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BACHELOR OF BUSINESS ADMINISTRATION (B.B.A)
THIRD YEAR
PAPER – VII : HUMAN RESOURCE MANAGEMENT

Prepared by :

A. DUNSTAN RAJKUMAR

M.Com., M.Phil., MBA., PGDPM., MSc(psg) (Ph.D)

Head, Department of Business Administration,

MGR College, Hosur.

BACHELOR OF BUSINESS ADMINISTRATION (B.B.A)
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PAPER – VII : HUMAN RESOURCE MANAGEMENT

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UNIT II   HUMAN RESOURCE PLANNING

UNIT III   RECRUITMENT AND SELECTION

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PAPER – VII : HUMAN RESOURCE MANAGEMENT

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Human Resource Planning – Manpower Planning – Nature, Importance and Objectives of Manpower Planning – Process of manpower Planning – Uses and Benefits of manpower Planning.

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Recruitment and Selection – Source of Recruitment – Selection of Employees – Difference between recruitment and selection – Procedure for selection – Tests – Interview – Types of Interview – Process of conducting interview – checking of references – Final selection.

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Training and Development: Importance of training of employees – Types of training – Methods of training. Management development: Importance of Management development – Objectives and methods.

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BOOK RECOMMENDED

1. S.S. Khanka, Human Resource management, S. Chand Co.Ltd.

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UNIT – I

1.1 Introduction

Human resource Management is management functions that helps manager's recruit, select, train and develop members for an organization. HRM is concerned with the people's dimension in organizations.

1.2 Meaning and Definition

The **National Institute of Personnel Management (NIPM)** of India has defined Human Resource / Personnel Management as,

"The personnel function is concerned with procurement, development, compensation, integration and maintenance of an organization for the purpose of contributing towards the accomplishment of an organizational major goals or objectives, therefore, personnel management is the planning, organizing, directing and controlling of those operative functions."

According to **Flippo**, "Personnel Management or 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."

1.3 Nature and Scope of Human Resource Management

The scope of Human Resource Management is very wide. It includes all activities which help the management in getting the work done by the labour force in the best manner possible to accomplish the main objectives of an organization.

For the sake of Convenience, we can categories all these functions into several sections:

- Recruitment and maintenance of labour force.
- *Training to all persons:*
  New and old to meet the challenges of the jobs.
- *Job analysis and job description:*
  It involves the study of job requirement of the enterprise and assignment of well defined functions to jobs so that qualification employees may be hired.
- *Compensation:*
  It includes determining wage rates, incentive system, rating of employees and performance standard.

- *Keeping personnel records:*

  It includes collection of Bio-data of the employees pertaining to their work.

- Welfare activities:

  It includes health and safety programme, sanitary facility, recreation facility, educational activities etc.,

- Labour relation activities such as settlement of disputes etc.,

1.4 Objectives and importance of Human Resource Management

The main objectives of an organization are to get maximum satisfaction out of its available resources for personal management or human resource management.

The main objective is to utilize the workforce in such a way so as to get the best possible result.

The objectives of Human Resource Management may be divided into two:

I.   General objectives.

II. Specific objectives.

I.   General objectives:

General objectives reveal the basic philosophy to take management towards the labour engaged in the work. The statement of general policies includes;

i)   *Maximum Individual Development:*

The employer should be always be careful in developing the personality of each individual. They should always regards employees as co-owners or partner of an organization and given due importance. Therefore management should recognize their individual ability and make use of such ability in an effective manner.

ii) *Desirable working relationship between employer and employee:*

It is the main objectives of Human Resource Management to have a desirable working relationship between employer and employee. It is possible only when the management recognized or give due consideration towards the employees and maintain relationship with them.

iii) *Effective moulding of Human Resources as contrasted with Physical Resources:*

Man is the only active factor of production which engages the other factors of production to work. Therefore management should emphasis the effective utilization of human resources as contrasted with other Physical resources, so that maximum production at minimum cost is possible. Other factors of production will be ineffective without effective moulding of human resources.

II.   Specific Objectives:-

The state of specific objective would generally refer to the various activities of the Human resource Management.

The following are some of the important activities;

i)   Selection of right person, at the right time, in the right number required to the organization concerned.

ii)   Proper orientation and introduction of new employees to the organization.

iii)   Providing suitable training facility for better job performance.

iv)   Provision of better working conditions and other facilities such as medical facility, PF, gratuity, leave with pay etc.,

v)   Provision of sound, fair and effective wage and salary administration.

vi)   A full and fair consideration should be given to an employee when his services are terminated or he leaves the organization.

vii)   Maintenance of good relation with the representatives of the trade union.

viii) Provision of the continuous personnel research which keeps the management equipped with recent development.

1.5 REFERENCES

Check your Progress

FILL UPS

1. ---------------- is management functions that helps manager's recruit, select, train and develop members for an organization. HRM is concerned with the people's dimension in organizations.

2. --------------------includes determining wage rates, incentive system, rating of employees and performance standard.

3. -------------------------- includes health and safety programme, sanitary facility, recreation facility, educational activities etc.,

4. Selection of------------, at the------------, in the ------------ required to the organization concerned.

5. The main objective of Human Resource Management is to utilize the ------ in such a way so as to get the best possible -----------.

POINTS TO REMEMBER

1. According to **Flippo**

"Personnel Management or 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."

2. The objectives of Human Resource Management may be divided into two:

      I. General objectives.

      II. Specific objectives.

3. The main objectives of an organization are to get maximum satisfaction out of its available resources for personal management or human resource management.

4. Provision of the continuous personnel research which keeps the management equipped with recent development.

5. *Maximum Individual Development:*

The employer should be always be careful in developing the personality of each individual. They should always regards employees as co-owners or partner of an organization and given due importance. Therefore management should recognize their individual ability and make use of such ability in an effective manner.

MODEL QUESTIONS WITH ANSWERS

1. Define Human Resource management.

Answer

The **National Institute of Personnel Management (NIPM)** of India has defined Human Resource / Personnel Management as, "The personnel function is concerned with procurement, development, compensation, integration and maintenance of an organization for the purpose of contributing towards the accomplishment of an organizational major goals or objectives, therefore, personnel management is the planning, organizing, directing and controlling of those operative functions."

According to Flippo

"Personnel Management or 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."

2. Explain the definition and scope of Human Resource Management.

Answer:

The scope of Human Resource Management is very wide. It includes all activities which help the management in getting the work done by the labour force in the best manner possible to accomplish the main objectives of an organization.

For the sake of Convenience, we can categories all these functions into several sections:

- Recruitment and maintenance of labour force.
- *Training to all persons:*

  New and old to meet the challenges of the jobs.

- *Job analysis and job description:*

  It involves the study of job requirement of the enterprise and assignment of well defined functions to jobs so that qualification employees may be hired.

- *Compensation:*

  It includes determining wage rates, incentive system, rating of employees and performance standard.

- *Keeping personnel records:*

  It includes collection of Bio-data of the employees pertaining to their work.

- Welfare activities:

  It includes health and safety programme, sanitary facility, recreation facility, educational activities etc.

- Labour relation activities such as settlement of disputes etc.

3. Write down the Specific objective Of Human Resource Management.

Answer

Specific Objectives:-

The state of specific objective would generally refer to the various activities of the Human resource Management.

The following are some of the important activities;

1. Selection of right person, at the right time, in the right number required to the organization concerned.
2. Proper orientation and introduction of new employees to the organization.
3. Providing suitable training facility for better job performance.
4. Provision of better working conditions and other facilities such as medical facility, PF, gratuity, leave with pay etc.
5. Provision of sound, fair and effective wage and salary administration.
6. A full and fair consideration should be given to an employee when his services are terminated or he leaves the organization.
7. Maintenance of good relation with the representatives of the trade union.
8. Provision of the continuous personnel research which keeps the management equipped with recent development.

ANSWER FOR FILL UPS

1. *Human resource Management*

2. *Compensation*

3. *Welfare activities*

4. *right person, right time, right number*

5. *workforce, result*

1.6 Functions of Human Resource Management

The main functions performed by the Human Resource Management can be broadly classified into two main categories,

1.   Managerial Functions

2.   Operational Functions

Managerial Functions:

i)   Planning:

Planning is a predetermined course of actions. It is a process of determining the organizational goals and formulation of policies and programmes for achieving them.

Planning is known as what to do, where, how etc., to attain the organizational objectives.

ii) Organizing:

Organizing is a process by which the structure and allocation of jobs are determined.

Thus, organizing involves giving each subordinate a specific task, establishing departments, delegating authority to subordinates, coordinating the work of sub-ordinates and so on.

iii) Directing:

It is the process of activity group efforts to achieve the desired goals. It includes effective supervision and leadership.

It involves the activities like getting subordinates to get the job done, maintaining morale, motivating subordinates etc.

iv) Controlling:

It is the process of setting standard for performance, checking to see how actual for performance comparing with set standards and taking corrective actions as needed.

Operational Functions:

i) Procurement:

It involves procuring the right kind of people in appropriate number to be placed in the organization. It consists of activities such as man power planning, recruitment, selection, placement and induction or orientation of new employees.

ii) Development:

This function involves activities meant to improve the knowledge, skill, aptitudes and values of employers so as to enable them to perform their job in a better manner in future. These functions may comprise training to employees, executive training to development and so on.

iii) Compensation:

Compensation function involves determination of wages and salary matching with contribution made by employees to organizational goals. It consists of activities such as job evaluation, wage and salary administration, bonus, incentives etc.

v) Maintenance:

It is concerned with protecting and promoting employees while at work. Not only that maintenance of good industrial relationship between employer and employees. For this purpose various benefits such as housing, medical, educational, transport facilities etc., are to be provided to the employees.

Difference between Personnel Management and Human resource management

Personnel Management	Human Resource Management
Personnel means people employed. Personnel Management is the management of people employed.	Human Resource Management is the management of employees skills, talents, abilities, knowledge, creative abilities etc.,
Employees in personnel management is mostly treated as a economic man as his services are exchanged for wages/salary.	Employees in Human Resource Management are treated not only as economic man but also as social and psychological man. Thus, the complete man is viewed under this approach.
Employees are viewed as a commodity or tool or equipment which can be purchased and used.	Employee is treated as a resource.
Employees are treated as cost centre, therefore management control the cost of labour.	Employees are treated as profit centre and therefore invest capital for human resource development and future utilities.
Employees are used mostly for organizational benefits.	Employees are used for the multiple mutual benefit of the organization. Here employees are considered as their family members.
Personnel function is treated as only an auxiliary.	Human Resource Management is a strategic Management Functions.

