

HUMAN RESOURCE MANAGEMENT

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INTRODUCTION

Human Resource Management is a relatively new approach to managing human beings in any organisation. Human beings are considered as the key resource in this approach. Since an organisation is a body of people, their acquisition, development of skills, motivation for higher levels of attainments, as well as ensuring maintenance of their level of commitment are all significant activities. All these activities fall in the domain of Human Resource Management. Human Resource Management is a process, which consists of four main activities, namely, acquisition, development, motivation, and 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 organisation. It is also concerned with development of individuals and achieving integration of goals of the organisation and those of the individuals.

Northcott considers human resource management as an extension of general management, that of prompting and stimulating every employee to make his fullest contribution to the purpose of a business. Human resource management is not something that could be separated from the basic managerial function. It is a major component of the broader managerial function.

According to **Edwin B. Flippo**, —Human resource management is the planning, organising, 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, organising, directing and controlling the personnel functions of the enterprise.

FEATURES OF HRM

The features of human resource management can be highlighted as follows:

1. It is an inherent part of management: Human resource management is inherent in the process of management. This function is performed by all the managers throughout the organisation rather than 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. It is a pervasive function: Human Resource Management is a pervasive function of management. It is performed by all managers at various levels in the organisation. 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. It is basic to all functional areas: Human Resource Management permeates all the functional areas 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. It is people centered: Human Resource Management is people centered and is relevant in all types of organisations. It is concerned with all categories of personnel from top to the bottom of the organisation. 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 nonmanagerial personnel, (iii) Professionals (such as Chartered Accountant, Company Secretary, Lawyer, etc.) and non-professional personnel.

5. It involves 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 organisations.

6. It is a continuous process: Human Resource Management is not a “one shot” function. It must be performed continuously if the organisational objectives are to be achieved smoothly.

7. It is based on Human Relations: Human Resource Management is concerned with the motivation of human resources in the organisation. 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

OBJECTIVES OF HRM

The primary objective of HRM is to ensure the availability of competent and willing workforce to an organization. The specific objectives include the following:

1) Human capital: assisting the organization in obtaining the right number and types of employees to fulfill its strategic and operational goals.

2) Developing organizational climate: helping to create a climate in which employees are encouraged to develop and utilize their skills to the fullest and to employ the skills and abilities of the workforce efficiently.

3) Helping to maintain performance standards and increase productivity through effective job design; providing adequate orientation, training and development; providing performance-related feedback; and ensuring effective two-way communication.

4) Helping to establish and maintain a harmonious employer/employee relationship

5) Helping to create and maintain a safe and healthy work environment

6) Developing programs to meet the economic, psychological, and social needs of the employees and helping the organization to retain the productive employees

7) Ensuring that the organization is in compliance with provincial/territorial and federal laws affecting the workplace (such as human rights, employment equity, occupational health and safety, employment standards, and labour relations legislation) to help the organization to reach its goals.

8) To provide organization with well-trained and well-motivated employees

9) To increase the employees satisfaction and self-actualization

10) To develop and maintain the quality of work life

11) To communicate HR policies to all employees.

12) To help maintain ethical polices and behaviour.

The above stated HRM objectives can be summarized under four specific objectives:

1) **Societal Objectives:** seek to ensure that the organization becomes socially responsible to the needs and challenges of the society while minimizing the negative impact of such demands upon the organization. The failure of the organizations to use their resources for the society's benefit in ethical ways may lead to restriction.

2) Organizational Objectives: it recognizes the role of HRM in bringing about organizational effectiveness. It makes sure that HRM is not a standalone department, but rather a means to assist the organization with its primary objectives. The HR department exists to serve the rest of the organization.

3) Functional Objectives: is to maintain the department's contribution at a level appropriate to the organization's needs. Human resources are to be adjusted to suit the organization's demands. The department's value should not become too expensive at the cost of the organization it serves.

4) Personnel Objectives: it is to assist employees in achieving their personal goals, at least as far as these goals enhance the individual's contribution to the organization. Personal objectives of employees must be met if they are to be maintained, retained and motivated. Otherwise employee performance and satisfaction may decline giving rise to employee turnover.

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 depends 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 costs 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.

Scope of HRM

The scope of HRM is indeed vast. All major activities in the working life of a worker (from the time of his or her entry into an organization until he or she leaves the organizations) come under the purview of HRM.

The major HRM activities include HR planning, job analysis, job design, employee hiring, employee and executive remuneration, employee motivation, employee maintenance, industrial relations and prospects of HRM. The scope of Human Resources Management extends to:

1. All the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people as employees in any type of organization.

2. All the dimensions related to people in their employment relationships, and all the dynamics that flow from it.

3. The scope of HRM is really vast. All major activities in the working life of a worker (from the time of his or her entry into an organization until he or she leaves it) come under the purview of HRM. American Society for Training and Development (ASTD) conducted fairly an exhaustive study in this field and identified nine broad areas of activities of HRM.

These are given below:

a) Human Resource Planning: The objective of HR Planning is to ensure that the organization has the right types of persons at the right time at the right place. It prepares human resources inventory with a view to assess present and future needs, availability and possible shortages in human resource. Thereupon, HR Planning forecast demand and supplies and identify sources of selection. HR Planning develops strategies both long-term and short-term, to meet the man-power requirement.

b) Design of Organization and Job: This is the task of laying down organization structure, authority, relationship and responsibilities. This will also mean definition of work contents for each position in the organization. This is done by “job description”. Another important step is “Job specification”. Job specification identifies the attributes of persons who will be most suitable for each job which is defined by job description.

c) Selection and Staffing: This is the process of recruitment and selection of staff. This involves matching people and their expectations with which the job specifications and career path available within the organization.

d) Training and Development: This involves an organized attempt to find out training needs of the individuals to meet the knowledge and skill which is needed not only to perform current job but also to fulfil the future needs of the organization.

e) Organizational Development: This is an important aspect whereby “Synergetic effect” is generated in an organization i.e. healthy interpersonal and inter-group relationship within the organization.

f) Compensation and Benefits: This is the area of wages and salaries administration where wages and compensations are fixed scientifically to meet fairness and equity criteria. In addition labour welfare measures are involved which include benefits and services.

g) Employee Assistance: Each employee is unique in character, personality, expectation and temperament. By and large each one of them faces problems every day. Some are personal some are official. In their case he or she remains worried. Such worries must be removed to make him or her more productive and happy.

h) Union-Labour Relations: Healthy Industrial and Labour relations are very important for enhancing peace and productivity in an organization. This is one of the areas of HRM.

i) Personnel Research and Information System: Knowledge on behavioral science and industrial psychology throws better insight into the workers expectations, aspirations and behaviour. Advancement of technology of product and production methods have created working environment which are much different from the past. Globalization of economy has increased competition many fold. Science of ergonomics gives better ideas of doing a work more conveniently by an employee. Thus, continuous research in HR areas is an unavoidable requirement. It must also take special care for improving exchange of information through effective communication systems on a continuous basis especially on moral and motivation. HRM is a broad concept; personnel management (PM) and Human resource development (HRD) are a part of HRM.

EVOLUTION OF HRM

The evolution of the concept of Human Resource Management can be analysed as follows:

Period before industrial revolution – The society was primarily an agriculture economy with limited production. Number of specialized crafts was limited and was usually carried out within a village or community with apprentices assisting the master craftsmen. Communication channel were limited.

Period of industrial revolution (1750 to 1850) – Industrial revolution marked the conversion of economy from agriculture based upon industry. Modernization and increased means of communication gave way to industrial setup. A department was set up to look into workers wages, welfare and other related issues. This led to emergence of personnel management with the major task as

- Worker's wages and salaries
- Worker's record maintenance
- Worker's housing facilities and health care

An important event in industrial revolution was growth of Labour Union (1790) the works working in the industries or factories were subjected to long working hours and very less wages. With growing unrest, workers across the world started protest and this led to the establishment of Labour unions. To deal with labour issues at one end and management at the other Personnel Management department had to be capable of politics and diplomacy, thus the industrial relation department emerged.

