INTRODUCTION TO HUMAN RESOURCE MANAGEMENT

STRUCTURE

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1.1 INTRODUCTION

As human resource management is concerned with the people dimension in organisation, at first, we should know organisation in detail. Organisations are human associations in which two or more people seek to achieve a common goal or set of goals. In other word, organisations are established by the people and for the people.

It consists of people working together through interrelationships and interactions. Organisations are created to achieve different goals. To achieve goals it should run various activities. Therefore an organisation must consist of a structure, which defines jobs and relationships. In organisation, different levels and division of jobs are defined to achieve specialization through division of labours. Organisation design and job descriptions are the part of organisational structure, which limit the behaviour of the members in organisations.

Organisations depend on people to make them operate. An organisation is nothing without resources. If we remove the employees from the organisation, there is nothing but a pile raw material, machines, and physical commodities. Organisation consists of the combination of different resources, among which human resource is the superior. But how did these people come to be employees in the organisations; How were they found and selected? Why do they come to work on a regular basis? How do they know what to do on their jobs? How does management know if the employees are performing adequately? It they are not, what can be done about it?

Answers of these questions lie in the subject of human resource management. But before we attempt to understand how and organisation should manage its human resources, we need to answer the generic question, what is management?

Management is the process of efficiently getting work activities completed with and through other people. An organisation consists of goals and limited resources. To achieve goals, different activities are to be done. As there are limited resources, to get activities completed, the resources should be allocated properly. Simply, management is the act of allocating scare resources to achieve goals and getting required activities completed with and through other people. The management process includes the planning, organizing, leading and controlling activities that take place to accomplish objectives.

Managing people in an organisation is human resource management. Since every organisation is made up of people, acquiring their services, developing their skills, motivating them to high levels of performance and ensuring that they continue to maintain their commitment to the organisation are essential to achieving

organisational objectives. This is true regardless of the type of organisation-government, business, education, health or social organisational objectives. This is true regardless of the type of organisation-government, business, education, health or social welfare. Organisational effectiveness depends largely on the performance of people working in organisations. Management concerned to increase in performance of human resources is human resource management. It aims at achieving organisational goals through improvements in the productive contribution of people. It is concerned with philosophy, principles and practices related to human aspects of management. It keeps balance between the goals of organisation and the goals of the individual.

The most significant resource of any organisation is often said to be its people. Such claims appear in organisation annual reports and mission statements. An organisation is nothing but a group of people whose activities have been planned and coordinated to meet organisation objectives. An organisation that exists to produce goods and services has a good chance to survive and prosper if it consists of the right people. This is true for all organisations. In a similar fashion, people need organisations. The vast majority of people must work to support themselves and their families. But people work for many reasons other than economic security. For example, many also work to keep busy and feel useful, to create and achieve something. They want to gain recognition and achieve status or to test and stretch their capabilities. To meet these multifarious needs, people and organisations join forces. Unfortunately, this union seldom approaches perfection. Organisations encounter several obstacles in meeting their goals and in a similar way all employees report some problems in their attempts to be productive and efficient in their jobs and to feel satisfied in their work lives. The challenge of human resource management is to minimize these obstacles and problems.

Personnel Directors are New Corporate Heroes

The name of the game in business today is personnel….You can't hope to show a good financial or operating report unless your personnel relations are in order and I don't care what kind of a company you are running. A chief executive is nothing without his people. You got to have the right ones in the right jobs for them and you got to be sure employees at every level are being paid fairly and being given

opportunities for promotion. You can't fool them and any chief executive who tries is going to hurt himself and his company.

-Herbert E meyer,Fortune,Feb.1976,p.88

The central Challenge facing society is the continued improvement of our organisations, both private and public. Another important purpose of human resource management is to improve the contribution made by people to organisations, through effective and efficient use of resources. Efficient means that it must use the minimum amount of resources needed to produce results. Effective means producing right things through right ways. The resultant productivity(ratio of output to input)gains obtained through HR efforts enable managers to reduce costs, save scarce resources, enhance profits and offer better pay, benefits and working conditions to employees.

Human Resource management is the most happening function as of now. This is so because people offer competitive advantage to a firm and managing people is the domain of HRM. An organization enjoys competitive advantage when it is the only one which can offer a product at a price and at quality while its competitors cannot do so. Fast changes are taking place in the business environment. An organization must have the ability to absorb these changes at a fast rate than in the past, not simply to prove its competency alone but to justify its existence in the dynamic business world as well. All organizations, whether large or small must ensure themselves that they have the competent people capable of accepting this challenge. Human resource management is a relatively modern concept, which involves arrange of ideas and practices in managing people. Human resource is the most valuable resource in any organization because it can function only through people. Human Resource Management has come to be recognized as an inherent part of management, which is concerned with the human resources of an organization. Its objective is the maintenance of better human relations in the organization by the development, application and evaluation of policies, procedures and programs relating to human resources to optimize their contribution towards the realization of organizational objectives. In other words, HRM is concerned with getting better results with the collaboration of people. It is an integral but distinctive part of management, concerned with people at work and their relationships within the enterprise. HRM helps in attaining maximum individual development, desirable working relationship between

employees and employers, employees and employees, and effective modeling of human resources as contrasted with physical resources. It is the recruitment, selection, development, utilization, compensation and motivation of human resources by the organization.

1.2 OBJECTIVES

- To know how the concept of Human Resource Management evolved
- To have better insight of Human Resource Management concept
- To determine the scope of Human Resource Management

1.3 EVOLUTION OF THE CONCEPT OF HUMAN RESOURCE MANAGEMENT

The early part of the century saw a concern for improved efficiency through careful design of work. During the middle part of the century emphasis shifted to the availability of managerial personnel and employee productivity. Recent decades have focused on the demand for technical personnel, responses to new legislation and governmental regulations increased concern for the quality of working life, total quality management and a renewed emphasis on productivity. Let us look into these trends more closely by examining the transformation of HR function from one stage to another in a chronological sequence.

1.4 CONCEPT OF HUMAN RESOURCE MANAGEMENT

This goes without saying that human resource is the most important asset of any Organisation and unlike other resources the human resources could be developed andincreased to a limitless extent. Human resources mean the energies, skills, knowledge and physical strength of the people at work. Human resources comprise the value of the productive capacity of entire work force of any Organisation. To be specific and brief, human resource refer to the aggregate of knowledge, skill, experience and health of employees working in any Organisation. And development of human resource accounts for the development of human side of the organisation. HRM is the study of activities regarding people working in an organization. It is a managerial function that tries to match an organization‘s needs to the skills and abilities of its employees.

1.5 DEFINITIONS OF HUMAN RESOURCE MANAGEMENT

Human resources management (HRM) is a management function concerned with hiring, motivating and maintaining people in an organization. It focuses on people in organizations. Human resourcemanagement is designing management systems to ensure that human talent is used effectively and efficiently to accomplish organizational goals.HRM is the personnel function which is concerned with procurement, development, compensation, integration and maintenance of the personnel of an organization for the purpose of contributing towards the accomplishments of the organization's objectives. Therefore, personnel management is the planning, organizing, directing, and controlling of the performance of those operative functions (Edward B. Philippe).

Many great scholars had defined human resource management in different ways and with different words, but the core meaning of the human resource management deals with how to manage people or employees in the organization.

Edwin Flippo defines- HRM as "planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved." The National Institute of Personal Management (NIPM) of India has defined human resources – personal management as "that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well – being of the individuals and of working groups, to enable them to make their best contribution to its success".

According to the Invancevich and Glueck, ¯HRM is concerned with the most effective use of people to achieve organizational and individual goals. It is the way of managing people at work, so that theygive their best to the organization .

According to Dessler (2008) the policies and practices involved in carrying out the people or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising comprises of HRM.

According to Dale Yoder, HRM is the function or activity aiding and directing working men and women in maximizing their contributions and satisfactions in employment. It helps 'workers' including all those who work, from unskilled common labourers to corporation the presidents or public administrators, - combine their efforts with those of others in providing administrators - combine their efforts with those of others in providing the services and products we all want.

According to another view, human resource management refers to the practices and policies you need to carry out the people aspects of your management job. These includes:

- Conducting job analysis
- Planning labour needs and recruiting candidates
- Selecting job candidates
- Orienting and training new employees
- Managing wage and salaries
- Providing incentive and benefits
- Appraising performance
- Communicating
- Training and development
- Building employees commitment

To effectively manage these process, human resources systems are planned, developed and implemented through the combined efforts of all managers and human resources specialists - and frequently all employees – in an organisation. Overall, the systems are intended to achieve organisation goals and contribute to organisational effectiveness and productivity. From the foregoing definitions it may be concluded that there is no standard definition of the term 'HRM', some authorities have defined it in terms of its functions, some others in terms of its objects and some in terms of human relationships.

However, there are certain elements which are common to most of these definitions:

(i) HRM aims at getting the best results out of the employees. In other words, it has the overall goal of securing the optimum contribution from the human factor in business.

(ii) It does not, however, follow from above that this modem branch of business management is geared to the exploitation of the employees. Good HRM helps the employees develop their capacities to the full and derive the greatest satisfaction from their work. It, thus, looks to their needs, comforts and grievances, As Scott, Clothier and Sprigged put it, four different anglesor elements of the employee-in his-work unit must be given due consideration. There are:

(a) Capacities - referring to those abilities, to those attainments, inherited or acquired, that a worker has, is capable of exercising, and must, to a certain degree at least, exercise in his work.

(b) Interest - not only an individual's desires, and ambitions, but also his instinctive, impulsive tendencies, vague, bearing, and ill-defined carvings that mayor may not stir him to his fullest action in performing his duties.

(c) Opportunities - not only opportunities for advancement, although, that is included, but opportunities to exercise his capacities and satisfy his interests also.

(d) Personality - the sum total of a worker's reaction to his experiences and environment. Personality in manifest by an individual's reception by others. Management has only a minor role in influencing personality, but the worker's personality has a great influence upon his opportunities.

(iii) Good HRM aims at promoting group satisfaction, building up what is known as team spirit, because it is the joint effort that is more important.

iv) The work related to human resources is of a continuous nature. In the words of George Terry, it cannot be turned on and off like water from a faucet; it cannot be practiced only one hour each day or one day a week. It required a constant

alertness and awareness of human relations and their importance in everyday operations it is, thus, a way of approach, a technique of thinking, a philosophy of management which has to be kept in view at all times and at different levels of the organisation.Thus, human resource management refers to set of programmes, functionsand activities designed and carried out in order to maximize both employees as well as organizational effectiveness.

1.6 NATURE OF HUMAN RESOURCE MANAGEMENT.

HRM is a management function that helps manager's to recruit, select, train and develop members for an organization. HRM is concerned with people's dimension in organizations.

The following constitute the core of HRM

1. Human Resource Management Involves the Application of Management Functions and Principles. The functions and principles are applied to acquiring, developing, maintaining and providing remuneration to employees in organization.
2. Decision Relating to Employees must be Integrated. Decisions on different aspects of employees must be consistent with other human resource (HR) decisions.
3. Decisions Made Influence the Effectiveness of an Organization. Effectiveness of an organization will result in betterment of services to customers in the form of high quality products supplied at reasonable costs.
4. Human Resource Management Functions are not Confined to Business Establishments Only but applicable to non business organizations such as education, health care, recreation and like. HRM refers to a set of programmes, functions and activities designed and carried out in order to maximize both employee as well as organizational effectiveness.
5. A part of management discipline Human Resource Management is a part of management discipline in itself but is only a field of study.HRM being a part of management process draws heavily from management concepts and techniques and apply these in management of HRM.
6. Action oriented Human Resource Management focuses attention on action, rather than on record keeping, written procedures or rules. The problems of employees are solved through rational policies.

7. Directed towards achievement of objectives by providing tools and techniques of managing people in organisation effectively.

1.7 OBJECTIVES OF HUMAN RESOURCE MANAGEMENT

Since HRM is an integral part of management, its main objective is identical with that of latter, survival and growth to help the organisation to achieve its objectives, HRM contributes by assuring a rich, and continuous supply of human resources. Further, to make organisation effective and efficient. Human Resource Management aims at coordinated efforts of the competent managers and workers towards the ultimate goal. The general objective of HRM is to contribute towards realization of firms goals. The specific objectives of HRM include the following:

1. HRM aims at utilizing the people's skill and abilities, in order to achieve organizational as well as individual goals. Efficient utilization of manpower is beneficial not only to the Organisation but also to the employees and consumers Human resource manager should ensure that necessary action is taken to make the fullest utilisation of manpower.

2. Provision of trained and motivated employees

The human resource manager provides to the Organisation well trained and motivated employees, which is the most valuable asset of an Organisation. The human resource manager, for achieving this objective, creates an environment which is conducive to the growth of well-trained and well motivated employees. The effectiveness of human resource manager is judged on the basis of right type of person, at right place, at right time for an Organisation.

3. Increased employees job satisfaction

HRM aims at providing facilities for employees thereby ensures job satisfaction of the individuals. This objective focuses on employees needs rather than organizational needs.

4. Communicating HRM policies to all concerned

HRM aims at communicating its policies to all concerned in their own language. Effective communication helps in building organisation image among its employees, Government and public in general. Through effective communication, policies, goals of organisation can be achieved.

5. Development and maintenance of quality of worklife

Human Resource Management develops and maintain qualify of work life that makes work environment more meaningful to the employees life. It is a programme of building an ideal work environment to promote maximum employees satisfaction consistent with maximum organisation growth. The premise of quality of work life is having a work environment where an employee's activities become more important. This means implementing procedures that make work less routine and more rewarding for the employee. These policies includes autonomy, recognition, belongingness progress and development and external rewards.

Autonomy deals with the amount of freedom that employees can exercise in their job. Recognition involves being value by others in the company. An individual contribution to the organisation is noticed and appreciated. Belongingness refers to being part of organisation. Progress and developments refers to internal rewards available from Organisation; Challenge and accomplishment. Finally external rewards which are usually in the form of salary and benefits, also includes promotion, rank and status. Taken together, these components provides for quality of work life for the individuals. If the quality of work life is lacking, then workers productivity may suffer

6 Human capital

Assisting the organization in obtaining the right number and types of employees to fulfill its strategic and operational goals.

7. 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.

8. 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.

9. Helping to establish and maintain a harmonious employer/employee relationship

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

11. 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**

12. To provide organization with well-trained and well-motivated employees

13. To increase the employees satisfaction and self-actualization

14. To develop and maintain the quality of work life

15. To communicate HR policies to all employees

1.8 SCOPE OF HUMAN RESOURCE MANAGEMENT

Following is the scope of human resource management explained by experts in this area.

1. Human Resources Planning

Human Resources Planning is the process of assessing the organisation's human resources needs in light of organizational goals and making plans to ensure that a competent, stable work force is employed. The planning process includes an analysis of skill levels among employees and in the external labour market, of current and expected job openings, of plans for expanding or reducing staff throughout the organisation, and of the external legal environment. The planning process, then, is, closely related to the staffing process and depends also on the overall strategic plans of the organisation. The systems designed to control and direct the human resources planning process include such devices and computerised records of employees' skills and qualification, forecasts of the number of employees with certain skills who are likely to leave over the next year, analysis of the extent to which affirmative action goals have been met; and confidential organization charts showing possible candidates for promotion to various executive positions.

2. Job and Work Design

Job and work design specifies the tasks to be performed by individuals and groups within the Organisation, and establishes the rules, schedules and working

conditions under which people perform those tasks. Through careful design, or circumstance, or both, events converge to create jobs to which people are assigned and the conditions surrounding these jobs. Some of the systems used to help manage the process of job design include techniques such as time-and-motion study and work simplification, which aims at making jobs easy to learn and workers more efficient. Other job design systems, such as job enrichment, involve techniques to restructure jobs to make them more interesting and challenging. Periodic discussions within a work team about the allocation of tasks can be considered a job design system.

3. Job Analysis

Job analysis, an outgrowth of job design, is the process of investigating the tasks and behaviour associated with a particular job. Various systems used in job analysis include observations of workers as they perform their jobs, interviews and questionnaires. Typically the information obtained from job analysis is used to write job descriptions and to establish what is required of the person who will perform each job. In turn, job descriptions are useful in the staffing process, especially in recruiting, hiring, and training new employees.

4. Recruitment

An Organisation needs people for its present and future vacancies. Recruitment is the process of exploring the sources of suitable People and taking effective measure for obtaining them. It is designed to attract as many candidates as possible from inside and outside the organisations than an objective selection of the most talented persons can be done.

5. Selections and placement

Having identified the candidates eligible for the posts, the management should proceed with the selection of right candidates and their placement. Selection is the process of testing the ability, skill and aptitude of the candidates. It is done to find out those candidates who are best suited to the specific jobs. Placement is the process of assigning a job to an accepted individual for which he is best suited. Selection and placement may or may not occur simultaneously. When candidate are chosen for specific jobs, selection and placement go together, But when a large number of

candidates are selected for avoid of jobs, placement is generally done only by importing training.

6. Socialisation

After an employee has been selected and placed at a specific job, the next logical step is to introduce him to the culture of the organisation, through socialization. It is a process of transmitting the key values, norms, policies and objectives of the company to the employees with a view to shaping their attitudes, thought and behaviour and assimilating them into the dominant culture of the company. It enable a new employee to understand the organisation better and makes him or her feel at home at his work environment. This is extremely important to his motivation and performance in the organisation.

7. Training and Development Process

Although the two terms are generally put together, they are not identical in meaning. Training is a learning process that seeks to bring about a permanent improvement in the ability and behaviour of employees by enabling them to learn new skill, knowledge, attitude and behaviour so that they can become better performers. It is mostly intended for operating employees. Development is a much broaden concept than training. It is basically an educational process which is directed to increase the conceptual ability of employees to understand and apply knowledge in terms of cause and effect relationship, in the organizational situation. It is generally intended for managerial, people training and development programmes are essential for enhancing the quality and potential of human resources for improving the standards of performance and productivity of an Organisation.

8. Performance appraisal and review

It is a process of ascertaining how effectively an employee is performing his job. The object of the appraisal is to determine the present state of efficiency of an employee in order to establish the actual need for training and motivation. It also serves to indicate the areas of weakness in employee performance so that measures for skill improvement and prayer motivation may be taken to remedy the situation.

Although performance appraisal is central to training and development programmes, it provides valuable information to the entire spectrum of HRM. It can offer important

feedback information on the effectiveness of recruitment, selection, motivation and compensation systems. Hence appraisal methods should be most carefully chosen and designed to meet the multiple requirements of HRM.

9. Accommodation

The accommodation process refers to the extent to which management listens and responds to or accommodates the needs, wants, and complaints (or grievances) of organization members. People working in organizations expect to be treated fairly; moreover, they feel they have the right to be heard and to be respected as individuals. Morale is severely affected when there is a sense of unfair treatment or when workers perceive that, management does not care about their feelings, complaints, and suggestions. Systems for managing the accommodation process include questionnaires, suggestion boxes, an "opendoor" philosophy and formal grievance procedures. The effectiveness with which the accommodation process is managed varies within organizations and depends on a number of factors, such as prevailing leadership style and management philosophy.

10. Fair Compensation System

A fair compensation system for rewarding the employees is the most important prerequisite to attracting and maintaining the employees. Compensation in a narrow sense refers to the wages and salaries which are paid to the employees in return for their services. But its meaning is often extended to include all kinds of payments and benefits offered to the employees in lieu of their services. However, the amount of money paid to an employee is the most important form of compensation as it enables the receiver to satisfy most of his or her needs. The crucial point about monetary compensation is that it should be fair from the point of view of both the employer and the employee. Although a 'fair compensation' is difficult to define, it should be taken to mean the amount that is adequate for the demands and requirements

11. Safety and Health Care Programmes

Safety and health care programmes are essential to the maintenance of employees. Industrial safety implies that the working conditions in or around the factory or mines should be free from the danger of accidents and health hazards. An accident is a tragic incident which has human, social and economic dimensions. It

results in tremendous mental and physical sufferings for the injured apart from the loss of earnings. The organizations suffer enormous financial loss in terms of compensation payable to the injured, damaged equipment and loss of production. Hence, every precaution should be taken to protect the employees from the damage of accidents. In addition to adequate safety measures, training and education programme should be organized to create safety consciousness among the people. The setting up of a separate safety department can go a long way in eliminating or reducing the hazards of accidents. A part from accidents, workers in an industrial Organization are often exposed to certain health hazards and occupational diseases. Proper steps provision for cleanliness, safe disposal of waste and effluents, proper ventilation and lighting should be taken to protect the health of the employees. Moreover, efficient medical service and recreational activities can greatly contribute to the physical and mental well-being of the employees.

12. Collective Bargaining

The collective bargaining process refers to those events that establish a formal agreement between workers and management regarding such matters such as wages and employee benefits, hours of work, working conditions and. Grievance procedures. The process includes both the negotiation and administration of the labour-management contract.

13. Organizational Development

The integrated approach which is followed for the simultaneous development of people and organization is called organization development (OD). It may be defined as a comprehensive programme of building a climate of improved decision making adaptability and higher performance in an organization the introduction of planned changes. It is, in fact a long-term process of deliberately changing the organization by training and developing managerial people so as to make it more dynamic and effective in meeting the challenge of competition, adaptation and growth. OD programmes are mainly characterized by planned approach to change, emphasis on group rather than individual, participation in external change agents, use of intervention strategy and action research. It includes such complex process as grid training, survey feed back, team building and transactional analysis.

1.9 SUMMARY

Human Resource Management is a process of bringing people and organisations together so that the goals of each are met. It is that part of the management process which is concerned with the management of human resources in an organisation. It is Pervasive force, Action oriented, individual oriented, people oriented, development oriented, integrated mechanism, comprehensive function, continuous functions, auxiliary services. HRM's scope is integrated in three aspects i.e., personnel aspect, welfare aspect and industrial relation aspect.

1.10 GLOSSARY

- Compensation:- Reward to revive the damage.
- Agreement:- Contract between two people.
- Accommodation:- a convenient arrangement; a settlement or compromise.
- Consciousness :- a person's awareness or perception of something.
- Opportunities:- a time or set of circumstances that makes it possible to do something.

1.11 SELF ASSESSMENT QUESTIONS

(a) Human Resource Management develops and maintain qualify of work life that makes work environment more meaningful to the employees life. (T/F).

(b) Human Resource Management is a process of bringing people and organisations together so that the goals of each are met. (T/F).

1.12 LESSON END EXERCISE

Q1 How the concept of HRM evolved?

Ans _____

_____

_____

Q2 What do you mean by human resource management? Also mention some definitions.

Ans _____

Q3 What are the features of human resource management?

Ans _____

Q4 State the scope of human resource management?

Ans _____

1.13 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice Of Management: L.M.Prasad

HRM : ROLE, IMPORTANCE & FUNCTIONS

STRUCTURE

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2.1 INTRODUCTION

HRM is concerned with the human beings in an organisation. "The management of man" is a very important and challenging job because of the dynamic nature of the people. No two people are similar in mental abilities, tacticians, sentiments, and behaviors; they differ widely also as a group and are subject to many varied influences. People are responsive, they feel, think and act therefore they can not be operated like a machine or shifted and altered like template in a room layout. They therefore need a tactful handing by management personnel." Human resource is of paramount importance for the success of any organisation. It is a source of strength and aid. Human resources are the wealth of an organisation which can help it in achieving its goals. Human resource management is concerned with

the human beings in an organisation. It reflects a new outlook which views organisation's manpower as its resources and assets. Human resource is the total knowledge, abilities, skills, talents and aptitudes of an organisation's workforce. The values, ethics, beliefs of the individuals working in an organisation also form a part of human resource. The resourcefulness of various categories of people and other people available to the organisation can be treated as human resources. In the present complex environment, no business or organisation can exist and grow without appropriate human resources. So human resource has become the focus of attention of every of every progressive organisation. The focus of HRM is now moved to the strategic utilisation of employees and the measurable impact of employee programs over business. Nowadays successful companies need to be adaptive, resilient, customer-centred and quick to change direction. Within such an environment the effectiveness of HRM is crucial to business success. HR professionals establish systems for performance development, career succession planning and employee development. This keeps people motivated, happy, personally engaged and contributing to company success. Furthermore, the HR professional helps the development of organisational culture and climate in which employees have the competency, concern and commitment to serve customers well.

2.2 OBJECTIVES

After reading the lesson you will be able to:

- determine the role and importance of HRM
- know the difference between Personnel Management and HRM
- have better insight into functions of HRM

2.3 ROLE OF HUMAN RESOURCE MANAGEMENT

Although managers and supervisors in the past often were arbitrary and autocratic in their relations with subordinates, today this type of leadership is being increasingly rejected. The present generation of employees is more enlightened and better educated than were preceding ones. Today's employees demand more considerate treatment and a more sophisticated form of leadership. Furthermore, because of the protection that is provided by the unions and government or because

their skills are in short supply, many groups of employees are in a position to demand and obtain more favourable employment conditions and treatment. The role of HRM is to plan, develop and administer policies and programs designed to make optimum use of an organisations human resources. It is that part of management which is concerned with the people at work and with their relationship within enterprises In the light of these emerging trends, HRM role has been expanding all these years. Let's examine these in detail.

(a) *It helps the organisation reach its goals*: HR department, like other departments in an organisation, exists to achieve the goals of the organisation first and if it does not meet this purpose, HR department (or for that matter any other unit) will wither and die.

(b) *It employees the skills and abilities of the workforce efficiently*: The primary purpose of HRM is to make people's strengths productive and to benefit customers, stockholders and employees.

(c) *It provides the organisation with well-trained and well-motivated employees*: HRM requires that employees be motivated to exert their maximum efforts, that their performance be evaluated properly for results and that they be remunerated on the basis of their contributions to the organisation.

(d) *It increases to the fullest the employee's job satisfaction and self-actualisation*: It tries to prompt and stimulate every employee to realize his potential. To this end suitable programmes have to be designed aimed at improving the quality of work life (QWL)

(e) *It develops and maintains a quality of work life*: It makes employment in the organisation a desirable personal and social situation. Without improvement in the quality of work life, it is difficult to improve organisational performance.

(f) *It communicates HR policies to all employees*: It is the responsibility of HRM to communicate in the fullest possible sense both in tapping ideas, opinions and feelings of customers, non-customers, regulators and other external public as well as in understanding the views of internal human resources.

(g) *It helps to maintain ethical policies and behavior*: The Chief Personnel Officer

in a large American Corporation put it thus: Personnel's purpose is "to practice morality in management in preparing people for change, dealing with dissent and conflict, holding high standards of productivity, building acceptance of standards that determine progression and adhering to the spirit and letter of high professional conduct"

Thus, HRM in short should try to (a) attain economically and effectively the organisational goals; (b) serve to the highest possible degree the individual goals; and (c) preserve and advance the general welfare of the community. The above eight objectives (drawn from Ivancevich and Glueck) should ultimately lead to employee satisfaction and fulfillment. This is however easier said than done. Unless HR people are thoroughly conversant with the social, legal and economic trends in the economically, managing people in today's world of work would always prove to be a ticklish affair.

2.4 IMPORTANCE OF HUMAN RESOURCE MANAGEMENT

H.R.M. plays an important role in the process of organizational development. The organizational development is reflected by its employees' co-ordination, discipline, team work and their attitude towards their duty so also the nation development widely rest with the human resources of the country. 6 Imagine a country with scarce natural resource but qualitative human resource and on the other hand a country with abundant natural resources but poor qualitative human resource. We can see a light of progress in the previous one but not in the latter. Why is that? Because a nation with abundant natural resource will not benefit itself unless human resource make use of them. In fact, human resources are solely responsible for making use of national resources and for the transformation of traditional economics to industrial economies.

- **Man V/S Machine** Due to globalisation the competition increasing at a faster rate than anyone can imagine, many foreign technologies and technocrats have flooded in to the market. The country that was once a labour intensive has adopted capital intensive production and this has brought a terrific change in the working conditions of man. Man has become fully substitute man and is being replaced by machine. But, on the other hand, man is developing to handle those replacing boxes. Still even a fully automated machine needs human being to switch it on.

• **Man**: A competitive sword Due to high competition, giant business houses have changed their strategies of cost reduction and marketing strategies to developing core competencies of their. Many companies are trying to enrich their manpower by which build an unwritten image in the market. Eg. South West Airlines, Taj resorts have created their image by their manpower. Core competencies tend to be limited in number but they provide long term basis for technology innovation product development and service delivers and that is why manpower is used as sword in the war of competition.

• **Human resource system is a Central sub system** H. R. System in an organisation is not unique sub system, but a principal and central sub system and it operates upon and controls all other sub systems, 7 whatever in the environment affect the organizations like economic, social cultural, legal, political historic competitors, consumers, etc. as a whole also affects the personnel system. The resources system receives input from the organisation in the form of objectives and it results in individual and organizational performance that may be viewed as individual and organizational output. Both the personnel system and the entire organisation operate under the same cultural, economic social, legal political and personnel, the more will be the effective functioning of an organization. Mr. Peter F. Drucker has rightly observed the significance of personnel as managers are found of repeating the Trusim that the only real differences between one organisation and the other the performance of people. In essence, the supervisor development and performance of an organisation although not solely but heavily depend on the quality of personnel.

Human resources, along with financial and material resources, contribute to the production of goods and services in an organisation. Physical and monetary resources, by themselves, cannot improve efficiency or contribute to an increased rate of return on investment. It is through the combined and concerted efforts of people that monetary or material resources are harnessed to achieve organisational goals. But these efforts, attitudes and skills have to be sharpened from time to time to optimize the effectiveness of human resources and to enable them to meet greater challenges. This is where Human Resource Management plays a crucial role. It helps an organisation in multifarious ways:

i. At the enterprise level

- Good human resource practices can help in attracting and retaining the best people in the organisation. Planning alerts the company to the types of people it will need in the short, medium and long run.

ii. At the individual level: Effective management of human resources helps employees thus:

- It promotes team work and team spirit among employees.
- If offers excellent growth opportunities to people who have the potential to rise.
- It allows people to work with diligence and commitment.

iii. At the society level: Society, as a whole, is the major beneficiary of good human resource practices.

- Employment opportunities multiply.
- Scarce talents are put to best use. Companies that play and treat people well always race ahead of others and deliver excellent results.

Human Resource Management becomes significant for business organisation due to the following reasons:

- **Objective:-** Human Resource Management helps a company to achieve its objective from time to time by creating a positive attitude among workers. Reducing wastage and making maximum use of resources etc.
- **Facilitates professional growth:-** Due to proper Human Resource policies employees are trained well and this makes them ready for future promotions. Their talent can be utilized not only in the company in which they are currently working but also in other companies which the employees may join in the future.
- **Better relations between union and management:** Healthy Human Resource Management practices can help the organisation to maintain co-ordinal relationship with the unions. Union members start realizing that the company is also interested in the workers and will not go against them therefore chances

of going on strike are greatly reduced.

- **Helps an individual to work in a team/group:** Effective Human Resource practices teach individuals team work and adjustment. The individuals are now very comfortable while working in team thus team work improves.
- **Identifies person for the future:** Since employees are constantly trained, they are ready to meet the job requirements. The company is also able to identify potential employees who can be promoted in the future for the top-level jobs. Thus, one of the advantages of HRM is preparing people for the future.
- **Allocating the jobs to the right person:** If proper recruitment and selection methods are followed, the company will be able to select the right people for the right job. When this happens the number of people leaving the job will reduce as the will be satisfied with their job leading to decrease in labour turnover.

2.5 PERSONNEL MANAGEMENT VS HUMAN RESOURCE MANAGEMENT

- Some people don't make a distinction between HRM and Personnel Management. Both are taken to include identical functions. Some even say that HRM is a dignified term for personnel Management. They consider HRM as old wine in a new bottle. However, there are thinkers who feel that HRM is much more than Personnel Management. The very philosophy of Human Resource Management is different from that of Personnel Management.
- Human Resource Management is viewed in entirely different perspective. *Though organisational interest is important in personnel management policies, HRM projects the development of individuals in accordance with the individual needs and aspirations* so that the individual would be motivated to make their best contribution towards the accomplishment of the common goals. While Personnel Management was designed to respond to the organisational objectives like profit maximization, HRM visualized human elements of enterprise as important resources. Hence, development of human resources is the most crucial aspect of human resource management.

