Human Resource Management

UNIT-I

2 MARKS

1. Define HRM?

"*HRM is concerned with the most effective use of people to achieve organisational and individual goals*".

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-Invancevich and Glueck

</div>

2. How the HRM is action oriented?

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

3. Mention any three challenges of HRM?

- ✓ *Knowledge Management*
- ✓ *Market Challenges*
- ✓ *New Technology*

4. Define Personnel Management?

"*Personnel management is that part of management process which is primarily concerned with the human constituents of an organization*".

<div align="center">

-E.F.L. Breach

</div>

5. What is EPSS?

- ✓ **E**lectronic **P**erformance **S**upport **S**ystem *will provide online coaching and mentoring services.*
- ✓ *Manager and Employee can access organizational knowledge through an EPSS application.*
- ✓ *It also provides manager a very effective tool to communicate and establish employee key result areas, objectives, and required competencies.*

6. What is E-Payroll?

  ✓ *E-Payroll models automatically collect data regarding employee attendance and work record for the purpose of evaluating work performance.*

  ✓ *They calculate various deductions including tax, and generate periodic pay-cheques and tax reports.*

7. Mention any four operational role of HR manager?

  ✓ *Recruiter*

  ✓ *Trainer and motivator*

  ✓ *Mediator*

  ✓ *Employee Champion*

8. Define HR policies?

  "*HR policies are a set of proposals and actions that act as a reference point for managers in their dealings with employees***"**

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-Brewster and Ricbell

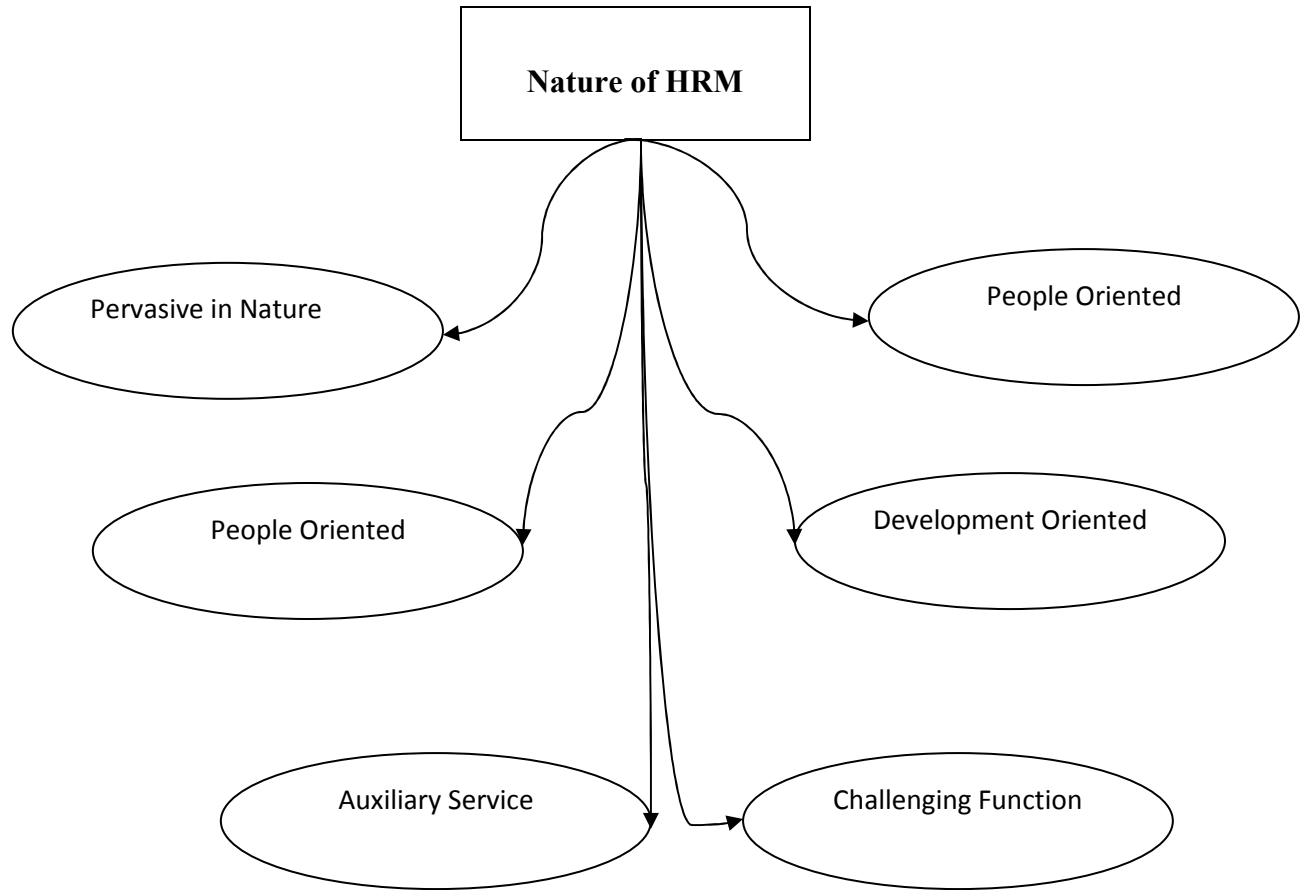</div>

9. Mention any five types of policies?

  ✓ *Originated Policies*

  ✓ *Implied Policies*

  ✓ *Imposed Policies*

  ✓ *General Policies*

  ✓ *Written Policies*

10. What is the Strategic role of HR manager?

  ✓ *Strategic Partner*

  ✓ *Change Champion*

1. **Nature of HRM?**

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                    │   Nature of HRM     │
                    └─────────────────────┘
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(Pervasive in Nature)   (People Oriented)

(People Oriented)   (Development Oriented)

(Auxiliary Service)   (Challenging Function)

2. **Evolution of Human Resource Management?**

   ❖ *Industrial Revolution*

   ❖ *Scientific Management*

   ❖ *Trade Unionism*

   ❖ *Human Relations Movement*

   ❖ *Human Resource Approach*

3. **Scope of Human Resource Management?**

   ❖ *Training and Development*

   ❖ *Procurement*

   ❖ *Job analysis and Job Description*

   ❖ *Remuneration / Rewards*

   ❖ *Personnel Records*

   ❖ *Welfare*

   ❖ *Industrial Relations*

4. **Why Human factor is important?**

   ❖ *Activate Non – Human Resources*

   ❖ *Develops competitive Advantages*

   ❖ *Acts as a Sources of Creative Energy*

5. **Importance of HRM?**

   ❖ *Individual Level*

   ❖ *Professional Level*

   ❖ *Social Level*

   ❖ *Corporate Level*

   ❖ *National Level*

6. **Computer Applications in Human Resource Management?**

   ❖ *E-Recruitment / Applicant Tracking*

   ❖ *E-Training*

   ❖ *Electronic Performance Support System*

   ❖ *E-Payroll*

❖ *E-Benefits*

❖ *E-Self Service Human Resource*

❖ *E-Time and Labour*

❖ *Telecommuting / Teleworking*

❖ *E-Enterprise Human Resources*

7. Difference between Personnel Management and HRM?

Basis of Difference	Personnel Management	HRM
1. **Employement Contract**	*Careful declination of written contracts*	*Aim to go beyond contract*
2. **Rules**	*Importance of devising clear rules*	*Can do, outlook, impatience with rule.*
3. **Guide to Management Action**	*Procedures*	*Business Road*
4. **Behaviour Referent**	*Norms / Customs and Practices*	*Values / Mission*

5. **Managerial Task**	Monitoring	Nurturing
6. **Key Relations**	Labour Management	Customer
7. **Management Role**	Transactional Leadership	Transformational leadership
8. **Pay**	Job Evaluation (Fixed Grades)	Performance related
9. **Communication**	Indirect	Direct
10. **Job Design**	Division of labour	Team Work
11. **Labour Management**	Collective-bargaining contracts	Individual Contracts
12. **Speed of decision**	Slow	Fast

8. **Characteristics of sound Human Resource Policies?**

   ❖ *Related to Objective*

   ❖ *Easy to Understand*

   ❖ *Precise*

   ❖ *Stable as well as Flexible*

   ❖ *Based on Facts*

   ❖ *Appropriate Number*

   ❖ *Just, Fair and Equitable*

- ❖ *Encourage Self – Development*

- ❖ *Reasonable*

- ❖ *Review*

9. Formulation of Human Resource Policies?

1. *Identifying the Need*

⬇

2. *Gathering Information*

⬇

3. *Examining Policy Alternatives*

⬇

4. *Putting the policy in writing*

⬇

5. *Getting Approval*

⬇

6. *Communicating the policy*

⬇

7. *Evaluating the policy*

10. Scope of Human Resource Planning?

- ❖ *Employment*

- ❖ *Training and development*

- ❖ *Transfer and Promotions*

- ❖ *Compensation*

- ❖ *Working Conditions*

- ❖ *Employee Services and Welfare*

- ❖ *Industrial Relations*

11. Need of Human Resource Policies?

- ❖ *Provide definite Guidelines to Achieve consistent treatment of all employees*

- ❖ *Serve as standards of Performance*

- ❖ *Helps to build employee enthusiasm and Loyalty*

- ❖ *Serves as a Management Tool*

UNIT II

2MARKS:

1. What is human resource planning?

Armstrong defines human resource planning (HRP)
'Both quantitative and qualitative process of ensuring that the organisation has the right people at the right time
doing the right job'. The emphasis is on employee competencies and their stability rather
than the precision of the numbers obtained through rigorous forecasting techniques. <u>Pattanayak considers</u>,
HRP as a process of analysing an organisation's
Human resource needs under changing conditions, and developing the solutions
Necessary for satisfying those needs. Therefore, an organisational mission, goals, objectives,strategies and policies must guide HRP.

2. What is forecasting in human resource requirements?

Forecasting human resource demand is the process of estimating the future human resource requirement of right quality and right number. As discussed earlier, potential human resource requirement is to be estimated keeping in view the organisation's plans over a given period of time.

By the consideration of:

- replacement needs of employees due to death,
- resignations,
- retirement termination;
- productivity of employees;
- growth and expansion of organisation;
- Absenteeism and labour turnover.

3. What is mean by labour market?

Description: A **labour market** in an economy functions with demand and supply of **labour**. A **labour market** is the place where workers and employees interact with each other. In the **labour market**, employers compete to hire the best,

and the workers compete for the best satisfying job. Description: A **labour market** in an economy functions with demand and supply of **labour**.

4. What you mean by labour demand forecost?

Labour demand forecast examines the present and future needs **(looking at the activitiesand budgets, current inventory of staff, known waste, and human resource programmes).**

depending on the organisation's vision, mission, goals and objectives, human resource managers will use these findings to forecast and plan how such demand will be met.

5. What you mean by labour supply forecast?

Labour supply forecast deals with the identification of the existing human resources,
the likely effect of changing working conditions if any, and sources of internal and external
labour supply. The data from labour demand and supply forecast are compared and decisions are made in the process of human resource planning.

6. What is ratio trend analysis in HRP?

Ratio analysis is the beginning of HR forecasting; it is not the entire *process*

Ratio analysis is the **process** of determining the future demand for human resources by calculating the ratio between a particular business variable and the number of employees a company needs. It especially helps you forecast those growth-driven personnel needs.

Ratio analysis is one *means* of ensuring that you have the right amount of employees for the amount of work by determining the number of employees needed based on some element of production or sales.

7. levels of human resource management?

- Review the stock of labour in the base year.
- Translate the annual economic growth in terms of labour requirement
- Consider the attrition rate due to retirement, deaths etc,
- Consider the number of people leaving schools, colleges etc.
- Monitor the unemployment rate,
- Fill the gap between demand and supply by proposing action to be taken at certain times in the planning stage.

- Planning propositions may include emphasis on training in certain disciplines;
- controlling attrition rate, which may be a result of HIV Aids through national campaigns, or altering the retirement age.

8. what is 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"

Interview is the widely used (election method. It is a face-to-face interaction between interviewee and interviewer. If handled carefully, it can be a powerful technique in having accurate information of the interviewee.

9. What is recruitment?

In human resource management, "recruitment" is the process of finding and hiring the best and most qualified candidate for a job opening, in a timely and cost-effective manner.

It can also be defined as the "process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organization"..

10. What is induction in HRM?

An **induction** programme is the process used within many businesses to welcome new employees to the company and prepare them for their new role. It helps in the effective integration of the employee into the organization.

It aims to:

- To smoothen the preliminary stages for a better start up.
- To establish a favourable attitude to the organisation.
- To obtain effective output as early as possible.

11. Equal opportunity?

Equal opportunity means that members of a protected group or class must be employee without being subjected to various forms of unfair discrimination. The discrimination could be based on race, gender, age, or disability

12.what is application pool blank application?

Application pool	Blank application
Applicant *Pool*. An applicant *pool* can be defined as the total number of people who have applied for a single position by sending their resume and/or a filled *application* form.	**Application blank** is most commonly used to collect information from the applicants. ... When an applicant submits his **application blank**, he provides a brief bio-data about himself to the organization

. **13. What is test in selection process?**

Selection tests are popularly known as pshychological tests as they are measure the psychological characteristics of a person.

It is an instrument designed to measure various characteristics of the candidatesnot disclosed by their employment application form.

It is essentially an objective and standardized measure of a sample of behavior.

14. socialization, orientation,placement:

Socialization	Orientation	placement
Socialization is an adoption of process that takes place as new employees attempt to learn inculcate norms and values.therefore, it is an adaptive process,required	Orientation is the process of introducing a new employee to an organization,and the organization to the employee by providing him the relevant information.	Placement is essentially a process of matching jobs and individuals and placement occurs when a job is assigned to an individual.