Post Industrial revolution – The term Human resource Management saw a major evolution after 1850. Various studies were released and many experiments were conducted during this period which gave HRM altogether a new meaning and importance.

A brief overview of major theories release during this period is presented below

- Frederick W. Taylor gave principles of scientific management (1857 to 1911) led to the evolution of scientific human resource management approach which was involved in

- Worker's training
- Maintaining wage uniformity
- Focus on attaining better productivity.

- Hawthorne studies, conducted by Elton Mayo & Fritz Roethlisberger (1927 to 1940). Observations and findings of Hawthorne experiment shifted the focus of Human resource from increasing worker's productivity to increasing worker's efficiency through greater work satisfaction.

- Douglas McGregor Theory X and Theory Y (1960) and Abraham Maslow's Hierarchy of needs (1954) – These studies and observations led to the transition from the administrative and passive Personnel Management approach to a more dynamic Human Resource Management approach which considered workers as a valuable resource. As a result of these principles and studies, Human resource management became increasingly line management function, linked to core business operations. Some of the major activities of HR department are listed as-

1. Recruitment and selection of skilled workforce.
2. Motivation and employee benefits
3. Training and development of workforce
4. Performance related salaries and appraisals.

FUNCTIONS OF HRM

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 Resource 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. Organisation: Under organisation, 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 organisational 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 organisation to get its function performed properly. A personnel manager guides and motivates the staff of the organisation 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 organisation 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 organisation 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, incentive and premium plans, bonus policy and co-partnership, etc. It also assists the organisation 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 strifes, promote industrial peace, provide fair deal to workers and establish industrial democracy. If 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 organisation 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 organisation. It is essential for every organisation 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 organisation and its practices, personnel audit, morale, survey and performance appraisal, etc.

APPROACHES TO HRM

John Storey (1989) distinguished two approaches that describe the concept of Human Resources Management.

Hard HRM

- The hard version of HRM traces its roots from the concept of scientific management postulated by Fredrick W Taylor in the early 20th century.
- Basically scientific management advocated for the adoption of a set of management techniques that would increase Organizational efficiency and productivity.

- The management techniques mainly involved the scientific measurement of work through time and method studies, standardization of work tools, functional foremanship, differential pay-rate systems, cost containment and instructional cards for workers etc.

- The humane side of scientific management was that it embraced the concept of the worker as a “rational economic man whose individualistic nature required motivation to gain the best out of him.

- The Hard HRM version resembles in many ways the characteristics of scientific management mentioned above.

- The fundamental point to note is that Hard HRM like scientific management seeks to achieve organizational efficiency through the organization’s human resources.

- This is achieved through utilitarian instrumentalism, which entails that organizations must use their human resources to achieve its desired goals.

- Thus Hard HRM is quantitative in nature as it focuses on the strategic needs of the organization in terms of the amount of human resources it requires and which must be treated with rationality like any other factor of production.

- Hard HRM is purely market driven and it adopts a business-oriented philosophy as it aims to manage people in a way that adds value and one which brings competitive advantage.

- The hard version of HRM is more common in a capitalist set up where people are regarded as human capital, which can bring profit after investing in it.

- Also the worker is regarded as a commodity, which can be exchanged.

SOFT HRM

- The soft version of HRM traces its roots to the human relations school of thought led by Elton Mayo in the Hawthorne studies from 1927-1932 at the Western Electric Company in Chicago.

- Human Relations emphasized the human dimension of workers through the demonstration of the importance of group pressures, social relations, and attitudes towards supervision as determinants of productivity.

- The organization is a social system as well as a techno - economic system with emphasis on the importance of both the formal and the informal group.

- Similarly soft HRM is premised on the need to treat employees as ‘whole men’, valued assets, and the most important source of competitive advantage as opposed to treating them as objects.

- It emphasizes more on effective communication, training and development, motivation, culture, values and involvement as sources of employee commitment, which is crucial for gaining competitive advantage.

- The thrust of soft HRM is thus based on mutuality of purpose, which renders it unitarist in nature.

- Soft HRM can be said to embrace developmental humanism as opposed to utilitarian instrumentalism in hard HRM

H R MANAGEMENT VS. PERSONNEL MANAGEMENT

HRM	Personnel Management
HRM is the latest development in the evaluation of management of man	Personnel management precedes HRM
It gives more importance to the abilities of employees rather than evaluating them as per rules.	Performance is evaluated within the framework of rules.
It works on the basis of integrated initiative	It works on the basis of piecemeal initiative
Process of decision making is fast	Process of decision making is slow
It supports performance related remuneration	It supports fixed remuneration
It uses latest techniques of training and Development	It uses outdated techniques of training and development
It practices division of work along with team Work	It practices only division of work
It favours all round development of Employees	It favours contractual employment based on written agreement

DIFFERENCES BETWEEN TRADITIONAL HRM AND STRATEGIC HRM

Traditional Human Resource Management:

1. It focuses on employee relations, to partnership with internal and external groups.
2. Transformation in nature, in that it helps the people and the organisation to adapt, learns and act quickly.
3. Is proactive and consider various time frames in a flexible manner.

Strategic Human Resource Management:

1. It realises that people can made or break an organisation because all decisions regarding finance, marketing, operations or technology are made by an organisation's people.
2. It compels people at all levels to focus more on strategic issues rather than operational issues.
3. It believes that there is no best way to manage people in any given organisation.

FUTURE CHALLENGES BEFORE THE 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 labour. 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 organisations is increasing. A large number of multinational organisations have grown over the years. The number of people working in the organisation 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 modernisation 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, organisations will be required to make use of advanced technology in accomplishing their goals while satisfying human needs. In the traditional bureaucratic model, the organisations 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 organisation system.

7. Computerised 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 computerized 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: Organisations 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 organisations. As individuals develop greater technical and professional expertise, their services will be in greater demand by other organisations 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 organisations 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 multi unions 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.

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 organisations 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 organisations. It means a great deal of specialization 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.

FUNCTIONS OF A HUMAN RESOURCE MANAGER

A human resource manager, charged with fulfilling the objectives of an organisation, 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 organisation towards more prosperous and progressive policies.

1. 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 organisation. 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. 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 organisation, 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. 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 organisation.

4. 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 organisation.

5. 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 organisation, a Human resource man must not shirk the role of leadership in an organisation. 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 organisation.

6. 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. As a Visionary: While every leading function of an organisation must evolve its vision of the future, the primary responsibility for developing the social organisation towards purposive and progressive action falls on the personnel man. He should be a thinker who sets the pace for policymaking in an organisation in the area of human relations and should gradually work out new patterns of human relations management consistent with the needs of the organisation 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.

HUMAN RESOURCE PLANNING

INTRODUCTION

Human Resource Planning is concerned with the planning the future manpower requirements are the organisation. Human Resource manager ensures that the company has the right type of people in the right number at the right time and place, who are trained and motivated to do the right kind of work at the right time. Obviously, human resource planning primarily makes appropriate projections for future manpower needs of the organisation envisages plan for developing the manpower to suit the changing needs of the organisation from time to time, and foresees how to monitor and evaluate the future performance. It also includes the replacement plans and managerial succession plans. Human Resource planning is the process by which a management determines how an organisation should move from its current manpower position to its desired manpower position. Through planning a management strives to have the right number and the right kinds of people at the right places, at the right time, to do things which result in both the organisation and the individual receiving the maximum long-range benefit.

