectful working environment.

Key Provisions of the POSH Act, 2013

The POSH Act was enacted to protect against sexual harassment of women in workplaces. This Act makes it mandatory for employers to provide a safe and secure work environment to female employees. It also requires employers to set up Internal Complaints Committee (ICC) in their organisation to address complaints of sexual harassment.

Key provisions of the POSH Act 2013 include

1. Every employer is required to display a notice in the organisation providing details of the protection given to female employees against sexual harassment.
2. Employers must constitute an Internal Complaints Committee in their organisation to address complaints of sexual harassment.
3. A woman must head the ICC; at least half of its members should be women.
4. Employers must take steps to prevent sexual harassment and ensure that the victims are not victimised or discriminated against.
5. Employers must provide necessary support and assistance to the complainant and make arrangements for her work in case she has to be transferred.

The POSH Act plays a vital role in creating a safe and harassment-free work environment for women. It protects women against sexual harassment in the workplace and ensures that their rights are safeguarded.

Q49. What are the challanges and strategies for enforcing Prevention of Sexual Harassment.

Ans : **(Imp.)**

Challenges in Implementing the POSH Act, 2013

The POSH Act 2013 was introduced in India to protect women in the workplace from sexual harassment. Despite its noble aims, there have been some challenges in implementing the Act:

1. Awareness about the Act is still low in certain areas, making it difficult for victims to report cases.
2. Many organisations need proper grievance redressal mechanisms or have yet to make any effort to make employees aware of their rights under the Act.
3. Workplace culture can be a major factor in

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the prevalence of sexual harassment, which employers and organisations need to tackle head-on.

4. With the right education and awareness, the POSH Act 2013 can be effective in protecting women from sexual harassment and promoting a safe workplace.

Strategies for Enforcing the POSH Act, 2013

The POSH Act was passed in India to ensure that workplaces remain safe and free from sexual harassment. Employers and managers must take proactive steps to ensure their workplaces are POSH-compliant.

Here are some strategies that employers can use to enforce the POSH Act of 2013:

1. Develop a comprehensive and clear policy on sexual harassment and post it prominently in the workplace.
2. Ensure that all employees know the policy and its implications. Educate all staff on the various aspects of sexual harassment and the necessary steps to be taken if a complaint is made.
3. Establish a formal complaint procedure and ensure all complaints are addressed promptly and fairly. Please ensure all employees know their rights and the procedure for making a complaint.
4. Take all complaints seriously and investigate them thoroughly. Make sure all employees are aware that harassment will not be tolerated.
5. Take disciplinary action against those found guilty of sexual harassment.
6. Provide counselling services to both the complainant and the accused.

5.10.1 Migrant Labour Act

Q50. Explain briefly about Migrant Labour Act.

Ans : **(Imp.)**

Inter-State Migrant Workmen Act is an act enacted by the Parliament of India to regulate the employment of inter-state migrant workmen and to provide for their conditions of service.

This Act is applicable to every establishment and contractor who has employed five or more inter-state of Pass-Book to every inter-state migrant workmen with full details, payment of displacement allowance equivalent to 50% of monthly wages of Rs. 75/-, whichever is higher, payment of journey allowance including payment of wage during the period of the journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex, etc.

The main responsibility for the enforcement of the provisions of the Inter-State Migrant Workmen Act lies with the Central Government and the State Governments/Union Territories in the establishments falling in the Central and State sphere, respectively.

History of the Inter-State Migrant Workmen Act

- The employment of inter-state migrant workers was an exploitative system that was prevalent more or less all over India. In fact, in Orissa and some other states of India, this system was vastly institutionalized.
- In states like Orissa, the migrant labor (which were locally called dadan labor) through contractors or agents (called Sardars/Khatedars) were sent for work outside the state in large construction projects.
- At the time of the recruitment, the Sardar would promise the workmen would be calculated on a piece-rate basis. However, considering that this system was prone to several cases of abuse, it meant that the promises of the Sardar were broken, and the migrant laborers were not paid every month as they had been promised.
- The whole system was exploited to such an extent that once the workers came under the clutches of the contractor, he or she would be taken to a far-off place on payment of railway fare only. Additionally, there was no fixation on the working hours of the migrant laborers, and they, in fact, had to work on all days of the week under extremely bad working conditions.

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- It was on 21st October 1976 that the 28th State Labor Ministers conference recommended the setting up of a compact and small committee to examine all the issues regarding inter-state migrant workers. Post this, they had to suggest measures for reducing and eliminating the abuses prevalent in the inter-state workers' deployment.
- The compact committee, which was constituted in February 1977, recommended the enactment of separate central legislation to regulate the employment of interstate migrant workers.
- This was recommended because it was observed that the provisions of the Contract Labour (Regulation and Abolition) Act of 1970, even after necessary amendments, were insufficient in taking care of the wide range of malpractices that were indulged in by the principal employers, contractors, Sardars, Khatedars, etc.
- Thus after the examination of the recommendations of the compact committee in consultation with the state governments and the relevant central ministries, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act was passed by both the houses of the Parliament and the President of India gave his assent on 11th June 1979.
  - (i) The two main characteristics of this Act are:

    Making provision for availing the onsite services of the inter-state workers by the establishments or contractors to overcome only the temporary shortage of required skilled workers in a state.
  - (ii) Not encouraging interstate migration of workers against the interests of the local workers as the principal employers would have to incur more costs in deploying interstate workers.

Q51. Explain the content of Migrant Labour Act.

Ans :

1. Right of Inter-state Workers

In addition to the general labor laws that are applicable to all the workmen, the additional rights that inter-state workers are entitled to are:

- Equal or better wages for the similar nature and duration of work as applicable for the local workmen, or as per the stipulated minimum wages as under the Minimum Wages Act, 1948; whichever is more among them both.
- Displacement allowance to be paid at the time of the recruitment, which should be equal to 50% of the monthly wages payable to him, or Rs.75, whichever is higher. This allowance shall not be refundable and shall be in addition to the wages and other amounts that are payable to him.
- Journey allowance, which should not be less than the fare from the place of residence of the inter-state migrant workmen to his or her place of work in the other state. This should be paid for both- outward and return journey. Additionally, the inter-state migrant worker must receive his wages during his journey period, such as if he were on duty.
- Suitable conditions of work
- Suitable residential accommodation and medical facilities free of charge on a mandatory basis.
- Termination of the employment after the contract period, without any liability.
- The right to lodge complaints with the authorities within three months of an accident, incident, etc.
- They should get regular payments of their wages.
- They should get equal pay for equal work, irrespective of their gender.