15. Types of tests in interview?

Main tests	Common tests	No.of tests
Ability test	Numerical reasoning tests.	Ability test
Personality tesy	Verbal reasoning tests	Achievement test
Intrest test	Intray exercises.	Apptitude test
	Diagrammatic tests.	Personality test
	Situational judgement	Thematic test

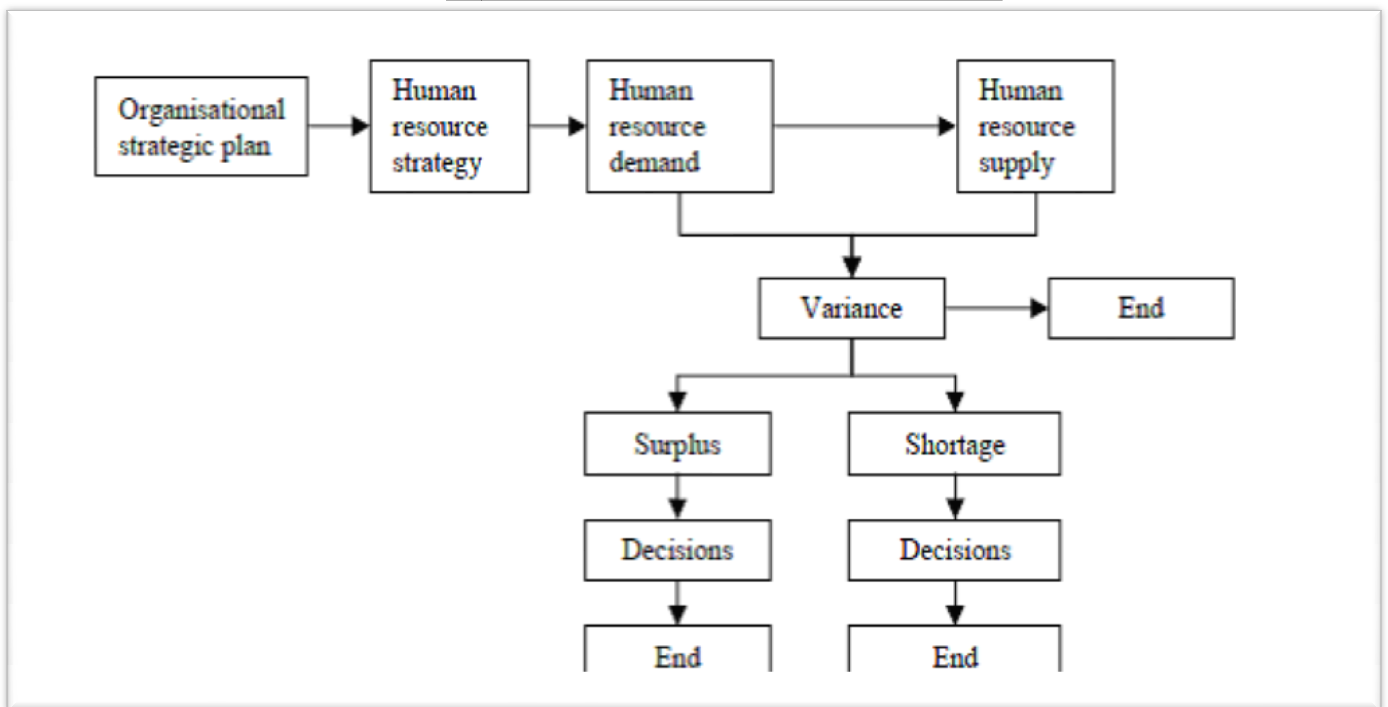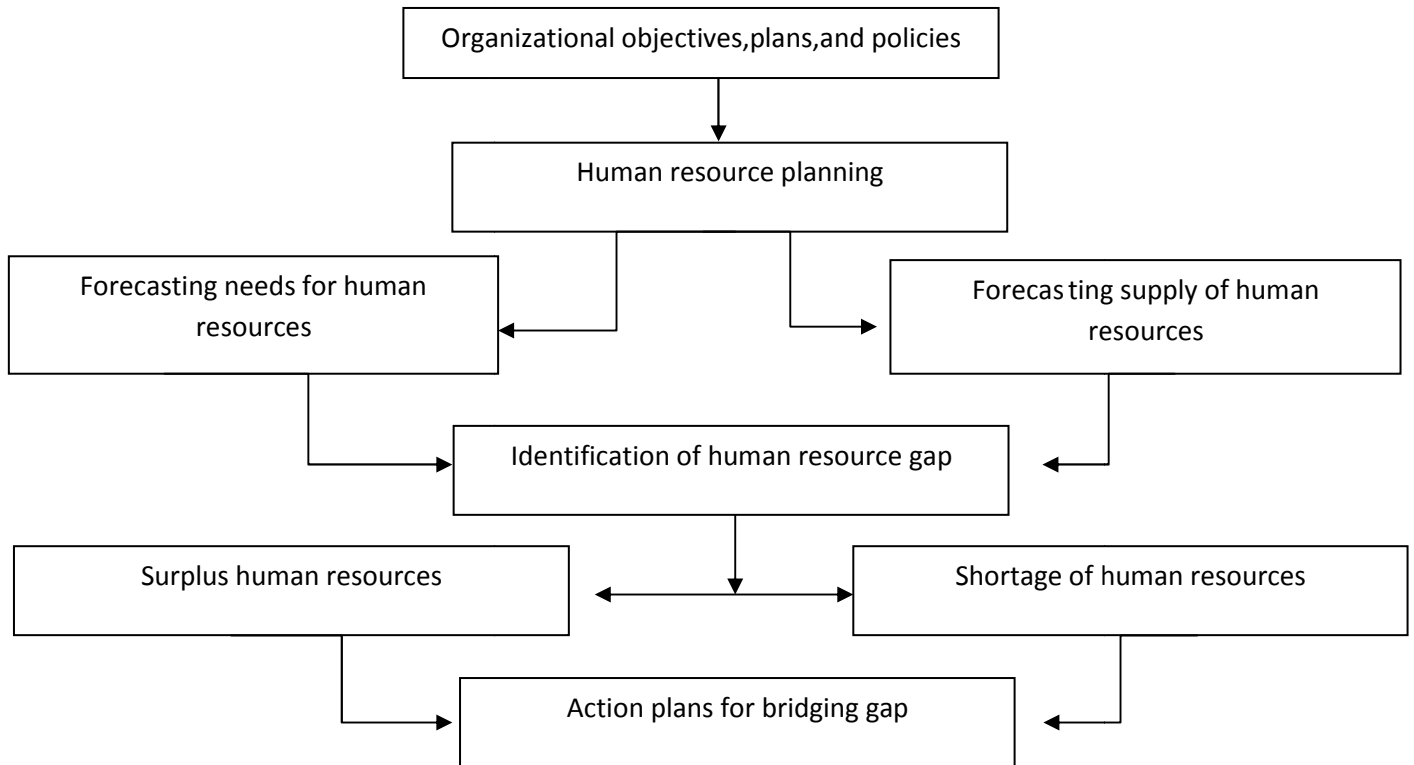|	tests	
	Inductive reasoning tests.	Myers-briggs type indicator
	Cognitive ability tests.	Intrest test
	Mechanical reasoning tests	
	Watson Glaser tests.	
	Abstract reasoning tests.	
	Spatial awareness tests.	
	Error checking tests.	

5marks/10marks:

1.Importance of human resource planning

- ✓ Defining future human resource need
    - Future human resource need
    - Recruiting and developing human resources
- ✓ Coping with changes
    - Every organisation is trying to coplete on the basis of technology and managerial talents which have resulted in global talent war.
- ✓ Providing base for developing talents
    - (I) Increasing emphasis on knowledge
- ✓ Forcing top management to involve in HRM
    - (I) Active involvement of top management in the preparation of human resource plans,it is expected to appreciate the real value of human resources in achieving organisational effectiveness.

2. Techniques for forecasting human resource needs:

- ✓ Managerial judgement method
- ✓ Delphi technique
- ✓ Work study technique
- ✓ Ratio trend analysis
- ✓ Statistical and mathematical models

3. The process of human resource planning

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                    │ Organizational objectives,plans,and policies │
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                    │         Human resource planning          │
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│ Forecasting needs for     │                    │ Forecasting supply of     │
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│  Surplus human resources  │ ◄───────────────► │ Shortage of human resources│
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            │        Action plans for bridging gap         │
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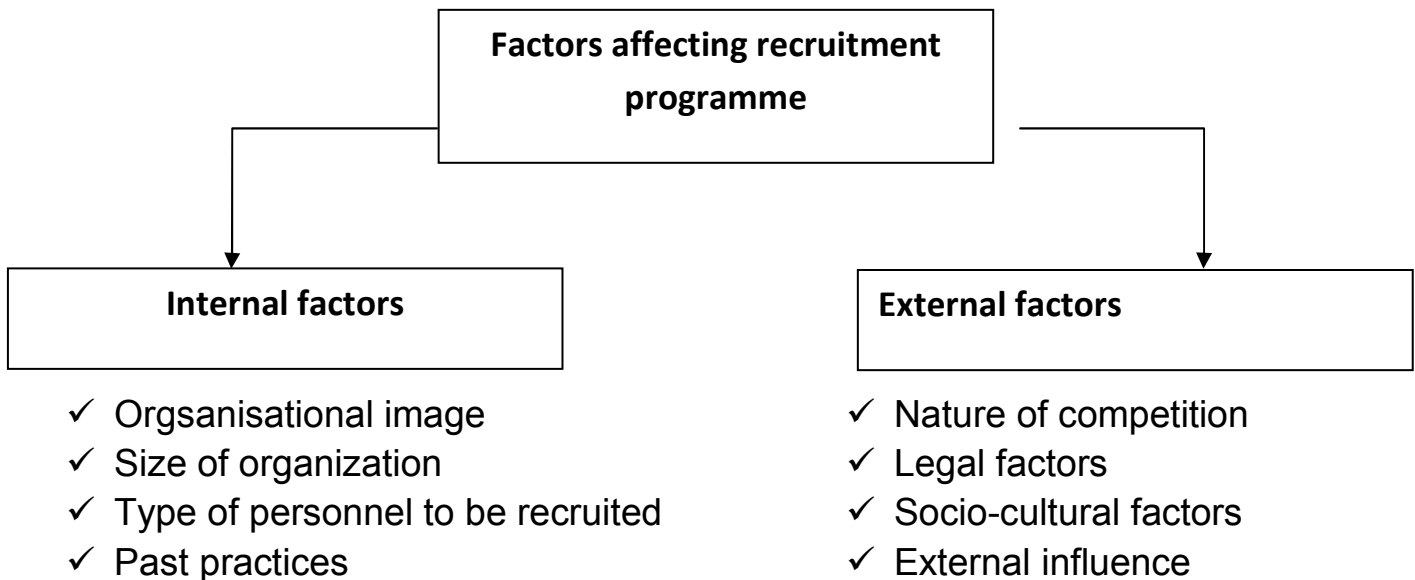# 4. Barriers to effective human resource planning

- ✓ Improper linkage between hr planning and corporate sratergy
- ✓ Inadequate appreciation of hr planning
- ✓ Rigidity in attitudes
- ✓ Environmental uncertainty

✓ Conflict between long-term and short-term HR planning
✓ Inappropriate HR planning

5. Purpose and importance of recruitment

✓ Recruitment determines the present and future human resource requirements of the organization in conjunction with human resource planning activities and job analysis activities.
✓ It helps to increase the pool of potential personnel and the organization has number of options to choose from
✓ It helps in increasing the success rate of the section process by filtering the numer of underqualified or overqualified job applicants
✓ It reduces the porobability that applicants,once selected and made available to the organization,leave it after a short period of time
✓ It helps In evaluating the effectiveness of various recruitmenttechniques and sources of recruitment.
✓ It helps to meet the organization's legal and social obligations regarding composition of its workers.

6. Factors affecting recruitment programme

Factors affecting recruitment programme

Internal factors

✓ Orgsanisational image
✓ Size of organization
✓ Type of personnel to be recruited
✓ Past practices

External factors

✓ Nature of competition
✓ Legal factors
✓ Socio-cultural factors
✓ External influence

7. Methods of recruiting

✓ Intrernet recruitment
✓ Walk-in
✓ Campus recruitment
✓ Job fairs

- ✓ Consultancy firms
- ✓ Personel contacts
- ✓ Poaching and raiding

Methods by operative

- ✓ Public employement exchanges
- ✓ Labour unions
- ✓ Employee referrels
- ✓ Gate hiring
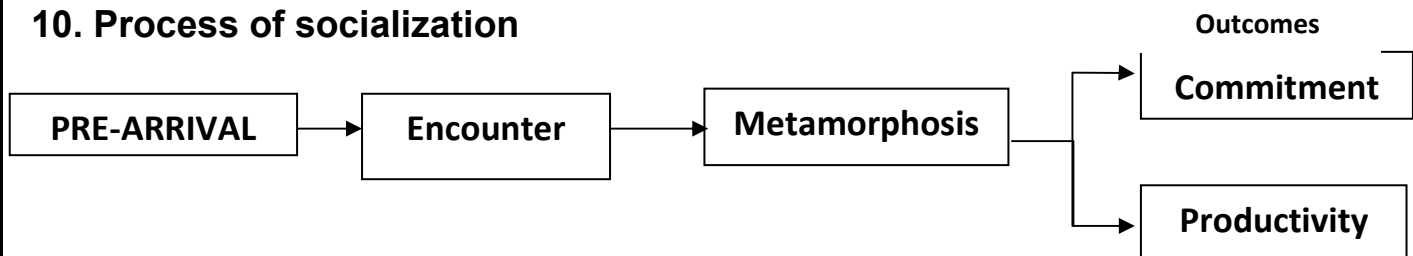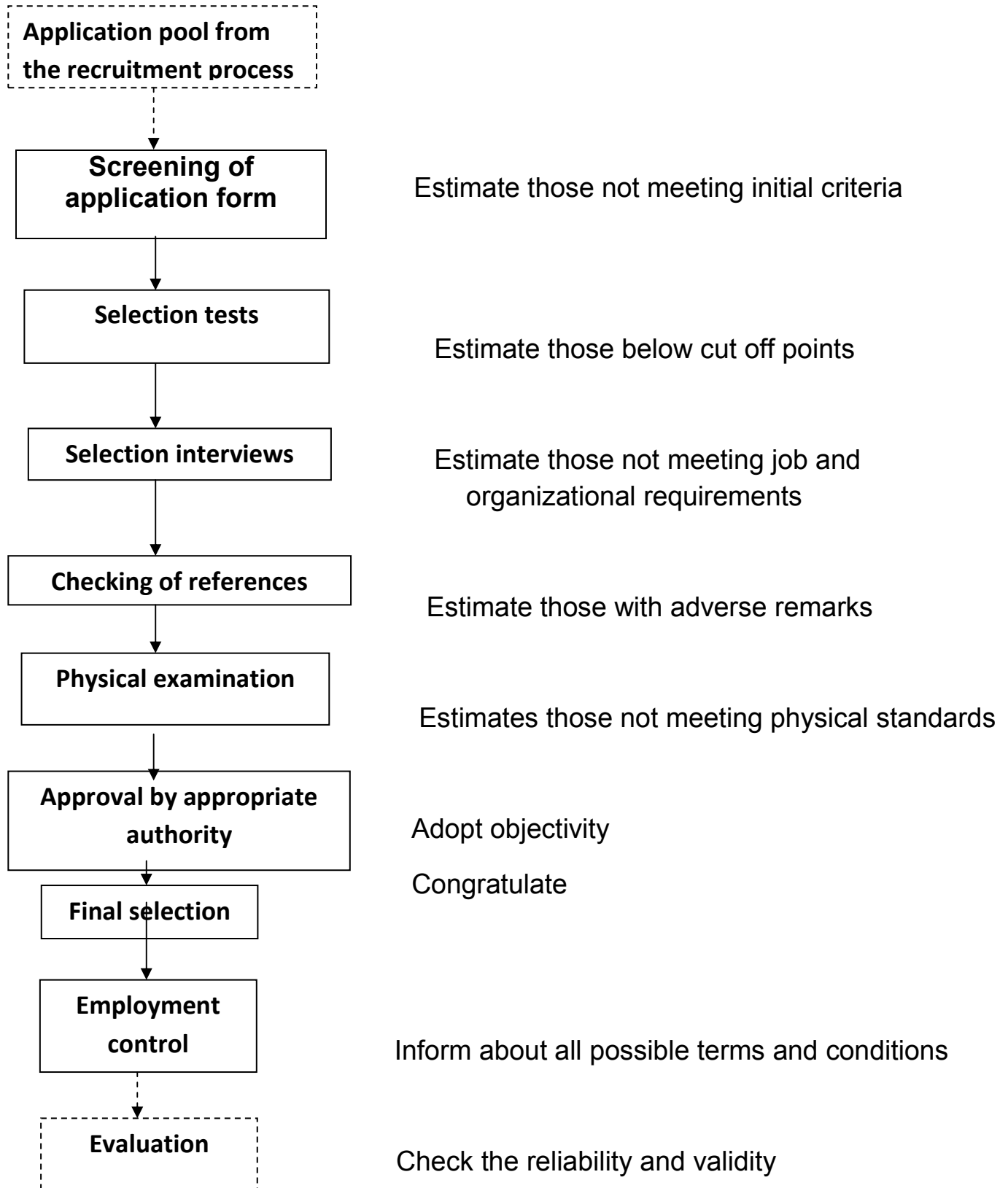- ✓ Labour contractors
- ✓ Application pool

