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MBA II Semester – Human Resource Management

UNIT I

Definition Of HRM

Edwin Flippo defines- Human Resource Management as “planning, organizing, directing, controlling of procurement, development, compensation, integration , maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved.”

Meaning

Human resource management (HRM) is the practice of recruiting, hiring, deploying and managing an organization's employees. **HRM** is often referred to simply as human resources (HR). ... As with other business assets, the goal is to make effective use of employees, reducing risk and maximizing return on investment.

THE EVOLUTION OF HRM

The evolution / development of HRM goes back to 400 BC in the era of industrial revolution when factories established personnel departments to look into wages and welfare of workers.

THE PERSONNEL MANAGEMENT APPROACH

The Personnel Management approach that remained in vogue for much of the 20th Century remained administrative in nature.

Arising out of the need to enforce statutory compliance, it concerned itself primarily with :

- Employee record keeping.
- Adherence to the stated policies while implementing functions such as recruitment, training and wage administration.

- Taking welfare oriented measures such as providing medical care, vaccinations, housing facilities.
- Attempting to increase productivity through wage increases and training, and enforcement of standards derived from work studies influenced by the scientific management approach promulgated by Frederick Taylor .
- Dealing with trade unions and trying to solve industrial disputes through collective bargaining and other industrial relations approaches.
- Conducting performance appraisals or report card of past performance to determine pay and promotions.

The Personnel Management approach tried to convince workers of the business interests, and convince management of workers interest and social obligations. It rarely had a direct say in the company's strategy and did not involved itself with operations aspects, remaining a purely staff function.

THE STRATEGIC HUMAN RESOURCE APPROACH THE MODERN ERA HRM

The evolution of Human Resource Management took a new turn at the end of the century. Increased free market competition at global level and the proliferation of technology and knowledge based industries raised the importance of human resources, and from an obscure role a century ago, human resource management rose to become the most critical function of an enterprise.

The workforce, hitherto considered as "resources" now became "assets" and a valuable source of competitive advantage. The thrust of human resource management now lies in trying to align individual goals and objectives with corporate goals and objectives, and rather than enforce rules or dictate terms, act as a facilitator and promotes a participative approach.

These changes influenced Human Resources functions in many ways :

- New dimensions for training and development function by encouraging and facilitating innovation and creativity.
- Performance and Talent Management displacing performance appraisals
- Strategic Human Resource Management blurs the distinction between a specialized Human Resource Management function and core operational activity, and very often, Human Resource
- Management drives interventions such as Total Quality Management and the like.
- Motivation through enriching the work experience .

OBJECTIVES

- (1) To achieve the organizational goals by proper utilization of human resources.
- (2) To develop and maintain healthy working relationships among all the employees and to adopt sound, desirable organization structure.
- (3) To integrate individual and group goals within an organization.
- (4) To create opportunities and facilities for individual or group developments according to the growth and development of the organization.
- (5) To identify and satisfy individual and group needs, such as fair wages and salaries, incentives, welfare facilities, social security, prestige, recognition, security, status etc.
- (6) To motivate the employees and keep their morale high
- (7) To develop and maintain good relations between employer and employee
- (8) To develop the employees continuously through the training and development*
- (9) To contribute in minimisation of socio economic problems such as unemployment problems, in equal distribution of income and wealth etc.*
- (10) To provide an opportunity to employees to participate in management process*

POLICIES OF HRM

1. Providing security to employees

The first Human Resource best practice is employment security. Life is unpredictable and work is a stable factor that is very important to most people. Having an employer who enables the employee to provide for themselves and their family is, in essence, the number one reason why people come to work.

There is both a formal contract and an informal contract between the employee and the employer. Employment security enables employees to go home after work and provide for themselves and their families. This concept of security is essential and underpins almost everything HR does.

2. Hiring the right people

The second HR best practice is selective hiring. This enables an organization to bring in employees who add value.

You can't just hire anyone; you want people who are fit for the job. Companies do their utmost best to hire exceptional people because they add the most value to the business.

Research shows that the difference in performance between an average performer and a high performer can be as high as 400%! This holds true for different industries and job types, including researchers, entertainers, and athletes.

Bringing in the right people is, therefore, a key to building a competitive advantage.

In today's digital world, there are a lot of different **recruitment tools** we can use to make the right selection. More and more companies vigorously keep track of their **recruitment metrics** to see how well they are doing in this regard.