1.7 REFERENCES

Check your Progress

FILL UPS

1. The main functions performed by the Human Resource Management can be broadly classified into two main categories, --------------------------------------

2. -------------------- involves procuring the right kind of people in appropriate number to be placed in the organization. It consists of activities such as man power planning, recruitment, selection, placement and induction or orientation of new employees

3. Employees in Human Resource Management are treated not only as economic man but also as ---------------------------

4. ----------------is the process of setting standard for performance, checking to see how actual for performance comparing with set standards and taking corrective actions as needed.

5. Personnel function is treated as only an -------------

POINTS TO REMEMBER

1. Planning is a predetermined course of actions. It is a process of determining the organizational goals and formulation of policies and programmes for achieving them.

2. Development involves activities meant to improve the knowledge, skill, aptitudes and values of employers so as to enable them to perform their job in a better manner in future. These functions may comprise training to employees, executive training to development and so on.

3. Personnel means people employed. Personnel Management is the management of people employed.

4. Human Resource Management is the management of employees skills, talents, abilities, knowledge, creative abilities etc.,

5. Maintenance is concerned with protecting and promoting employees while at work. Not only that maintenance of good industrial relationship between employer and employees.

   For this purpose various benefits such as housing, medical, educational, transport facilities etc., are to be provided to the employees.

MODEL QUESTIONS WITH ANSWERS

1. Write down the two functions of Human Resource Management.

Answer

The main functions performed by the Human Resource Management can be broadly classified into two main categories,

    I. Managerial Functions and

    II. Operational Functions

2. Explain in detail about managerial Functions and Operational Functions.

Answer

Managerial Functions:

ii) Planning:

Planning is a predetermined course of actions. It is a process of determining the organizational goals and formulation of policies and programmes for achieving them.

Planning is known as what to do, where, how etc., to attain the organizational objectives.

ii) Organizing:

Organizing is a process by which the structure and allocation of jobs are determined.

Thus, organizing involves giving each subordinate a specific task, establishing departments, delegating authority to subordinates, coordinating the work of sub-ordinates and so on.

iii) Directing:

It is the process of activity group efforts to achieve the desired goals. It includes effective supervision and leadership.

It involves the activities like getting subordinates to get the job done, maintaining morale, motivating subordinates etc.

vi) Controlling:

It is the process of setting standard for performance, checking to see how actual for performance comparing with set standards and taking corrective actions as needed.

Operational Functions:

ii) Procurement:

It involves procuring the right kind of people in appropriate number to be placed in the organization. It consists of activities such as man power

planning, recruitment, selection, placement and induction or orientation of new employees.

ii) Development:

This function involves activities meant to improve the knowledge, skill, aptitudes and values of employers so as to enable them to perform their job in a better manner in future. These functions may comprise training to employees, executive training to development and so on.

iii) Compensation:

Compensation function involves determination of wages and salary matching with contribution made by employees to organizational goals. It consists of activities such as job evaluation, wage and salary administration, bonus, incentives etc.

vii) Maintenance:

It is concerned with protecting and promoting employees while at work. Not only that maintenance of good industrial relationship between employer and employees.

For this purpose various benefits such as housing, medical, educational, transport facilities etc., are to be provided to the employees.

2. Distinguish between Personnel Management and Human Resource Management.

Answer

Difference between Personnel Management and Human resource management

Personnel Management	Human Resource Management
Personnel means people employed. Personnel Management is the management of people employed.	Human Resource Management is the management of employees skills, talents, abilities, knowledge, creative abilities etc.,
Employees in personnel management is mostly treated as a economic man as his services are exchanged for wages/salary.	Employees in Human Resource Management are treated not only as economic man but also as social and psychological man. Thus, the complete man is viewed under this approach.

Employees are viewed as a commodity or tool or equipment which can be purchased and used.	Employee is treated as a resource.
Employees are treated as cost centre, therefore management control the cost of labour.	Employees are treated as profit centre and therefore invest capital for human resource development and future utilities.
Employees are used mostly for organizational benefits.	Employees are used for the multiple mutual benefit of the organization. Here employees are considered as their family members.
Personnel function is treated as only an auxiliary.	Human Resource Management is a strategic Management Functions.

ANSWER FOR FILL UPS

1. *Managerial Functions and Operational Functions*

2. *Procurement*

3. *Social and psychological man.*

4. *Controlling*

5. *auxiliary*

NOTES

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UNIT – II
HUMAN RESOURCE PLANNING

2.1 Human resource Planning

Meaning

Human Resource Planning is the process by which an ion determines how it should acquire its desired manpower to achieve the organizational goals. Thus HRP helps the right number and kind of people at the right places and right times to successfully achieve its overall objectives.

Definition

In the words of **Beach,**

" Human resource planning is a process of determining and assuming that that organization will have an adequate number of qualified person's times, performing jobs which meet the needs of enterprise and which provide satisfaction for the individuals involved".

2.2 Man power planning

Definition

Man power planning is the process of determining the manpower requirements and the means for meeting these requirements in order to carry out the integrated plans of the organization.

- **Coleman Bruce .p**

2.3 Importance and Objectives of man power planning

The main objective of man power planning is to solve an accurate number of employees required, with mismatching skill requirements to accomplish organizational goals.

In other words the objectives of manpower planning are to;

- Ensure adequate supply of manpower as and when required.
- Ensure proper use of existing Human resources in the organization.
- Fore cast future requirements of man power with different levels of skills.
- Assess surplus or shortage, if any of human resources available over a specified period of time.
- Anticipate the impact of technology on jobs and requirements for manpower.
- Control the human resources already deployed in the organization.
- Provide lead time available to select and train the required additional human resources over a specified time period.

2.4 Uses and benefits of man power planning

1.   Increase in size of business

   With the expansion of the plant a large number of workers are required to be employed .It is very essential to know whether new responsibilities should be assigned among the existing personnel or they should be recruited fresh from outside to meet the challenges of the new responsibilities .For all this purpose Man Power Planning is essential.

2.   Effective recruitment and selection policy

   Future need can be predicted by Man Power Planning; hence only right man on the right job at the right time may be recruited and selected. The enterprise need not invest huge funds for training purpose. The employees are recruited after proper scrutiny. The rate of turnover is also reduced by effective manpower planning.

3.   Reduction in labour cost

   In order to maintain the super many over the other competitive firm it is in the interest of organization to control the cost of labour by effective use of manpower and thus reducing the wastage. This can be done by Man Power Planning.

4.   Avoiding disruption in production

   Man Power Planning may help the organization in procuring skilled and qualified workers because future needs of personnel may be estimated and they are recruited and trained, thus lowering the amount of expenditure on training. The production is carried on uninterrupted.

5.   Maintaining good industrial relation

   An effective Man Power Planning may help the management in developing the good employer and employee relationship. Thus industrial relations may be improved by an effective Man Power Planning.

6.   Effective employee development program

   While developing the employee development program, the talent, abilities and motivates of the individual as well as the organizational objectives in relation to the manpower should be taken into consideration.

   An effective Man Power Planning can only help the organization make its employee development program effective.

2.5 REFERENCES

Check your Progress

FILL UPS

1. ------------------------- is the process by which an ion determines how it should acquire its desired manpower to achieve the organizational goals.

2. An ------------------------- can only help the organization make its employee development program effective.

3. Maintaining good ------------------ may help the management in developing the good employer and employee relationship

4. The main objective of man power planning is to solve------------------------, with mismatching skill requirements to accomplish organizational goals.

5. The employees are recruited after proper-----------.

6. The ------------------ is also reduced by effective manpower planning.

POINTS TO REMEMBER

1. In the words of **Beach,**

   " Human resource planning is a process of determining and assuming that that organization will have an adequate number of qualified person's times, performing jobs which meet the needs of enterprise and which provide satisfaction for the individuals involved".

2. With the expansion of the plant a large number of workers are required to be employed .It is very essential to know whether new responsibilities should be assigned among the existing personnel or they should be recruited fresh from outside to meet the challenges of the new responsibilities .For all this purpose Man Power Planning is essential.

3. Man Power Planning may help the organization in procuring skilled and qualified workers because future needs of personnel may be estimated and they are recruited and trained, thus lowering the amount of expenditure on training. The production is carried on uninterrupted.

4. The main objective of man power planning is to solve an accurate number of employees required, with mismatching skill requirements to accomplish organizational goals.

5. In order to maintain the super many over the other competitive firm it is in the interest of organization to control the cost of labour by effective use of manpower and thus reducing the wastage. This can be done by Man Power Planning.

MODEL QUESTIONS WITH ANSWERS

1. Give the Definition and Meaning of Human Resource Planning.

Answer

Meaning

Human Resource Planning is the process by which an ion determines how it should acquire its desired manpower to achieve the organizational goals. Thus HRP helps the right number and kind of people at the right places and right times to successfully achieve its overall objectives.

Definition

In the words of **Beach,**

" Human resource planning is a process of determining and assuming that that organization will have an adequate number of qualified person's times, performing jobs which meet the needs of enterprise and which provide satisfaction for the individuals involved".

2. Define Man power planning.

Answer

Definition

Man power planning is the process of determining the manpower requirements and the means for meeting these requirements in order to carry out the integrated plans of the organization.

- **Coleman Bruce .p**

3. Explain the objectives of man power planning.

Answer

Objectives of man power planning

The main objective of man power planning is to solve an accurate number of employees required, with mismatching skill requirements to accomplish organizational goals.

In other words the objectives of manpower planning are to;

- Ensure adequate supply of manpower as and when required.
- Ensure proper use of existing Human resources in the organization.
- Fore cast future requirements of man power with different levels of skills.
- Assess surplus or shortage, if any of human resources available over a specified period of time.
- Anticipate the impact of technology on jobs and requirements for manpower.

- Control the human resources already deployed in the organization.
- Provide lead time available to select and train the required additional human resources over a specified time period.