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- They should get the prescribed protective clothing.
- In case of serious bodily injury or the fatal accident of any inter-state migrant worker, it should be reported to the specified authorities of both the States and also to the next of kin of the workman.

2. Role of Contractors

The role of contractors, in addition to them requiring to obtain a license if they have employed five or more inter-state migrant workers on any day of the preceding 12 months, is:

- Periodically furnish all the details of the inter-state migrant workmen in such forms as is prescribed by the state government.
- Maintain the registers that have the details of the inter-state migrant workers. They should make those registers available for scrutiny by the statutory authorities when required.
- They should issue a passbook affixed with a passport-sized photograph of the workman. This will mention the name and place of the establishment where the worker is employed, the period of employment, wage rate, and other such vital information. This passbook should be issued to every inter-state migrant worker.
- The contractor is responsible for reporting any incident that has caused a fatal accident or serious injury to the inter-state migrant workers to the specified authorities of both the states and also to the next of kin of the workman.
- If violations are committed to the Inter-State Migrant Workmen Act, then the contractor would be liable for receiving the prescribed punishments.

3. Role of Principal Employers

It is mandatory for all principal employers who have employed directly or indirectly five or more inter-state migrant workers on any day of the preceding 12 months to get registered.

- They should maintain the registers that have the details of the inter-state migrant workers. They should make those registers available for scrutiny by the statutory authorities when required.
- To nominate a representative duly authorized by him or her to be present at the time of the disbursement of wages by the contractor. It would be the duty of this representative to certify the amounts paid as wages in such manner and may be prescribed.
- If the contractor fails to pay the due wages and other benefits to the inter-state migrant workers, then the principal employer would become liable to bear them.
- If violations are committed to the Inter-State Migrant Workmen Act, then the principal employer would be liable for receiving the prescribed punishments.

4. Role of State Governments

- They will have to appoint inspectors who will be overseeing the implementation of this Act.
- They will have to appoint the registration officers who will be responsible for granting and revocation of the registration of contractors, or principal employers, or establishments.
- They have to appoint the licensing officers who will be responsible for granting, suspending, and revocation of licenses to contractors, or principal employers, or establishments.
- They will have to make rules for carrying out the purposes of this Act, subject to the condition of previous publication.
- They will also be entertaining appeals from the aggrieved parties and then be responsible for its disposal as per this Act.

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Short Question and Answers

1. Define Employee Relations.

Ans :

The term 'employee relation' is defined as the relationship between the employer or representative manager and the employees who aims towards building and maintaining commitment, morale and trust for forming a productive and secure work environment.

2. Objectives of Employee Relations.

Ans :

The following are the objectives of employee relations,

1. To motivate and build good employee-employer relations.
2. To reduce conflicts at various levels such as at workplace, at individual, inter-group/team and intra-roup/team levels.
3. To minimize the attrition of good performers.
4. To increase the morale of the workers and develop a sense of organizational pride.
5. To assure discipline at the workplace and develop a constructive and congential work environment.

3. Define Trade Union.

Ans :

Trade unions are a major component of the modern industrial relations system. According to webbs, a trade union is a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives. Under the Trade Union Act of 1926, the term is defined as any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workers and employers, or for imposing restrictive conditions on the conduct of any trade or business and includes any federation of two or more unions.

Definitions

i) **According to Dale Yoder**, "A trade union is a continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives."

ii) **According to S.D. Puneker**, "A trade union is a monopolistic combination of wage-earners who as individual producers are complementary to one another but who stand to employers in a relation of dependence for the sale of their labour and production, and that the general purpose of association is in view of that dependence to strengthen their power to bargain with the employers or bargaining collectively."

4. Define collective bargaining.

Ans :

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.

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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" Dubin

5. Characteristics of Collective Bargaining.

Ans :

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.

6. Grievances.

Ans :

Grievance can be defined as any discontent or dissatisfaction with any aspect of the organization. When a complaint remains unattended and the employee concerned feels a lack of justice and fair play, then the dissatisfaction grows and assumes a status of grievance. The concept 'grievance', has been variously defined by different authorities.

i) **According to Keith Davis,** "Grievance is any real or imagined feeling of personal injustice which an employee has concerning his employment relationship".

ii) **According to Beach,** "Grievance is any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the notice of the management".

iii) **According to Dale Yoder,** "Grievance is a written complaint filed by an employee and claiming unfair treatment."

iv) **According to International Labor Organization,** "Grievance is a complaint of one or more workers in respect of wages, allowances, conditions of work and interpretation of service stipulations, covering such areas as overtime leave, transfer, promotion, seniority, job assignment and termination of service."

v) **According to National Commission on Labor,** "Complaints affecting one or more individual workers in respect of wage payments, overtime, leave, transfer, promotion, seniority, work assignment and discharges constitute grievances.'

7. Reasons of Grievances.

Ans :

Grievances may occur for a number of reasons:

(a) Economic

Wage fixation, overtime, bonus, wage revision, etc. Employees may feel that they are paid less when compared to others.

(b) Work environment

Poor physical conditions of workplace, tight production norms, defective tools and equipment, poor quality of materials, unfair rules, lack of recognition, etc.

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(c) Supervision

Relates to the attitudes of the supervisor towards the employee such as perceived notions of bias, favoritism, nepotism, caste affiliations, regional feelings, etc.

(d) Work group

Employee is unable to adjust with his colleagues; suffers from feelings of neglect, victimisation and becomes an object of ridicule and humiliation, etc.

(e) Miscellaneous

These include issues relating to certain violations in respect of promotions, safety methods, transfer, disciplinary rules, fines, granting leave, medical facilities.

8. Sources of Grievances.

Ans :

1. Absenteeism

An employer fired an employee for excessive absences. The employee filed a grievance stating that there had been no previous warnings or discipline to excessive absences.

