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HUMAN RESOURCE MANAGEMENT

PART - A
Question & Answer (2 Marks)

1. What is Human Resource Management?

Human resource management (HRM) is the practice of recruiting, hiring, deploying and managing an organization's employees. HRM is often referred to simply as Human Resources (HR). A company or organization's HR department is usually responsible for creating, putting into effect and overseeing policies governing workers and the relationship of the organization with its employees. The term human resources were first used in the early 1900s, and then more widely in the 1960s, to describe the people who work for the organization, in aggregate.

2. Define Human Resource Management?

According to Leon C. Megginson "From the national point of view human resources are knowledge, skills, creative abilities, talents, and attitudes obtained in the population; whereas from the view-point of the individual enterprise, they represent the total of the inherent abilities, acquired knowledge and skills as exemplified in the talents and aptitude of its employees".

3. Who is Human Resource Manager?

Human resource managers plan, direct and coordinate the administrative functions of an organization. They oversee recruiting, interviewing and hiring of new staff as well as training for current staff.

4. What is Human Resource Information System?

A HRIS, which is also known as a human resource information system or human resource management system (HRMS), is basically an intersection of human resources and information technology through HR software. This allows HR activities and processes to occur electronically.

5. What is Human Resource Planning?

Human resource planning (HRP) is the continuous process of systematic planning ahead to achieve optimum use of an organization's most valuable asset—quality employees. Human resources planning ensure the best fit between employees and jobs while avoiding manpower shortages or surpluses.

6. Define Human Resource Planning

According to Cascio, "Human Resource Planning can be defined as effort to anticipate future business and environmental demands on an organization and to provide the employees to fulfil that business and satisfy those demands".

7. What is Job Analysis?

Job analysis is the process of gathering and analyzing information about the content and the human requirements of jobs, as well as, the context in which jobs are performed. This process is used to determine placement of jobs.

8. Define Job Analysis.

According to Edwin B. Flippo – "Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job. The immediate products of this analysis are job descriptions and job specifications."

9. What is Succession Planning?

Succession planning is a strategy for passing on leadership roles—often the ownership of a company—to an employee or group of employees. Also known as "replacement planning," it ensures that businesses continue to run smoothly after a company's most important people move on to new opportunities, retire, or pass away. Succession planning can also provide a liquidity event enabling the transfer of ownership in a going concern to rising employees.

10. What is Job Description?

Job description is a broad, general, and written statement of a specific job, based on the findings of a job analysis. It generally includes duties, purpose, responsibilities, scope, and working conditions of a job along with the job's title, and the name or designation of the person to whom the employee reports.

11. What is Job Specification?

Also known as employee specifications, a job specification is a written statement of educational qualifications, specific qualities, level of experience, physical, emotional, technical and communication skills required to perform a job, responsibilities involved in a job and other unusual sensory demands.

12. What is Recruitment?

Recruitment refers to the process of identifying, attracting, interviewing, selecting, hiring and on boarding employees. In other words, it involves everything from the identification of a staffing need to filling it. Depending on the size of an organization, recruitment is the responsibility of a range of workers.

13. Define Recruitment.

According to Yoder, "Recruitment is a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working"

14. What is E – Recruitment?

E-recruitment, also known as online recruitment, refers to the use of web-based technology for the various processes of attracting, assessing, selecting, recruiting and on boarding job candidates.

15. Define E – Recruitment.

E-recruitment is define as, "the process of any personnel advertising or attracting, selection and application processing via the Internet, for external candidates, or Intranet, for internal candidates".

16. What is Selection?
Selection is the process of selecting a qualified person who can successfully do a job and deliver valuable contributions to the organization. A selection system should depend on job analysis. This ensures that the selection criteria are job related and will provide meaningful organizational value.

17. What is testing?
Employment testing is the practice of administering written, oral, or other tests as a means of determining the suitability or desirability of a job applicant.

18. Define an Interview.
According to Scott and others, "an interview is a purposeful exchange of ideas, the answering of questions and communication between two or more persons". Bingham and others define an interview as a 'conversation with a purpose".

19. What is Medical Screening?
It may include a physical **examination**, vision test, hearing test, pulmonary function test, electrocardiogram, chest X-ray, blood **tests** Job applicants may be required to be screened for drug and alcohol use prior to being hired.

20. What is an Appointment Order?
An Appointment Order is generally issued once the entire Selection process is complete and candidate is selected. It is basically a legal contract containing the terms and conditions of employment for the selected candidate.

21. What is training and development?
Training and development refer to educational activities within a company created to enhance the knowledge and skills of employees while providing information and instruction on how to better perform specific tasks.

22. Define Training.
Michael Jucius (1955)24 **defines training** as "a process by which the aptitudes, skills and abilities of employees to perform specific jobs, are increased. According to Flippo (1971)25, "**Training** is the act of increasing the knowledge and skills of an employee for doing a particular job".

23. What is On-the-job training?
On-the-job training is instruction for employees that takes place at work. On-Job-Training typically involves a combination of observing others and hands-on experience completing tasks under the supervision of a training manager, co-worker or outsourced professional trainer.

24. What is off-the-job training?
The Off-the-Job Training is the training method wherein the workers/employees learn their job roles away from the actual work floor. Simply, off-the-job training comprises of a place specifically allotted for the training purpose that may be near to the actual workplace, where the workers are required to learn the skills and get well equipped with the tools and techniques that are to be used at the actual work floor.

25. What is Executive Development?

Executive development refers to the programs in place to help develop an executive employee's, or potential executive employee's, performance, skills, or competencies. Most commonly, executive development programs are specifically for leadership skills, meaning they are usually employed for executive-level members of the managerial team, or possibly simply the highest level member of management, regardless of whether they qualify as executive.

26. Define Performance Appraisal.

According to Slabbert and Swanepoel – "Performance appraisal is a formal and systematic process by means of which the relevant strengths and weaknesses of the employees are identified, measured, recorded and developed."

27. What Is a Performance Appraisal?

A performance appraisal is a regular review of an employee's job performance and overall contribution to a company. Also known as an "annual review," "performance review or evaluation," or "employee appraisal," a performance appraisal evaluates an employee's skills, achievements and growth, or lack thereof. Companies use performance appraisals to give employees big-picture feedback on their work and to justify pay increases and bonuses, as well as termination decisions. They can be conducted at any given time but tend to be annual, semi-annual or quarterly.

28. What is Traditional Method?

This traditional form of appraisal, also known as "Free Form method" involves a description of the performance of an employee by his superior. The description is an evaluation of the performance of any individual based on the facts and often includes examples and evidences to support the information.

29. What is an unstructured method of appraisal?

Under this method appraiser has to describe his impressions about the employee under appraisal in an unstructured manner. Sometimes ratter has to list his comments specifically on qualities, abilities, attitude, aptitude and other personal traits of the employees.

30. What are the defects in Performance Appraisal?

Here are some common problems with employee performance appraisals: They're just not accurate in a lot of cases and for a lot of reasons. Here are some examples: They're an easy outlet for favouritism, which results in employees getting ratings that are higher than warranted.

PART - B
Question & Answer (5 Marks)

1. What are the Objectives of Human Resource Management?

The primary objective of HRM is to ensure the availability of a competent and willing workforce to an organization. Beyond this, there are other objectives, too. Specifically, HRM objectives are four folds- societal, organizational, functional, and personal.

Societal Objectives:
To be ethically and socially responsible to the needs and challenges of the while minimizing the negative impact of such demands upon the organization. The failure of organizations to use their resources for the society's benefit in ethical ways may lead to restrictions. For example, the society may limit HR decisions through laws that enforce reservation in hiring and laws that address discrimination, safety or other such areas of societal concern.

Organizational objectives:
To recognize the role of HRM in bringing about organizational effectiveness. HRM is not an end in itself. It is only a means to assist the organization with its primary objectives. Simply stated, the department exists to serve the rest of the organization.

Functional Objectives:
To maintain the department's contribution at a level appropriate to the organization's needs. Resources are wasted when HRM is either more or less sophisticated to suit the organization's demand. The department's level of service must be tailored to fit the organization it serves.

Personal objectives:
To assist an employee in achieving their personal goals, at least insofar as these goals enhance the individual's contribution to the organization. Personal objectives of employees must be met if workers are to be maintained, retained and motivated. Otherwise, employee performance and satisfaction may decline and employees may leave the organization.

2. Explain the Important Features of Human Resource Management

People Oriented:
Human resource management is concerned with employees both as individuals and as a group in attaining goals. It is also concerned with behaviour, emotional and social aspects of personnel. It is the process of bringing people and organisations together so that the goals of each are met.

Comprehensive Function:
Human resource management covers all levels and categories of employees. It applies to workers, supervisors, officers, managers and other types of personnel. It covers both organised and unorganised employees. It applies to the employees in all types of organisations in the world.

Individual Oriented:
Under human resource management, every employee is considered as an individual so as to provide services and programmes to facilitate employee satisfaction and growth. In other words, it is concerned with the development of human resources, i.e., knowledge, capability, skill, potentialities and attaining and achieving employee goals.

Continuous Function:
Human resource management is a continuous and never ending process. According to George R Terry, "it cannot be turned on and off like water from a faucet; it cannot be practiced only one hour each day or one day each week. Personnel management requires a constant alertness and awareness of human relations and their importance in everyday operations".

A Staff Function:
Human resource management is a responsibility of all line managers and a function of staff managers in an organisation. Human resource managers do not manufacture or sell goods but they do contribute to the success and growth of an organisation by advising the operating departments on personnel matters.

Pervasive Function:
Human resource management is the central sub-function of an organisation and it permeates all types of functional management viz., production management, marketing management and financial management Each and every manager is involved with human resource function. It is a responsibility of all line managers and a function of staff managers in an organisation.

Challenging Function:
Managing of human resources is a challenging job due to the dynamic nature of people. Human resource management aims at securing unreserved co-operation from all employees in order to attain pre-determined goals.

Development Oriented:
Individual employee-goals consist of job satisfaction, job-security, high salary, attractive fringe benefits, challenging work, pride, status, recognition, opportunity for development etc. Human resource management is concerned with developing the potential of employees, so that they derive maximum satisfaction from their work and give their best efforts to the organisation.

3. What are the qualities of HR Manager?

Qualities of HR Manager are Sympathetic Attitude, Quick Decisions, Integrity, Patience, Formal Authority, Leadership, Social Responsibility, Good Communication Skills. HR Manager's role is to interview and hire candidates based on their skills and talents. Good HR managers are driven, organized individuals who want to help organizations achieve their goals and employees reach their potential. Let us learn more about the Qualities of HR Manager in detail.

What should be the skills of the HR Manager?
According to Henri Fayol, an HR manager should possess human relations skills much more than other managerial skills. He divided the qualities needed by an HR manager into these categories:
  i.   Physical-health, vigor, address;
  ii.   Mental-ability to understand and learn; judgment, mental vigor, and also adaptability;
  iii. Moral-energy, firmness, willingness to accept, responsibility, initiative, loyalty, tact, dignity;
  iv.   Educational-general acquaintance with matters not belonging exclusively to the function performed;
  v.   Technical-peculiar to the function; and
  vi.   Experience-arising from the work.

Sympathetic Attitude

A good personnel manager must have a humane approach to human resource problems. Regardless of the problems faced by the employees, he must have a sympathetic attitude while dealing with them.

Quick Decisions

He should display the ability to make quick decisions. Let's assume that there is a conflict between a superior and an employee in the organization. When the HR manager tries to mediate and put an end to the conflict, he might have to make some quick decisions. He should be mentally alert and therefore not get caught unawares.

Integrity

Being the head of the personnel or human resource department, an HR manager should display integrity. Honesty and frankness are the hallmarks of a good human resource manager. At no time can the employees doubt the integrity of the personnel manager.

Patience

He should be extremely patient and not someone who loses his temper easily. While dealing with employees, it is important to be a good listener, especially when an employee is voicing his concerns. And good listening skills require a lot of patience. Further, since employees tend to talk to the HR manager about their problems, they can get agitated and verbally abusive. In such situations, it is imperative that the HR manager keeps his cool and controls the situation.

Formal Authority

He should depend on his formal authority alone. In fact, an effective HR manager earns his informal authority of influencing people through his interpersonal skills.

Leadership

Good leadership skills are essential to guide the employees towards achieving the organization's objectives. He should also keep people motivated and encourage them to use their skills for the overall good of the enterprise.

Social Responsibility

He should have a sense of social responsibility. Further, he must encourage employees to discharge their social obligations to different segments of society. After all, a good human resource manager isn't only about the organization. He also needs to look at the broader human resource element.