Commonly used selection instruments are structured and unstructured interviews, IQ tests, personality assessments, work tests, peer assessments, and reference checks. These (pre-employment) assessments are used to uncover three key candidate characteristics.

3. Effective team management

We all know that teamwork is crucial in achieving goals. High-performance teams are crucial for any company when it comes to achieving success.

Teams provide value because they consist of people who are and think differently but are working towards a common goal. This means that different ideas are generated to help achieve the goal. These ideas are then processed and combined, resulting in the best ones being selected.

4. Fair compensation

Contingent compensation is the fourth Human Resource best practice. It has everything to do with compensation and benefits.

First of all, if you hire the right people, you want to compensate them above average. These are the people that will add the most value to your company so you want to retain them and pay them fairly. This is an example that shows how different best practices work together to provide more value than they would alone, in this case, selective hiring, contingent compensation, and employment security.

Paying people above the norm also has a number of potential disadvantages. For instance, it discourages bad employees to leave. However, if you're consistently hiring world-class performers, an above-average compensation is a must.

5. Training in relevant skills

This HR best practice states that companies should invest heavily in training time and budget for its employees.

After recruiting the best people, you need to ensure that they remain the frontrunners in the field. This has become even more relevant today as the rate at which technology is developing is growing exponentially. This is where learning and development come in.

6. Making information easily accessible to those who need it

Information sharing is essential. This is an area where a lot of large companies struggle: How do you keep track of who knows what, so you know where to go to with your questions

Being informed about the business is also something that employees often mention as something they find important in attitude surveys, as well as having a chance to contribute to and influence decisions affecting their working life.

COMPUTER APPLICATION IN HRM

Payroll Maintenance

It automates the pay process by gathering data on employee time and attendance, calculating various deductions and taxes, and generating periodic pay cheques and employee tax reports. Data is generally fed from human resources and timekeeping modules to calculate automatic deposit and manual cheque writing capabilities. This module can encompass all employee-related transactions as well as integrate with existing financial management systems.

Attendance Maintenance

It gathers standardized time and work related efforts. The most advanced modules provide broad flexibility in data collection methods, labor distribution capabilities and data analysis features. Cost analysis and efficiency metrics are the primary functions.

Administration Module

It provides a system for organizations to administer and track employee participation in benefits programs. These typically encompass insurance, compensation, profit sharing, and retirement.

HR Management

It is a component covering many other HR aspects from application to retirement. The system records basic demographic and address data, selection, training and development, capabilities and skills management, compensation planning records and other related activities. Leading edge systems provide the ability to "read" applications and enter relevant data to applicable database fields, notify employers and provide position management and position control. Human resource management function involves the recruitment, placement, evaluation,

compensation, and development of the employees of an organization. Initially, businesses used computer-based information systems to:

- produce pay checks and payroll reports;
- maintain personnel records;
- pursue talent management.

Online recruiting

It has become one of the primary methods employed by HR departments to garner potential candidates for available positions within an organization. Talent management systems, or recruitment modules, offer an integrated hiring solution for HRMS which typically encompass:

- analyzing personnel usage within an organization;
- identifying potential applicants;
- recruiting through company-facing listings;
- recruiting through online recruiting sites or publications that market to both recruiters and applicants;
- analytics within the hiring process (time to hire, source of hire, turnover);
- compliance management to ensure job ads and candidate onboarding follows government regulations.

The significant cost incurred in maintaining an organized recruitment effort, cross-posting within and across general or industry-specific job boards and maintaining a competitive exposure of availabilities has given rise to the development of a dedicated applicant tracking system.

Training system

It provides a system for organizations to administer and track employee training and development efforts. The system, normally called a "learning management system" (LMS) if a standalone product, allows HR to track education, qualifications, and skills of the employees, as well as outlining what training courses, books, CDs, web-based learning or materials are available to develop which skills. Courses can then be offered in date specific sessions, with delegates and training resources being mapped and managed within the same system. Sophisticated LMSs allow managers to approve training, budgets, and calendars alongside performance management and appraisal metrics.

Employee service

It allows employees to query HR related data and perform some HR transactions over the system. Employees may query their attendance record from the system without asking the information from HR personnel. The module also lets supervisors approve O.T. requests from their subordinates through the system

without overloading the task on HR department.

Many organizations have gone beyond the traditional functions and developed human resource management information systems, which support recruitment, selection, hiring, job placement, performance appraisals, employee benefit analysis, health, safety, and security, while others integrate an outsourced applicant tracking system that encompasses a subset of the above.