2. Insubordination

An employee on two occasions refused to obey a supervisor's order to meet with him, unless a union representative was present at the meeting. As a result, the employee was discharged and subsequently filed a grievance protesting the discharge.

3. Overtime

The employer discontinued Sunday overtime work after a department was split. Employees affected filed a grievance protesting loss of the overtime work.

4. Plant rules

The plant had a posted rule barring employees from eating or drinking during unscheduled breaks. The employees filed a grievance claiming the rule was arbitrary.

9. What are the benefits of Grievances handling procedure ?

Ans :

Benefits that accrue to both the employer and employees are as follows:

1. It encourages employees to raise concerns without fear of reprisal.
2. It provides a fair and speedy means of dealing with complaints.
3. It prevents minor disagreements developing into more serious disputes.
4. It serves as an outlet for employee frustrations and discontents.
5. It saves employer's time and money as solutions are found for workplace problems. It helps to build an organizational climate based on openness and trust.

Details of a grievance procedure/machinery may vary from organization to organization.

10. Define stress.

Ans :

Stress is a growing concern for organizations today. Stress can be explained as a lively circumstance in which people face constraints, opportunities, or loss of something they desire and for which the consequence is both unpredictable as well as crucial. Stress is the response of people to the unreasonable/excessive pressure or demands placed on them.

Stress is not always negative. It may also bring out the best in individuals at times. It may induce an individual to discover innovative and smarter way of doing things. This positive dimension of stress is called as enstress. But usually, the term stress has a negative implication and this negative aspect of stress is termed as distress. For instance - When a subordinate is harassed or warned by his superior, unhappiness of unsuitable job, etc. We can say that "Stress causes some people to break, and other to break records."

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11. Main features of the Industrial Dispute Act.

Ans :

1. Strike and lock-outs are prohibited during the pendency of conciliation, adjudication settlement preceding.
2. Any industrial dispute may be referred to an industrial tribunal by an agreement of parties to dispute or by State Government.
3. An award shall be binding on both the parties to the dispute for a specified period not exceeding one year enforced by the government.
4. In public interest or emergency, the appropriate government has the power to declare the transport, coal, iron and steel industry to be public utility services for the purpose of The Industrial Dispute Act, for a maximum period of six months.
5. In case of lay off or retrenchment of workmen, the employer is required to pay compensation.

12. Conciliation.

Ans :

Conciliation is one of the most important method for the prevention and settlement of industrial disputes through the intervention of a neutral third party. Conciliation is defined as, "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".

13. Voluntary Arbitration.

Ans :

If the proceeding of the conciliation fails to resolve the dispute, then the conciliation officer may advise or convince the disputant parties to refer the dispute to the arbitrator who is an independent party, appointed by the mutual agreement of the disputants. Both the parties to the dispute gives out the viewpoints to the arbitrator who listens and gives his award of judgement on the dispute. He is only required to produce a report by conducting fair hearings by collecting all the available facts about the problem, the report needs to be submitted to the government which publishes its judgement within the 30 days from the receipt of the report. After a period of 30 days it will become a final binding for all the members of the disputes whether they directly or indirectly linked to the settlement.

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Choose the Correct Answer

1. _____ refers to all types of relationship between all the parties concerned with industry. [a]
   (a) Industrial relations (b) Human relations
   (c) General relations (d) All of these.
2. The scope of IR does not include [d]
   (a) Employer and employee relation
   (b) Employee and trade union relation
   (c) Employer, employee and trade union relation
   (d) Employee and customer relation
3. Dominant aspects of industrial relations are [c]
   (a) Co-operation (b) Conflict
   (c) Both (A) and(B) (d) None of these
4. Which of the following factor affecting IR? [d]
   (a) Institutional Factors (b) Economic factors
   (c) Social factors (d) All of these.
5. Which of the following is not a part of the scope of industrial relations? [a]
   (a) Labor relations (b) Employer –employee relations
   (c) Group Relation (d) None of these
6. Main aspects of industrial relations are [d]
   (a) Promotion and development of healthy manager and labor relations
   (b) Maintenance of industrial peace and avoidance of industrial dispute
   (c) Development of industrial democracy
   (d) All of these
7. Which of the following factors not affecting industrial relations? [a]
   (a) Psychological factors (b) Political factors
   (c) Global factors (d) None of these
8. Which of the following is the approaches of industrial relation? [a]
   (a) Gandhian approach (b) System approach
   (c) Oxford approach (d) All of these
9. Which of the following National Level Federation was founded in 1920 [b]
   (a) INTUC (b) AITUC
   (c) UTUC (d) HMS
10. Collective bargaining was considered as apex of IR system is concerned with [d]
   (a) Gandhian approach (b) Systems approach
   (c) Oxford approach (d) All of these

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Fill in the blanks

1. The _____ movement grew out of the need to protect the common interest of workers.
2. _____ are a major component of the modern industrial relations system.
3. _____ include the proposals made by one party and the counter proposals of the other party.
4. _____ relations between the employee employer are a sine quo non-for industrial peace.
5. _____ bargaining plays an important role in settlement industrial disputes.
6. _____ can be defined as any discontent or dissatisfaction with any aspect of the organization.
7. _____ separation is an act where in the employee and the organization split up.
8. _____ at workplace is considered as one of the major cause of fatal injuries.
9. _____ is a weapon which introduced in West Bengal in 1967 during the united front regime.
10. _____ is the process in which a neutral third party appointed by the government intervenes into the dispute with an aim to give the final settlement.

ANSWERS

1. Labor
2. Trade unions
3. Negotiations
4. Harmonious
5. Collective
6. Grievance
7. Employee
8. Violence
9. Gherao
10. Adjudication

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One Mark Answers

1. Trade Union.

Ans :

A trade union is a continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives.

2. Collective Bargaining.

Ans :

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.

3. Grievances.

Ans :

Grievance is any real or imagined feeling of personal injustice which an employee has concerning his employment relationship.

4. Work-Life Integration.

Ans :

Work-life integration is the combination of two or more roles/domains. Individuals may move from one role to another several times a day.

5. Lockout.

Ans :

The closing of a place of employment or the suspension of work, or the refusal by an employer to continue to employ any number of persons by him.