- Personnel Management has been traditionally viewed as a *staff function* headed by Personnel Manager who is responsible for procurement, training, compensation and appraisal of personnel. On the contrary, HRM is a *part and parcel of every line function.* Since the primary job of every manager is leading and actuating, HRM cannot be isolated from leading and actuating. However, the traditional personnel functions are included in HRM. Thus, HRM includes not only manpower, compensation, appraisal, etc. but also career planning and development, counselling, motivation and potential appraisal.
- Traditionally, Personnel Managers have operated through pressure tactics, and coercive measures including threats of punishments. But HRM aims to achieve workers' cooperation through *team building, mutual understanding and motivation.* HRM is, in fact, an integrated approach to management of human resources in the organisation.

S. No.	BASIS OF DIFFERENCE	PERSONNEL MANAGEMENT	HUMAN RESOURCE MANAGEMENT
1	Meaning	It is traditional approach of managing people at workplace and is concern of personnel department.	It is modern approach of managing people at workplace and is concern of managers of all level (from top to bottom).
2	Nature	It is a routine function.	It is a strategic function.
3	Focus	Efficient management is given priority.	Human values and individual needs are given priority.
4	Function	Personnel administration, labour relation and employee welfare are major functions of personnel management.	Acquisition, development, utilisation and maintenance of human resource are major functions of human resource management.
5	Objective	It manages people in accordance with organisation's goal.	It determines human resource needs and formulate policies by matching individual's needs with organisation's needs.
6	Perspective	It regards people as basic input to make desired output.	It regards people as strategic and valuable resource to make desired output.
7	Job design	Jobs are designed on the basis of division of labour.	Jobs are designed on the basis of teamwork.
8	Interest	Organisation's interest is valued the most.	Interest of organisation and interest of employee is harmonized.
9	Orientation	It is discipline, direction and control oriented.	It is development oriented. It provides space for employee involvement, performance and growth.
10	Communi-cation	Communication is limited, or even restricted.	Communication is open.

S. No.	BASIS OF DIFFERENCE	PERSONNEL MANAGEMENT	HUMAN RESOURCE MANAGEMENT
11	Emphasis	It emphasizes on adherence of rules and regulations and their implementation.	It emphasizes on combination of human energies and competencies.
12	Benefits	• Disciplined employees. • Increased production.	• Committed human resource • Readiness to change • Increased production • Increased profit • Quality of worklife
13	Result	Organisational goal is achieved and employers are satisfied.	Organisational goal is achieved and both employers and employees are satisfied.

2.6 FUNCTIONS OF HRM

Human Resources management has an important role to play in equipping organisations to meet the challenges of an expanding and increasingly competitive sector. Increase in staff numbers, contractual diversification and changes in demographic profile which compel the HR managers to reconfigure the role and significance of human resources management. The functions are responsive to current staffing needs, but can be proactive in reshaping organisational objectives. All the functions of HRM are correlated with the core objectives of HRM. For example, personal objectives are sought to be realised through functions like remuneration, assessment etc. Human resource Management is concerned with two sets of functions, namely – managerial functions and operative functions. Let us briefly throw light on them.

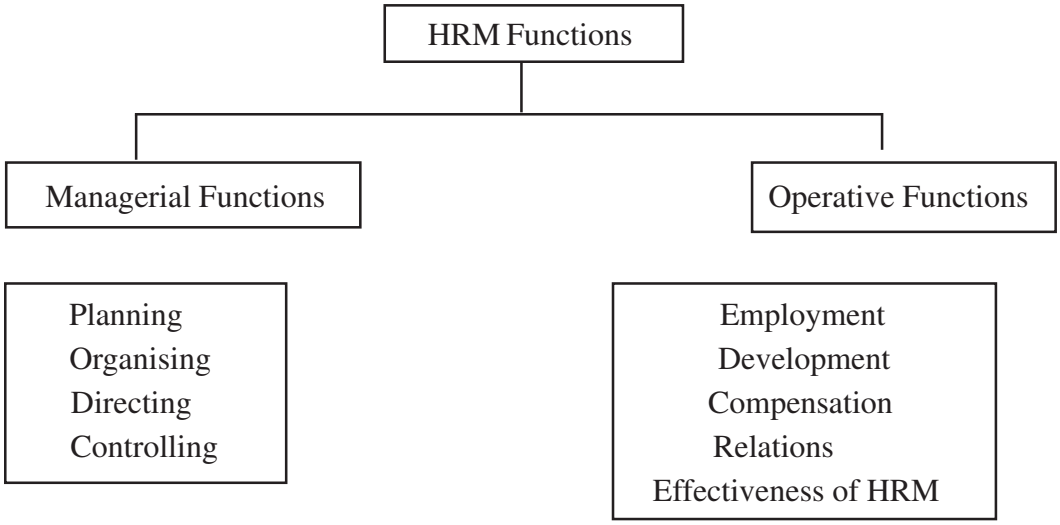

Fig. 1 : Functions of HRM

Managerial Functions

The basic managerial functions comprise planning, organising, directing and controlling.

- ***Planning*:** This function deals with the determination of the future course of action to achieve the desired results. Planning of personnel today prevents crises tomorrow. While carrying out this function, the personnel manager is expected to determine the personnel programme regarding recruitment, selection and training of the employees of the organisation.

- ***Organising*:** This function is primarily concerned with proper grouping of the personnel activities, assignment of different groups of activities to different individuals and delegation of authority. Creation of a proper structural framework is the primary task of the personnel manager in the organising function. Organising, in fact, is considered to be the wool of the entire management fabric and hence cannot afford to be ignored by the personnel manager.

- ***Directing*:** This involves supervising and guiding the personnel of the enterprise. To execute plans, direction is essential; without direction there is no destination. Many a time, the success of the organisation depends on the direction of things rather than their design. Direction, most importantly, consists of motivation and

leadership. The personnel manager must be a good motivator. At the same time, he must be a good leader and able to exercise a leadership style suitable to the situation. He should, in essence, effectively motivate and lead the employees at work.

- ***Controlling***: Controlling functions of personnel management comprises measuring the employee's performance, correcting negative deviations and assuring the accomplishment of plans efficiently. Controlling essentially implies a detection of deviations of employee performance from standards and the correction of such deviations. Controlling also makes individuals aware of their performance through review reports, records and personnel audit programmes, etc. Controlling is necessary to ensure that the activities are being carried out in accordance with stated plans.

Operative Functions

The operative functions of Human Resource Management are related to specific activities of Human Resource Management, viz., employment, development, compensation and relations. These functions are to be performed in conjunction with managerial functions.

1. Employment: The first operative function of Human Resource Management is employment. It is concerned with procuring and employing the people possessing necessary skill, knowledge, aptitude, etc., to achieve the organisational objectives. It covers functions such as job analysis, manpower planning, recruitment, selection, placement, induction and internal mobility.

***i. Job analysis*:** It is the process of collecting information relating to the operations and responsibilities of a specific job

***ii. Human resources planning*:** It is a process of determining and assuring that the organisation will have an adequate number of qualified persons, available at proper times, performing jobs which would meet the needs of the organisation and which would provide satisfaction for the individuals involved.

***iii. Recruitment*:** It is the process of searching for prospective employees and stimulating them to apply for jobs in an organisation.

iv. Selection: It is the process of ascertaining the qualifications, experience, skill, knowledge, etc., of an applicant with a view to appraising his/her suitability to a job.

v. *Placement*: It is the process of assigning the selected candidate with the most suitable job. It is matching of employee specifications with job requirements.

vi. *Induction and orientation*: Induction and orientation are the techniques by which a new employee is rehabilitated in the changed surroundings and introduced to the practices, policies, proposes and people, etc., of the organisation.

2. *Human Resource Development*: It is the process of improving, molding, changing and developing the skills, knowledge, creative ability, aptitude, attitude, values commitment, etc., based on present and future job and organisational requirements. This function includes:

i. ***Performance appraisal:*** It is the systematic evaluation of individuals with respect to their performance on the job and their potential for development.

ii. ***Training:*** Training is a systematic process by which employees learn skills, knowledge, abilities or attitudes to further organisational and personnel goals.

iii. ***Management development:*** It is the process of designing and conducting suitable executive development programmes so as to develop the managerial and human relations skill of employees.

iv. ***Career planning and development*:** It is the planning of one's career and implementation of career plans by means of education, training, job search and acquisition of work experiences. It includes internal and external mobility.

v. ***Organisational development*:** Organisation development is an organisation wide, planned effort, managed from the top, with a goal of increasing organisational performance through planned interventions. It seeks to change attitudes, values, organisations structures and managerial practices in an effort to improve organisational performance.

***3. Compensation*:** It is the process of providing equitable and fair remuneration to the employees. It includes job evaluation, wage and salary administration, incentives, bonus, fringe benefits, social security measures, etc.

i. ***Job evaluation*:** It is the process of determining relating worth or jobs.

ii. ***Wage and salary administration*:** It is the process of developing and operating a suitable wage and salary programme.

***iii. Incentives*:** It is the process of formulating, administering and reviewing the schemes of financial incentives in addition to regular payment of wages and salary.

iv. Bonus: It includes payment of statutory bonus according to the payment of Bonus Act,1965.

***v. Fringe benefits*:** In addition to compensating employees fairly and adequately, for their contributions in the performance of their jobs, organisations, these days, typically pay for a wide variety of supplementary benefits-often called 'fringe benefits'.

***vi. Social security measures*:** Managements provide social security to their employees in addition to the fringe benefits. These measures include:

(a) Workmen's compensation to those workers (or their dependents) who are involved in accidents;

(b) Maternity benefits to women employees;

(c) Sickness benefits and medical benefits;

(d) Disablement benefits/allowance;

(e) Dependent benefits;

(f) Retirement benefits like provident fund, Pension, Gratuity, etc.

4. Human relations: It is the process of interaction among human beings. Human relations is an area of management practice in integrating people into work situation in a way that motivates them to work together productivity, cooperatively and with economic, psychological and social satisfaction.

***5. Effectiveness of Human Resource Management*:** Effectiveness of various personnel programmes and practices can be measured and evaluated by means of organisational health and human resource accounting.

***i. Organisation health*:** Organisational health may be studied by looking into employees' contribution to organisational goals and the employee job satisfaction. Employee satisfaction could be understood by labour turnover, absenteeism, commitment and the like. Low rate of absenteeism and high rate

of employee commitment indicate employee-satisfaction about the job and the organisation. Employee contribution to organisational goals can be measured through employee productivity of different types.

ii. ***Human resource accounting, audit and research:*** Effectiveness of human resource management can also be found out through human resource accounting, audit and research.

- ***Human Resource Accounting (HRA):*** It is a measurement of the cost and value of human resources to the organisation. Human resource management is said to be effective if the value and contribution of human resources to the organisation is more than the cost of human resources.
- ***Human Resource Audit:*** Human resource audit refers to an examination and evaluation of policies, procedures and practices to determine the effectiveness of HRM.
- ***Human Resources Research:*** It is the process of evaluating the effectiveness of human resources policies and practices and developing more appropriate ones.

2.7 SUMMARY

HRM role comprises of attaining organisational goals economically and effectively; enhancing skill & ability of workforce, proving well trained & motivated employees, increases employee's job satisfaction & self-actualisation, maintaining quality of work life, communicating HR policies, maintaining ethical policies & behaviour and preserving & advancing general welfare to the community. Efficient HRM ultimately lead to employee satisfaction and fulfillment. Its significance can be seen from enterprise level, individual level and societal level. HRM is that process of management which develops and manages the human element of an enterprise whereas personnel management id concerned with the management and proper utilisation of human resources for attaining organisational goals. HRM functions are divided into two i.e. managerial functions comprising of planning, organising, directing and controlling and operative function including employment, human resource development, compensation, human relations and effective of HRM. Human Resource Management has come up with an extension over Personnel Management, which

eradicated the shortcomings of the Personnel Management. It is quite essential in this era of intense competition where every organisation have to put their manpower and their needs first. Nowadays, it is very challenging to retain and maintain good employees for a long time as they are fully aware of their rights and any organisation cannot treat them like machines. So, HRM has been evolved to unite the organisation with their employees for the attainment of a common goal.

2.8 GLOSSARY

- **Organisation:** An organisation is an entity comprising multiple people, such as an institution or an association, that has a particular purpose.
- **HRM:** Human Resource Management is that specialized and organised branch of management which is concerned with the acquisition, maintenance, development, utilization and coordination of people at work, in such a manner that they will give their best to the enterprise. It refers to a systematic function of planning for the human resource needs and demands, selection, training, compensation, and performance appraisal, to meet those requirements.
- **Personnel Management:** It is a part of management that deals with the recruitment, hiring, staffing, development, and compensation of the workforce and their relation with the organization to achieve the organizational objectives. The primary functions of the personnel management are divided into two categories i.e. **Operative Functions**: The activities that are concerned with procurement, development, compensation, job evaluation, employee welfare, utilization, maintenance and collective bargaining and **Managerial Function**: Planning, Organising, Directing, Motivation, Control, and Coordination are the basic managerial activities performed by Personnel Management.
- **Efficiency:** While efficiency is the state of attaining the maximum productivity, with least effort spent. It means whatever you produce or perform; it should be done in a perfect way.
- **Effectiveness:** effectiveness is the extent to which something is successful in providing the desired result. It means the extent to which the actual results have been achieved to fulfill the desired outcome i.e. doing accurate things.

- **Quality of Work Life:** QWL refers to the favorableness or unfavorableness of the job environment of an organisation for its employees.

2.9 SELF ASSESSMENT QUESTIONS

1. Do HRM is an important activity in the organisation. Comment.
2. Discuss the role of HR manager in modern organisation in developing its human resources consistent with the needs of individual, organisation and society.
3. What is the difference between personnel management and HRM?
4. Write short note on:

   (i) HRM (ii) Personnel management (iii) Quality of work life.

2.10 LESSON END EXERCISE

Q1 What is the role of human resource management?

Ans _____

_____

Q2 Human resource management is important. Why?

Ans _____

_____

Q3 What are the managerial functions of human resource management?

Ans _____

_____

Q4 What are the operative functions of human resource management?

Ans _____

_____

2.11 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao

- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice of Management: L.M.Prasad
- Human Resource Management: Shashi K. Gupta and Rosy Joshi
- Human Resource Management (Theory & Practice): Tapomoy Deb
- Human Resource Management: Santosh Gupta and Sachin Gupta

HR MANAGER : ROLE AND RESPONSIBILITIES

STRUCTURE

3.1 Introduction

3.2. Objectives

3.3 Role of HR Manager

3.4 Responsibilities of HR Manager

3.5 Future Challenges Before the Managers

3.6 HRM in a Dynamic Environment

3.7 HRM in Indian Context

3.8 Indian HRM in Transition

3.9 Key HRM Practices in Indian Organisation

3.10 Summary

3.11 Glossary

3.12 Self-Assessment Questions

3.13 Lesson End Exercise

3.14 Suggested Reading

3.1 INTRODUCTION

With advancement in technology, conventional methods are being replaced by new-age techniques. Globalisation is on the rise and companies are spreading out all around the world, no longer restricted by geographical barriers. Economies are rising and falling and evolving continuously. Adding to the turmoil are stringent laws and

regulations passed, leading to a constant void waiting to be filled with effective policies that follow all the legal guidelines and at the same time are not compromising on the organisation's survival. In the midst of all this, is a function necessary, but minimally looked upon – the human resource function. In a quest to integrate the operations and strategies of a business across a wide array of products, services, ideas, and cultures, the role of human resource managers is constantly evolving. HR managers, who were once confined to handling basic data work and routine record keeping amongst employees, are now exposed to an evolving nature of diverse workforce complexities, legal obligations, and strategic management of the organisational goals. Management extends right from managing employees to managing the employers and the whole HR department as well. The role of an HR manager is to manage, create, implement and supervise policies/regulations, which are mandatory for every employee and also have knowledge of its appropriate functioning.

3.2 OBJECTIVES

After reading the lesson, you will be able to

- identify the role, responsibility & challenges of HR Manager
- determine the HRM in a dynamic environment in Indian context

3.3 ROLE OF HR MANAGER

The role of HRM is to plan, develop and administer policies and programs designed to make optimum use of an organisations human resources. It is that part of management which is concerned with the people at work and with their relationship within enterprises. Its objectives are: (a) Effective utilization of human resources, (b) Desirable working relationships among all members of the organisations, and (c) Maximum individual development. Human resources function as primarily administrative and professional. HR staff focused on administering benefits and other payroll and operational functions and didn't think of themselves as playing a part in the firm's overall strategy. HR professionals have an all-encompassing role. They are required to have a thorough knowledge of the organisation and its intricacies and complexities.

The ultimate goal of every HR person should be to develop a linkage between the employee and organisation because employee's commitment to the organisation is

crucial. The first and foremost role of HR personnel is to impart continuous education to the employees about the changes and challenges facing the country in general and their organisation in particular. The employees should know about the balance sheet of the company, sales progress, and diversification of plans, share price movements, turnover and other details about the company. The HR professionals should impart such knowledge to all employees through small booklets, video films and lectures. The primary responsibilities of Human Resource managers are:

- To develop a thorough knowledge of corporate culture, plans and policies.
- To act as an internal change agent and consultant
- To initiate change and act as an expert and facilitator
- To actively involved in company's strategy formulation
- So keep communication line open between the HRD function and individuals and groups both within and outside the organisation
- To identify and evolve HRD strategies in consonance with overall business strategy.
- To facilitate the development of various organisational teams and their working relationship with other teams and individuals.
- To try and relate people and work so that the organisation objectives are achieved efficiently and effectively.
- To diagnose problems and determine appropriate solution particularly in the human resource areas.
- To provide co-ordination and support services for the delivery of HRD programmes and services
- To evaluate the impact of an HRD intervention or to conduct research so as to identify, develop or test how HRD in general has improved individual and organisational performance.

According to Dave Ulrich HR play's four key roles.

1. Strategic Partner Role-Turning strategy into results by building organisations that create value;

2. Change Agent Role- making change happen, and in particular, help it happen fast
3. Employees Champion Role-managing the talent or the intellectual capital within a firm
4. Administrative Role-Trying to get things to happen better, faster and cheaper.

The role HR in organisations has undergone an extensive change and many organisations have gradually oriented themselves from the traditional personnel management to a human resources management approach. The basic approach of HRM is to perceive the organisation as a whole. Its emphasis is not only on production and productivity but also on the quality of life. It seeks to achieve the paramount development of human resources and the utmost possible socio-economic development. Current Classification of HR roles According to R.L Mathis and J. H. Jackson (2010) several roles can be fulfilled by HR management. The nature and extent of these roles depend on both what upper management wants HR management to do and what competencies the HR staff have demonstrated. Three roles are typically identified for HR (Figure 1).

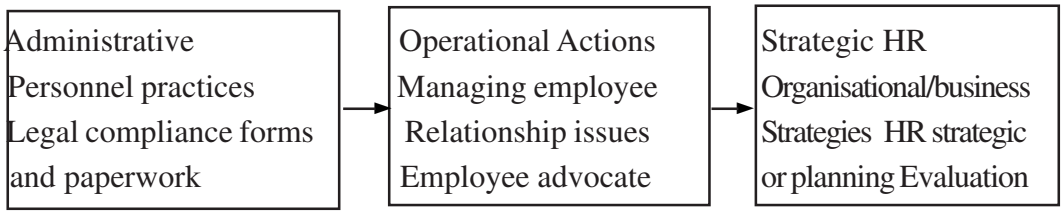

Figure 1: Roles of HR Manager

1. Administrative Role of HR

The administrative role of HR management has been heavily oriented to administration and recordkeeping including essential legal paperwork and policy implementation. Major changes have happened in the administrative role of HR during the recent years. Two major shifts driving the transformation of the administrative role are: Greater use of technology and Outsourcing.

Technology has been widely used to improve the administrative efficiency of HR and the responsiveness of HR to employees and managers, more HR functions are becoming available electronically or are being done on the Internet using Web-

based technology. Technology is being used in most HR activities, from employment applications and employee benefits enrollments to e-learning using Internet-based resources.

Increasingly, many HR administrative functions are being outsourced to vendors. This outsourcing of HR administrative activities has grown dramatically in HR areas such as employee assistance (counseling), retirement planning, benefits administration, payroll services, and outplacement services.

2. Operational and Employee Advocate Role for HR

HR managers manage most HR activities in line with the strategies and operations that have been identified by management and serves as employee - champion for employee issues and concerns.

HR often has been viewed as the-employee advocate in organisations. They act as the voice for employee concerns, and spend considerable time on HR - crisis management, dealing with employee problems that are both work-related and not work-related. Employee advocacy helps to ensure fair and equitable treatment for employees regardless of personal background or circumstances.

Sometimes the HR's advocate role may create conflict with operating managers. However, without the HR advocate role, employers could face even more lawsuits and regulatory complaints than they do now.

The operational role requires HR professionals to cooperate with various departmental and operating managers and supervisors in order to identify and implement needed programs and policies in the organisation. Operational activities are tactical in nature. Compliance with equal employment opportunity and other laws is ensured, employment applications are processed, current openings are filled through interviews, supervisors are trained, safety problems are resolved, and wage and benefit questions are answered. For carrying out these activities HR manager matches HR activities with the strategies of the organisation.

3. Strategic Role for HR

The administrative role traditionally has been the dominant role for HR. A broader transformation in HR is needed so that significantly less HR time and fewer HR staffs are used just for clerical work.

Differences between the operational and strategic roles exist in a number of HR areas. The strategic HR role means that HR professionals are proactive in addressing business realities and focusing on future business needs, such as strategic planning, compensation strategies, the performance of HR, and measuring its results. However, in some organisations, HR often does not play a key role in formulating the strategies for the organisation as a whole; instead it merely carries them out through HR activities.

Many executives, managers, and HR professionals are increasingly seeing the need for HR management to become a greater strategic contributor to the ¯business success of organisations. HR should be responsible for knowing what the true cost of human capital is for an employer. For example, it may cost two times key employees' annual salaries to replace them if they leave. Turnover can be controlled though HR activities, and if it is successful in saving the company money with good retention and talent management strategies, those may be important contributions to the bottom line of organisational performance.

The role of HR as a strategic business partner is often described as - having a seat at the table, and contributing to the strategic directions and success of the organisation. That means HR is involved in devising strategy in addition to implementing strategy. Part of HR's contribution is to have financial expertise and to produce financial results, not just to boost employee morale or administrative efficiencies. Therefore, a significant concern for chief financial officers (CFOs) is whether HR executives are equipped to help them to plan and meet financial requirements.

However, even though this strategic role of HR is recognised, many organisations still need to make significant progress toward fulfilling it. Some examples of areas where strategic contributions can be made by HR are:

- Evaluating mergers and acquisitions for organisational ¯compatibility, structural changes, and staffing needs
- Conducting workforce planning to anticipate the retirement of employees at all levels and identify workforce expansion in organisational strategic plans
- Leading site selection efforts for new facilities or transferring operations to international outsourcing

- Locations based on workforce needs
- Instituting HR management systems to reduce administrative time, equipment, and staff by using HR technology
- Working with executives to develop a revised sale
- Compensation and incentives plan as new products

It is the era when for the competitive triumph of the organisation there is a need to involve HRM significantly in an integrated manner, which demands such capabilities from the HR specialists.

The role of HR shifted from a facilitator to a functional peer with competencies in other functions, and is acknowledged as an equal partner by others. The HR is motivated to contribute to organisational objectives of profitability and customer satisfaction, and is seen as a vehicle for realisation of quality development. The department has a responsibility for monitoring employee satisfaction, since it is seen as substitute to customer satisfaction.

According to McKinsey's 7-S framework model HR plays the role of a catalyst for the organisation. According to this framework, effective organisational change is a complex relationship between seven S's. HRM is a total matching process between the three Hard S's (Strategy, Structure and Systems) and the four Soft S's (Style, Staff, Skills and Super-ordinate Goals). Clearly, all the S's have to complement each other and have to be aligned towards a single corporate vision for the organisation to be effective. It has to be realized that most of the S's are determined directly or indirectly by the way Human Resources are managed, and therefore, HRM must be a part of the total business strategy.

3.4 RESPONSILITIES OF HR MANAGER

With advancement in technology, conventional methods are being replaced by new-age techniques. Globalization is on the rise and companies are spreading out all around the world, no longer restricted by geographical barriers. Economies are rising and falling and evolving continuously. Adding to the turmoil are stringent laws and regulations passed, leading to a constant void waiting to be filled with effective policies that follow all the legal guidelines and at the same time are not compromising

on the organisation's survival. In the midst of all this, is a function necessary, but minimally looked upon – the human resource function. In a quest to integrate the operations and strategies of a business across a wide array of products, services, ideas, and cultures, the role of human resource managers is constantly evolving. HR managers, who were once confined to handling basic data work and routine record keeping amongst employees, are now exposed to an evolving nature of diverse workforce complexities, legal obligations, and strategic management of the organisational goals.

With that background, first let's shed some light on the conventional HR functions and the traditional role of HR managers:

Recruitment

This is the one function which is hand in glove with HR. Recruitment has been one of the major responsibilities of the HR team. It is the job of HR personnel to plan and devise strategic campaigns and guidelines for recruiting suitable candidates for a required job description. They also have to serve as a mediator between the employer and the candidate and communicate company policies and terms of the contract to the candidate before he is hired. This is the first pillar of HR management that every HR manager starts with. It's probably one of the most important aspects of any HR professional's career. The recruitment function comprises 2 main objectives:

(1) Attract Talent

Attracting talent starts with first planning the requirement of manpower in the organisation. Gauging needs of the organisation's human resource requirements, and accordingly putting a plan of action to fulfil those needs with placement of "talented professionals". That's followed by creating an "employer brand" which will be representative of the organisation's good image and portray an attractive impression in the minds of potential candidates.

The employer branding aspects have become very important owing to the new-age media and awareness of employee rights. Putting the best foot forward is no longer enough, it needs to be followed through with honest actions in favour of the employees. And finally, the HR manager needs to them create detailed recruitment strategies carry out the hiring process.

(2) Hire Resources

This is where the recruitment strategies are put in action. In the current age, there's ton of competition vying for the attention of the best talent in the market. The HR manager needs to run all possible engines to go out there in the market and find that one suitable gem.

This part of the role includes things like finding relevant locations to look in, reach out to maximum potential candidates using mass communication mediums, aggregate all responses, filter out irrelevant applications, judge suitable incumbents and coordinate internally to get them interviewed. Once the finalists are decided, the HR manager turns into a 'negotiator' of sorts, working as a mediator between the company and the candidate to find that win-win ground.

Training

Not all is done once you've recruited a suitable candidate for the job. Many organisations perform tasks a tad differently. Training employee is important to help the new hires get acquainted with the organisation's work pattern. It is imperative for the HR department to incorporate a training program for every new employee based on the skill set required for their job. It will further also contribute towards employee motivation and retention.

For the training to be effective, every new employee can be subjected to an on-the-job training for the initial days to get him in sync with the work guidelines of the organisation. This training will not only be of assistance to the employee but also give the HR team an insight into the employee's workmanship. On completion of the training, HR plays a significant role in assessing the results of the training program and grading employees on the same.

Professional Development

Closely related to training, developing your employees professionally is an added bonus for the employee as well as the organisation. Enrolling the employee to attend conferences, trade shows, seminars etc that may be in his personal interest will make the employee feel cared-for and a vital part of the organisation, thus increasing employee engagement. It will be beneficial to the organisation by way of the employee's added skill set.

In short, it is a win-win. It is the HR head's job to get to know the employee's hobbies and areas of interest and look out for opportunities that will help them build onto those hobbies. For example, if an employee wants to master the technique of SEO, the HR could enroll him for seminars and conferences that talk on the same. However, this should not turn out to be a selfish attempt that benefits the organisation only.

Appraisals

Since HRM is a body meant for the employees, carrying out timely performance appraisals is a given. Performance appraisals help in employee motivation by encouraging them to work to their fullest potential. It also enables to give them feedback on their work and suggest necessary measures for the same. This helps employees to have a clear view of what is expected of them and what they are delivering. They can thus, work better towards improving their performance and achieving targets.

The role of HR (especially the HR manager) in this would be to have a policy of generating timely appraisal reports and a review of the same by the authorities. The HR team should communicate individually with employees and give a clear feedback or suggestion on their performance. A system to reward employees excelling at their work would help in employee motivation and thus garner a higher degree of productivity and employee engagement.

Maintaining Work Culture

It is the duty of the HR to maintain a healthy, safe, and fun work environment to ensure a level of comfort amongst the employees and eliminate any stressful or awkward atmosphere that may hinder the performance of the staff. It is vital to have an efficient work atmosphere, because an individual's performance a largely dependent on the surrounding he's working in.

It would be great to have an open-door policy up to some extent wherein employees can freely communicate and voice their opinions to be given consideration. The HR department's role is to be a friendly body with an open attitude. By communicating and treating every employee as equal, the HR can build a rapport with the employees. This goes a long way in increasing employee engagement and gives a higher job satisfaction.

Resolving Conflicts

Where different people have different views, conflicts are almost inevitable. Whether the dispute is amongst two or more employees or between the employee and the management, an HR manager has the right to intervene and help map out a solution.

The HR should be available at the disposal of the conflicting parties and hear out their issues without being judgmental. Prior investigations are a must before passing any judgment. The HR head is not expected to discriminate or play favourites in this matter and always deliver an unbiased and practical decision. A reimbursement in case of any loss caused and strict actions against the defaulter should be practiced for effective conflict resolution by the HRM.

Employee Relations

The Human Resources is called so because its major responsibility is dealing with the human part of the organisation and this involves having great interpersonal skills. An HR manager who sits in the office all day will not turn out to be good at building connections with the employees and thus fail to serve the purpose of being an HR head. As an HR person, employees should feel comfortable coming up to you with their problems and for that, it is important that the HR team builds a good public image within the organisation.

The HR team has to be proactive and know their employees. An HR personnel's job is not a desk job altogether. The HR head's role is to establish the trust and confidence of the employees and not have a "don't mess with me" demeanour. He should be looked upon as both an HR expert and an employee advocate.

Rewards and Incentives

Rewarding the employees for a work well done imparts motivation and at the same time induces a desire to excel at tasks in hope of obtaining rewards. It serves as bait for inculcating a healthy competitive environment amongst employees to achieve targets and meet deadlines. A reward need not be materialistic always. It could just be a word of appreciation in front of all co-workers for a menial task done with complete honesty.

However, with globalization and evolving trends, compensations like holiday packages, pay incentive, bonuses, and promotion are taking a backseat. If as an HR manager you are wanting to reward your employees efficiently, it's time you adapt new ways of awarding benefits such as flexible work times, paternity leave, extended holidays, telecommuting etc. These non-traditional rewards will prove fruitful not only in engaging existing workforce but also as an added benefit to attract new talent to your organisation.

Legal Knowledge

This may seem the least glamorous of all, but is an important aspect of the HRM. An HR manager should always be in compliance with the law. Whether it's drafting new policies or writing terms of a contract, it is the HR department's job to build guidelines keeping the laws in mind. This ensures an organisation's continued growth and existence. While drafting policies, the HR should always ensure to be at an upper hand legally and keep the organisation's practices in tune with the labor laws, tax laws, permissible working hours, minimum wages, and a no-discrimination policy.

Organisation

An HR head is responsible for organizing all functions of the organisation. To start with, it includes employee on-boarding, i.e. welcoming new employees. It is a must for every HR head to carry out an induction for every new hire, and give them an orientation regarding the company policies and rules.

The HR personnel should also introduce the new employees to their colleagues and assign them a mentor. It also involves listing out job expectations and defining roles and responsibilities, thus getting the new employees in tune with the working of the organisation. The HR personnel are also responsible for organizing and storing all employee data efficiently and keeping it secure.

Management

Management is the most important job of an HR manager. It is what defines a good HR manager. Management extends right from managing employees to managing the employers and the whole HR department as well.

The role of an HR manager is to manage, create, implement and supervise policies/regulations, which are mandatory for every employee and also have knowledge of its appropriate functioning. Monitoring attendance and tracking leaves forms a major chunk of the HR management function. There should be a proper management of the clock-in/out time to avoid late arrivals and track overtimes and half-days. As mentioned before, the HR as a department should also be well managed by the HR head. If the HR department itself is in a state of chaos, it cannot serve as a peacemaker for the other departments.

Payroll Management

Once all the attendance monitoring, leave tracking, clock in/outs etc is tracked and monitored, it's time for the most important aspect–calculating the payroll. Efficient calculation of salaries, wage-cuts, reimbursements, and generation of pay slips amounts to the role of HR managers in payroll management.

The HR manager should maintain transparency and provide the employees with information as and when asked. The HR should ensure not only accurate calculations of salaries but also timely transfer of the same. They also have an obligation towards exiting employees in settlement of dues and compensations.