8. Recruitment process

| Recruitment planning | → | Sources of recruitment | → | Contacting sources | → | Application pool | → | To selection process |
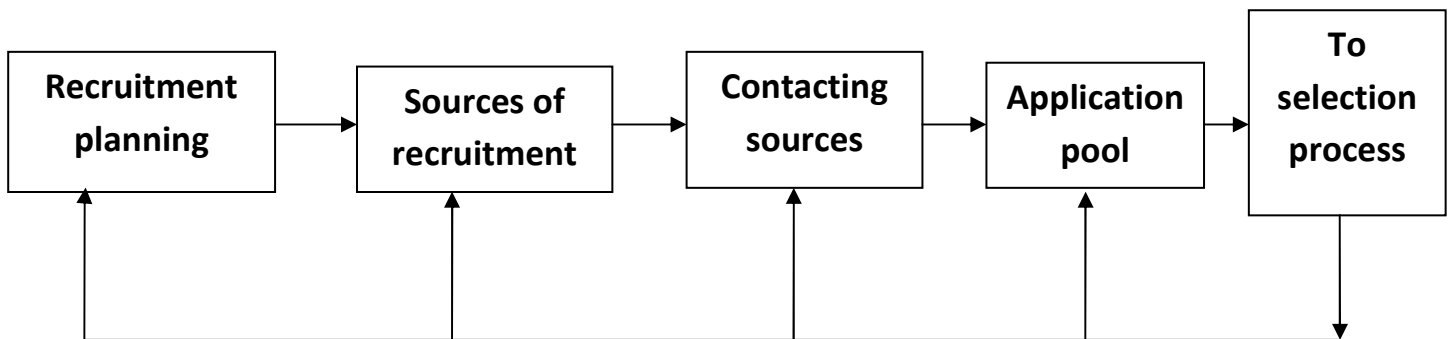
9. Importance of socialization

- ✓ Company culture/corporate culture
- ✓ Motivation
- ✓ Team-building activities
- ✓ Employment situation
- ✓ Rules and policies
- ✓ Compensation and benefits
- ✓ Dealing with change

10. Process of socialization

Outcomes

PRE-ARRIVAL → Encounter → Metamorphosis → Commitment

Productivity

11. Steps involved in selection process

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  Application pool from
  the recruitment process
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│      Screening of      │        Estimate those not meeting initial criteria
│   application form     │
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│    Selection tests     │        Estimate those below cut off points
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│  Selection interviews  │        Estimate those not meeting job and
└───────────────────────┘            organizational requirements
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            ▼
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│ Checking of references │        Estimate those with adverse remarks
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            │
            ▼
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│  Physical examination  │        Estimates those not meeting physical standards
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│ Approval by appropriate│        Adopt objectivity
│       authority        │
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│    Final selection     │
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│      Employment        │
│       control          │        Inform about all possible terms and conditions
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      Evaluation                  Check the reliability and validity
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UNIT-3

TRAINING

2 marks:

1.What is training?

Training is a short- term educational process and utilising a systematic and organised procedure by which employees learn technical knowledge and skills for a definite purpose.

2.Definition of training?

According to Dale S.Beach, The training as "the organised procedure by which people learn knowledge and /or skill for a definite purpose".

3.What is assessment of training needs?

Training needs are identified on the basis of organisational analysis, job analysis and manpower analysis. Training needs are those aspects necessary to perform the job in an organization in which employee is lacking attitude/ aptitude ,knowledge and skill.

4. What is on-the job training ?

It has the advantage of givingfirst hand knowledge and experience un der the actual working conditions. It includes job rotation, coaching, job instruction or training through step – by-step and committee assignments.

5.What is job rotation?

This type of training involves the movement of the trainee from one job to another. The trainee receives job knowledge and gains experience from his supervisor or trainer in each of the different job assignments.

6.What is coaching?

The trainee is placed under a particular supervisor who function as a coach in training the individual. The supervisor provides feedback to trainee on his performance and offers him some suggestions from improvement.

7. What is Job Instruction?

This method is also known as training through step by step. Under this method, the trainer explains to the trainee the way of doing the jobs, job knowledge and skills and allows him to do the job.

8. What is Committee Assigments?

Under the committee assignment a group of trainees are given and asked to solve an actual organisational problem

9. What is Internship?

Internship is one of the on-the-job training methods. Individuals entering industry in skilled trades like machinist, electrician and laboratory technician are provided with through instruction though theoretical and practical aspects. For example, BHEL.

10. Characteristics of Instructors?

- *In-depth Knowledge*
- *Adaptability*
- *Sincerity*
- *Sense of humour*
- *Interest*
- *Clear instructions*
- *Individual assistance*
- *Enthusiasm*

11. Evalution of training programme?

It is defined as any attempt to obtain information on the effort of training performance and to assess the value of training in the light of that information.

12. What is Learning?

Training programme, trainer's ability and trainee ability are evaluated on the basis of quantity of content learned and time in which it is learner's ability to use or apply the content he learned.

13.What is Job Behaviour?

This evaluation includes the manner and extent to which the trainee has applied his learning to his job.

14.What is Employee Self Initiative?

Employees have realized that change is the order of the day and they have started playing the role of an change agent. Consequently, employees identify their own training needs, select appropriate training programmes organized by various organisations and undergo the training programmes.

15. What is On-Line Training?

Companies started providing on-line training. Trainees can undergo training by staying at the place of their work. Participants complete course work from wherever they have access to computer and internet. Different types of media are used for on-line training.

16.What is Orientation Training?

Orientation training is also called induction training. Orientation training is to orient the employee to the new job, organisation, superiors, subordinates, customers and colleagues.

17. What is Diversity Training?

The number of employees from varied ethnic groups as well as diverse backgrounds bring varied knowledge that helps the organisation in making accurate and efficient decisions.

18.What is Management Development?

Management development is a systematic process of growth and development by which the managers develop their abilities to manage. So, it is the result of not only participation in formal courses of instruction but also of actual job experience.

19. What is Under Study?

"An under study is a person who is in training to assume at a future time, the full responsibility of the position currently held by his superior".

20. What is Multiple Management?

Multiple Management is a system in which permanent advisory committees of managers study problems of the company and makes recommendations to the higher management. It is also called junior-board of executives system.

21.What is The Case Study?

Cases are prepared on the basis of actual business situations that happened in various organisations. The trainees are given cases for discussing and deciding upon the case. Then they are asked to identify the apparent and hidden problems which they have to suggest solutions.

22. What is Role Playing?

A problem situation is simulated by asking the participants to assume the role of a particular person in the situation. The participant interacts with other participants assuming different roles. The mental set of the role is described but no dialogue is provided.

23.What is Sensitivity Training?

- *Increased openness with others*
- *Greater concern for others*
- *Increased tolerance of individual differences*
- *Less ethnic prejudice*
- *Understanding of group processes*
- *Enhanced listening skills*
- *Increased trust and support*

24.What is Conferences?

A conference is a meeting of several people to discuss the subject of common interest. But contribution from members can be expected as each one builds upon ideas of other participants. This method is best suited when a problem has to be analysed and examined from different viewpoints.

25. What is Behaviour Modelling?

It is an approach that demonstrates desired behaviour and provides trainees the chance to practice and role play/imitate those behaviours and receive feedback.

26. What is Evaluation of Management Development Programmes?

It should be evaluated in order to find out whether the objectives of the programmes are achieved or not. The development programmes would be effectives, if they contribute to the organisational group and individual goals.

27. What is team training?

Organisations, today, mostly rely on team work and team management to achieve goals. Team work is more prevalent in all kinds of activities including production, marketing, customer relationship, supply chain and finance. Teamwork results in synergy and produces greater efficiency for organisational success.

5 & 10 Marks:-

1. Need for Training?

- *To match the Employee Specifications with the Job Requirements and Organisational Needs*
- *Organisational Viability and the Transformation Process*
- *Technological Advances*
- *Organisational Complexity*
- *Human Relations*
- *Change in the Job Assignment*

2. Training Objectives?

- *To prepare the employee, both new and old to meet the present as well as the changing requirements of the job and the organisation.*
- *To prevent obsolescence.*

- *To impart the new entrants the basic knowledge and skills they need for an intelligent performance of a definite job.*
- *To prepare employees for higher level tasks.*
- *To build up a second line of competent officers and prepare them to occupy more responsible positions.*
- *To develop the potentialities of people for the next level job.*
- *To ensure smooth and efficient working of a department.*
- *To ensure economical output of required quality.*
- *To promote individual and collective morale, a sense of responsibility, co-operative attitudes and good relationships.*

3.Methods used in training needs assessment:-

METHODS USED IN TRAINING NEEDS ASSESSMENT	
Group or Organisational analysis	**Individual analysis**
Organisational goals & objectives	*Performance appraisal*
Personnel/skills inventories	*Work sampling*
Organisational climate indices	*Interviews*
Efficiency indices	*Questionnaires*
Exit interviews	*Attitude survey*
Work planning system	*Training progress*
Quality circles	*Rating scales*
Customer survey data	*Observation of behaviour*
Consideration of current and projected changes	

Individual	*Group*	*Organizational*
Training	*TrainingTraining*	
needs	*needsneeds*	

 Training needs = Job and organisational requirement – Employee's specifications.

4. Training methods:-

Training methods

ON-THE-JOB TRAINING   OFF-THE-TRAINING

- *Job rotation*   - *vestibule training*
- *Coaching*   - *role playing*
- *Job instruction*   - *lecture methods*
- *Training through step-by-step*   - *conference or*
                                                          discussion

- *Committee assignments*   - *programmed*
  instructions
- *Internships*

5. Advantages of Training:-

1. Increased Productivity:

An increase in skill usually results in an increment in both quality and quantity of output. However, the increasingly technical nature of modern jobs demands systematic training to make possible even minimum levels of accomplishment.

2. Heightened Morale:

Possession of needed skills help to meet such basic human needs as security and ego satisfaction. Collaborate personnel and human relations programmes can make a contribution towards morale, but they are hollow shells if there is no solid core of meaningful work down with knowledge, skill and pride.

3. Reduced Supervision:

The trained employee is one who can perform with limited supervision. Both the employee and supervision want less supervision, but greater independence is not possible unless the employee is adequately trained.

4. Reduced Accidents:

More accidents are caused by deficiencies in people than by deficiencies in equipment and working conditions. Proper training in both job skills and safety attitudes should contribute towards a reduction in the accident rate.

5. Increased Organisational Stability:

The outcomes of training help for organizational stability by enhancing organizations human capital. The ability of an organisation to sustain its effectiveness despite the loss of key personnel can be developed only through creation of a reservoir of employees. Flexibility, the ability to adjust to short-run variations in the volume of work requires personnel with multiple skills to permit their transfer to jobs where the demand is highest.

6. Various Methods of Training Evaluation:-
- *Immediate assessment of trainee'sreaction to the programme.*
- *Trainee'sobservation during the training programme.*
- *Knowing trainee'sexpectations before the training programme and collecting their views regarding the attainment of the expectations after training.*
- *Seeking opinion of the trainee's superior regarding his/her job performance and behaviour before and after training.*
- *Evaluation of trainee's skill level before and after the training programme.*
- *Measurement of improvement in trainees on the job behaviour.*
- *Examination of the testing system before and after sometime of the training programme.*
- *Measurement of trainee's attitudes after the training programme.*
- *Cost-benefit analysis of the training programme.*
- *Seeking opinion of trainee's colleagues regarding his/her job performance and behaviour.*
- *Measurement of levels in absenteeism, turnover, wastage/scrap, accidents, breakage of the machinery during pre and post period of the training programme.*
- *Seeking opinions of trainee's subordinates regarding his/her job performance and behaviour.*

7. Team Training:-

Team Training

Process Skills

- *Meeting*
- *Problem solving*
- *Brain storming*
- *Decision-making*
- *Negotiating*
- *Goal setting*
- *Presentation*
- *Process analysis*
- *Task evaluation*
- *Customer vendor analysis*

behaviour Skills

Member communications

Conflict resolution

Building trust

Establishing norms

Handling difficult members

Diversity awareness

Team development stages

Team issues/concerns

Team benefits

Features of good teams

- *Project planning*   *Negotiations*
- *Information management*
- *Creativity*

8. Characteristics of Effective Diversity Training Programme:-

- *Link the diversity training to organisational strategies.*
- *Engage qualified and experienced trainer.*
- *Training programme should reflect organisational goals.*
- *Use appropriate trainingmethodology based on organisation and groups needs of various diversified groups.*
- *Document individual and organisational benefits*
- *Committee for training should reflect all levels and groups.*
- *Managers should be accountable for achieving the goals of the training.*

9. Objectives of Management Development:-

- *To overhaul the management machinery.*
- *To improve the performance of the managers.*
- *To give the specialists on overall view of the functions of an organisation and equip them to co-ordinate each other's efforts effectively.*
- *To identify persons with the required potential and prepare them for senior positions.*
- *To increase morale of the members of the management group.*
- *To increase versatility of the management group.*
- *To keep the executives abreast with the changes and developments in their respective fields.*
- *To create the management succession that can take over in case of contingencies.*
- *To improve thought process and analytical ability.*
- *To broaden the outlook of the executive regarding his role position and responsibilities.*