4. Write down the Importance or benefits of man power planning.

Answer

- **Increase in size of business**

  With the expansion of the plant a large number of workers are required to be employed .It is very essential to know whether new responsibilities should be assigned among the existing personnel or they should be recruited fresh from outside to meet the challenges of the new responsibilities .For all this purpose Man Power Planning is essential.

- **Effective recruitment and selection policy**

  Future need can be predicted by Man Power Planning; hence only right man on the right job at the right time may be recruited and selected. The enterprise need not invest huge funds for training purpose. The employees are recruited after proper scrutiny. The rate of turnover is also reduced by effective manpower planning.

- **Reduction in labour cost**

  In order to maintain the super many over the other competitive firm it is in the interest of organization to control the cost of labour by effective use of manpower and thus reducing the wastage. This can be done by Man Power Planning.

- **Avoiding disruption in production**

  Man Power Planning may help the organization in procuring skilled and qualified workers because future needs of personnel may be estimated and they are recruited and trained, thus lowering the amount of expenditure on training. The production is carried on uninterrupted.

- **Maintaining good industrial relation**

  An effective Man Power Planning may help the management in developing the good employer and employee relationship. Thus industrial relations may be improved by an effective Man Power Planning.

- **Effective employee development program**

  While developing the employee development program, the talent, abilities and motivates of the individual as well as the organizational objectives in relation to the manpower should be taken into consideration.

An effective Man Power Planning can only help the organization make its employee development program effective.

ANSWER FOR FILL UPS

1. *Human Resource Planning*

2. *effective Man Power Planning*

3. *industrial relation*

4. *an accurate number of employees required*

5. *scrutiny*

6. *rate of turnover*

2.6 Process of Man power planning

The process of the Man Power Planning is consisting of the following steps;

       1. Preparing manpower inventory

       2. Studying the employee turnovers

       3. Forecasting manpower needs

       4. Manpower plans

1. Preparing manpower inventory

It refers to the assessment of the present and the potential capacities of present employees qualitatively and quantitatively. It reveals the degree to which these capabilities are the employed optima lily and help to identify the gaps that exist in the firm.

Preparation of manpower inventory involves determination of personnel, cataloguing of the factual background information of each individual and listing the present and potential abilities and aptitudes of each.

2. Studying the employee turnover

From the available stock of manpower, a discount should be allowed for employee turn over during the period of planning.

Employee turnover may be caused by death, disability, resignation, dismissal, promotion; transfer etc.The study of employee turnover helps future needs of workforce.

3. Forecasting manpower needs

Forecasting of future manpower requirements is the important part of manpower planning; it is the forecasted on the basis of production and sales budgets workload analysis, workforce analysis, estimated absenteeism and turnover etc.

This fore cast depends upon the business objects.

4. Manpower plant

On the basis of the analysis of manpower requirement, productivity and manpower cast action plans covering the following subjects be prepared.

Recruitment, redundancy, training, improvement and productivity, improvement in retention of employees'. In their way the storage of manpower can be avoided in the long-run.

Basis or factors affecting manpower planning

There are three factors affecting manpower planning.

This constitutes the basis of manpower planning which may be summarized as follows;

Existing stock of manpower:

This is the first basis of manpower planning and it is the starting point of all planning process to analysis the existing stock of manpower. One must study the position of total stock of the manpower.

A GroupWise detailed statement is prepared regarding the number of workers in the group their age, qualification, date of retirement and changes for promotion.

1. Wastages

The second basis of Man Power Planning is wastages for a good planning appropriate adjustment in the existing stock of manpower should be made for the possible wastage of manpower caused by any foreseeable changes in the organization.

In order to analyze the wastage of manpower rate of labour turnover and period of active management the work should be studied. In planning the manpower the factors such as promotion, transfer, retirement, expansion and modernization of plant and training of workers should be taken consideration to make the necessary adjustments in the requirements of personnel.

2. Future manpower requirement

After evaluating the existing stock of workers and analyzing the various factors of wastage, we can easily assess the future requirement of labour force taking into consideration the future plans, government policies, demand and supply of manpower in future, protecting of labour and factors of production.

2.7 REFERENCES

Check your Progress

FILL UPS

1. Preparation of ------------------------ involves determination of personnel, cataloguing of the factual background information of each individual and listing the present and potential abilities and aptitudes of each.

2. In order to analyze the ------------------- rate of labour turnover and period of active management the work should be studied.

3. Forecasting of future manpower requirements is the important part of manpower planning; it is the forecasted on the basis of ------------------------

3. Recruitment, redundancy, training, improvement and productivity, improves in -------------------------

5. Preparing manpower inventory refers to the assessment of the present and the potential capacities of present employees ------------------------------------

POINTS TO REMEMBER

1. The process of the Man Power Planning is consisting of the following steps;

       1. Preparing manpower inventory

       2. Studying the employee turnovers

       3. Forecasting manpower needs

       4. Manpower plans

2. Preparation of manpower inventory involves determination of personnel, cataloguing of the factual background information of each individual and listing the present and potential abilities and aptitudes of each.

3. Forecasting of future manpower requirements is the important part of manpower planning; it is the forecasted on the basis of production and sales budgets workload analysis, workforce analysis, estimated absenteeism and turnover etc.

4. After evaluating the existing stock of workers and analyzing the various factors of wastage, we can easily assess the future requirement of labour force taking into consideration the future plans, government policies, demand and supply of manpower in future, protecting of labour and factors of production.

5. There are three factors affecting manpower planning.

- Existing stock of manpower
- Wastages
- Future manpower requirement

<center>**MODEL QUESTIONS WITH ANSWERS**</center>

1. Explain Man power planning process.

Answer

The process of the Man Power Planning is consisting of the following steps;

1. Preparing manpower inventory
2. Studying the employee turnovers
3. Forecasting manpower needs
4. Manpower plans

Preparing manpower inventory

It refers to the assessment of the present and the potential capacities of present employees qualitatively and quantitatively. It reveals the degree to which these capabilities are the employed optima lily and help to identify the gaps that exist in the firm.

Preparation of manpower inventory involves determination of personnel, cataloguing of the factual background information of each individual and listing the present and potential abilities and aptitudes of each.

Studying the employee turnover

From the available stock of manpower, a discount should be allowed for employee turn over during the period of planning.

Employee turnover may be caused by death, disability, resignation, dismissal, promotion; transfer etc.

The study of employee turnover helps future needs of workforce.

Forecasting manpower needs

Forecasting of future manpower requirements is the important part of manpower planning; it is the forecasted on the basis of production and sales budgets workload analysis, workforce analysis, estimated absenteeism and turnover etc. This fore cast depends upon the business objects.

Manpower plant

On the basis of the analysis of manpower requirement, productivity and manpower cast action plans covering the following subjects be prepared.

Recruitment, redundancy, training, improvement and productivity, improvement in retention of employees'. In their way the storage of manpower can be avoided in the long-run.

2. What are the basic factors affecting manpower planning?

Answer

Basis or factors affecting manpower planning

There are three factors affecting manpower planning.

This constitutes the basis of manpower planning which may be summarized as follows;

- Existing stock of manpower

This is the first basis of manpower planning and it is the starting point of all planning process to analysis the existing stock of manpower. One must study the position of total stock of the manpower.

A GroupWise detailed statement is prepared regarding the number of workers in the group their age, qualification, date of retirement and changes for promotion.

- Wastages

The second basis of Man Power Planning is wastages for a good planning appropriate adjustment in the existing stock of manpower should be made for the possible wastage of manpower caused by any foreseeable changes in the organization.

In order to analyze the wastage of manpower rate of labour turnover and period of active management the work should be studied. In planning the manpower the factors such as promotion, transfer, retirement, expansion and modernization of plant and training of workers should be taken consideration to make the necessary adjustments in the requirements of personnel.

- Future manpower requirement:

After evaluating the existing stock of workers and analyzing the various factors of wastage, we can easily assess the future requirement of labour force taking into consideration the future plans, government policies, demand and supply of manpower in future, protecting of labour and factors of production.

ANSWER FOR FILL UPS

1. *manpower inventory*
2. *wastage of manpower*
3. *production and sales budgets workload analysis, workforce analysis, estimated absenteeism and turnover etc.*
4. *retention of employees.*
5. *qualitatively and quantitatively.*

NOTES

UNIT – III
RECRUITMENT AND SELECTION

3.1 Recruitment

Recruitment is the generalizing of applications or applicants for specific positions to be filled up in the organization. In other words, it is a process of searching for and obtaining applicants for job so that the right people in right number can be selected.

According to **Edwin Flippo**, "Recruitment is the process of searching the prospective employees and simulating them to apply for the jobs in an organization".

According to **Bergmann and Taylor**,

"Recruitment is the process of locating, identifying and attracting capable applicants".

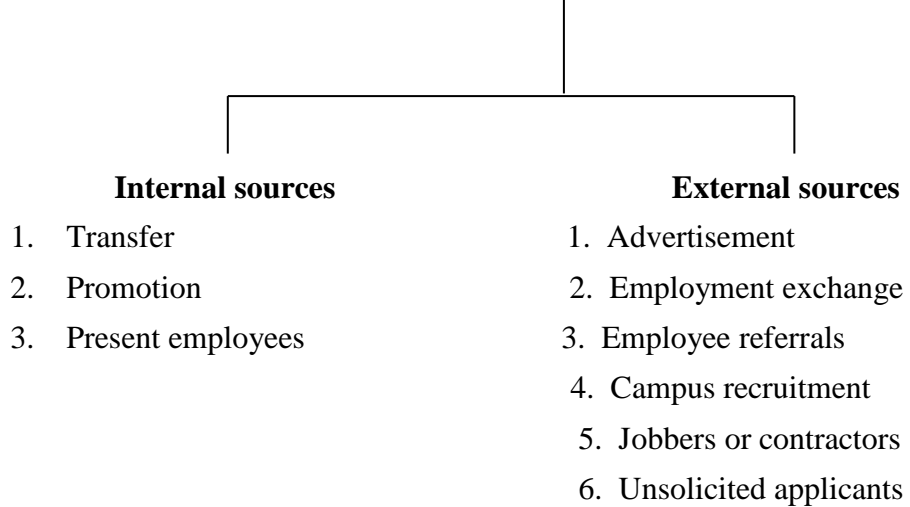### 3.2 Principle of recruitment policy

Every organization must establish acceptable recruitment policy must follow the under mentioned principles,

1. Recruitment of personnel for the whole organization should be centralized. Personnel department may be charged with his responsibilities. Internal and external sources of recruitment should be given due importance.