DEFINITIONS OF HUMAN RESOURCE PLANNING:

According to Wikstrom, Human Resource Planning consists of a series of activities, viz.,

(a) Forecasting future manpower requirements, either in terms of mathematical projections of trends in the economic environment and developments in industry, or in terms of judgemental estimates based upon the specific future plans of a company;

(b) Making an inventory of present manpower resources and assessing the extent to which these resources are employed optimally;

(c) Anticipating manpower problems by projecting present resources into the future and comparing them with the forecast of requirements to determine their adequacy, both quantitatively and qualitatively; and

(d) Planning the necessary programmes of requirements, selection, training, development, utilisation, transfer, promotion, motivation and compensation to ensure that future manpower requirements are properly met. Coleman has defined Human Resource Planning as “the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the

organisation". Human resource planning is a double-edged weapon. If used properly, it leads to the maximum utilisation of human resources, reduces excessive labour turnover and high absenteeism; improves productivity and aids in achieving the objectives of an organisation. Faultily used, it leads to disruption in the flow of work, lower production, less job satisfaction, high cost of production and constant headaches for the management personnel. Therefore, for the success of an enterprise, human resource planning is a very important function, which can be neglected only at its own peril.

OBJECTIVES OF HR PLANNING

The major objectives of Human Resource Planning in an organisation are to:

- (i) ensure optimum use of human resources currently employed;
- (ii) Avoid imbalances in the distribution and allocation of human resources;
- (iii) assess or forecast future skill requirements of the organisation's overall objectives;
- (iv) Provide control measure to ensure availability of necessary resources when required;
- (v) Control the cost aspect of human resources;
- (vi) Formulate transfer and promotion policies.

STEPS IN HUMAN RESOURCE PLANNING

Human resource planning refers to a process by which companies ensure that they have the right number and kinds of people at the right place, at the right time; capable of performing diverse jobs professionally. Planning the use of human resources is an important function in every organisation. A rational estimate to various categories of personnel in the organisation is an important aspect of human resource planning. HRP involves the following steps:

1. Analysis of Organisational Plans and Objectives: Human resource planning is a part of overall plan of organisation. Plans concerning technology, production, marketing, finance, expansion and diversification give an idea about the volume of future work activity. Each plan can further be analysed into sub-plans and detailed programmes. It is also necessary to decide the time horizon for which human resource plans are to be prepared. The future organisation structure and job design should be made clear and changes in the organisation structure should be examined so as to anticipate its manpower requirements.

2. Forecasting Demand for Human Resources: Human resource planning starts with the estimation of the number and type of personnel required at different levels and in different departments. The main steps involved in HRP process are

- (a) to determine and to identify present and prospective needs of human resource,
- (b) to discover and recruit the required number of persons.
- (c) to select the right number and type from the available people.
- (d) to hire and place in the positions for which they are qualified,
- (e) to provide information to the selected people about the nature of work assigned to them,
- (f) to Promote or to transfer as per the needs and the performance of employees,
- (g) to denote if the employees are disinterested or their performance is not up to the mark,
- (h) to terminate if they are not needed or their performance is below standard and shows no hopes of improvement.

It is the most crucial and critical area of HRD. This HRD manager must pay attention to place right man to the right job through recruitment selection Training and Placement of employees. This calls for the adoption of a systematic procedure to complete recruitment and selection.

3. Forecasting Supply of Human Resources: One of the important areas of human resources planning is to deal with allocation of persons to different departments depending upon the workload and requirements of the departments. While allocating manpower to different departments, care has to be taken to consider appointments based on promotions and transfers. Allocation of human resource should be so planned that available manpower is put to full use to ensure smooth functioning of all departments.

4. Estimating Manpower Gaps: Net human resource requirements or manpower gaps can be identified by comparing demand and supply forecasts. Such comparison will reveal either deficit or surplus of human resources in future. Deficits suggest the number of persons to be recruited from outside whereas surplus implies redundant to be redeployed or terminated. Similarly, gaps may occur in terms of knowledge,

skills and aptitudes. Employees deficient in qualifications can be trained whereas employees with higher skills may be given more enriched jobs.

5. Matching Demand and Supply : It is one of the objectives of human resource planning to assess the demand for and supply of human resources and match both to know shortages and surpluses on both the side in kind and in number. This will enable the human resource department to know overstaffing or understaffing. Once the manpower gaps are identified, plans are prepared to bridge these gaps. Plans to meet the surplus manpower may be redeployment in other departments and retrenchment in consultation, with the trade unions. People may be persuaded to quit through voluntarily retirement. Deficit can be met through recruitment, selection, transfer, promotion, and training plans. Realistic plans for the procurement and development of manpower should be made after considering the macro and micro environment which affect the manpower objectives of the organisation.

IMPORTANCE OF HUMAN RESOURCE PLANNING

HRP is the subsystem in the total organizational planning. Organizational planning includes managerial activities that set the company's objective for the future and determines the appropriate means for achieving those objectives. The importance of HRP is elaborated on the basis of the key roles that it is playing in the organization.

1. Future Personnel Needs: Human resource planning is significant because it helps to determine the future personnel needs of the organization. If an organization is facing the problem of either surplus or deficiency in staff strength, then it is the result of the absence of effecting HR planning. All public sector enterprises find themselves overstaffed now as they never had any planning for personnel requirement and went of recruitment spree till late 1980's. The problem of excess staff has become such a prominent problem that many private sector units are resorting to VRS 'voluntary retirement scheme'. The excess of labour problem would have been there if the organization had good HRP system. Effective HRP system will also enable the organization to have good succession planning.

2. Part of Strategic Planning: HRP has become an integral part of strategic planning of strategic planning. HRP provides inputs in strategy formulation process in terms of deciding whether the organization has got the right kind of human resources to carry out the given strategy. HRP is also necessary during the implementation stage in the form of deciding to make resource allocation decisions related to organization structure, process and human resources. In some organizations HRP play as significant role as strategic planning and HR issues are perceived as inherent in business management.

3. Creating Highly Talented Personnel: Even though India has a great pool of educated unemployed, it is the discretion of HR manager that will enable the company to recruit the right person with right skills to the organization. Even the existing staff hope the job so frequently that organization face frequent shortage of manpower. Manpower planning in the form of skill development is required to help the organization in dealing with this problem of skilled manpower shortage

4. International Strategies: An international expansion strategy of an organization is facilitated to a great extent by HR planning. The HR department's ability to fill key jobs with foreign nationals and reassignment of employees from within or across national borders is a major challenge that is being faced by international business. With the growing trend towards global operation, the need for HRP will as well will be the need to integrate HRP more closely with the organizations strategic plans. Without effective HRP and subsequent attention to employee recruitment, selection, placement, development, and career planning, the growing competition for foreign executives may lead to expensive and strategically descriptive turnover among key decision makers.

5. Foundation for Personnel Functions: HRP provides essential information for designing and implementing personnel functions, such as recruitment, selection, training and development, personnel movement like transfers, promotions and layoffs.

6. Increasing Investments in Human Resources: Organizations are making increasing investments in human resource development compelling the increased need for HRP. Organizations are realizing that human assets can increase in value more than the physical assets. An employee who gradually develops his/her skills and abilities become a valuable asset for the organization. Organizations can make investments in

its personnel either through direct training or job assignment and the rupee value of such a trained, flexible, motivated productive workforce is difficult to determine. Top officials have started acknowledging that quality of work force is responsible for both short term and long term performance of the organization.

7. Resistance to Change: Employees are always reluctant whenever they hear about change and even about job rotation. Organizations cannot shift one employee from one department to another without any specific planning. Even for carrying out job rotation (shifting one employee from one department to another) there is a need to plan well ahead and match the skills required and existing skills of the employees.

8. Succession Planning: Human Resource Planning prepares people for future challenges. The 'stars' are picked up, trained, assessed and assisted continuously so that when the time comes such trained employees can quickly take the responsibilities and position of their boss or seniors as and when situation arrives.

9. Other Benefits: (a) HRP helps in judging the effectiveness of manpower policies and programmes of management. (b) It develops awareness on effective utilization of human resources for the overall development of organization. (c) It facilitates selection and training of employees with adequate knowledge, experience and aptitudes so as to carry on and achieve the organizational objectives (d) HRP encourages the company to review and modify its human resource policies and practices and to examine the way of utilizing the human resources for better utilization.