Conclusion

According to research, the human part of your organisation tallies up to 80 per cent of your organisation's assets; reason enough for you to QC your human resource function. To build a team of professionals, it is of utmost importance to have an equally professional and well-managed HR department. A slipshod HR function will cost your organisation's future and compromise on its achievements. To summarize, the role of an HR manager is to maintain law and order in the organisation and amongst the employees, which further extends to attracting, engaging and retaining top talent.

3.5 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 computerised information system on management. This revolutionary development would cover two primary areas of personnel management which are as follows: (a) The use of electronic computers for the collection and processing of data, and (b) The direct application of computers in the managerial decision-making process.

8. Mobility of Professional Personnel: 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. Greater skepticism concerning large organisations and less reverence for authority figures will be more common. Unquestioning acceptance of rules and regulations will be less likely.

3.6 HRM IN A DYNAMIC ENVIROMENT

In an organisation, there are tall people, short people, fat people, thin people, black people, white people, elderly people, young people and so on. Even within each category there are enormous individual differences. Some will be intelligent, others not so intelligent; some are committed to jobs, others are not some will be outgoing, others reserved and so on. "The point is that these differences demand attention so that each person can maximise his or her potential, so that organisation can maximize their effectiveness and so that the society as a whole can make the wisest use of its human resources". The challenge of HR managers today is to recognize talent and nurture the same carefully and achieve significant productivity gains over a period of time. The enterprise is nothing but people. Technological advances, globalised competition, demographic changes, the information revolution and trends toward a service society have changed the rules of the game significantly. In such a scenario, organisations with similar set of resources gain competitive advantage only through effective and efficient management of human resources.

New Management Practices

- New organisational forms (teams, boundary less organisations) have come in place of pyramid-shaped units.·
- Employees are being empowered to make more and more decisions. Employees are at the top now. They are equipped to take prompt decisions in line with customers' needs.·
- Corporate layers have vanished overnight. Organisations have demolished the hierarchical levels with a view to facilitate quick communications and decisions.
- The bases of power have changed. Position, tittle, authority are no longer adequate to get the jobs done. Instead managers have to tap sources of good ideas, strike collaborations to implement those ideas and get results.·
- The new manager, as pointed out by P F Drucker, should increasingly think of himself as a sponsor, team leader and internal consultant instead of viewing his position and power as unchallenged, unique and super normal.·
- According to General Electrick's Jack Welch, managers today must work toward building commitment among employees. The only way I see to get more productivity is by getting people involved and excited about their jobs" (R M Kanter, 'The New Managerial Work', HBR, Nov.-Dec. 1989) (P F Drucker, The Coming of the New Organisation" ,HBR,jan.-Feb.1988.

The role of a HR manager is shifting from a protector and screener to the planner and change agent. In present day competitive world, highly trained and committed employees are often a firm's best bet. HR professionals play a key role in planning and implementing downsizing, restructuring and other cost-cutting activities. They enable a firm to be more responsive to product innovations and technological changes. For example, team-based work assignments and productivity linked rewards could replace manufacturing systems. In service enterprises like banking, hotels, insurance firms, etc., discourteous employee responses may ruin the relationships with customers. Employees who lack the temperament, maturity social skills and tolerance and tolerance for frequent contact should not be selected at all for service-oriented activities. HR professionals can help an organisation select and train employees for such emerging roles. Employees are the primary pillars of corporate

ccess. Machines neither have new ideas nor can they solve problems or grasp opportunities. Only people who are involved and thinking can make difference. Through open communications, proper feedback and fair treatment of all employees' grievances and discipline matters, HR professionals promote employee commitment at various levels. Such a case employee performs the assigned tasks willingly and enthusiastically and thus offer a competitive advantage to the organisation.

3.7 HRM IN INDIAN CONTEXT

The dynamics of Human Resource Management (HRM)

HRM is a dynamic discipline as it mostly deals with ever-changing work settings, characterized by people having varied cultural, social and religious backgrounds, diverse goals, multifarious expectations and attitudes. The personnel scene itself has been changing quite dramatically over the years. Government regulations, competitive pressures, unionisation of employees, do exert a strong influence on the way the personnel function is carried out in various organisations. Further, the nature of the work goals, make-up of the workgroup, leadership style and experience also determine the effectiveness of HRM function in the long run. Over the years, employees have become more sophisticated in their demands for high quality work environments, adequate pay and benefits, proper training and career growth opportunities. All these factors compel human resource professionals to look for ways to improve their interactions with employees, other managers and outside groups in order to maximize worker productivity and satisfaction. There seems to be a lot of confused thinking and a plain lack of awareness of what HRM is and how it can contribute to an organisation. To clear the 'fog' let's quickly run through the historical origins of personnel management followed by the evolution of the concept of HRM in India

HUMAN RESOURCE MANAGEMENT (HRM)

The field of HRM as it currently exists represents a crystalisation of a variety of historical and contemporary factors:

1. **The industrial revolution:** During this period machines were bought in; technology made rapid progress; jobs were more fragmented where the worker did only a small portion of the total job; and specialisation increased speed and efficiency but

left workers with dull, boring and monotonous jobs. Workers were treated like' glorified machine tools'. Employers were keen to meet production targets rather than satisfy workers' demands. Government did very little to protect the interests of workers.

2. **Scientific management:** To improve efficiency and speed F.W.Taylor advocated scientific management. Scientific management is nothing but a systematic analysis and breakdown of work into its smallest mechanical elements and rearranging them into their most efficient combination. In addition to the scientific study of the task itself, Taylor argued that individuals selected to perform the tasks should be as perfectly matched, physically and mentally, to the requirements to the task as possible and that overqualified individuals should be executed. Employees should also be trained carefully by supervisors to ensure that they performed the task exactly as specified by prior scientific analysis. A differential piece rate system was also advocated by Taylor to provide an incentive for employees to follow the detailed procedures specified by supervisors.

3. **Trade unionism:** Workers joined hands to protect against the exploitative tendencies of employers and the prohibitive, unfair labour practices through unions. Unions tried to improve the lot of workers through collective bargaining, resolving the grievances of workers relating to working conditions, pay and benefits, disciplinary actions, etc.

4. **Human relations movement:** The famous Hawthorne experiments conducted by Elton Mayo and his Harvard colleagues during 1930s and 1940s demonstrated that employee productivity was affected not only by the way the job was designed and the manner in which employees were rewarded economically, but by certain social and psychological factors as well. The human relations movement led to the wide scale implementation of behavioural science techniques in industry for the first time which included supervisory training programmes, emphasizing support and concern for workers, programmes to strengthen the bonds between labour and management and counseling programmes whereby employees were encouraged to discuss both work and personal problems with trained counselors. The movement was also influenced

by the growing strength of unions during the late 1930s and 1940s.The rise of unionism during this period was due to the passage of the Wagner Act which gave workers the legal right to bargain collectively with employers over matters concerning, wages, job security, benefits and many other conditions of work.

5. **Human resources approach:** However, during early 60s the 'pet milk theory', (advocating that happy workers are productive workers or happy cows give more milk) of human relationists had been largely rejected. Recognising the fact that workers are unique in their own way-having individual needs. It was recognised that each employee is unique and highly complex individual with different wants, needs and values. What motivates one employee may not motivate another and being happy or feeling good may have little or no impact on the productivity of certain employees. Slowly but steadily, the trend towards treating employees as resources or assets emerged.

   "The Human Resource Approach assumes that the job or the task itself is the primary source of satisfaction and motivation to employees…the emphasis in the human resource approach is on individual involvement in the decisions made in the organisation". In addition, this approach emphasises the following things.

- People do not inherently dislike work if they have helped establish objectives they want to achieve them.
- Most people can exercise a great deal more self-direction, self-control and creativity than are required in their current jobs (Theory Y)
- The managers' basic job is to use the untapped human potential in the service of the organisation.
- The manager should create a healthy environment wherein all subordinates can contribute to the best of their capacities. The environment should provide a healthy, safe, comfortable and convenient place to work.
- The manager should provide for self-direction by the subordinate and they must be encouraged to participate fully in all important matters
- Expanding subordinates' influence, self-direction and self-control will lead to direct improvements in operating efficiency.

- Work satisfaction may improve as a 'by-product' of subordinates making full use of their potential.

The contribution of behavioural science to management practice consists primary of producing new insights rather than new techniques. It has developed or expanded a useful way of thinking, about the role of the manager, the nature of organisations and the behavior of an individual within an organisation.

3.8 INDIAN HRM IN TRANSITION

One of the noteworthy features of the Indian workplace is demographic uniqueness. It is estimated that both China and India will have a population of 1.45 billion people by 2030, however, India will have a larger workforce than China. Indeed, it is likely India will have 986 million people of working age in 2030, which will probably be about 300 million more than in 2007. And by 2050, it is expected India will have 230 million more workers than China and about 500 million more than the United States of America (U.S.). It may be noted that half of India's current population of 1.1 billion people are under of 25 years of age. While this fact is a demographic dividend for the economy, it is also a danger sign for the country's ability to create new jobs at an unprecedented rate. When India's young demographic bubble begins to reach working age, India will need far more jobs than currently exist to keep living standards from declining. India today doesn't have enough good jobs for its existing workers, much less for millions of new ones. If it cannot better educate its children and create jobs for then once they reach working age, India faces a population time bomb: The nation will grow poorer and not richer, with hundreds of millions of people stuck in poverty.

With the retirement age being 55 to 58 years of age in most public sector organisations, Indian workplaces are dominated by youth. The divergent view, that each society has an unique set of national nuances, which guide particular managerial beliefs and actions, is being challenged in Indian society. An emerging dominant perspective is the influence of globalisation on technological advancements, business management, education and communication infrastructures is leading to a converging effect on managerial mindsets and business behaviours. And when India embraced liberalisation and economic reform in the early 1990s, dramatic changes were set in

motion in terms of corporate mindsets and HRM practices as a result of global imperatives and accompanying changes in society.

Indeed, the onset of a burgeoning competitive service sector compelled a demographic shift in worker educational status and heightened the demand for job relevant skills as well as regional diversity. Expectedly, there has been a marked shift towards valuing human resources (HR) in Indian organisations as they become increasingly strategy driven as opposed to the culture of the status quo. Accordingly, competitive advantage in industries like software services, pharmaceuticals, and biotechnology (where India is seeking to assert global dominance), the significance of HRs is being emphasised. These relativities were demonstrated in a recent study of three global Indian companies with (235 managers) when evidence was presented that positively linked the HRM practices with organisational performance. In spite of this trend of convergence, a deep sense of locality exists creating more robust 'cross vergence' in the conceptual as well as practical domain.

3.9 KEY HRM PRACTICES IN INDIAN ORGANISATIONS

HRM Practice	**Observable Features**
Job Description	Percentage of employees with formally defined work roles is very high in the public sector.
Recruitment	Strong dependence on formal labour market. Direct recruitment from institutions of higher learning is very common amongst management, engineering and similar professional cadres. Amongst other vehicles, placement agencies, internet and print media are the most popular medium for recruitment.
Compensation	Strong emphasis on security and lifetime employment in public sector including a range of facilities like, healthcare, housing and qschooling for children.
Training and Development	Poorly institutionalised in Indian organisations. Popularity of training programmes and their effect in skill and value development undeveloped.
Performance Appraisal`	A very low coverage of employees under formal performance appraisal and rewards or organisational goals

Promotion and Reward	Moderately variable across industries. Seniority systems still dominate the public sector enterprises. Use of merit and performance limited mostly to globally orientated industries. Reward
Career Planning	Limited in scope. The seniority based escalator system in the public sector provides stability and progression in career. Widespread use of voluntary retirement scheme in public sector by high `performing staff. Cross functional career paths uncommon.
Gender Equity	Driven by proactive court rulings, ILO guidelines and legislature `provisions. Lack of strategic and inclusion vision spread.
Reservation System	The central government has fixed 15 per cent reservations for scheduled castes, 7.5 per cent for scheduled tribes and 27 per cent for backward communities. States vary in their reservation systems.

3.10 SUMMARY

According to research, the human part of the organisation tallies up to 80 per cent of the organisation's assets; which has highlighted the significance of human resource function. To build a team of professionals, it is of utmost importance to have an equally professional and well-managed HR department. A slipshod HR function will cost your organisation's future and compromise on its achievements. To summarise, the role of an HR manager is to maintain law and order in the organisation and amongst the employees, which further extends to attracting, engaging and retaining top talent. *It's high time to direct the people who are responsible for giving direction to everyone else.* The role of a HR manager is shifting from a protector and screener to the planner and change agent. HRM is a dynamic discipline as it mostly deals with ever-changing work settings, characterised by people having varied cultural, social and religious backgrounds, diverse goals, multifarious expectations and attitudes. Different HRM practices are being followed by the Indian organisations to make the diverse human resources adaptive in the diverse environment.

3.11 GLOSSARY

- ***HR Manager:*** HR manager is a person who in charge of the department that deals with the employment, training, support, records, etc. of a company's employees.
- ***Recruitment:*** It is a positive process of searching for prospective employees and stimulating them to apply for the jobs in the organisation.
- ***Training:*** It is teaching, or developing in oneself or others, any skills and knowledge that relate to specific useful competencies. *Training* has specific goals of improving one's capability, capacity, productivity and performance.
- ***Development:*** It is the act or process of growing or causing something to grow or become larger or more advanced, the act or process of creating something over a period of time, the state of being created or made more advanced.
- ***Appraisals:*** It is the evaluation of worth, quality or merit of personnel by superiors or others familiar with their performance.
- ***Work culture:*** It is the study of beliefs, thought processes, attitudes of the employees and ideologies & principles of the organisation.
- ***Conflicts:*** It is serious disagreement and argument about something important. If two people or groups are in conflict, they have had a serious disagreement or argument and have not yet reached agreement.
- ***Incentives:*** It refers to rewards given to employees in monetary or non-monetary form in order to motivate them to work more efficiently. An employee is paid an incentive in monetary or non-monetary form on the basis of his individual performance.

3.12 SELF-ASSESSMENT QUESTIONS

1. Write a short note on future challenges faced by HR Managers.
2. Give some HRM practices being followed by Indian organisation.
3. What is the role of HRM in the changing environment?
4. Explain the scenario of Indian HRM in transition.

3.13 LESSON END EXERCISE

Q1. What is the role of HR Manager?

Ans _____

_____

Q2. Explain in detail the responsibilities of HR Manager?

Ans _____

_____

Q3. Write briefly about HRM in Indian context?

Ans _____

_____

Q4 In the world of dynamism, how Indian HRM is transmitting from its present form.

Ans _____

_____

3.14 SUGGESTED READING

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice of Management: L.M.Prasad
- Human Resource Management: Shashi K. Gupta and Rosy Joshi
- Human Resource Management (Theory & Practice): Tapomoy Deb
- Human Resource Management: Santosh Gupta and Sachin Gupta

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MANPOWER PLANNING, JOB ANALYSIS, JOB DESIGN RECRUITMENT AND SELECTION

STRUCTURE

4.1 Introduction

4.2 Objectives

4.3 Meaning of Manpower Planning

- 4.3.1 Manpower Planning Steps
- 4.3.2 Importance of Manpower Planning
- 4.3.3 Need of Manpower Planning

4.4 Job Analysis Terminology

- 4.4.1 Meaning of Job Analysis
- 4.4.2 Objectives of Job Analysis
- 4.4.3 Need of Job Analysis
- 4.4.4 Steps in Job Analysis
- 4.4.5 Process of Job Analysis
- 4.4.6 Techniques of Collection of Job Analysis Data

4.5 Job Design Meaning

- 4.5.1 Methods of Job Design
- 4.5.2 Principles of Job Design
- 4.5.3 Benefit of Job Design
- 4.5.4 Approaches to Job Design
- 4.5.5 Issues in Job Design
- 4.5.6 Factors Affecting Job Design

4.6 Meaning of Recruitment

4.6.1 Definitions of Recruitment

4.6.2 Objectives of Recruitment

4.6.3 Need of Recruitment

4.6.4 Process of Recruitment

4.6.5 Recruitment Policy

4.6.6 Recruitment Organisation

4.6.7 Sources of Recruitement

4.6.8 Methods or Techniques of Recruitement

4.6.9 Recruitement Practices in India and Elsewhere

4.6.10 Assessmemt of the Recruitement Programme

4.7 Meaning and Definition of Selection

4.7.1 Selection vs. Recruitment

4.7.2 Significance of Selection

4.7.3 Scientific Selection

4.7.4 Selection Policy

4.7.5 Selection Procedure

4.7.6 Essential of Selection Process Procedure

4.7.7 Steps involved in Selection Process/Procedure

4.8 Summary

4.9 Glossary

4.10 Self Assessment Questions

4.11 Lesson End Exercise

4.12 Suggested Readings

4.1 INTODUCTION

Human resource is the total knowledge, skills, creative abilities, talents and aptitudes of an organisation's work-force as well as the values, attitudes and benefits of an individual involved. Human resource is the most valuable assets of an organisation, not money or physical equipment. An organisation's performance and resulting productivity are directly proportional to the quality and quantity of human resources.

Job analysis is the process of gathering relevant job information and determining the component elements of a job by observation and study. It is a scientific study and statement of all facts about a job revealing the tasks includes in a job, duties, abilities, responsibilities, working conditions, skills and knowledge required to perform the job and its relations to other jobs. There are two components of job analysis,

i. Job Description and

ii. Job Specification.

The human resources are the most important assets of an organisation. The success or failure of an organisation is largely dependent on the calibre of the people working therein. Without positive and creative contributions from people, organisations cannot progress and prosper. In order to achieve the goals or the activities of an organisation, therefore we need to recruit people with requisite skills, qualifications and experience. While doing so, we have to keep the present as well as the future requirements of the organisation in mind.

An organisation on the bases of its requirements plans for right number and skills of human force to suit its present and future needs and after planning manpower requirement recruitment and selection process can begin. After selecting an employee by an organisation as a member of its personnel function, the next step is to place him on the right job and orienting him to the organisation.

Proper selection and placement of human resources would not only contribute to achievement of objectives and smooth running of an organisation but also offer significant potential for future development. Therefore building and

maintaining effective human resources is very important function of human resources management.

The size of the labour market, the image of a company, the place of posting, the nature of job, the compensation package and a host of other factors influence the manner the job aspirants are likely to respond to the recruiting efforts of a company. Through the process of recruitment a company tries to locate prospective employees and encourages them to apply for vacancies at various levels. Recruiting, thus, provides a pool of applicants for selection.

4.2 OBJECTIVES

After studying this unit, you should be able to:

- explain the meaning of manpower planning and analyse the need and its importance.
- explain the meaning and concept of job analysis, job description, job rotation, job
- enrichment and job enlargement
- describe the significance and components of job analysis
- discuss the methods of job analysis
- define the term 'job design'
- discuss the methods of job design
- To determine the concept of recruitment, its objective & need
- To acquaint with the process involved in recruitment
- To determine the concept of selection and its significance
- To know scientific selection and selection policy
- To familiarise with the different steps involved in the selection process

4.3 MEANING OF MANPOWER PLANNING

Manpower is the most vital factor for the survival and prosperity of the organization. The manpower asset in a firm has the potential to appreciate the value of the firm. Though all the firms buy the same material and machines, the

people in a firm make the difference in the final product. So the success of any organization mainly depends upon the quality of its manpower and their performance. Any forward looking management will be concerned with the problem of procuring or developing adequate talent for manning various positions inthe organization. The success of a manpower planning process not only helps the organization itself, but also helps the society's prosperity. The losses a firm suffers from inadequate manpower planning and. utilization, is a loss to the nation. When these individual losses are added up the total losses may be very significant to the economy of a nation.

Manpower may be regarded as the quantitative and qualitative measurement of labour force required in an organization and planning in relation to manpower may be regarded as establishing objectives to develop human resources in line with broad objectives of the organization. Thus, manpower planning may be expressed as a process by which the management ensures the right number of people and right kind of people, at the right place, at the right time doing the right things. It is a two-phased process by which management can project the future manpower requirements and develop manpower action plans to accommodate the implications of projections. Thus, we can say that manpower planning is the process of developing and determining objectives, policies and programmes that will develop, utilize and distribute manpower so as to achieve the goals of the organization.

Manpower Planning or Human Resource Planning aims at ascertaining the manpower needs of the organization both in right number and of right kind. It further aims at the continuous supply of right kind of personnel to man various positions in the organization. Manpower planning is a process of determining and assuring that the organization will have an adequate number of qualified per so, available at the persons times, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved.

Specific manpower planning duties include:

- estimation of labour turnover for each grade of employee and the examination of the effects of high or low turnover rates on the organization's performance;
- analysis of the consequences of changes in working practices and hours;

- predicting future labour shortages;
- devising schemes for handling the human problems arising from labour deficits or surpluses;
- introduction of early retirement and other natural

Manpower planning is determination of right number and right skills of human force to suit present and future needs. Manpower planning is defined by stainer **"**strategy for the requisition, utilization, improvement and preservation of an enterprise's human resource. It relates to establishing job specifications or the quantitative requirements of jobs determining the number of personnel required and developing sources of manpower.**"** Manpower planning is a process determining requirements of right number and right kind of human force at right place and right time.

4.3.1 Manpower Planning Steps

1. **Analysing the current manpower inventory-**Before a manager makes forecast of future manpower, the current manpower status has to be analysed. For this the following things have to be noted -
   - Type of organization
   - Number of departments
   - Number and quantity of such departments
   - Employees in these work units

   Once these factors are registered by a manager, he goes for the future forecasting.

2. **Making future manpower forecasts -** Once the factors affecting the future manpower forecasts are known, planning can be done for the future manpower requirements in several work units.

   The Manpower forecasting techniques commonly employed by the organizations are as follows:

3. **Expert Forecasts:** This includes informal decisions, formal expert surveys and Delphi technique.

i. **Trend Analysis:** Manpower needs can be projected through extrapolation.

(projecting past trends), indexation (using base year as basis), and statistical analysis (central tendency measure).

Work Load Analysis: It is dependent upon the nature of work load in a department, in a branch or in a division.

4. **Work Force Analysis:** Whenever production and time period has to be analysed, due allowances have to be made for getting net manpower requirements.

5. **Other methods:** Several Mathematical models, with the aid of computers are used to forecast manpower needs, like budget and planning analysis, regression, new venture analysis.

6. **Developing employment programmes-** Once the current inventory is compared with future forecasts, the employment programmes can be framed and developed accordingly, which will include recruitment, selection procedures and placement plans.

7. **Design training programmes-** These will be based upon extent of diversification, expansion plans, development programmes,etc. Training programmes depend upon the extent of improvement in technology and advancement to take place. It is also done to improve upon the skills, capabilities, knowledge of the workers

4.3.2 Importance of Manpower Planning

1. **Key to managerial functions -** The four managerial functions, i.e., planning, organizing, directing and controlling are based upon the manpower. Human resources help in the implementation of all these managerial activities. Therefore, staffing becomes a key to all managerial functions.

2. **Efficient utilization -** Efficient management of personnel's becomes an important function in the industrialization world of today. Setting of large scale enterprises require management of large scale manpower. It can be effectively done through staffing function.

3. **Motivation -** Staffing function not only includes putting right men on right job, but it also comprises of motivational programmes, i.e., incentive plans to be framed for further participation and employment of employees in a concern. Therefore, all types of incentive plans becomes an integral part of staffing function.

4. **Better human relations-** A concern can stabilize itself if human relations develop and are strong. Human relations become strong trough effective control, clear communication, effective supervision and leadership in a concern. Staffing function also looks after training and development of the work force which leads to co-operation and better human relations.

5. **Higher productivity-** Productivity level increases when resources are utilized in best possible manner. higher productivity is a result of minimum wastage of time, money, efforts and energies. This is possible through the staffing and it's related activities (Performance appraisal, training and development, remuneration)

4.3.3 Need of Manpower Planning

Manpower Planning is a two-phased process because manpower planning not only analyses the current human resources but also makes manpower forecasts and thereby draw employment programmes. Manpower Planning is advantageous to firm in following manner:

1. Shortages and surpluses can be identified so that quick action can be taken wherever required.
2. All the recruitment and selection programmes are based on manpower planning.
3. It also helps to reduce the labour cost as excess staff can be identified and thereby overstaffing can be avoided.
4. It also helps to identify the available talents in a concern and accordingly training programmes can be chalked out to develop those talents.
5. It helps in growth and diversification of business. Through manpower planning, human resources can be readily available and they can be utilized in best manner.
6. It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern.
7. It also helps to grow the diversification of the business A good manpower planning and human resources can help diversification of the business in a better way.
8. Manpower planning is ultimately helpful to the business sustainability

4.4 JOB ANALYSIS TERMINOLOGY

(1) Task: An identification work activity carried out for a specific purpose. For example, typing a letter.

(2) Duty: Several tasks which are related by some sequence of events. For example, pick up, sort out and deliver incoming mail.

(3) Position: A collection of tasks and duties which are performed by one person. For example, the Personal Secretary to Principal of a college receives vistors, takes dictation, operates computer, answer queries, attends to complaints and helps students.

(4) Job: A group of positions similar in their significant duties such as technical assistants, computer programmers, etc

(5) Job Families: Groups of different jobs that need similar skills. For example, sales jobs and clerical jobs in different departments.

(6) Occupation: A group of jobs that are similar as to kind of work or that possess common characteristics. For instance, though selling may be divided into a number of jobs depending on the complexity of the selling operations, a group of closely related selling work, or a group of closely related selling jobs may be considered as an occupation.

4.4.1 Meaning of Job Analysis

Determination of manpower requirements is one of the most important problems in manpower planning. Manpower planning is concerned with the determination of requirements of manpower for the organisation both in terms of quantity and quality. The quantitative aspect deals with determining the total amount of work to be done in a particular period of time and the total number of workers required to do the work. But the type of people to be employed for doing the work comes under qualitative aspect of manpower requirements. The process by which qualitative requirements are determined is known as job analysis.

Job analysis is a detailed and systematic study of jobs to know the nature and characteristics of people to be employed for a job. It is a process of discovering and identifying the pertinent information relating to the nature of a specific job .It is the determination of the tasks which comprise the job and of the skills, knowledge, abilities and responsibilities required of the worker for successful performance of the job.

The process of job analysis is essentially one of data collection and then analysis that data. It provides the analyst with basic data pertaining to specific jobs in terms of duties, responsibilities, skills, knowledge, etc. This data may be classified as follows:

(a) Job Identification: Its title, including its code number.

(b) Important Characteristics of a Job: Its location, physical setting, supervision, union jurisdiction, hazards and discomforts.

(c) What the Typical Worker Does? This includes collection of information on specific operations and tasks to be performed by the typical worker including their relative timing and importance, their simplicity, routine or complexity, the responsibility for others, etc.

(d) Job Duties: A detailed list of duties along with the probable frequently of occurrence of each duty.

(e) What Materials and Equipments the Worker Uses? Metals, plastics, grains, and yarn or lathes, milling machines, testers, punch presses and micrometers.

(f) How the Job is Done? The focus here is on the nature of operations like lifting, handling, cleaning, washing, feeding, removing, drilling, driving, setting up and the like.

(g) Required Personal Attributes :These include experience, training undertaken, apprenticeship, physical strength, coordination or dexterity, physical demands, mental capabilities, aptitudes, social skills, etc,

(h) Job Relationship: This includes opportunies for advancement, patterns of promotion, essential cooperation, etc.

The information relating to a job which is thus classified, if examined carefully, would suggest that some information relates to the job and some concerns the individual doing the job. The requirements of a job are known as *Job Descriptions* and the qualities demanded from the job holder are termed as *Job Specification*. Thus, job description and job specification are the immediate products of job analysis.

The emphasis in job analysis is upon determining the principal duties of a job, the nature and level of skills and aptitudes required to perform these activities, the relation of the job to others in the organisation, responsibilities involved, and working

conditions. Its purpose is to describe and define the distinctions among various jobs. Considerable emphasis is placed upon an accurate listing of the human characteristics-physical and mental skills, personality traits and so on-needed to adequately perform the job. This will facilitate the process of job evaluation which is concerned with determining the worth of various jobs.

4.4.2 Objectives of Job Analysis

The objectives of job analysis are to study processes, simplify methods, measures work for establishing job and time standards, provide information for compensation and incentive plans, and improve the safety, recruiting, selecting, training, appraising and compensating of employees. These objectives of job analysis can be grouped under three headings:

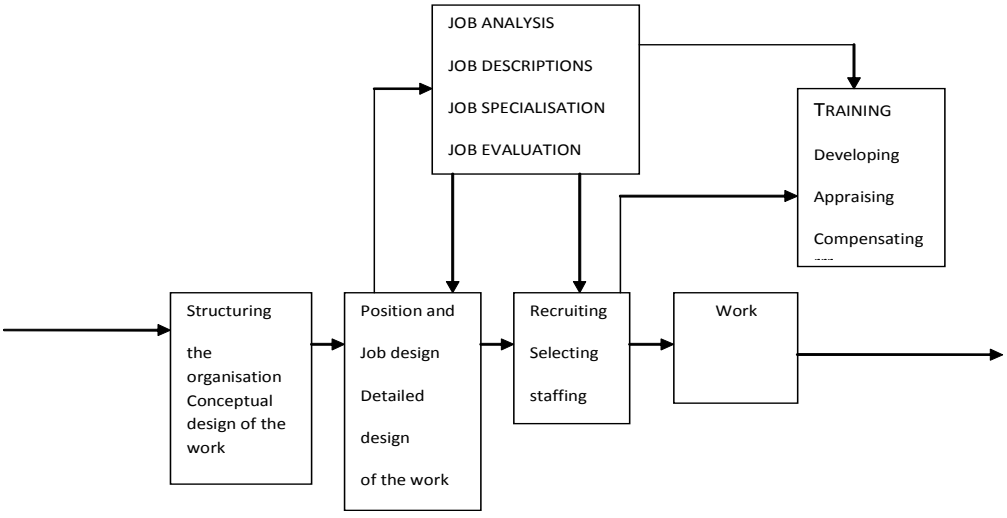
(1) Work simplification (job redesign).

(2) Establishment of work standards.

(3) Support of other personnel activities.

4.4.3 Need of Job Analysis

Job analysis is an important component of human resource management. It provides important information which aids in redesigning jobs and organisation structure, planning staffing procedures, designing training and appraisal programmes and so on as shown in Fig



Uses of Job Analysis.

The need of job analysis are as follows:

(1) Manpower Planning: Job analysis represents the qualitative aspect of human resource requirements. It determines the demands of a job in terms of responsibilities and duties and then translates these in determining the number and kinds of jobs and qualifications needed to fill these jobs. It is job analysis which reveals what an average person can do on a job in a day. It facilitates the division of work into different jobs. Thus, it is an essential element of effective manpower planning.(

(2) Recruitment and selection: To make employment programme successful, it is necessary to have clear statements of jobs to be performed and of the skills and knowledge that must be possessed by the employees who will fill these jobs. The information regarding these two is procured from job description and job specification respectively. These help in matching as closely as possible the job requirements with workers' aptitudes, abilities and interests to facilitate the execution of employment programme.

(3) Training: If there is any confusion about what the job is and what is supposed to be done, proper training efforts cannot be initiated. Whether or not a current or potential job-holder requires additional training can be determined only after the specific needs of the job have been identified through job analysis.

(4) Counselling: Managers can properly counsel employees about their careers when they understand the different jobs in the organisation. Likewise, employees can better appreciate their career options when they understand the specific needs of various other jobs. Job analysis can point out areas that an employee might need to develop to further a career.

(5) Job Evaluation: Job evaluation aims at determining the relative worth of various jobs. The worth of a job would in turn help in determining the base compensation of the job. Job evaluation ensures internal pay equity of one job to another. To calculate the worth of a job, information concerning the job is provided by the job description.

(6) Performance Appraisal: Performance of the employees can be appraised objectively if clear-cut standards of performance for every job are established. Job

analysis data can be adapted to establish clear-cut standards of performance for every job. In evaluating the performance of an employee, the supervisor can compare the actual contribution of each man with the set standards.

(7) Employees Safety: A thorough job analysis reveals unsafe conditions associated with a job. By studying how the various operations are taken up in a job, managers can find unsafe practices. This helps in rectifying things easily.

(8) Job Design and Redesign: Once the jobs are understood properly, it is easy to locate weak spots and undertake remedial steps. We can eliminate unnecessary movements, simplify certain steps and improve the existing ones through continuous monitoring. In short, we can redesign jobs to match the mental make-up of employees.