10. Need for Management Development Programme:-

- *Techno-managers like basic chemical engineers, mechanical engineers,information/systems engineers need to be developed in the areas of managerial skills, knowledge and abilities.*
- *Efficient functioning of public utilities, transport, communications etc., depend on professionalization of management in the sectors.*

- *Professionalization of management at all levels particularly in service organisations need the development of managerial skills and knowledge particularly at lower and middle levels.*
- *Transmission of communist/socialistic societies into capitalistic economies changed the structure of the principle of business. These changes along with liberalisation, privatisation and globalisation of business changed the principle. Hence, the development of the present managers in these new principles/areas is highly necessary.*
- *Human resources development of the managers in multiple areas necessitates the executive development programme.*
- *The need for management development arises due to providing technical skills and conceptual skills to non-technical managers and managerial skills and conceptual skills to technical managers.*
- *The intensive competition and consequently upon employment of various grand strategies by various business organisations necessitates the development of managers.*
- *The emergence of new concepts in management like Total Quality Management, Enterprise Resources Planning, Business Process Re-engineering Empowerment etc., necessitates the management to offer developmental programmes.*
- *Entry of multinational and transnational corporations brought new trends and strategies for the domestic companies also. These factors necessitated the domestic companies to undertake developmental programmes.*

11. Principle of Management Development:-

- *The management should assess the development needs of its managers at different levels through performance analysis and development methods.*
- *Management should decentralise the responsibility of developing the managers of different departments/units and make the head of the department unit responsible for it.*
- *Management should integrate career planning and development of the organisation with the management development programmes.*
- *Every manager to the organisation should be motivated and empowered to take up developmental programmes.*
- *Management development programme is a continuous process.*
- *Management should encourage the manager to take up programmes on their own in addition to the company sponsored programmes.*

- *Management should make use of the management development programmes organised by outside agencies like IIMs, XLRI etc.*
- *The content of the programme should be need based for the individual manager and the organisation.*
- *The physical, social and psychological climate for the programmes should be conducive.*
- *All managers should be encouraged to undergo development programmes in order to avoid executive obsolescence.*
- *Management development programmes should concentrate on the latest management concepts and principles.*

12. Method of Management Development:-

Important methods of Management Development

On-the-job Techniques   *Off-the-job Techniques*

Coaching   job   Under   Multiple

Rotation   Study   Management

The Case   Incident   Role   In Basket   Business   Sensitivity
Method   Method   Playing   Method   Game   Training

Simulation   Grid   Conferences   Lectures
Training
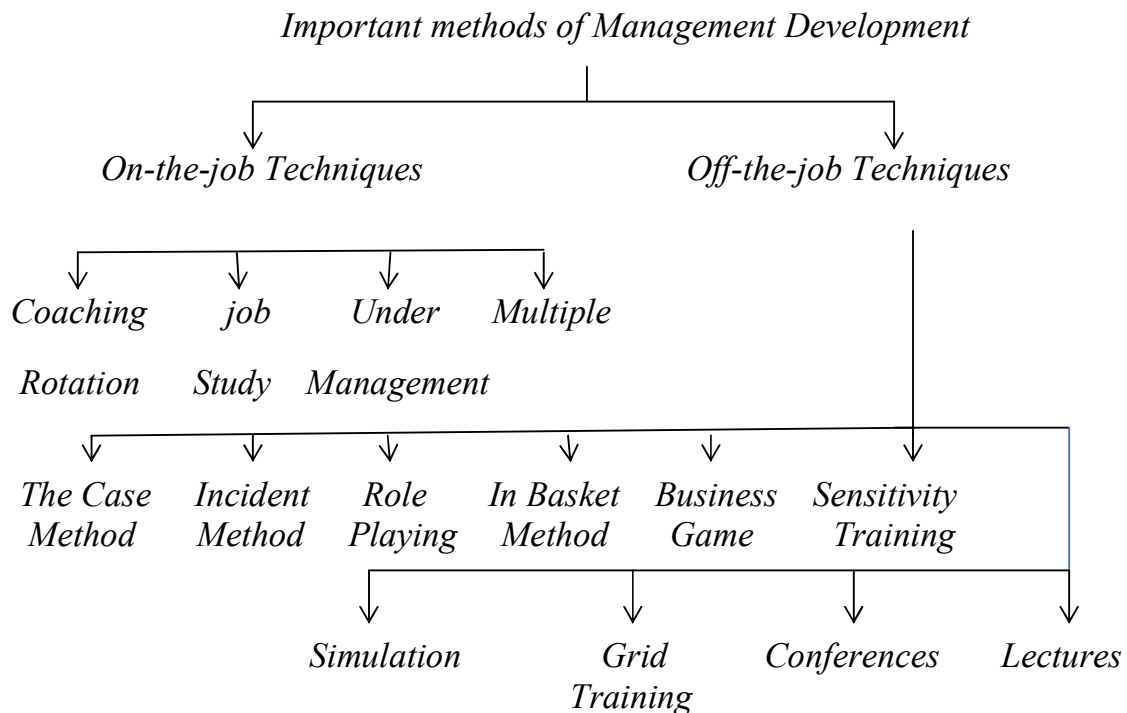
13.Benefits of executive development:-
- *Self-awareness (personal development begins with self – awareness*
- *A sense of direction*
- *Improved focus and effectiveness*
- *More motivation*
- *Greater resilience*
- *More fulfilling relationships.*

14. Suitability of Various Techniques of Management Development:-

SUITABILITY OF VARIOUS TECHNIQUES OF MANAGEMENT DEVELOPMENT	
Technique	**Suitability**
1. *Job Rotation*	*This is particularly useful in the development of diversified skills and to give executives a broader outlook, which are very important to the upper management levels.*
2. *Understudy*	*An understudy is normally chosen with a forethought of making available to the organisation a subordinate who is equal to his superior in the event of retirement, illness or death of superior. The subordinate will be able to take over his position and manager as effectively as his boss could.*
3. *Multiple Management*	*This technique is mainly useful in bringing the managers out of their narrow shells and help them gain a broader outlook and knowledge in different functional areas.*
4. *Case Study*	*In the development of executive and analytical and decision-making skills, this technique is particularly useful.*
5. *IncidentMethod*	*This technique improves one's intellectual ability, practical judgment and social awareness.*
6. *Role Playing*	*Role playing helps executives in understanding people better by giving them vicarious experiences.*
7. *In Basket*	*Situational judgment and social sensitivity are the two important qualities that can be developed with the help of this method.*
8. *Business Games*	*This technique may be used in order to develop organisational ability, quickness of*

thinking and leadership.

9. *Sensitivity Training*   *This helps one know more about himself and the impact of his behaviour on others, which are important to manage people better.*

10. *Simulation*   *Problem solving through decision-making can be developed quite well with the help of simulation.*

11. *Managerial Grid*   *To develop leadership qualities in executives*

    over a long period of time, this technique is adopted.

12. *Conferences*   *The most difficult thing for any one is to change his own attitude. This technique develops the ability of the executives to modify their attitudes, when needed in the interest of the organisation.*

13. *Lectures*   *This is the best technique to give more Knowledge in a short period of time to a large number of participants.*

15.Common practices of executive development:-
     Several key themes and trends emerged consistently throughout the literature review andbenchmarking interviews of agencies and top organizations. The conclusions from the study listed below are hallmarks of successful executive development efforts and can be used as a basis of comparison to evaluate your agency's program:

☐ **Assessments add value**. *Agencies that offer a variety of assessments are able to demonstrate their executives receive a tangible value, irrespective of whether the assessments relate to work, personality, leadership style, or other areas. Agencies thatprovide such assessments generate a great deal of interest and positive feedback fromtheir executives, and executives gain a deeper level of*

self-awareness from assessments. Notably, the private sector consistently uses assessments as the foundation for executives' development.

□ **Experiential learning is key.** *Traditional classroom settings have given way to a much more hands-on, action-oriented approach to development. Executives derive more* **My developmental needs are not being met because of…**
Strongly Agree/Agree
Inability to take time away from the job 70%
Lack of funding 66%
Lack of support from superiors 46%
Appropriate training not offered 42%
Other 18% value out of this type of learning by directly applying knowledge to real problems and situations. This facilitates more effective learning and a greater return on investment by solving actual organizational problems.

□ **Link learning and development opportunities to the organization's mission and strategic goals.**
This may be the number one practice for ensuring the success of development efforts. The skill sets of leaders must align with and support the values and strategic challenges of the agency to build and maintain an effective and efficient organization.
□ **Link learning and development opportunities to performance plans.**
Manysuccessful organizations show commitment to development by linking it closely to theperformance review process. This helps to identify and close skill gaps and to empower employees to take responsibility for their development.

□ **Executive sponsorship is vital.** *Executive endorsement provides credibility to development efforts and helps to build a culture in which employees value learning anddevelopment.*

□ **Support during transitions is crucial.** *The transition to a new leadership role often involves a significant shift and increase in responsibilities, which can create uniquechallenges for the leader. Many organizations offer individualized training to close competency gaps that emerge when executives transition to roles with a new and larger scope of leadership. Agencies are strongly urged to provide a coach and/or mentor to executives who transition to roles with a higher level of leadership or to new roles.*

□ **A blended approach is helpful.** *A blended approach to learning involves the use ofmultiple learning strategies and delivery methods to best meet the needs of the learner. Private organizations tend to offer blended, multifaceted learning programs thatcombine technology-based and traditional instructional methods. This blended approach can enhance learning outcomes and minimize*

costs. When faced with budget limitations, organizations may still offer strong executive developmental programs by leveraging technology and identifying diverse and creative ways to provide learning opportunities

16.Training procedure:-

```
Job and          Evaluate      Identify      Design the     Prepare          Design
organizatio  →   the        →  the        →  training    →  cost budget   →  training
nal analysis     Trainee (s)   training      needs          and foresee      content,
                                                            benefit          teaching
                                                            have cost        method
                                                            benefit          s and
                                                            analysis         media
```

```
Prepare          Preparate     Get ready     Implement      Present          Gain the
the          →   the        →  to leach   →  the training →  the         →  accepta
instructor       trainee                     programme      operations       nce of
                                                                             the
                                                                             program
                                                                             me
```

```
                 Try out the           Evaluate           Update the
                 trainee's         →   the result    →    programme
                 performance
```

UNIT 4

SUSTAINING EMPLOYEE INTEREST

2MARKS:

1] Meaning of reward?

A reward can be defined as any form of gratification that an employee gains from his or her employment with an employer.

2] Definition of reward?

According to **MILLER AND STEINBERG** *"A reward can be defined as any positively perceived physical, economic or social consequence".*

3] Definition of wage?

According to **P.M. STOCHANK,"** *wage is that Labour's remuneration which creates the utility".*

4] Definition of incentives?

According to **BURRACK & SMITH,** *"An incentive scheme is a plan or Programmes to motivate individual for good performance. An incentive is most frequently built on monetary rewards but may also include a variety of non-monetary rewards or prizes".*

5] Definition of Employee benefits?

According to **HENDERSON,"** *Employee benefit is defined as indirect payments employees receive in addition to their direct wages or salaries".*

6] Definition of Motivation?

According to **S.P. ROBBINS,** *" Motivation is the willingness to exert high levels of effort toward organisational goals, conditioned by the effort and ability to satisfy some individual need".*

7] Definition of Career?

According to **HALL** *,"A career can be defined as the individually perceived sequence of work-related experiences and activities over the span of the person's life".*

8] Definition of Career Management?

According to **ARNOLD,** *" Career Management is an attempt made to influence the career development of one of more people".*

9] Definition of career planning?

According to **SCHERMERHORN,"** *Career planning is a process of systematic matching career goals and individual capabilities with opportunities for their fulfilment".*

10] Definition of Mentoring?

According to **COLLIN,"***Mentoring is a one-to-one relationship between a more experienced person and an inexperienced person, until the latter reaches maturity".*

11] Definition of career development?

According to **PIETROFESA AND SPLETE,"** *Career development is an on-going process that occurs over the life span: includes home, school, and community experiences".*

12]Meaning Of Proteges relationship?

The mentor and the protégé are the two participants in mentoring relationships but in the context of workplace, the organisation involves itself as a third entity. It is called the proteges relationship.

5,10. MARKS

1]Types of rewards?

- *Intrinsic vs extrinsic rewards*
- *Financial vs non-financial rewards*
- *Performance vs membership rewards*

2]Importance of rewards?

1. *Acts as source of organisational effectiveness.*
2. *Serves as medium between organisation and employees.*
3. *Motivates employees for better performance.*
4. *Encourages healthy competition and collaboration.*
5. *Helps to differentiate between good and poor performers.*
6. *Stimulates employee involvement.*
7. *Reward as source of innovation.*
8. *Strengthens organisational competitiveness.*
9. *Maintains organisational harmony.*

3]Classification of wages?

- ❖ *Minimum wage*
- ❖ *Living wage*
- ❖ *Fair wage*
- ❖ *Real wage*

4]Types of incentives?

- ➢ *Individual incentives*
- ➢ *Group incentives*
- ➢ *Enterprise incentives*

5]Importance of incentives?

- ✓ *Increases productivity.*
- ✓ *Improves safety.*
- ✓ *Increases morale.*
- ✓ *Increases company loyalty.*
- ✓ *Increases objective achievement.*
- ✓ *Reduces company costs.*
- ✓ *Reduces absenteeism.*
- ✓ *Promotes teamwork.*

6]Nature of motivation?

- ❖ *Motivation is a psychological concept.*
- ❖ *Motivation is a continuous process.*
- ❖ *Motivation is dynamic and situational.*
- ❖ *Motivation is not easily observed phenomenon.*
- ❖ *Motivation is a goal-oriented process.*

7]Types of motivation?

1. *Positive Vs Negative Motivation*
2. *Rational Vs Emotional motivation*
3. *Primary Motivation Vs Secondary Motivation*
4. *Intrinsic Vs extrinsic Motivation*
5. *Financial Vs Non-Financial Motivation*

8]Process of Motivation?

- ❖ *Motive*
- ❖ *Behaviour*
- ❖ *Goal*
- ❖ *Tension Reduction*

9]Application of theories of Motivation?

1) *Rewards*
2) *Job rotation*
3) *Employee involvement programmes*
4) *Management by objectives*
5) *Employee recognition programmes*

10]Career stages?

I. *Exploration stage*
II. *Establishment stage*
III. *Mid-career stage*
IV. *Late career stage*
V. *Decline stage*

12]Principles of Effective Career Management?

- ❖ *Consistency*
- ❖ *Pro-activity*
- ❖ *Collaboration*
- ❖ *Dynamism*

13]Importance of Career Management?

- *It helps in developing good management and leadership skills*
- *It helps to gain confidence*
- *It opens doors of opportunity*
- *It gives chance to show capability*

14]Characteristics of career planning?