FACTORS AFFECTING HRP

HRP is influenced by several factors. The most important of the factors that affect human resource planning are:

1. Type and Strategy of the Organization: Type of the organization determines the production processes involve, number and type of staff needed and the supervisory and managerial personnel required. If the organization has a plan for organic growth then organization need to hire additional employees. On the other hand if the organization is going for mergers and acquisition, then organization need to plan for layoffs.

2. Organizational Growth Cycles and Planning: All organizations pass through different stages of growth from the day of its inception. The stage of growth in which an organization is determines the nature and extends of HRP. Small organizations in the earlier stages of growth may not have well defined personnel planning. But as the organization enters the growth stage they feel the need to plan its human resource. At this stage organization gives emphasis upon employee development. But as the organization reaches the mature stage it experience less flexibility and variability resulting in low growth rate. HR planning becomes more formalized and less flexible and less innovative and problem like retirement and possible retrenchment dominate planning. During the declining stage of the organization HRP takes a different focus like planning to do the layoff, retrenchment and retirement.

3. Environmental Uncertainties: Political, social and economic changes affect all organizations and the fluctuations that are happening in these environments affect organizations drastically. Personnel planners deal with such environmental uncertainties by carefully formulating recruitment, selection, training and development policies and programmes.

4. Time Horizons: HR plans can be short term or long term. Short term plans spans from six months to one year, while long term plans spread over three to twenty years. The extent of time period depends upon the degree of uncertainty that is prevailing in an organizations environment.

5. Type and Quality of information: The quality and accuracy of information depend upon the clarity with which the organizational decision makers have defined their strategy, structure, budgets, production schedule and so on.

6. Nature of Jobs Being Filled: Personnel planners need to be really careful with respect to the nature of the jobs being filled in the organization. Employees belonging to lower level who need very limited skills can be recruited hastily but, while hiring employees for higher posts, selection and recruitment need to be carried out with high discretion

7. Outsourcing: Many of the organizations have surplus labour and hence instead of hiring more people they go for outsourcing. Outsourcing determines HRP.

BARRIERS TO HUMAN RESOURCE PLANNING

Human Resource Planners face significant barriers while formulating an HRP. The major barriers are elaborated below:

1) HR practitioners are perceived as experts in handling personnel matters, but are not experts in managing business. The personnel plan conceived and formulated by the HR practitioners when enmeshed with organizational plan, might make the overall strategic plan of the organization ineffective.

2) HR information often is incompatible with other information used in strategy formulation. Strategic planning efforts have long been oriented towards financial forecasting, often to the exclusion of other types of information. Financial forecasting takes precedence over HRP.

3) Conflict may exist between short term and long term HR needs. For example, there can be a conflict between the pressure to get the work done on time and long term needs, such as preparing people for assuming greater responsibilities. Many managers are of the belief that HR needs can be met immediately because skills are available on the market as long as wages and salaries are competitive. Therefore, long times plans are not required, short planning are only needed.

4) There is conflict between quantitative and qualitative approaches to HRP. Some people view HRP as a number game designed to track the flow of people across the department. Others take a qualitative approach and focus on individual employee concerns such as promotion and career development. Best result can be achieved if there is a balance between the quantitative and qualitative approaches.

6) Non-involvement of operating managers renders HRP ineffective. HRP is not strictly an HR department function. Successful planning needs a co-ordinated effort on the part of operating managers and HR personnel.

JOB ANALYSIS

Developing an organizational structure, results in jobs which have to be staffed. Job analysis is the procedure through which you determine the duties and nature of the jobs and the kinds of people (in terms of skills and experience) who should be hired for them. Some of the definitions of job analysis are:

According to Michael L. Jucius, "Job analysis refers to the process of studying the operations, duties and organizational aspects of jobs in order to derive specifications or as they called by some, job descriptions."

According to DeCenzo and P. Robbins, "A job analysis is a systematic exploration of the activities within a job. It is a basic technical procedure, one that is used to define the duties, responsibilities, and accountabilities of a job."

INFORMATION PROVIDED BY JOB ANALYSIS

Job analysis provides the following information:

- 1. Job Identification :** Its title, including its code number;
- 2. Significant Characteristics of a Job:** It location, physical setting, supervision, union jurisdiction, hazards and discomforts;
- 3. What the Typical Worker Does :** Specific operation and tasks that make up an assignment, their relative timing and importance, their simplicity, routine or complexity, the responsibility or safety of others for property, funds, confidence and trust;
- 4. Which Materials and Equipment a Worker Uses:** Metals, plastics, grains, yarns, milling machines, punch presses and micrometers;
- 5. How a Job is Performed:** Nature of operation - lifting, handling, cleaning, washing, feeding, removing, drilling, driving, setting-up and many others;
- 6. Required Personal Attributes:** Experience, training, apprenticeship, physical strength, coordination or dexterity, physical demands, mental capabilities, aptitudes, social skills;
- 7. Job Relationship:** Experience required, opportunities for advancement, patterns of promotions, essential co-operation, direction, or leadership from and for a job.

SOURCES OF INFORMATION FOR JOB ANALYSIS

According to George R. Terry, “the make-up of a job, its relation to other jobs, and its requirements for competent performance are essential information needed for a job analysis”. Information on a job may be obtained from three principal sources:

- (a) From the employees who actually perform a job;
- (b) From other employees such as supervisors and foremen who watch the workers doing a job and thereby acquire knowledge about it; and
- (c) From outside observers specially appointed to watch employees performing a job. Such outside persons are called the trade job analysts.

METHODS OF JOB ANALYSIS

Four methods or approaches are utilised in analysing jobs. They are:

1. Personal Observation: The materials and equipment used, the working conditions and probable hazards, and an understanding of what the work involves are the facts which should be known by an analyst.

2. Sending out of Questionnaires: Properly drafted questionnaires are sent out to job-holders for completion and are returned to supervisors.

3. Maintenance of Long Records: The employee maintains a daily record of duties he performs, marking the time at which each task is started and finished.

4. Critical Incidents: In this method, job holders are asked to describe incidents concerning the job on the basis of their past experience. The incidents so collected are analyzed and classified according to the job areas they describe

5. Personal Interviews: Personal interviews may be held by the analyst with the employees, and answers to relevant questions may be recorded. But the method is time-consuming and costly.

6. Technical Conference Method: This method utilizes supervisors with extensive knowledge of the job. Here, specific characteristics of a job are obtained from the “experts.”

7. Functional Job Analysis: Functional job analysis (FJA) is employee- oriented analytical approach of job analysis. This approach attempts to describe the whole person on the job.

PURPOSES AND USES OF JOB ANALYSIS

The information provided by job analysis is useful in almost every phase of employee relations. Its purposes and uses can be understood from the following points:

1. Organisation and Manpower Planning: It is helpful in organisational planning for it defines labour needs in concrete terms and coordinates the activities of the work force, and clearly divides duties and responsibilities.

2. Recruitment and Selection: By indicating the specific requirements of each job (i.e., the skills and knowledge), it provides a realistic basis for hiring, training, placement, transfer and promotion of personnel.

3. Wage and Salary Administration: By indicating the qualifications required for doing specified jobs and the risks and hazards involved in its performance, it helps in salary and wage administration. Job analysis is used as a foundation for job evaluation.

4. Job Re-engineering: Job analysis provides information which enables us to change jobs in order to permit their being manned by personnel with specific characteristics and qualifications.

5. Employee Training and Management Development: Job analysis provides the necessary information to the management of training and development programmes.

6. Performance Appraisal: It helps in establishing clear-cut standards which may be compared with the actual contribution of each individual.

7. Health and Safety: It provides an opportunity for indentifying hazardous conditions and unhealthy environmental factors so that corrective measures may be taken to minimize and avoid the possibility of accidents.