Good Communication Skills

Another essential quality of a human resource manager is that he must possess good communication skills. In fact, since a major part of his role involves interacting with employees, unions, and management, being a good communicator is a must.

4. Changing HR Manager Responsibilities in the 21st Century

Not all human resources managers are created equal. In fact, they come from a variety of backgrounds on their way to higher-level HR positions. Still, despite these different paths, many still share basic HR manager responsibilities. Wondering what a day in the life of an HR manager really entails? Let's take a closer look at the commonly asked question, "What do HR managers do?"

A Microscope on HR Managers

Whatever the title or specialization, HR managers serve as a vital link between employees and management. A part of doing this well is realizing that 21st Century employees have very different expectations compared to the past. HR managers who understand, acknowledge, and respond to these expectations help create a culture of respect, trust, and engagement – all keys to reducing turnover and fostering retention.

The Bureau of Labour Statistics defines HR managers as professionals who "plan, direct, and coordinate the administrative functions of an organization." While this is an adequate description, other skills are required to successfully accomplish what's needed from a modern human resources department.

- A modern HR is a place where employees feel comfortable going to with questions and concerns.
- It's a place where small issues result in proportionate changes and not over-reaction.
- A modern HR department knows employees have a lot going on and bend over backwards to make sure explanations of policy and changes are clear.
- It's a place that makes it easy to know what's expected of all employees, rather than just throwing a lot of information out and expecting employees to absorb it without reminders or updates on progress.

To summarize, the modern human resources department shapes everything about employee's day-to-day life at work and should strive to be a well-regarded part of a company. Work in an HR department these days has evolved into prioritizing inclusion as well as planning what's best for people, at every level, who work there.

There are still many duties – benefits and payroll for example – that have to get done as a matter of routine. Though they can feel more administrative than developing and executing strategy, these day-to-day functions are obviously quite important.

To get more specific about what an HR manager does, their duties include all or some of the following, depending on the size of the business or organization where they work:

- Consult with executives on human resource strategies and values
- Act as an advocate for employees, and a liaison for employers
- Set up fun internal company events and activities to develop an environment of workplace community
- Oversee hiring processes, including recruitment, interviewing and selection
- Handle employee benefits
- Handle staffing, including conflict resolution and disciplinary procedures

Not only do HR managers work in all industries, but they're also employed in different capacities. While some human resources managers act in a more general capacity, others have more specialized expertise, such as labour relations directors, payroll managers, and recruiting managers.

5. Explain the process of Human Resource Information System.

Benefits of an HRIS

Using an HRIS has a number of clear benefits.

- **Record-keeping.** An HRIS is a record-keeping system that keeps track of changes to anything related to employees. The HRIS can be seen as the one source of truth when it comes to personnel data.
- **Compliance.** Some data is collected and stored for compliance reasons. This includes material for the identification for employees in case of theft, fraud, or other misbehaviours, first contact information in case of accidents, citizens identification information for the tax office, and expiration dates for mandatory certification. All this information can be stored in the HRIS.
- **Efficiency.** Having all this information in one place not only benefits accuracy but also saves time.
- **HR strategy.** The HRIS enables the tracking of data required to advance the HR and business strategy. Depending on the priorities of the organization, different data will be essential to track. This is where the HRIS comes in.
- **Self-Service HR.** A final benefit is the ability to offer self-service HR to employees and managers. This enables employees to manage their own affairs. When done right, the HRIS can offer a good employee experience. Keep in mind that not all HRIS systems offer this in a user-friendly manner.

6. Explain the concept and nature of Human resource Planning.

Concept:

Human resources are the most important assets of any organisation. The success or failure, growth and development of the organisation depend on human resources. The organisation must therefore acquire knowledgeable, skilful, trained, talented and potential human resources to attain and accomplish the organisational objectives. A great care needs to be taken in their acquisition. The human resource planning provides necessary direction in this regard to the human resource management in the light of overall organisational objectives.

The organisational objectives determine the required number, type and kind of human resources and for their acquisition the process of human resource planning begins. The human resource planning bridges the gap between the organisational plans and human resource management. It is a conscious determination of direction and composition of human resources of the organisation. The Human resource planning provides the necessary groundwork and set the stage ready for manpower procurement to fill up various positions in the organisation.

The human resource planning must be in tune with the human resource policy of the organisation. Human resources are the most valuable intellectual assets; hence their planning should be done carefully. Organisations used to neglect people as they cannot establish ownership over them like in case of other resources. Now it has been realized that neglecting human resources may cost heavily to the organisation. Human resource planning help in tracing a route, finding a way for acquiring human resources.

Nature of Human Resource Planning:

The human resource planning is a continuous process of searching the right kind and number of people at right time and at right places, to perform in the organisation bringing benefits to the enterprise and individuals. The human resource planning should be in tune with the overall planning of the organisation.

A properly implemented human resource planning leads to improvement in productivity and helps in attaining enterprise goals. It also helps in minimising labour turnover. Human resource planning enables management in placing right people in right positions and at right time. This is possible if the human resource department is well integrated into the organisation's functioning and is given a free hand to play its role.

The forecasting of human resources need should be carefully done and acquire them in advance as far as possible. Effective planning ensures the organisation with the right number and kind of people with proper skills and abilities at the most appropriate time. The human resource planning may aim at short, medium or long-term. The short term human resource planning may concentrate only on recruitment and selection of personnel's, while medium term human resource planning aims to make provisions for training and development of human resources apart from their acquisition.

The long-term human resource planning has broader aim in sight hence concentrates on their acquisitions, training and development, health, welfare and safety, determining wages, salaries, bonuses and other fringe benefits, maintaining human resources information system, performance evaluation, career planning, managing stress counselling etc. The human resource development requires long term planning. This will ensure organisation's development and growth. Each organisation has to pass through various stages of growth. Human resource planning adopted by the organisation differs according to the different stages.

During infancy of the organisation the human resource planning is according to the needs of the organisation. During this stage government also provides various concessions such as taxes holiday, power at low rate etc. The aim is to let the enterprise grow. In the growing organisation human resource planning acquires a new dimension of anticipating for human resources and cares for their development. The fully grown and established organisation adopts long-term human resource planning.

7. What are the characteristics of Human Resource Planning?

Feature or Characteristics of HRP

The features or characteristics of Human Resource Planning (HRP) are as follows-

Balance staffing: HRP provides a proper balance in the organizational job positions. If there is any vacant position in the organization, it will search for the best available person to fill the place from within or outside the organization.

Optimum utilization of resources: The best resource which an organization has is its manpower. Human Resource Planning develops this men power at its best in terms of efficiency which later utilizes the other resources available in the organization to achieve the goals.

Man power inventory: There are several departments in an organization which heads several employees under it which have several skills and abilities. These employees coordinate with each other for the achievement of the objectives of the organization. Human Resource Planning helps in creating this large inventory of men power.

Adjusting demand/supply: HRP estimates the number of manpower required in the organization to continue its operations and then searches for the prospective employee who with his service can provide the best value to the organization.

Creating a healthy environment: Organizational objectives are accomplished by the integrated efforts and value of time which employees provide to the organization. Hence, it is the moral duty of the organization to fulfil all their needs and provide the best atmosphere for their work. Here, HRP helps in creating the best possible environment for the employees by providing them with the best tools and equipment, guidance, emotional support and hand-holding in the tough time.

Complementary to Organizational planning: An Organization is operated by its employees and hence the efforts to achieve the objectives of the organization are also made by the employees. So, there will be no organization if there is no employee. Hence, Human Resource planning is complementary to organizational planning.

Continuous process: Human Resource Planning is a continuous process. There is a cycle of hiring and firing of employees which keep continuously moving just like the cycle of life and death. An employee once hired in the organization cannot work for their whole life. They have to leave the organization at some point due to retirement, death, change in job, fired due to poor work etc.

Future-oriented: HRP is a future-oriented process and is always ready to face any new change in the future within or outside the organization and continuously and develops the organizational men power as per those future needs and requirements.

8. What is the importance of Job analysis?

Job analysis helps in analyzing the resources and establishing the strategies to accomplish the business goals and strategic objectives. Effectively developed, employee job descriptions are communication tools that are significant in an organization's success.

The main purpose of conducting job analysis is to prepare job description and job specification which would help to hire skilled workforce. Job description is a statement of information about duties and responsibilities of a particular job. Whereas job specifications are a statement of information about qualifications, special qualities, skills and knowledge required for an employee to fit for a job. Therefore job analysis enables recruiter/employer to have a deep insight of a job, with that; recruiter can easily track candidates who have required qualifications and qualities to perform a job.

Job Analysis can be used to identify areas where an employee needs training, since job analysis make it clear to understand about core duties and responsibilities of a job. Besides, it provides information to develop suitable training material for a job to be performed by an employee after completion of his training.

Compensation management/salary administration is one of core HR functions. Salary for a job is decided on skill level required, duties and responsibilities, qualification and experience level/seniority, altogether, called as compensable factors, which could be known by job analysis only. But there is a separate method to determine value of job that is called as job evaluation which is part of job analysis. Job evaluation is process of valuing or determining

how much is to be paid for a job. Job evaluation is mainly used when a specific job or a single job is to be evaluated or when there are different jobs in same Cader, or when their jobs based on projects or piecework. However job analysis has its own importance in concluding compensation/remuneration/ salary of an employee.

No organisation exists without goals and objectives to achieve, performance standards to be maintained by every employee and reviewing performance of employees. These could be cross checked with outcome of job analysis of a job, whether outcome of job analysis of a job is in tune with goals and objectives of an organisation or not, performance standards are being maintained or not and reviewing employee performance based on performance standards or not.

Job Analysis can be used in performance review to identify or develop goals and objectives, performance standards, evaluation criteria, length of probationary periods, and duties to be evaluated

> An ideal job analysis should include, below listed are areas where job analyst should focus to bring out facts about a job.
>
> **Duties and Tasks:** The basic unit of a job is the performance of specific tasks and duties. This segment should include frequency, duration, effort, skill, complexity, equipment, standards, etc.
>
> **Environment:** This segment identifies the working environment of a particular job. This may have a significant impact on the physical requirements to be able to perform a job.
>
> **Tools and Equipment:** Some duties and tasks are performed using specific equipment and tools. These items need to be specified in a Job Analysis.
>
> **Relationships:** The hierarchy of the organization must be clearly laid out. The employees should know who is under them and who they have to report to.
>
> **Requirements:** The knowledge, skills, and abilities required to perform the job should be clearly listed.
>
> There are several ways to conduct a job analysis, including: interviews with incumbents and supervisors, questionnaires (structured, open-ended, or both), observation, critical incident investigations, and gathering background information such as duty statements or classification specifications.

9. What are the benefits of job analysis?
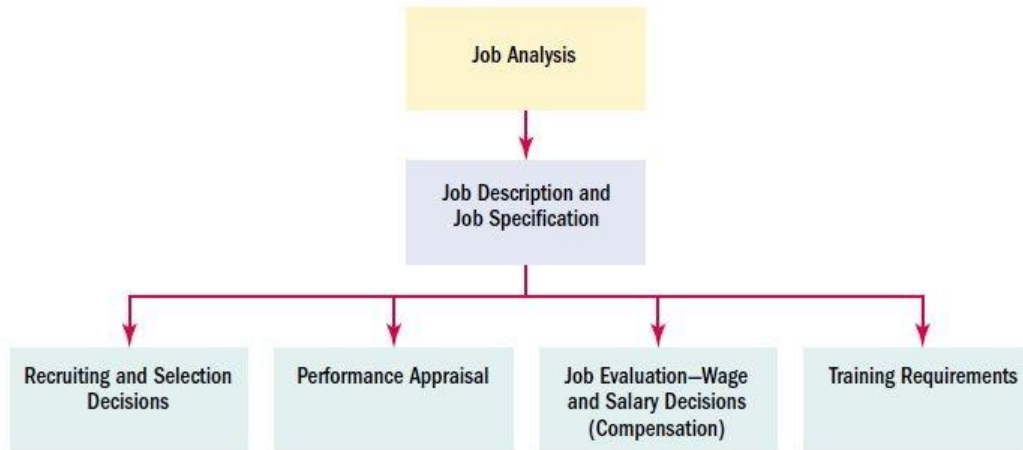
Organizational structure and design:- Job analysis helps the organization to make suitable changes in the organizational structure, so that it matches the needs and requirements of the organization. Duties are either added or deleted from the job.

Recruitment and selection:-Job analysis provides information about what the job entails and what human characteristics are required to perform these activities. This information, in the form of job descriptions and specifications, helps management decide what sort of people to recruit and hire.