(9) Career Planning: Job analysis provides a clear idea of opportunities in terms of career paths and jobs available in the organisation. With the help of such understanding, employees and the organisation both can make efforts for career planning and career development.

4.4.4 Steps in Job Analysis

The major steps in a job analysis programme are as follows:

(1) **Organise and plan for the programme:** The company must determine who will be in charge of the programme and must assign responsibilities. A schedule should be established and a budget estimated.

(2) **Obtain current job design information:** The job analyst should next obtain organisation charts, current position descriptions and job specification procedures manuals and system flow charts to the degree that these are available.

(3) Conduct "needs research": The job analyst should investigate to determine which organisation, managers, or staff people require job analyses or output from job analyses. The analyst should also determine for what purpose and to what extent jobs must be analysed and how the information will be used.

(4) Establish priorities in the jobs to be analysed: The personnel department, working with manners of the various organisational units, identify the jobs to be analysed and the priority of each job analysis.

(5) Collect job Data.:Collect data about the selected jobs *as they are currently being performed using established* systematic techniques.

(6) Evaluate and redesign the jobs.

(7) Prepare job descriptions and job classifications.

(8) Prepare job specifications.

There are three types of job analyses: Job-oriented, workers-oriented, and combined. Analysis of jobs based on describing the tasks required for successful performance is called worker-oriented analysis. Usually a combination of each type of analysis is used.

4.4.5 Process of Job Analysis

There are five basic steps required for doing a job analysis, viz.,

Step 1: 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 organisation charts (which show how the job in question relates to other jobs and where they fit into the overall organisation); class specifications (which describe the general requirements of the class of job to which the job under analysis belongs); and the existing job descriptions which provide a starting point from which to build the revised job description.

Job Description	Job Description
(a) Job Identification (job title, location, occupational code, alternative name in use, name of division, department and unit where it exists. (b) Job Summary (gives a quick capsule explanation of the contents of a job, its hazards and discomforts). (c) Duties performed (says the what, how and why of a job; also describes a worker's responsibilities in regard to custody of money, supervision of other workers, training of subordinates, etc.). (d) Relation to other jobs (gives how many persons may be supervised). (e) Supervision given/taken (helps in locating a job in the job hierarchy) (f) Machines, tools, equipment (what type of tools/ equipment material is used). (g) Materials and forms used. Conditions of work Location-factory/office/ inside /outside/overhead/Underground/solitary gang; Time-day, night, overtime, peak loads, uniformity of work; Posture-standing, sitting, stopping, clinging, walking, reaching, lifting; Speed-quick, moderate, slow; Accuracy-coarse, fine, exacting, Health hazards-ventilation, illumination, nerve strain, eye-strain, physical strain, moisture, heat, dust, humidity, fumes, acids, exposure to such disagreeable features as dirt, noise, etc, Hazards (accident hazards)	(a) Physical make-up or characteristics. (b) Psychological characteristics. (c) Personal characteristics. (d) Responsibilities. (e) Other factors of a demographic nature (sex, age, education, language, ability to read, write and speak).

Step 2: Selection of Representative Position to be Analysed: Since the analysis of all jobs would be time-consuming, flow representative positions should be analysed.

Step 3: Collection of Job Analysis Data: Job data on features of the job, required employee qualifications and requirements, should be collected either from the employees who actually perform a job; or from other employees (such as foremen or supervisors) who watch the workers doing a job and thereby acquire knowledge about it; or from the outside persons, known as the trade job analysts who are appointed to watch employees performing a job.

The duties of such a trade job analysts are:

(i) to outline the complete scope of a job and to consider all the physical and mental activities involved in determining what the worker does.For this purpose, he studies the physical methods used by a worker to accomplish his task (including the use of machinery, tools and his own movements and necessary mental facilities);

(ii) find out why a worker does a job; and for this purpose he studies why each task is essential for the overall results; and

(iii) the skill factor which may be needed in the worker to differentiate between jobs and establish the extent of the difficulty of any job.

Step 4: A job Description: The information collected is to be developed in the form of a job description. This is a written statement that describes the main features of the job, as well the qualifications/activities which the job incumbents must possess.

Step 5: Developing Job Specification: The last step is to convert the job description statements into Job Specifications, i.e.; to specifically mention what personal qualities, traits, skills and background is necessary for getting the job done.

4.4.6 Techniques of Collection of Job Analysis Data

1. Job Performance

Under this technique, the job analyst actually does the job under study in order to have direct exposure and get first-hand experience of and information about the actual tasks, physical demands and environment conditions of the job. This method is appropriate in circumstances where skill requirements were low and therefore can

be learnt by the analyst quickly and easily. However, this is a crude and time-consuming method and is not suitable in case of those jobs which require extensive training before performing them.

2. Observation

Under observation method, the analyst simply observes a worker or group of workers doing the job. Sometimes he reviews films of workers engaged in doing the job. Without interfering, the analyst records the what, why and how of the various parts of the job. During a complete cycle of performance of a job, he also observes the working conditions and the hazards involved. Information is also collected on the sequences of observed behavior. Usually this information is recorded in a standard format.

The observation method is quite simple as the analyst has to observe certain facts and records the same. It is often used for the analysis of jobs that consists largely of repeated manual operations over a relatively short time cycle. It may also be preferred when analyst wants to confirm or remove doubt about the data collected through questionnaires. Though this method provides first hand method information yet workers in many cases do not function most efficiently when they are being observed. Thus, distortions in the job analysis may occur. It is slow, costly, and sometimes less accurate if the analyst misses the irregularly occurring activities. It is inapplicable to jobs which involve high proportions of unobservable mental activities (e.g. manager's job) and those which do not have complete and easily observable job cycles. Moreover, the analyst needs to be trained to carefully observe and record the competence of a job incumbent (such training involves additional cost). However, better results will be available when observation method is used along with other methods of job analysis.

3. Interview

Face-to-face interview with the job-holders are an effective way to collect job information. In addition to job-holders, their supervisors and other concerned persons may also be interviewed. The results of these interviews are combined into a single job analysis. The interviews are usually structured. In other words, a standard format containing specified questions is used to collect answers from all workers to

survey the requirements of a particular job. In this way, all questions and responses are restricted to job –related topics.

This method relies on workers' own descriptions of what is done, why it is done, and how it is done, etc. During the interview, the analyst usually makes judgements about the information to be included and its degree of importance. In many jobs where it is not possible for the analyst to actually perform the jobs (e.g.; airline pilot) or where observation approach is impractical (e.g.; architect), interview method is widely used. It is also used along with observation method in order to seek sufficient information for the purpose of job analysis.

Three types of interviews are desirable. An initial interview provides most of the job information. A verification interview is made after the results from the first interview have been checked with other sources and prepared in task form. A follow-up interview with a group of incumbents and supervisors may be used to polish up the final draft for language, clarity and correctness of terms. Effective interview involves the following steps:

- ***Preparation for the Interview***: All interviewees should be notified in advance of the purpose of the study. The questionnaire, the task inventory, or other materials such as draft of task lists should be given to the interviewees in advance. A time for the interview should be established that allows for an adequate period of questioning.

Opening the Interview: Workers who participate in job analysis frequently have fears that the results will be used to lower their salaries, demean their jobs, or increase their tasks. Until rapport is established, the analyst should try to put the worker at ease with some casual talk and explanation of the service he is providing.

- ***Getting Information*** : The job analyst while collecting data should focus his attention on the contents of the job and not on the personality of the employee. The objective is not to describe this particular employees but rather the job that the employee performs and also the skills and education necessary for proper execution of job duties. If the job incumbent in question possesses a University degree which is not essential for performing the job the analyst must refrain from inferring that a University degree is a must for proper performance of the said job. The approach of

the job analyst should be scientific in so far as it attempts to distinguish between fact and inference and between fact and opinion.

- ***Verification of Information***: The collection of job information should not be confined to work done by the best worker in the job, rather it should represent a reasonable sample of good, poor and average job doers. Information collected from one employee should be checked in consultation with others holding the same or similar jobs. This would help the analyst to get additional information and strike out inconsistencies and contradictions in the information already collected.

- **Position Analysis Questionnaire (PAQ)**

The Position Analysis Questionnaire, developed at Purdue University, is a method for analyzing jobs in quantitative form. The PAQ covers 195 job elements grouped into six sections:

(1) Information input: Where and how do workers get information to do their jobs? .....35 elements

(2) Mental processes: What reasoning, planning, organizing and decision-making is done. ….14 elements

(3) Work output: What physical activities, tools and machines are used? ....49 elements

(4) Relationship: What contact with other people, both in the company and outside of it, is maintained or developed? ….36 elements

(5) Job context: What is the physical and social context in which the job is performed? ….19 elements

(6) Other job characteristics: What other activities, conditions, or characteristics not covered by the other categories are relevant? ….41 elements

A major problem with PAQ is the time it takes for a job analysts to fill out the ratings. However, PAQ has been widely researched and tested and appears to be both reliable (among different raters) and valid (correlates with the job pay).

4. Checklists

Questionnaires and checklists, though appear to be similar, differ somewhat

in the degree to which they are structured. Questionnaires rely on job-holders to provide most of the narrative description of the tasks, skills, knowledge, abilities, working conditions, hazards etc. involved in the performance of their jobs. On the other hand, checklist already contains the characteristics likely to be found in the job being analysed. The respondent is often asked how frequently a task is performed, or how important it is to overall performance in his position. Thus, checklist is more structured than a questionnaire and contains fewer subjective judgements and tends to be either 'yes' or 'no' variety.

A checklist may cover as many as 100 activities, and job-holders tick only those tasks that are included in their jobs. After many job-holders have responded, highly related behaviours are clustered by using statistical methods to form factors representing common underlying dimensions of tasks characteristics. However, preparation of a checklist is a challenging job. The specialist who prepares the list has to collect all relevant information about the job concerned. Checklist method is useful in large organizations that have a large number of people assigned to a particular kind of job. This technique is amendable to tabulation and recording on computer. However, this technique is costly and therefore not suitable for small firms

5. Work Sampling

Under this method, a small proportions of the behavior required of any given job-holder is recorded. Two types of sampling are usually done:*cross-selection and longitudinal.* In the former, work samples are selected from different sections, and in the latter, they are taken from the same selection. In a cross-sectional approach, the recording of the job activities of several job-holders at the same time, may yield a picture of the overall job. For example, the observation of one day's behavior for each of the ten engineers may give a good picture of what the total job encompasses. If few persons are engaged in a given job, the analyst may observe their behaviours at separate time periods. For example, the engineer may be observed for one day each of the thirty random days out of a year to build a description of the job. This method resembles the observation method in spirit, but differs from that because of the application of sampling technique.

6. Diary or Log of Job Incumbent

The diary or log is a recording by job incumbent of job duties, frequently of the

duties, and wfhen the duties were accomplished. This technique requires the incumbent to keep a diary/log on a daily basis. Unfortunately, most individuals are not disciplined enough to keep such a diary/log.

If a diary/log is kept up to date, it can provide good information about the job. Comparisons on a daily, weekly or monthly basis can be made. This will permit an examination of the routineness or non-routineness of job duties, The diary/log is useful when attempting to analyse jobs that are difficult to observe, such as those performed by engineers, scientists, and senior executives.

Any of the above methods can be used in combination. In fact, all these can be used to acquire a comprehensive picture of a job. Of course, using all would take time and be rather costly. The analyst decides which method or combination is needed to do a thorough job analysis. Job analysts often use a more specific, widely used technique that incorporates various features of these general techniques and provides a quantitative scored

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4.5 JOB DESIGN MEANING

Job design is next to job analysis. Job design involves systematic attempts to organize tasks, duties and responsibilities into a unit of work to achieve certain objectives. Job design integrates the work content and qualifications required for each job that meets the needs of employee and the organization. Job design makes the job highly specialized and well designed jobs are important in attracting and retaining a motivated work force.

According to Michael Armstrong, "Job Design is the process of deciding on the contents of a job in terms of its duties and responsibilities, on the methods to be used in carrying out the job, in terms of techniques, systems and procedures, and on the relationships that should exist between the job holder and his superior subordinates and colleagues." Job Design is affected by three categories of factors:

Organizational Factors: The organizational factors that affect job design are characteristics of task, work flow, ergonomics and work practices.

- **Characteristic of task:** Each task consists of 3 elements, namely, planning, executing and controlling. Job design involves the assembly of a number of tasks into a job or a group of jobs. A job may require an employee to perform a variety of connected task. All these characteristics of jobs are taken into consideration for job design.

- **Workflow:** The flow of work in an organization is strongly influenced by the nature of the product. This product usually suggests the sequence and balance between jobs if the work is to be completed efficiently.

- **Ergonomics:** Ergonomics is concerned with the designing and shaping of jobs as per the physical abilities and characteristics of individuals so that they can perform their jobs effectively.

- **Work Practices:** Work practices are the set methods of performing work. This can affect the job design as there is little flexibility in designing the job especially if the work practices are approved by employee unions.

- **Environmental Factors:** Environmental factors affect job design. Environmentalfactors include employee abilities & availability and Social & Cultural expectations.

- **Employee Abilities & Availability:** Abilities and availability of people plays animportant role while designing jobs. Due attention needs to be given to the employee who will actually perform the job.

- **Social And Cultural Expectations:** Jobs should be designed keeping theemployees in mind. Due to increase in literacy rate and knowledge, employeesare now more aware and only perform jobs that are to their liking and match their profile.

- **Behavioral Factors:** Behavioral factors are related to human needs and they need to be satisfied properly. Behavioral elements include the following:

- **Feedback:** Employee should be given proper feedback about his job performance. This will enable the employee to improve his performance and complete the job in a proper manner.

- **Autonomy:** Employee should be given proper autonomy required to perform the work. The absence of autonomy may lead to poor performance on the part of employees.

- **Use of Abilities:** The job should be designed in such a manner that an employee will be able to use his abilities fully and perform the job effectively.

4.5.1 Methods of Job Design

Job Simplification: In the job simplification technique, the job is simplified or specialized. A given job is divided into small sub-parts and each part is assigned to one individual employee. Job simplification is introduced when job designers feel that the jobs are not specialized enough.

Job Rotation: Job rotation implies systematic movement of employees from one jobto the other. Job remains unchanged but employees performing them shift from onejob to the other. With job rotation, an employee is given an opportunity to performdifferent jobs, which enriches his skills, experience and ability to perform differentjobs. It is the process of preparing employees at a lower level to replace someone atthe next higher level. It is generally done for the designations that are crucial for theeffective and efficient functioning of the organization. By this to some extentboredom is reduced. However for this people interest is primary importance. By this they can also learn new things, new techniques, and new ways of doing better

work. It may also happen that over a period of time they will be finding a job for which they are better suitable. They can also contribute in a better way to achieve the goals of the organization.

This aspect of job rotation can be seen widely applied in Retail scenario, where end user or consumer is in direct presence all through. This has for large extent reduced boredom, reduced irregularities due to familiarity, acquired new skills and assuming new and varied responsibilities. In other words it will lead to better job satisfaction, which is the ultimate goal for better contribution.

Job Enlargement: Job enlargement means expanding the scope of the job. Many tasks and duties are aggregated and assigned to a single job. It is opposite to jobsimplification. Job enlargement is an extension of Job rotation, exposing the people to several jobs without changing the job duties to be performed. He is taken off theboring job for a while & is allowed to take up a related task & so on. Monotony is relieved temporarily. Critics are of the opinion that this approach involves nothingmore than having to perform several boring jobs rather than one. Job enlargement is to expand in several tasks than just to do one single task. It is also the horizontal expansion of a job. It involves the addition of tasks at the same level of skill and responsibility. It is done to keep workers from getting bored. This would also be considered multi tasking by which one person would do several persons jobs, saving the company money and man hours that normally would be paid to additionalworkers. Small companies may not have as many opportunities for promotions, so they try to motivate employees through job enlargement. For example when I worked at a restaurant. I would bus the tables, wash the dishes, and run food upstairs. If they had just one person doing each job on the same night, it would cost the management three times the money. This adds more functions; increases variety of tasks and this is short lived. It cannot enrich the human content of job. The ultimate answer is Job Enrichment.

Job Enrichment: Job enrichment means making the job rich in its contents so thatan employee will get more satisfaction while performing that job. It upgrades the responsibility, scope and challenge. A vast majority of the jobs are repetitive and monotonous in nature. This results in reducing the motivational content and human element of the job with repercussions on performance. The central focus of job enrichment is giving people more control over their work (lack of control is a key

cause of stress, and therefore of unhappiness.) Where possible, allow them to take on tasks that are typically done by supervisors. This means that they have more influence over planning, executing, and evaluating the jobs they do. In enriched jobs, people complete activities with increased freedom, independence, and responsibility. They also receive plenty of feedback, so that they can assess and correct their ownperformance.

Job Enrichment tries to embellish the job with factors of motivation: Achievement –Recognition – Increased Responsibilities – Self Involvement – Opportunities for Growth – Advancement – Increased Competence. Job Enrichment is concerned withredesigning the job to include a variety of work content; that gives the person moreautonomy & responsibility for planning, directing & controlling his own performance& provide opportunity for personal growth & meaningful work experience. JobEnrichment also for decentralization of decision making rights to individual over areasthat directly affect his task functions.

The emphasis is on the result of efforts rather than the procedure to carry out the work, thus making the job result oriented. This also results in motivation, satisfaction in believing oneself to be personally accountable for results & being able to know how satisfactory ones efforts are. By Job Enrichment, condition or state of human capabilities which were not fully utilized & creation of frustration among the individual is removed to the extent possible.

4.5.2 Principles of Job Design

The following key factors need to be taken into consideration when designing roles:

1. Variety

Greater variety in a job can improve the interest, challenge and commitmentof the role holder to the task. Doing the same repetitive tasks may offer little challenge and can lead to role holders losing interest or becoming and dissatisfied.

Variety means more than simply adding an extra but similar duty. For example, processing different forms would not make the work more meaningful as there may be no extra challenge. Some other type of relevant activity may, therefore, be worthwhile incorporating into the job.

Alternatively, too much variety can also be frustrating and a source of conflict and dissatisfaction. The optimum amount of variety will differ from person to person and will depend on the level of the position, and the needs of the job.

2. Responsibility

Individuals need to feel responsible for the work they are doing, either individually or as part of a team. Their work should be clearly identified so they can see that they are personally responsible for the outcomes (successes and failures) that occur as a result of their own actions. If the responsibilities are clear, then the role holder and their supervisor will be better able to know if the accountabilities of the position are being delivered. The employee should be able to understand the significance of the work they undertake and where it fits into the purpose of the organisation.

3. Autonomy

This goes hand in hand with responsibility. Autonomy means giving more scope to individuals to regulate and control their own work within the parameters set for the job. The role holder will need to have some areas of decision-making that they can call their own, within the overall framework of their job. For example, this might include scope for exercising some discretion over their method of working in order to deliver.

4. Task identity

Individuals often receive more satisfaction from doing a 'whole' piece of work. This is more likely to occur when a task or job has a distinct beginning and end which is clearly apparent to the roleholder and others who work around them. It is highly desirable that people see the end results of the work they have produced, either on their own or as a part of a team.

5. Feedback

Everyone benefits from information on how they are doing and this helps roleholders feel motivated and contributes to their development in the role.

Providing genuine feedback is primarily the responsibility of the line manager, and can built in to the formal working relationship through e.g. regular one-to-one meetings to discuss work objectives.

The staff review and development appraisal procedure provides one important mechanism for nominated supervisors to communicate and give feedback to staff members.

As well as information on the standard of their performance, the role holder will need to know what their particular targets are and how they relate to the overall operation of the work unit and the University. This can be clarified to a large extent through the PD33, the Model Appraisal Form PD25 and the Personal Development Plan PD26.

In most cases a role should provide the hole holder with an opportunity for interaction with other employees, who in turn are important sources of feedback at many levels. Colleagues and customers should be encouraged to give appropriate feedback, recognition and support to members of staff.

6 . Participation in decision making

Most people want to take part in decision making about matters that directly affect their work. As a result of experience they also have considerable potential to contribute. People are, generally, far more likely to act upon and own decisions that they have had a part in making. Being told about matters affecting people and the job they undertake is clearly better than no communication at all, but it doesn't allow for effective involvement which in itself can be motivational. Interchange of ideas is better still and unless people can participate in the discussion of matters that affect their work, they may not be satisfied in their job, or contribute to their full potential. Participation and contribution to wider-ranging issues can be encouraged through e.g. institutional meetings, specialist subject discussions.

7. Recognition and support

People usually aspire to have jobs that contribute to self-respect, particularly through acceptance and recognition by fellow workers and their supervisors. Jobs need to encourage sound working relationships between individuals, provide clearly defined areas of responsibility and where possible, support teamworking. This can reduce an individual's feeling of isolation, which may result in negative feelings about work and the workplace.

8. Working environment

A job must be designed to support a safe and healthy working environment that is inclusive, non-discriminatory, free from harassment, occupational health and safety hazards.

4.5.3 Benefits of Job Design

The following are the benefits of a good job design:

1. **Employee Input:** A good job design enables a good job feedback. Employees have the option to vary tasks as per their personal and social needs, habits and circumstances in the workplace.
2. **Employee Training:** Training is an integral part of job design. Contrary to the philosophy of "leave them alone' job design lays due emphasis on training people so that are well aware of what their job demands and how it is to be done.
3. **Work / Rest Schedules:** Job design offers good work and rest schedule by clearly defining the number of hours an individual has to spend in his/her job.
4. **Adjustments:** A good job designs allows for adjustments for physically demanding jobs by minimising the energy spent doing the job and by aligning the manpower requirements for the same.

Job design is a continuous and ever evolving process that is aimed at helping employees make adjustments with the changes in the workplace. The end goal is reducing dissatisfaction, enhancing motivation and employee engagement at the workplace.

4.5.4 Approaches to Job Design

Job design is the next step after job analysis that aims at outlining, and organizing tasks and responsibilities associated with a certain job. It integrates job responsibilities and qualifications or skills that are required to perform the same. There are various methods or approaches to do this. The important ones are discussed below

Human Approach

The human approach of job design laid emphasis on designing a job around the people or employees and not around the organizational processes. In other words

it recognizes the need of designing jobs that are rewarding (financially and otherwise) and interesting at the same time.

According to this approach jobs should gratify an individual's need for recognition, respect, growth and responsibility. Job enrichment as popularized by Herzberg's research is one the ways in human approach of job design. Herzberg classified these factors into two categories - the hygiene factors and the motivators.

Motivators include factors like achievement, work nature, responsibility, learning and growth etc that can motivate an individual to perform better at the work place.

Hygiene factor on the other hand include things like working conditions, organizational policies, salary etc that may not motivate directly but the absence of which can lead to dissatisfaction at the work place.

Engineering Approach

The engineering approach was devised by FW Taylors et al. They introduced the idea of the task that gained prominence in due course of time. According to this approach the work or task of each employee is planned by the management a day in advance. The instructions for the same are sent to each employee describing the tasks to e undertaken in detail. The details include things like what, how and when of the task along with the time deadlines.

The approach is based on the application of scientific principles to job design. Work, according to this approach should be scientifically analyzed and fragmented into logical tasks. Due emphasis is then laid on organizing the tasks so that a certain logical sequence is followed for efficient execution of the same. The approach also lays due emphasis on compensating employees appropriately and training them continuously for work efficiency.

The Job Characteristics Approach

The job characteristics approach was popularized by Hackman and Oldham. According to this approach there is a direct relationship between job satisfaction and rewards. They said that employees will be their productive best and committed whenthey are rewarded appropriately for their work. They laid down five core

dimensions that can be used to describe any job - skill variety, task identity, task significance, autonomy and feedback.

Skill variety: The employees must be able to utilize all their skills and develop new skills while dealing with a job.

Task Identity: The extent to which an identifiable task or piece or work is required to be done for completion of the job.

Task Significance: How important is the job to the other people, what impact does it create on their lives?

Autonomy: Does the job offer freedom and independence to the individual performing the same.

Feedback: Is feedback necessary for improving performance.

These are different approaches but all of them point to more or less the same factors that need to be taken into consideration like interest, efficiency, productivity, motivation etc. All these are crucial to effective job design.

4.5.5 Issues in Job design

As we know, job design is a systematic organization of job-related tasks, responsibilities, functions and duties. It is a continuous process of integration of content related to job in order to achieve certain objectives. The process plays a vital role as it affects the productivity of employees and organizations. However, there are a number of existing issues emerged recently while designing the jobs in organizations. These are alternative work patterns that are equally effective in handling organization's functions.

- **Telecommuting / Work from Home:** Telecommuting or work from home is considered as the best alternative of working from the actual office. The concept of virtual office is gaining more and more popularity because of ease and convenience associated with it. By using computer networks, fax machines, telephones and internet connection, employees can communicate and perform the job from home. It eliminates the need of coming to office everyday and offers employees the convenience to work at the comfort of their home.

Though there are lots of advantages associated with this working style but it

suffers from many limitations. It allows employees to stay at home and manage their job tasks and functions without actually being present in the office but it doesn't allow them to communicate with other employees and establishing relationships with them. They only deal with machines whole day, thus lose creativity. Moreover, it is a great hindrance in their way as it does not allow skill upgradation.

- **Job Sharing:** It is the second most preferable alternative of traditional working styles where two or more individuals share the responsibilities of a full time job. They divide the tasks, responsibilities and compensation according to their mutual consent. This option is generally used by women who are on maternity leave or have family and kids to look after but want to continue their job. These days, organizations are open to this kind of working style where two or more individuals can share a job.
- **Flexi-Working Hours:** These days, organizations allow their employees to work according to the timings that suit them best. There are 3-4 working schedules and individuals can choose any one of them depending upon their availability. Employees can work in early hours as well as night hours. This is good for those individuals who have colleges or some other engagements during the day or specific hours of the day. The best part is that unlike telecommuting, flexi-timings give them chance to communicate with other employees too.
- **Alternative Work-Patterns:** Companies these days allow their employees to work on alternate months or seasons. Though the concept is not that common in India but can be seen in European and American world of work. They also have the option of working two to three full days and can relax after that.

  According to the latest concept, employees can work for fixed number of hours and then can attend to their personal needs during the left days.
- **Technostress:** Technostress is the latest technology to keep a check on employees' performance even when they choose to work from home. Because of the introduction of new machines, there performance can be electronically monitored even when they are not aware of it.
- **Task Revision:** Task revision is nothing but modification of existing work design by reducing or adding the new job duties and responsibilities to a specific job.

4.5.6 Factors Affecting Job Design

A well defined job will make the job interesting and satisfying for the employee. The result is increased performance and productivity. If a job fails to appear compelling or interesting and leads to employee dissatisfaction, it means the job has to be redesigned based upon the feedback from the employees.

Broadly speaking the various factors that affect a job design can classified under three heads. They are:

1. Organizational Factors
2. Environmental Factors
3. Behavioural Factors

1. Organizational Factors

Organizational factors that affect job design can be work nature or characteristics, work flow, organizational practices and ergonomics.

- **Work Nature:** There are various elements of a job and job design is required to classify various tasks into a job or a coherent set of jobs. The various tasks may be planning, executing, monitoring, controlling etc and all these are to be taken into consideration while designing a job.
- **Ergonomics:** Ergonomics aims at designing jobs in such a way that the physical abilities and individual traits of employees are taken into consideration so as to ensure efficiency and productivity.
- **Workflow:** Product and service type often determines the sequence of work flow. A balance is required between various product or service processes and a job design ensures this.
- **Culture:** Organizational culture determines the way tasks are carried out at the work places. Practices are methods or standards laid out for carrying out a certain task. These practices often affect the job design especially when the practices are not aligned to the interests of the unions.

2. Environmental Factors

Environmental factors affect the job design to a considerable extent. These

factors include both the internal as well as external factors. They include factors like employee skills and abilities, their availability, and their socio economic and cultural prospects.

- **Employee availability and abilities:** Employee skills, abilities and time of availability play a crucial role while designing of the jobs. The above mentioned factors of employees who will actually perform the job are taken into consideration. Designing a job that is more demanding and above their skill set will lead to decreased productivity and employee satisfaction.
- **Socio economic and cultural expectations:** Jobs are nowadays becoming more employee centered rather than process centered. They are therefore designed keeping the employees into consideration. In addition the literacy level among the employees is also on the rise. They now demand jobs that are to their liking and competency and which they can perform the best.

3. Behavioural Factors

Behavioural factors or human factors are those that pertain to the human need and that need to be satisfied for ensuring productivity at workplace. They include the elements like autonomy, diversity, feedback etc. A brief explanation of some is given below:

- **Autonomy:** Employees should work in an open environment rather than one that contains fear. It promotes creativity, independence and leads to increased efficiency.
- **Feedback:** Feedback should be an integral part of work. Each employee should receive proper feedback about his work performance.
- **Diversity :** Repetitive jobs often make work monotonous which leads to boredom. A job should carry sufficient diversity and variety so that it remains as interesting with very passing day. Job variety/diversity should be given due importance while designing a job.
- **Use of skills and abilities:** Jobs should be employee rather than process centered. Though due emphasis needs to be given to the latter but jobs should be designed in a manner such that an employee is able to make full use of his abilities and perform the job effectively.

4.6 MEANING OF RECRUITMENT

Any organisation is merely a blue print for human activity and requires people in order to function. The mere passage of time causes some people to grow old, to retire, to die or to become incapable. Seasonal and cyclical fluctuations in businesscause a constant flow in the work force. Hence employees constantly need to be replaced.

Once determination of human resources requirements has been made, recruitment and selection process can begin. The acquisition of human resources can be brought about through recruitment and selection. To recruitments to obtain fresh supplies. Recruitment means discovering applicants for present or future jobs in an organisation. Accordingly to Edwin B. Flippos "Recruitment is process of searching for prospective employees and stimulating them to apply for jobs in the organisation." Recruitment may also be described as art of attracting applicants from whom the most suitable one may be selected. the purpose of recruitment is to provide a large number of candidates so that the organisation will be able to select the qualified. For this, human resource planning is done to give an assessment of the number and type of people required in the organisation. The next task of the human resource management is to find out capable and suitable persons who may be working in the organisation itself while others will have to be sought from outside the organisation. This will require publicising and disseminating of information about vacancies or jobs in the organisation and inviting applications from the job seekers. It may also involve persuading and inducing suitable persons to apply for and seek jobs in the organisation. This process is called "recruitment".

Recruitment forms the first stage in the process which continues with selection and ceases with the placement of the candidate. It is the next step in the procurement function, the first being the manpower planning. Recruiting makes it possible to acquire the number and types of people necessary to ensure the continued operation of the organisation. Recruiting is the discovering of potential applicants for the actual or anticipated organisational vacancies. In other words, 'it is a linking activity' bringing together those with jobs and those seeking jobs.

Recruitment is a 'linking functions' – joining together those with jobs to fill and those seeking jobs. It is a 'joining process' in that it tries to bring together job seekers and employer with a view to encourage the former to apply for a job with the latter.

The basic purpose of recruiting is to develop a group of potentially qualified people. To this end, the organisation must communicate the position in such a way that job seekers respond. To be cost effective, the recruitment process should attract qualified applicants and provide enough information for unqualified persons to self-select themselves out.

4.6.1 Definition of Recruitment

As Yoder and others point out "Recruitment is the process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force". Accordingly, the purpose of recruitment is to locate sources of manpower to meet job requirements and job specifications.

Recruitment has been regarded as the most important function of personnel administration, because unless the right type of people are hired, even the best plans, organisation charts and control systems would not do much good. Flippo views recruitment both as positive and negative activity. He says, "Recruitment is a process of searching the candidates for employment and stimulating them to apply for jobs in the organisation". It is a linking activity that brings together those offering jobs and those seeking jobs.

Dale S. Beach observed, "Recruitment is the development and maintenance of adequate manpower resources. It involves the creation of a pool of available labour upon whom the organisation can draw when it needs additional labour upon whom the organisation can draw when it needs additional employees". Recruitment refers to the attempt of getting interested applicants and providing a pool of prospective employees so that the management can select the right person for the right job from this pool. Recruitment precedes the selection process, i.e., selection of right candidates for various positions in the organisation.

4.6.2 Objectives of Recruitment

Recruitment fulfils the following objectives:

- It reviews the list of objectives of the company and tries to achieve them by promoting the company in the minds of public.
- It forecast how many people will be required in the company.
- It enables the company to advertised itself and attract talented people.
- It provides different opportunities to procure human resources.