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Internal Assessment (Mid Examinations)

In CIE, for theory subjects, during a semester, there shall be two mid-term examinations. Each MidTerm examination consists of two parts i) Part – A for 10 marks, ii) Part – B for 20 marks with a total duration of 2 hours as follows:

1. Mid-Term Examination for 30 marks:

   (a) Part - A: Objective/quiz paper/Short Note questions for 10 marks.

   (b) Part - B: Descriptive paper for 20 marks.

   The objective/quiz paper is set with multiple choice, fill-in the blanks and match the following type of questions for a total of 10 marks. The descriptive paper shall contain 6 full questions out of which, the student has to answer 4 questions, each carrying 5 marks. The average of the two Mid Term Examinations shall be taken as the final marks for Mid Term Examination (for 30 marks). The remaining 10 marks of Continuous Internal Evaluation are distributed as:

2. Assignment for 5 marks. (Average of 2 Assignments each for 5 marks)

3. PPT/Poster Presentation/ Case Study/Video presentation/Survey/Field Study/Group discussion /Role Play on a topic in the concerned subject for 5 marks before II Mid-Term Examination.

While the first mid-term examination shall be conducted on 50% of the syllabus, the second mid-term examination shall be conducted on the remaining 50% of the syllabus.

Five (5) marks are allocated for assignments (as specified by the subject teacher concerned). The first assignment should be submitted before the conduct of the first mid-term examination, and the second assignment should be submitted before the conduct of the second mid-term examination. The average of the two assignments shall be taken as the final marks for assignment (for 5 marks).

PPT/Poster Presentation/ Case Study/Video presentation/Survey/Field Study/Group discussion /Role Play on a topic in the concerned subject for 5 marks before II Mid-Term Examination.

UNIT - I

Part - A

Multiple Choice Questions

1. Human resource management is amalgam of - [c]

   (a) Job analysis, recruitment and selection

   (b) Social behaviour and business ethics

   (c) Organisational behaviour, personal management and industrial relation

   (d) Employer and employees

2. Basic managerial functions of HRM are [c]
   (a) Planning, organising, staffing
   (b) Planning, organising and co-ordinating
   (c) Planning, organising, directing and controlling
   (d) None of these
3. Following are the characteristics of HRM except [d]
   (a) Pervasive function (b) Interdisciplinary function
   (c) Integrating mechanism (d) Job oriented

Fill in the Blanks

4. _____ is a process of bringing people and organizations together so that the goals each are met. **(Human Resource Management)**
5. The _____ culture measures values and processes created by the HRD tools. **(HRD)**
6. The HRD systems, competencies, and _____ must be aligned with the business goals of the corporation. **(Culture)**

Short Notes

7. Significance Human Resource Management. **(Unit-I, SQA - 2)**
8. Duties of Line Managers **(Unit-I, SQA - 4)**
9. Explain the economic challenges influencing HRM. **(Unit-I, SQA - 6)**
10. Characteristics of an HPWS **(Unit-I, SQA - 8)**

Part - B

1. Elucidate the evolution of Human Resource Management. **(Unit-I, Q.No. 3)**
2. Discuss the roles and responsibilities of HR. **(Unit-I, Q.No. 8)**
3. Explain the impact of globalization on HRM. **(Unit-I, Q.No. 10)**
4. Explain in detail about the equal employment opportunity 1990-1991. **(Unit-I, Q.No. 20)**
5. Explain the importance of HR Score card. **(Unit-I, Q.No. 22)**
6. State the Human Resource Department functions as a nodal centre for the department. **(Unit-I, Q.No. 29)**

UNIT - II

Part - A

Multiple Choice Questions

1. Which of these is the purpose of recruitment? [b]
   (a) Make sure that there is match between cost and benefit
   (b) Help increase the success rate of the selection process by reducing the number of visibly underqualified or over qualified job applicants.
   (c) Help the firm create more culturally diverse work - force
   (d) None of the above

2. _____ refers to the process of identifying and attracting job seekers so as to build a pool of qualified job applicants. [c]
   (a) Selection (b) Training
   (c) Recruitments (d) Induction
3. A major internal factor that can determine the success of the recruiting programme is whether or not the company engages in _____ . [a]
   (a) HRP (b) Selection
   (c) Induction (d) None of the above

Fill in the Blanks

4. _____ is a job profile which describes the contents, environment and condition of jobs. **(Job description)**
5. _____ is the process of managing the supply and demand of talent to achieve optimal business performance and in direct alignment with organizational goals'. **(Talent management)**
6. _____ is the process of forecasting an organizations future demand for and supply of the right people in the right members. **(HRP)**

Short Notes

7. Define job analysis. **(Unit-II, SQA - 1)**
8. What is job enrichment? **(Unit-II, SQA - 7)**
9. Advantages of Job Enrichment. **(Unit-II, SQA - 8)**
10. Define human resource planning. **(Unit-II, SQA - 10)**

Part - B

1. Explain the various stages in Talent Management Process ? **(Unit-II, Q.No. 5)**
2. Define job analysis. Explain the nature of job analysis. **(Unit-II, Q.No. 6)**
3. Outline the process of Human Resource planning. **(Unit-II, Q.No. 28)**
4. Explain the process of recruitment. **(Unit-II, Q.No. 34)**
5. Summarise the different sources of Recruitment. State its merits and demerits. **(Unit-II, Q.No. 35)**
6. Distinguish between different methods of recruitment. **(Unit-II, Q.No. 37)**

UNIT - III

Part - A

Multiple Choice Questions

1. OJT stands for [a]
   (a) On the job training (b) On the job technique
   (c) On the job technology (d) Off the job training
2. _____ is a device or situation that replicates job demands at on the job site. [b]
   (a) Brainstorming (b) Simulation
   (c) Artificial intelligence (d) Transactional analysis

3. Off the job training method includes: [d]

(a) Vestibule training (b) Syndicate

(c) Sensitivity training (d) All of these

Fill in the Blanks

4. _____ is the important subsystem of human resource development. **(Training)**

5. JIT stands for _____. **(Job Instruction Training)**

6. _____ requires the management to set specific, measurable goals with each employee and then periodically discuss the latter's progress towards these goals. **(MBO)**