PROCESS OF JOB ANALYSIS

Following are the important steps in the process of job analysis:

1. Determine the Use of the Job Analysis Information: Start by identifying the use to which the information will be put, since this will determine the type of data you collect and the technique you use to collect them.

2. Collection of Background Information: According to Terry, “The make-up of a job, its relation to other jobs, and its requirements for competent performance are essential information needed for a job evaluation. This information can be had by reviewing available background information such as organization charts and the existing job descriptions.

3. Selection of Jobs for Analysis: Job analysis is a costly and time consuming process. Hence, it is necessary to select a representative sample of jobs for the purposes of analysis. Priorities of various jobs can also be determined.

4. Collection of Job Analysis Data: Job data on features of the job, required employee qualification and requirements, should be collected either from the employees who actually perform a job; or from other employees who watch the workers, or from the outside persons.

5. Processing the Information: Once job analysis information has been collected, the next step is to place it in a form that will make it useful to those charged with the various personnel functions. Several issues arise with respect to this. First, how much detail is needed? Second, can the job analysis information be expressed in quantitative terms? These must be considered properly.

6. Preparing Job Descriptions and Job Classifications: Job information which has been collected must be processed to prepare the job description form. It is a statement showing full details of the activities of the job. Separate job description forms may be used for various activities in the job and may be compiled later on. The job analysis is made with the help of these description forms. These forms may be used as reference for the future.

7. Developing Job Specifications: Job specifications are also prepared on the basis of information collected. It is a statement of minimum acceptable qualities of the person to be placed on the job. It specifies the standard by which the qualities of the person are measured.

JOB DESCRIPTION

Job description is a written record of the duties, responsibilities and requirements of a particular job. It is concerned with the job itself and not with the work. It is a statement describing the job in such terms as its title, location, duties, working conditions and hazards. In other words, it tells us what is to be done and how it is to be done and why. It is a standard of function, in that it defines the appropriate and authorised contents of a job.

A job description contains the following:

1. Job identification, which includes the job title, alternative title, department, division, plant and code number of the job. The job title identifies and designates the job properly.

2. Job Summary serves two important purposes. First it provides a short definition which is useful as additional identification information when a job title is not adequate. Second, it serves as a summary to orient the reader.

3. Job duties give us a comprehensive listing of the duties together with some indication of the frequency of occurrence or percentage of time devoted to each major duty. It is regarded as the heart of a job.

4. Relation to other jobs: This helps us to locate the job in the organisation by indicating the job immediately below or above it in the job hierarchy. It also gives us an idea of the vertical relationships of work flow and procedures.

5. Supervision: Under it is given the number of persons to be supervised along with their job titles, and the extent of supervision involved – general, intermediate or close supervision.

6. Working conditions usually give us information about the environment in which a job holder must work.

JOB SPECIFICATION

The job specification states the minimum acceptable qualifications that the incumbent must possess to perform the job successfully. Based on the information acquired through job analysis, the job specification identifies the knowledge, skills, and abilities needed to do the job effectively.

According to Dale Yoder, "The job specification, as such a summary properly described is thus a specialized job description, emphasizing personnel requirement and designed especially to facilitate selection and placement."

A Job Specification should include:

(i) Physical characteristics, which include health, strength, endurance, age, height, weight, vision, voice, eye, hand and foot co-ordination, motor co-ordination, and colour discrimination.

(ii) Psychological and social characteristics such as emotional stability, flexibility, decision making ability, analytical view, mental ability, pleasing manners, initiative, conversational ability etc.

(iii) Mental Characteristics such as general intelligence, memory, judgement, ability to concentrate, foresight etc.

(iv) Personal Characteristics such as sex, education, family background, job experience, hobbies, extracurricular activities etc.

JOB DESIGN

Job design is of comparatively recent origin. The human resource managers have realized that the poorly designed jobs often result in boredom to the employees, increased turnover, job dissatisfaction, low productivity and an increase in overall costs of the organization. All these negative consequences can be avoided with the help of proper job design. According to Jon Werner and DeSimone, "Job design is the development and alteration of the components of a job (such as the tasks one performs, and the scope of one's responsibilities) to improve productivity and the quality of the employees' work life."

PRINCIPLES OF JOB DESIGN

Principles are the bases of the approach used in job design. Robertson and Smith (1985) have suggested the following five principles of job design:

- To influence skill variety, provide opportunities for people to do several tasks and combine tasks.
- To influence task identity, combine tasks and form natural work units.
- To influence task significance, form natural work units and inform people of the importance of their work.
- To influence autonomy, give people responsibility for determining their own working systems.
- To influence feedback; establish good relationship and open feedback channels.

METHODS OR TECHNIQUES OF JOB DESIGN

The various techniques of job design and redesign are as follows:

1. Job Simplification: In job simplification, the complete job is broken down into small subparts; this is done so that employee can do these jobs without much specialized training. For job simplification, generally time and motion studies are used.

2. Job Rotation: Another technique designed to enhance employee motivation is job rotation, or periodically assigning employees to alternating jobs or tasks.

3. Job Enlargement: Another means of increasing employee's satisfaction with routine jobs is increasing the number of tasks performed (i.e. increasing the scope of the job). This is called job enlargement.

4. Job Enrichment: The concept of job enrichment has been derived from Herzberg's twofactor theory of motivation in which he has suggested that job content is one of the basic factors of motivation. If the job is designed in such a manner that it becomes more interesting and challenging to the job performer and provides him opportunities for achievement, recognition, responsibility, advancement and growth, the job itself becomes a source of motivation to the individual.

According to P. Robbins, “Job enrichment refers to the vertical expansion of the jobs. It increases the degree to which the worker controls the planning, execution and evaluation of his work.”

JOB ENLARGEMENT VS. JOB ENRICHMENT

Job enlargement and job enrichment are two techniques of job design in order to enhance productivity and satisfaction of the employees. However, they differ from each other in the following respects:

1. Nature of Job: The major difference between job enrichment and enlargement lies in the nature of additions to the job. Enlargement involves a horizontal loading or expansion, or addition of tasks of the same nature. Enrichment involves vertical loading of tasks and responsibility of the job holder; it improves the quality of the job in terms of its intrinsic worth.

2. Purpose: The purpose of job enlargement is to reduce the monotony in performing repetitive jobs by lengthening the cycle of operation. On the other hand, the purpose of job enrichment is making the job lively, challenging and satisfying. It satisfies the higher level needs such as ego satisfaction, self expression, sense of achievement and advancement of Job holders.

3. Skill Requirement: Job enlargement may not necessarily require the use of additional skills which the job holder was using in performing the job before the enlargement. This is due to similarity of additional tasks. Enrichment calls for development and utilization of higher skills, initiative, and innovation on the part of the job holder in performing the job.

4. Direction and Control: Job enlargement requires direction and control from external sources, say supervisor. In fact, the job holder may require more direction and control because of enlargement of his responsibility. Enrichment does not require external direction and control as these come from the job holder himself. He requires only feedback from his supervisor.

JOB EVALUATION

Job Evaluation is a system wherein a particular job of an enterprise is compared with its other jobs. In the present industrial era, there are different types of jobs which are performed in every business and industrial enterprise. Comparative study of these jobs is very essential because on the basis of such study the structure of wages for different types of jobs is prepared. The comparison of jobs may be made on the basis of different factors such as duties, responsibilities, working conditions, efforts, etc. In nut shell, it may be said that job evaluation is a process in which a particular job of a business and industrial enterprise is compared with other jobs of the enterprise.

Kimball and Kimball define job evaluation as “an effort to determine the relative value of every job in a plant to determine what the fair basic wage for such a job should be.”

According to Wendell French, —job evaluation is a process of determining the relative worth of the various jobs within the organisation, so that differential wages may be paid to jobs of different worth. The relative worth of a job means relative value produced. We may define job evaluation as a process of analysing and describing positions, grouping them and determining their relative value of comparing the duties of different position in terms of their different responsibilities and other requirements.