4.6.3 Need of Recruitment

- Attract and encourage more and more candidates to apply in the organisation.
- Create a talent pool of candidates to enable the selection of best candidates for the organisation.
- Determine present and future requirements of the organisation in conjunction with its personnel planning and job analysis activities.
- Recruitment is the process which links the employers with the employees.
- Increase the pool of job candidates at minimum cost.
- Help increase the success rate of selection process by decreasing number of visibly under qualified or overqualified job applicants.
- Help reduce the probability that job applicants once recruited and selected will leave the organization only after a short period of time.
- Meet the organizations legal and social obligations regarding the composition of its workforce.
- Begin identifying and preparing potential job applicants who will be appropriate candidates.
- Increase organization and individual effectiveness of various recruiting techniques and sources for all types of job applicants.
- Can help the organisation meet affirmative action goals.

4.6.4 Process of Recruitment

Recruitment refers to the process of identifying and attracting job seekers so

as to build a pool of qualified job applicants. The process comprises five inter-related stages, viz., (i) planning, (ii) strategy development, (iii) searching, (iv) screening, and (v) evaluation & control.

According to Farmularo, personnel recruitment process involves five elements, viz., a recruitment policy, a recruitment organisation, a forecast of manpower, the development of sources of recruitment, and different techniques used for utilising these sources, and a method of assessing the recruitment programme.

4.6.5 Recruitment Policy

Such a policy asserts the objectives of the recruitment and provides a framework of implementation of their recruitment programme in a form of procedures. As Yoder and other observe.

"Such a policy may involve a commitment to broad principles such as filling vacancies with the best qualified individuals. It may embrace several issues such as extent of promotion from within, attitude of enterprise in recruiting its old employees, handicaps, minority groups, women employees, part-time employees, friends and relatives of present employees. It may also involve the organisation system to be developed for implementing recruitment programme and procedures to be employed".

Therefore, a well considered and pre-planned recruitment policy, based on corporate goals, study of environment and the corporate needs, may avoid hasty or ill-considered decisions and may go a long way to man the organisation with the right type of personnel.

A good recruitment policy must contain these elements:

(a) Organisation's objectives: Both short and long term objectives must be taken into consideration as a basic parameter for recruitment decisions and needs of the personnel- area wise, job-family wise.

(b) Identification of the recruitment needs: Identify the recruitment needs to take decisions regarding the balance of the qualitative dimensions of the would be recruits, i.e., the recruiters should prepare profiles for each categories of the workers and accordingly work out the main specifications, decide the sections, departments or branches where they should be placed and identify the particular responsibilities which may be immediately assigned to them.

(c) Preferred sources of recruitment: Source which would be tapped by the organisation, e.g., for skilled or semi-skilled manual workers, internal sources and employment exchanges may be preferred; for highly specialised categories and managerial personnel, other sources besides the former, may be utilised.

(d) Criteria of selection and preferences: These should be based on conscious thought and serious deliberations. In some cases trade unions may be consulted in working out the recruitment policy. In others, management may take the unilateral decision.

(e) The cost of recruitment and financial implications of the same: A "recruitment policy," in its broadest sense, "involves a commitment by the employer to such general principles as:

(i) To find and employ the best qualified persons for each job;

(ii) To retain the best and most promising of those hired;

(iii) To offer promising opportunities for life-time working careers; and

(iv) To provide programmes and facilities for personal growth on the job".

According the Yoder, "the recruitment policy is concerned with quality and qualifications of manpower". It establishes broad guidelines for the staffing process. Generally, the following factors are involved in a recruitment policy:

(i) To carefully observe the letter and spirit of the relevant public policy on hiring and, on the whole, employment relationship;

(ii) To provide individual employees with the maximum of employment security, avoiding, frequent lay-off or lost time;

(iii) To provide each employee with an open road and encouragement in the continuing development of his talents and skills;

(iv) To assure each employee of the organisation interest in his personal goals and employment objectives;

(v) To assure employees of fairness in all employment relationships, including promotions and transfers;

(vi) To avoid cliques which may develop when several members of the same household or community are employed in the organisation;

(vii) To provide employment in jobs which are engineered to meet the qualifications of handicapped workers and minority sections; and

(viii) To encourage one or more strong, effective, responsible trade unions among the employees.

Prerequisites of a good Recruitment Policy

The recruitment policy of an organisation must satisfy the following conditions:

(i) It should be in conformity with its general personnel policies;

(ii) It should be flexible enough to meet the changing needs of an organisations;

(iii) It should be so designed as to ensure employment opportunities for its employees on a long-term basis so that the goals of the organisation should be achievable; and it should develop the potentialities of employees;

(iv) It should match the qualities of employees with the requirements of the work for which they are employed; and

(v) It should highlight the necessity of establishing job analysis.

The nature and extent of the recruitment programme depends on a number of factors, including the skills required, the state of the labour market, general economic conditions, and the image of the employer. A company which has a reputation of paying fair wages, providing good employee benefits and taking interest in employee welfare activities would attract a larger number of applicants than it needs without making any extra recruiting efforts. Small companies which hire only a few persons each year may not need to do more than spread the word around the plant or office that a vacancy exists. However, as a result of regulations and pressures from the society and the government, the recruitment programme now requires the employers to go out and actively seek job applicants from groups of those who may not otherwise apply for employment.

4.6.6 Recruitment Organisation

There is no general procedure for hiring new personnel which is applicable to

all business enterprises. Each enterprise has its "tailor-made" procedure which brings it the desired quantity and quality of manpower at the minimum possible cost. The most commonly adopted practice is to centralise the recruitment and selection function in a single office. All employment activity should be centralised if the policies of the top management are to be implemented consistently ad efficiently. Only when personnel requisitions go through one central source and all employment records are kept up-to-date is there a possibility of maximum efficiency and success in hiring.

The advantages of centralising of recruitment and selection are:

(i) It reduces the administrative cost associated with selection by consolidating all activity in a single office;

(ii) It relieves line officers of the details involved in hiring workers, which is common under a decentralised plan;

(iii) It tends to make the selection of workers scientific;

(iv) It makes possible the development of a centralised manpower pool in a company;

(v) It provides a wider opportunity for placing an applicant in several departments of the company;

(vi) It tends to reduce favouritism as a basis for selection.

This centralised department is generally known as the *Employee Office*, or the *Recruitment Section.* The staff personnel are attached to it. This enables specialists to concentrate upon the recruitment function; and soon they become very efficient in the use of various recruitment techniques.

This office should be properly equipped with furniture. Its waiting room should be roomy, clean and well ventilated; it should have lighting facilities and drinking water, and it should be comfortable. This room should also have a table or a counter so that candidates may fill in their application blanks conveniently. It is desirable that personnel records be filed in a room accessible to the interviewer.

This office is concerned with the following functions:

(i) Establishing employment standards;

(ii) Making initial contact with prospective employees;

(iii) Testing;

(iv) Conducting physical examinations;

(v) Conducting final interviews;

(vi) Filling out necessary forms and record keeping;

(vii) Introducing the employee to his superior; and

(viii) Following up the employee.

It may be noted that in a small organisation, recruiting procedure is merely informal and generally the "line official" may be responsible to handle this function. But in larger organisations, it is entrusted to a staff unit with Personnel or Industrial Relations Department. However, recruitment remains the line responsibility as far as the personnel requisition froms are originated by the line personnel.

Forecast of Manpower Recruitement

'Requisition' or an 'indent' for recruitment has to be submitted by the line officials. Such 'indents' for recruitment has to be submitted by the line official. Such 'indents' usually specify: (i) the jobs or operations or positions for which the persons should be available; (ii) duration of their employment; (iii) salary to be offered and any other conditions and terms of employment which the indenting officer feels necessary.

The indents are then checked against the posts allotted to the department/branch also against authorisation for expansion, if already granted. Financial implications of the proposed appointments and additional expenditure are worked out –of course, these would be within the budgetary sanctions of the department concerned. If the indents are found correct, the proposed recruitments are authorised and the initial pay, the scale and other admissible allowances are determined.

Finally, job-specifications and man-specifications are determined, in consultation with the line managers.

4.6.7 Sources of Recruitement

Before an organisation activity begins recruiting applicants, it should be

consider the most likely source of the type of employee it needs. Some companies try to develop new sources, while most only try to tackle the existing sources they have. These sources, accordingly, may be termed as internal and external.

Internal Source: It is the most obvious sources. These include personnel already on the pay-roll of an organisation, i.e., its present working force. Whenever any vacancy occurs, somebody from within the organisation is upgraded, transferred, promoted or sometimes demoted. This source also includes personnel who were once on the pay-roll of the company but who plan to return or whom the company would like to rehire, such as those on leave of absence, those who quit voluntarily, or those on production lay-offs.

External Source: these sources lie outside the organisation. They usually include new entrants to the labour force, the unemployed, and others.

4.6.8 Methods or Techniques of Recruitement

Dunn and Stephens summarise the possible recruiting methods into three categories: direct, indirect and third party.

Direct Methods: These include sending travelling recruiters to educational and professional institutions, employees' contacts with public, and manned exhibits. One of the widely used direct methods is that of sending of recruiters to colleges and technical schools. Most college recruiting is done in co-operation with the placement office of a college. The placement office usually provides help in attracting students, arranging interviews, furnishing space, and providing student resumes. For managerial, professional and sales personnel, campus recruiting is an extensive operation. Persons reading for MBA or other technical diplomas are picked up in this manner. For this purpose, carefully prepared brochures, describing the organisation and the jobs it offers, are distributed among students, before the interviewer arrives. The DCM, TATAs and the other enlightened firms maintain continuing contacts with institutions placement officials with a view to recruiting staff regularly for different responsible positions.

Sometimes, firms directly solicit information from the concerned professors about students with an outstanding record.

Many companies have found employees' contact with the public a very

effective manner.

Other direct methods includes sending recruiters to the conventional and seminars, setting up exhibits at fairs, and using mobile offices to go to the desired centres.

(i) Indirect Method: Indirect methods involve mostly advertising in newspaper, on the radio, in trade and professional journals, technical magazines and brochures. Advertising in newspaper and/or trade journals and magazines is the most frequently used method, when qualified or experienced personnel are not available from other sources. Senior posts are largely filled by such methods when they cannot be filled by promotions from within.

Advertising is very useful for recruiting blue collar and hourly workers, as well as scientific, professional, and technical employees. Local newspaper can be a good source of blue-collar workers, clerical employees, and lower-level administration employees.

The main point is that the higher the position is in the organisation, or the more specialised the skills sought, the more widely dispersed advertisement is likely to be. The search for top executive might include advertisements in national periodicals; while the advertisement of blue-collar jobs is usually confined to the daily newspaper or regional trade journals.

The classified advertisement section of a daily newspaper or the Sunday weekly edition of The Hindustan Times, The Times of India, The Tribunes, Bharat Jyoti, The National Herald, The Free Press Journal, The Pioneer, The Economic Times, The Hindu, The Indian Express etc., carry advertisements for all types of positions. Such advertisements enable prospective candidates to screen themselves in order to find out whether they are fit for the job for which the advertisement has been issued.

In order to be successful, an advertisement should be carefully written. If it is not properly written, it may not draw the right type of applicants or it may attract too many applicants who are not qualified for the job. It should be so framed as to attract attention – for example, by the use of different sizes and types of print. The first line should limit the audience somewhat and the next few lines should further screen out the readers who do not possess the necessary qualifications. It should provide necessary

information on job requirements and opportunities for advancement, the benefits to be enjoyed by working in the company; and it should emphasise facts related to the dignity of the job and to its professional aspects. "Frilly advertisements, containing exaggerated claims and gimmicky appeals, are to be avoided". Advertising can be very effective if its media are properly chosen.

According to Advertisement Tactics and Strategy in Personnel Recruitment, three points need to be borne in mind before an advertisement is inserted. *First*, to visualise the type of applicant one is trying to recruit. *Second*, to write out a list of the advantages a company offers; in other words, why the reader should work for the company. *Third*, to decide where to run the advertisement, not only in which area but in which newspaper having a local, state or nation-wide circulation.

Many organisations often place what is referred to as a blind advertisement, one in which there is no identification of the organisation. Respondents are asked to reply to a 'Post Office Number' or to a consulting firm that is acting as an intermediary between the applicant and the organisation. The large organisations with regional or national reputation do not usually use blind advertisements.

Other methods include advertising in publications, such as trade and professional journals, and radio or television announcements, as is done by many Indian manufacturers. Professionals journals are read by people with specialised back grounds and interests. Therefore, advertisements in these are generally selective.

(ii) Third Party Methods: These include the use of commercial or private employment agencies state agencies, placement offices of schools, colleges and professional associations, recruiting firms, management consulting firms, indoctrination seminars for college professors, and friends and relatives.

Private employment agencies are widely used. They charge a small fee from an applicant. They specialise in specific occupations general office help, salesmen, technical workers, accountants, computer staff, engineers and executives. These private agencies are brokers who bring employers and employees together. The specialisation of these agencies enhances their capability to interpret the needs of their clients, to seek out particular types of persons and to develop proficiency in recognising the talent of specialised personnel.

State or public employment agencies also known as *Employment or Labour Exchanges,* are the main agencies of the public employment. They provide a clearing house for job and job information. Employers inform them of their personnel requirements, while job-seekers get information for them about the types of jobs that are referred to by employers. These agencies provide a wide range of services – counselling, assistance in getting jobs, information about the labour market, labour and wage rate.

Schools, colleges and professionals institutions offer opportunities for recruiting their students. They operate placement services where complete bio data and other particulars of the students are available. The companies that need employees maintain contact with the Guidance Counsellors of Employment Bureaus and teachers of business and vocational subjects. The prospective employers can review credentials and interview candidates for management trainees or probationers. Whether the education sought involves a higher secondary certificate, specific vocational training, or a college background with a bachelor's, master's, or doctoral degree, educational institutions provide an excellent source of potential employees for entry-level positions in organisations. These general and technical/professional institutions provide blue-collar applicants, white-collar and managerial personnel.

Sometimes, the organisation provide Work Study Programme to the students or summer jobs for the undertaking a project in the establishment so as to get them interested in the organisation in question, and after completion of this, they may be absorbed by the companies concerned.

Professional organisations or recruiting firms or excellent recruiters maintenance complete information records about employed executives. These firms are looked upon as 'head hunters', 'raiders', and 'pirates' by organisations which lose personnel through their efforts. However, these same organisations may employ "executive search firms" to help them find executive talents. These counselling firms recommend persons of high calibre for managerial, marketing, and production engineers' posts.

Indoctrination seminars for colleges professors are arranged to discuss the problem of companies and employees. Professors are invited to take part in these

seminars. Visits to plants and banquets are arranged so that the participant professors may be favourably impressed. They may later speak well of a company and help in getting the required personnel.

Employee referrals: Friends and relatives of present employees are also a good source from which employees may be drawn. When the labour market is very tight, large employers frequently offer their employees bonuses or prizes for any referrals who are hired and stay with the company for a specific length of time. Some companies maintain a register of former employees whose record was good to contact them when there are new job openings for which they are qualified. This method of recruitment, however, suffers from a serious defect that it encourages nepotism, i.e., persons of one's community or caste are employed, who may or may not be fit for the job.

Trade unions also provide manual and skilled workers in sufficient numbers, under agreement, they may agree as to given preferences. But in case of adverse industrial relations, this technique may create difficulties.

Casual labour or applicant at the gate: most industrial units rely to some extent on the casual labour which presents itself daily at the factory gate or employment office. However, this source is uncertain, and the candidates cover a wide range of abilities. Even then, many of our industries make use of this source to fill up casual vacancies.

Unsolicited applications: For positions in which large number of candidates are not available from other sources, the companies may gain in keeping files of applications received from candidates who make direct enquiries about possible vacancies on their own, or may send unsolicited applications. The information may be indexed and filed for future use when there are openings in these jobs. If necessary, the candidates may be requested to keep the organisation posted with any change in their qualifications, experience or achievements made.

Voluntary organisations, such as private clubs, social organisations, might also provide employees – handicapped, widowed or married women, old persons, retired hands, etc. in response to advertisements.

Computer data banks: when a company desires a particular type of employee,

job specifications and requirements are fed into a computer, where they are matched against the resume data stored therein. The output is a set of resumes for individuals who met the requirements. This method is very useful for identifying candidates for hard-to-fill positions which call for unusual combinations of skills.

Which particular source is to be tapped will depend on the policy of a firm, the position of labour supply, government regulations and agreement with labour organisations. However, the personnel manager must be in close touch with these different sources and use them in accordance with his needs. The best management policy regarding recruitment is to look first within the organisation. If that source fails, external recruitment must be tackled.

According to Flippo, the present tendency among most business firms is to "home grow" their executive leaders. Koontz and O' Donnel rightly observes that the policy should be to "raise" talent rather that "raid" for it.

4.6.9 Recruitement Practices in India and Elsewhere

All public sector enterprises are required to consider candidates sponsored by the employment exchanges and in most cases, confine the selection to these candidates. However, the private sector is not under any such formal obligation.

Under the Apprenticeship Act, 1961, young craftsmen having received pre-employment training in Industrial Institutes have to be employed by 'specialised' industries during their training period as a percentage of the total number of regular employees. Reservation of 25% of vacancies for schedule castes and schedule tribes candidates and preferential treatment of displaced persons is a part of statutory requirement of government and public sector employment in India.

The recruitment of supervisory personnel in all organised industries is generally by promotion from within the organisation. Some industries first recruit a number of young persons as management trainees and after 2 or 3 years absorb them completely. Executives too are mostly promoted from within. Sometimes good persons are also recruited Indian Institutes of Technology, All India Institutes of Management at Calcutta, Ahmedabad and Bangalore; from universities offering MBA courses, etc.

Retired military and police personnel also provide an important source of

recruitment, particularly for security jobs, and for personnel jobs.

In the U.S.A., four sources of applicants are most used in obtaining hourly workers – direct applications at the company office, public employment sources, recommendations by employees, and newspaper advertising. In the case of blue-collar workers, the sources most successfully used are newspaper advertising, direct application, public employment offices, employee's recommendations, and private employment agencies. In the case of scientific, professional and technical employees, the most productive sources are advertising, on-campus recruiting and employment agencies.

Thus, it may be observed that there is virtually no definite work that develops employer's reasons for selecting various methods of recruitment. No single method is predominant and that recruitment practices are adapted to fill vacancies, employment rates, and other circumstances faced by the employer.

4.6.10 Assessment of the Recruitment Programme

Sources for recruitment should be periodically evaluated. For this purpose, the criteria may be the cost per applicant, the applicant/hiring ratio, tenure, performance appraisals, etc. the organisation should first identify how an applicant was attracted to the firm. A simple way of securing this information is to include in the application blank a question: "How did you learn of the job vacancy for which you have applied?" the next step is to determine whether any one method consistently attracts better applicants. The last step is to use this information to improve the recruiting process. Recruiting should take into consideration ethical practices, such as use of "truth in hiring," i.e., telling an applicant all about the firm and its position, both good and bad, to enable him to decide whether or not to join the firm, if selected.

A successful and effective recruitment programme necessitates a well-defined recruitment policy, a proper organisational structure, procedures for locating sources of manpower resources, suitable methods and techniques for utilising these and a constant assessment and consequent improvement.

4.7 MEANING AND DEFINITION OF SELECTION

Workers are essential, active and sensitive factor of production, therefore utmost care should be taken in their selection. Any carelessness at the time of selection may endanger the future prospects of the enterprise. The manager should make fair and impartial

selection, based upon scientific testing. Where efficient workers are no doubt, the permanent asset of the future, inefficient will prove to be liability. Selection of employees is the process of choosing up the most competent and suitable candidates. It is the process of picking individual who have relevant qualifications to fill jobs in an organisation. The basic purpose is to choose the individual who can most successfully perform the job from the pool of qualified candidates. Selection is the process of finding out the right candidate (out of the pool of job candidates) to fill the job organisation. The process of selection leads to employment of person having the ability and qualifications to perform the jobs which have fallen vacant in the organisation. It divides the candidates for employment into two categories, namely, those who will be offered employment and those who will not be. This process could be called 'rejection' since more candidates may be turned away than are hired. That is why selection is frequently described as a negative process in contract with the positive process of recruitment. The basic purpose of the selection process is choosing right type of candidates to man various positions in the organisation. In order to achieve this purpose, a well organised selection procedure involves many steps and at each steps more and more information is obtained about the candidates.

According to Dale Yoder, "selection is the process in which candidates for employment are divided into two classes those who are to be offered employment and those who are not. Selection means a process by which qualified personnel may be chosen from the applicants offering their services to the organisation for employment".

4.7.1 Selection Vs. Recruitment

Selection is the process of choosing or picking up the most suitable candidates out of many available or interested. It is the process of selecting few and rejecting the unwanted applicants. Recruitment is the positive function which aims at increasing the selection ratio, that is, the number of applicants available per job. The selection process is a negative function as it attempts to eliminate unsuitable applicants, leaving only the best to be taken in the organisation.

Both recruitment and selection are the two phases of the same process. Recruitment being the first phase envisages taking decisions on the choice of tapping the sources of labour supply. Selection is the second phase which involves giving various types of tests to the candidates and interviewing them in order to select the suitable candidates.

Difference between Recruitment and Selection

Meaning	Recruitment is the process of searching prospective candidates and enmcouraging them to apply for jobs in the organisation.	Recruitment is the process of searching prospective candidates and enmcouraging them to apply for jobs in the organisation.
Object	Main object of recruitment is to encourage more and more candidates to apply for jobs in the organisation.	Main object of selection is to select the most suited candidates.
Number	There is no restiction upon the number of candidates.	Only a certain number of candidates are selected.
Order	Recruitment is the first step of employment process.	Selection is made only after recruitment.
Nature	recruitment is always treated as positive process.	Selection is a negative process as it leads to elimination of unsuitable candidates.

4.7.2 Significance of Selection

Selection is a critical process these days because it requires a heavy investment of money to get right types of people. Induction and training costs are also high. If the right types of persons are not chosen, it will lead to huge loss of the employer in terms of time, effort and money. Therefore, it is essential to device a suitable selecting procedure. Each step in the selection procedure should help in getting more and more information about the applicants to facilitate decision-making in the area of selection.

Absenteeism and employee turnover are the important problems which are being faced by most of the organisations. The intensity of these problem can be reduced if in the future all selections are made carefully so that there are 'round pegs in the round holes'. Whenever unsuitable employees are appointed, the efficiency of the organisation will go down. Such employees will shirk work and absent themselves from the work more often. They may also be compelled to leave their jobs. If this happens, all the expenses incurred on the selection and training of such employees will go waste.

Scientific selection and placement of personnel will go a long way towards building up a stable work-force. It will keep the rates of absenteeism and labour turnover low and will increase the morale of the employees. If the employment is suitable according to the requirement of the jobs, they will show higher efficiency its objectives effectively.

4.7.3 Scientific Selection

Fitting the worker to the job is the first and the most important step in promoting individual efficiency in industry. Scientific selection of employees is an important function of the personnel department. The object of scientific selection is to place on each job a worker who can maintain a given output with minimum expenditure of energy and who will be best fitted to the job.

The factors to be considered for selecting the right person for the right job are as under:

(i) ***Physical Characteristics:*** Sound body, limbs, height, weight, sight, etc.

(ii) ***Personnel Characteristics:*** Age, sex, marital status, number of children, family background, etc.

(iii) ***Proficiency or Skill and Ability:*** Qualifications and previous experience.

(iv) ***Competency:*** Potentiality of an individual for learning and becoming proficient in a job. Competency points out capability to acquire knowledge and skill for success on the job.

(v) ***Temperament and Character:*** Emotional, morale and social qualities, honesty, loyalty, etc. a high degree of intellectual competency can never serve as a substitute for such qualities as individual's character, his habits of work, his way of reacting in this or that situation, his driving forces in determining his fitness for the job.

(vi) ***Interest:*** Without interest, work is colourless and monotonous. With interest, work seems meaningful and worthwhile to the individual and abilities are developed as well as accomplishments are realised. Even if a person has skill, competency, efficiency, but if he has no interest in the job, he will be unhappy in his work.

4.7.4 Selection Policy

The enterprise should adopt the following policy, while making the selection of the suitable candidates:

(i) Selection based on vacant post. The number of employees to be appointed must be according to the number of vacancies. If candidates appointed are lesser than required, effective use of the business resources cannot be made. If more than required employees are appointed, this will be an additional burden on the enterprises.

(ii) Selection of employees according to work: After the analysis and the study of the work, right persons may be appointed, who can perform the specific job efficiently. It means the basis for selection should be work, not employees. It will be the worse policy to select the worker first and to decide afterwards the job, where he may be absorbed.

(iii) Sanctioned by department heads: The concerned departmental heads should be consulted regarding the job, its nature and the type of persons required. It will be in the interest of organisation, if the department heads are also one of the members of selection committee.

(iv) Fixing minimum qualification: The minimum qualification, training, experience and proficiency for the vacant post should be fixed, so that incompetent persons may not be appointed. It will be advisable to mention desirable qualification also, in addition to the minimum qualification.

(v) Recruitment through employment exchange: It will be fair to recruit through employment exchanges, where qualified unemployment persons are available.

4.7.5 Selection Procedure

The selection procedure is concerned with securing relevant information about an applicant. This information is secured in a number of steps or stages. The objective of selection process is to determine whether an applicant meets the qualifications for a specific job and to choose the applicant who is most likely to perform well in that job.

Selection is a long process, commencing from the preliminary interview of the applicants and ending with the contract of employment.

The hiring procedure is not s single act but it is essentially a series of methods or steps or stages by which additional information is secured about the applicant. At each stage, facts may come to light which may lead to the rejection to the applicant. A procedure may be compared to a series of successive hurdles or barriers which an applicant must cross. These are intended as screens, and they are designed to eliminate an unqualified applicant at any point in the process. This technique is known as the successive hurdles techniques. Not all selection processes include all these hurdles. The complexity of a process usually increases with the level and responsibility of the position to be filled.

According to Yoder, "the hiring process is of one or many 'go, no-go' gauges. Candidates are screened by the application of these tools. Qualified applicants go on to the next hurdle while the unqualified are eliminated". Thus, an effective selection programme is a non-random process because those selected have been chosen on the basis of the assumption that they are more likely to be "better" employees than those who have been rejected.

Hiring Requirements

Selection processes or activities typically follow a standard pattern, beginning with an initial screening interview and concluding with the final employment decision. The traditional selection process includes: preliminary screening interview; completion of application form; employment tests; comprehensive interview; background investigations, physical examination and final employment decision to hire.

4.7.6 Essentials of Selection Procedure

The selection procedure adopted by an organisation is mostly tailor made to meet its particular needs. The thoroughness of the procedure depends upon three factors:

First, the nature of selection, whether faulty or safe, because faulty selection affects not only the training period that may be needed, but also results in heavy expenditure on the new employee and the loss that may be incurred by the organisation in case the job-occupant fails on his job.

Second, the policy of the company and the attitude of the management. As a practice some companies usually hire more than the actual number needed with a view to removing the unfit persons from the jobs.

Third, the length of the probationary or trial period. The longer the period, the greater the uncertainty in the minds of the selected candidate about his future.

The hiring process can be successful, if the following preliminary requirements are satisfied:

(i) Someone should have the authority to hire. This authority comes from the employment requisition, as developed by an analysis of the work-load and work force.

(ii) There must be some standard or personnel with which a prospective employee may be compared, i.e., there should be available, beforehand, a comprehensive job description and job specifications as developed by a Job Analysis.

(iii) There must be a sufficient number of applicants from whom the required number of employees may be selected.

4.7.7 Steps Involved in Selection Process/Procedure

Every organisation will design a selection procedure that suits its requirements. However, the main steps which could be incorporated in the selection procedures are discussed below:

(i) Receipts of applications: in the first step, applications from the interested candidates are received.

(ii) Preliminary interview: the preliminary interview is the first screening device utilised in the personnel department. As a district step in selection, handled by special preliminary interviewers, it is considered desirable where large number of applicants are to be processed. The initial appraisal of the applicant is in the nature of a general survey, not a detailed probing of qualifications.

The preliminary interview is considered with eliminating those who cannot be employed because of such factors as age, citizenship, status, disqualifying physical handicaps and inexperience or lack of training. He also determines whether the type of work, hours, wages, and other working conditions are agreeable. Personal interview, many a times, is resorted to elicit further information from the applicants and to know them in person. It may be used as a good device to judge the overall personality of the candidates. Those who

pass this crude screening are usually asked to fill in the application blank available with the employment office of the organisation.

(iii) Application blank: whenever there is a vacancy, it is advertised or enquiries are made from the suitable sources, and applications are received from the candidates. Standards application forms may be drawn up for all jobs and supplied to the candidates on request. The application form is useful for several reasons. It gives a preliminary idea of the candidates to the interviewer and helps him in formulating the questions to have more information about the candidate. The written information about age, qualification, experience, etc. may prove to be of greater value to the interviewers. It makes the processing of applications very easy since there is uniformity of filling the data in the application form.

After the applications are received, they are screened by a screening committee and a list is prepared of the candidates to be interviewed. Applicants may be called for the interview on some specific criteria like sex, desired age group, experience and qualifications. The number of candidates to be called for interview is normally five to seven times the number of posts to be filled up. The screened applications are then reviewed by the personnel manager and interview letters are despatched by registered post.

(iv) Employment tests: formal testing of candidates has become a common practice in selection. A test provides indications of some aspects of an individual's such as his attitudes, knowledge, ability, behaviour, and performance. It also provides a systematic basis for comparing these aspects among candidates. Valid test can be extremely valuable tools in the selection process. Systematic use of tests helps in rejecting applicants. They are especially useful when the number of applicants is large. Tests help to reduce bias and favouritism in selection by serving as a supplementary screening device. They are designed to better match the candidates and the jobs. The testing programme is highly effective and useful if it contains valid tests. 'Validity' means that the test scores (marks) are significantly related to job performance or to some other relevant criterion. The stronger the relationship between test results and performance, the more effective the test is as a selection tool. When scores and performance are

unrelated, the test is invalid and should not be used for selection. Tests should not only be validly designed but also be properly and honestly administered.

The important types of tests used in industry for selection of skilled and professional personnel include the following:

- Intelligence tests: these tests are used to judge the mental capacity of the applicants. They measure the individual learning ability, i.e., ability to catch or understand instructions and also ability to make decision and judgement. There are many verbal as well as non-verbal intelligence tests constructed by the psychologists for different jobs. One such standardised intelligence test developed by U.S. Army in Second World War is known as the Army General Classification Tests (AGCT). When applied to children, it is called Intelligence Quotient (IQ) Test, where IQ is defined as follows.

IQ = Mental Age/Chronological Age

- **Aptitude tests:** Aptitude means the potential which an individual has for learning the skills required to do a job efficiently. Aptitude tests measure an applicant's capacity and his potential for development. Aptitude tests are the most promising indices for predicting worker's success.

- **Psycho-motor tests:** Here applicant's mental dexterity, control and coordination of muscles are checked. It is useful for workers employed on semi-skilled and repetitive jobs such as assembling, packing, checking, testing and inspection work. Two popular standardised psycho-motor tests are McQuarril Test and Purdue Mechanical Adaptability Test (PMAT).

- Proficiency tests: proficiency tests are those which are designed to measure the skills already acquired by the individuals. They are also known as performance, occupational or trade tests. They are used to test the level of knowledge and proficiency acquired by the applicants. A trade a trade tests takes a sample of individual's behaviour which is designed as replica of the actual work situation such as typing. A trade test should be differentiated from the aptitude test. An aptitude test measures the potential of the applicant to learn skills required on a job.

- **Interest test:** Interest test identify pattern of interests that is areas in which the individual shows special concern, fascination and involvement. These tests will

suggest what types of jobs may be satisfying to the employees. Interest tests are more often used for vocational guidance also. They help the individuals in selecting occupations of their interest.

- **Personality tests:** Research studies have shown that more employees fail in their performance due to defects in personality and not due to lack of aptitude or ability. This is especially true in case of supervisors and managers. This is because their success depends to a great extent on their ability to deal with people effectively. This is called the human relations skill. Success depends on many attributes of his personality like his own value system, emotional stability, attitude and maturity. The purpose of personality test is to assess an applicant's motivation.

(v) Comprehensive employment interview: after having cleared the employment tests, the candidates are given a comprehensive interview. An 'interview' refers to a conversation with a purpose. 'selection interview' is a formal in-depth conversation conducted to evaluate the applicant's suitability and acceptability. The interviewer seeks to satisfy himself with the reference to the applicant about three board issues: (i) can the applicant do the job? (ii) will the applicant do the job? (iii) how does the applicant compare with the other applicants who are being considered for the job.