2. In establishing the recruitment policy for the organization, the recruitment policy followed in similar organization and in government undertaking should be thoroughly considered.

3. Stationary provisions regarding recruitment of personnel should also be given proper consideration.

4. The recruitment policy should be elastic, so that it may be amended suitably to achieve the organizational objectives.

5. Recruitment policy should be within the organizational policy.

6. Rules regarding recruitment of existing employees should be very clear.

7. The qualifications of the applicants should co-inside the job specification.

8. Merit should be the basis of recruitment and other considerations like friendship, relations etc should be ignored.

3.3 Sources of recruitment

The sources of recruitment may be classified as follows,

Sources of recruitment

Internal sources	External sources
1. Transfer	1. Advertisement
2. Promotion	2. Employment exchange
3. Present employees	3. Employee referrals
	4. Campus recruitment
	5. Jobbers or contractors
	6. Unsolicited applicants

Internal sources:

Transfer:

Transfer off an employee of an organization from one workplace to another may be used as a source of recruitment to meet personal demand at the place to which the employee transferred.

1. Promotion:

Promotion means appointing an employee to duties and authority of the employee concerned as also his emoluments; it does not alter the number and kinds of employees of the enterprise. Promotion may be based on seniority as merit employees.

2. Present employees:

It is an internal source of recruitment of personnel. In the enterprise may be asked to recommend then friends and relatives for employment.

It will not only keep employees happy and in high morale, but also ensure recruitment of competent and sincere persons.

External sources

Advertisement

Advertisement is perhaps the most widely used method for generating many applications. This is because its reach is very high. This method of recruitment can be used for job like clerical, technical and management.

Employment exchange

An employment exchange is an office set up by the government for bringing together as quickly as possible those men who are in search of employment and those employers who are looking for men .Employment

exchanges registered unemployed people and maintain the record of their names and qualification etc.

Employee reference

This is an important source of recruitment. The existing employees refer their family member friends, and relatives to the company potential candidates for the vacancies to be filled up in the organization.

Campus recruitment

Campus recruitment is a common phenomenon particularly in the American organizations and nowadays in our country also. Some organizations such as HLL, HCL, WIPRO, IBM, L&T, Reliance etc, in India have started visiting campuses for recruitment purpose.

Jobbers or contracts

In many industries workers are recruited through contractors who are themselves the employees of these organizations.

Unsolicited applicants

These are persons who gather at the factory gates to serve as causal workers or who send in the application without any invitation from the factory.

3.4 Selection

Selection is a process, by which candidates for employment are divided in to two classes,

- Those who are to be offered employment and
- Those who are not.

Selection of employees is a decision-making process where the management desires certain norms and principles on the basis of which discrimination between qualified and unqualified candidates can be made.

In the opinion of **koontz,**

"Selection is the process of choosing from among the candidates from within the organization or from the outside, the most suitable person for the current position or for the future position ".

3.5 Principles of selection policy

An ideal selection policy should be based on the following principles,

1. The responsibility for the selection of employees should be assigned to an efficient and qualified based, so the right man can be selected.

2. Job first; man next; should be the basic and fundamental principle for selection.

3. Selection should be from internal as well as external sources and the management should not rely much on the single source.

4. Selection should be based on standards as set out by job analysis.

5. The different selection methods for different levels of post should be followed.

6. The selection policy should not surpass the organizational general policy. It should be with in the frame work.

7. The selection policy of the organization should flexible not rigid so that necessary amendments may be made whenever necessary.

8. The selection policy should commensurate the employment policy of the state.

9. The selection policy should provide guidelines to the perspective candidates.

10. The selection policy should be based and employment oriented.

3.6 Difference between Recruitment and Selection

Recruitment	Selection
Recruitment technically precedes selection.	Selection follows recruitment
Recruitment refers to the process of identifying and encouraging potential candidates to apply for jobs in the organization.	Selection involves choosing the best out of those recruited.
Recruitment is positive as it aims at increasing the number of job seekers for wider choice or increasing the selection ratio.	Selection is negative in its application in as much as it rejects a large number of unqualified applications in order who are suitable for job.
Recruitment involves searching.	Selection involves comparing those already searched.

3.7 REFERENCES

Check your Progress

FILL UPS

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5. ------------------------is perhaps the most widely used method for generating many applications

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2. Selection is a process, by which candidates for employment are divided in to two classes,

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3. Recruitment is the process of locating, identifying and attracting capable applicants.

3. Selection of employees is a decision-making process where the management desires certain norms and principles on the basis of which discrimination between qualified and unqualified candidates can be made.

5. Employee reference is an important source of recruitment. The existing employees refer their family member friends, and relatives to the company potential candidates for the vacancies to be filled up in the organization.

MODEL QUESTIONS WITH ANSWERS

1. Explain Recruitment and its policy.

Answer

Recruitment:

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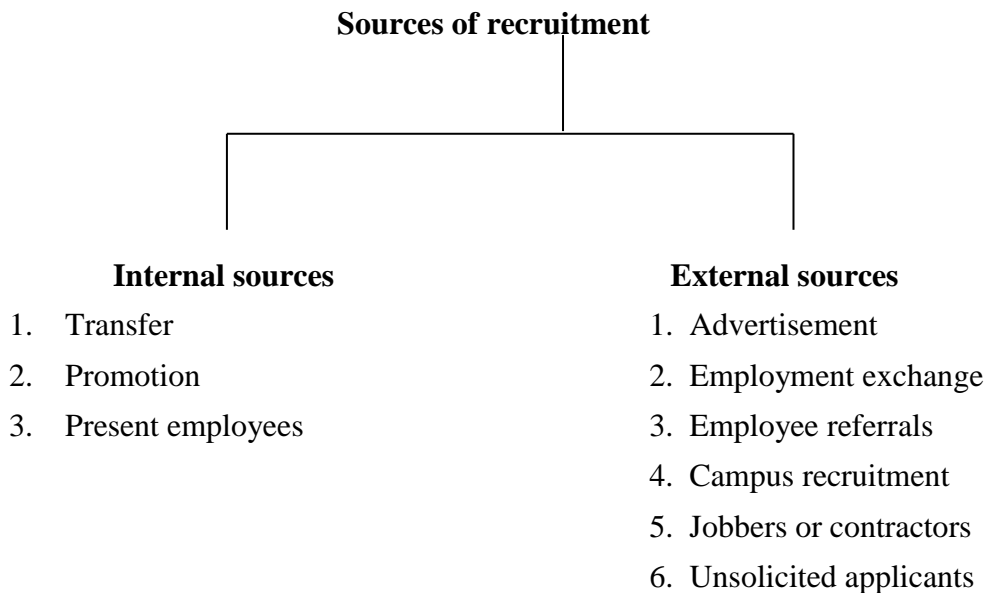
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2. What are the sources of recruitment?

Answer

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Unsolicited applicants

These are persons who gather at the factory gates to serve as causal workers or who send in the application without any invitation from the factory.

3. Explain selection and principles of selection policy.

Answer

Selection

Selection is a process, by which candidates for employment are divided in to two classes,

- Those who are to be offered employment and
- Those who are not.

Selection of employees is a decision-making process where the management desires certain norms and principles on the basis of which discrimination between qualified and unqualified candidates can be made.

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An ideal selection policy should be based on the following principles,

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- The selection policy should commensurate the employment policy of the state.

- The selection policy should provide guidelines to the perspective candidates.

- The selection policy should be based and employment oriented.

4.   Distinguish between Recruitment and Selection.

Answer

Difference between Recruitment and Selection

Recruitment	Selection
Recruitment technically precedes selection.	Selection follows recruitment
Recruitment refers to the process of identifying and encouraging potential candidates to apply for jobs in the organization.	Selection involves choosing the best out of those recruited.
Recruitment is positive as it	Selection is negative in its

aims at increasing the number of job seekers for wider choice or increasing the selection ratio.	application in as much as it rejects a large number of unqualified applications in order who are suitable for job.
Recruitment involves searching.	Selection involves comparing those already searched.

ANSWER FOR FILL UPS

1. *Recruitment*
2. *Transfer*
3. *Promotion*
4. *Selection*
5. *Advertisement*

3.8 Procedure for selection (or) selection process

Selection

Selection is the process of choosing the right person for right job, at right time and at right place. Selection follow recruitment, it is the managerial decision process so as to predict which job applicant will be successful if hired.
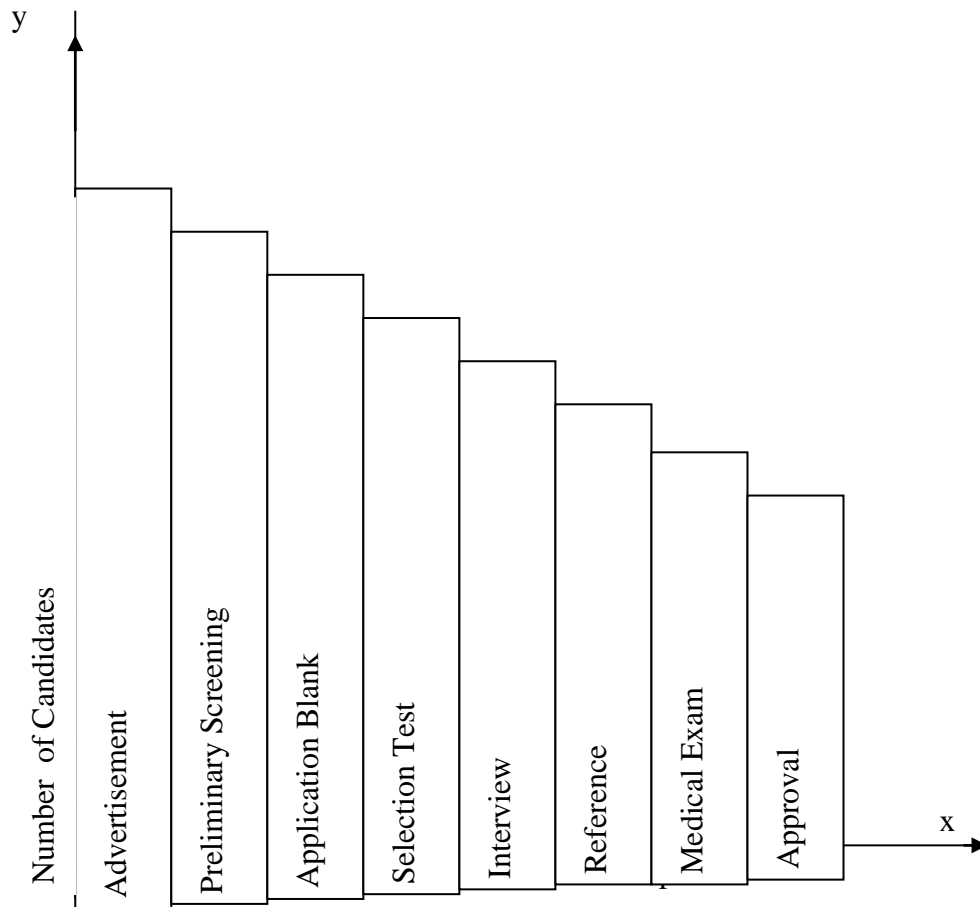
Selection – process

There can be no standard procedure to select different types of employees. Selection procedures differ from job to job, and from organization to organization.