OBJECTIVES OF JOB EVALUATION

The following are the objectives of job evaluation:

(i) To secure and maintain complete, accurate and impersonal descriptions of each distinct job or occupation in the entire plant;

(ii) To provide a standard procedure for determining the relative worth of each job in a plant;

(iii) To determine the rate of pay for each job which is fair and equitable with relation to other jobs in the plant, community or industry?

(iv) To ensure that like wages are paid to all qualified employees for like work;

(v) To promote a fair and accurate consideration of all employees for advancement and transfer;

(vi) To provide a factual basis for the consideration of wage rates for similar jobs in a community and industry.

PRINCIPLES OF JOB EVALUATION

There are certain broad principles, which should be kept in mind before putting the job evaluation programme into practice. These principles are :

- (i) Rate the job and not the man. Each element should be rated on the basis of what the job itself requires.
- (ii) The elements selected for, rating purposes should be easily explainable in terms and as few in number as will cover the necessary requisites for every job without any overlapping.
- (iii) The elements should be clearly defined and properly selected.
- (iv) Any job rating plan must be sold to foremen and employees. The success in selling it will depend on a clear-cut explanation and illustration of the plan.
- (v) Foremen should participate in the rating of jobs in their own departments.
- (vi) Maximum co-operation can be obtained from employees when they themselves have an opportunity to discuss job ratings.
- (vii) In talking to foremen and employees, any discussion of money value should be avoided. Only point values and degrees of each element should be discussed.
- (viii) Too many occupational wages should not be established. It would be unwise to adopt an occupational wage for each total of point values.

METHODS OF JOB EVALUATION:

The following are the methods of Job Evaluations:

1. Ranking Method:

The ranking method requires a committee typically composed of both management and employee representatives of job in a simple rank order, from highest to lowest. Rating specialists review the job analysis information and thereafter appraise each job subjectively according to its general importance in comparison with other jobs. In other words, an overall judgment is made of the relative worth of each job, and the job is ranked accordingly.

2. Job Grading or Job Classification Method :

This method works by assigning each job a grade, level or class that corresponds to a pay grade for instance Grade I, Grade II, Grade III and so forth. These grades or classifications are created by identifying gradations of some common denominations, such as job responsibility, skill, knowledge, education required, and so on. Then, for each job grade so created standard job descriptions are determined. Thereafter, such standard description is matched with job descriptions in the organisation. The standard description that most nearly matches the job description determines the job's grading.

3. Factor-comparison Method:

This method is a combination of ranking and point systems. All jobs are compared to each other for the purpose of determining their relative importance by selecting four or five major job elements or factors which are more or less common to all jobs. These elements are not predetermined. These are chosen on the basis of job analysis. The few factors which are customarily used are :

- Mental Requirements
- Skill
- Physical Requirements
- Responsibilities
- Working Conditions, etc.

A few jobs are selected as key jobs which serve as standard against which all other jobs are compared. key job is one whose contents have been stabilised over a period of time and whose wage rate is considered to be presently correct by the management and the union.

ADVANTAGES OF JOB EVALUATION

Job evaluation enjoys the following advantages:

(i) Job evaluation is a logical and to some extent an objective method of ranking jobs relative to one another. It may help in removing inequalities in existing wage structures and in maintaining sound and consistent wage differentials in a plant or industry.

(ii) In the case of new jobs, the method often facilitates fitting them into the existing wage structure.

(iii) The method helps in removing grievances arising out of relative wages; and it improves labour management relations.

(iv) The method replaces the many accidental factors, occurring in less systematic procedures, of wage bargaining by more impersonal and objective standards, thus establishing a clear basis for negotiations.

(v) The method may lead to greater uniformity in wage rates, thus simplifying wage administration.

(vi) The information collected in the process of job description and analysis may also be used for the improvement of selection, transfer and promotion procedures on the basis of comparative job requirements.

(vii) Such information also reveals that workers are engaged on jobs requiring less skill and other qualities than they possess, thereby pointing to the possibility of making more efficient use of the plant's labour force.

MERIT RATING

Merit rating is a process through which the ability, efficiency and the potentiality of an employee are evaluated for the purpose of determining wage rate, need of training and for determining the policy for promotions and transfers.

According to **Edward Flippo** "Merit rating is a systematic, periodic and, so far as humanly possible, an impartial rating of an employee's excellence in matters pertaining to his present job to his potentialities for a job."

Objects of Merit Rating

The objects of Merit Rating are as follows:

1. To make a comparative study of the abilities of different employees.
2. To provide higher reward to the more efficient employees.
3. To prove the justification of different rates of wages to different employees according to their abilities.
4. To establish harmonious relation between employees and employers.
5. To motivate the employees to do better and more work.
6. To determine a policy for promotions and transfer.
7. To evaluate the success of training programmes.

JOB EVALUATION VS. MERIT RATING

Basis	Job Evaluation	Merit Rating
Meaning	It is a technique by which different jobs of an enterprise are evaluated.	It is the process by which the ability, efficiency and potentiality of an employee are evaluated.
Beginning	This process is started after the appointment of employees.	This process is started before the appointment of employees.
Procedure of Evaluation	In this process the performance of an employee is evaluated by comparing it with the performance of another	In this process ability, efficiency and the potentiality of an employee are evaluated.

	employee of equal rank and status.	
Relation	It is related with the relative It is related with relative study of different.	It is related with relative study of different employees.
Basis of Determining Wages and Salaries	In this process, the remuneration of an employee is determined.	In this process, the remuneration of an employee is determined on the basis of his efficiency, ability and potentiality.

LIMITATION OF JOB EVALUATIONS:

(i) Though many ways of applying the job evaluation technique are available, rapid changes in technology and in the supply and demand of particular skills have given rise to problems of adjustment.

(ii) Substantial differences exist between job factors and the factors emphasised in the market. These differences are wider in cases in which the average pay offered by a company is lower than that prevalent in other companies in the same industry or in the same geographical area.

(iii) Job factors fluctuate because of changes in production technology, information system, and division of labour and such other factors. Therefore, the evaluation of a job today is made on the basis of job factors, and does not reflect the time job value in future. In other words, continuing attention and frequent evaluation of a job are essential.

(iv) Higher rates of pay for some jobs at the earlier stages than other jobs or the evaluation of a job higher in the organisational hierarchy at a lower rate than another job relatively lower in the organisational hierarchy often give rise to human relations problems and lead to grievances among those holding these jobs.

RECRUITMENT

Recruitment means search of the prospective employee to suit the job requirements as represented by job specification. It is the process of attracting people to apply for jobs in an organisation.

According to Edwin B. Flippo: "Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organisation."

FACTORS AFFECTING RECRUITMENT

The factors affecting recruitment can be classified as internal and external factors.

The internal factors are:

- Wage and salary policies;
- The age composition of existing working force;
- Promotion and retirement policies;
- Turnover rates;
- The nature of operations involved the kind of personnel required;
- The level and seasonality of operations in question;
- Future expansion and reduction programmes;
- Recruiting policy of the organisation;
- Human resource planning strategy of the company;
- Size of the organisation and the number of employees employed;
- Cost involved in recruiting employees, and finally;
- Growth and expansion plans of the organisation.

The external factors are:

- Supply and demand of specific skills in the labour market;
- Company's image perception of the job seekers about the company.
- External cultural factors: Obviously, the culture may exert considerable check on recruitment. For example, women may not be recruited in certain jobs in industry.
- Economic factors: such as a tight or loose labour market, the reputation of the

- enterprise in the community as a good pay master or otherwise and such allied issues which determine the quality and quantity of manpower submitting itself for recruitment.
- Political and legal factors also exert restraints in respect of nature and hours of work for women and children, and allied employment practices in the enterprise, reservation of Job for SC, ST and so on.

SOURCES OF RECRUITMENT

The various sources of recruitment are generally classified as internal source and external source.