UNIT II

Human resource management (HRM) is the practice of recruiting, hiring, deploying and managing an organization's employees. **HRM** is often referred to simply as human resources (HR). ... As with other business assets, the goal is to make effective use of employees, reducing risk and maximizing return on investment

IMPORTANCE OF HUMAN RESOURCE MANAGEMENT

Facilitates human capital

The human resource department makes the company realize the importance of the human capital in respect to the company's economy. Human capital is particularly important for smaller firms as the employees, quite often, perform cross-functional duties.

The HR department teaches the organization how to utilize this human capital as well as the non-human one and so, the organizations, who aim to efficiently utilize their resources and increase the profit invite the HR management people to formulate required objectives and policies.

Training and Development of Human Resources

HR management conducts surveys and observes the employees to assess their needs to determine the type of training and development needed for the current workforce of the organization to enhance their caliber to work and achieve their respective objectives and targets. Small scale companies or the companies in their starting phase can benefit immensely by training their existing employees instead of recruiting additional work-force. In-house practical training, executive education available in most of the business schools, etc are important tools of training and development of employees.

Employee satisfaction

After gauging the individual needs and preferences of the employees, the specialists of HR management provide them with a series of facilities and opportunities for their career development leading to job satisfaction and commitment on their part. The HR people are also in charge of measuring the amount of employee satisfaction and they also determine the causes of employee dissatisfaction and address the issues to motivate them to perform better.

Performance appraisal

Employees can end up doing jobs that aren't suited to their skills and expertise without proper planning on the part of the HR people who measure and evaluate their performances. The staff of the company is communicated the necessary information regarding their performances and also defining their roles in the company. Taken on a regular basis, performance appraisals motivate the employees immensely.

Resolution of conflicts

Given the diversity of personalities, work styles, backgrounds and levels of experience, there are several day-to-day issues on which disputes may arise in an organization either among the employees or between employees and employer. In these inevitable disputes, the HR managers act as both consultants and mediators. By hearing the grievances of both the parties, they identify and resolve the conflicts and restore positive working relationships.

Maintaining goodwill

HR management has the responsibility of developing good public relations as well as maintaining the goodwill of the company among other public sectors. The corporate image of a business is built on the way they treat their employees because those are the companies in which people trust and also for which they want to work. Sometimes the HR department also plays an active role in preparing marketing plans of the company.

1. The Conscience Role:

HR manager plays an important role of reminding the management its morals and obligations towards its employees.

2. The Counsellor:

An important role of the HR manager is that of a counsellor. Whenever an employee is dissatisfied with the job he approaches the HR manager for counselling and guidance. An employee can also approach the HR manager for counselling for other problems related to his/her personal life which is likely to influence his performance like, health, children education or marriage, mental and physical problems etc. The HR manager listens to their problems and offers suggestions to solve those problems.

3. The Mediator:

In any organisation, there are times when there are differences of opinion and misunderstanding between the management and the employee or between employees themselves. Here, HR manager acts as a mediator, a peace-maker and a communication link between them.

4. The Spokesman:

HR manager acts as a spokes person within the company, as well as are representative of the company.

5. The Change Agent:

Change is something always resisted by the employees. HR manager acts as a change agent in order to bring about a change on the existing system or an introduction of a new system.

6. The problem solver

HR manager acts as a problem solver with respect to the issues that involve human resources management and over all long range organisational planning.

Recruitment Meaning

Recruitment refers to the overall process of attracting, shortlisting, selecting and appointing suitable candidates for jobs (either permanent or temporary) within an organization.

Definition

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

Sources of Recruitment of Employees: Internal and External Sources

The searching of suitable candidates and informing them about the openings in the enterprise is the most important aspect of recruitment process.

Methods of Internal Sources:

The Internal Sources Are Given Below:

1. Transfers:

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

2. Promotions:

Promotions refer to shifting of persons to positions carrying better prestige, higher responsibilities and more pay. The higher positions falling vacant may be filled up from within the organisation. A promotion does not increase the number of persons in the organisation.