An attempt is made to list down the various procedures in selecting the employees for various jobs.

Selection procedure or process

Step 1: Advertisement.

Step 2: Preliminary Screening.

Step 3: Issuing Application Blank.

Step 4: Selection Tests.

Step 5: Employment Interview.

Step 6: Checking of Reference.

Step 7: Physical / Medical Exam.

Step 8: Final Approval.

Step 9: Selection.

Advertisement and Receiving Application:

Most of the organization follows advertisement in either print (Newspaper / Journal) or board cast (Radio or Television) or through websites to inform the general public about the vacancies raised in the organization.

Once the applicants apply for the post in an organization, the second step starts, i.e., the purpose of giving advertisement is to receive as many applications as possible, so that the second process "preliminary screening" can eliminate more number to select suitable applications.

Preliminary Screening

The purpose of Preliminary Screening is to eliminate the totally unsuitable candidates.

Though the purpose is similar, Preliminary Screening screen / eliminates the application form and preliminary interview eliminates the applicants in person.

The applicants are eliminated in terms of job requirements. The factors normally considered are:

- Age
- Sex
- Qualification
- Experience etc.,

It helps to determine the deserved candidates to issue, "Application Blank".

It helps the organization to save the expense of processing unsuitable candidates and also helps the candidates to be free from the trouble of passing through the long procedure.

Preliminary interview provides basic information about candidates.

Application Bank

Application Blank is normally issued to those candidates who got through preliminary screening.

Application Blank is the unique and permanent record of the candidates,

- Education
- Age
- Date of birth
- Experience
- Interest etc., in his own hand writing.

It provides sample scope to decide the candidate's suitability.

It serves the basic for other steps in selection such as Selection tests, Interview etc,

As far as possible application blank should be brief and simple.

Selection Test

Selection tests are used as the best instrument for reducing large number of candidates.

Initially it was used to measure the needed skills and abilities. Now in large scale organization, it is being used to measure skills as well as to eliminate large candidates.

Several tests used in practice are,

- Aptitude test
- Proficiency test
- Intelligence test

- Personality test etc.

Employment Interview

This is most complex and difficult part of the selection. The purpose of this interview is to determine the suitability of the applicant for the job. The interview must be conducted in a friendly atmosphere and the candidate must be made to feel at ease.

The candidates should also be given a chance to ask questions to satisfy him self regarding the history of the concern, future prospects, salary offered and nature of job etc.

References

Employers generally provide a column in the application blank for references.

The applicant crosses all the above hurdles and investigation may be made on the references supplied by the applicant regarding,

- personal reputation,
- Past employment,
- Education,
- Character, etc.

Medical Examination

In almost all the companies in India, Medical examination is a part of selection process. It is conducted before the final decision has been made to select the candidates.

It is very important because a person of poor health may generally be absent from work and the training given to him may go waste. A person suffering from any disease may spread it amongst other workers.

A through physical exam is also essential to be sure that the candidate is able to handle the job efficiently.

Final Selection

It is a candidate successfully over comes all the obstacles are test given above he could be declared selected and appointment order will be given to him, monitoring the terms of,

- Appointment,
- Pay – scales,
- Post on which selected etc.

3.9 Tests

It is used as a best instrument for reducing a large number of candidates. It is used to measure the needed skills and abilities.

The important tests are as follows:

1. Aptitude test.
2. Intelligence test.
3. Interest test.
4. Knowledge test.
5. Projective test.
6. Personality test.
7. Judgments test.
8. Dexterity test.

Aptitude test:

Such tests are designed to measure the aptitude of candidates and their capacity to learn the skills required on a particular job. Now-a-days these kinds of tests are used to select the candidates for software industry in India.

Intelligence test

It is aimed to test the mental capacity. It measures the individual learning ability to grasp or understand instructions and also ability to reason and make judgment. There are verbal and non-verbal intelligence tests.

Interest test

It helps in determining the preference of applicants for occupations of different kinds.

Knowledge test

It helps to measure the in depth of the knowledge and proficiency in certain skills already achieved by the applicants such as,

- Engineering
- Accounting etc.

Projective test

Projective test which uses the projective technique where by the applicants projects him personality into force response about pictures shown to him which are ambiguous.

Personality test

It determines character such as cooperativeness as against dominance or to judge the emotional balance and temperamental ability of a person.

Judgment test

It evaluates the ability to apply knowledge judiciously in solving a problem.

Dexterity test

It is used to discover the ability to use the different parts of body in a coordinated manner. It is useful in identifying accident prome for certain manufacturing jobs.

3.10 Interview

Interview is the face-to-face encounter with the purpose, it employs conversation. It means conversation between the interviewer and interviewee to assess the potentiality of the latter by,

- gestures,
- Facial expression and
- Communication skills.

3.11 Types of interview

1. Patterned or guided interview
2. Direct interview
3. Indirect interview
4. Stress interview
5. Group interview
6. Board interview
7. Exit interview

1. **Patterned or guided interview**

In this interview a series of question in relation with applicant's background are standardized in advance. This interview is generally based on the question set in advance along with their answers.

The main purpose of this interview is face finding. It measures,

- personality,
- motivation, and
- interest.

2. **Direct interview**

    The Direct interview is a straight forward, face to face questions and answers situation. Questions are based on job duties and others facts including employees background information. It measures job knowledge and also provides opportunities to observe,

    - personal characteristics,
    - abilities and
    - motivation.

3. **Indirect interview**

    This type of interview is largely unplanned and the interviewee is allowed to take about himself in detailed. The objective of the type of interview is to find out the feelings, desire, and problems of the candidates.

4. **Stress interview**

    The purpose of this type of interview is to put strain purposely on the candidate. It access the emotional strain of the candidate for such job where resistance to stress is important.

5. **Group interview**

    Under this method a problem for discussion is given to a group of candidates. No leader is nominated the interviewer sit in the background and watches the process.

    He observes if any one among them could assume leadership and the process by which leadership is excessive and how it is accepted by the other members of the group.

    Group interview is conducted in situation where leadership ability is the important factor.

6. **Board interview**

    In this type of interview candidates are screened by a group of interviewers who are specialist in their respective fields.

    They call upon the candidates one by one assess his qualities. The main drawback of this system is that the interviewee is frustrated by the rapid firing questions by several interviewees.

7. **Exit interview**

    This type of interview is generally conducted at the time when an employee is leaving the organization. The main purpose of organizing such as interview is to know the feeling of the outgoing employees about his job, Interaction with each other, environment etc.

3.12 Checking of References

The reference check as yet another step in the selection process used for the purpose of verifying information and also obtaining additional feedback on an application.

The candidate is asked to supply two-three names of persons i.e., referees who know him/her personally. Previous employers, University professors, neighbors and friends can act as references. However, references are treated as a mere formality and are hard used to influences selection decisions. The obvious reasons are:

   I. References are normally those who speak well about the candidate.

  II. Referee may give favorable opinion about the candidate to get rid of them.

III. Sometimes referee either does not know much about the candidate or does not want to divulge the truth about the candidate because it might adversely affect the selection or promotion of the concerned candidate.

3.13 Final Selection

The last step in the selection process is the final selection of the candidate for a job. The candidates who have cleared all the above hurdles are finally selected and a letter of job offer is issued to them.

The job offer i.e., appointment letter contains the details like pay-scale, allowances and other terms and conditions of the job.

It also contains when and whom he should report for joining the duty. When he/she reports for joining, he/she needs to be placed in a particular section or division and introduced to the job and organization. This is done through Placement and Induction.

3.14 REFERENCES

Check your Progress

FILL UPS

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POINTS TO REMEMBER

1. Medical Examination

In almost all the companies in India, Medical examination is a part of selection process. It is conducted before the final decision has been made to select the candidates. It is very important because a person of poor health may generally be absent from work and the training given to him may go waste. A person suffering from any disease may spread it amongst other workers.

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It is used to discover the ability to use the different parts of body in a coordinated manner. It is useful in identifying accident prone for certain manufacturing jobs.

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<p align="center">**MODEL QUESTIONS AND ANSWERS**</p>

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Answer

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The chart shows bars in descending order representing the Number of Candidates (y-axis) across recruitment stages (x-axis): Advertisement, Preliminary Screening, Application Blank, Selection Test, Interview, Reference, Medical Exam, Approval.

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2**.** Explain tests and its importance.

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- Accounting etc.

Projective test

Projective test which uses the projective technique where by the applicants projects him personality into force response about pictures shown to him which are ambiguous.

Personality test

It determines character such as cooperativeness as against dominance or to judge the emotional balance and temperamental ability of a person.

Judgment test

It evaluates the ability to apply knowledge judiciously in solving a problem.

Dexterity test

It is used to discover the ability to use the different parts of body in a coordinated manner. It is useful in identifying accident prome for certain manufacturing jobs.

3. What is an interview? Explain the types of Interview.

Answer

Interview is the face-to-face encounter with the purpose, it employs conversation. It means conversation between the interviewer and interviewee to assess the potentiality of the latter by,

- gestures,
- Facial expression and
- Communication skills.