Performance appraisal and training/development:- Based on the job requirements identified in the job analysis, the company decides a training program. Training is given in those areas which will help to improve the performance on the job. Similarly when appraisal is conducted we check whether the employee is able to work in a manner in which we require him to do the job.

Job evaluation:- Job evaluation refers to studying in detail the job performance by all individual. The difficulty level

Promotions and transfer:- When we give a promotion to an employee we need to promote him on the basis of the skill and talent required for the future job. Similarly when we transfer an employee to another branch the job must be very similar to what he has done before. To take these decisions we collect information from job analysis.

Career path planning:- Many companies have not taken up career planning for their employees. This is done to prevent the employee from leaving the company. When we plan the future career of the employee, information will be collected from job analysis. Hence job analysis becomes important or advantageous.

Labour relations:- When companies plan to add extra duties or delete certain duties from a job, they require the help of job analysis, when this activity is systematically done using job analysis the number of problems with union members reduce and labour relations will improve.

Health and safety:- Most companies prepare their own health and safety, plans and programs based on job analysis. From the job analysis company identifies the risk factor on the job and based on the risk factor safety equipments are provided.

Acceptance of job offer:- When a person is given an offer/appointment letter the duties to be performed by him are clearly mentioned in it, this information is collected from job analysis, which is why job analysis becomes important.

10. What are the difference between Job Specification and Job Description?

With the help of job analysis, two main documents are prepared namely, job description and job specification. Job Description differs from job specification, in the sense that the former is a statement that explains the essential needs of a job whereas the latter is a statement which states the least qualifications, required in the job holder for the performance of a particular job.

These are an integral part of HRM because it is required for every single position of the organisation, whether it is a finance manager, HR manager, production manager, marketing manager or any other job of low echelon.

Job description list out the job title, tasks, duties, roles and responsibilities, with respect to the particular job. On the other hand, **Job Specification** is concerned with the listing of the incumbent's qualification, skills, and abilities that are needed to discharge the job efficiently. The article presents you significant differences between job description and job specification in tabular form.

BASIS FOR COMPARISON	JOB DESCRIPTION	JOB SPECIFICATION
Meaning	Job Description is a concise written statement, explaining about what are the major requirements of a particular job.	The statement which explains the minimum eligibility requirements, for performing a particular job is known as Job Specification.
Lists out	Job title, duties, tasks and responsibilities involved in a job.	Employee's qualification, skills and abilities.
What is it?	It expresses what a prospective employee must do when he will get the placement	It expresses what an applicant must possess for getting selected.
Prepared from	Job Analysis	Job Description
Describes	Jobs	Job Holders
Comprises of	Designation, place of work, scope, salary range, working hours, responsibilities, reporting authority etc.	Educational qualifications, experience, skills, knowledge, age, abilities, work orientation factors, etc.

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Conclusion:

Recruitment is a very difficult task, as it involves a chain of activities. The first step for it is job analysis, which is conducted by employing various methods like surveys, questionnaires, interviews, etc. After that, a statement is prepared what a particular job demand and that statement are known as Job Description and this statement is the mirror of Job Analysis.

With the help of Job Description, Job Specification is created, which specifies the precise human requirements of the Job, through which an advertisement can be placed for such recruitment and on the basis of Job Specification selection of the candidate is possible.

11. What are the objectives of Recruitment?

Recruitment policy asserts the objectives of the recruitment and provides a framework of the implementation of the recruitment program.

It may involve the organization system to be developed for implementing recruitment programs and procedures to be employed.

According to Memoria, a good recruitment policy must contain elements such as

1. Organization's objective (short term and long term),
2. Identification of the recruitment needs,
3. The preferred source of recruitment,
4. Criteria of selection and preferences, and
5. The cost of recruitment and its financial implications of the same. Objectives are targets and goals.

According to Yoder (1996), the following are the main objectives of recruitment policy:

- To find and employ the best-qualified person for each job.
- To minimize the cost of recruitment.
- To offer promising careers and security.
- To provide facilities for growth and development.
- To retain the best and most promising ones.
- To reduce the scope of favouritism and malpractice.

12. Explain the factors affecting recruitment.

Factors of Recruitment

The recruitment function of the organizations is affected and governed by a mix of various internal and external forces. The internal forces are the factors that can be controlled by the organization.

And the external factors are those factors which cannot be controlled by the organization.

The internal and external forces affecting the recruitment function of an organization are:

(A) Internal Factors of Recruitment

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For the internal mechanism of the organization, some of the internal factors that affect recruitment are as follows:

Size of the organization

The recruitment process is affected by the size of the organization to a large extent. Experience suggests that larger organizations recruit more candidates than small ones.

Large organizations find recruitment less problematic than small organizations.

Recruiting Policy

The recruitment policy of the firm also affects the recruitment process. This policy is concerned with candidates from outside the organization, whereas others want to recruit from internal sources.

Image of the organization

Image or goodwill of the organization also affects recruitment. Organizations having good image can attract potential and competent candidates to a large extent.

Good public relation, rendering public services, etc. help to enhance the image and reputation of the organization.

Image of job

Jobs had a good image in terms of better remuneration, working condition, promotion, career development opportunities, etc can attract the potential and qualified candidates to a large extent.

(B) External Factors of Recruitment

External factors are concerned with the environmental changes that will take place in the external environment of the organization.

Some of the external factors that affect recruitment policy are as follows:

Demographic factors

Demography is the study of human population in terms of age, sex, occupation, religion, composition, ethnicity, etc. The demographic factors have a profound influence on the recruitment process.

Labour market

Labour market constitutes the force of demand and supply of labour of particular importance.

For instance, if demand for a particular skill is high relative to its supply, the recruitment process evolves more efforts. Contrary to it, if the supply is more than demand, the recruitment process will be easier.

Unemployment situations

The unemployment rate of a particular area is yet another influencing factor of the recruitment process. If the unemployment rate is high, the recruitment process will be simpler and vice versa.

Social and political environment

The forces of the social and political environment also influence recruitment policy.

For instance, the change in government can have a direct impact on the recruitment policy of the company due to a change in government rules and regulations.

Legal considerations

Legal considerations with regard to employment provision for under-privileged castes etc. will have a positive impact on the recruitment policy of the organization.

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

Advantages and Disadvantages of E-Recruitment!

There are many benefits – both to the employers and the job seekers but the e-recruitment is not free from a few shortcomings.

Advantages of E-Recruitment are:

a. Lower costs to the organization. Also, posting jobs online is cheaper than advertising in the newspapers.

b. No intermediaries.

c. Reduction in the time for recruitment (over 65 percent of the hiring time).

d. Facilitates the recruitment of right type of people with the required skills.

e. Improved efficiency of recruitment process.

f. Gives a 24 X 7 access to an online collection of resumes.

g. Online recruitment helps the organisations to weed out the unqualified candidates in an automated way.

h. Recruitment websites also provide valuable data and information regarding the compensation offered by the competitors etc. which helps the HR managers to take various HR decisions like promotions, salary trends in industry etc.

Disadvantages of E-Recruitment:

Apart from the various benefits, e-recruitment has its own share of shortcomings and disadvantages.

a. Screening and checking the skill mapping and authenticity of millions of resumes is a problem and time consuming exercise for organizations.

b. There is low Internet penetration, no access and lack of awareness of internet in many locations across India.

c. Organizations cannot depend solely on the online recruitment methods.

d. In India, the employers and the employees still prefer a face-to-face interaction rather than sending e-mails.

14. What are the most common types of pre-employment tests?

Job knowledge tests

Job knowledge tests measure a candidate's technical or theoretical expertise in a particular field. For example, an accountant may be asked about basic accounting principles. These kinds of tests are most useful for jobs that require specialized knowledge or high levels of expertise.

Limitations

A job knowledge test doesn't take into account a very desirable attribute: learning ability. A candidate may have limited knowledge but be a fast learner. Or they may know a lot but be unable to adjust to new knowledge and ideas. Plus, there's always a gap between knowing something in theory and applying it in practice.

Integrity tests

The story of pre-employment testing began with integrity tests. They can help companies avoid hiring dishonest, unreliable or undisciplined people. Overt integrity tests ask direct questions about integrity and ethics. Covert tests assess personality traits connected with integrity, like conscientiousness.

If carefully constructed, integrity tests can be good predictors of job performance. Plus, they're less biased than other tests, as few differences have been spotted between people of different age groups or race.

Limitations

Candidates faking answers is always a concern. Especially with overt integrity tests. If a candidate is asked whether they ever stole something, how likely are they to answer yes? If they did, they'd be (paradoxically) honest enough to tell the truth. Employers should consider the fact that people can repent and change.

Cognitive ability tests

Cognitive ability tests measure a candidate's general mental capacity which is strongly correlated to job performance. These kinds of tests are much more accurate predictors of job performance than interviews or experience. Workable uses a General Aptitude Test (GAT) which measures logical, verbal and numerical reasoning.

Limitations

As with any cognitive ability test, practice can improve test takers' scores. Also, cognitive ability tests are vulnerable to racial and ethnic differences, posing a discrimination risk. Use multiple evaluation methods and don't base hiring decisions on these tests alone. Just use the results as a guide.

Personality tests

Personality assessments can offer insight into candidates' cultural fit and whether their personality can translate into job success. Personality traits have been shown to correlate to job performance in different roles. For example, salespeople who score high on extraversion and assertiveness tend to do better. The Big five model is popular. Motivation tests are also personality assessment tests, used more frequently by career guidance counsellors in schools.

Limitations

Social desirability bias plays an important role in self-reported tests. People tend to answer based on what they think you want to hear and end up misrepresenting themselves. Make sure the test you choose is designed to catch misrepresentations. Some candidates might also find personality questionnaires invasive, which could hurt candidate experience. So, be careful how and when you use them.

Emotional Intelligence tests

Emotional Intelligence (EI) refers to how well someone builds relationships and understands emotions (both their own and others'). These abilities are an important factor in professions that involve frequent interpersonal relationships and leadership. In general, tests that measure EI have some predictability of job performance.

Limitations

People don't always tell the truth when reporting their own EI abilities. You can ask experts or observers to give their input but be prepared to spend more money and time in the process.

Skills assessment tests

Skills assessments don't focus on knowledge or abstract personality traits. They measure actual skills, either soft skills (e.g. attention to detail) or hard skills (e.g. computer literacy). For example, a secretarial candidate may take a typing test to show how fast and accurately they can type. Other examples include data checking tests, leaderships tests, presentations or writing assignments.

Limitations

Skills assessment tests are time-consuming. Candidates need time to submit work or give presentations. Hiring managers also need time to evaluate results. You can use skills assessments during later stages of your hiring process when you have a smaller candidate pool.

Physical ability tests

Physical abilities tests measure strength and stamina. These traits are critical for many professions (like firefighting). So they should never be neglected when relevant. By extension, they'll help reduce workplace accidents and worker's compensation claims. And candidates won't be able to fake results as easily as with other tests.

Limitations

Sometimes physical ability tests may resemble medical examinations that are protected under the Americans with Disabilities Act. If you're not careful, you could face litigation. You should also allow for differences in gender, age and ethnicity when interpreting your candidates' results, for the same reason.

15. What are the types or kinds of an Interview?

Informal Interview: This is may take place anywhere. The employer or a manager in the personnel department may ask a few questions, like name, place of birth, previous experience, etc. It is not planned and is used widely when the labour market is tight and you need workers very badly. A friend or a relative of the employer may take a candidate to the house of the employer or manager where this type of interview may be conducted.

Formal Interview: This held in a more formal atmosphere in the employment office by the employment officer with the help of well-structured questions. The time and place of the interview are stipulated by the employment office.

Planned Interview: This is a formal interview carefully planned. The interviewer has a plan of action worked out in relation to time to be devoted to each candidate, type of information to be sought, information to be given, the modality of interview and so on. He may use the plan with some amount of flexibility.

Patterned Interview: This is also a planned interview but planned to a higher degree of accuracy, precision and exactitude. A list of questions and areas are carefully prepared. The interviewer goes down the list of questions, asking them one after another.

Non-directive Interview: This is designed to let the interviewee speak his mind freely. The interviewer is a careful and patient listener, prodding whenever the candidate is silent. The idea is to give the candidate complete freedom to 'sell' himself without encumbrances of the interviewer's questions.

Depth Interview: This is designed to intensively examine the candidate's background and thinking and to go into considerable detail on a particular subject to special interest to the

candidate. The theory behind it is that if the candidate is found good in his area of special interest, the chances are high that if given a job he would take serious interest in it.