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

3. Present Employees:

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

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

Advantages of Internal Sources:

The Following are The Advantages of Internal Sources:

1. Improves morale:

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

2. No Error in Selection:

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

3. Promotes Loyalty:

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

4. No Hasty Decision:

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

5. Economy in Training Costs:

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

6. Self-Development:

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

Disadvantages of Internal Sources:

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

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

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

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

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

(B) External Sources:

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

Methods of External Sources:

1. Advertisement:

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

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

2. Employment Exchanges:

Employment exchanges in India are run by the Government. For unskilled, semi-skilled, skilled, clerical posts etc., it is often used as a source of recruitment. In certain cases it has been made obligatory for the business concerns to notify their vacancies to the employment exchange. In the past, employers used to turn to these agencies only as a last resort. The job-seekers and job-givers are brought into contact by the employment exchanges.

3. Schools, Colleges and Universities:

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

4. Recommendation of Existing Employees:

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

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

5. Factory Gates:

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

6. Casual Callers:

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

7. Central Application File:

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

8. Labour Unions:

In certain occupations like construction, hotels, maritime industry etc., (i.e.,

industries where there is instability of employment) all recruits usually come from unions. It is advantageous from the management point of view because it saves expenses of recruitment. However, in other industries, unions may be asked to recommend candidates either as a goodwill gesture or as a courtesy towards the union.

9. Labour Contractors:

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

10. Former Employees:

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

11. Other Sources:

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

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

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

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

Merits of External Sources:

1. Availability of Suitable Persons:

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

2. Brings New Ideas:

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

3. Economical:

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

Demerits of External Sources:

1. Demoralisation:

When new persons from outside join the organisation then present employees feel

demoralised because these positions should have gone to them. There can be a heart burning among old employees. Some employees may even leave the enterprise and go for better avenues in other concerns.

2. Lack of Co-Operation:

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

3. Expensive:

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

4. Problem of Mal adjustment:

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

Suitability of External Sources of Recruitment:

External Sources of Recruitment are Suitable for The Following Reasons:

- (i) The required qualities such as will, skill, talent, knowledge etc., are available from external sources.
- (ii) It can help in bringing new ideas, better techniques and improved methods to the

organisation.

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

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

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

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

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

Definition of selection

According to Harold Koontz, "Selection is the process of choosing from the candidates, from within the organization or from outside, the most suitable person for the current position or for the future positions."

Meaning

Selection is the process of picking or choosing the right candidate, who is most suitable for a vacant job position in an organization. ... **Selection** is a process of identifying and hiring the applicants for filling the vacancies in an organization.

Selection process

1. Preliminary Interview:

It is the first step in selection. Initial screening is done in this step and all the undesirable applicants are weeded out. This interview is generally conducted by lower level executives. It is a very important step as it shifts out all the unqualified, not desirable applicants and the HR manager can then concentrate on the other applicants without wasting time. The candidates are generally told about job specifications and the skills required for it. This process screens the most obvious misfits.

2. Screening of Applicants:

These days application forms of almost all organizations can be downloaded from the website or may even be provided on request. The form asks for basic things like

educational qualifications, experience, age etc.

Once the filled application is brought to the screening committee, it checks the details and calls the candidate for selection test. The purpose of this screening test is also to read out the most suitable candidates as spending time on them means waste of money.

3. Employment Tests:

Employment tests are device to check the areal knowledge of candidates for the respective jobs. These tests are very specific as they enable the management to bring out right type of people for the jobs. The following tests are given to candidate in most cases

(a) Intelligence Tests:

They test the mental ability of candidates. These tests measure the learning ability of candidates in understanding questions and their power to take quick decision on crucial points. People who are able to quickly answer to these questions are found to be skilful and can be offered training to improve skills for the job in organization.

(b) Aptitude Tests:

They test an individual's capacity to learn a particular skill. There are mainly two types of aptitude tests. Cognitive tests which measure intellectual, mental aptitudes. The second one is called motor tests which check the hand – eye coordination of employees.

(c) Proficiency Tests:

These tests are also called performance or occupational tests. They determine the skills and knowledge acquired by an individual through experience and on the job training.

They are of 4 types:

i) Job knowledge tests – These tests are used to judge proficiency in operating mechanical equipment, dictating, typing, computer applications etc. These tests can be written and practical both. These tests are good in selecting typists, stenographers with supervisor etc.

(ii) Work sample tests – In this test the applicant is given a piece of work to perform in a stipulated time. His performance will judge whether he can be picked up for the job.

(iii) Personality tests – These tests judge the psychological make up of any person. These tests check a person's motivational level, emotions, integrity, sympathy, sensitivity etc. These traits in an individual provide the manager with an overall picture of his personality.

(iv) Simulation tests – In this test many situations which an employer will have to face in the job will be duplicate and the candidate will be asked to face the problem. These tests are generally used for recruiting managers in the organization.