Types of interview

- Patterned or guided interview
- Direct interview
- Indirect interview
- Stress interview
- Group interview
- Board interview
- Exit interview

Patterned or guided interview

In this interview a series of question in relation with applicant's background are standardized in advance. This interview is generally based on the question set in advance along with their answers.

The main purpose of this interview is face finding. It measures,

- personality,
- motivation, and
- interest.

Direct interview

The Direct interview is a straight forward, face to face questions and answers situation. Questions are based on job duties and others facts including employees background information. It measures job knowledge and also provides opportunities to observe,

- personal characteristics,
- abilities and
- motivation.

Indirect interview

This type of interview is largely unplanned and the interviewee is allowed to take about himself in detailed. The objective of the type of interview is to find out the feelings, desire, and problems of the candidates.

Stress interview

The purpose of this type of interview is to put strain purposely on the candidate. It access the emotional strain of the candidate for such job where resistance to stress is important.

Group interview

Under this method a problem for discussion is given to a group of candidates. No leader is nominated the interviewer sit in the background and watches the process.

He observes if any one among them could assume leadership and the process by which leadership is excessive and how it is accepted by the other members of the group.

Group interview is conducted in situation where leadership ability is the important factor.

Board interview

In this type of interview candidates are screened by a group of interviewers who are specialist in their respective fields.

They call upon the candidates one by one assess his qualities. The main drawback of this system is that the interviewee is frustrated by the rapid firing questions by several interviewees.

Exit interview

This type of interview is generally conducted at the time when an employee is leaving the organization. The main purpose of organizing such as interview is to know the feeling of the outgoing employees about his job, Interaction with each other, environment etc.

4. What is Checking of References?

Answer

The reference check as yet another step in the selection process used for the purpose of verifying information and also obtaining additional feedback on an application.

The candidate is asked to supply two-three names of persons i.e., referees who know him/her personally. Previous employers, University professors, neighbors and friends can act as references. However, references are treated as a mere formality and are hard used to influences selection decisions. The obvious reasons are:

IV. References are normally those who speak well about the candidate.

V. Referee may give favorable opinion about the candidate to get rid of them.

VI. Sometimes referee either does not know much about the candidate or does not want to divulge the truth about the candidate because it might adversely affect the selection or promotion of the concerned candidate.

6. Explain about Final Selection.

Answer

The last step in the selection process is the final selection of the candidate for a job. The candidates who have cleared all the above hurdles are finally selected and a letter of job offer is issued to them.

The job offer i.e., appointment letter contains the details like pay-scale, allowances and other terms and conditions of the job.

It also contains when and whom he should report for joining the duty. When he/she reports for joining, he/she needs to be placed in a particular section or division and introduced to the job and organization. This is done through Placement and Induction.

ANSWER FOR FILL UPS

1) *Preliminary Screening*
2) *Advertisement*
3) *Group interview*
4) *Stress interview*
5) *Exit interview*

NOTES

UNIT –IV
TRAINING AND DEVELOPMENT

4.1 Training

Training is a learning process involving the acquisition of skills and attitudes. The purpose of training to improve the current performance of work and it concerned with importing specific skills for particular purpose.

According to **E.Flippo**

"Training is an act of increasing knowledge and skill of an employee for doing a particular job"

4.2 Importance of training

1. It increases productivity.
2. Better and economical use of materials and equipment by trained employees.
3. Supervision and direction cost are reduced.
4. It increases moral of the employees.
5. It satisfies manpower needs.
6. Standardization of methods becomes possible.
7. Organizational stability and flexibility are increased.
8. It reduces learning time.
9. Lesser accidents by trained people.
10. Better management of trained workers is possible.
11. It provides mastery in new methods and technology.

4.3 Types of training

All the training programs can be anyone of the following types,

1. Induction or orientation training
2. Job training
3. Promotional training
4. Refresher training
5. Corrective training

Induction or orientation training

It is training programmed used to induct a new employee into the new social setting of his work. The new employee is introduced to his job situation, and to his co-employees.

He is also informed about the rules, working condition, privileges and activities of the company, what the company does how it serves the community and other particulars pertaining to the company.

Job training

The object of job training is to increase the knowledge of workers about the jobs with which they are concerned.

So that their efficiency and skill of performance are improved. In job training, workers are enabled to learn correct method of handling machines and equipments, avoiding bottlenecks, minimizing waste etc.

Promotional training

Many concerns follow a policy of filling some of the vacancies at higher-level by promoting existing employees. This policy increases the morale of workers. They try to put up maximum efficiency so that they may be considered for promotion.

When the existing employees are promoted to superior positions in the organization, they are required to shoulder new responsibilities. For this training has to be given to them so that may not experience any difficulty to shoulder the responsibilities of the new position which they have been promoted.

Refresher training

At the time of initial appointment employees are formally trained for their job. But the passage of time, they may forget some of the methods which were taught to them or they may have become outdated because of technical development and improved techniques of management and production.

Hence, refresher training is arranged for existing employees in order to provide them an opportunity to review and also to improve their knowledge.

Corrective training

When an employee violate company rules or policies, such as by being absent often or by smoking in a "NO SMOKING" area ,the manager needs to find a way to deal with problem.

Sometimes he thinks that the situation to the problem is disciple, but the trouble with the word disciple is that implies punishment. His aim should be not to get even with the employee, but rather to reform the employee, but rather to reform the employee.

In other words, he should handle the problem with treatment that corrects rather than punish. By its very nature, corrective training implies criticism.

The manager should criticize his employee in private soon after the mistake but not before his own anger has cooled off. He should criticize the act and not the individual and should explain to the employee why it is important to both the company and the employee that he should change his behavior.

4.4 Methods of training

All training Methods can be grouped into two category i.e.

1. Training methods for operations.
2. Training methods for executives.

I Training methods for operations

1. On job training

Coaching

Understudy

Job rotation

Participation in management board.

Vestibule training

Apprenticeship training

2. Class room training

Let us discuss in detail one by one;

On job training

On job training is the technique in which the employees are trained in the work spot itself and employees are given training while they carry out their work. That is why; it is otherwise called as training by doing.

The main forms under this are,

a. Coaching

The supervision gives direct instruction and guidance to the trainee. He demonstrates how to do the job.

b. Understudy

Under this, the candidate becomes an assistant to the current job holder, he learns by observation. The purpose is to fill the vacancy caused by the retirement, death, promotion, transfer of the superior.

c. Job rotation

In this method a trainee moves one job to another and from one department to another. This type of training method is more appropriate for developing multiskilling, operational, flexibility, providing satisfaction from routine job and broadening the overall perspective of the trainee.

d. Participation in management board

Under this, the employees are given opportunity to participate in the management board as members.

e. Vestibule training

This is a system in which employees learn their job on the equipment they will be using, but the training is conducted away from the actual work place.

This type of training is commonly used for training personnel; of clerical and semi-skilled grades.

f. Apprenticeship training

Under this, the trainee learns the work by observing the qualified senior worker. Generally it is given to technical worker/students. The period goes up to the maximum period of 5 years. During the training period the Apprentice receives a stipend. After training the operative will be paid more.

Class room training

Class room training is the off the job training. Lectures, seminars, guest lectures etc used to impart knowledge and to develop technical and analytical skills.

Special courses may be conducted in the organization with the help of personnel department.

ll. Training methods for executives

1. Special project

Under this, a trainee is assigned a project closely related to his job. For instance the accounts officer may be asked to develop a system of cost control.

The trainee can improve research skills, problem solving and innovative ability etc.

2. Committee assignments

Under this, a committee is constituted to study and solve specific problems. By participating in committee meetings and discussions every member gets an opportunity to learn from others.

The trainee can improve problem solving behavioral skill and general knowledge.

3. Simulation methods

a. *Role play*

This is just like acting out a given role as in a stage play. In this method of training, the trainees are required to enact defined roles on the basis of oral or written description of a particular situation.

This method is mostly used for developing inter personal interactions and relations among the employees working in sales, marketing purchasing and the supervisors who deal with people.

b. *Case method*

The case is an actual event or situation on organizational problems which is a written description for discussion purpose.

Trainees are asked to analyze the events or circumstances with an objective to identify the problem, trace out the causes for it and find out the solution to solve the problem.

c. *Management games*

The game is devised on the model of a business situation. Then trainees are divided into groups who represent the management of competing companies.

The game goes on in several rounds to take the time dimension into account.

d. *Brain storming*

Under this, a problem is given to a group of trainees and each trainee is stimulated to offer ideas.

Criticism of any idea is discouraged later on these idea are critically examined.

4.5 REFERENCES

Check your Progress

FILL UPS

1. --------------------is a learning process involving the acquisition of skills and attitudes.

2. The purpose of training to improve the -------------------- and it concerned with importing specific skills for particular purpose.

3. The -------------------- is an actual event or situation on organizational problems which is a written description for discussion purpose.

4. Class room training is the -------------------- Lectures, seminars, guest lectures etc used to impart knowledge and to develop technical and analytical skills. Special courses may be conducted in the organization with the help of personnel department.

5. --------------------is training programmed used to induct a new employee into the new social setting of his work. The new employee is introduced to his job situation, and to his co-employees.

POINTS TO REMEMBER

1. According to **E.Flippo**

   "Training is an act of increasing knowledge and skill of an employee for doing a particular job"

2. All training Methods can be grouped into two category i.e.
   - Training methods for operations.
   - Training methods for executives.

3. Brain storming, under this, a problem is given to a group of trainees and each trainee is stimulated to offer ideas. Criticism of any idea is discouraged later on these idea are critically examined.

4. Apprenticeship training, under this, the trainee learns the work by observing the qualified senior worker. Generally it is given to technical worker/students. The period goes up to the maximum period of 5 years. During the training period the Apprentice receives a stipend. After training the operative will be paid more.

5. Job rotation, in this method a trainee moves one job to another and from one department to another. This type of training method is more appropriate for developing multiskilling, operational, flexibility, providing satisfaction from routine job and broadening the overall perspective of the trainee.

<h1 style="text-align:center">MODEL QUESTIONS WITH ANSWERS</h1>

1. Define training, and explain importance and types of training.

Answer

Training

      Training is a learning process involving the acquisition of skills and attitudes. The purpose of training to improve the current performance of work and it concerned with importing specific skills for particular purpose.