Stress Interview: This is designed to test the candidate and his conduct and behavior by putting him under conditions of stress and strain. This is very useful to test the behavior of individuals under disagreeable and trying situations.

Group Interview: This is designed to see how the candidates react to and against each other. All the candidates may be brought together in the office and they may be interviewed. The candidates may, alternatively, be given a topic for discussion and be observed as to who will lead the discussion, how they will participate in the discussion, how each will make his presentation and how they will react to each other's views and presentation.

Panel Interview: This is done by members of the interview board or a selection committee. This is done usually for supervisory and managerial positions. It pools the collective judgement and wisdom of members of the panel. The candidate may be asked to meet the panel individually for a fairly lengthy interview.

16. Explain the purpose of training and development.

Training is defined by Wayne Cascio as "training consists of planed programs undertaken to improve employee knowledge, skills, attitude, and social behaviour so that the performance of the organization improves considerably."

The purpose of training and development can be explained as follows.

Improving quality of work force:–

Training and development help companies to improve the quality of work done by their employees. Training programs concentrate on specific areas. There by improving the quality of work in that area.

Enhance employee growth:-

Every employee who takes development program becomes better at his job. Training provides perfection and required practice, therefore employee's area able to develop them professionally.

Prevents obsolescence:-

Through training and development the employee is up to date with new technology and the fear of being thrown out of the job is reduced.

Assisting new comer:-

Training and development programs greatly help new employees to get accustomed to new methods of working, new technology, the work culture of the company etc.

Bridging the gap between planning and implementation:-

Plans made by companies expect people to achieve certain targets within certain time limit with certain quality for this employee performance has to be accurate and perfect. Training helps in achieving accuracy and perfection.

Health and safety measures:-

Training and development program clearly identifies and teaches employees about the different risk involved in their job, the different problems that can arise and how to prevent such   problems. This helps to improve the health and safety measures in the company.

17. Explain the importance and benefits of training.

Training of employees takes place after orientation takes place. Training is the process of enhancing the skills, capabilities and knowledge of employees for doing a particular job. Training process moulds the thinking of employees and leads to quality performance of employees. It is continuous and never ending in nature.

Importance of Training

Training is crucial for organizational development and success. It is fruitful to both employers and employees of an organization. An employee will become more efficient and productive if he is trained well.

Training is given on four basic grounds:

1. New candidates who join an organization are given training. This training familiarizes them with the organizational mission, vision, rules and regulations and the working conditions.
2. The existing employees are trained to refresh and enhance their knowledge.
3. If any updating and amendments take place in technology, training is given to cope up with those changes. For instance, purchasing a new equipment, changes in technique of production, computer impartment. The employees are trained about use of new equipments and work methods.
4. When promotion and career growth becomes important. Training is given so that employees are prepared to share the responsibilities of the higher level job.

The benefits of training can be summed up as:

1. **Improves morale of employees-** Training helps the employee to get job security and job satisfaction. The more satisfied the employee is and the greater is his morale, the more he will contribute to organizational success and the lesser will be employee absenteeism and turnover.
2. **Less supervision-** A well trained employee will be well acquainted with the job and will need less of supervision. Thus, there will be less wastage of time and efforts.
3. **Fewer accidents-** Errors are likely to occur if the employees lack knowledge and skills required for doing a particular job. The more trained an employee is, the less are the chances of committing accidents in job and the more proficient the employee becomes.
4. **Chances of promotion-** Employees acquire skills and efficiency during training. They become more eligible for promotion. They become an asset for the organization.

5. **Increased productivity-** Training improves efficiency and productivity of employees. Well trained employees show both quantity and quality performance. There is less wastage of time, money and resources if employees are properly trained.

18. State the difference between training and development

Points	Training	Development
1. Definition	Training is the process of teaching employees the basic skills they need to perform their jobs.	Management development refers to teaching managers and professionals to increase knowledge, skills, attitude, needed for future jobs.
2. Present/Future	Training is present-day oriented.	Development is future day oriented.
3. Participant	Training programs are arranged for employees.	Development programs are arranged for executives.
4. Level	It is the lower level learning program.	It is a higher level learning program.
5. Area	Training is imbibed for enhancing much more skills and knowledge to the employees.	Development is imbibed for enhancing specific skills and knowledge to the executives.
6. Change	Skill level is changed through Training.	Behaviour level is changed through Development.
7. Focused	Training is a narrower concept focused on job-related skills	Development is a broader concept focused on personality development.
8. Aimed	Training is aimed at improving job-related efficiency and performance.	The development aims at overall personal effectiveness including job efficiencies.
9. Instruction	Training refers only to instruction in technical and mechanical operations.	Development refers to the philosophical, theoretical and educational concept.
10. Period	Training courses are typically designed for a short-term period.	Development involves a broader education for long term purposes.

19. Explain the needs of training.

(i) Higher Productivity:

It is essential to increase productivity and reduce cost of production for meeting competition in the market. Effective training can help increase productivity of workers by imparting the required skills.

(ii) Quality Improvement:

The customers have become quality conscious and their requirement keep on changing. To satisfy the customers, quality of products must be continuously improved through training of workers.

(iii) Reduction of Learning Time:

Systematic training through trained instructors is essential to reduce the training period. If the workers learn through trial and error, they will take a longer time and even may not be able to learn right methods of doing work.

(iv) Industrial Safety:

Trained workers can handle the machines safely. They also know the use of various safety devices in the factory. Thus, they are less prone to industrial accidents.

(iv) Reduction of Turnover and Absenteeism:

Training creates a feeling of confidence in the minds of the workers. It gives them a security at the workplace. As a result, labour turnover and absenteeism rates are reduced.

(vi) Technology Update:

Technology is changing at a fast pace. The workers must learn new techniques to make use of advance technology. Thus, training should be treated as a continuous process to update the employees in the new methods and procedures.

(vii) Effective Management:

Training can be used as an effective tool of planning and control. It develops skills among workers and prepares them for handling present and future jobs. It helps in reducing the costs of supervision, wastages and industrial accidents. It also helps increase productivity and quality which are the cherished goals of any modern organization.

20. Explain the evaluation of training effectiveness.

Training is a key part of any organisation. It doesn't just enable employees to do their job, but it plays a role in determining how productive and efficient an organisation is. For this reason, it's important to be both clear on what the goals of any training are before it's implemented and to evaluate training once it's complete to determine how effective it has been.

Although at face value evaluating training effectiveness might seem pretty straightforward, it begins to throw up tricky questions once you start looking at how to approach it. Should you base evaluation on how well learners remember what they've been taught, for example? Or should you base it on how well they put the learned knowledge into practice? If it's the latter, how would you go about doing that? And would it be easier to simply look at the return on investment that any training has delivered for an organisation?

Fortunately, we don't have to wrestle with these conundrums, because someone has done it for us. Professor Donald Kirkpatrick's four levels of training evaluation provide a basis for

training evaluation that reconcile these sorts of questions. They state that evaluation should cover 4 things:

 1) Reaction - what learners think and feel about the training having undertaken it.

2) Learning – how well learners have retained the knowledge delivered by the training.

3) Behaviour – how well the learner has put the knowledge into practice.

4) Results – what overall impact the training has had.

In a work environment, these might apply to how well an employee has received the training, how well they've retained the knowledge for the delivery of their role, how well they've used the knowledge for their role and how the training has impacted the company's productivity or bottom line.

The main area of evaluation in which e-learning can help is that of knowledge retention. Historically, it may have been straightforward enough to get employee reactions to training, monitor how well they've put it into practice and see how that has reflected in company performance. Evaluating knowledge retention from training, though, would have required subsequent and continued testing, which might have been too time-consuming to feel worthwhile.

E-learning platforms like Wranx, however, build the evaluation of knowledge retention into the learning process. In order to reinforce the knowledge that is being taught, learners are given short drills, by way of answering which they provide instant feedback back on their learning performance and the training effectiveness. Longer, end-of-unit assessments are also common and provide the same information.

The business benefits of this are that it gives insight into one area of learning evaluation that may previously have been overlooked. That additional insight, along with those for reaction, behaviour and results, can help to paint a picture of training effectiveness and show where training needs to be improved, if at all.

21. What are the objectives of Performance Appraisal?

Performance Appraisal can be done with following objectives in mind:

1. To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
2. To identify the strengths and weaknesses of employees to place right men on right job.
3. To maintain and assess the potential present in a person for further growth and development.
4. To provide a feedback to employees regarding their performance and related status.
5. To provide a feedback to employees regarding their performance and related status.
6. It serves as a basis for influencing working habits of the employees.
7. To review and retain the promotional and other training programmes.

22. What are the steps in appraisal process?

Step 1: Establish performance standards

Performance standards are set to ensure achievement of departmental goals and objectives and the organizations overall strategy and objectives. Standards are based on the position, rather than an individual. In order to be clearly understood and perceived as objective, standards should adhere to the same rules that apply to goal-setting; that is, they should be "SMART:" specific, measurable, achievable, relevant and time bound.

Indiana University's Human Resource department explains that "while a list of major job duties tells the employee what is to be done, performance standards provide the employee with specific performance expectations for each major duty". Performance standards include both observable behaviours—the how—and the expected results that comprise satisfactory job performance.

Step 2: Communicate performance standards

In order to be effective, performance standards must be clearly communicated and understood to be expectations. Performance standards assume that an individual is competent, so initial and corrective training should be factored into the performance management process. If there is a specific training period after which an employee is assumed to be competent and performing to standards, that should be communicated as well.

Step 3: Measure performance

Performance that is expressed in numeric terms—for example, cost, quantity, quality, timeliness—is relatively easy to measure. Performance in the area of soft skills—for example, communication, customer service and leadership—is more difficult to evaluate. DeCenzo, Robbins and Verhulst recommend using a variety of sources of information including personal observation, oral reports and written reports. They note, however, that

what is measured is probably more critical than how an aspect is measured. The focus should be on measuring what matters rather than measuring what's easy to measure.

Step 4: Compare actual performance to performance standards

In this step of the appraisal process, actual performance is compared to the performance standards. Documentation should highlight actions and results. For example, "Amir left confidential documents on the printer even after he had been warned to maintain control of confidential information." Or "Amir's process improvement recommendations saved the department $3,500."

Indiana University's Human Resource department identifies the following characteristics of effective documentation:

- Accurate
- Specific
- Consistent (covering the entire review period)
- Factual (not based on conjecture)
- Balanced, including instances of both positive and unsatisfactory performance
- In writing

Step 5: Discuss the appraisal with the employee

This is generally the step in the process that is the most difficult for managers and employees alike and it can be a challenge to manage emotions and expectations. Even when performance is strong, there can be differences of opinion on the next action. A significant difference of opinion regarding performance can create an emotionally-charged situation. If the manager is providing feedback and coaching on a regular basis, this shouldn't be the case. Related point: If an employee has consistently poor performance, the issue should be addressed—corrective action taken—in a timely manner and not deferred to an annual review. To identify and prepare for differences of opinion, management can ask employees to complete and submit a self-evaluation prior to the appraisal meeting. A key point to keep in mind is that the manager's ability to remain calm and civil will have a significant impact on the employee's confidence, motivation and future performance.

Step 6: Implement personnel action

The final step in the appraisal process is the discussion and/or implementation of any next steps: a reward of some sort—a raise, promotion or coveted development opportunity—or corrective action—a performance plan or termination. Note, however, that corrective action that might help an employee achieve expectations shouldn't be tabled until the next formal appraisal. As performance gaps are identified, supervisors and managers should take the time to identify why performance is not meeting expectations and determine whether the employee can meet expectations with additional training and/or coaching. As mentioned above, if performance is such that termination is warranted, that action should be taken in a timely manner as well.

23. State the benefits of Performance Appraisal.

From the beginning and through the career, you need to know how good you are in terms of particular fields of activity. It is difficult to give yourself an objective evaluation. Performance appraisal system is a useful management tool which helps to gain feedback, review and estimate whether the performance is effective and discuss what needs to be done for it to become so. Managers perform evaluations to benefit both employees and the employer. The most significant benefit of the appraisal system for the manager or the head of department is that it provides a document of employee performance over a specific period. Here is a list of the benefits of the performance appraisal system:

1. Every **employee's individual performance** influences how all the team or even the firm (especially if it is small) is doing.
2. It clarifies the **employee's role and status** in the organization. Some workers like to know where they stand regarding their job performance and want to see what else (useful) they can do for the company.
3. **Self-development** is the most important benefit for the employee. Performance appraisal allows you to provide positive feedback as well as identifying areas for improvement. An employee can discuss and even create a developmental (training) plan with the manager so he can improve his skills.
4. It motivates employees if supported by a good **merit-based compensation system**. Best performers get better pay and benefits packages. Similarly, those employees that lag behind get penalized.
5. It provides a structured process for an employee to **approach the management** for discussions, identify problems, clarify expectations and plan for the future. It lets both manager and employee set up long- and short-term goals.
6. The statistics can be used to **monitor the success of the organization's recruitment and induction practices**.
7. Performance appraisal system also helps the management in deciding about the **promotions, transfers and rewards** of the employee.
8. It is easy to **identify the under-performers** and decide whether you want to keep them hoping for improvement or sometimes have to let them go.
9. Both manager and employee keep **performance appraisal records** and can retrospectively review the changes in the performance in future.