Short Notes

7. What are the objectives of training and development ? **(Unit-III, SQA - 2)**

8. Define Performance. **(Unit-III, SQA - 6)**

9. Objectives of performance management ? **(Unit-III, SQA - 7)**

10. Define performance appraisal. **(Unit-III, SQA - 8)**

Part - B

1. Explain the importance of training and development. **(Unit-III, Q.No. 4)**

2. On what basis the management will analysis the training needs. Design a suitable training programme fro business executives of any company. **(Unit-III, Q.No. 6)**

3. Explain the various methods of training its merits and demerits. **(Unit-III, Q.No. 10)**

4. Bring out the need, criteria and techniques of evaluation of training results. **(Unit-III, Q.No. 17)**

5. Outline the process of performance appraisal. **(Unit-III, Q.No. 28)**

6. Explain various Techniques for Performance Appraisal. **(Unit-III, Q.No. 31)**

UNIT - IV

Part - A

Multiple Choice Questions

1. Relative worth of a job is known by - [a]

(a) Job design (b) Job analysis

(c) Job evaluation (d) Job change

2. Qualitative job evaluation method are [d]

(a) Ranking (b) Grading

(c) Point Rating (d) Both (a) and (b)

3. _____ a predetermined groups or classes are established and jobs are assigned to each classification: [b]

(a) Ranking method (b) Grading method

(c) Point rating method (d) Factor comparison method

Fill in the Blanks

4. _____ compensation refers to all forms of pay going to employees and arising from their employment. **(Employee)**
5. _____ is an aggregate of all the financial and non-financial reward offered to an employee. **(Total reward)**
6. _____ is an aggregate of all the financial and non-financial reward offered to an employee. **(Merit pay)**

Short Notes

7. Define the term Compensation. **(Unit-IV, SQA - 1)**
8. Demerits of Job Grading **(Unit-IV, SQA - 6)**
9. Demerits of Point Method. **(Unit-IV, SQA - 8)**
10. Pay for Performance. **(Unit-IV, SQA - 9)**

Part - B

1. What are the basic factors determining pay rates? **(Unit-IV, Q.No. 8)**
2. Define job evaluation. What are the objectives of job evaluation? **(Unit-IV, Q.No. 9)**
3. Explain briefly compensation for special groups. **(Unit-IV, Q.No. 21)**
4. Define the term welfare. Explain various types of employee welfare facilities. **(Unit-IV, Q.No. 31)**
5. Explain the modifications would like to propose on workmen's compensation Act and minimum wages Act. **(Unit-IV, Q.No. 38)**
6. Write about salient features of minimum wage act. **(Unit-IV, Q.No. 39)**

UNIT - V

Part - A

Multiple Choice Questions

1. Which of the following factor affecting IR? [d]
   (a) Institutional Factors (b) Economic factors
   (c) Social factors (d) All of these.
2. Which of the following National Level Federation was founded in 1920 [b]
   (a) INTUC (b) AITUC
   (c) UTUC (d) HMS
3. Collective bargaining was considered as apex of IR system is concerned with [d]
   (a) Gandhian approach (b) Systems approach
   (c) Oxford approach (d) All of these

Fill in the Blanks

4. _____ are a major component of the modern industrial relations system. **(Trade unions)**
5. _____ include the proposals made by one party and the counter proposals of the other party. **(Negotiations)**
6. _____ bargaining plays an important role in settlement industrial disputes. **(Collective)**

Short Notes

7. Objectives of Employee Relations. **(Unit-V, SQA - 2)**
8. Define Trade Union. **(Unit-V, SQA - 3)**
9. Grievances. **(Unit-V, SQA - 6)**
10. Reasons of Grievances. **(Unit-V, SQA - 7)**

Part - B

1. What are the Functions of trade union? **(Unit-V, Q.No.6)**
2. Describe the steps involved in collective barganing process. **(Unit-V, Q.No. 12)**
3. Nature the stages of grievances procedure. **(Unit-V, Q.No. 15)**
4. Why do hazards occur in the work place? Provide the strategies to avoid the hazards. **(Unit-V, Q.No. 23)**
5. Discuss about Work Life Integration. **(Unit-V, Q.No. 26)**
6. What are the challanges and strategies for enforcing Prevention of Sexual Harassment. **(Unit-V, Q.No. 49)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

M.B.A II Semester Examinations **R22**

MODEL PAPER - I

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] **[Max. Marks : 60**

Note : This question paper contains two parts **A** and **B**.

Part A is compulsory which carries 10 marks. Answer all questions in **Part A.**

Part B consists of 5 Units. Answer any **One** full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (10 × 1 = 10 Marks)

ANSWERS

1. (a) Define Human Resource Management. **(Unit - I, SQA-1)**
   (b) Who are line managers? **(Unit - I, SQA-3)**
   (c) Define job analysis. **(Unit - II, SQA-1)**
   (d) Define job rotation. **(Unit - II, SQA-9)**
   (e) Job Instruction Training **(Unit - III, SQA-3)**
   (f) Define performance appraisal. **(Unit - III, SQA-8)**
   (g) Define the term Compensation. **(Unit - IV, SQA-1)**
   (h) Define the term welfare. **(Unit - IV, SQA-13)**
   (i) Define Employee Relations. **(Unit - V, SQA-1)**
   (j) Define Trade Union. **(Unit - V, SQA-3)**

PART - B (5 × 10 = 50 Marks)

2. Discuss the roles and responsibilities of HR. **(Unit - I, Q.No. 8)**

OR

3. State the applications of HRIS in human resource management. **(Unit - I, Q.No. 28)**
4. Explain the various stages in Talent Management Process ? **(Unit - II, Q.No. 5)**

OR

5. Outline the process of Human Resource planning. **(Unit - II, Q.No. 28)**
6. Explain Modern methods of performance appraisal. **(Unit - III, Q.No. 31)**

OR

7. Describe the steps involved in Evaluation of Training Program. **(Unit - III, Q.No. 17)**

8. Explain the various modes of compensation. **(Unit - IV, Q.No. 3)**

OR

9. What points should be taken into consideration while fixing minimum wages? **(Unit - IV, Q.No. 35)**

10. Describe the steps involved in collective barganing process. **(Unit - V, Q.No. 12)**

OR

11. Explain the characteristics of Industrial Disputes Act. **(Unit - V, Q.No. 36)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

M.B.A II Semester Examinations **R22**

MODEL PAPER - II

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] **[Max. Marks : 60**

Note : This question paper contains two parts **A** and **B**.