1. *Participative process*
2. *Involves survey of employee's abilities and attitudes*
3. *Developmental process*
4. *Continuous process*
5. *Pervasive process*

15]Process of Mentoring?

- *Needs assessment*
- *Programme design*
- *Training*
- *Pairing*
- *Facilitation*
- *Evaluation*

16]Classification of Mentoring Programmes?

- ✓ *Procedural classifications*
    - I. *Formal mentoring*
    - II. *Informal mentoring*
- ✓ *Purposiveclassifications*
    - I. *Career mentoring*
    - II. *Psycho-social mentoring*
- ✓ *Other classification*
    - I. *One-to-one mentoring*
    - II. *Group mentoring*
    - III. *Team mentoring*
    - IV. *Peer mentoring*
    - V. *E-mentoring*

17]Functions of Mentoring?

- ❖ *Career-related or career support function*
    - I. *Sponsorship*
    - II. *Exposure and visibility*
    - III. *Coaching*
    - IV. *Protection*
    - V. *Challenging assignments*
- ❖ *Psycho-social or Emotional support functions*
    - I. *Role modelling*
    - II. *Acceptance and confirmation*
    - III. *Counselling*
    - IV. *Friendship*

18]Importance of Mentoring?

1. *Helps Mentee "Learn the Ropes"*
2. *Helps in career advancement*
3. *Makes Job Interesting and Motivation*
4. *Promotes Learning and Development*
5. *Builds Networking relationships*
6. *Brings sense of achievement*

HUMAN RESOURCE MANAGEMENT

UNIT-V

Two mark Questions

1. What is Performance evaluation?

Performance evaluation is a system of review and measurement of an individual or group work completed the compare with task assigned.

2. What do you mean by Promotion?

According to Edwin flippo "promotion involves a change from one job to another that is better in terms of status and responsibilities".

3. Define Transfer

Transfer is defined as movement of individual from one position to another without involved any changes in status, power, and responsibilities.

4. What is Separation (labour turn over)?

Separation refers to termination of employment due to death, accident, long illness or ending of the contract of an employee.

5. Define Demotion:

According to Ali Balci "Demotion is defined as shifting an employee down to lower levels of position which involve decrease in salary, status, and privilege.

6. Define Controlling:

According to H.Koontz and O'Donnell "Controlling is the measuring and correcting of activities of subordinates to ensure that events conform to plans.

7. What do you mean by Grievances?

Grievances is a complaint of one or more employee in organization about wages, allowances, and working condition, leave, transfer, promotion etc.

8. What are the Types of Promotion?

> - *Horizontal promotion*
> - *Vertical promotion*
> - *Dry promotion*
> - *Open and closed promotion*

9. What is performance feedback?

     Performance feedback is the ongoing process between employee and manager where information is exchanged concerning the performance expected and the performance exhibited .

10. Define job change

     Job change is defined as a move to a different job (different job code and job title) in the same or lower grade which may result in a pay change.

11. Short note on 360 degree performance appraisal

     360 degree appraisal can be defined as the systematic collection and feedback of performance data on an individual or group derived from a number of stakeholders in the performance.

Five and Ten mark Questions

1. **Methods of performance evaluation**

<center>

Methods of performance evaluation

</center>

Traditional/ Past-oriented methods	Modern/future- oriented methods
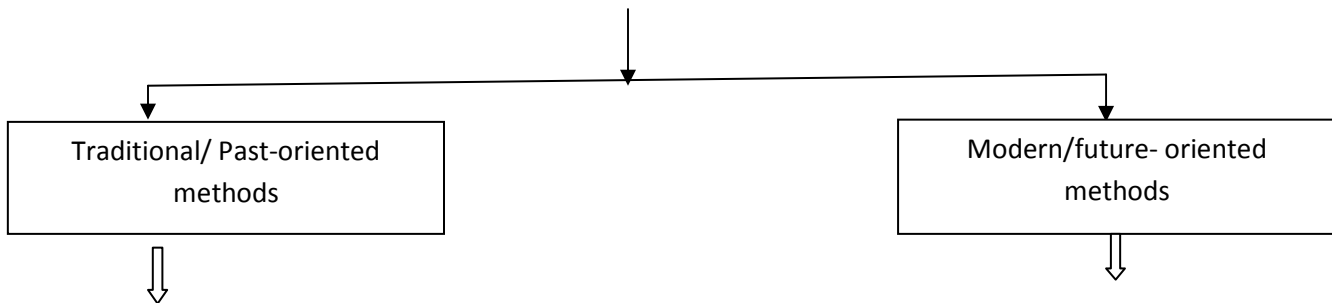
1.Graphic rating scales	*1.Assessment centres*
2.Straight ranking method	*2.360-degree performance appraisal*
3.Paired comparision method	*3. Behaviourally anchored rating Scales(BARS)*
4.Critical incident method	*4.Management by objectives(MBO)*
5.Confidential reports	*5.Psychological appraisals*
6.Group appraisal method	*6.Balanced scorecard*
7.other traditional method	*7. Human resources accounting.*

2. **Types of performance feedback**
   - ❖ *Formal feed back*
   - ❖ *Informal feedback*
   - ❖ *Positive feedback*
   - ❖ *Negative feedback.*

3. **Process of performance feedback**
   - I. *Scheduling performance*
   - II. *Preparing for a feedback session*
   - III. *Conducting the feedback session*
     - a) *Tell –and-sell Approach*
     - b) *Tell-and-listen approach*
     - c) *Problem-solving approach*

4. **Guidelines for Effective performance feedback**
   - ✓ *Make it helpful*
   - ✓ *Be specific*
   - ✓ *Be descriptive*
   - ✓ *Be timely*
   - ✓ *Be flexible*
   - ✓ *Give positive as well as negative feedback*
   - ✓ *Avoid blame or embarrassment*
   - ✓ *Provide constructive feedback*

5. **Types of job change**
   - a) *Internal job change*
     - • *Vertical*
     - • *Horizontal*

     B) *External job change*

6. **Implication and effects of job change**
   1. *Effects of promotion*
   2. *Effects of demotion*
   3. *Effects of transfer*
   4. *Effects of separation*
      - ▪ *Downsizing*
      - ▪ *Lay off*
      - ▪ *Retrenchment*
      - ▪ *Resignation*

7. Process of controlling

Setting Objective $\Rightarrow$ *Establishing standards* $\Rightarrow$ *Measuring performance* $\Rightarrow$ *Comparison of actual performance with Standards*

$\Downarrow$

Correcting Deviations
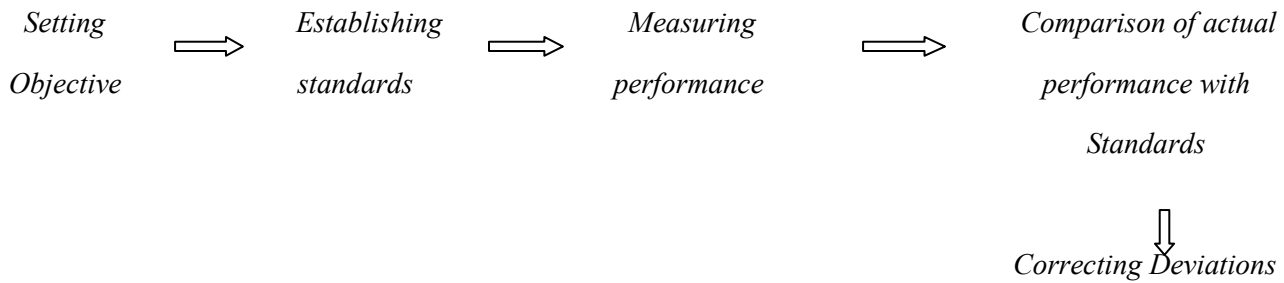
8. Importance of controlling

> *Helps in achieving objectives*
> *Efficient use of resources*
> *Facilitates decision making*
> *Improves employee morale*
> *Helps in achieving better co-ordination*
> *Helps in better planning*

9. Methods of controlling

Methods of controlling

Traditional methods

1. *Personal observation*
2. *Statistical analysis*
3. *Special reports and analysis*
4. *Operational audit*
5. *Break event analysis*
6. *Budget and budgetary control*

Modern methods

1. *Return on investment*
2. *Responsibility accounting*
3. *PERT*
4. *CPM*
5. *Management information system*
6. *Management audit*
7. *Total quality management*
8. *Six-sigma*

10. Requirements of effective control system

❖ *Feedback*
❖ *Objective and measurable*
❖ *Suitable*
❖ *Prompt reporting*
❖ *Forward looking*
❖ *Pointing out expectation*
❖ *Intelligible*
❖ *Motivation*
❖ *Understandable & economical*
❖ *Control by functions & factors*
❖ *Strategic points control*
❖ *Flexible*
❖ *Indicative as well as*
❖ *Correct action at correct time*

11. What are the Causes of grievances?

• *Complaints about wages, salary & incentives schemes*
• *Complaints about job designation or position*
• *Complaints about superior and co-workers*
• *Promotion, transfer*
• *Disciplinary action*
• *Non- availability material in time*
• *Safety and health issues*

12. Implication/effects of grievances

❖ **Production**
  i. *Low quality of production*
  ii. *Low quality of productivity*
  iii. *High wastage of material*
  iv. *High rate of defective, breakage and scrap*
  v. *Increase in the cost of production per unit*

❖ **Employees**
  i. *Lack of interest in work*

   ii. *Low work commitment*
   iii. *Poor morale and motivation*
   iv. *High rate of absenteeism*
   v. *Increased rate of accidents*
   vi. *Increase to labour turnovrer*

❖ **Superior/ managers/ management**
   i. *Poor relationship between workers and superior resulting in conflict*
   ii. *Increase in cases of indiscipline*
   iii. *Increasing in employee unrest*

13. Methods of identifying grievances

  ✓ *Personal observation*
  ✓ *Complaint boxes*
  ✓ *Open door policies*
  ✓ *Exit interview*
  ✓ *Obedient survey*

14. Types of transfer

```
                    ┌──────────────────────┐
                    │   Types of Transfer  │
                    └──────────┬───────────┘
             ┌─────────────────┴─────────────────┐
  ┌──────────────────────┐            ┌──────────────────────┐
  │ On the basis of purpose │          │ On the basis of unit │
  └──────────────────────┘            └──────────────────────┘
```

  1. Production transfer   *1. Sectional transfer*
  2. Replacement transfer   *2. Departmental transfer*
  3. Shift transfer   *3.inter – plan transfer*
  4. Remedial transfer
  5. Versatility transfer
  6. precautionary transfer
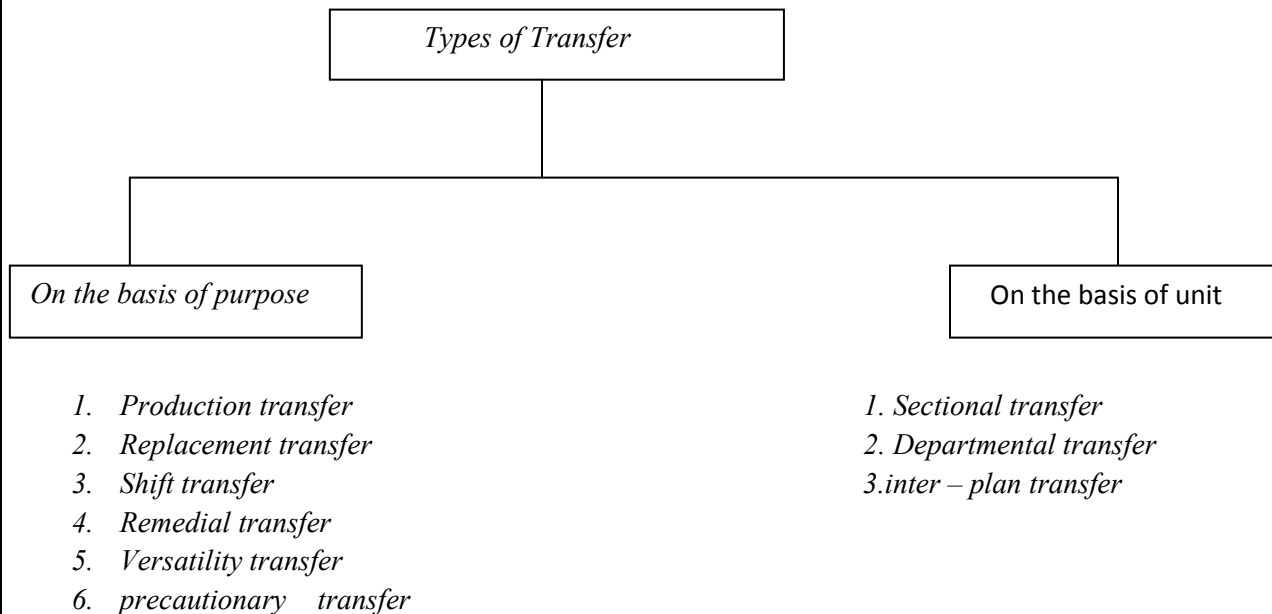
15. Types/ methods of separation