Selection interview is the most widely used selection technique especially due to its salient feature of flexibility. Interviews can be adapted to unskilled, skilled, managerial, and professional employees. They serve three fold purpose, i.e., obtaining information, giving information, and motivation. The interviewers learn about the applicant – his background, training, work history, education, and interests. The applicant learns about the employer- the enterprise, its personnel policies, compensation levels, job environment, and career paths. Further, the selection interview seeks to establish a positive relationship between the employer and the employee, and to motivate the prospective employees to accept the offer of appointment with the enterprise.

The interview is taken by the Interview or Selection Committee consisting of chairman of the organisation, head of the department, personnel manager, and outside experts. During the interview, the members of the selection committee appraise each candidate according to merit. At the end of the interview of each candidate, the

chairman consults the members and after a brief discussion finalises the grading of the candidate. After all the candidates have been interviewed, a panel is prepared. The number of person in the panel is generally about two to three times the number of vacancies to be filled up.

The proper physical arrangement for the interview is of great importance. It enhances the reputation of the organisation in the eyes of the candidates. The interview should be conducted in a room free from any disturbance, noise and interruption, so that interview may be held confidentially and in a quite environment. Another important condition for successful interviewing is that the interviewers should look ready for the meeting and the room should look ready for a private discussion. Privacy and comfort are recognised as aids to free talk. People generally speak more freely and frankly when they are at ease and do not feel threatened.

According to Jucius Michael, "An interview is a face to face, oral observational and personal appraisal method. Usually, it is more than a means of getting information. It involves giving information that will help the applicant make up his mind about the company, and giving advice that may serve to change the mental or emotional attitudes of the interviews". Since talking with other is such a familiar experience, perhaps the interview is apparently a simple, but essentially a very difficult and intricate part of the selection procedure.

Interview is an important aspect of selection procedure. The final selection is partly on his performance of the candidate in different tests and partly on his performance in the final interview. In this interview, the candidate has to appear before the interviewer or a panel of interviewers. The candidate's overall personality is judged in the interview.

Kinds of Interviews

The nature of interview varies from firm to firm. It may be conducted in the following forms.

- **Structured or guided interview:** In this interview a series of questions which can illuminate the significance aspects of the applicant's background are standardised in advance. Answers to these questions are compared with a critical score and used in determining who is best to be selected. In the interview process these standard

questions are asked as they are written; the order may be varied but not the phrasing of the questions.

The interviewer may occasionally depart from the prepared list of questions and put other questions, but the important characteristics of structures interview remain one of the questioning and active participation by the interviewed. The interviewee is supposed only to answer the questions put by the interviewer.

- **Unstructured or non-directed interview:** The interviewer does not ask direct and specific questions. He tries to create an atmosphere in which the candidate feels free to talk on the subject selected by the interviewer. The interviewer is basically a passive listener as he avoids making value judgement interrupting the candidates and revealing his personal opinion.

- **Preliminary or background information interview:** This type of interview is conducted when the history of applicant has to be known in terms of his experience, education, health, interest, likes, dislikes, etc. it is more or less like the preliminary interview.

- **Stress interview:** The applicant is intentionally put under a stress by interrupting him, criticising his viewpoint and keeping silent after he has finished speaking. It requires that the interviewer must be tactful and skilful. It is used for higher posts.

· **Group interview:** It is an interview of a number of applicants in a group. Reactions of the applicants in dealing with each other can be seen by the interviewers. It is used where it is essential to know how the candidates behave in groups.

(vi) Checking references: A referee is potentially an important source of information about a candidate's ability and personality if he holds a responsible position in some organisation or has been the boss or employer of the candidate. Prior to final selection, the prospective employer normally makes an investigation on the references supplied by the applicant and undertakes more or less a thorough search into the candidate's past employment, education, personal reputation, financial condition, police record, etc. However, it is often difficult to persuade a referee to give his opinion frankly. The organisation may persuade him to do so by giving an assurance that all information provided by him will be treated as strictly confidential.

(vii) Medical test: Mmedical or physical examination of the potential employee is necessary for the company must protect itself against the risk of claims for the company must protect itself against the risk claims for compensation from individuals who are afflicted with disabilities. The medical examination should be both general and thorough. The findings should be carefully recorded as to give a complete medical history, the scope of current physical capabilities, and the nature of disabilities, if any. Such information should be kept confidential.

The physical examination should reveal the physical characteristics of the individual that are significant from the standpoint of his efficient performance of the job he may be assigned or those jobs to which he may reasonably be expected to be transferred or promoted. A qualified medical expert appointed by the organisation should certify whether the candidate is physically fit to the requirements of the job. A proper medical examination will ensure higher standard of health and physical fitness of the employees and will reduce the rates of accident, labour turnover, and absenteeism.

The advantages of physical examinations are: (i) it serves to ascertain the applicant's physical capability to meet the job requirement; (ii) it serves to protect the organisation against the unwarranted claims under workers' compensation laws or against law suits for damagers; and (iii) it helps to prevent communicable diseases entering the organisation.

(viii) Final selection and job offer: After a candidate has cleared all the stages in the selection procedure, he is formally appointed by issuing him an appointment letter. The letter of appointment contains the terms and conditions of employment including pay-scale, starting, salary, allowances and other benefits (perks or perquisites), the period of probation, reporting officers, etc. The final hiring decision marks the end of the selection process, assuming that the candidate accepts the job offer. If during the probation period, an employee is not found suitable, the management may transfer him to some other job to which he may be expected to do justice. But if the organisation cannot offer him a job which he can do well, the management may sack him or give him time and training to improve himself.

(ix) Placement: Putting the right man at the right job is also an important function of the personnel manager. Proper placement reduces labour turnover, eliminate wastes,

increase productivity and improves morale. Determination of a suitable job for the worker and providing right type of worker for the job is called placement. Placement has an experimental element, but for most of the employees it is a decisive step and should consist in matching what the supervisor has the reason to think the new employees can do with what the job demands (job requirements), imposes (in strain, working conditions, etc.), and offers (in the form of pay-rate, interest, promotional possibilities, etc.). it is not easy to match all these factors for a new worker, who is still, many ways, an unknown quantity. For this reason, the first placement usually carries with it the condition of probation.

4.8 SUMMARY

Job analysis is the process of gathering relevant job information and determining the component elements of a job by observation and study. Basic objective of job analysis is work simplification (job redesign), establishment of work standards and support of other personnel activities. Job analysis is required for manpower planning, recruitment & selection, training, counselling, job evaluation, performance appraisal, employee's safety, job design & redesign and career planning. Its process comprised of collection of background information, selection of representative position to be analysed, collection of job analysis data, job description and developing job specification. Various techniques are used for collecting data such as, job performance, observation, interview, checklists, work sampling and diary or log of job incumbent.

Job Design is the process of deciding on the contents of a job in terms of its duties and responsibilities, on the methods to be used in carrying out the job, in terms of techniques, systems and procedures, and on the relationships that should exist between the job holder and his superior subordinates and colleagues.

Recruitment is a 'linking functions' – joining together those with jobs to fill and those seeking jobs. Its main objective is to determine total requirement of human resources and providing different opportunities to procure them. Recruitment follows a process comprising of five inter-related stages viz. recruitment policy; recruitment organisation; forecast of manpower requirements; sources of recruitment and methods or techniques of recruitment to make it more effective.

Selection is the process of choosing the individual who can most successfully perform the job from the pool of qualified candidates. Scientific selection and placement of personnel will go a long way towards building up a stable work-force. It will keep the rates of absenteeism and labour turnover low and will increase the morale of the employees

4.9 GLOSSARY

Strategy : a plan of action designed to achieve a long-term or overall aim.

Questionnaires : a set of printed or written questions with a choice of answers, devised for the purposes of a survey or statistical study.

Amendable: capable of being corrected by additions.

Incumbent : necessary for (someone) as a duty or responsibility

Subordinate: Having less power or authority than somebody else; less important than something else.

Autonomy: The capacity of an agent to act in accordance with objective morality rather than under the influence of desires.

Authorized: give official permission of or an approval to an agent or undertaking**.**

Forecast: predict or estimate (a future event or trend).

Techniques a way of carrying out a particular task, especially the execution or performance of an artistic work or a scientific procedure.

Vocational: relating to an occupation or employment.

Expenditure an amount of money spent.

Intensity: The measurable amount of a property, such as force, brightness, or a magnetic field.

Validity: the state of being legally or officially binding or acceptable.

Despatched: deal with (a task or opponent) quickly and efficiently.

Supplementary: completing or enhancing something

Dexterity: skill in performing tasks, especially with the hands.

4.10 SELF ASSESSMENT QUESTIONS

1. In the job simplification technique, the job is simplified or specialized. (T/F)
2. Job rotation implies systematic movement of employees from one job to the other. (T/F)
3. All the recruitment and selection programmes are based on manpower planning. (T/F)
4. Interview is one of the techniques of collection of job analysis data.(T/F)
5. The human resources are the most important assets of an organisation.(T/F)
6. A successful and effective recruitment programme necessitates a well-defined recruitment policy (T/F)
7. Selection is the process of choosing or picking up the most suitable candidates out of many available or interested(T/F)
8. Selection is made only after recruitment.(T/F)

4.11 LESSON END EXERCISE

Q1 What do you mean by Manpower planning? Give its importance.

Ans _____

_____

Q2 What do you mean by job analysis? State its need and objectives.

Ans _____

_____

Q3 What is the difference between job description and Job specification**.**

Ans _____

_____

Q4 Explain the process of job analysis.

Ans _____

_____

_____

Q5 Enlist the techniques used for collection of job analysis data. Explain them.

Ans _____

_____

Q6 What is Job Design?

Ans _____

_____

Q7 What is job rotation?

Ans _____

_____

Q8 What is meant by job enrichment?

Ans _____

_____

Q9 What do you mean by job enlargement?

Ans _____

_____

Q10 What is recruitment? State its objective?

Ans _____

_____

Q11 What is the need of recruitment?

Ans _____

_____

Q12 Describe briefly the various steps that are involved in hiring human resources in an organisation.

Ans _____

_____

Q13 What are the various sources of recruitment? How can an organisation evaluate the worth of these sources?

Ans _____

_____

Q14 What is selection? State its importance.

Ans _____

_____

Q15 Describe briefly the various steps that are involved in hiring human resources in an organisation.

Ans _____

_____

Q16 What is application blank? What is its role and importance in selecting management trainees in an organisation?

Ans _____

_____

Q17 Distinguish between recruitment and selection.

Ans _____

_____

4.12 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra and P.L.Taneja
- Human Resource Management: V.S.P. Rao
- Personnel Management: C.B. Mamoria and S.V.Gankar
- Principles And Practice of Management: L.M. Prasad

INDUCATION AND PLACEMENT, PROMOTION AND TRANSFER

STRUCTURE

5.1 Introduction

5.2 Objectives

5.3 An Introduction to Induction: Meaning and Definition

- 5.3.1 Objectives of Orientation
- 5.3.2 Significance of Induction
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- 5.3.4 Procedure of Induction
- 5.3.5 Typical Techniques of Induction Programmes
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5.4 An Introduction to Placement: Meaning and Definition

- 5.4.1 Significance of Placement
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5.5 An Introduction to Promotion: Meaning and Definition

- 5.5.1 Purposes of Promotion
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5.6 An Introduction to Transfer: Meaning and Definition

5.6.1 Purposes of Transfer

5.6.2 Types of Transfer

5.6.3 Transfer Policy

5.7 Summary

5.8 Glossary

5.9 Self-Assessment Questions

5.10 Lesson End Exercise

5.11 Suggested Reading

5.1 INTRODUCTION

An applicant who clears all the hurdles in the selection procedure is presumably offered a job. The problem of placement arises when the candidate selected for the job comes to join the organisation. Placing the right man at the right job is as important as hiring the right person. It is, therefore, desirable to have a sound scheme of placement in every organisation so that the employees feel comfortable on their new jobs. Promotions and transfers are activities through which an adjustment in the size of workforce of an enterprise can be made to cope with the changing situations. The lateral or vertical movement of an employee within an organisation is calledinternal mobility. It may take place between jobs in various departments or divisions. These functions can be accomplished formally or informally. Usually formal systems are adopted to ensure operative consistency and efficiency.

5.2 OBJECTIVES

After reading the lesson, you will be able

- to know the concept of induction, its objectives and significance
- to highlight the important elements/components of induction
- to acquaint with the typical techniques of induction
- to know the concept of placement and also to know major benefits of placement

- to elicit principles of placement
- to determine problems are faced in placement.
- to know the meaning, purposes, principles and bases of promotion
- to appraise the meaning, purposes, types of transfer and its policy

5.3 AN INTRODUCTION TO INDUCTION: MEANING AND DEFINITION

Induction is a technique, by which a new employee is rehabilitated into his surroundings and introduced to the practices, polices and purposes of the organisation. 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 own jobs, however small, is meaning and has significance as a part of the total organisation.

In the words of Armstrong, induction is "the process of receiving and welcoming an employee when he first joins a company and giving him the basic information, he needs to settle down quickly and start work".

According to Edwin B. Flippo, "Induction is the welcoming process to make the new employee feel at home and generate in him a feeling of belongingness to the organisation". It is concerned with the problem of orienting a new employee to his work group, supervisor and the organisation. It is the beginning of the fusion process and it helps in integration between the organisation goals and the personal goals of the new employee. Planned induction creates a good impression on the new employee to feel at home right from the beginning.

Orientation or induction expands on the information received during the recruitment and selection stages and helps to reduce the initial anxiety which all employees feel when they first begin a new job. For example, an orientation programme familiarises the new member with the organisation's objective, history, philosophy, procedures, and rules; communicates relevant personnel policies such as hours of work, pay procedures, overtime requirements, and fringe benefits; reviews the specific duties and responsibilities of the new member's job; provides a tour of the organisation's physical facilities; and introduces the employee to his superior and co-workers.

The experience during the initial period with an organisation can have a major impact on a new employee's career. A new employee stands on the "boundary" of the organisation- certainly he is no longer an outsider, but he is not yet embraced by those within. There is great stress for the new employee. He wants to reduce this stress or anxiety by becoming incorporated into the "interior" as quickly as possible. Consequently, it is during this period that an employee is more receptive to cues (signals) from the organisational environment than he is ever again likely to be. Such cues to proper behaviour are provided through orientation programmes and this is the major objective of orientation. However, an orientation programme may be designed to achieve certain specific objectives also.

5.3.1 Objectives of Orientation

Established orientations conduct formal orientation of employees to achieve the following objectives:

(i) **To infuse confidence.** An induction programme is designed to help the newcomer to overcome his shyness or nervousness that he may experience in meeting new people in the new environment, and to infuse confidence in him to successfully face the new situations. The confidence built up in the new employee through orientation makes him an efficient worker.

(ii) **To develop sense of belongingness.** Orientation integrates new employees with the organisation and develops a sense of commitment and loyalty which is a strong motivation force.

(iii) **To supply required information.** The orientation programme aims at supplying necessary information to the new employee regarding the nature of the workforce, service conditions, welfare facilities, benefits, career paths, company's programmes, and policies. Neglect in the area of induction may lead to labour turnover, psychological tensions and avoidable grievances.

(iv) **To foster cordial relationships.** Orientation also aims at foster close and cordial relationship between the newcomers and their supervisors as well as the existing employees, by introducing him to these people.

5.3.2 Significance of Induction

Induction is a socialisation process by which the organisation seeks to make an individual its agent for the achievement of its objectives and the individual seeks to make an agency of the organisation for the achievement of his personal goals. The basic purpose of induction is to introduce the new employee and the organisation to each other, to help them become acquainted, and to help them accommodate each other. The new employee is explained what is expected of him and is also told the rules, regulations, policies and procedures that directly affect him. He is made aware of how his job fits into the overall operations of the organisation, his own duties and responsibilities, and to whom he should look for when he has any problem or difficulty.

The first impression made on the mind of the employees is likely to be a lasting impression, and the treatment he receives during the early days on the new job will help to form his opinion of his employers. Careful introduction to his job will make his adjustment to the job more rapid, his mistakes fewer and his attitude more co-operative.

Indoctrination or orientation is very important in India, where the percentage of illiteracy is quite high. The new worker finds himself completely at sea when by force of circumstances he has to shift from rural surroundings into an industrial unit. It is no use trying to push a handbook of certified rules and regulations into his hands and expecting him to turn out into a loyal and efficient employee. He needs a short and simple induction conducted by someone who speaks his own language. This will go a long way in reducing turnover and, above all, in preventing a worker from the likelihood of falling a prey to subversive elements which thrive on creating labour unrest by misrepresenting employers to illiterate employees.

5.3.3 Elements of Induction

Induction is the process of welcoming new staff into their role within the organisation. While induction and orientation are sometimes used interchangeably. The following are the elements of induction.

(1) ***Corporate Policies and Procedures:*** This step covers all organisational-level policies and strategies. This step of the process helps with clarification of overall organisational goals, operating environment and internal policies. Where relevant, staff should be familiarised with:

- Organisation mission statement;
- Organisational planning and strategy;
- Organisational structure and chart;
- Operating framework;
- Privacy principles with respect to sensitive information;
- Quality assessment and training processes;
- Codes of practice;
- Compliance requirements for reporting, best practice, and transparency; and
- Facilities and internet usage policies for staff.

(2) ***Human Resource and Payroll Forms:*** Terms of employment and the probationary period should be made clear to new staff. Attention can be drawn to annual leave periods, holidays, sick days and other terms of employment. Human resource and payroll forms can be completed and forwarded to the HR and payroll departments.

(3) ***Environment and Occupational Health and Safety:*** Environment and occupational health and safety issues can also be addressed. Some of the issues to clarify during the induction process are:

- Fire exits;
- First aid officers, kits and procedures;
- Safety procedures, including how to report safety and health issues;
- Any potential hazards in the workplace and how to manage them;
- Any duties to report potential hazards, accidents, injuries, and incidents;
- Appropriate ways to use equipment; and
- Fire and emergency procedures.

(4) ***Role Description, Tasks, and Responsibilities:*** A comprehensive role description should be provided to the employee. Even if the work contract already covers the employee's tasks and responsibilities, it can help to present it again to new

staff as part of the induction process. Any on-the-job training or professional development opportunities can also be communicated here.

(5) ***IT and Work Facilities:*** Staff can be informed as to how the organisation's IT and other work facilities are to be used with respect to their role, particularly if there are varying levels of information access or system privileges in your organisation.

(6) ***Orientation:*** The orientation or workplace induction stage often begins on the first day. With an effective induction strategy, such as staff induction software, the orientation stage can be fairly brief and relatively less time consuming for both staff members and managers. Some of the issues to cover during orientation are:

- Introduction and physical tour of company facilities;
- Workstation and chairs;
- Keys/passes for staff;
- Emergency exits;
- Office security;
- Office procedures;
- Location of fire extinguishers;
- Meeting colleagues and managers; and
- Amenities areas.

5.3.4 Procedure of Induction

Induction may be informalin case of small firms and formal of the duration of two to four weeks in case of big organisations. Orientation training course should not be too lengthy. It need not necessarily be given on the day when the new employee joins his work. But if a formal course is to be attended after two or three weeks on the job, the initial introduction and the immediately needed information may be given by the supervisor of the department.

The induction programme should be handled by persons who are fully conversant with the course contents. The success of the induction course will

depend upon the quality of trainers and their ability to draw out the interest of their listeners. The range of information that may be covered in such a course is as follows:

(a) Company's history: a brief description of the early history and growth of the organisation and its future potentialities. This can be made more interesting when the company's history is built around personalities than around events.

(b) Product of the company: a brief story of the original products and its evolution to meet competition and consumer needs. Use of sale literature, exhibits and films can also help.

(c) Company's organisation: brief description of the organisation structure, relation of new employee's department with other departments and so on.

(d) Location of departments: location and layout of the company's plants, stores, departments, canteen, etc.

(e) Personnel policies: policies of the companies regarding compensation, training, promotion, retirement, insurance, etc.

(f) Employee's activities: statement of available programmes and activities carried on by workers, such as recreation, mutual benefit association, credit union, etc.

(g) Rules and regulations: description of rules and regulations of the company regarding attendance, working hours, pay, advances, sick leave, conduct, etc.

(h) Safety: safety measures taken by the company for the protection of the workers and their use by the workers.

(i) Standing orders: grievance and disciplinary procedure and suggestion system in the company.

(j) Counselling service. Information about the counselling service provide by the company to go into personal complaints of individuals and to help them about their problems.

(k) Job routine: requirement of the particular job to which presently assigned as well as the job to which this may lead in the chain of promotions.

(l) Special training: information about the training programmes carried out by the company to help the employees learn new skills in doing their jobs.

5.3.5 Typical Techniques of Induction Programme

A typical induction programme should consist primarily of three steps:

(i) General orientation by the staff of the personnel department: the first phase of the programme should ordinarily be conducted by the personnel department. This type of induction is general, for it gives the necessary general information about the history and the operation of the firm – the purpose of which is to help an employee to build some pride and interest in the organisation. Information is also given on specific employee services, such as pension, health and welfare plans, safety programme, etc. The better policy is not to give everything in one day, but to administer smaller doses over a long period.

(ii) Specific orientation by the job supervisor, or his representative: at the second stage, induction should be conducted by the job supervisor. Induction is specific and requires skill on the part of the foreman. The employee is shown the department and his place of work, introduced to other employees, informed of the location of the bathrooms, laboratories, canteen, and time clock; and told about the organisation's specific practices and customs (such as whether the personnel bring their lunch or whether lunch is supplied to them at concessional rates, the timings and the length of rest periods, the work dress, etc.). The purpose of specific induction is to enable an employee to adjust himself to his work and environment.

(iii) Follow-up orientation by either the personnel department or the supervisor: Follow-up induction takes place sometimes within one week to six months from the time of the initial hiring and orientation. It is conducted either by a foreman or a specialist. Its purpose is to find out whether the employee is reasonably well-satisfied with him. The employee may be asked whether his hours of work and his pay are as represented to him before employment; how he feels about his fellow-workers: how he feels about his boss; and whether he has any suggestions to make for changes in the induction procedure or in other company practices. The interviewer records the answers as well as his own

comments on the employee's progress. At the same time, the line supervisor completes an evaluation of the employee, indicating his strong and weak points, indicating also whether he is doing well.

Through personal talks, guidance and counselling, efforts are made to remove the difficulties experienced by the newcomer.

5.3.6 Advantages of Induction Programme

The benefits of formal induction programme are as under:

(i) It reduces new employee's anxieties and provides him an opportunity to know the organisations and its people.

(ii) It helps the new employees in knowing expectations of the organisation and its executives.

(iii) It fosters a uniform understanding among employees about the company, its objectives, principles, strategies, and what the company expects of its people. New employees are interested in learning about the total organisation. Orientation tells them how they and their unit fit into the "big picture".

(iv) It builds a positive attitude towards the company and its surrounding communities. First day is crucial because new employee remembers it for years. A well-managed orientation forms good impressions on the mind of new employee which last long.

(v) It builds and strengthens a two-way communications channel in the company.

(vi) It helps speed up socialisation process by making the new recruit understand the social, technical and cultural aspects of the workplace. New employee becomes a part of the social fabric of the organisation and develops a sense of belongingness.

(vii) It facilitates informal relations and team-work among employees.

(viii) It reduces voluntary turnover, employee grievances, and absenteeism by making new employees more aware, adjusting and satisfied.

5.3.7 Problems of Induction Programme

Induction programmes suffers from the following potential problems:

(i) Orientation may remain a superficial indoctrination into company philosophy, policies and rules. Sometimes, it includes the presentation of an employee handbook and a quick tour of the office or plant. The likely result is that the new employees do not feel like part of the company.

(ii) Giving too much information in an orientationsessions becomes almost as much of a problem as providing too little. If a great deal of information is given to employees all at once, they may feel overwhelmed, overloaded, and "suffocated" and may not retain much. On the other hand, sketchy overview of the basis, i.e., a quick or superficial orientation after which the new employee is immediately put to work (to sink or swim), results in ineffective, sometimes negative, socialisation. Thus, providing an appropriate amount of information, becomes a real problem in orientation.

(iii) The weakest part of most orientation programmes is at the supervisory level. Even when the personnel department has designed an effective orientation programme and trained supervisors to conduct their part of it, orientation still may not be effective. The supervisors are more interested in immediate production issues and may see orientation as far less important than other problems they face.

(iv) Orientation suffers from 'mickey mouse' assignment, i.e., small and unimportant tasks. Sometimes, the new employee's first tasks are in the nature of insignificant duties, perhaps intended to teach the job from the ground up. Giving only menial tasks to the new employee might discourage job interest and company loyalty in him.

5.4 AN INTRODUCTION TO PLACEMENT: MEANING AND DEFINITION

Placement may be defined as the determination of the job to which an appointed candidate is to be assigned and his assignment to that job. Place and follow-up aim at ensuring whether the individual who has been selected is placed suitably in the job and does the job well. It is a check on the previous steps and the only means by which selection in the future can be made more efficiently. Just recruiting an employee to an organisation is not enough. Putting the right man in the right job is equally important. A misplaced employee is disgruntled and frustrated and cannot give his best to the

organisation. Lack of interest in the job will be reflected in the lower productivity. Proper placement will go a long way in reducing employee turnover, accident and absenteeism and improve the morale of the employee.

Placement should be based on the qualification and qualities of the person selected. It should also be based on the staff requirements of the different departments. It is the duty of the personnel department to send the new employee to the suitable department. In addition, he should be introduced property to the head of the department. The placement arrangement should be ready before joining date of the newly selected person. The placement in the initial period may be temporarily as changes are likely after the completion of training. The employee may be later transferred to the job where he can do better justice.

"Placement" is a term which covers a change and calls for greater responsibilities, and usually involves higher pay and better terms and conditions of service and, therefore, a higher status or rank.

According to Scott and Clothier, "A placement is the transfer of an employee to a job which pays more money or one that carries some preferred status".

5.4.1 Significance of Placement

The significance of placement is as follows:

- It improves employee morale.
- It helps in reducing employee turnover.
- It helps in reducing absenteeism.
- It helps in reducing accident rates.
- It avoids misfit between the candidate and the job.
- It helps the candidates to work as per the predetermined objectives of the organisation.

5.4.2 Major Benefits of Placement

The employee is able to:

(i) Show good result on the job.

(ii) Get along with people easily.

(iii) Keep his spirits high, report for duty regularly.

(iv) Avoid mistakes and accidents.

5.4.3 Principles of Placement

(i) Man should be placed on the job according to requirements of the job. The job should not be adjusted according to the qualifications or requirements of the man. "Job first, man next" should be the principle of placement.

(ii) The job should be offered to the man according to his qualifications. Neither higher, nor lower job should be offered to the new employee.

(iii) The employee should be made conversant with the conditions prevailing in the industry and all things relating to the job. He should also be made aware of the penalties if he commits a wrong.

(iv) While introducing the job to the new employee, an effort should be made to develop a sense of loyalty and cooperation in him so that he may realise his responsibilities better towards the job.

5.4.4 Problems of Placement

It is hoped that with effective monitoring and communication during the placement, any problems can be resolved easily and with minimum disruption. However, in the event of a situation arising that cannot be resolved, the following guidance is given:

- Review and disciplinary procedures should be applied as for any other member of staff employed by your organisation.
- If the problem cannot be resolved, one month's notice from either the placement provider or the placement student is required in order for the placement to be terminated. The University of Sheffield should be informed at all stages of the disciplinary process.
- Placements should not be terminated without prior consultation between the student, the university and the placement provider.
- The University of Sheffield may ask the student to leave a placement without consultation if they feel the health and safety of the student is being compromised in any way.

5.5 AN INTRODUCTION TO PROMOTION: MEANING AND DEFINITION

Advancement within an organisation is ordinarily labelled as 'promotion'.It is an upward movement of an employee from current job to another that ishigher in pay, responsibility, status and organisational level. A mere shifting of an employee to a different job which has better working hours, better locationand more pleasant working conditions does not imply promotion. The new job will be promotion only if entails increased responsibilities and enhanced pay.

The term promotion has been defined by different authors as follows:

According to Scott and Spreigal. "A promotion is the transfer of an employee to a job that pays more money or that enjoys some preferred status."

According to Pigors and Myres. "A promotion is the advancement of an employee to a better job-better in terms of greater responsibilities, more prestige or status, greater skill and especially, increased rate of pay or salary."

According to Edwin B. Flippo. "A promotion involves a change from one job to another that is better in terms of status and responsibility."

The analysis of above definitions, reveals three basic elements in promotion:

- Transfer of an employee to some higher job having more prestige, better status, more benefits and privileges.
- Reassignment of an employee to a position having increased responsibilities.
- Higher job grade.

All the three elements must be present in promotion. When the salary of an employee is increased without corresponding change in the job grade: it is up grading and not promotion. If there is an increase in responsibility without any increase in pay, it may be called 'Dry Promotion'. If an employee? placed on a job involving similar responsibilities, it is called transfer and not promotion, irrespective of the fact that there is an increase in his earnings.

5.5.1 Purposes of Promotion

Promotions are generally given to achieve the following purposes:

1. To put the employee in a position where he will be of greater value to the company.

This will imply, utilising the employee's skill and knowledge at the appropriate level in the organisation hierarchy resulting in organisational effectiveness and employee satisfaction.

2. To develop competitive spirit and zeal in the employees to acquire the skill and knowledge etc. required by higher level jobs.
3. To develop internal source of employees ready to take jobs at higher levels in the organisation. Employees have little motivation if better job are reserved for outsiders.
4. To promote employee self-development and make them await their turn of promotions. It reduces labour turnover.
5. To build up morale, loyalty and a sense of belongingness on the part of employees when it is brought home to them that they would bepromoted if they deserve it.
6. To promote employees' interest in training and development programmes and in team development areas.
7. To built loyalty among employees and to boost their morale.
8. To reward committed, loyal and deserving employees.
9. To create among employees a feeling of contentment with their present working conditions and encourage them to succeed in the company.

Watkins, Dodd and others mention that the purposes of promotion are:

- To furnish an effective incentive for initiative, enterprise and ambitions.
- To conserve proved skill, training & ability.
- To reduce discontent and unrest.
- To attract suitable- and competent workers and
- To suggest logical training for advancement.

Yoder and others observe. "Promotion provides incentive to initiative, enterprise and ambition, minimises discontent and unrest, attracts capable individuals, necessitates logical training of advancement and forms an effective reward for loyalty and cooperation, long service etc."

5.5.2 Principles of Promotion

In every organisation there should be a sound base for promotion so that better industrial relations may be promoted; it is the responsibility of the personnel department of the organisation to develop a sound promotion policy as a part of the organisation personnel policy. It will reduce the personnel problems regarding promotions considerably and ensure the employees fair chances of advancement. A sound promotion policy should be based on the following principles.

(i) **The promotion policy should be in writing**and must be understood by all employees to avoid any suspicion regarding line of promotion in the minds of employee's.

(ii) The promotion policy should lay down **what percentage of vacancies in higher levels of hierarchy are to be filled up by promotion**and it should be followed strictly. It is better to incorporate a statement of management intention that higher paid and better jobs will be filled by promotion from within, if possible, rather than by hiring from outside. If it is necessary to go outside to fill specific skilled or professional jobs, it should be notified in advance.

(iii) The promotion policy should mention the **basis of promotion-seniority or merit.**A sound policy should be based on both the considerations *i.e.* seniority and ability. Primarily it would emphasis the merit giving due weightage to seniority. If two persons are equal in merit and seniority, seniority should be the basis of promotion.

(iv) **Job analysis**decides **the** position of the jobs and their relationship to other positions. This should be charted to provide clear recognition of the natural movement from one job to another. Positions may be adjusted and arranged so that one position prepares workers for another and natural course of advancement throughout the organisation or within each division or department: may be provided. Employees should be fully aware of the plan so that they may prepare themselves for higher position.

(v) Promotion programmes should be closely **allied to training** programme; which enables the employees to improve themselves for promotions.

(vi) A scientific procedure for **evaluating employee performance should be** followed. The assessment of employee and confidential reporting should be objective so that every employee has a faith in the promotion policy and *h* motivated for better performance of work to get promotion.

(vii) The supervisor or the immediate boss should **recommend** the promotion which is subject to approval by his immediate superior in the line. Final decision in this respect should be taken by the top executive in line with the advice and assistance of the personnel department in a staff capacity. This serves as a check on the fairness of promotion and ensures that the policy will be consistently administered.

(viii) The promotion policy should contain **a provision for the challenge of a particular promotion** by the employee or union within the limits of the promotion policy to ensure fairness in management decision.

(x) **The promotion, at first, should be made on probation.** If he works satisfactorily during probation period, he should be made permanent.