24. What are the features of Performance Appraisal?

The main characteristics of performance appraisal are:

a. Performance appraisal provides an objective description of an employee's job related strengths and weaknesses.

b. It is a systematic process. A number of logical steps are followed to evaluate employee's strengths and weaknesses.

c. The appraisal is carried out periodically, according to a definite plan. It is certainly not a one-shot deal.

d. It tries to find out how well the employee is performing the job and tries to establish a plan for further improvement.

e. Performance appraisal may be formal or informal. The informal evaluation is more likely

to be subjective and influenced by personal factors. Some employees are liked better than other and have, for that reason only, better chances of receiving various kinds of rewards then others. The formal system is likely to be fairer and objective since it is carried out in a systematic manner, using printed appraisal forms.

25. Explain the pre-requisites of good performance appraisal

Performance management can be regarded as a continuous process managing the performances of people for getting desired results. Performance management is beneficial to all the major stakeholders of an organization by clearly describing what is supposed to be done for attaining certain desired goals. Performance management is the heart of any HR processes in an organization as it influences the rest other HR functions or processes. Focus on performance management may be fruitless without the existence of proper organizational design and management systems.

Some of the essential pre requisites without which performance management system will not function effectively in an organization are:

- Should attract very high levels of participation from all the members concerned in an organization. It should be a participative process.
- Top management support and commitment is very essential for building a sound performance culture in an organization.
- Organizational vision, mission and goals should be clearly defined and understood by all levels so that the efforts are directed towards the realization of the organizational ambitions.
- Clear definition of the roles for performing a given job within the organizational framework which emanates from the departmental and the organizational objectives. The system should also be able to explain the linkages of a role with other roles.
- Open and transparent communication should prevail which will motivate the employees for participating freely and delivering high performance. Communication is an essential pre requisite for a performance management process as it clarifies the expectations and enables the parties in understanding the desired behaviors or expected results.
- Identification of major performance parameters and definition of key performance indicators.
- Consistency and fairness in application.
- A commitment towards recognition of high performance. Rewards and recognitions should be built within the framework of performance management framework.
- Proper organizational training should be provided to the staff members based on the identification of training needs from periodic evaluation and review of performance. This will motivate the employees for a superior performance.

1. Discuss the Functions of Human Resources Management.

Functions of Human Resource Management Includes:

· Managerial Functions

· Operative Functions

(A) Managerial Function Includes:

Planning

One of the primary functions where number & type of employees needed to accomplish organizational goals is determined. Research forms core HRM planning which also helps management to collect analyze and identify current plus future needs within the organization.

Organizing

Organization of the task is another important step. Task is allocated to every member as per their skills and activities are integrated towards a common goal.

Directing

This includes activating employees at different levels and making them contribute maximum towards organizational goal. Tapping maximum potentialities of an employee via constant motivation and command is a prime focus.

Controlling

Post planning, organizing and directing, performance of an employee is checked, verified and compared with goals. If actual performance is found deviated from the plan, control measures are taken.

(B) Operative Function Includes:

Recruitment/Hiring

Hiring is a process which brings pool of prospective candidates who can help organization achieve their goals and allows managements to select right candidates from the given pool.

Job Analysis & Design

Describing nature of the job like qualification, skill, work experience required for specific job position is another important operative task. Whereas, job design includes outlining tasks, duties and responsibilities into a single work unit to achieve certain goal.

Performance Appraisal

Checking and analyzing employee performance is another important function that human resource management has to perform.

Training & Development

This function allows employees to acquire new skills and knowledge to perform their job effectively. Training and development also prepares employees for higher level responsibilities.

Salary Administration

Human Resource Department also determines pays for different job types and incudes compensations, incentives, bonus, benefits etc. related with a job function.

Employee Welfare

This function takes care of numerous services, benefits and facilities provided to an employee for their well-being.

Maintenance

Minimizing employee turnover and sustaining best performing employees within the organization is the key. Minimizing ROI within HR department is also a key goal for Human resource management team.

Labour Relations

Labour relation is regards to the workforce who work within a trade union. Employees in such domain form a union/group to voice their decisions affectively to the higher management.

Personal Research

Research is a vital part of human resource management. It is performed to keep a check on employee opinion about wages, promotions, work condition, welfare activities, leadership, employee satisfaction and other key issues.

Personal Record

This function involves recording, maintaining and retrieving employee related information including employment history, work hours, earning history etc.

2. State the advantages and disadvantages of Human Resources Management

For departments that are not fully digitized, this is a good time to review your status. What is an HRIS (Human Resources Information System)? We're defining it as a software or online platform that assists HR professionals by integrating the management of employee data with the performance of common HR tasks

Advantages of HRIS

- **One-stop shopping.** One of the most frequently mentioned advantages of an HRIS is that you enter information only once for many HR-related employee tasks. And, similarly, you need to update only one place when employee information changes.

- **Integration of data.** Furthermore, different parts of the system can "talk to each other" allowing more meaningful reporting and analysis capabilities, including internal evaluations and audits and preparation of data for outsiders.

- **Accuracy.** Improved accuracy is likely assuming data are entered and manipulated correctly.

- **Self service.** This feature can be a great timesaver for HR. Employees may enter the system to change data (for example, change their own addresses) and managers and supervisors may enter the system to enter data (for example, performance reviews) or to retrieve data without bothering HR.

- **Automated reminders.** Systems can schedule events, such as performance appraisals and benefit deadlines, automatically notifying and nudging if actions have not been performed.

- **Hosting of company-related documents.** The system can host such materials as employee handbooks, procedures, and safety guidelines. The materials are easily updated in one place.

- **Benefits administration**. This could include enrollment, notices, changes, and reporting.

- **Recruiting management.** This may include applicant tracking, management, and reporting.

Disadvantages of HRIS

- **Security.** Security is one of the biggest worries. Systems must be designed to prevent unauthorized access to sensitive and confidential data and also the unintended publication of such information. This typically required many "compartments" and many levels of authority for access, all of which have to be monitored and maintained.

- **Cost.** Then there is the cost factor. Especially for smaller companies, this can pose a problem. With any system, there are acquisition costs and maintenance costs. SaaS (software as a service) systems are somewhat easier to handle from a cost standpoint since they are cloud-based and don't require as much initial outlay.

- **Staffing.** With larger installations, there's probably the cost of hiring an IT specialist to manage the system.

3. Write down the steps in Human resource Planning.

Human resource planning is a process through which the right candidate for the right job is ensured. For conducting any process, the foremost essential task is to develop the organizational objective to be achieved through conducting the said process.
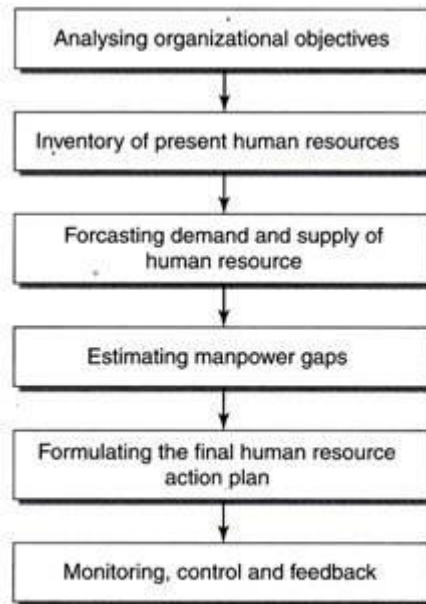

Fig. 5.3 Steps in Human Resource Planning

Analysing Organizational Objectives:

The objective to be achieved in future in various fields such as production, marketing, finance, expansion and sales gives the idea about the work to be done in the organization.

Inventory of Present Human Resources:

From the updated human resource information storage system, the current number of employees, their capacity, performance and potential can be analysed. To fill the various job requirements, the internal sources (i.e., employees from within the organization) and external sources (i.e., candidates from various placement agencies) can be estimated.

Forecasting Demand and Supply of Human Resource:

The human resources required at different positions according to their job profile are to be estimated. The available internal and external sources to fulfil those requirements are also measured. There should be proper matching of job description and job specification of one particular work, and the profile of the person should be suitable to it.

Estimating Manpower Gaps:

Comparison of human resource demand and human resource supply will provide with the surplus or deficit of human resource. Deficit represents the number of people to be employed, whereas surplus represents termination. Extensive use of proper training and development programme can be done to upgrade the skills of employees.

Formulating the Human Resource Action Plan:

The human resource plan depends on whether there is deficit or surplus in the organization. Accordingly, the plan may be finalized either for new recruitment, training, interdepartmental transfer in case of deficit of termination, or voluntary retirement schemes and redeployment in case of surplus.

Monitoring, Control and Feedback:

It mainly involves implementation of the human resource action plan. Human resources are allocated according to the requirements, and inventories are updated over a period. The plan is monitored strictly to identify the deficiencies and remove it. Comparison between the human resource plan and its actual implementation is done to ensure the appropriate action and the availability of the required number of employees for various jobs.

4. Explain the needs and importance of Human Resource Planning

Need for Human Resource Planning (HRP)

The need for Human Resource Planning (HRP) is as follows-

Identification of the right person in the right place: The Right person is identified and placed in the right place according to the knowledge and skills he acquired, and work towards the achievement of organizational objectives.

Technological changes in a rapid way: Technology is changing with the lightning speed. Therefore, it is must for the organization to hire fresh talent who knew about the current trends in technology and have the necessary skills to work on it.

Shortage of employees & skills: HRP helps to fill the gap of employees and skills in the organization with quality manpower to achieve goals faster.

Replacement of persons: By identifying the right person at the right time and at the right place, HRP provides the best replacement of persons in the organization.

Labour turnover: HRP reduce the labour turnover by providing the best manpower in the organization also inspiring the existing ones to perform with their full efficiency to survive and grow in the competitive environment.

Improvement in quality of life & quality of work life: Organization plans and provides its employees with the best quality tools, equipment, machines and environment possible to enhance the quality of their life. With the help of human resource planning, organizations do it for their employees.

Proper evaluation and appraisal system: HRP provides a proper evaluation and appraisal system which helps to check the status of work of employees. With this system, efficient employees are praised for their work and inefficient employees are trained to achieve more.

Importance of Human Resource Planning (HRP)

The importance of Human Resource Planning is as follows-

1. Developing the Men power: It focuses on building a great men power to support organizational mission and to achieve its objectives.

2. Enhancement in the skills and capabilities of the employees: HRP also focuses on the continuous development of employees. Therefore, organizations conduct various training sessions, seminars, conferences etc. to enhance the overall skills and capabilities of its employees.

3. Effective utilization of resources: The greatest resource which an organization have is its manpower. Therefore, with the help of HRP, organizations try to utilize their full potential towards its goals and develop them as an asset for the future requirement of the organization.