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                    ┌─────────────────────┐
                    │  Types of separation │
                    └──────────┬──────────┘
              ┌────────────────┴────────────────┐
    ┌─────────────────┐              ┌─────────────────┐
    │    Voluntary    │              │   In voluntary  │
    └─────────────────┘              └─────────────────┘
```

1. *Resignation*
2. *Retirement*

1. *Lay off*
2. *Dismissal or discharge*
3. *Retrenchment*
4. *Voluntary retirement scheme*
5. *rightsizing/downsizing*
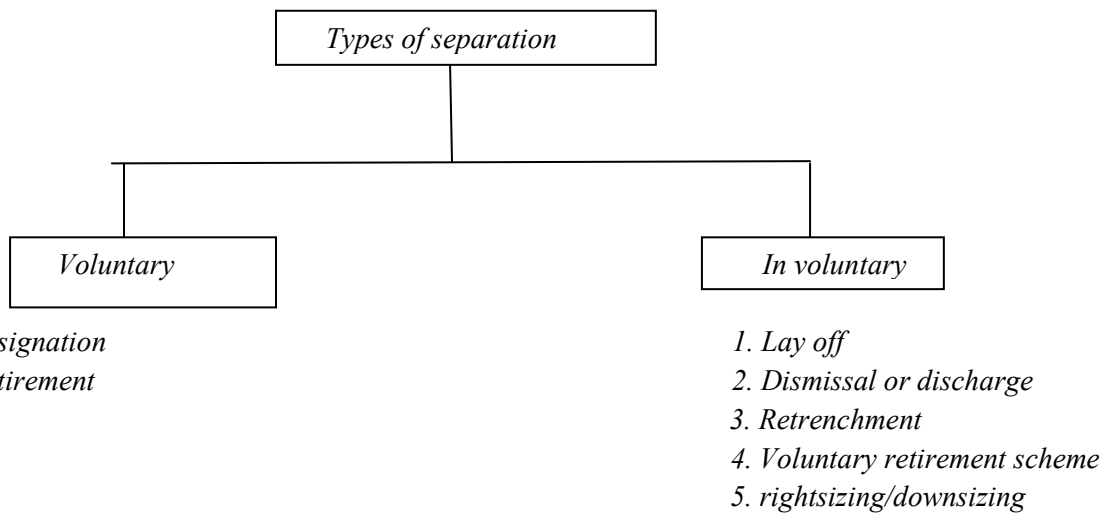
16. Reasons for demotion

- *Unsuitability of employee to higher level job*
- *Adverse business conditions*
- *New technology and new methods of operation demand new and higher level skills*
- *Employees are demoted on disciplinary grounds*
- *Deteriorating health and capacity*
- *Life style preference*

17. Grievances redressed methods

- *Collective bargaining*
- *Mediation*
- *Concialidation*
- *Arbitration*
- *adjudication*

Human Resource Management Question Answer Bank MBA-203

Q.1 What is Human Resource Management

Human Resource Management is a process, which consists of four main activities, namely, acquisition, development, motivation, as well as maintenance of human resources.

Scott, Clothier and Spriegel have defined Human Resource Management as that branch of management which is responsible on a staff basis for concentrating on those aspects of operations which are primarily concerned with the relationship of management to employees and employees to employees and with the development of the individual and the group.

Human Resource Management is responsible for maintaining good human relations in the organization. It is also concerned with development of individuals and achieving integration of goals of the organization and those of the individuals.

French Wendell, defines ―Human resource management as the recruitment, selection, development, utilization, compensation and motivation of human resources by the organization‖.

According to Edwin B. Flippo, ―Human resource management is the planning, organizing, directing and controlling of the procurement, development, resources to the end that individual and societal objectives are accomplished‖. This definition reveals that human resource (HR) management is that aspect of management, which deals with the planning, organizing, directing and controlling the personnel functions of the enterprise.

Q.2 What is the nature of Human Resource Management?

The emergence of human resource management can be attributed to the writings of the human relation thinkers who attached great significance to the human factor. Lawrence Appley remarked,
the personnel department in discharging this responsibility.

The nature of the human resource management has been highlighted in its following features :

1. **Inherent Part of Management :** Human resource management is inherent in the process of management. This function is performed by all the managers throughout the organization rather that by the personnel department only. If a

manager is to get the best of his people, he must undertake the basic responsibility of selecting people who will work under him.

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

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

4. People Centered : Human Resource Management is people centered and is relevant in all types of organizations. It is concerned with all categories of personnel from top to the bottom of the organization. The broad classification of personnel in an industrial enterprise may be as follows : (i) Blue-collar workers (i.e. those working on machines and engaged in loading, unloading etc.) and white-collar workers (i.e. clerical employees), (ii) Managerial and non-managerial personnel, (iii) Professionals (such as Chartered Accountant, Company Secretary, Lawyer, etc.) and non-professional personnel.

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

6. Continuous Process : Human Resource Management is not a ‗one shot' function. It must be performed continuously if the organizational objectives are to be achieved smoothly.

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

Personnel Management VS Human Resource Management :

Contemporary Human Resource Management, as a part and parcel of management function, underscores strategic approach to management in areas of acquisition, motivation, and management of people at work.

Q. 3 What are the objectives of HRM?

According to Scott, Clothier and Spriegal, ―The objectives of Human Resource Management, in an organization, is to obtain maximum individual development, desirable working relationships between employers and employees and employees and employees, and to affect the moulding of human resources as contrasted with physical resources‖.

The basic objective of human resource management is to contribute to the realisation of the organizational goals. However, the specific objectives of human resource management are as follows :

(i) To ensure effective utilisation of human resources, all other organizational resources will be efficiently utilised by the human resources.

(ii) To establish and maintain an adequate organizational structure of relationship among all the members of an organization by dividing of organization tasks into functions, positions and jobs, and by defining clearly the responsibility, accountability, authority for each job and its relation with other jobs in the organization.

(iii) To generate maximum development of human resources within the organization by offering opportunities for advancement to employees through training and education.

(iv) To ensure respect for human beings by providing various services and welfare facilities to the personnel.

(v) To ensure reconciliation of individual/group goals with those of the organization in such a manner that the personnel feel a sense of commitment and loyalty towards it.

(vi) To identify and satisfy the needs of individuals by offering various monetary and non-monetary rewards.

In order to achieve the above objectives, human resource management undertakes the following activities :

(i) Human Resource Planning, i.e., determining the number and kinds of personnel required to fill various positions in the organization.

(ii) Recruitment, selection and placement of personnel, i.e., employment function.

(iii) Training and development of employees for their efficient performance and growth.

(iv) Appraisal of performance of employees and taking corrective steps such as transfer from one job to another.

(v) Motivation of workforce by providing financial incentives and avenues of promotion.

(vi) Remuneration of employees. The employees must be given sufficient wages and fringe benefits to achieve higher standard of living and to motivate them to show higher productivity.

(vii) Social security and welfare of employees.

Q.4 Discuss the functions of human Resource Management with relevant examples?.

The main functions of human resource management are classified into two categories: (a) Managerial Functions and (b) Operative Functions

(a) Managerial Functions
Following are the managerial functions of Human Resources Management.

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

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

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

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

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

(b) Operative Functions : The following are the Operative Functions of Human Resource Management

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

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

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

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

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

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

Q.5 Describe the importance of HRM.

Human Resource Management has a place of great importance. According to **Peter F. Drucker,** ―The proper or improper use of the different factors of production depend on the wishes of the human resources. Hence, besides other resources human resources need more development. Human resources can increase cooperation but it needs proper and efficient management to guide it‖.

Importance of personnel management is in reality the importance of labour functions of personnel department which are indispensable to the management activity itself. Because of the following reasons human resource management holds a

place of importance.

1. It helps management in the preparation adoption and continuing evolution of personnel programmes and policies.
2. It supplies skilled workers through scientific selection process.
3. It ensures maximum benefit out of the expenditure on training and development and appreciates the human assets.
4. It prepares workers according to the changing needs of industry and environment.
5. It motivates workers and upgrades them so as to enable them to accomplish the organization goals.
6. Through innovation and experimentation in the fields of personnel, it helps in reducing casts and helps in increasing productivity.
7. It contributes a lot in restoring the industrial harmony and healthy employer-employee relations.
8. It establishes mechanism for the administration of personnel services that are delegated to the personnel department.

Thus, the role of human resource management is very important in an organization and it should not be undermined especially in large scale enterprises. It is the key to the whole organization and related to all other activities of the management i.e., marketing, production, finance etc.

Human Resource Management is concerned with the managing people as an organizational resources rather than as factors of production. It involves a system to be followed in business firm to recruit, select, hire, train and develop human assets. It is concerned with the people dimension of an organization. The attainment of organizational objectives depends, to a great extent, on the way in which people are recruited, developed and utilized by the management. Therefore, proper co-ordination of human efforts and effective utilization of human and others material resources is necessary.

Q.6 What are the future Challenges before managers?

Because of continuous changing socio-economic, technological and political conditions, the human resource managers of the future shall have to face more problems in the management of labor. The human resource managers of today may find themselves obsolete in the future due to changes in environment if they do not update themselves some of the important challenges which might be faced by the managers in the management of people in business and industry are discussed below :

1. Increasing Size of Workforce : The size of organizations is increasing. A large number of multinational organizations have grown over the years. The number of people working in the organization has also increased. The management of increased workforce might create new problems and challenges as the workers are

becoming more conscious of their rights.

2. Increase in Education Level : The governments of various countries are taking steps to eradicate illiteracy and increase the education level of their citizens. Educated consumers and workers will create very tough task for the future managers.

3. Technological Advances : With the changes coming in the wake of advanced technology, new jobs are created and many old jobs become redundant. There is a general apprehension of immediate unemployment. In the competitive world of today, industry cannot hope to survive for long with old technology. The problem, of unemployment resulting from modernization will be solved by properly assessing manpower needs and training of redundant employees in alternate skills.

4. Changes in Political Environment : There may be greater
Government's interference in business to safeguard the interests of workers, consumers and the public at large. Government's participation in trade, commerce and industry will also pose many challenges before management. The Government may restrict the scope of private sector in certain areas in public interest. It does not mean chances of co-operation between the Government and private sector are ruled out. In fact, there will be more and more joint sector enterprises.

5. Increasing Aspirations of Employees : Considerable changes have been noted in the worker of today in comparison to his counterpart of 1950s. The workers are becoming more aware of their higher level needs and this awareness would intensify further in the future workers.

6. Changing Psychosocial System : In future, organizations will be required to make use of advanced technology in accomplishing their goals while satisfying human needs. In the traditional bureaucratic model, the organizations were designed to achieve technical functions with a little consideration given to the psychosocial system. But future management would be required to ensure effective participation of lower levels in the management of the organization system.

7. Computerized Information System : In the past, the automation of manufacturing processes had a major effect upon the systems of production, storage, handling and packaging, etc. More recently, there has been and in the future there will be the impact of revolutionary computerised information system on management. This revolutionary development would cover two primary areas of personnel management which are as follows :

(a)   The use of electronic computers for the collection and processing of data, and
(b) The direct application of computers in the managerial decision making process.

8. Mobility of Professional Personnel : Organizations will expand the use of ─boundary agents‖ whose primary function will be achieving coordination with the environment. One interesting fact will be an increase in the mobility of various

managerial and professional personnel between organizations. As individuals develop greater technical and professional expertise, their services will be in greater demand by other organizations in the environment.

9. **Changes in Legal Environment :** Many changes are taking place in the legal framework within which the industrial relations systems in the country are now functioning. It is the duty of the human resource or personnel executive to be aware of these changes and to bring about necessary adjustments within the organizations so that greater utilisation of human resources can be achieved. This, indeed, is and would remain a major challenge for the personnel executive.

10. Management of Human Relations : On the ‗industrial relations‘ front, things are not showing much improvement even after so many efforts by the government in this direction. Though a large number of factors are responsible for industrial unrest but a very significant cause is the growth of multiunions in industrial complexes having different political affiliations. Under the present conditions, it appears that inter-union rivalries would grow more in the coming years and might create more problems in the industry.

Management of human relations in the future will be more complicated than it is today. Many of the new generation of employees will be more difficult to motivate than their predecessors. This will be in part the result of a change in value systems coupled with rising educational levels. Greater skepticism concerning large organizations and less reverence for authority figures will be more common. Unquestioning acceptance of rules and regulations will be less likely.

New Role of Human Resource Management

Human Resource Management in the ‗New Millenium‘ has undergone a great revolution by questioning the accepted practices and re-inventing the organizations as well as structures. Many traditional practices have been thrown out. As an example, it can be seen that hierarchies are vanishing and there is greater emphasis on flat organizations. It means a great deal of specialisation and skills. It also means upgrading the norms and standards of work as well as performance.

The new role of human resource management is much more strategic than before. Some of the new directions of the role of HRM can be summed up as follows :

1. A Facilitator of Change : To carry people through upheaval requires the true management of human resources.

2. An Integrated Approach to Management : Rather than being an isolated function, human resource is regarded as a core activity, one which shapes a company‘s values. In particular, this can have an impact on customer service.

3. A Mediator : Establishing and balancing the new and emerging aspirations and requirements of the company and the individual.

These changes, which are taking place, involve more commitment of the organization to the development of people by improving performance and cutting costs. As a result of this, the duration of tenure, which was traditionally long standing, is now limited, future is becoming less certain, management opportunities are self-determined and motivational factors are more concerned with enhancing future employability rather than loyalty to the company and, at the same time, the rewards are going up in terms of higher salaries. The future creative careers, will require more involved approach to career development, which will include :

(i)   Share employees with strategic partner organizations (customers of suppliers) in lieu of internal moves.

(ii)   Encourage independence : Employees may go elsewhere for career development, possibly to return in a few years.

(iii) Fund-groups of employees to set-up as suppliers outside the organization.

(iv)   Encourage employees to think of themselves as a business and of the organization's various departments as customers.

(v)   Encourage employees to develop customers outside the organization.

(vi)   Help employees develop self-marketing, networking and consultancy skills to enable them to search out, recognize or create new opportunities for both themselves and the organization.

(vii) Identify skilled individuals in other organizations who can contribute on a temporary project basis or part-time.

(viii) Regularly expose employees to new people and ideas to stimulate innovation.

(ix)   Balance external recruitment at all levels against internal promotion to encourage open competition, ―competitive tendering‖ for jobs to discourage seeing positions as someone's territory which causes self-protective conformity.

(x)   Foster more cross-functional teamwork for self-development.

(xi) Eliminate the culture of valuing positions as career goals in favour of portraying a career as a succession of bigger projects, achievements and new skills learned. The concept of

―position‖ is part of the outside static concept of the organization. Positions are out. Processes and projects are in.

(xii) Abandon top-down performance appraisal in favour of self-appraisal based on internal customer satisfaction surveys and assessing people as you would suppliers.

(xiii) Replace top-down assessment processes with self-assessment techniques and measure performance in term of results.

Functions of a Human Resource Manager

A human resource manager, charged with fulfilling the objectives of an organization, should be a leader with high intellectual powers, a visionary and a philosopher who provides the initiative to shape the future in terms of leading the human beings in an organization towards more prosperous and progressive policies.