(xi) Not all people within an organisation want promotion because some feel that they will leave a congenial work group or they will not be able to handle the responsibilities of higher job or they may have certain other reasons.

Promotion should not be forced on such reluctant employeesand they should be allowed to continue their present assignment.

5.5.3 Basis of Promotion

While designing the promotion policy, there is always a problem before the management, what should be the criterion for promotion? Organisations adopt different bases of promotion depending upon their nature, size, management etc. The well established bases of promotion are: ***(i)***Seniority and *(ii)* Merit.

(i) ***Seniority as a Basis of Promotion:*** Seniority means length of recognised service in an organisation. If seniority is adopted as the basis of promotion, the senior most person in the lower grade shall be promoted as and when there is an opening in the higher position. The logic behind considering the seniority as a basis of promotion is that there is a positive correlation between

the length of service in the same job and the amount of knowledge **and**the level of skill **acquired**by **an**employee **in**an **organisation.**Seniority on the basis of length of recognised service in the organisation is decided by the organisation and every employee knows his place in the promotion line. There will be no chance of favouritism or dispute regarding promotion. Seniority is widely recognised as the basis of promotion in almost all types of organisations, particularly in organisations where trade unions are strong. The advantages of seniority as a basis of promotion are as follows:

1. It is relatively easy to measure the length of service and to judge the seniority.
2. Trade unions generally emphasis on seniority rather than merit as a basis of promotion.
3. The employees trust this method as there is no scope for favouritism, discrimination and judgement.
4. Security and certainty is also a plus point in the use of seniority. Employees can predict when and how he will be promoted.it increases employee morale and gives the employees a sense of satisfaction.
5. It minimises the scope for grievances and conflicts regarding promotion.
6. Seniority basis of promotion helps in reducing labour turnover because an employee will not easily give up his seniority in the organisation.

In spite of the above-mentioned advantages, this system also suffers from certain limitations. These are:

(ii) Merit as a Basis of Promotion: Merit means ability to work. It denotes an individual employee's skill, knowledge, ability, efficiency and aptitude as measured from educational, training and past employment record. If merit is adopted as the basis of promotion the most able person in the lower grade, no matter he is junior most in the company, shall be promoted. It encourages all employees, to improve their efficiency. Management personnel generally prefer merit as the basis of promotion. Merit may be determined by job **performance**and by analysis of employee potential for development through written or oral examinations or personal interviews or other records of performance. Thus,

'ability' ignores the value of experience. The advantages of merit system of promotion are :

1. The skills of an employee can be better utilised at a higher level. It results in maximum utilisation of human resources in an organisation.
2. Competent employees are motivated to exert all their energies and contribute to organisational efficiency and effectiveness.
3. This system continuously encourages the employees to acquire new skills, knowledge etc. for all round development.

Despite the advantages, the merit system suffers from the following limitations:

1. Measuring merit is not always easy.
2. Many employees, particularly, trade unions distrust the management's/integrity in judging merit.
3. The techniques of merit measurement are subjective.
4. The purpose of promotion may not be served if merit is taken as the sole criteria for promotion. Merit should mean future potentiality butnot past performance. This method takes into consideration the past achievements but not the future success.

(iii) Seniority-Cum-Merit Basis: There is a great controversy on the question of whether promotions should be given on the basis of seniority or merit. Managements mostly prefer merit as the basis of promotion as they are interested in enriching organisational effectiveness by enriching its human resources. But, trade unions favour seniority as the sole basis for promotion with a view to satisfy the interests of majority of their members. The most widely used basis of promotion combines both ability and seniority. The best policy would be to ensure that whenever there are two employees of equal seniority, merit or ability should be the deciding factor in a promotion. Where, however, there are two employees of almost equal competence, seniority should be the decisive factor. Such a policy should satisfy both the management and the trade unions. Hence, a combination of both seniority and merit may be considered as a sound basis for promotion.

5.6 AN INTRODUCTION TO TRANSFER: MEANING AND DEFINITION

A transfer is a change in job assignment. It is the movement of an employee from one job to another without involving any substantial change in his duties, responsibilities, required skill, status and compensation. A transfer does riot imply any ascending (promotion) or descending (demotion) change in status or responsibility.

According toEdwin B**.** Flippo. "Transfer is a change in job where the new job is substantially the equal to the old in terms of pay, status and responsibilities."

According toDale Yoder. "A transfer involves the shifting of an employee from one job to another without special reference to changing responsibility or compensation. Transfer may involve promotion, demotion or no change in status and responsibility."

Thus, transfer is a horizontal or lateral movement of an employee from one job, section, department, shift, plant or position to another at the same or another place, where his salary, status and responsibility are the same.

5.6.1 Purpose of Transfer

Transfers are generally resorted to with a view to attain the following:

1. To Meet the Organisational Requirements.: Organisational changes may demand the shift in job assignments with a view to place the right man on the right job. Such changes may be changes in technology, changes in the volume of production, production schedule, product line, quality of products, change in the job pattern, fluctuations in the market conditions, reallocation of or reduction in the workforce due to a shortage or a surplus in same section so that lay offs may be avoided, filling in of the vacancies which may occur because of separations or because of the need for suitable adjustments in business operations. In short, this purpose of transfers is to stabilise employment in an organisation:

2. To Meet Employees' Requests: Sometimes, transfer is done at the request of the employer himself. Employee may need transfer in order to satisfy their desire to work under a different superior in a department/region where opportunities for advancement are bright, in or near their native place or place of interest, doing a job where the work itself is challenging etc.

3. To Ensure Better Utilisation of the Employees. An employee may be transferred because the management feels that he is not performing satisfactorily and adequately and when the management feels that he may be more useful or suitable elsewhere, where hjs capacities would be better utilised.

4. To Make the Employees More Versatile. Employees may be shifted from one job to another to expand their capabilities. Job rotation may prepare the employee for more challenging assignments in future.

5. To Adjust the Workforce. Workforce may be transferred from a plant where there is less work to a plant where there is more work. Thus, the employees who have been in service of an organisation are not thrown out of employment but adjusted elsewhere.

6. To Provide Relief to the Employee. Transfers may be made to give relief to employees who are overburdened or doing hazardous jobs for long periods. Transfer may also be made to break the monopoly of the employee. The climate of a place may be unsatisfactory for an employee's 'health. He may request a transfer to another place, where his health may not affected by the climate.

7. To Reduce Conflicts and Incompatibilities. Where employees find it difficult to get along with colleagues in a particular section or department, they could be shifted to another place to reduce conflicts.

8. To Penalise the Employees. Transfers may be effected as disciplinary measures to shift **employees**indulging in undesirable activities to remote, far flung areas.

9. To Maintain a Tenure System. In senior administrative services of the Government and also in industries or where there is a system of annual intake of management trainees, the employee holds a certain job for a fixed tenure but is made to move from job to job with a view to enable him to acquire variety of experience and skills arid also to ensure that he does not get involved in politicising informal groups.

10. To Accommodate Family Related Issues. Family related issues cause transfers, specially among female employees. When they get married, the femaleemployees want to join their husbands and this fact necessitates transfers or resignations.

5.6.2 Types of Transfer

Transfers may be classified on the basis of purpose or unit:

(A) On the Basis of Purpose

1. Production Transfers. A shortage or surplus of the workforce is common in different departments in a plant or several plants in an organisation. Surplus employees in a department have to be laid off, unless they are transferred to another department. Transfers effected to avoid such inevitable lay offs are called production transfers.

2. Replacement Transfers. A replacement transfer is the transfer of a senior employee to replace the junior employee or a new employee, when the latter is laid off or shifted to another job. Sometimes, it is a temporary arrangement to make use of the services of "the senior personnel.

4. Shift Transfers. When the unit runs in shifts, employees are transferred from one shift to another bn similar jobs. In some undertakings, where shifts are operated regularly, employees may be recruited permanently for the shift, but in some cases they-are rotated from one shift to another as a matter of practice, because, many employees dislike second or third shift assignment as it interferes with their social or family engagements.

5. Remedial Transfers. Remedial transfers are effected at the request of the employees and are, therefore, called personal transfers. Personal transfers take place because the initial placement of an employee may have been faulty or the worker may not get along with his supervisor or with other workers in the department. He may be getting too old to continue his regular job or working conditions may not be well adapted to his personal health. If the job is repetitive, the employee may stagnate; and would benefit by transfer to a different kind of work.

6. Precautionary Transfers. Such transfers are made **as a** precautionary measure to avoid the misuse of office or misappropriation of funds by the employees. In some undertakings, where there are chances of misuse of office or misappropriation of funds. Generally it is mentioned in the transfer policy of the organisation that an employee cannot stay at one post for more than 3 years or so.

(B) On the Basis of Unit

1. Sectional Transfers. These transfers are made within the department from one section to another. The main purpose of such transfers may be to train the workers and prepare them to handle the operations of the different sections of the department.

2. Departmental Transfers. Transfers from one department to another department within the plant is called departmental transfer. Such transfers are made if the nature of work is same or substantially the same in both the departments such as clerical or routine jobs.

3. Inter-Plant Transfers. If there are more than one plants under the control of same management, transfer may be made from one plant to another on varied reasons. Such transfers are called inter-plant transfers.

5.6.3 Transfer Policy

A sound, just and impartial transfer policy should be evolved in the organisation to govern all types of transfers. This policy should be clearly specified so that the superiors cannot transfer their subordinates arbitrarily and the subordinates may not request for transfers even for the petty issues. The management must frame a policy on transfers and apply it to all the transfers instead of treating each case on its merit. Such a policy must be based on the following principles:

1. Transfer policy must be in writing and be made known to all the employees of the organisation.
2. The policy must very clearly specify the type and the circumstances under which companyinitiated transfers will be made.
3. Basis for transfer should be clearly mentioned in the policy. Whether it will be based on seniority or on skill and competence or any other factor.
4. It should indicate the executive who will be responsible for initiating and approving the transfers.
5. The policy should specify the region or unit of the organisation within which transfers will be administered.
6. The effect of the transfer on the pay and seniority of the transferred employee may be clearly evaluated.

7. It should be prescribed in the policy whether the training or retraining -is required on the new job.
8. Transfers should be clearly defined as temporary or permanent.
9. The interests of the organisation are not to be forgotten in framing a policy of transfer.
10. Reasons for mutual transfer of employees or reasons **to be considered**for personal transfers should be specified.
11. The fact of transfer should be intimated to the person concerned well in advance.
12. Transfers should not be made frequent and not for the sake of transfer only.

Generally, line managers administer the transfers and personnel managers assist the line managers in this respect.

5.7 SUMMARY

Induction is the process of welcoming new staff into their role within the organisation with the objective of infusing confidence, developing sense of belongingness, supplying required information and fostering cordial relationships. Placement is the determination of the job to which an appointed candidate is to be assigned and his assignment to that job. It helps in showing good result on the job, get along with different people easily, keeping his spirit high, less absenteeism, avoids mistakes and reduces accidents.Promotion means advancement within an organisation. It entails increased responsibilities and enhanced pay. A sound promotion policy reduces the personnel problems regarding promotions considerably and ensures the employees fair chances of advancement. The well established bases of promotion are seniority, merit and seniority cum merit. Transfer is the horizontal or lateral movement of an employee from one job, section, department, shifts, plant or position to another at the same or another place, where his salary, status and responsibility are the same. A sound, just and impartial transfer policy should be evolved in the organisation to cover all types of transfers.

5.8 GLOSSARY

- ***Induction:***It is the process of receiving and welcoming an employee when he first joins a company and giving him the basic information, he needs to settle down quickly and start work.

- ***Placement:*** It is the transfer of an employee to a job which pays more money or one that carries some preferred status.
- ***Promotion:*** Itis the advancement of an employee to a better job-better in terms of greater responsibilities, more prestige or status, greater skill and especially, increased rate of pay or salary.
- ***Transfer:*** It is a change in job where the new job is substantially the equal to the old in terms of pay, status and responsibilities.

5.9 SELF-ASSESSMENT QUESTIONS

1. What do you mean by induction? Discuss its objectives.
2. What do you mean by the concept 'placement'?
3. What are the essentials of a sound promotion policy?
4. Write a short note on transfer policy.

5.10 LESSON END EXERCISE

Q1. What is the purpose of induction of new employees? Briefly state the contents of induction programme.

Ans _____

_____

Q2. What are the principles of placement?

Ans _____

_____

Q3. Describe the meaning, significance and policies of promotion. Examine merits and demerits of promotion by seniority.

Ans _____

_____

Q4. What is meant by transfer? What are its various kinds?

Ans _____

_____

5.11 SUGGESTED READING

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice of Management: L.M.Prasad
- Human Resource Management: Shashi K. Gupta and Rosy Joshi
- Human Resource Management (Theory & Practice): Tapomoy Deb
- Human Resource Management: Santosh Gupta and Sachin Gupta

COACHING, MENTORING, WORK STRESS AND COUNSELLING

STRUCTURE

6.1 Introduction

6.2 Objectives

6.3 An Introduction to Coaching and it's Definition

- 6.3.1 Objectives of Employee Coaching
- 6.3.2 Types of Employee Coaching
- 6.3.3 Employee Coaching Process
- 6.3.4 Effective Coaching Techniques
- 6.3.5 Elements of Effective Employee Coaching
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6.4 An Introduction to Mentoring and it's Definition

- 6.4.1 Characteristics of Mentoring
- 6.4.2 Correct Matching of Mentors and Mentees
- 6.4.3 Principles of Mentoring
- 6.4.4 Dynamics of Mentoring
- 6.4.5 Qualities of a Good Mentor and Mentee / Role and Responsibilities of Mentor and Mentee
- 6.4.6 Importance of Mentoring
- 6.4.7 Role of a Mentor
- 6.4.8 Types of Mentoring

6.4.9 Mentoring Process
6.4.10 Benefits of Mentoring
6.4.11 Myths of Mentoring
6.4.12 Mentoring Life Cycle
6.4.13 Elements of Successful Mentoring
6.5 An Introduction to Work Stress and it's Definition
6.5.1 Nature of Work Stress
6.5.2 Sources of Work Stress
6.5.3 Job/Work Stress
6.5.4 Managing Job Work Stress
6.5.5 Consequences of Stress
6.5.6 Coping Strategies for Stress
6.5.7 Stress Busting Techniques
6.6 An Introduction to Counselling and it's Definition
6.6.1 Characteristics of Counselling
6.6.2 Objectives of Employee Counseling
6.6.3 Employee Counseling Skills
6.6.4 Conditions for Employee Counseling
6.6.5 Functions of Employee Counseling
6.6.6 Theoretical Approaches to Counseling
6.6.7 Techniques/Types of Employee Counseling
6.6.8 Counseling Process
6.6.9 Measures of Effective Counseling
6.6.10 Ethical Dimension of Counseling
6.7 Summary
6.8 Glossary

6.9 Self-Assessment Questions

6.10 Lesson End Exercise

6.11 Suggested Reading

6.1 INTRODUCTION

Today organisations need the very best skills, efforts, and performance of its employees to fulfill its mission, and operate with the assumption that employees take their work seriously and conduct themselves with pride and self-respect. Organisations believe that their employees will rarely lapse from excellent work or adherence to established rules and regulations. Employees will quickly correct any lapse in their work or violations of policies, if these problems are brought to their attention in a professional, cooperative manner that assumes they want to improve. The first step in any effort to improve employee's job performance is coaching.

With the changing and competitive work environment, stress level is increasing both in the workers as well as the managers. As a result of this work stress, more and more of the managers are showing signs of chronic fatigue and burnout. Research has concluded that stresses out managers are not good for their companies or shareholders. In most cases, stress leads to reduced productivity. Stress is a problem in almost all the countries of the world, irrespective of whether the economy is strong or weak. Therefore, it becomes essential to include "work stress" as one of the chapters in studying human behaviour, because we must know what is actually stress, what are the causes of stress, what are its consequences and then, what should be done to reduce it.

6.2 OBJECTIVES

After reading the lesson, you will be able to

- have insight of the concept of coaching & it's definition, objectives, types, process, techniques, elements and principles.
- understand the concept of mentoring &it's definition, characteristics, principles, dynamics, importance, types, functions, process, benefits, myths and elements of success successful mentoring.

- know the concept of work stress & it's definition, nature, sources, how to managing work stress, its consequences and strategies to cope with stress and techniques of busting stress.
- determine the concept of counselling and it's definition, characteristics, objectives, functions, theoretical approaches, techniques/types, process, measures of effective counseling, ethical dimension of counselling.

6.3 AN INTRODUCTION TO COACHING AND IT'S DEFINITION

Coaching is part of the day-to-day interaction between a manager and an individual employee who works in his work area, or Human Resources professional and line organisation staff members. Coaching often provides positive feedback about employee contributions. At the same time, regular counseling brings performance issues to an employee's attention when they are small, and assists the employee to correct them.

Managers help employees in achieving objectives ona daily basis. Coaching is a behavioural control technique used by the manager to give on-going guidance and instruction, to follow day-to-day progress, and to give feedback. It is the informal, day-to-day ongoing instructing of employees.

Coaching and counseling share many of the same skills, such as listening, showing empathy, asking questions, providing information, and creating action plans. At times, they may seem to overlap. However, they differ significantly.

The basic objective of organisations is to achieve satisfaction of customer in order to grow and develop. Coaching stresses the fundamentals; believes in employees taking responsibility for their own behaviour; is supportive and helpful, yet follows the rules consistently. The, manager plays the role of a coach when he brings out the best in employees. The employees are like great athletes when they work together well.

When teams in an organisation are effectively coached, employees are able to achieve their individual goals and those that benefit the team as a whole. Effective managers are coaches who help guide, support, and motivate employees. They provide necessary training when needed and recognition when earned. In the coaching process,

the manager clarifies expectations and does whatever is necessary to assist employees in performing their best.

Many people are more highly motivated to participate in sports than they are in their jobs. There are many reasons why sports are preferred over work. Goals are more clearly defined. The rules of the game don't change. Performance is measured and clearly attached to a reward. Everyone knows the score. Feedback is more frequent, personal, and accurate. Therefore, for effective coaching, performance targets must clearly planned and defined, must involve the employees in target setting and performance must be objectively appraised so that fair and equitable reward can be administered.

Coaching is the ability to improve the job performance of employees. It involves teaching, the passing on of knowledge. Coaching is active, instead of passive, and is involved with guiding performance. Managers, who emphasize formal training and day-to-day coaching, reap the benefits of competence, high performance, commitment, and cooperative behaviour.

Organisations in order to improve their effectiveness rely increasingly on teams. The functions of management - planning, organizing, directing, and controlling - are used to supervise high performance teams. In planning, effective teams have clear, accepted goals. Managers ensure that employees understand what it is they are to achieve. In organizing, managers must clarify the amount of authority to be possessed by the team. Self-managed teams are empowered to make decisions. Other forms of teams may have different authority boundaries, Structurally, objectives are set; roles identified, and work processes created. In directing, managers accept leadership roles. In controlling, managers and team members determine how the team's performance will be evaluated and how will they be rewarded.

Definitions:

"Coaching is a process that enables learning and development to occur and thus performance to improve. To be a successful a coach requires knowledge and understanding of process as well as the variety of styles, skills and techniques that are appropriate to the context in which the coaching takes place"***(Eric Parsloe: 1999)***

"Coaching is a directive process conducted by a manager to train and orient an employee to the realities of the workplace and to help the employee remove barriers to optimum work performance"***(Marianne Minor)***

6.3.1 Objectives of Employee Coaching

The main objectives of coaching are:

1. To provide a culturally sensitive and non-judgmental service in a way, this is responsive to the needs of employees and recognizes their individuality.
2. To assist employees in the development of skills (creative, personal, social, spiritual), which will enable them to achieve their full potential.
3. To explore variety of methods for supporting employees in relation in effective performance of work.
4. To continue monitoring and improving the individual's effectiveness on the job.
5. To support and encourage employees to regularly update their knowledge and skills through continuous professional development, attendance at training events arid networking with their counterparts in other organisations.
6. To provide opportunity to employees to explore their situation in life, for example, to explore their attitudes, wishes, values, strengths, impediments, culture and social circumstances.

Managers may use a variety of coaching approaches as needed to address the specific nature of each problem in a professionally and constructive manner. The goal is to identify and resolve problems as early as possible through timely and effective partnership with employees. The relationship between a coach (manager) and an employee (learner) is depicted below for clarity.

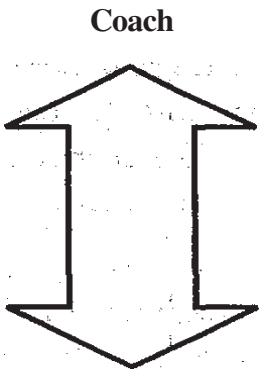

Fig. 1: Relationship Between Coach & Learner

6.3.2 Types of Employee Coaching

Coaching is given to employees for addressing a number of professional developmental issues such as career development, performance improvement, skill and competencies development, improving personal effectiveness. The detailed discussion is given below:

1. Performance Coaching: Many, employees will seek coaching for performance enhancement rather than the rectification of a performance issue. Coaching has been shown to be highly successful intervention in such cases. When an organisation pays premium for development of its human resources, performance is usually the key payback they are looking for. Even if an executive or manager receives support in balancing work and home life, it will be with the aim of increasing their effectiveness and productivity at work and not for more altruistic reasons.Coaching derives its theoretical underpinnings and models from business and general management approaches.

2. **Skills Coaching:** A skill coaching has some commonalities with one-to-one training. Skills coaching combine a holistic approach to personal development with the ability to focus on the core skills and competencies employees needs to perform in their role. Skills coaching should be must be provided by highly experienced and competent personnel.Job roles are changing at an ever-increasing rate. Traditional training programmes are often too inflexible or generic to deal with these fast moving requirements. In these instances, one-to-one skills coaching

allows a flexible, adaptive 'just-in-time' approach to skills and competencies development. It is also possible to apply skills coaching in 'live' environments rather than taking people away from the job into a 'classroom' where it is less easy to simulate the job environment.Skills coaching programmes are tailored specifically to the individual, their knowledge, experience, maturity and ambitions and are generally focused on achieving a number of objectives for both the individual and the organisation. These objectives often include the individual being able to perform specific, well-defined tasks whilst taking in to account the personal and career development needs of the individual.One-to-one skills training is not the same as the 'on the job training'. What differentiates it is that like any good personal or professional development intervention it is based on an assessment of need in relation to the job-role, delivered in a structured (but highly flexible) manner, and generates measurable learning and performance outcomes. This form of skills training is likely to focus purely on the skills required to perform the job function even though it may adopt a facilitative coaching approach instead of a 'telling' or directive style.

3. Personal Coaching: Personal or 'life coaching' is growing significantly in the industry today. Personal coaches may work face-to-face but email and telephone based relationships are also very common. These coaches operate in highly supportive roles to those who wish to make some form of significant change happen within their lives.Coaches offer a supportive and motivating environment to explore what the employee's want in life and how they might achieve their aspirations and fulfill their needs. By assisting in committing to action and by being a sounding board to their experiences, coaching allows the individual the personal space and support they need to grow and develop. The coach's key role is often is assisting in maintaining the motivation and commitment needed to achieve their goals.In many cases personal coaching is differentiated from business coaching purely bythe context arid the focus of the programme. Business coaching is always conducted within the constraints placed on the individual or group by the organisational context. Personal coaching on the other hand is taken entirely from the individual's perspective.

6.3.3 Employee Coaching Process

The steps of employee coaching are depicted below**:**

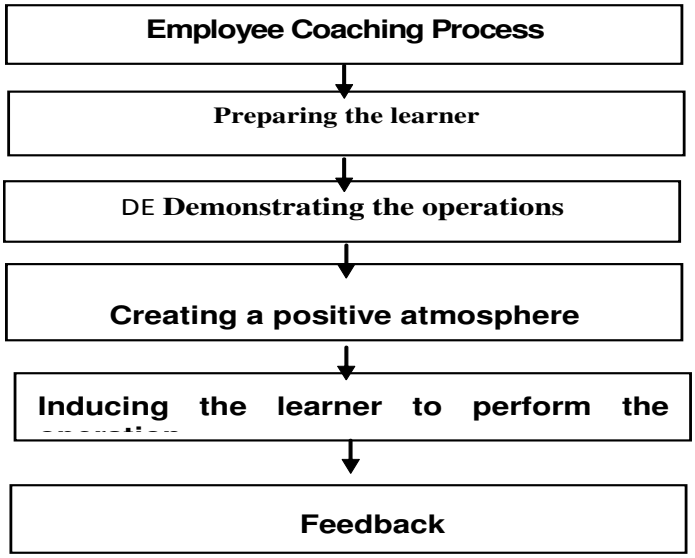

Fig. 2: Process of Employee Coaching

1. Preparing the learner: Barriers to effective coaching include the learner's fear of change or of appearing incompetent. The learner might be defensive. The manager can help the learner to relax by empathizing with him. Then, he can find out what the learner already knows. This way, the manager/coach can proceed from the familiar to the unfamiliar.

2. Demonstrating the operation: Manager should explain to the learner exactly what is being done during a demonstration, moving from the simple to the complex. He must allow the learner, the opportunity to ask questions. Explaining the relationship between what the learner is doing and the overall operation is vital for the success of employee coaching.

3. Creating a positive atmosphere: Manager should be patient with the learner and give positive reinforcement to the learner. This will help in creating conducive environment for learning.

4. Inducing learner to perform the operation: Manager should encourage and facilitate the active participation of the learner. Active participation is essential for instilling long-term learning.

5. Follow up: Evaluate learning is crucial to the success of the overall coaching. Manager should check up on the learner's progress to demonstrate his availability to answer questions and to discover any new problems.

6.3.4 Effective Coaching Techniques

Effective coaching is key to organisational excellence through developing employee capabilities and potentialities. Effective coaching techniques involve:

1. Creating a coaching context: The purpose of undertaking coaching must be identified. This will help the coach to define his purpose in the coaching role. Based on coaching role, parameters for improvement are to be set.

2. Actively listening to the learner: Coach must limit interruptions from others and from himself to facilitate proper coaching. He must understand issues and/or problems and reflect back to the learner/ employee what he has heard.

3. Asking Questions: Coach must view the goal of the interaction as helping the learner/employee to find answers that works best for him. He should not give advice but should ask questions that explore assumptions.

4. Giving useful feedback: Coach should encourage the employee to identify his difficulties to overcome. Coach can give his input in order to help clarify what needs to be done.

6.3.5 Elements of Effective Employee Coaching

The goal of coaching is to work with the employee to solve performance/job related problems and improve the work of the employee, the team, and the department. There are six main steps in effective:

1. Showing confidence in the employee's ability and willingness to solve the problem and helping him in solving the problem.
2. Describing the performance problem. Focus should be on the problem or behaviourthat needs improvement, not the person. Asking for the employee's view of the situation helps a lot.
3. Determining if issues exist that limits the employee's ability to perform the task or accomplish the objective. Four common barriers are time, training, tools, and

temperament. Determining how to remove these barriers and addressing these actions to the overall plan.

4. Discussing potential solutions to the problem or improvement actions to take. Asking the employee for ideas on how to correct the problem or preventing itfrom happening again.

5. Agreeing on a written action plan that lists what the employee, the manager, and possibly, the HRD professional, will do in order to correct the problem or improve the situation.

6. Setting a date and time for follow-up. If a critical feedback path is needed, so the manager knows how the employee is progressing on the plan. Offering positive encouragement and exhibiting confidence in the employee's competence ensures that the needed improvements are made.

Managers are responsible for communicating performance and conduct standards to employees, for guiding, training and developing their employees, and for providing opportunities, if appropriate, to correct performance or behavior deficiencies. Employees are responsible for understanding managers' performance and conduct expectations and for actively participating in coaching efforts.

6.3.6 Principles of Employee Coaching

For effective employee coaching, certain principles are to be followed. These principles are:

1. Principle of Communication: For effective employee coaching, the communication between coach (Manager) and learner (employee) should be strengthened. Coaching is an art and science of effective communication. It is the fundamental basis of employee coaching. Coaching is meant to help the employee in problem identification and resolution. Active listening on the part of the manager is essential.

2. Principle of Specific Objectives: Coaching is given to employees with certain pre-determined objectives. Therefore, specific objectives must be set before embarking

on employee coaching. Such objectives could be to improve performance, develop skills and competencies and improve personal effectiveness. Coaching must help the employee/s to attain the required objectives.

3. Principle of Motivation: Coaching should motivate employee/s to build commitment to action plan to solve his problem/improve deficiency. Unless an employee is committed to the determined course of action for improvement, coaching will not be effective. Manager must use reinforcement techniques to shape appropriate behaviour in the employee by involving the employee in problem solving process.

4. Principle of Self-esteem: Coaching should maintain and increase the employee's self-esteem in order to come to the desired level of expectations. While coaching, manager should not hurt the self-worth of the employee and should concentrate on the problem being faced by the employee with the purpose of solving it. Coach's focus should be on behaviour, not personality.

5. Principle of Support: Coaching is a process of providing support to an employee to face and surmount the challenges posed by certain problems. Supporting employees to improve performance, skills and competencies etc. results in supporting the organisation's mission and objectives in the long term.

Hence, employee coaching consists of ongoing, sometimes spontaneous meetings between managers and their employees to discuss the employee's overall career goal and development.

6.4 AN INTRODUCTION TO MENTORING AND IT'S DEFINITION

The word 'Mentor' comes from ancient Greek mythology where Odysseus, King of Ithaca, asks Mentor to act as his son's guardian while he is away at the battle of Trey. Mentor acted as role model, teacher, adviser, counselor and guide for the son and prepared him for his leadership roles in the future.

Mentoring is a dynamic and reciprocal relationship in a work environment between an advanced career incumbent (mentor) and a beginner (mentee) aimed at promoting thecareer development of both.Thus, mentor is someone who develops another person through tutoring, coaching, and guidance.

The concept of mentoring has undergone rapid changes from a classical view to a modern view.

Classical concept of mentoring includes:

1. Knowledge transfer
2. Wise counsel
3. Practical know how
4. Intellectual capital
5. Advice
6. Guidance

Modern concept of mentoring

Equipping mentee is not enough. Today mentees also need to be empowered.

1. Make creative contributions
2. Utilise unique diversity
3. Fulfil dreams and passions
4. Pursue goals and initiatives

Definitions

"An experienced person going out of his/her way to help a mentee set important goals and develop the skills to reach them". (Dave Rigali, 2005)

"Mentoring involves primarily listening with empathy, sharing experience (usually mutually), professional friendship, developing insight through reflection, being a sounding board, encouraging". (David Clutterbuck)

"Mentoring is linking an experienced person (mentor) with a less a experienced person (mentoree) to help their personal and professional growth". (Vickie L. Nadolski).

"Mentoring is an offline help by one person to another in making significant transition in knowledge, work or thinking" (D. Clutterbuck & D. Megginson, 1999).

Mentoring is a voluntary, collaborative and mutually beneficial partnership between a mentee (who is looking to enhance his knowledge, skills and experience) and a mentor (who possesses this knowledge, skills and experiences).

On analytical study of the above definitions, we may conclude that:

1. Mentoring is a partnership. It is not the relationship between an employee and his manager. Even though there is an inequality in the skills, knowledge and experience of the partners, the partnership itself is equal. Both parties agree to the relationship and both parties are responsible for its success.
2. Partnership is voluntary. The fact that both participants show willingness to form the partnership facilitates in its success.
3. Partnership is collaborative. The mentor and the mentee have to work together to determine what objectives the partnership aims to achieve and how it will achieve those objectives.
4. Partnership is mutually beneficial. Mentoring works because both parties gain from the relationship. The mentee gains knowledge, skills and/or experience. But, just as important, the mentor gains personal and professional satisfaction from being able to share valuable skills, knowledge and experience.

Thus, mentoring is a dynamic, two-way process between mentor and mentee, in which the specific purpose is to facilitate development, change or transition. Through this process mentees are encouraged to reflect on their own experiences, reach their own conclusions, explore future options and define their own directions, whilst recognizing the constraints in which they are working.

6.4.1 Characteristics of Mentoring

1. Obtaining commitment based on sound business principles.
2. Clearly identifying the need of the mentoring in general and that of mentee in particular.
3. Mentoring programmes must be based on solid business reasons.
4. Benefits should be highlighted.
5. Get buy-in from senior management is essential to starting, nurturing and sustaining mentoring in an organisation.