4. Increased efficiency and effectiveness of employees: Due to HRP, organizations provide a great working environment to its employees along with the best tools and equipment possible. This motivates the employees to work harder in the competitive working atmosphere of the organization to achieve their targets and objectives.
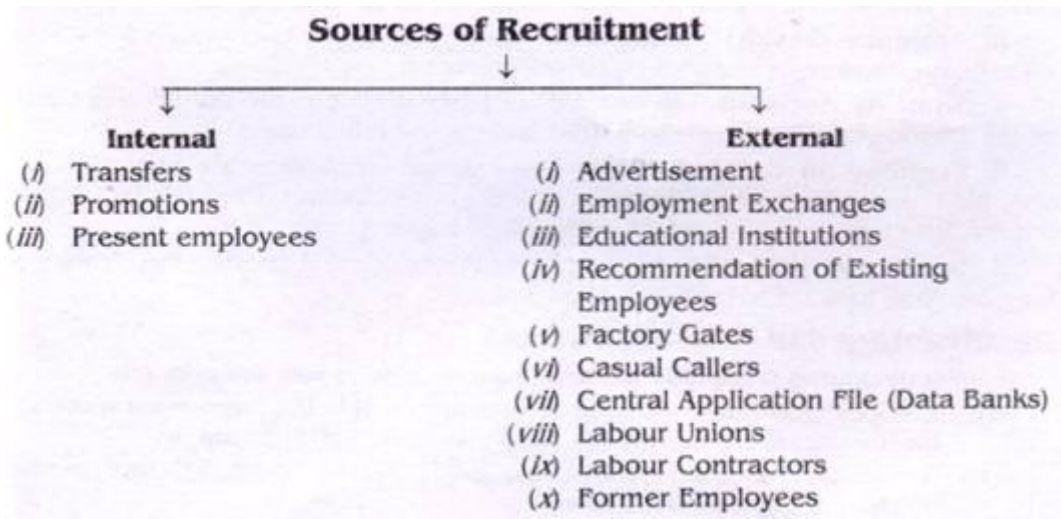
5. Helps in coping the change: Organizations are always preparing for any sudden change in technology, politics, tastes and preferences etc. Therefore, they have flexibility in their objectives and train their employees to work efficiently regardless of the situations to survive and grow themselves in the changing environment.

6. Enhancement of organizational growth and development: If the quality of employees and their work is improving continuously, the organization will itself move up on the ladder of success. Hence, HRP improves the learning of the employees to improves the earning of the organization and make the organization grow in the competitive market.

7. Increasing investments in human resources: Human Resource is the greatest asset of an organization. Any investment in its human resource will provide the highest gain to the organization. Therefore, organizations invests heavy amount on HRP to focus on the knowledge, skills, and abilities of the employees.

5. Discuss the various Sources of Recruitment

The candidates may be available inside or outside the organisation. Basically, there are two sources of recruitment i.e., internal and external sources.

Sources of Recruitment

Internal
(i) Transfers
(ii) Promotions
(iii) Present employees

External
(i) Advertisement
(ii) Employment Exchanges
(iii) Educational Institutions
(iv) Recommendation of Existing Employees
(v) Factory Gates
(vi) Casual Callers
(vii) Central Application File (Data Banks)
(viii) Labour Unions
(ix) Labour Contractors
(x) Former Employees

(A) Internal Sources:

Best employees can be found within the organisation… When a vacancy arises in the organisation, it may be given to an employee who is already on the pay-roll. Internal sources include promotion, transfer and in certain cases demotion. When a higher post is given to a deserving employee, it motivates all other employees of the organisation to work hard. The employees can be informed of such a vacancy by internal advertisement.

Methods of Internal Sources:

The Internal Sources Are Given Below:

1. Transfers:

Transfer involves shifting of persons from present jobs to other similar jobs. These do not involve any change in rank, responsibility or prestige. The numbers of persons do not increase with transfers.

2. Promotions:

Promotions refer to shifting of persons to positions carrying better prestige, higher responsibilities and more pay. The higher positions falling vacant may be filled up from

within the organisation. A promotion does not increase the number of persons in the organisation.

A person going to get a higher position will vacate his present position. Promotion will motivate employees to improve their performance so that they can also get promotion.

3. Present Employees:

The present employees of a concern are informed about likely vacant positions. The employees recommend their relations or persons intimately known to them. Management is relieved of looking out prospective candidates.

The persons recommended by the employees may be generally suitable for the jobs because they know the requirements of various positions. The existing employees take full responsibility of those recommended by them and also ensure of their proper behaviour and performance.

Advantages of Internal Sources:

The Following are The Advantages of Internal Sources:

1. Improves morale:

When an employee from inside the organisation is given the higher post, it helps in increasing the morale of all employees. Generally every employee expects promotion to a higher post carrying more status and pay (if he fulfills the other requirements).

2. No Error in Selection:

When an employee is selected from inside, there is a least possibility of errors in selection since every company maintains complete record of its employees and can judge them in a better manner.

3. Promotes Loyalty:

It promotes loyalty among the employees as they feel secured on account of chances of advancement.

4. No Hasty Decision:

The chances of hasty decisions are completely eliminated as the existing employees are well tried and can be relied upon.

5. Economy in Training Costs:

The existing employees are fully aware of the operating procedures and policies of the organisation. The existing employees require little training and it brings economy in training costs.

6. Self-Development:

It encourages self-development among the employees as they can look forward to occupy higher posts.

Disadvantages of Internal Sources:

(i) It discourages capable persons from outside to join the concern.

(ii) It is possible that the requisite number of persons possessing qualifications for the vacant posts may not be available in the organisation.

(iii) For posts requiring innovations and creative thinking, this method of recruitment cannot be followed.

(iv) If only seniority is the criterion for promotion, then the person filling the vacant post may not be really capable.

In spite of the disadvantages, it is frequently used as a source of recruitment for lower positions. It may lead to nepotism and favouritism. The employees may be employed on the basis of their recommendation and not suitability.

(B) External Sources:

All organisations have to use external sources for recruitment to higher positions when existing employees are not suitable. More persons are needed when expansions are undertaken.

The external sources are discussed below:

Methods of External Sources:

1. Advertisement:

It is a method of recruitment frequently used for skilled workers, clerical and higher staff. Advertisement can be given in newspapers and professional journals. These advertisements attract applicants in large number of highly variable quality.

Preparing good advertisement is a specialised task. If a company wants to conceal its name, a 'blind advertisement' may be given asking the applicants to apply to Post Bag or Box Number or to some advertising agency.

2. Employment Exchanges:

Employment exchanges in India are run by the Government. For unskilled, semi-skilled, skilled, clerical posts etc., it is often used as a source of recruitment. In certain cases it has been made obligatory for the business concerns to notify their vacancies to the employment

exchange. In the past, employers used to turn to these agencies only as a last resort. The job-seekers and job-givers are brought into contact by the employment exchanges.

3. Schools, Colleges and Universities:

Direct recruitment from educational institutions for certain jobs (i.e. placement) which require technical or professional qualification has become a common practice. A close liaison between the company and educational institutions helps in getting suitable candidates. The students are spotted during the course of their studies. Junior level executives or managerial trainees may be recruited in this way.

4. Recommendation of Existing Employees:

The present employees know both the company and the candidate being recommended. Hence some companies encourage their existing employees to assist them in getting applications from persons who are known to them.

In certain cases rewards may also be given if candidates recommended by them are actually selected by the company. If recommendation leads to favouritism, it will impair the morale of employees.

5. Factory Gates:

Certain workers present themselves at the factory gate every day for employment. This method of recruitment is very popular in India for unskilled or semi-skilled labour. The desirable candidates are selected by the first line supervisors. The major disadvantage of this system is that the person selected may not be suitable for the vacancy.

6. Casual Callers:

Those personnel who casually come to the company for employment may also be considered for the vacant post. It is most economical method of recruitment. In the advanced countries, this method of recruitment is very popular.

7. Central Application File:

A file of past applicants who were not selected earlier may be maintained. In order to keep the file alive, applications in the files must be checked at periodical intervals.

8. Labour Unions:

In certain occupations like construction, hotels, maritime industry etc., (i.e., industries where there is instability of employment) all recruits usually come from unions. It is advantageous from the management point of view because it saves expenses of recruitment. However, in other industries, unions may be asked to recommend candidates either as a goodwill gesture or as a courtesy towards the union.

9. Labour Contractors:

This method of recruitment is still prevalent in India for hiring unskilled and semi-skilled workers in brick kiln industry. The contractors keep themselves in touch with the labour and bring the workers at the places where they are required. They get commission for the number of persons supplied by them.

10. Former Employees:

In case employees have been laid off or have left the factory at their own, they may be taken back if they are interested in joining the concern (provided their record is good).

11. Other Sources:

Apart from these major sources of external recruitment, there are certain other sources which are exploited by companies from time to time. These include special lectures delivered by recruiter in different institutions, though apparently these lectures do not pertain to recruitment directly.

Then there are video films which are sent to various concerns and institutions so as to show the history and development of the company. These films present the story of company to various audiences, thus creating interest in them.

Various firms organise trade shows which attract many prospective employees. Many a time advertisements may be made for a special class of work force (say married ladies) who worked prior to their marriage.

These ladies can also prove to be very good source of work force. Similarly there is the labour market consisting of physically handicapped. Visits to other companies also help in finding new sources of recruitment.

Merits of External Sources:

1. Availability of Suitable Persons:

Internal sources, sometimes, may not be able to supply suitable persons from within. External sources do give a wide choice to the management. A large number of applicants may be willing to join the organisation. They will also be suitable as per the requirements of skill, training and education.

2. Brings New Ideas:

The selection of persons from outside sources will have the benefit of new ideas. The persons having experience in other concerns will be able to suggest new things and methods. This will keep the organisation in a competitive position.

3. Economical:

This method of recruitment can prove to be economical because new employees are already trained and experienced and do not require much training for the jobs.

Demerits of External Sources:

1. Demoralisation:

When new persons from outside join the organisation then present employees feel demoralised because these positions should have gone to them. There can be a heart burning among old employees. Some employees may even leave the enterprise and go for better avenues in other concerns.

2. Lack of Co-Operation:

The old staff may not co-operate with the new employees because they feel that their right has been snatched away by them. This problem will be acute especially when persons for higher positions are recruited from outside.

3. Expensive:

The process of recruiting from outside is very expensive. It starts with inserting costly advertisements in the media and then arranging written tests and conducting interviews. In spite of all this if suitable persons are not available, then the whole process will have to be repeated.

4. Problem of Maladjustment:

There may be a possibility that the new entrants have not been able to adjust in the new environment. They may not temperamentally adjust with the new persons. In such cases either the persons may leave themselves or management may have to replace them. These things have adverse effect on the working of the organisation.

Suitability of External Sources of Recruitment:

External Sources of Recruitment are Suitable for The Following Reasons:

(i) The required qualities such as will, skill, talent, knowledge etc., are available from external sources.

(ii) It can help in bringing new ideas, better techniques and improved methods to the organisation.

(iii) The selection of candidates will be without preconceived notions or reservations.

(iv) The cost of employees will be minimum because candidates selected in this method will be placed in the minimum pay scale.

(v) The entry of new persons with varied experience and talent will help in human resource mix.

(vi) The existing employees will also broaden their personality.

(vii) The entry of qualitative persons from outside will be in the long-run interest of the organisation.

6. Explain the steps in selection process

The selection process is aimed at finding and hiring the best candidates for job openings. This process is often depicted as a funnel. 50 candidates may apply to a function, five of them are invited for an in-person interview, and one person is selected in the end.

The selection process always starts with a job opening. This job opening should have a clearly defined function profile that includes criteria like minimum years of work experience, educational background, and being proficient in certain skills.

Once this job opening is published and advertised, candidates flow in – hopefully! This is where the selection funnel starts. The funnel consists of seven stages.

1. Application

2. Screening & pre-selection

3. Interview

4. Assessment

5. References and background check

6. Decision

7. Job offer & contract

1. Application

After the job opening has been posted, candidates can apply. The amount of people applying depends on the company, the specific function, and the availability of work and workers. The number of applicants can range between zero and thousands, depending primarily on the size of the company, the type of job and the industry, and on how successful your sourcing strategy and employer brand are. Google, for example, receives around 3 million applications a year. This means that on average more than 400 people apply per job opening.

But the number and type of applicants also depend on your job advert. In fact, the way a job ad is written, meaning the words and language used in it, has a direct impact on the people

you attract. A tool like Textio uses data and machine learning to help companies optimize their job adverts and make sure the text reflects not only what they are looking for in a candidate, but also what they are about as a company.

2. Screening & pre-selection

The second step is the initial screening of candidates. This can happen in multiple ways.

- **Resume screening.** The most commonly known technique is resume or CV screening. Resume screening helps to assess if candidates comply with the criteria needed for the job. If you require 5+ years of work experience and you see that a college graduate applied, you can easily disqualify this person. Thankfully, there are great tools available that can do the resume screening for you, ranging from built-in resume screening tools that are part of an ATS to resume screeners that use artificial intelligence to predict the quality of hire.
- **Phone screening/ chat box.** After the resume screening, often a phone screening happens. This helps to align expectations between the candidate and employer. The recruiter can ask the questions they had after screening the candidate's resume. In addition, the recruiter can walk through a checklist that may include topics like pay expectations, full time or flexible commitment, starting date, and other potential deal-breakers. Since this is a fairly standard procedure, having a chat box ask these questions is also an option.

  As mentioned briefly above, these days, technology enables us to do these screening in an automated way. One example is chat box, which ask candidates questions and make the interview interactive. An example is a large engineering company that implemented a Chabot intended to optimize the recruitment process and keep candidates engaged. The data showed that after the chat box was implemented, completion rates went up from 74% to 96%, an increase of 22 percentage points.