According to **E.Flippo**

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Importance of training

- It increases productivity.
- Better and economical use of materials and equipment by trained employees.
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- Induction or orientation training
- Job training
- Promotional training
- Refresher training
- Corrective training

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2. What are the methods of training?

Answer:

Methods of training

All training Methods can be grouped into two category i.e.

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I <u>Training methods for operations</u>

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Under this, the employees are given opportunity to participate in the management board as members.

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d. *Management games*

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The game goes on in several rounds to take the time dimension into account.

d. *Brain storming*

Under this, a problem is given to a group of trainees and each trainee is stimulated to offer ideas.

Criticism of any idea is discouraged later on these idea are critically examined.

ANSWER FOR FILL UPS

1. *Training*
2. *current performance of work*
3. *case*
4. *off the job training*
5. *Induction or orientation training*

4.6 Management development

"Management development includes the process by which manages and executives acquire not only skills and competency in their present jobs but also capabilities for future managerial tasks of increasing difficulty and scope".

According to **S.B. Budhiraja**, former managing director of Indian Oil Corporation.

"Any activity designed to improve the performance of existing managers and to improve the performance of existing managers and to provide for a planned growth of managers to meet future organizational requirements is called management development".

4.7 Importance of management development

The importance of executive development is appreciated is more orderly manner in the succeeding paragraphs;

1. Change in organizations has become 'sine quo non' with rapid changes in the total environment. Training and development are the only ways of overcoming the executive dropouts.

2. With the recognition that managers are made not born, there has been noticeable shift from owner managed to professionally managed enterprises, even in family business houses like TATA. That is also executive training by most of the enterprises these days.

3. Given the knowledge era, labour management relations are becoming complex. In such situation, managers not only need job skills but also behavioral skill in union negotiations collective bargaining, grievance redress etc. These skills are learned through training and development programmes.

4. The nature and number of problem change along with increase in the size and structure of enterprise from small to large. This underlines the need from developing managerial skills to handle the problems of big, grant, and complex organizations.

4.8 Objectives of management development

1. Improve the performance of managers at all levels.

2. Identify the persons in the organization with the required potential and prepare them for higher positions in future.

3. Ensure availability of required number of executives/managers succession who can take over in case of contingencies as and when these arise in future.

4. Prevent obsolescence of executives by exposing them to the latest concepts and techniques in their respective area of specialization.

5. Replace elderly executives who have risen from the ranks by highly complement and academically qualified professionals.

6. Improve the thought processes and analytical abilities.

7. Provide opportunities to executives to fulfill their career aspiration.

8. Understand the problem of human relation and improve human relation skills.

4.9 Method of management development

Executive development methods

On-the-job methods

Coaching

Understudy assignment

Job rotation

Committee assignment

off-the-job methods

Lecture

Case study

Group discussion

Transactional analysis

Role playing

Management games

Sensitivity training

In-basket exercise

Organizational development

4.10 REFERENCES

Check your Progress

FILL UPS

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2.   -------------------- are the only ways of overcoming the executive dropouts.

POINTS TO REMEMBER

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2. Objectives of management development

- Improve the performance of managers at all levels.
- Identify the persons in the organization with the required potential and prepare them for higher positions in future.

MODEL QUESTIONS WITH ANSWERS

1. Explain Management development and its importance and objectives.

Answer

Management development

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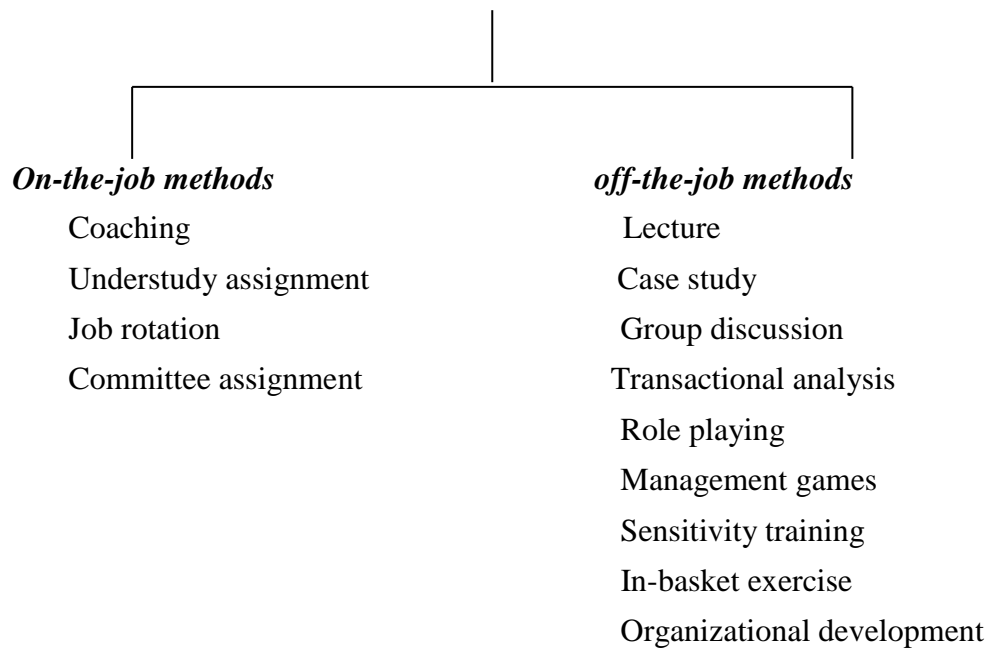
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8. Understand the problem of human relation and improve human relation skills.

ANSWER FOR FILL UPS
1. *Management development*
2. *Training and development*

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UNIT – V
PROMOTION

5.1 Promotion

"Promotion involves a change from one job to another that is better in status and responsibilities "

— Edwin **B.Flippo.**

5.2 Significance or importance of promotion

1. It increases the morale of an employee.
2. Removes absenteeism and labour turnover.
3. No problem in handling the existing employees.
4. Problems can be solved automatically.
5. Sincere efforts from the employees.

Promotion is the vertical movement of an employee within the organization. In other words, promotion refers to the upward movement of an employee from one job to another higher one, with increase in salary, status and responsibilities. Promotion may be temporary or permanent, depending upon the needs of the organization. There can be 'dry promotion' also where an employee is assigned to a higher level job without increase in pay. An example of 'dry promotion' is a University professor made Head of the Department with no increase in salary.

Promotion has an in-built motivational value as it elevates the authority, power and status of an employee within an organization. It is considered good personnel policy to fill vacancies in a higher job through promotions from within because such promotions provide an inducement and motivation to the employees and also remove feelings of stagnation and frustration.

5.3 Transfer and Termination

A transfer refers to lateral movement of employees within the same grade, from one job to another.

According to **Flipo,**"a transfer is a change in job (accompanied by a change in the place of a job) of an employee without a change in responsibility or remuneration".

Transfer differ from promotion in the sense that the latter involves a change of job involving increase in salary, authority, status and responsibility, while all these remains unchanged/stagnant in the case of former. Also, transfer is frequent and regular whereas promotions are infrequent, if not irregular.

Transfer may be initiated either by the company or the employee. In practice, the company may transfer the employee to the place where he/she can prove more useful and effective.

5.4 Career planning

Employees join organizations to fulfill their career goals and aspiration, on the one hand, and organizations provide them opportunities available with them, on the other. The difference between the aspirations and organizational opportunities, if any, gives rise to a situation of conflict between the two. If the conflict, or say, incongruence is allowed to persist, employees experience dissatisfaction and, in turn, withdraw themselves from being actively engaged in the productive pursuits.

The same underlines need for the career planning, as discussed earlier. The career planning is a process to assist the employees to achieve a better match between their career goals and the opportunities available in the organization.

The career planning as a process involving the following steps

Analysis employee needs and aspiration

Sometimes, most of the employees do not know their career anchor and aspirations. Organizations also assume the career goals and aspirations of employees which need not be in tune with the reality. Therefore, first of all, an analysis of the employee career anchors, aspiration and goals must be done through objective assessment.

This assessment is based on personal inventory. Since most employee do not have a clear idea of their career anchor and aspiration, they therefore, need to be provided as much information about these matters as possible informing what kind of work would suit the employee most considering his/her skills, experience and aptitude into account.

Analyzing career opportunities

Once career aspirations and goals of employee are known, there is a need to analyze various career opportunities available to offer under prevailing career paths in the organization. Career paths indicate career progression. Here also, since many employees may not be aware of their own career progression path, this needs to be made known to them.

Sometimes organizations may offer career progression at a particular level for both young direct recruits and own older employees through promotions. Recognizing varying kinds of career anchor and aspirations of the two types of employees, organizations need to outline career paths striking a balance between those of internal employees with experience but without

professional degree and those new recruits with excellent professional degree but lacking experience.

Identifying congruence and incongruence

At this stage, a mechanism for identifying congruence between employee career aspiration and organizational career system is developed. This helps identify specific areas where mismatch or incongruence prevails. This is done through relating different jobs to different career opportunities enable the organization to develop realistic career goals, both long-term and short-term.

Action plans and periodic review

Having identified the mismatch, now it is necessary to formulate an alternative strategy to deal with the same. Some of the strategies adopted by several organizations include the following:

o Changes in career system by creating new career paths, new incentives, new reward by redesigning jobs for lateral movement.

o Change in the employee's hopes and aspiration by creating new needs, new goals and new aspirations.

o Seek new basis of integration through problem solving, negotiation, comprises, etc.

5.5 Promotion Policy

The following characteristics make a promotion policy as sound and good policy

1. It must provide equal opportunities for promotion across the jobs, departments, and regions.

2. It must be applied uniformly to all employees irrespective of their background.

3. It must be fair and impartial.

4. The basis of promotion must be clearly specified and made known to the employees.

5. It must be correlated with career planning. Both quick (bunching) and delayed promotions must be avoided as these ultimately adversely affect the organization effectiveness.

6. Appropriate authority must be entrusted with the task of making final decision.

7. Promotion must be made on trial basis. The progress of the employee must be monitored. In case, the promoted employee does not make the required process, provision must be therein the promotion policy to revert him/her to the former post.