1. Human Resource Man as an Intellectual : The basic skill in the human resource field as compared to technologists or financial experts is the skill to communicate, articulate, understand and above all, to be an expert when it comes to putting policies and agreements in black and white. The personnel man's skill lies in his command over the language. A personnel man has to deal with employees and he must possess the skills of conducting fruitful and systematic discussions and of communicating effectively. He should also be in a position to formulate principles and foresee the problems of the organization. This means that he would require the mental ability to deal with his people in an intelligent manner as well as to understand what they are trying to say..

2. Human Resource Man as an Educator : It is not enough that a human resource man has command-over the language, which, however, remains his primary tool. He should be deeply interested in learning and also in achieving growth. Basically, human beings like to grow and realise their full potential. In order to harmonise the growth of individuals with that of the organization, a personnel administrator must not only provide opportunities for his employees to learn, get the required training and assimilate new ideas but also he himself should be a teacher. A personnel man who simply pushes files and attends labour courts for conciliation purposes and other rituals of legal procedure for the settlement of industrial disputes is not a personnel administrator of the future.

3. Human Resource Man as a Discriminator : A human resource administrator must have the capacity to discriminate

between right and wrong, between that which is just and unjust and merit and non-merit. In other words, he should be a good judge when he sits on a selection board, a fair person when he advises on disciplinary matters and a good observer of right conduct in an organization.

4. Human Resource Man as an Executive : The human resource man must execute the decisions of the management and its policies with speed, accuracy and objectivity. He has to streamline the office, tone up the administration and set standards of performance. He has to coordinate the control functions in relation to the various other divisions and, in doing so he should be in a position to bring unity of purpose and direction in the activities of the personnel department. He must ask relevant questions and not be merely involved in the office routine whereby the status quo is maintained. He should have the inquisitiveness to find out causes of delay, tardy work and wasteful practices, and should be keen to eliminate those activities from the personnel functions which have either outlived their utility or are not consistent with the objectives and purposes of the organization.

5. Human Resource Man as a Leader : Being basically concerned with people or groups of people, and being placed in the group dynamics of various political and social functions of an organization, a Human resource man must not shirk the role of leadership in an organization. He, by setting his own example and by working towards the objectives of sound personnel management practices, must inspire his people and motivate them towards better performance. He should resolve the conflicts of different groups and build up teamwork in the organization.

6. Human Resource Man as a Humanist : Deep faith in human values and empathy with human problems, especially in less developed countries, are the sine qua non for a Human resource man. He has to deal with people who toil at various levels and partake of their joys and sorrows. He must perform his functions with sensitivity and feeling.

7. Human Resource Man as a Visionary : While every leading function of an organization must evolve its vision of the future, the primary responsibility for developing the social organization towards purposive and progressive action fall on the personnel man. He should be a thinker who sets the pace for policy-making in an organization in the area of human relations and should gradually work out new patterns of human relations management consistent with the needs of the organization and the society. He must ponder on the social obligations of the enterprise, especially if it is in the public sector, where one has to work within the framework of social accountability. He should be in close touch

with socio-economic changes in the country. He should be able to reasonably forecast future events and should constantly strive to meet the coming challenges.

Role and Challenges of Human Resource Manager

Human Resource (HR) Department is established in every organization under the charge of an executive known as Human Resource Manager. This department plays an important role in the efficient management of human resources. The human resource department gives assistance and provides service to all other departments on personnel matters. Though personnel or human resource manager is a staff officer in relation to other departments of the enterprise, he has a line authority to get orders executed within his department. The human resource manager performs managerial functions like planning, organizing, directing and controlling to manage his department. He has also to perform certain operative functions like recruitment, selection, training, placement, etc., which the other line managers may entrust to him. He is basically a manager whatever may be the nature of his operative functions. The status of Human Resource Manager in an organization depends upon the type of organization structure.

Role of Human Resource Manager in an Organization

In most of the big enterprises, human resource department is set up under the leadership of personnel manager who has specialized knowledge and skills. The human resource manager performs managerial as well as operative functions. Since he is a manager, he performs the basic functions of management like planning, organizing, directing and controlling to manage his department. He has also to perform certain operative functions of recruitment, selection, training, placement, etc., which the problems to management, the human resource managers attach highest priority to the settlement of industrial disputes than anything else.

The role of human resource management in industry is underlined by the complex and dynamic nature of environment under which the modern large-scale industries function. The impact of technology on organization structure, politicization of workers' unions, and the growing consciousness of industrial employees about their rights and privileges, have made the role of personnel management increasingly more important in industrial undertakings. The task has also been facilitated by the greater recognition of the value of human resources in industry and application of human resource development (HRD) techniques by the enlightened managers in modern organizations.

Q.7 What do you mean by HRP?

Ans. Human Resource Planning (HRP)

Human Resource Planning (HRP) is the process of forecasting the future human resource requirements of the organization and determining as to how the existing human resource capacity of the organization can be utilized to fulfill these requirements. It, thus, focuses on the basic economic concept of demand and supply in context to the human resource capacity of the organization.

Q.8 **What is the process of HRP?**

Ans. It is the HRP process which helps the management of the organization in meeting the future demand of human resource in the organization with the supply of the appropriate people in appropriate numbers at the appropriate time and place. Further, it is only after proper analysis of the HR requirements can the process of recruitment and selection be initiated by the management. Also, HRP is essential in successfully achieving the strategies and objectives of organization. In fact, with the element of strategies and long term objectives of the organization being widely associated with human resource planning these days, HR Planning has now became Strategic HR Planning.

Though, HR Planning may sound quite simple a process of managing the numbers in terms of human resource requirement of the organization, yet, the actual activity may involve the HR manager to face many roadblocks owing to the effect of the current workforce in the organization, pressure to meet the business objectives and prevailing workforce market condition. HR Planning, thus, help the organization in many ways as follows:

- HR managers are in a stage of anticipating the workforce requirements rather than getting surprised by the change of events
- Prevent the business from falling into the trap of shifting workforce market, a common concern among all industries and sectors
- Work proactively as the expansion in the workforce market is not always in conjunction with the workforce requirement of the organization in terms of professional experience, talent needs, skills, etc.
- Organizations in growth phase may face the challenge of meeting the need for critical set of skills, competencies and talent to meet their strategic objectives so they can stand well-prepared to meet the HR needs
- Considering the organizational goals, HR Planning allows the identification, selection and development of required talent or competency within the organization.

It is, therefore, suitable on the part of the organization to opt for HR Planning to prevent any unnecessary hurdles in its workforce needs. An HR Consulting Firm can provide the organization with a comprehensive HR assessment and planning to meet its future requirements in the most cost-effective and timely manner.

An HR Planning process simply involves the following four broad steps:

- **Current HR Supply:** Assessment of the current human resource availability in the organization is the foremost step in HR Planning. It includes a comprehensive study of the human resource strength of the organization in terms of numbers, skills, talents, competencies, qualifications, experience, age, tenures, performance ratings, designations, grades, compensations, benefits, etc. At this stage, the consultants may conduct extensive interviews with the managers to understand the critical HR issues they face and workforce capabilities they consider basic or crucial for various business processes.
- **Future HR Demand:** Analysis of the future workforce requirements of the business is the second step in HR Planning. All the known HR variables like attrition, lay-offs,

foreseeable vacancies, retirements, promotions, pre-set transfers, etc. are taken into consideration while determining future HR demand. Further, certain unknown workforce variables like competitive factors, resignations, abrupt transfers or dismissals are also included in the scope of analysis.

- **Demand Forecast:** Next step is to match the current supply with the future demand of HR, and create a demand forecast. Here, it is also essential to understand the business strategy and objectives in the long run so that the workforce demand forecast is such that it is aligned to the organizational goals.
- **HR Sourcing Strategy and Implementation:** After reviewing the gaps in the HR supply and demand, the HR Consulting Firm develops plans to meet these gaps as per the demand forecast created by them. This may include conducting communication programs with employees, relocation, talent acquisition, recruitment and outsourcing, talent management, training and coaching, and revision of policies. The plans are, then, implemented taking into confidence the mangers so as to make the process of execution smooth and efficient. Here, it is important to note that all the regulatory and legal compliances are being followed by the consultants to prevent any untoward situation coming from the employees.

Hence, a properly conducted process of HR Planning by an HR Consulting Firm helps the organization in meeting its goals and objectives in timely manner with the right HR strength in action.

Q.9 What is the concept of Recruitment?

Ans. Effect recruitment is the next big process after human resource planning is to develop applicant polling called recruiting. The more application you have , the more selective you can be in your hiring. If only two candidates apply for two openings , you can use techniques like interviews and tests to screen out all but the best. Some employees use a **recruiting yield pyramid** to calculate the number of applicants they must generate to hire the required number of new employees. In the company knows it needs 50 new entry-level accountants next year then they use this recruitment yield pyramid. It is a historical arithmetic relationships between recruitment leads and invitees , invitees and interviews , interviews and offers made , and offers made and offers accepted. Therefore for getting the 50 recruits the firm must generate 1,200 leads to be able to invite 200 viable candidates to its offices for interviews. The firm will then get to interview about 150 of those invited and from these it will make 100 offers. Of those 100 offers , about 50 will accept. A effective recruitment is carried out by something called recruitment policy which is derived from personnel policy of the same organization. Recruitment practices vary from organization to organization , some follow centralized way such as commercial banks and others such as railways follow decentralized process for various grade of jobs.

Q. 10 What is the process of recruitment?

Ans. The recruitment process consists various steps:

RECRUITMENT PROCESS

ORGANIZATION
- Vacant or New position occurs
- Generate candidate pool via internal or external recruitment methods
- Evaluate Candidates via Selection process
- Impress Candidates
- Make Offer

CANDIDATE
- Receive Education and choose Occupation
- Acquire Employment Experience
- Search for Job Openings
- Apply for jobs
- Impress Company during Selection process
- Evaluate Jobs and Companies
- Accept or Reject Job Offers

Q. 11Discuss the different types of selection tests.

Selection can be defined as process of choosing the right person for the right job.

Types of selection test
Different selection test are adopted by different organization depending upon their requirements. These tests are specialized test which have been scientifically tested and hence they are also known as scientific test.

I. Aptitude test:-
Aptitude tests are test which assess the potential and ability of a candidate. It enables to find out whether the candidate is suitable for the job. The job may be managerial technical or clerical. The different types of aptitude test areas are:

a. Mental ability/mental intelligence test:-
This test is used to measure the overall intelligence and intellectual ability of the candidate to deal with problems. It judges the decision making abilities.

b. Mechanical aptitude test :-
This test deals with the ability of the candidate to do mechanical work. It is used to judge and measure the specialized knowledge and problem solving ability. It is used for technical and maintenance staff.

c. Psycho motor test:-
This test judges the motor skills the hand and eye co- ordination and evaluates the ability to do jobs lie packing, quality testing, quality inspection etc.

II. Intelligence test:-
This test measures the numerical skills and reasoning abilities of the candidates. Such abilities become important in decision making. The test consists of logical reasoning ability, data interpretation, comprehension skills and basic language skills.

III. Personality test :-
In this test the emotional ability or the emotional quotient is tested. This test judges the ability to work in a group, inter personal skills, ability to understand and handle conflicts and judge motivation levels. This test is becoming very popular now days.

IV. Performance test :-
This test judges and evaluates the acquired knowledge and experience of the knowledge and experience of the individual and his speed and accuracy in performing a job. It is used to test performance of typist, data entry operators etc.

Selection Process
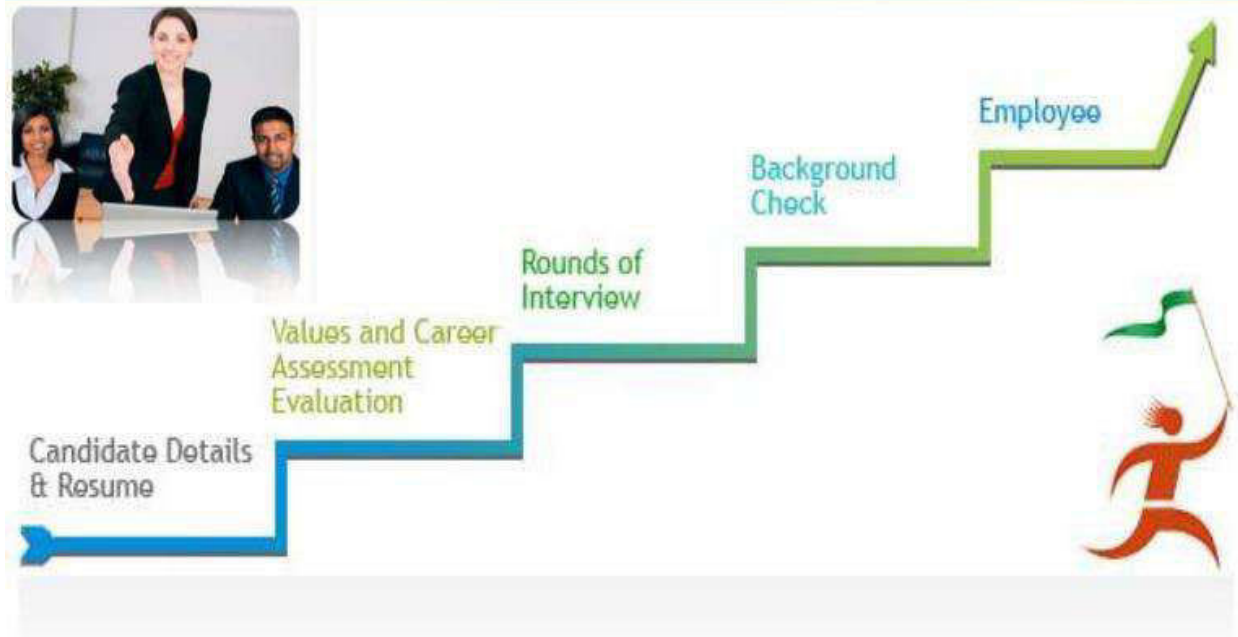
Q. 12 What is HRIS?

Ans 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.

To put it another way, a HRIS may be viewed as a way, through software, for businesses big and small to take care of a number of activities, including those related to human resources, accounting, management, and payroll. A HRIS allows a company to plan its HR costs more effectively, as well as to manage them and control them without needing to allocate too many resources toward them.

In most situations, a HRIS will also lead to increases in efficiency when it comes to making decisions in HR. The decisions made should also increase in quality—and as a result, the productivity of both employees and managers should increase and become more effective.

Q. 13 What is the importance of HRIS Systems?

There are a number of solutions offered to a company that adopts a HRIS. Some of these include solutions in training, payroll, HR, compliance, and recruiting. The majority of quality HRIS systems include flexible designs that feature databases that are integrated with a wide range of features available. Ideally, they will also include the ability to create reports and analyze information quickly and accurately, in order to make the workforce easier to manage.

Through the efficiency advantages conferred by HRIS systems, a HR administrator can obtain many hours of his or her day back instead of spending these hours dealing with non-strategic, mundane tasks required to run the administrative-side of HR.

Similarly, a HRIS allows employees to exchange information with greater ease and without the need for paper through the provision of a single location for announcements, external web links, and company policies. This location is designed to be centralized and accessed easily from anywhere within the company, which also serves to reduce redundancy within the organization.

For example, when employees wish to complete frequently recurring activities such as requests for time off or electronic pay stubs and changes in W-4 forms—such procedures can be taken care of in an automated fashion without the need for human supervision or intervention. As a result, less paperwork occurs and approvals, when deigned, may be appropriated more efficiently and in less time.

HR and Payroll Factors

When a company invests in an affordable HRIS, it suddenly becomes capable of handling its workforce by looking at two of the primary components: that of payroll and that of HR. Beyond these software solutions, companies also invest in HRIS modules that help them put the full productivity of their workforce to use, including the varied experiences, talents, and skills of all staff within the enterprise.

HRIS Popular Modules

A range of popular modules are available, including those for recruiting, such as resume and applicant management, attendance, email alerts, employee self-service, organizational charts, the administration of benefits, succession planning, rapid report production, and tracking of employee training.

In conclusion, it is important to choose the right HRIS. A company that takes the time to invest in a HRIS that fits their goals, objectives, mission, and values, is a company that is investing in its future and in its success. It will be necessary to customize any HRIS to the unique needs of a company so the system will remain flexible and relevant throughout the life of the company or enterprise.

Q. 14 What is strategic HRM?

Ans Strategic human resource management is a complex process which is constantly evolving and being studied and discussed by academics and commentators. Strategic Human Resource Management (SHRM) is an area that continues to evoke a lot of debate as to what it actually embraces. Definitions range from 'a human resource system that is tailored to the demands of the business strategy' (Miles and Snow 1984) to 'the pattern of planned human resource activities intended to enable an organization to achieve its goals' (Wright and McMahan 1992).