- **Pre-selection.** Pre-selection is a powerful screening method that helps to weed out potential mismatches. Pre-selection tools provide assessments that can include cognitive testing, a job sample, or other tests that help to predict the quality of the new hire. Sometimes the resume screening is included in these tools. Pre-employment assessment tools often also include a realistic job preview. This shows both the positive but also the negative sides of the job, resulting in a more truthful description of the good and bad aspects of a given job. This helps to align expectations between employer and employee and leads to better hires.

These pre-selection tests are often used for functions with a high volume of applicants, in other words, for high-volume recruiting. To give an example of such a test, a sales rep might be assessed on their service orientation and how much they smile on video. These screening tools 'weed out' the obvious misfits so only the most suitable candidates remain.

The goal of this second phase is to reduce the number of candidates from a large group to a manageable group of between 3-10 people that can be interviewed in-person. Be aware that not all pre-selection tools and screenings are fully accurate. Oftentimes there is a trade-off between accuracy and convenience. You usually don't want all your candidates to go through

a 4-hour online assessment because they might drop out, so you settle for a 15-minute test that's less accurate.

3. Interview

The third step in the funnel is the best known and most visible of them all: the job interview. The job interview involves the candidate being interviewed by their direct manager or the recruiter to assess how well-suited they are for the job. The interview offers some insight into a person's verbal fluency and sociability. It also provides the opportunity to ask the candidate questions related to the job and it presents the opportunity to sell the job to the candidate.

There are two kinds of interviews, the unstructured and structured interview. In a structured interview, a standardized set of questions is used. This provides the interviewer with a uniform method of recording information and standardizing the rating of the applicant's qualifications. In scientific literature, the structured interview has proven to be almost twice as reliable as the unstructured interview (Schmidt & Hunter, 1998). The structured interview enables the interviewer to accurately compare candidates and to make the best decision purely on data.

Besides having standardized questions, a common method used in interviews is the STAR method. This method offers a structured way to retrieve information from the candidate. STAR is an acronym for:

- **Situation**. Have the candidate describe the situation that they were in.
- **Task.** What goal was the candidate working towards?
- **Action.** Have the candidate describe in detail what actions they took to make the best of the situation and complete their task.
- **Result.** Have the candidate describe the outcome of the action and ask what the candidate learned.

The STAR method is great to test the candidate's experience in different situations that are relevant to the job. If a candidate needs experience in managing different shareholders, an example question could be: Describe a situation in which you had to manage different shareholders. Using the STAR method you can then easily test the candidate experience in these situations.

Using this method to test for the key competencies of the job is highly recommended. Indeed, asking multiple candidates the same question enables you to easily compare how much experience they have in these key competencies from their previous jobs.

4. Assessment

We already briefly discussed assessments in the second step. Where the pre-selection, or screening, is used to roughly weed out the least suitable candidates, the full assessment usually is more accurate (although pre-employment assessments can be very accurate too nowadays). When used well it is a highly accurate and reliable tool to select the best candidates. Indeed, the scientific literature shows that an assessment is just as reliable in predicting job performance as the structured interview

Good assessments are either a General Mental Ability (GMA) test (also known as an IQ test) or testing the employee's personality using a Five-Factor Model of Personality. Higher IQ is associated with faster learning and higher top performance. This means that for high IQ candidates the Time to Optimum Productivity is lower and candidates are likely to perform better. When it comes to personality, more conscientious candidates perform better in their job. Candidates who score high in conscientiousness are often described as hard-working, dutiful, achievement-oriented, and detail-oriented. The literature shows that one's level of conscientiousness influences around 10% of one's job performance.

Other assessments include work sample tests, integrity tests, and job knowledge tests. Literature shows that work sample tests are especially reliable. A best practice is, therefore, to have candidates do a case study or solve a real problem during their interview. The quality of a candidate's work is usually easy to compare with the other applicants, adding an important data point to the final decision. Assessments and interviews are sometimes switched around. A full assessment is usually expensive but it will save considerable time interviewing candidates who are potentially unsuited for the role.

5. References and background check

In this stage, you have reduced the long list of candidates to a shortlist of one to three candidates. An essential step is the reference check. Reference checks are a way to confirm your perception of the candidate. Ask the candidate to give you references and follow up on these. If during the interview you have doubts about a certain competency or skill, the reference check is an excellent way to gather more information from different perspectives.

A background check is commonly used for government functions and other jobs that involve access to highly confidential information. The use of background checks is also culturally determined. Countries like the U.S. use it more than most European countries for example. The background check can also be a prerequisite before applying and be a part of the pre-selection. An example is a certification of good conduct or other criminal record checks for teaching positions and other jobs that involve a high responsibility for others.

6. Decision

The next step is making the decision and choosing the candidate with the greatest future potential for the organization. Sometimes this means picking someone less qualified at the moment – but who is committed to growing and staying with the organization longer. The decision is best made based on a data-driven approach. In practice, this means pre-defined criteria on which each candidate is rated during the selection process. The best candidate is then chosen and given an offer.

7. Job offer & contract

After the company has made the decision, the selection process isn't over. The candidate still needs to accept the offer. At this point, the organization should have all the information that will make the candidate say yes. This has been retrieved during the phone screening and job interview. The offer is then made to the candidate. If the offer is accepted a contract is drawn and signed. Only when the employment contract is signed by all parties, will the selection process be completed.

Several important metrics should be tracked when it comes to the selection process. These are indicators of how well you are performing in your selection process. For more information, check our full article on recruiting metrics.

- **Time to fill.** The time it takes to find and hire a candidate. A long time to fill is an indication of an inefficient selection process.
- **90-day attrition.** Attrition within the first three months is a clear indication of a bad hire – which you as an organization are responsible for. The estimations of the cost of a bad hire differ between sources but are estimated to be between 50% to 200% of their annual salary. It is recommended to treat every case of 90-day attrition as a critical HR incident that should be analyzed and prevented the next time through better communication, selection, on boarding, and management.
- **First-year attrition.** Similar to the 90-day attrition.
- **Candidate experience.** How did the candidates rate their experience in this selection process? This is an important indicator as candidates are often a fan and/or customer of your brand – that's why they want to work for you! Happy candidates might (one day) be customers or refer customers to you.
- **Selection process funnels effectiveness.** Because selection goes through a funnel with multiple steps, knowing the effectiveness of the funnel helps. You don't want 50% of your 100 applicants to pass to your interview phase, otherwise, you'll only be interviewing for the full year.
- **Quality of hire.** This metric measures how well a new hire is performing after a year in their job. This is usually rated by their manager in the annual performance appraisal. If the quality of hire is consistently good, it is an indication that the selection process works.

Conclusion

Selecting and hiring top candidates is key to the long-term viability of any organization. Having a strong selection process helps to build a competitive advantage for the organization. For that reason, it is one of the key contributions that HR can provide to the business.

7. Discuss the various steps in training

A study conducted by the American Society for Training and Development (ASTD) notes that companies offering comprehensive training programs have 218% more income per employee. On the other hand, a full 40% of employees who receive poor job training leave their positions within the first year.

When properly executed, the program delivers a lean and fighting fit workforce, and an increase in production, sales and profit, making your worries about employee turnover rate and on boarding costs a thing of the past.

But the catch is in the words "when properly executed". There are many things that can make a training and development program go awry. So how do you make sure that your program is not a sheer waste of organisational resources?

Follow these seven simple but effective steps to create successful training and development programs.

Step 1 – Assess Organisational Training & Development Needs

You have a need and you want the training program to address that. It may be a new product that requires a total revamping of the production line, or just want some changes to increase the output of an existing product. On both counts, you want employees to understand and adopt themselves to the new production flow and increase their in-line efficiency.

Step 2 – Define Your Training Objective

The business goal has been defined. Now let's see how to assess the training requirements for this goal. You need to be clear about:

1. Step 1 – The business goal the training supports;
2. The roles and responsibilities of your employees in achieving that goal; and
3. The kind of training needed to ensure they are able to fulfill these roles and responsibilities.

So defining this kind of training objective is the most important aspect of the program. It gives the program direction, and also serves as a yardstick to measure success. Put simply, the training will be judged as successful if your employees are able to successfully perform the tasks they were trained for.

In order for this to happen,

- The objective must be stated clearly and should make sense to everyone involved;

- It should be achievable;

- It should be relevant to the training; and

- It should be measurable.

Put the objectives clearly across to our employees and appraise their understanding of the same through tests, quizzes and practical exercises.

Step 3 – Training Program Design

Have a road map of our plans ready before we put the same into action. A complete plan that includes learning and instructional methods, content matter, content flow and other such aspects.

- Design keeping in minds the needs of our employees, and not that of the trainer.

- Always create content around our training objective.

- Design using the training principles for adults

- Introduce as many practical sessions as possible in the program.

- Design an interactive program. Introduce Q & A sessions.

- Break the sessions into short segments.

- Ensure proper flow and connect between the segments.

Step 4 – Adopt Training Principles for Adults

Remember that you are proposing to train adults. The training program has to factor in their unique learning characteristics. They:

- Are experienced, self-motivated and goal oriented;

- Prefer training that helps in their advancement;

- Prefer task oriented and relevant training programs; and

- Have pride in their industry knowledge that needs to be respected.

Step 5 – Training Program Development

Start developing on the design and create your training materials, training manuals, training notes for the instructor, PowerPoint presentations, charts, posters and other materials for hands-on practical sessions.

Step 6 – Training Program Implementation

This is where all the preparation that you have done so far will actually be rolled out. A few points to remember for effective implementation:

- Schedule training activities well in advance and mobilise the required resources;

- Decide the location for the program based on the size and kind of training rooms we need.

Step 7 – Evaluate our Training Program

The last phase before we can sit back and relax. Evaluate the design and development of the program, the effectiveness of the program, and the degree of success achieved.

- **Employee Feedback:** Get employee feedback about the program. Was it informative, helpful and riveting? Do they have any suggestions to make it better? Collecting this kind of feedback from employees who participate in training sessions will help you come up with new and improved program versions.

- **Employee Assessment:** This must be done during the training sessions. Evaluate how much employees have actually understood about the training. This can be done using mini quizzes, practical exercises, etc. In brief, you want to make sure they are aware of the training objective and the process to achieve it.

- **Program Assessment:** After your trained employees report back to work, conduct on the job evaluation of the training program to measure its effectiveness in achieving the objectives.

Conclusion:

Creating training and development programs for employees is of vast importance, and needs to be treated with the respect that it deserves. In order to deliver the desired results, the program requires a dedicated team. Your senior staff may agree to share the burden and teach the rest of our employees, but that won't produce the results you expect.

8. Explain the methods of training

Management development is a systematic process of growth and development by which the managers develop their abilities to manage. It is concerned with not only improving the performance of managers but also giving them opportunities for growth and development.

There are two methods through which managers can improve their knowledge and skills. One is through formal training and other is through on the job experiences. On the job training is very important since real learning takes place only when one practices what they have studied.

But it is also equally important in gaining knowledge through classroom learning. Learning becomes fruitful only when theory is combined with practice. Therefore on the job methods can be balanced with classroom training methods (off-the-job methods).

1. On-the-job Training (OJT) Methods:

This is the most common method of training in which a trainee is placed on a specific job and taught the skills and knowledge necessary to perform it.

The advantages of OJT are as follows:

1. On the job method is a flexible method.

2. It is a less expensive method.

3. The trainee is highly motivated and encouraged to learn.

4. Much arrangement for the training is not required.

On-the-job training methods are as follows:

1. Job rotation:

This training method involves movement of trainee from one job to another gain knowledge and experience from different job assignments. This method helps the trainee understand the problems of other employees.

2. Coaching:

Under this method, the trainee is placed under a particular supervisor who functions as a coach in training and provides feedback to the trainee. Sometimes the trainee may not get an opportunity to express his ideas.

3. Job instructions:

Also known as step-by-step training in which the trainer explains the way of doing the jobs to the trainee and in case of mistakes, corrects the trainee.

4. Committee assignments:

A group of trainees are asked to solve a given organizational problem by discussing the problem. This helps to improve team work.

5. Internship training:

Under this method, instructions through theoretical and practical aspects are provided to the trainees. Usually, students from the engineering and commerce colleges receive this type of training for a small stipend.

2. Off-the-job Methods:

On the job training methods have their own limitations, and in order to have the overall development of employee's off-the-job training can also be imparted. The methods of training which are adopted for the development of employees away from the field of the job are known as off-the-job methods.