(a) Internal Sources:

This refers to the recruitment from within the company. The various internal sources are

1. Promotion,
2. Transfer,
3. Past Employees And
4. Internal Advertisements.

(b) External Sources:

External sources refers to the practice of getting suitable persons from outside. The various external sources are advertisement, employment exchange, past employees, private placement agencies and consultants, walks-ins, campus recruitment, trade unions, etc. The following external sources of recruitment are commonly used by the big enterprises:

1. Direct Recruitment: An important source of recruitment is direct recruitment by placing a notice on the notice board of the enterprise specifying the details of the jobs available. It is also known as recruitment at factory gate.

2. Casual Callers or Unsolicited Applications: The organisations which are regarded as good employers draw a steady stream of unsolicited applications in their offices. This serves as a valuable source of manpower.

3. Media Advertisement: Advertisement in newspapers or trade and professional journals is generally used when qualified and experienced personnel are not available from other sources.

4. Employment Agencies: Employment exchanges run by the Government are regarded as a good source of recruitment for unskilled, semi-skilled and skilled operative jobs. In some cases, compulsory notification of vacancies to the employment exchange is required by law.

5. Management Consultants: Management consultancy firms help the organisations to recruit technical, professional and managerial personnel they specialise middle level and top level executive placements.

6. Educational Institutions or Campus Recruitment: Big organisations maintain a close liaison with the universities, vocational institutes and management institutes for recruitment to various jobs. Recruitment from educational institutional is a well - established practice of thousand of business and other organisations.

7. Recommendation: Applicants introduced by friends and relatives may prove to be a good source of recruitment.

8. Labour Contractors: Workers are recruited through labour contractors who are themselves employees of the organisation. Recruitment through labour contractors has been banned for the public sector units.

9. Telecasting: The practice of telecasting of vacant posts over T.V. is gaining importance these days. Special programmes like 'Job Watch', 'Youth Pulse', 'Employment News', etc. over the T.V have become quite popular in recruitment for various types of jobs.

10.Raiding: Raiding is a technical term used when employees working elsewhere are attracted to join organisations. The organisations are always on the lookout for qualified professionals, and are willing to offer them a better deal if they make the switch.

MERITS OF EXTERNAL SOURCE OF RECRUITMENT

The merits of external sources of recruitment are as under:

1. Qualified Personnel: By using external sources of recruitment the management can make qualified and trained people to apply for vacant Jobs in the organisation.

2. Wider choice: When vacancies are advertised widely a large number of applicants from outside the organisation apply. The management has a wider choice while selecting the people for employment.

3. Fresh Talent: The insiders may have limited talents. External sources facilitate infusion of fresh blood with new ideas into the enterprise. This will improve the overall working of the enterprise.

4. Competitive Spirit: If a company can tap external sources, the existing staff will have to compete with the outsiders. They will work harder to show better performance.

DEMERITS OF EXTERNAL SOURCES

The demerits of filling vacancies from external sources are as follows:

1. Dissatisfaction among Existing Staff: External recruitment may lead to dissatisfaction and frustration among existing employees. They may feel that their chances of promotion are reduced.

2. Lengthy Process: Recruitment from outside takes a long time. The business has to notify the vacancies and wait for applications to initiate the selection process.

3. Costly Process: It is very costly to recruit staff from external sources. A lot of money has to be spent on advertisement and processing of applications.

4. Uncertain Response: The candidates from outside may not be suitable for the enterprise. There is no guarantee that the enterprise will be able to attract right kinds of people from external sources.

SELECTION

Human resource selection is the process of preferring qualified individuals who are available to fill positions in an organization. Selection involves both picks up the fits and rejects the unfits. Therefore, sometimes, it is called a negative process.

According to Thomas Stone, "Selection is the process of differentiating between applicants in order to identify (and hire) those with a greater likelihood of success in a job".

DIFFERENCE BETWEEN RECRUITMENT AND SELECTION

1. Difference in Objective: The basic objective of recruitment is to attract maximum number of candidates so that more options are available. The basic objective of selection is to choose best out of the available candidates.

2. Difference in Process: Recruitment adopts the process of creating application pool as large as possible and therefore. It is known as positive process. Selection adopts the process through which more and more candidates are rejected and fewer candidates are selected or sometimes even not a single candidate is selected. Therefore, it is known as negative process or rejection process.

3. Technical Differences: Recruitment techniques are not very intensive, and not require high skills. As against this, in selection process, highly specialised techniques are required. Therefore, in the selection process, only personnel with specific skills like expertise in using selection tests, conducting interviews, etc., are involved.

4. Difference in Outcomes: The outcome of recruitment is application pool which becomes input for selection process. The outcome of selection process is in the form of finalising candidates who will be offered jobs.

SELECTION PROCEDURE

1. Application Pool: Application pool built-up through recruitment process is the base for selection process. The basic objective at the recruitment level is to attract as much worthwhile applications as possible so that there are more options available at the selection stage.

2. Preliminary Screening and Interview: It is highly noneconomic to administer and handle all the applicants. It is advantageous to sort out unsuitable applicants before using the further selection steps. For this purpose, usually, preliminary interviews, application blank lists and short test can be used. All applications received are scrutinised by the personnel department in order to eliminate those applicants who

do not fulfill required qualifications or work experience or technical skill, his application will not be entertained. Such candidate will be informed of his rejection.

3. Application Blank or Application Form: An application blank is a traditional widely accepted device for getting information from a prospective applicant which will enable the management to make a proper selection. Information is generally taken on the following items:

(a) **Biographical Data:** Name, father's name, date and place of birth, age, sex, nationality, height, weight, identification marks, physical disability, if any, marital status, and number of dependants.

(b) **Educational Attainment:** Education (subjects offered and grades secured), training acquired in special fields and knowledge gained from professional/technical institutes or through correspondence courses.

(c) **Work Experience:** Previous experience, the number of jobs held with the same or other employers, including the nature of duties, and responsibilities and the duration of various assignments, salary received, grades, and reasons for leaving the present employer.

(d) **Salary and Benefits:** Present and expected.

(e) **Other Items:** Names and addresses of previous employers, references etc. An application blank is a brief history sheet of an employee's background and can be used for future reference, in case needed.

4. Selection Tests: Many organisations hold different kinds of selection tests to know more about the candidates or to reject the candidates who cannot be called for interview etc. Selection tests normally supplement the information provided in the application forms. Such forms may contain factual information about candidates.

A. Aptitude Tests: These measure whether an individual has the capacity or talent ability to learn a given job if given adequate training. These are more useful for clerical and trade positions.

B. Personality Tests: At times, personality affects job performance. These determine personality traits of the candidate such as cooperativeness, emotional balance etc. These seek to assess an individual's motivation, adjustment to the stresses of everyday life, capacity for interpersonal relations and self-image.

C. Interest Tests: These determine the applicant's interests. The applicant is asked whether he likes, dislikes, or is indifferent to many examples of school subjects, occupations, amusements, peculiarities of people, and particular activities.

D. Performance Tests: In this test the applicant is asked to demonstrate his ability to do the job. For example, prospective typists are asked to type several pages with speed and accuracy.

E. Intelligence Tests: This aims at testing the mental capacity of a person with respect to reasoning, word fluency, numbers, memory, comprehension, picture arrangement, etc. It measures the ability to grasp, understand and to make judgement.

F. Knowledge Tests: These are devised to measure the depth of the knowledge and proficiency in certain skills already achieved by the applicants such as engineering, accounting etc.

G. Achievement Tests: Whereas aptitude is a capacity to learn in the future, achievement is concerned with what one has accomplished. When applicants claim to know something, an achievement test is given to measure how well they know it.

H. Projective Tests: In these tests the applicant projects his personality into free responses about pictures shown to him which are ambiguous.