Part A is compulsory which carries 10 marks. Answer all questions in **Part A.**

Part B consists of 5 Units. Answer any **One** full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (10 × 1 = 10 Marks)

ANSWERS

1. (a) Strategic Approach to Organizing HR **(Unit - I, SQA-5)**
   (b) Define Human Resource Information System. **(Unit - I, SQA-11)**
   (c) Job specification **(Unit - II, SQA-4)**
   (d) Define human resource planning. **(Unit - II, SQA-10)**
   (e) Define management development. **(Unit - III, SQA-5)**
   (f) Define Career Planning. **(Unit - III, SQA-12)**
   (g) Define job evaluation **(Unit - IV, SQA-4)**
   (h) Minimum Wages Act. **(Unit - IV, SQA-14)**
   (i) Grievances **(Unit - V, SQA-6)**
   (j) Conciliation **(Unit - V, SQA-12)**

PART - B (5 × 10 = 50 Marks)

2. Explain the importance of HR Score card. **(Unit - I, Q.No. 22)**

OR

3. Describe the New approach in organizing HR. **(Unit - I, Q.No. 9)**
4. Summarise the different sources of Recruiment. State its merits and demerits. **(Unit - II, Q.No. 35)**

OR

5. Outline the common errors in the interview process. **(Unit - II, Q.No. 47)**
6. Outline the process of performance appraisal. **(Unit - III, Q.No. 28)**

OR

7. Define Career Planning. What are the characteristics of Career Planning? **(Unit - III, Q.No. 35)**

8. What are the various quantitative and non-quantitative methods of job evaluation. **(Unit - IV, Q.No. 11)**

OR

9. Define the term welfare. Explain various types of employee welfare facilities. **(Unit - IV, Q.No. 31)**

10. Examine the Grievances procedure. **(Unit - V, Q.No. 15)**

OR

11. Discuss the sailent features of factories act. **(Unit - V, Q.No. 42)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

M.B.A II Semester Examinations **R22**

MODEL PAPER - III

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] **[Max. Marks : 60**

Note : This question paper contains two parts **A** and **B**.
Part A is compulsory which carries 10 marks. Answer all questions in **Part A.**
Part B consists of 5 Units. Answer any **One** full question from each unit.
Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (10 × 1 = 10 Marks)

ANSWERS

1. (a) Define high performance work systems. **(Unit - I, SQA-7)**
   (b) What is e-HRM? **(Unit - I, SQA-12)**
   (c) Define job description. **(Unit - II, SQA-3)**
   (d) Define interview. **(Unit - II, SQA-13)**
   (e) Vestibule Training **(Unit - III, SQA-4)**
   (f) Define career development? **(Unit - III, SQA-13)**
   (g) Define group incentive. **(Unit - IV, SQA-10)**
   (h) Pay for Performance. **(Unit - IV, SQA-9)**
   (i) Voluntary Arbitration **(Unit - V, SQA-13)**
   (j) Characteristics of Collective Bargaining **(Unit - V, SQA-5)**

PART - B (5 × 10 = 50 Marks)

2. Define HR Analytics. Explain the various metrics of HR Analytics. **(Unit - I, Q.No. 37)**

OR

3. Elucidate the evolution of Human Resource Management. **(Unit - I, Q.No. 3)**
4. Explain the steps involved selection process in detail. **(Unit - II, Q.No. 40)**

OR

5. What are the major steps in conducting job analysis? **(Unit - II, Q.No. 8)**
6. "Training and development of employees is a critical component in enhancing the skills of the employees of an organization." In the light of the above statement analyse the role of HRM in assessing the training needs and designing and implementing the training programs. **(Unit - III, Q.No. 6)**

OR

7. Explain the various methods of training its merits and demerits. **(Unit - III, Q.No. 10)**

8. Explain briefly compensation for special groups. **(Unit - IV, Q.No. 21)**

OR

9. What are the basic factors determining pay rates ? **(Unit - IV, Q.No. 8)**

10. Suggest suitable measures to minimize work place health hazards problems which employees are facing. **(Unit - V, Q.No. 23)**

OR

11. What are the challanges and strategies for enforcing Prevention of Sexual Harassment. **(Unit - V, Q.No. 49)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

M.B.A II Semester Examination, June / July - 2018

R17

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] [Max. Marks : 75

PART - A (5 × 5 = 25 Marks)

(Short Answer Questions)

ANSWERS

1. (a) Explain the applications of HRIS in organizations. **(Unit-I, Q.No. 28)**
   (b) List out the various sources of recruitment in organizations. **(Unit-II, Q.No. 35)**
   (c) Write a short note on vestibule training. **(Unit - III, SQA. 4)**
   (d) Discuss about performance based pay methods ? **(Unit-IV, Q.No. 22)**
   (e) Explain about occupational safety law ? **(Unit-V, Q.No. 21)**

PART - B (5 × 10 = 50 Marks)

(Essay Type Questions)

2. Explain about the approaches in organizing HR in Indian organizations ? **(Unit-I, Q.No. 9)**

(OR)

3. Explain the importance of HR score card in Indian organization. **(Unit-I, Q.No. 22)**
4. What is Job Analysis ? Explain the difference between the job description and job specifications in HRP. **(Unit-II, Q.No. 6, 16)**

(OR)

5. Explain the important demand and supply forecasting techniques of human resource planning ? **(Unit-II, Q.No. 31)**
6. Explain the important computer based training methods used in production units in Indian organizations ? **(Unit-III, Q.No. 12)**

(OR)

7. Write about important concept of career plateauing in individual's career management? **(Unit-III, Q.No. 32, 34)**
8. Discuss about the factors we need to consider when we are designing the compensation of executives in PSUs ? **(Unit-IV, Q.No. 21)**

(OR)

9. Write about salient features of minimum wages act ? **(Unit-IV, Q.No. 35)**
10. Discuss important provisions of Factories act 1948 and its relevance in private organizations ? **(Unit-V, Q.No. 45)**

(OR)

11. Differentiate grievance from disclipline ? Write about the importance of grievance handling machinery in industrial organizations ? **(Unit-V, Q.No. 18)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

M.B.A II Semester Examination

April / May - 2019

R17

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] [Max. Marks : 75

Note : This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answers all questions in Part A. Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questins.