The following are some of the off-the-job techniques:

1. Case study method:

Usually case study deals with any problem confronted by a business which can be solved by an employee. The trainee is given an opportunity to analyse the case and come out with all possible solutions. This method can enhance analytic and critical thinking of an employee.

2. Incident method:

Incidents are prepared on the basis of actual situations which happened in different organizations and each employee in the training group is asked to make decisions as if it is a real-life situation. Later on, the entire group discusses the incident and takes decisions related to the incident on the basis of individual and group decisions.

3. Role play:

In this case also a problem situation is simulated asking the employee to assume the role of a particular person in the situation. The participant interacts with other participants assuming different roles. The whole play will be recorded and trainee gets an opportunity to examine their own performance.

4. In-basket method:

The employees are given information about an imaginary company, its activities and products, HR employed and all data related to the firm. The trainee (employee under training) has to make notes, delegate tasks and prepare schedules within a specified time. This can develop situational judgments and quick decision making skills of employees.

5. Business games:

According to this method the trainees are divided into groups and each group has to discuss about various activities and functions of an imaginary organization. They will discuss and decide about various subjects like production, promotion, pricing etc. This gives result in co-operative decision making process.

6. Grid training:

It is a continuous and phased programme lasting for six years. It includes phases of planning development, implementation and evaluation. The grid takes into consideration parameters like concern for people and concern for people.

7. Lectures:

This will be a suitable method when the numbers of trainees are quite large. Lectures can be very much helpful in explaining the concepts and principles very clearly, and face to face interaction is very much possible.

8. Simulation:

Under this method an imaginary situation is created and trainees are asked to act on it. For e.g., assuming the role of a marketing manager solving the marketing problems or creating a new strategy etc.

9. Management education:

At present universities and management institutes gives great emphasis on management education. For e.g., Mumbai University has started bachelors and postgraduate degree in Management. Many management Institutes provide not only degrees but also hands on experience having collaboration with business concerns.

10. Conferences:

A meeting of several people to discuss any subject is called conference. Each participant contributes by analyzing and discussing various issues related to the topic. Everyone can express their own view point.

9. Discuss the methods of Performance Appraisal

Methods of Performance Appraisal in HRM: Traditional and Modern Methods

Methods of Performance Appraisal – Traditional and Modern Methods of Performance Appraisal

Since the early years of their use, methods of evaluating personnel have evolved considerably. Old systems have been replaced by new methods that reflect technical improvements and are more consistent with the purposes of the appraisal. The methods of performance appraisal are classified into traditional methods and modern methods.

1. Traditional Methods:

Traditional methods are also known as trait methods. Trait approaches to performance appraisal are designed to measure the extent to which an employee possesses certain characteristics such as dependability, creativity, initiative and leadership that are viewed as important and desirable for the job and the organisation in general. There may also be added work-related characteristics such as job knowledge, ability to complete an assignment, success in carrying out plans, etc.

As there are different methods of rating people on the basis of such dimensions, there are several methods based on this approach. The reason that trait methods are the most popular is largely due to the ease with which they are developed.

Some of these methods are as follows:

I. Rating Scales:

In this method, each trait or characteristic to be rated is represented by the scale on which a rater indicates the degree to which an employee possesses that trait or characteristic. This is the simplest and most popular technique for appraising employee performance.

The typical rating scale system consists of several numerical scales, each representing a job-related performance criterion such as dependability, initiative, attendance, output, attitude and cooperation. Each scale ranges from excellent to poor. The rater checks the appropriate performance level on each criterion, and then computes the employee's total numerical score.

Subjectivity bias is reduced somewhat when the dimensions on the scale and the scale points are defined as precisely as possible. This can be achieved by training raters and by including descriptive appraisal guidelines in a performance appraisal reference packet.

II. Confidential Report:

Confidential Reports are maintained mostly in government departments, though its application in the industry is not ruled out. These reports differ from department to department and from level to level. The confidential report is written for a unit for one year and relates to the performance, ability, and character of the employee during that year. The report is not data based but is subjective. No feedback is provided to the employee being appraised and therefore, its credibility is very low.

The approach called Annual Confidential Report (ACR), contains 14 items:

(i) Attendance

(ii) Self-expression

(iii) Ability to work with others

(iv) Leadership

(v) Initiative

(vi) Technical ability

(vii) Ability to understand new material

(viii) Ability to reason

(ix) Originality

(x) Areas of work that suit the person best

(xi) Judgement

(xii) Integrity

(xiii) Responsibility

(xiv) Any defect.

III. Ranking Method:

In this, the superior ranks his or her subordinates in the order of their merit, starting from the best to the worst. It is the simplest and old method of merit rating. Every employee is judged as a whole without distinguishing the rates from his performance. All that the HR department knows is that A is better than B. The 'how' and 'why' are not questioned nor answered.

No attempt is made to fractionalize what is being appraised into component elements. This method is subject to the halo and regency effects, although ranking by two or more raters is averaged to help reduce bias. Its advantages include ease of administration and explanation.

IV. Paired Comparison Method:

The paired comparison method is almost similar to ranking method. When variations are made in the ranking method so that it can easily be used in large groups, it becomes paired comparison method. In paired comparison method, every person is compared trait wise with the other persons one at a time. The number of times one person is compared with others is tallied on a piece of paper. With the help of these numbers, ranks are allotted to the employees.

Rater is provided with the bunch of slips, each containing a pair of names. The rater puts a tick mark against the person whom he considers better of the two, and the final ranking is determined by taking the total of number of times an employee is ranked better than another employee.

V. Grading System:

In this method, certain characteristics or abilities of performance are identified in advance and the employees are put into the category according to their behaviour and traits. Such categories are defined as outstanding, good, average, below average, and poor in terms of letters like A, B, C, D, E where A indicates the best, and E the poorest. This method is used for the promotions based on performance.

VI. Checklist Method:

Under this method, a checklist of statements on the traits of the employees and his or her job is prepared in two columns – viz. a 'Yes' column and a 'No' column. It is a list of statements that indicate the performance of the employees on the job. All that the rater has to do is to tick 'Yes' column if the answer to the statement is positive and column 'No' if the answer is negative. The performance of the employee is rated on the basis of the number of positive checks.

These checklists are of three types:

(i) Simple Checklist:

In this method, the printed forms containing descriptive questions about the performance of the employees are provided to the supervisors. The supervisor has two options 'Yes' and 'No'. He ticks the one according to the behaviour of the employee and sends the filled form to the personnel department for the final rating.

(ii) Weighted Checklist:

In this method, the weights are allotted to the different statements to indicate their importance over the other statements. This method is used particularly with the objective of avoiding scope of personal prejudices.

(iii) Forced Choice Checklist:

Five statements for each trait are given in this checklist. These five statements include two most descriptive, two least descriptive, and one neutral statement. The ratter has to tick on one statement. This checklist has greater objectivity as compared to the other methods.

VII. Forced Choice Method:

This method requires the rater to choose from statements, often in pairs, that appear equally favourable or equally unfavourable. The statements, however, are designed to distinguish between successful and unsuccessful performance. The rater selects one statement from the pair without knowing which statement correctly describes successful job behaviour.

VIII. Essay Method:

This method requires the appraiser to compose a statement that best describes the employee being appraised. The appraiser is usually instructed to describe the employee's strengths and weaknesses and to make recommendations for his or her development. Essay method is often

used in combination with some other rating method. Here, the supervisor continuously watches the subordinates and writes his assessment in the report.

IX. Performance Tests and Observation:

With a limited number of jobs, employee assessment may be based upon his test of knowledge or skills. The test may be of the paper and pencil variety or an actual demonstration of skills. The test must be reliable and validated to be useful. Even then, the performance tests are apt to measure potential more than actual performance. In order for the test to be job related, observation should be made under circumstances likely to be encountered.

X. Forced Distribution Method:

Raters sometimes suffer from a constant error i.e., either they rate the employees as good, average, or poor. They do not evaluate the employees properly. This system minimises the rater's bias so that all employees are not similarly rated. In this method, the appraiser is forced to appraise the appraisees according to the pattern of the normal curve. This system is based on the assumption that all employees can be divided in five categories i.e., outstanding, above average, average, below average, and poor.

XI. Field Review Method:

In this method, an employee is not appraised by his direct superior but by another person usually from the HR department. This is an appraisal by someone outside the assessee's own department, usually someone from the corporate office or the HR department. The basic idea is that such a person may take a more objective view in the appraisal as he is not under the pressure as the superior of the employee may be.

2. Modern Methods of Performance Appraisal:

One of the potential drawbacks of a trait-oriented performance appraisal is that traits tend to be vague and subjective. One way to improve a rating scale is to have descriptions of behaviour along a scale, or continuum. These descriptions permit the rater to readily identify the point where a particular employee falls on the scale. Modern methods have been developed to specifically describe which actions should be or should not be exhibited on the job. Modern methods are also called behavioural methods. They are frequently more useful for providing employees with developmental feedback.

I. Assessment Centres:

In the 1930s, the concept of assessment centres was initially applied to military situations in the German army and the War Office Selection Board of the British Army in 1960s. The basic purpose of this method was to examine the candidates in the social situation, using the variety of procedures and a number of assessors. Earlier, assessment centres were being used for executive hiring but these days these centres are used for the purpose of evaluating supervisory or executive potential.

II. Human Resource Accounting:

From all the resources used in the business organisation, the most valuable resource is the human resource because the efficiency of all the resources depends upon it. Like other assets, these can also be measured in terms of money.

In human resource accounting, the money value is attached to the value of firm's internal human resources and its external customer goodwill. In human resource accounting, the performance of the employees is judged in terms of cost incurred and contributions made by the employees.

III. Behaviourally Anchored Rating Scale (BARS):

An approach that has received considerable attention by academics in past years involves BARS. This method uses critical incidents to serve as anchor statements on the scale. A BARS rating form, usually contains 6 to 10 specifically defined performance dimensions each with five or six critical incident anchors. The dimensions have both negative and positive job- related critical incidents. These scales combine major elements from the critical incident and adjective rating scale approaches.

IV. Management by Objectives (MBO):

It was Peter F. Drucker who first gave the concept of MBO to the world way back in 1954 when his book The Practice of Management was first published. MBO is a philosophy of management in which employees establish objectives through consultation with their superiors and then these objectives are used as the basis for evaluation. MBO is a system involving a cycle that begins with setting the organisation's common goals and objectives.

V. 360 Degree Feedback:

In this method of performance appraisal, information is collected from all persons around the employees — superiors, subordinates, peers, and internal and external customers. Hence, the title 360 degree feedback. The feedback is usually used for determining training and development needs rather than the compensation revision. The appraiser, listed earlier, complete survey questionnaires on the individual.

10. Write the Advantage and Disadvantage of Performance Appraisal

(A) Advantages of Performance Appraisals:

Documentation: A PA provides a document of employee performance over a specific period of time. It's a piece of paper that can be placed in an employee file.

Structure: This process creates a structure where a manager can meet and discuss performance with an employee. It forces the uncomfortable conversations that often need to happen.

Feedback: Employees crave feedback, and this process allows a manager the opportunity to provide the employee with feedback about their performance and discuss how well the employee goals were accomplished. It also provides an opportunity to discuss employee development opportunities.

Clarify Expectations: Employees need to understand what is expected of them and the PA process allows for a manager to clarify expectations and discuss issues with their employee.

Annual Planning: It provides a structure for thinking through and planning the upcoming year and developing employee goals.

Motivation: The process should motivate employees by rewarding them with a merit increase and as part of a comprehensive compensation strategy.

(B) Disadvantages of Performance Appraisals:

Creates Negative Experience: If not done right, the performance appraisal can create a negative experience for both the employee as well as the manager. Proper training on process and techniques can help with this.

Time Consuming: Performance appraisals are very time consuming and can be overwhelming to managers with many employees. I've known managers who were responsible for doing an annual PA on hundreds of employees.

Natural Biases: Human assessment are subject to natural biases that result in rater errors. Managers need to understand these biases to eliminate them from the process.

Waste of Time: The entire process can be a waste of time if not done appropriately. Think about the time investment when the end result is negative. It is time wasted on all fronts.

Stressful Workplace: Performance appraisals can create stressful work environments for both employees and managers. Proper training can help to reduce the stress involved in the process.

Finally, performance appraisals are only as good as the performance management system it operates within. Organizations that only do performance appraisals for the sake of doing them are wasting their time.

But organizations that incorporate performance appraisals into a comprehensive performance management system and use them to implement business goals have an advantage for accomplishing their goals and ultimately their strategic plan.