Strategic human resource management (SHRM) is a concept that integrates traditional human resource management activities within a firm's overall strategic planning and implementation. SHRM integrates human resource considerations with other physical, financial, and technological resources in the setting of goals and solving complex organizational problems (Legnick-Hall & Legnick-Hall, 1988) SHRM also emphasizes the implementation of a set of policies and practices that will build employee pool of skills, knowledge, and abilities (Jackon and Schulerm 1995) that are relevant to organizational goals. Thus a larger variety and more complete set of solutions for solving organizational problems are provided and the likelihood that business goals of the organization will be attained is increased (Mechelin, 1996).

Strategic Human Resource Management (SHRM) is an area that continues to evoke a lot of debate as to what it actually embraces. Definitions range from 'a human resource system that is tailored to the demands of the business strategy' (Miles and Snow 1984) to 'the pattern of planned human resource activities intended to enable an organization to achieve its goals' (Wright and McMahan 1992). Although the difference between these two seems subtle, the implications of the difference are considerable. Where in the first definition human resource management is a 'reactive' management field in which human resource management becomes a tool to implement strategy, in the latter definition it has a proactive function in which human resource activities actually create and shape the business strategy (Sanz-Valle et al. 1999).

Strategic HRM can be regarded as a general approach to the strategic management of human resources in accordance with the intentions of the organization on the future direction it wants to take. It is concerned with longer-term people issues and macro-concerns about structure, quality, culture, values, commitment and matching resources to future need. It has been defined as:

All those activities affecting the behavior of individuals in their efforts to formulate and implement the strategic needs of business. (SCHULER, R.S., 1992)

The pattern of planned human resource deployments and activities intended to enable the forms to achieve its goals. (WRIGHT, P.M. and MCMAHAN, G.C. (1992)

Q. 15 What are the approaches of the SHRM?

- o   attempts to link Human Resource activities with competency based performance measures
- o   attempts to link Human Resource activities with business surpluses or profit

These to approaches indicate two factors in an organizational setting. The first one is the human factor, their performance and competency and the later is the business surplus. An approach of people concern is based on the belief that human resources are uniquely important in sustained business success. An organization gains competitive advantage by using its people effectively, drawing on their expertise and ingenuity to meet clearly defined objectives. Integration of the business surplus to the human competency and performance required adequate strategies. Here the role of strategy comes into picture. The way in which people are managed, motivated and deployed, and the availability of skills and knowledge will all shape the business strategy. The strategic orinetation of the business then requires the effective orinetation of human resource to competency and performance excellance.

Q 16 Discuss the Benefits and barriers to SHRM

1. Identifying and analyzing external opportunities and threats that may be crucial to the company's success.
2. Provides a clear business strategy and vision for the future.
3. To supply competitive intelligence that may be useful in the strategic planning process.
4. To recruit, retain and motivate people.
5. To develop and retain of highly competent people.
6. To ensure that people development issues are addressed systematically.
7. To supply information regarding the company's internal strengths and weaknesses.
8. To meet the expectations of the customers effectively.
9. To ensure high productivity.
10. To ensure business surplus thorough comopetency

Barriers of SHRM

Barriers to successful SHRM implementation are complex. The main reason is a lack of growth strategy or failure to implement one. Other major barriers are summarized as follows:

1. Inducing the vision and mission of the change effort.
2. High resistance due to lack of cooperation from the bottom line.
3. Interdepartmental conflict.
4. The commitment of the entire senior management team.
5. Plans that integrate internal resource with external requirements.
6. Limited time, money and the resources.
7. The statusquo approach of employees.
8. Fear of incomopetency of senior level managers to take up strategic steps.
9. Diverse work-force with competitive skill sets.
10. Fear towards victimisation in the wake of failtures.
11. Improper strategic assignments and leadership conflict over authority.
12. Ramifications for power relations.
13. Vulnerability to legislative changes.
14. Resistance that comes through the legitimate labour institutions.
15. Presence of an active labour union.
16. Rapid structural changes.

17. Economic and market pressures influenced the adoption of strategic HRM.
18. More diverse, outward looking approach.

Q. 17 What is the concept of performance appraisal?

Performance appraisal

Ans. Performance appraisal is defined by Wayne Cascio as "the systematic description of employee's job relevant, strength, weakness.
Performance appraisal may be conducted once in every 6 months or once in a year. The basic idea of the appraisal is to evaluate the performance of the employee, giving him a feed back. Identify areas where improvement is required so that training can be provided. Give incentives and bonus to encourage employees etc.

Q. 18 Discuss the Traditional methods of performance appraisal in detail?

Ans Performance appraisal is defined by Wayne Cascio as "the systematic description of employee's job relevant, strength, weakness.
Companies use different methods of appraisal for identifying and appraising the skills and qualities of their employees. The different methods used can be explained with the help of following diagram.

Methods of performance appraisal

Traditional method Modern method
1. Check list method
2. Confidential report
3. Critical incident method
4. Ranking method
5. Graphic rating scale
6. Narrated essay
7. 360* Appraisal

Traditional method
Traditional method of performance appraisal has been used by companies for very long time. A common feature of these methods is they are all relatively simple and involve appraisal by one senior.

1. Check list method :-
In this method the senior, the boss is given a list of questions about the junior. These questions are followed by check boxes. The superior has to put a tick mark in any one of the boxes
This method can be explained with the following eg.

Does the employee have leadership qualities?
Y N

Is the employee capable of group efforts?

Y N

As seen in the above eg. A questioner containing questions is given to the senior. This method is an extremely simple method and does not involve a lot of time. The same set of questioners can be given foe every employee so that there is uniformity in selecting employee.

2. Confidential report :-

This method is very popular in government departments to appraise IAS officers and other high level officials. In this method the senior or the boss writes a report about the junior giving him details about the performance about the employee. The +ve and − ve traits, responsibilities handled on the job and recommendations for future incentives or promotions. The report is kept highly confidential and access to the report is limited.

3. Critical incident method :-

In this method critical or important incidents which have taken place on this job are noted down along with employee's behavior and reaction in all these situations. Both +ve and −ve incidents are mentioned. This is followed by an analysis of the person, his abilities and talent, recommendations for the future incentives and promotions.

4. Ranking method :-

In this method ranks are given to employees based on their performance. There are different methods of ranking employees.

Simple ranking method
Alternate ranking method
Paired comparison method

i. Simple ranking method :-

Simple ranking method refers to ranks in serial order from the best employee eg. If we have to rank 10 best employees we start with the first best employee and give him the first rank this is followed by the 2nd best and so on until all 10 have been given ranks.

ii. Alternate ranking :-

In this method the serial alternates between the best and the worst employee. The best employee is given rank 1 and then we move to the worst employee and give him rank 10 again to 2nd best employee and give him rank 2 and so on.

iii. Paired comparison :-

In this method each and every person is the group, department or team is compared with every other person in the team/group/department. The comparison is made on certain criteria and finally ranks are given. This method is superior because it compares each and every person on certain qualities and provides a ranking on that basis.

5. Graphic rating scale :-

Graphic rating scale refers to using specific factors to appraise people. The entire appraisal is presented in the form of a chart. The chart contains certain columns which indicate qualities

which are being appraised and other columns which specify the rank to be given.

Eg. Employee A
Quality of work Quantity of work Intelligence
Excellent
Very good
good
satisfactory
poor

The senior has to put a tick mark for a particular quality along with the ranking. Such charts are prepared for every employee. According to the department in which they work. Sometimes the qualities which are judged may change depending upon the department.

6. Narrated essay :-
In this method the senior or the boss is supposed to write a narrative essay describing the qualities of his junior. He may describe the employees strength and weakness, analytical abilities etc. the narrative essay ends with a recommendation for future promotion or for future incentives.

Q. 19 What are various Modern methods of performance appraisal?

Ans. Modern methods of appraisal are being increasingly used by companies. Now days one of the striving feature that appraisal involves is, the opinion of many people about the employee and in some cases psychological test are used to analyze the ability of employee. These methods are as follows

1. Role analysis :-
In this method of appraisal the person who is being apprised is called the focal point and the members of his group who are appraising him are called role set members.
These role set members identify key result areas (KRA 2 marks) (areas where you want improvement are called KRA) which have to be achieved by the employee. The KRA and their improvement will determine the amount of incentives and benefits which the employee will receive in future. The appraisal depends upon what role set members have to say about the employee.

2. Assessment centers :-
Assessment centers (AC) are places where the employee's are assessed on certain qualities talents and skills which they possess. This method is used for selection as well as for appraisal. The people who attend assessment centers are given management games, psychological test, puzzles, questioners about different management related situations etc. based on their performance in these test an games appraisal is done.

3. Management by objective :-
This method was given by Petter Druckard in 1974. It was intended to be a method of group decision making. It can be use for performance appraisal also. In this method all members of the

of the department starting from the lowest level employee to the highest level employee together discus, fix target goals to be achieved, plan for achieving these goals and work together to achieve them. The seniors in the department get an opportunity to observe their junior- group efforts, communication skills, knowledge levels, interest levels etc. based on this appraisal is done.

4. Behavioral anchored rating scale :-
In this method the appraisal is done to test the attitude of the employee towards his job. Normally people with +ve approach or attitude view and perform their job differently as compared to people with a –ve approach.

5. Psychological testing :-
In this method clinically approved psychological test are conducted to identify and appraise the employee. A feedback is given to the employee and areas of improvement are identified.

6. Human resource audit/accounting :-
In this method the expenditure on the employee is compared with the income received due to the efforts of the employee. A comparison is made to find out the utility of the employee to the organization. The appraisal informs the employee about his contribution to the company and what is expected in future.

7. 360* appraisal :-
In this method of appraisal and all round approach is adopted. Feedback about the employee is taken from the employee himself, his superiors, his juniors, his colleagues, customers he deals with, financial institutions and other people he deals with etc. Based on all these observations an appraisal is made and feedback is given. This is one of the most popular methods.

Process of performance appraisal
Performance appraisal is defined by Wayne Cascio as "the systematic description of employee's job relevant, strength, weakness.
Process of performance appraisal followed by different companies is different. A general procedure is explained below with the help of a diagram.

Q. 20 Discuss the process of performance appraisal?

Ans The process consists various steps:

      Setting performance standards
      Communicating standards set to the employee
      Measuring performance
      Comparing performance with standard
      Discussing result
      Collective action
      Implementation and review

      1. Setting performance standards :-

In this very first step in performance appraisal the HR department decides the standards of performance i.e. they decide what exactly is expected from the employee for each and every job. Sometimes certain marking scheme may be adopted eg. A score 90/100 = excellent performance, a score os 80/100 = good. And so on.

2. Communication standard set to the employee :-
Standards of performance appraisal decided in 1st step are now conveyed to the employee so that the employee will know what is expected from him and will be able to improve his performance.

3. Measuring performance :-
The performance of the employee is now measure by the HR department, different methods can be used to measure performance i.e. traditional and modern method. The method used depends upon the company's convenience.

4. Comparing performance with standard :-
The performance of the employee is now judged against the standard. To understand the score achieved by him. Accordingly we come to know which category of performance the employee falls into i.e. excellent, very good, good, satisfactory etc.

5. Discussing result :-
The results obtained by the employee after performance appraisal are informed or conveyed to him by the HR department. A feedback is given to the employee asking him to change certain aspects of his performance and improve them.

6. Collective action :-
The employee is given a chance or opportunity to improve himself in the areas specified by the HR department. The HR department constantly receives or keeps a check on the employee's performance and notes down improvements in performance.

7. Implementation and review :-
The performance appraisal policy is to be implemented on a regular basis. A review must be done from time to time to check whether any change in policy is required. Necessary changes are made from time to time.

Q. 21 Narrate various limitations of performance appraisal system?

Ans Performance appraisal is defined by Wayne Cascio as "the systematic description of employee's job relevant, strength, weakness.
The following are the limitations of performance appraisal

1. Halo effect :-
In this case the superior appraises the person on certain positive qualities only. The negative traits are not considered. Such an appraisal will no give a true picture about the employee. And in some cases employees who do not deserve promotions may get it.

2. Horn effect :-
In this case only the negative qualities of the employee are considered and based on this appraisal is done. This again will not help the organization because such appraisal may not present a true picture about the employee.

3. Central tendency :-
In this case the superior gives an appraisal by giving central values. This prevents a really talented employee from getting promotions he deserves and some employees who do not deserve any thing may get promotion.

4. Leniency and strictness :-
Some bosses are lenient in grading their employees while some are very strict. Employee who really deserves promotions may loose the opportunity due to strict bosses while those who may not deserve may get benefits due to lenient boss.

5. Spill over effect :-
In this case the employee is judged +vely or –vely by the boss depending upon the past performance. Therefore although the employee may have improved performance, he may still not get the benefit.

6. Fear of loosing subordinates and spoiling relations :-
Many bosses do not wish to spoil their relations with their subordinates. Therefore when they appraise the employee they may end up giving higher grades which are not required. This is a n injustice to really deserving employees.

7. Goodwill and techniques to be used :-
Sometimes a very strict appraisal may affect the goodwill between senior and junior. Similarly when different departments in the same company use different methods of appraisal it becomes very difficult to compare employees.

8. Paper work and personal biased :-
Appraisal involves a lot of paper work. Due to this the work load of HR department increases. Personal bias and prejudice result in bosses favoring certain people and not favoring others.

Q. 22 What is the importance of performance appraisal system?

Ans. Performance appraisal is defined by Wayne Cascio as "the systematic description of employee's job relevant, strength, weakness.

1. Feedback to the employee :-
Performance appraisal is beneficial because it provides feedback to the employee about his performance. It identifies the areas for improvement so that employee can improve itself.

2. Training and development :-
Due to performance appraisal it is easy to understand what type of training is required for each employee to improve himself accordingly training programs can be arranged.

3. Helps to decide promotion :-
Performance appraisal provides a report about the employee. Based on this report future promotions are decided, incentives, salary increase is decided.

4. Validation of selection process :-
Through performance appraisal the HR department can identify whether any changes are required in the selection process of the company normally a sound selection process results in better performance and positive appraisal.

5. Deciding transfers and lay off of the worker :-
Employee with specific talent can be transferred to places where their talents are utilized properly; similarly decisions regarding termination of employees depend upon performance appraisal reports.

6. Human resource planning and career development:-
Companies can plan for future vacancies at higher levels based on performance appraisal reports. Similarly career planning can be done for the employee on the performance appraisal report.

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