5. Interview: An interview is a procedure designed to get information from a person and to assess his potential for the job he is being considered on the basis of oral responses by the applicant to oral inquiries by the interviewer. Interviewer does a formal in-depth conversation with the applicant, to evaluate his suitability. It is one of the most important tools in the selection process. This tool is used when interviewing skilled, technical, professional and even managerial employees. It involves two way exchange of information. The interviewer learns about the applicant and the candidate learns about the employer.

Principles of Interviewing

To make it effective, an interview should be properly planned and conducted on certain principles; Edwin B. Flippo has described certain rules and principles of good interviewing to this end:

- Provide proper surroundings. The physical setting for the interview should be both private and comfortable.
- The mental setting should be one of rapport. The interviewer must be aware of non-verbal behaviour.
- Plan for the interview by thoroughly reviewing job specifications and job descriptions.
- Determine the specific objectives and the method of the interviewing.
- Inform yourself as much as possible concerning the known information about the interviewee.
- The interviewer should possess and demonstrate a basic liking and respect for people.
- Questions should be asked in a manner that encourages the interviewee to talk. Put the applicant at ease.
- Make a decision only when all the data and information are available. Avoid decisions that are based on first impressions.
- Conclude the interview tactfully, making sure that the candidate leaves feeling neither too elated nor frustrated.
- Maintain some written record of the interview during or immediately after it.
- Listen attentively and, if possible, protectively.
- Questions must be stated clearly to avoid confusion and ambiguity. Maintain a balance between open and overtly structured questions.
- 'Body language' must not be ignored.
- The interviewer should make some overt sign to indicate the end of the interview.

6. Background Investigation: The next step in the selection process is to undertake an investigation of those applicants who appear to offer potential as employees. This may include contacting former employers to confirm the candidate's work record and to obtain their appraisal of his or her performance/ contacting other job-related and personal references, and verifying the educational accomplishments shown on the application.

7. Physical Examination: After the selection decision and before the job offer is made, the candidate is required to undergo physical fitness test. Candidates are sent for physical examination either to the company's physician or to a medical officer approved for the purpose. Such physical examination provides the following information:

- Whether the candidate's physical measurements are in accordance with job requirements or not?
- Whether the candidate suffers from bad health which should be corrected?
- Whether the candidate has health problems or psychological attitudes likely to interfere with work efficiency or future attendance?
- Whether the candidate is physically fit for the specific job or not?

8. Approval by Appropriate Authority: On the basis of the above steps, suitable candidates are recommended for selection by the selection committee or personnel department. Though such a committee or personnel department may have authority to select the candidates finally, often it has staff authority to recommend the candidates for selection to the appropriate authority.

9. Final Employment Decision: After a candidate is finally selected, the human resource department recommends his name for employment. The management or board of the company offers employment in the form of an appointment letter mentioning the post, the rank, the salary grade, the date by which the candidate should join and other terms and conditions of employment. Some firms make a contract of service on judicial paper. Usually an appointment is made on probation in the beginning. The probation period may range from three months to two years. When the work and conduct of the employee is found satisfactory, he may be confirmed.

10. Evaluation: The selection process, if properly performed, will ensure availability of competent and committed personnel. A period audit, conducted by people who work independently of the human resource department, will evaluate the effectiveness of the selection process. The auditors will do a thorough and the intensive analysis and evaluate the employment programme.

ORIENTATION (INDUCTION)

The introduction of the new employee to the job is known as induction. It is the process by which new employees are introduced to the practices, policies and purposes of the organisation. Induction follows placement and consists of the task of orienting or introducing the new employee to the company, its policy and its position in the economy. Induction literally means helping the worker to get or with his own environment. After an employee is assigned his job, it is necessary to introduce him to his job situation, his associates in the job and the overall policies of the company.

In other words, it is a welcoming process-the idea is to welcome a newcomer, make him feel at home and generate in him a feeling that his job, even though small, is meaningful and has significant importance as part of the total organisation. In the words of John M. Ivancevich, "Orientation orients, directs, and guides employees to understand the work, firm, colleagues, and mission. It introduces new employees to the organisation, and to his new tasks, managers, and work groups."

Orientation is one component of the new employee socialization process. It is a process through which a new employee is introduced to the organisation. The new employee is handed over a rulebook, company booklets, policy manuals, progress reports and documents containing company information which are informational in nature. It is responsibility of the human resource department to execute the orientation programme.

OBJECTIVES OF INDUCTION

An induction process properly designed should serve the following objectives :

- 1) Introduce the new employee and the organisation to each other.
- 2) Create interest in his job and the company
- 3) Provide basic information about working arrangements
- 4) Make the new employee feel 'at home' in the new environment
- 5) Indicate the standards of performance and behaviour expected from him
- 6) Inform him about the training facilities
- 7) Reduce any misunderstanding about the job or the enterprise
- 8) Facilitate good employee relations
- 9) Assist the new employee to adjust to the company; and
- 10) Establish a favourable attitude about the company in the minds of the employee.

INDUCTION PROCESS

There is no specific model of induction process. Each industry develops its own procedure as per its requirements. Generally, an induction procedure involves the following basic steps:

1. Reporting for duty before the concerned head of the department at a certain place.
2. The head of the department welcomes the new employee.
3. Introduction to the organizational head / branch head by the head of the department.
4. Organizational head/ Branch head introduces him to the important employees
5. Supervisor concerned introduces him to his co-workers in that section.
6. Providing information about the duties, responsibilities, rights, facilities, welfare measures, etc.
7. Supervisor clarifies the doubts of the new employee about the work.

FORMAL AND INFORMAL INDUCTION PROGRAMME

1. Formal Induction Programme:

Formal induction is a planned attempt to introduce new employees to the organization, job and the working environment. This induction type may consume more time of the superiors to learn and deliver the new employees needs at the beginning. But this may create new employees less number of errors at the working period and good coordination among all the parties. At this type of program, new employee may get know, who are the most experienced person to have the solution of the particular problem new employee might has.

At the very beginning new employees are having lots of questions as same as kids at small ages. That is full normal thing and common thing, because the new employee needs to get know all the things, he may actually needs or not. CEO, GM, Section/Department Heads, Senior

Managers, and Line Managers may involve in to the formal induction programme. This will deliver fundamental things that new employees need to know. Advantage of the formal induction program is organization will have the better chance to win the new employees' loyalty at the very beginning. And also new employee will have the chance to carry his/her works clearly, with less numbers of errors. Also, new employee will fit to the organizational culture and the work group easily, and strongly.

2. Informal Induction Programme:

Informal induction is not planned and is ad hock. New employees learn through trial and error method. They get familiar with the work and work environment by themselves. This induction type will make the stress on new employee at the very beginning, because of his/her not knowing things at the operations. So in that case, new employee may leave the organization at the beginning and then the organization may need to follow all the process of recruiting and new employee to the organization. Also this method will create a large number of errors making by new employee and then it may creates big losses to the organization.

Those are the disadvantages of informal induction program. The advantage of informal induction is, if the new employee survived, then he/she may know the process by his/her experience, and the later on errors may minimize. But at the beginning the vice verse thing of above advantage may creates loses, if the new employee unable to survive at the organization. At the movements which employees couldn't survive, there could be see they are leaving organization at the beginning they have joined to it. So this will creates high labour turn over too.

PLACEMENT

Placement is a process of assigning a specific job to each of the selected candidates. It involves assigning a specific rank and responsibility to an individual. It implies matching the requirements of a job with the qualifications of the candidate.

According to Pigors and Myers, "Placement consists in matching what the supervisor has reason to think the new employee can do with what the job demands (job requirements), imposes (in strain, working conditions, etc.), and offers (in the form of pay rate, interest, companionship with other, promotional possibilities, etc.)" They further state that it is not easy to match all these factors for a new worker who is still in many ways an unknown quantity. For this reason, the first placement usually carries with it the status of probationer.

A few basic principles should be followed at the time of placement of an employee on the job. These may be enumerated as below:

- The job should be offered to the man according to his qualifications.
- The placement should neither be higher nor lower than the qualifications.