8. The policy must be good blending of promotions from both inside and outside the organization.

5.6 REFERENCES

<u>Check your Progress</u>

FILL UPS

1. -------------------- *involves a change from one job to another that is better in status and responsibilities.*

2. *A -------------------- refers to lateral movement of employees within the same grade, from one job to another.*

3. *Transfer differ from -------------------- in the sense that the latter involves a change of job involving increase in salary, authority, status and responsibility, while all these remains unchanged/stagnant in the case of former.*

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   - Removes absenteeism and labour turnover.

   - No problem in handling the existing employees.

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MODEL QUESTIONS WITH ANSWERS

1. Explain about the career planning as a process .

Answer

The career planning as a process involving the following steps:

Analysis employee needs and aspiration

Sometimes, most of the employees do not know their career anchor and aspirations. Organizations also assume the career goals and aspirations of employees which need not be in tune with the reality. Therefore, first of all, an analysis of the employee career anchors, aspiration and goals must be done through objective assessment.

This assessment is based on personal inventory. Since most employee do not have a clear idea of their career anchor and aspiration, they therefore, need to be provided as much information about these matters as possible informing what kind of work would suit the employee most considering his/her skills, experience and aptitude into account.

Analyzing career opportunities

Once career aspirations and goals of employee are known, there is a need to analyze various career opportunities available to offer under prevailing career paths in the organization. Career paths indicate career progression. Here also, since many employees may not be aware of their own career progression path, this needs to be made known to them.

Sometimes organizations may offer career progression at a particular level for both young direct recruits and own older employees through promotions. Recognizing varying kinds of career anchor and aspirations of the two types of employees, organizations need to outline career paths striking a balance between those of internal employees with experience but without professional degree and those new recruits with excellent professional degree but lacking experience.

Identifying congruence and incongruence

At this stage, a mechanism for identifying congruence between employee career aspiration and organizational career system is developed. This helps identify specific areas where mismatch or incongruence prevails. This is done through relating different jobs to different career opportunities enable the organization to develop realistic career goals, both long-term and short-term.

Action plans and periodic review

Having identified the mismatch, now it is necessary to formulate an alternative strategy to deal with the same. Some of the strategies adopted by several organizations include the following:

o Changes in career system by creating new career paths, new incentives, new reward by redesigning jobs for lateral movement.

o Change in the employee's hopes and aspiration by creating new needs, new goals and new aspirations.

o Seek new basis of integration through problem solving, negotiation, comprises, etc.

2. Discuss the promotion policy.

Answer

Promotion Policy

The following characteristics make a promotion policy as sound and good policy

- It must provide equal opportunities for promotion across the jobs, departments, and regions.

- It must be applied uniformly to all employees irrespective of their background.

- It must be fair and impartial.

- The basis of promotion must be clearly specified and made known to the employees.

- It must be correlated with career planning. Both quick (bunching) and delayed promotions must be avoided as these ultimately adversely affect the organization effectiveness.

- Appropriate authority must be entrusted with the task of making final decision.

- Promotion must be made on trial basis. The progress of the employee must be monitored. In case, the promoted employee does not make the required process, provision must be therein the promotion policy to revert him/her to the former post.

- The policy must be good blending of promotions from both inside and outside the organization.

ANSWER FOR FILL UPS

1. *Promotion*
2. *transfer*
3. *promotion*
4. *objective assessment*
5. *final decision*

5.7 Internal promotion system

Thus a promotion system involves clear-cut definitions of line of future advancement, detailed personnel records, specific promotion plans, definite allocation of responsibility for identifying promotable individuals and a centralized coordination of promotion function.

Beach has very described promotion systems for different categories of personnel in the organization. He observes**:**

"For unskilled and semi skilled workers, entry is made into 'labour pool' and thereafter upgrading takes place on the basis of seniority or a combination of both seniority and ability. The skilled craftsmen are recruited as helpers or apprentices and thereafter upward mobility occurs up to the position of foreman, inspectors or production co-coordinators. Entry in clerical jobs is through appointment as clerks, typists or stenographers and subsequently promotions are made to higher positions such as that of secretaries or administrative assistants. In professional jobs, entry is made as assistants engineers, engineers, senior, engineers, project engineers or even managers. Jobs in managerial positions are filled up by individuals who enter as management trainees or assistant supervisors, finally they are promoted to middle level management positions and ultimately to top management positions."

Promotions may be based on either the "rank-in the-job" or "rank-in the man". In former system, the content of the job including level of skill efforts and responsibility form the basis. In this system emphasis is laid on job analysis, job evaluation, organizational planning etc. These determine the pay and status in the organization. In the later system, emphasis is put on proficiency of the individuals. It determines the position level in the hierarchy of career pattern.

5.8 Seniority versus Promotion

"Seniority" refers to the length of service in the company or in its various plants or in its department, or in a particular position. Under straight plant-wise seniority in all jobs, promotions go to the oldest employee, provided that he is fit for the job. Occupational seniority may be within be within a department, within a division or in the entire plant.

Seniority offers certain rights and benefits. These are:

1. Some rights are based on competitive seniority among employees Rights to promotion, transfer, layout and recall are such examples.

2. Other benefits have nothing with one man relative to another, e.g., a man may be entitled to have 15 days casual leave in a year, a pension after 30 years and a certain amount of sick leave after 6 months service.

3. There is a great controversy on the question of whether promotions should be given on the basis of seniority or ability. Trade unions are of the views that promotions should be given on the basis of seniority, while managements favour promotions on the basis of merit and ability.

4. If a promotion is given to a qualified man in recognition of his performance or with a view to creating an incentive for him, then it should be based on his ability.

5. If on the other hand, promotion is given to recognize and reward senior employees, hen it should be on the basis of seniority.

6. The most widely used basis for promotion combines both ability and seniority. The best policy would be to ensure that whenever there are two employees of equal seniority, ability or merit should be the deciding factor in a promotion. Where, however, there are two employees of almost equal competence, seniority should be the decisive factor. Such a policy would satisfy the management which prefers ability, and trade unions which prefer seniority.

5.9 Benefits of promotion policy

The usual policy is to take merit in to consideration. Sometimes length of service, education, training courses completed, previous work history, etc are factors which are given weight while deciding on a promotion. Although promotions are made on the basis of ability, hard work, co-operation, merit, honesty, many informal influences are powerful determinants of a promotional policy.

For higher posts, persons are picked by the top executives:

- Who think and feel just as he does;
- Who value loyalty top him and to the organization; and
- Who have social, political, economic and religious interests similar to his own?

Top executives tend to choose those who are carbon copies of themselves.

5.10 Criteria for a sound promotion policy

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

❖ Seniority i.e., length of service
❖ Merit, i.e., performance
❖ Educational and Technical qualification

- ❖ Potential for better performance
- ❖ Career and succession plan
- ❖ Vacancies based on organizational chart
- ❖ Motivational strategies like job enlargement.
- ❖ Training

5.11 Transfer

"A transfer involves the shifting of an employee from one job to another with special reference to changing responsibilities or compensation".

--Dale Yoder

5.12 Objectives of transfer

Employees generally resist company-initiated transfer because,

1. They suspect their victimization by management.
2. They are unwilling to move to an unknown place.
3. They dislike leaving their social group of friends and relatives.
4. They develop proprietary interest in their workplace and in other concomitants of their positions such as desks, machines, tools, lockers etc.
5. They develop craft consciousness.

5.13 Types of transfer

Employee transfers may be classified into following types:

1. Production transfer

Such transfers are made when labour requirement in one division or branch is declining. The surplus employees from such division are transferred to those divisions or branches where there is shortage of employees. Such transfers help avoid lay off and stabilize employment.

2. Remedial transfer

Such transfers are affected to correct the wrong selection and placement of the employees. A wrongly placed employee is transferred to more suitable job. Such transfers protect the interest of the employee.

3. Replacement transfer

Replacement transfers are similar to production transfers in their inherent, i.e. to avoid layoffs. Replacement transfer are affected when labour requirement are declining and are designed to replace a new employee by an employee who has been in the organization for a sufficiently long period. The purpose of these transfers is to retain long service employees in the organization and also give them some relief from the heavy pressure of work.

4. Versatility transfer

These transfers are also known as 'job rotation' In such transfer. Employees are made move from one job to another to gain varied and broader experience of work. It benefits both the employee and organization. It reduces boredom and monotony and gives job enrichment to the employee. Also, employees' versatility can be utilized by the organization as and when needed.

5. Shift transfer

These transfers are affected by the organizations where work progresses for 24 hours or in shift. Employees are transferred from one shift to another usually on the basis of mutual understanding and convenience.

6. Penalty transfer

Management may use transfer as an instrument to penalize employees involved in undesirable activities in the organization. Employee transfer from one's place of convenience to a far-flung and remote area is considered as a penalty to the employee.

5.14 Dismissal

Dismissal is termination of service of an employee as a punitive measure. This may occur either on account of unsatisfactory performance or misconduct. Persistent failure on the part of employee to perform up to t6he expectations or specified standard is considered as unsatisfactory performance.

Wilful; violation of rules and regulation by the employee is treated as misconduct. Dismissal is a drastic step seriously impairing the earnings and image of the employee. Dismissal as a measure should be resorted to with great care and caution. It must be justified and duly supported by the just and sufficient cause. Before an employee is dismissed, he must be served advance notice to explain his position. The reasons for dismissal must be clearly made known to the employee.

5.15 REFERENCES

Check your Progress

FILL UPS

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POINTS TO REMEMBER

1. Remedial transfer are affected to correct the wrong selection and placement of the employees. A wrongly placed employee is transferred to more suitable job. Such transfers protect the interest of the employee.

2. Production transfer is made when labour requirement in one division or branch is declining. The surplus employees from such division are transferred to those divisions or branches where there is shortage of employees. Such transfers help avoid lay off and stabilize employment.

3. Thus a promotion system involves clear-cut definitions of line of future advancement, detailed personnel records, specific promotion plans, definite allocation of responsibility for identifying promotable individuals and a centralized coordination of promotion function.

MODEL QUESTIONS WITH ANSWERS

1. Explain Seniority and Promotion.

Answer

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2. Write down the benefits of promotion policy.

Answer

Benefits of promotion policy

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3. Define transfer and its objective.

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5. They develop craft consciousness.

4. What are the types of transfer?

Answer

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ANSWER FOR FILL UPS

1. rank-in the-job, rank-in the man

2. Seniority

3. Replacement

4. job rotation

5. termination of service

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