PART - A (5 × 5 = 25 Marks)

ANSWERS

1. Write short notes on :
   - (a) Equal Employment Opportunity **(Unit-I, Q.No. 20)**
   - (b) Errors in Interviews **(Unit-II, Q.No. 47)**
   - (c) Career Management **(Unit-III, SQA-10)**
   - (d) Retirement Benefits **(Unit-IV, Q.No. 30)**
   - (e) Collective Bargaining **(Unit-V, SQA-4)**

PART - B (5 × 10 = 50 Marks)

2. Explain the role and functions of human resource manager in organizational development. **(Unit-I, Q.No. 8)**

OR

3. Discuss the need and importance of human resource information system in the twenty first century. **(Unit-I, Q.No. 24, 27)**

4. Write short notes on : **(Unit-II, Q.No. 13, 15)**
   - (a) Job Description
   - (b) Job Specification

OR

5. Explain the sources of recruitment with merits and demerits of each source. **(Unit-II, Q.No. 35)**

6. (a) Explain the importance of training and development.
   (b) Explain the training process. **(Unit-III, Q.No. 4, 6)**

OR

7. Discuss the techniques employed in the performance appraisal. **(Unit-III, Q.No. 31)**

8. (a) List out the basic factors involved in determining pay rates. **(Unit-IV, Q.No. 8)**

(b) What is the need for performance based payment. **(Unit-IV, Q.No. 22)**

OR

9. (a) Write an essay on Minimum Wages Act. **(Unit-IV, Q.No. 34)**

(b) Write about employee welfare facilities. **(Unit-IV, Q.No. 31)**

10. Discuss the steps involved in the grievance redressal procedure. **(Unit-V, Q.No. 15)**

OR

11. List out the salient features of Industrial Disputes Act. **(Unit-V, Q.No. 36)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

M.B.A II Semester Examination, December - 2019 **R17**

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] [Max. Marks : 75

PART - A (5 × 5 = 25 Marks)

(Short Answer Questions)

Note : This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answers all questions in Part A.

Part B consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questins.

ANSWERS

1. (a) Explain the various roles of HR Manager. **(Unit - I, SQA. 14)**

   (b) State briefly the steps involved in Job analysis process. **(Unit - II, Q.No. 8)**

   (c) How will you identify the training need? **(Unit - III, Q.No. 6)**

   (d) State the features of a good compensation system. **(Unit - IV, SQA. 15)**

   (e) What us the procedure for addressing the Grievances. **(Unit - V, Q.No. 15)**

PART - B (5 × 10 = 50 Marks)

(Essay Type Questions)

2. Explain the need for Human resource Management and state the Human resource department functions as a nodal Centre for other department. **(Unit - I, Q.No. 2, 29)**

(OR)

3. Describe the challenges of Human resources in the era of digitalized communication and economic transaction in 2020. **(Unit - II, Q.No. 16)**

4. Summarise the different sources of Recruitment. State its merits and demerits. **(Unit - II, Q.No. 34)**

(OR)

5. Explain the steps involved in selection process in detail. **(Unit - II, Q.No. 40)**

6. Choose a training program of your interest and design and plan that training programme for a particular group and elaborate the steps involved in it. **(Unit - III, Q.No. 9)**

(OR)

7. Explain the steps involved in the evaluation of a training program. **(Unit - III, Q.No. 17)**

8. Substantiate the factors influencing the determining the wage rate. **(Unit - IV, Q.No. 8)**

(OR)

9. Explain the methods of Job evaluation with its merits and demerits. **(Unit - IV, Q.No. 11)**

10. Describe the steps involved in collective bargaining process. **(Unit - V, Q.No. 12)**

(OR)

11. Describe the safety preacautions that a chemical company shall adopt for the employees to prevent health Hazards. **(Unit - V, Q.No. 47)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA II-Semester Examinations

October / November - 2020

R19

HUMAN RESOURCE MANAGEMENT

Time : 2 Hours] [Max. Marks : 75

Answer any five questions
All questions carry equal marks.

1. Elucidate the impact of Technological Trends and Demographic Trends of workforce with suitable examples. **(Unit-I, Q.No. 11, 14, 16)**
2. The steps involved in human resource planning process. Explain. **(Unit-II, Q.No. 28)**
3. "Interview process is an important step in selecting employees for the organization". During such process, there may be various errors encountered. Critically evaluate the errors during interview. **(Unit-II, Q.No. 47)**
4. Define performance management. Discuss various methods to appraise the performance of employees. **(Unit-III, Q.No. 21, 31)**
5. Describe the various factors that determine pay rates in the organization. **(Unit-IV, Q.No. 8)**
6. The employee welfare facilities are signal to employees that the organization is considering the well-being of its employees. **(Unit-IV, Q.No. 31)**
7. Explain the steps in collective bargaining process. **(Unit-V, Q.No. 12)**
8. Explain the safety measures that have to be taken in organization to handle (or) avoid any hazard in the work place. **(Unit-V, Q.No. 23)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA II - Semester Examinations **R19**

October / November - 2021

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours Max. Marks : 75

Answer any five questions
All questions carry equal marks

Answers

1. Explain the trends in Human Resource Management due to globalization and increased competition. **(Unit-I, Q.No.10)**
2. Explain various steps in selection process. **(Unit-II, Q.No. 40)**
3. Discuss the importance of training programs in organizations and detail about different ways of analyzing training needs of employees. **(Unit-III, Q.No. 4, 6)**
4. Explain how job evaluation method is used to determine the pay rate. **(Unit-IV, Q.No. 11)**
5. How should employee separation be handled in the organizations ? Explain with an example. **(Unit-V, Q.No. 19)**
6. What is career management? Explain in detail the role of the organization in managing career of the employees. **(Unit-III, Q.No. 36)**
7. Discuss different sources of recruitment and mention the advantages and disadvantages of each source. **(Unit-II, Q.No. 35)**
8. Describe the workplace hazards that may occur in a textile manufacturing company and suggest measures to handle them. **(Unit-V, Q.No. 25)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA II - Semester Examinations **R19**