4. Selection Interview:

Interview is an examination of the candidate where he sits face to face with the selection body and answers to their information given by the candidate about his abilities and the requirements of the jobs.

Interview gives the recruiter an opportunity to:

- (a) Assess subjective aspects of the candidate.
- (b) Know about his enthusiasm and intelligence.
- (c) Ask questions which were not a part of his application.
- (d) Obtain as much information from him as possible about his economic, social and cultural background.
- (e) Give facts about the policies, procedures, culture of the company so that he feels good about joining it.

Designing and Conducting Effective Interviews:

Utmost care has to be taken while designing and conducting the interviews, otherwise, they become in-effective.

In creating structured situational interviews, these steps need to be followed:

Make thorough job analysis – There should be a thoroughly prepared job description with a list of job duties, required knowledge, skills, abilities and other worker qualification.

Rate the job's main duties – Identify job's main duties. Rate each job duty based on its importance to job success and on the time required to perform it compared to other tasks.

Create interview question – Some questions should be situational, while some should be behavioural They all should be based on actual job duties with more questions on important duties.

Create benchmark answers and a rating scale for each – An ideal answer may be given the rating of 5 on a 5 point scale whereas, an average answer 3 marks and a poor one just 0 mark.

Appoint the interview panel and conduct interviews – Employers conduct interview generally with a panel consisting of talented and skilful interviewers from the company. They review the answers and rank the candidate accordingly. They indicate where the answers of the candidate fall marginally short of benchmark and where they are ideal or good. They may follow-up the panel discussion with interview for some good candidates.

5. Checking of References:

Once the candidate's interview is over, the reference he had mentioned are checked by the personnel department. His old employers may be asked some quick questions on phone about the candidate's behavior with co-workers, management etc. Further his/her regularity at work and his character can also be inquired about from other references.

6. Medical Examination:

After a candidate has been approved for the job, his physical fitness is examined through medical specialists of the company. If the report says that he or she is medically fit for the job they are then finally selected. In case there is a problem with the fitness, the candidates are given reasons for rejection.

7. Final Selection/Hiring:

The line managers are then asked to give final decision after all technical and medical tests are cleared by the candidate. A true understanding between the line manager and the HR manager facilitates good selection. Therefore, the two together take final decision and intimate it to the candidate. The HR department may immediately send appointment letter to the selected person or after some time as the time schedule says.

8. Placement:

This is a final step. A suitable job is allocated to the appointed candidate so that they can get the whole idea about the nature of the job. They can get adjusted to the job and perform well in future with all capacities and strengths.

Introduction of Induction

Everything you need to know about induction in human resource management. Induction means introduction of a new employee to the job and the organization. It is the process of receiving and welcoming an employee when he first joins a company and giving him the basic information he needs to settle down quickly and happily and start work. It is a welcoming process to make him feel at home and generate in him a feeling of belongingness to the organization. In the process of induction the new comer is explained his duties and responsibilities, company rules, policies and regulations so as to make him familiar to the organization.

Defintion

Induction is the process of introducing a new employee to his/her job and organization and giving him all the necessary information required by him/her to start his work.

The objectives of induction are:

1. To welcome the new employee, relieve his anxieties and make him feel at home.
2. To develop a rapport between the company and the new employee and make him feel part of the organisation as quickly as possible.
3. To inspire the new employee with a good attitude toward the company and his job.
4. To acquaint new employees with company goals, history, management, traditions, policies, department, divisions, products and physical layouts.
5. To communicate to new employee what is expected of them, their responsibilities and how they should handle themselves.
6. To present the basic information the employee wants to know – rules and regulations, benefits, payday, procedures, and general practices.
7. To encourage the new employee to have an inquiring mind, show him how to learn and assist him toward a discipline effort in developing additional knowledge.
8. To provide basic skills, turns and ideas of the business world and help the new employee in human relations.

Importance of Induction

1. The prime aim of an induction session is to guarantee a successful integration of the employees and the management.

Research has also shown that a well-planned induction programme increases staff retention. 2.It is important for the new employees to get a proper idea of the organization's values and objectives, and the job they are required to do.

3.Induction is the biggest event of the organizational life of a new employee. It is beneficial to both, employee as well as organization.

4.But many organizations treat it as a formality and, therefore, take it lightly and not in its true perspective. Such organizations cannot create favourable image in the minds of new recruits and to that extent, their effectiveness is affected adversely.