May - 2022

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours Max. Marks : 75

Answer any five questions
All questions carry equal marks

Answers

1.	(a)	Discuss about role and responsibilities of a HR manager.	**(Unit-I, Q.No. 8)**
	(b)	Explain about HR Score Card.	**(Unit-I, Q.No. 22)**
2.	(a)	Elucidate new approaches to Organizing HR.	**(Unit-I, Q.No. 9)**
	(b)	Write a note on Workforce and Demographic Trends that took place in recent years.	**(Unit-I, Q.No. 14)**
3.	(a)	Discuss about Talent Management process.	**(Unit-II, Q.No. 5)**
	(b)	Define the term Job Enlargement, Job Enrichment and Job Rotation.	**(Unit-II, Q.No. 20, 22, 24)**
4.	(a)	Write the procedure involved in Planning and Forecasting of human resources in an organization.	**(Unit-II, Q.No. 42)**
	(b)	Explain about Employee Testing and Selection.	**(Unit-II, Q.No. 43)**
5.	(a)	How you as a HR manager evaluate training and development programmes ?	**(Unit-III, Q.No. 17)**
	(b)	Explain about training process generally followed in various production units.	**(Unit-III, Q.No. 7)**
6.	(a)	What is performance management and appraisal ?	**(Unit-III, Q.No. 21, 23)**
	(b)	Explain the techniques for Performance Appraisal.	**(Unit-III, Q.No. 31)**
7.	(a)	Elucidate salient features of Workmen compensation Act.	**(Unit-IV, Q.No. 33)**
	(b)	Define the term Job Evaluation. Explain Job Evaluation methods.	**(Unit-IV, Q.No. 9, 11)**
8.	(a)	Explain Collective Bargaining Process.	**(Unit-V, Q.No. 12)**
	(b)	Write a note on work place Health Hazards problems and suggest remedies for them.	**(Unit-V, Q.No. 23)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA II - Semester Examinations

R19

October / November - 2022

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] **[Max. Marks : 75**

Answer any Five questions
All questions carry equal marks

ANSWERS

1. (a) What is the importance of workforce diversity in terms of culture, gender, demography, and other relevant attributes in organizations catering to global market? **(Unit-I, Q.No. 17)**

   (b) What are the various information categories of HRM system in an organization? **(Unit-I, Q.No. 30)**

2. Comment on the statement, "Human Resource Management is a line manager's responsibility but a staff function'. **(Unit-I, Q.No. 7)**

3. (a) What is the purpose of job analysis? What are the major steps in conducting job analysis? **(Unit-II, Q.No. 7, 8)**

   (b) Distinguish between job specification and job description. What information commonly appears in them? **(Unit-II, Q.No. 16)**

4. (a) Explain the various errors made in interviewing. How would you overcome them? **(Unit-II, Q.No. 47)**

   (b) What is induction? What is its importance? What are the steps in induction process? **(Unit-III, Q.No. 14)**

5. Explain in detail, on the job and off the job methods of training employees. **(Unit-III, Q.No. 10)**

6. (a) What are the objectives of performance appraisal? What is the importance of conducting appraisal objectively? **(Unit-III, Q.No. 27, 29)**

   (b) What is career counseling? How does it help organizations? **(Unit-III, Q.No. 43)**

7. (a) Compare and contrast point rating method of job evaluation versus factor comparison system. **(Unit-IV, Q.No. 14)**

   (b) What are the methods of compensation for higher managerial level employees? **(Unit-IV, Q.No. 1, 3)**

8. (a) Why should organization introduce grievance procedure? What are the prerequisites of grievance procedure? **(Unit-V, Q.No. 15)**

   (b) What are the occupational hazards faced by employees in mining and quarrying industry? How does it affect the human resources of an organization? **(Unit-V, Q.No. 24)**

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

MBA II Semester Examinations

R19

March - 2023

HUMAN RESOURCE MANAGEMENT

Time : 3 Hours] [Max. Marks : 75

Note: (i) Question paper consists of Part - A, Part - B.

(ii) Part - A is compulsory, which carries 25 marks. In Part - A, Answer all questions.

(iii) In Part - B. Answer any one question from each unit. Each question carries 10 marks and many have a, b as sub questions.

PART - A (25 Marks)

Answers

1. (a) What is the scope of Human Resource Management? **(Unit-I, SQA. 15)**

   (b) Online the common errors in the interview process. **(Unit-II, SQA. 15)**

   (c) Why training and development of employees is important in an organization? **(Unit-III, Q.No. 4)**

   (d) What other benefit other than compensation can keep the employees of an organization happy and satisfied? **(Unit-IV, SQA. 16)**

   (e) What are the possible ways in which employee grievances may be adequately handled? **(Unit-V, Q.No. 14)**

PART - B (50 Marks)

2. Who are line managers? What is their role in employee management? **(Unit-I, Q.No. 7)**

OR

3. Discuss the two most important labour legislation in India from the perspective of HRM. **(Unit-I, Q.No. 21)**

4. Analyse the steps in the Recruitment and Selection process. **(Unit-II, Q.No. 34, 40)**

OR

5. What are the methods for collecting job analysis information? Give suitable examples. **(Unit-II, Q.No. 12)**

6. "Training and development of employees is a critical component in enhancing the skills of the employees of an organization." In the light of the above statement analyse the role of HRM in assessing the training needs and designing and implementing the training programs. **(Unit-III, Q.No. 6)**

OR

7. Discuss the performance appraisal process. What are the techniques for performance appraisal? **(Unit-III, Q.No. 28, 31)**

8. Explain the importance of the Minimum Wages Act in influencing the pay rates. Is it mandatory to abide by the Minimum Wages Act in fixing he pay rates? **(Unit-IV, Q.No. 34, 35)**

OR

9. What are the basic factors in determining the pay rates? What ae performance based pay benefits? **(Unit-IV, Q.No. 8, 22)**

10. How is collective bargaining carried out in organizations by the employees? How is employee separation handled effectively in an organization? **(Unit-V, Q.No. 12, 19)**

OR

11. What is the role of Industrial Dispute Act in the settlement of disputes between the employees/workers and the management? **(Unit-V, Q.No. 33)**