6. Obtaining visible support and involvement from top management is a pre-requisite of mentoring.
7. Proper identification of mentors is crucial factor.
8. Determination of who will participate as mentors has significant impact on mentoring programme quality and result.
9. Encouraging management strongly to establish mentoring programme for organisational success is a key attribute of HRD managers.
10. Good mentors are commitment to growth, has ability to listen, exhibit trustworthiness and asses objectivity.
11. Advertisement of the opportunity for mentoring helps in getting potential mentors and screening good mentors.
12. Informing employees of potential benefits of mentoring contributes to its success.

6.4.2 Correct Matching of Mentors and Mentees

Mentoring being a process of relationship management depends primarily on alignment of personal attributes of mentors and mentees. Therefore, a correct matching of mentors and mentees is of utmost importance and contributes significantly to the success of any mentoring programme.

Matching of mentors and mentees involves:

1. Personalities of mentors and mentees must be compatible so as to avoid potential personality clashes.
2. There should be a high probability that mentors and mentees would work together and that the relationship will be productive.
3. Voluntary participation and self-initiated pairing of mentors and mentees must be encouraged.

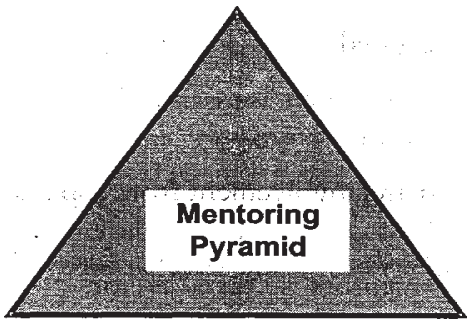

Fig. 3: Relationship between Manager, Mentor & Mentee

From the above discussions, we may conclude the relationship between mentor and mentees as depicted below.

6.4.3 Principles of Mentoring

The effectiveness of a mentoring relationship is based upon the following principles:

1. Reciprocal Exchange: Each participant is responsible for the success of the relationship. Therefore, it is highly desirable for both to discuss and clarify their respective roles and their associated responsibilities.

2. Mutual Trust and Respect: Since it is a relationship of assistance and learning, confidentiality is essential and must be respected; without it, the relationship could be superficial and unsuccessful.

3. Mutually Beneficial: To both mentors and mentees is one of the main motivating factors in a mentoring relationship. Mentoring allows for personal, professional, and organisational development. However, it should be noted that involvement in a mentoring relationship does not guarantee, and may not lead to a promotion.

4. Dynamic in Nature: Mentoring describes the relationship. As the organisational needs and situations continuously change, so do the mentoring relationships. Mentoring is dynamic and the content of the relationship (i.e. intensity, Subjects for discussion, objectives and so forth) changes. Therefore, relationships are created gradually to adjust over time.

5. Open and Effective Communication: Open and effective communication is vital. Everyone in the organisation, whether they participate in the mentoring programme or not, needs to know what the mentoring programme involves, how it works, and why it is being implemented.

6. Confidentiality: Mentoring facilitates trust in the partnership. It supports open communication and sharing of experiences and personal goals.

6.4.4 Dynamics of Mentoring

Mentoring is a key function and provides psychological support to a mentee. It serves as a career enhancement tool. It places heavy responsibility on mentors as well on mentees. The key dynamics of mentoring is described below:

Mentor should be:

1. People oriented: A mentor should be genuinely interested in people and must have the desire to help others to develop and grow. The outcome of the relationship is based upon the goals set by the mentees and their commitment to their own growth and development.

2. Goal-oriented: In order to have a successful and effective mentoring relationship the mentees must know what they aim to take away from the mentoring relationship. Whether this is clearly defined at the start of the relationship or developed with the mentor, a clear goal is essential to making the most out of the mentoring opportunity.

3. Open to new ideas: A mentee is someone who is willing to learn and is open to new ideas and perspectives from his mentor. A mentee is enthusiastic and motivated to learning new skills.

4. Shares personal goals: Willing to share self-assessment of developmental needs and personal goals through personal experiences.

5. Receptive to feedback: A mentee must be open and receptive to constructive criticism from the mentor in order to benefit from their viewpoint and experience.

6.4.5 Qualities of a Good Mentor and Mentee

A good mentor should be:

1. A good communicator: An effective communicator is one who is an active and empathetic listener. A mentor should be able to effectively express how things "really work" in the organisation.

2. Open-minded: To encourage free exchange of new ideas and methods - a good mentor is willing to learn from the mentee too.

3. Shares personal experience and knowledge: The mentor must have a clear understanding of own skills and wisdom and shortcomings. A willingness to share personal experiences helps the mentor lead by example and generates a relationship based on trust.

4. Offers feedback and support: A mentor should be able to offer objective feedback and constructive criticism to support the mentees in solving their own dilemmas.

5. Committed to the development of people and the organisation: Anyone who has the experience and desire to encourage and nurture less-experienced employees is a good candidate as a mentor.

6. Knowledge of the organisational mission and structure: Mentors must be well aware of the mission, objectives and structure of the organisation to provide proper direction and guidance to the mentoring programme.

7. Good listener: A good mentor must be an active listener. Listening is the heart of the interactive communication between the mentors and mentees.

8. Excellent communication skills: Communication skills of the mentors are crucial for the success of mentoring. A good mentor must have excellent communication skills in order to explain, understand and guide the mentees.

9. Builds and maintains professional networks and relationships: Mentors must maintain good relationship arid professional network to provide appropriate resources and information to the mentees.

10. Willingness to share failures and successes: Mentors must have the willingness and courage to accept accountability for the success as well as failure of the mentoring programme.

11. Willingness to spend time mentoring: Mentors must have good time management skills so that they have appropriate time for the learning, development, monitoring and feedback activities of the mentees.

12. Demonstrates honesty and integrity: A high degree of honesty and integrity is essential for the success of mentoring relationship.

13. Secure in position: Mentors must have credibility within the organisation so that peer/colleagues and all; others in the organisation respect them. A mentor should appreciate a mentee's developing strengths and abilities, without viewing these accomplishments as threat.

14. Good motivator: A mentor needs to be able to motivate mentees through encouraging feedback and challenging work assignments. He needs to stretch the mentee's potential, setting new limits for what mentee can do.

15. Achiever: Mentors should be achievers — who sets career goals, continually evaluates goals, and strives to reach them. A good mentor is usually one who takes on more responsibility than is required, volunteers for more activities, and tends to climb the proverbial career ladder at a quick pace. A mentor attempts to inspire a mentee with the same drive for achievement.

A Good Mentee should be:

A successful mentoring relationship not only depends on the characteristics of the mentor, but also on the characteristics of the mentee. Mentee are self-motivated individuals who are committed to life long learning.

1. Eagerness to learn: A mentee must be passionate about learning, active listening and sharing information. A mentee should seek educational and/or training opportunities whenever possible to broaden his capabilities. A mentee must strive to evaluate his level of technical skills and professional expertise to gain greater mastery of the job.

2. Patient: He must be willing to invest time, efforts and energy into the mentoring relationship. A mentee must persevere through the difficulties that arise during the learning process. A mentee should be realistic enough to know that career advancement does not happen overnight. He must be conscientious

about managing his responsibilities and completing given assignments and projects.

3. Risk taker: A mentee must be willing to face challenges of uncertainty. He must move beyond tasks he has mastered and accept new and more challenging experiences. Task changes are never easy. A mentee must realize to grow professionally; it is necessary to assess oneself, to acquire needed skills, to develop new skills, and to make contact with others.

4. Positive attitude: A bright and optimistic attitude can help a mentee succeed. He should not be afraid to fail. He must have the survival skills and ways to effective interaction with others.

5. Good communication: Mentee must have good oratory, written, verbal and non-verbal communication skills.

6. High maturity: Mentee must demonstrate potential for growth the mentoring programme by being receptive to feedback given by the mentor. He must demonstrate his honesty, integrity and overall commitment to the success of the mentoring programme.

6.4.6 Importance of Mentoring

The importance of mentoring is as under:

1. Recruitment: Good mentoring programmes helps in attracting best professionals/ talents to the organisation from outside. Also, mentoring helps in identifying suitable candidates from internal sources of recruitment.

2. Employee development: Mentoring facilitates in the development of employees to share responsibilities for higher positions. It is a process of succession planning and makes available a reliable number of employees to assume key positions in the organisation.

3. Employee retention: Mentoring aids in retention of talented employees by taking care of their potential growth prospects in the organisation and increasing their readiness to assume higher responsibilities. Mentoring contributes to job satisfaction of employees and increases their commitment to the mission and objectives of the organisation.

4. Leadership development: Mentoring is one of the critical tolls of leadership development. Mentees/employees can be trained by mentor's various leadership skills necessary to occupy key positions within the organisation.

6.4.7 Role of Mentor

The role of a mentor is crucial to the effectiveness of mentoring programme. A mentor plays various roles as mentioned below:

1. Advisor: A mentor is an advisor to the mentee for his learning, development and growth. He provides him necessary advice to facilitate his effective learning and adaptability through motivation, encouraging feedback and challenging work assignments.

2. Friend: A mentor acts as a friend to the mentee to help him to learn and develop as per the objectives of the mentoring programme. A friendly attitude on the part of the mentor aids in the development and growth of the mentee.

3. Teacher: A mentor is a teacher to a mentee. A mentor must thoroughly understand skills and Competencies required by the mentee's position and goals and be able to provide him necessary knowledge, skills and competencies to assume higher responsibilities. He transforms his useful experiences into learning concepts for ease of grasping of the mentee.

4. Coach: A mentor acts as a coach to the mentee to help him in career development and improving his skills, competencies and performance by a process of ongoing feedback and monitoring his progress from time to time.

5. Wise person: Experience means - past efforts and failures. A mentor has more experience and maturity and can foresee efforts required and pitfalls to be avoided thereby enriching the learning and development of mentees.

6. Advocate: A mentor advocates for the training and development of mentee, keeping in views his needs and aspirations.

7. Guide: A mentor acts as a guide to the mentee for solving his difficulties and problems and providing the proper direction to achieve the goals of mentoring.

6.4.8 Types of Mentoring

Mentoring is an agreement between two people sharing experiences and expertise to help with personal and professional growth. Through different mentoring programmes, mentors have the opportunity to share their knowledge, experience, and insight into how to get things done, give feedback to the organisation, and to develop trust through increased communication. Mentors have the opportunity to see the impact of their efforts on the professional and personal growth of their mentees. Mentees also have the opportunity to increase their organisational awareness and to reach their full potential.

Types of mentoring are discussed below:

1. Natural Mentoring: Natural mentoring occurs all the time and always has been there. It happens when one person (usually senior) reaches out to another, and a career-helping relationship develops. Research shows this type of mentoring most often occurs between people who have a lot in common. This is because we are usually more comfortable with those who are most like ourselves.

2. Supervisory Mentoring: In the work place this type of mentoring is very important. All supervisors should mentor their subordinates. Supervisory mentors share valuable information about the organisation and provide meaningful work and developmental learning opportunities.

They expose employees/mentees to the values of the organisation and they help employee's position themselves with the skills necessary for success.

However, this type of mentoring does have drawbacks: the supervisor may not be an expert on the subject matter, the supervisor may be heavily tasked and not able to spend an ample amount of time with the subordinate, and comfort levels are compromised because subordinates do not want the person who is evaluating their work to see his or her weaknesses.

3. Situational Mentoring: Situational mentoring is the right help at the right time. It is those connections that help to solve a problem or uncover hidden talent. Situational mentoring is usually short-lived and happens for a specific purpose. An example would be when one employee helps another with a new office computer system, or

when someone goes on an "informational interview" with someone who is in a career they are considering.

4. Informal Mentoring: Informal mentoring is a type of mentoring connection most employees can relate to and have previously experienced. It is an informal mentoring relationship built on mutual trust, respect and the sharing of ideas and experiences.

5. Formal Mentoring: Formal mentoring is comprehensive and includes a facilitated matching process, formal training and clear goals for measuring success. Formal facilitated mentoring programmes are structured programmes in which an organisation matches mentors with mentees. They may target one special segment of the organisation whose career development may be lagging behind that of others (for example, women) to help that group advance further. They may assign mentors to mentees and monitor the progress of the mentoring connection. Formal mentoring is very attractive to most organisations because it involves employees, not only in their own growth and development, but also in the growth and development of the organisation.

Successful formal mentoring is characterised by:

- Mentees have an opportunity to capitalise on the wisdom of a mentor's experience to hone their personal and professional capabilities for increasing individual and **organisational**effectiveness.
- Both mentees and mentors receive required formal training prior to entering into the mentoring partnership. This helps to forge a dyadic relationship between the two.

Formal Vs. Informal Mentoring

I. Formal Mentoring:

1. More challenging.
2. Requires training of mentors.
3. Encourages participation.
4. Experienced employees know what is expected.

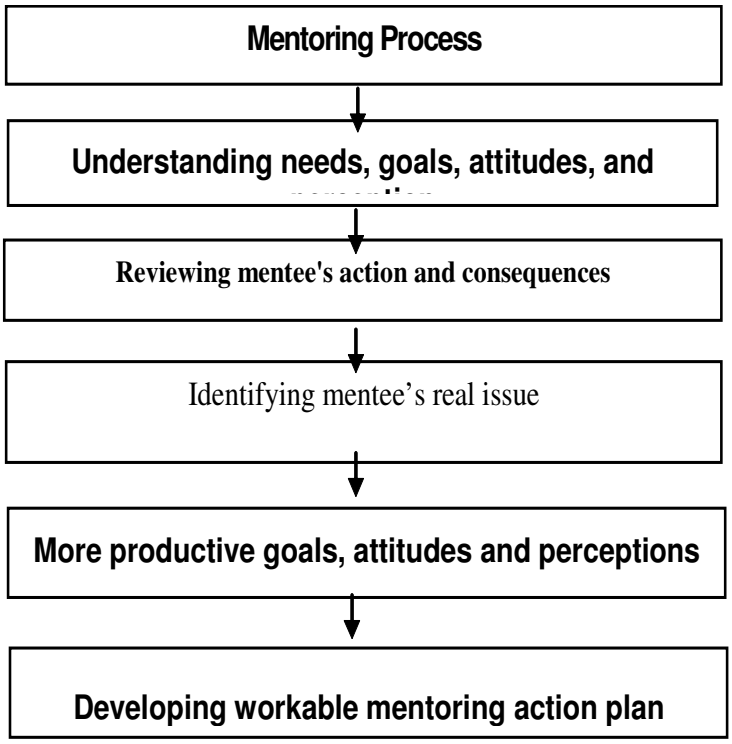

Fig. 4: Mentoring Process

5. The organisation can support and reward mentors.
6. Time for mentoring is protected.

II. Informal Mentoring:

1. Easier to do but less effective.
2. little or no training needed.
3. Less experienced employees often don't ask for help.
4. Experienced employees often don't help for many reasons (e.g., don't want to be critical).
5. Time may not be available.

III. Informal Mentoring:

1. To provide direct assistance to the mentees.
2. To provide emotional and psychological support to mentees.

3. To act as a role model to the mentee.
4. To give advice and guidance to mentees.
5. To act as a coach to mentees.
6. To develop and refine mentees understanding of content and ability to teach content to a particular audience.

6.4.9 Mentoring Process

For efficient and effective mentoring when mentee faces a challenging situation: personal transformation, complex problem, opportunity and dilemma. The process of mentoring is depicted below:

1. Understanding needs, goals, attitudes, and perceptions: Mentoring involves the understanding of needs, goals, attitudes and perceptions of the mentee so as to align it effectively with the objectives of the mentoring programme. An effective alignment results in success of the mentoring programme and helps organisation to achieve its mission and objectives.

2. Reviewing mentee's actions and consequences: Mentoring requires mentor and mentee to participate in midpoint progress and end of programme review. The reviews provide mentor and mentee an opportunity to benchmark progress uncover problems and recommend improvements or adjustments to the mentoring programme design.

3. Identifying mentee's real issue: Mentees complete a behavioural assessment tool known as 360 multi-rater assessment; tools. Feedback provides mentees an opportunity to target developmental needs and develop effective mentoring action plan. Mentees can, based on 360 feedbacks, uncover real issues and solve them with the help and guidance of the mentor.

4. More productive goals, attitudes and perceptions: Mentor provides mentee with developmental assignments to strive for productive goals, develop positive attitude and have proper perception about himself, his mentor and the organisation.

5. Expanding mentee's thinking to consider new options: Mentee is encouraged to be innovative in his approach to problem solving, developmental assignments and

networking opportunities to develop relationships, gain exposure, and increase visibility.

6. Developing workable mentoring action plan: Mentees design and define a mentoring action plan (MAP) with the assistance from his mentor. The mentoring action plan is based on a joint assessment of the mentee's developmental needs. This action plan includes some of the following activities:

- ***Developmental assignments:*** to identify and complete mastering of a new skill or competency. It may include a variety of activities such as writing an article, giving a briefing, taking a course on line or reading a book and then discussing it with thementor.
- ***Networking opportunities:*** to help develop appropriate relationship and resources.

A mentoring action plan involves the following steps:

1st: Agreeing on goal.

2nd: Brainstorm:

- Ideas
- Resources
- Activities

3rd: Sequencing action steps.

4th: Carrying out steps.

5th: Achieving goal:

- Debrief
- Hone reflective thinking skills.

This requires some preparation on the part of the mentee. It includes:

Step 1: Select one challenging competency.

Step 2: Identify type of challenge:

(a) Personal Transformation

(b) Dilemma

(c) Important Opportunity

(d) Complex Problem

Step 3: Write down the Competency

- Key point _____
- Key point _____ ‘

Step 4: Request specific mentoring behaviours a mentee needs.

6.4.10 Benefits of Mentoring

Mentoring provides immense benefits to the mentor, the mentee and the organisation as discussed below:

I. Benefits of Mentoring to the Mentor and Mentee: Major benefits of mentoring accruing to mentors and mentees are:

1. Specific skills, knowledge and experience: This can be almost anything a mentee care to name: technical skills, communication skills, and supervisory skills.

2. Access to other viewpoints and advice: Better understanding of viewpoints of employees, organisation and the customers on a broader perspective.

3. Greater confidence: Knowing there is a way to get questions answered, knowing there is someone to ask increases confidence.

4. Job satisfaction and higher motivation: A person being mentored feels supported and this translates into higher motivation in the workplace and greater job satisfaction.

5. Broaden professional network: The more relationships that are formed through mentoring, the closer participants will feel to others in the department.

6. Personal satisfaction: People want to feel valued for their skills, their knowledge and their experience. Given the opportunity to share them with a person who actively wants them is immensely rewarding.

7. Expansion of views: Through the mentee, the mentor can learn about new and different styles of thinking, knowledge and perspectives.

8. Job satisfaction: A common problem for longer-term employees is a loss of job satisfaction. The employee becomes stale, the everyday routines mechanical. Mentoring can rejuvenate mentors to their own sense of and drive for job satisfaction.

9. Higher motivation: Employees who experience personal and job satisfaction are more motivated. This translates directly into increased productivity, greater creativity and higher performance.

10. Personal skills development: Mentoring passes on the legacy of the programme. Working with a mentor can cultivate and enhance management, leadership, and interpersonal skills. It also provides opportunities for professional recognition, information gathering, platform for sharing and gaining experience, knowledge and skills, professional development, job satisfaction, and career development to the mentor as well as the mentee.

The benefits of mentoring can be compared between mentor and the mentee as mentioned below:

Mentor:

1. Opportunity to share experiences, knowledge and skills.
2. Increased professional development.
3. Professional recognition.
4. Increased job satisfaction.

Mentee:

1. Opportunity to gain experience, learn new skills and knowledge.
2. Increased professional development.
3. Career development.
4. Increased job satisfaction.

II. Benefits of mentoring to the Organisation: Major benefits of mentoring accruing to organisations are:

1. Help new employees learn our culture and inner workings faster: A mentoring program that pairs new employees with experienced employees can decrease the time needed to orient and train new employees. Result? New employees become productive members of the department faster.

2. Help newly promoted staff understands and fulfill their new responsibilities faster: Pairing a person who has just been promoted into a new position with a

person who knows that role, helps the newcomer understand the role and provides the confidence they need to perform well.

3. Increase communication and strengthen employee bonds: An organisation that uses mentoring can expect a greater cohesion and sense of teamwork among its employees.

4. Knowledge base is shared and built on: An organisation survives and thrives on the accumulated knowledge and experience of its employees. Mentoring programmes ensure that wealth is shared and passed on, and reduces the impact on the organisation when employees leave. As well, as employees are given the opportunity to develop and learn, they are more prepared to accept and assimilate to organisational changes.

5. Mentoring develops future leaders: The skills learned on both sides of the mentoring partnership are skills all leaders need - open communication, understanding and sharing. Some of the major aspects are:

- Gain greater insight.
- Continue personal learning, performance improvement, and talent development.
- Receive candid information, advice, and guidance.
- Get honest appraisal of skills, knowledge and abilities.
- Help to establish and achieve specific goals and objectives.
- Expand professional contacts.
- Increased recruitment / retention of employees.
- Increased productivity.
- Increased morale.
- Captures knowledge and develops the future workforce.

6.4.11 Myths of Mentoring

There are many confusing myths about mentoring that often inhibit people from participating in and benefiting from a mentoring programme. Some are:

1. Mentors are the only benefactors in a mentoring relationship: Everyone benefits from a mentoring relationship. The focus may be around the individual needs of the mentee but the mentor and the department also derive important benefits from a successful **mentoring**relationship.

2. Mentors can only be senior managers or Individuals soon exiting the department: Although these groups are ideal candidates to act as effective mentors, many groups in the department can share experience and expertise. There is also the misconception that mentors must be older or more senior in the organisation in order to have something useful to share. Senior managers can benefit from mentors tool. Consider a mentoring relationship that has a mentee who is looking to improve their information management skills. This could be a mentee who may be 10-15 years senior to an ideal mentor who could be a younger, highly trained subject-matter expert.

3. Participation is reserved for only those who want to advance upward in the organisation: Any employee 'who wants to improve upon their personal, professional and organisational development will benefit from a mentoring relationship. Consider an associate who is seeking a mentor who can provide some insight into how to balance home and work life. Mentors can also provide insight into another sector of the department in which the associate has not yet had any experience but has interest in. More importantly, participation in a mentoring relationship in no way guarantees advancement in the department.

6.4.12 Mentoring Life Cycle

Since mentoring relationships have a definite beginning and ending, it is important that participants incorporate this in their expectations of the mentoring relationship.

1. Initial meeting: At the initial meeting, a relationship has not yet formed. Participants (mentor and mentee/s) introduce themselves to each other and establish a level of comfort in their communications styles.

2. The mentoring relationship: A mentoring relationship is based on trust and learning will only occur through time. Scheduled meetings / activities will facilitate communications in the relationship which will in turn clarify roles and expectations.

3. Termination: Since there will come a time when the mentoring relationship is no longer mutually beneficial, participants should be prepared that it will eventually end. Even though the relationship ends, it does not end one participants association with the other person. The end of one mentoring relationship serves as a starting point for the next. Over time, through several mentoring relationships, an employee will create a support network of colleagues.

4. Commitment: Each participant will be required to make an effort to support the Mentoring relationship. Although neither party is completely responsible for the success of the relationship, both must commit to spending the required time in the relationship based on the needs identified mutually by the mentee and the mentor at the start of the relationship.

5. Time: After a training session, to equip a mentee with the tools to ensure the success of mentoring relationship, regular meetings with mentor will have to be scheduled. Whether it be once a month, more or less frequent, the time spent in a mentoring relationship will be clearly defined by participants in the relationship based on their agreed objectives.

6. Flexibility: Participants must be willing to remain open-minded and flexible while participating in a mentoring relationship.

The duration of the relationship is entirely dependent upon the participants. A mentoring relationship may be reassessed at any time to determine if the relationship is still mutually beneficial to both participants. A mentoring relationship may be terminated at any time.

Mentoring participants need to be open to all forms of communication since travel is not always an option to support face-to-face mentoring every month. The relationship may also cross age, gender, race or ethnic boundaries- participants must be open-minded and learn from the diversity of others in the department.

6.4.13 Elements of Successful Mentoring

The essential elements of a successful mentoring are characterised by:

1. May be formal or informal.
2. Require a culture that that fosters trust.
3. Acknowledges the personal commitment required and rewards the efforts.

4. Requires leaders to serve as role models.

6.5 AN INTRODUCTION TO WORK STRESS AND IT'S DEFINITION

Considered from an individual's point of view, stress is our body's physical, mental and chemical reactions to circumstances that frighten, confuse, endanger or irritate you. If controlled, stress is a friend that strengthens us for the next encounter. If handled poorly, it becomes an enemy which can cause diseases like high blood pressure, ulcer, asthma and overactive thyroid. As per medical explanation of the term "stress is the body's general response to environmental situation". It can lead to:

i. Physiological discomfort.

ii. Some kind of emotional unhappiness.

iii. Strained relationships with other people.

In simple words, stress refers to an individual's reaction to a disturbing factor in the environment.

Work stress is defined as stress that is generated due to conflicting demands in one's job. The amount of control employees has over their workflow can impact how significant work stress will be. While all work has an element of stress, true work stress is harmful in that an employee has emotional and physical reactions to job demands that are difficult to control.

According to Ivancevich and Matterson, "Stress is the interaction of the individual with theenvironment. It is an adaptive response, mediated by individual differences and/orpsychological process; that is a consequence of any external (environmental) action, situationor event, that places excessive psychological and/or physical demands upon a person.

According to Beehr and Newman, "Work stress is a condition arising from the interaction of the people and their jobs, and characterized by changes within people that force them to deviate from their normal functioning."

6.5.1 Nature of Work Stress

Some important points relating to the nature of stress are:

1. Stress is a neutral word. It is not bad in and of itself. But when stress is created

by undesirable outcomes, it becomes Distress. On the other hand, if it is created by desirable and successful effects it is called Eustress. Eustress is a healthy, positive and developmental stress response. It is primarily the distress form of stress which requires examination and steps to cope with it; because distress is generally associated with heart disease, alcoholism, drug abuse, marital problems, absenteeism etc.

2. Stress is associated with constraints and demand. Constraints prevent an individual from doing what he or she desires. If a person wants to buy something, but he doesn't have the necessary cash, it is a constraint. Demand refer to the loss of something desired. If a person wants to go and watch a movie, but he is unable to do so because of pressing official work, it amounts to a demand. Both constraints and demands can lead to potential stress.

3. Two conditions are necessary for potential stress to become actual stress. The must be:

(i) uncertainty over the outcome, and

(ii) outcome must be important.

Stress is usually very high when there is uncertainty over the outcomes and the outcomes is very significant. Both these conditions are necessary. If there is no uncertainty but the outcome is significant, there will not be any stress. On the other hand, if there is uncertainty, but the outcome is not significant, there will again be no stress.

4. Stress is not simply anxiety. Stress may be accompanied by anxiety, but the two are not synonymous. Anxiety is psychological and emotional whereas stress operates in the physiological sphere also along with psychological sphere.

5. Stress should also be differentiated from nervous tension. Nervous tension may be a result of stress. Stress is a subconscious action. Even unconscious people have exhibited stress, whereas nervous tension is a conscious action. People may "bottle up" their emotions and not reveal them through nervous tension.

6. The term "burnout" is also closely associated with stress. Some researchers content that burnout is a type of stress, but others treat it differently. Burnout is closely associated with helping professions like nursing, education and social work, it is characterised by emotional exhaustion, depersonalization and diminished

personalization and diminished personal accomplishments. Even though, technically, burnout is different from stress, these are generally used interchangeably.

6.5.2 Source of Work Stress

Stress is a reality of our everyday life. There are both eustresses and distresses that come from our work and non work lives. It was pointed out by Near, Rice and Hunt in 1980, by Sekaran in 1986 and by many others, that the work and non work domains of one's life are closely interrelated. Thus, ifone experiences much distress at work, that stress will be carried over to the home, which will increase the sense of awareness of even small distresses experienced in a family sphere. Likewise, stresses experienced at home or with friends or from other non worksituations can be carried over to the work place which might heighten and multiply the stresses experienced at work. Thus, we can say that stresses generate from four sources:

(a) Extra-organisational stressors

(b) Organisational stressors

(c) Group stressors

(d)Individual stressors.

All these sources are explained in detailed as follows:

A. Extra-organisational Stressors: Job stress is not limited to things that happen inside the organisation, during the working hours. Extra organisational factors also contribute to job stress. These stressors include the following factors:

1. Political Factors. Political factors are likely to cause stress in. countries which suffer from political uncertainties as in Iraq, for example. The obvious reason is that the countries have stable political system where change is typically implemented in an orderly manner.

2. Economic Factors. Changes in business cycles create economic uncertainties. When the economy contracts, people get worried about their own security. A very important example is the great depression of 1930s. During this period, suicide rates touched the sky. Minor recessions also cause stress in the work force as downward swings in the economy are often accomplished by permanent reductions in the work force, temporary layoff or reduction in pay.

3. Technological Factors. Technological uncertainty is the third type of environmental factor that can cause stress. In today's era of technological development new innovations make an employee's skills and experience obsolete in a very short span of time. Computers, automation are other forms of technological innovations, which are threat to many people and cause them stress.

B. Organisational Stressors: In organisations, there is no shortage of factors which can causestress.Almost **every**aspect of work can be a stressor for some people. Although thereare manyfactors in the work environment that have some influence on the extentof stress that peopleexperience on the job, the following factors have beenshown to be particularly strong ininducing stress:

1. Job Related Factors. Job related factors or task demands are related tothe job performed by an individual. These factors include the following:

(i) ***If a job is too routine, dull and boring or*** happens to be too demanding in terms of frequent transfers or constant travelling, **which limits the**time **he**can spend with his family, the individual is **likely**to experience stress.

(ii) **Some** jobs also be **hazardous or morally**conflicting to the individual who interfaces with it, for example, working in a explosives manufacturing factory for the individual who is a staunch believer in and advocate of peace. For lack of other job opportunities, he may be forced to work in this environment and this may be a constant soiree of **severe stress** and anguish to the person.

(iii) **Some duties and responsibilities**have inbuilt stress such as those of me fire fighter or **the**police squad which defuses bombs.

(iv) Jobs **where** temperatures, noise or other **working conditions**are dangerous or undesirable can increase anxiety. Similarly, working, in an over crowded room or invisible location where interruptions are constant, can also lead to stress.

(v) The more **interdependence** between a person's tasks and the tasks of others, the more potential stress there is. **Autonomy,**on the other hand, tends to **lessen**stress.

(vi) **Security is**another task demand that can **cause**stress. Someone in a relatively secure job is not likely to worry unduly about losing that position. On the other hand, if job security is threatened stress can increase dramatically.

(vii) Another task demand stressor is **workload.**Overload occurs when a person has more work to do than he can handle. The overload can be either quantitative (the individual has too many tasks to perform or too little time in which to perform them) or qualitative (the person, believes that he lacks the ability to do the job). On the other hand, the opposite of overload is also undesirable. It can result in boredom and apathy just as overload can cause tension and anxiety. Thus, a moderate degree of work related stress is optimal because it leads to high level of energy and motivation.

2. Role Related Factors. Role related factors relate to pressures placed on a person as a function of the particular role he or she plays in the organisation. Individuals can experience the following role related stresses:

(i) **Role Conflict.** Role conflict occurs when two or more persons have different, and sometimes opposing expectations of a given individual. Thus, there are two or more sets of pressures on the individual so that it is not possible to satisfy all of them. Role conflict takes place when contradictory demands are placed upon an employee simultaneously. For example, an advertising manager may be asked to produce a creative ad campaign while on the other hand, time constraint is put upon him, both roles being in conflict with each other.

Another type of role conflict is the inter-role conflict where an individual plays more than one role simultaneously in his life and the demands of these roles conflict with each other. For example, a police officer is invited to his friend's wedding party where the guests use drugs which are against the law. Here he faces a role conflict.

(ii) **Role Ambiguity.** Stresses from job ambiguity arise when an employee does not know what is expected of him or her or how to go about doing the job. For example, if an employee who joins an organisation is left to himself to figure out what he is supposed to be doing and nobody tells him what the expectations of him or his role are, the newcomer will face a high level of role ambiguity. Even an old employee can be given a responsibility without being given much

information. For example, a production manager might tell a foreman that 500 units of steel rods are to be manufactured in next five days and leaves town immediately without specifying what kind of additional help will be provided, or what the purpose, cost, weight or design details are. The foreman is left with a lot of role ambiguity and does not know how he should go about doing the job.

(iii) **Role Overload.** Role overload refers to the situation when an individual is expected to do too many things within a limited time as part of the daily routine. For example, if Mrs. X is expected to perform the duties of a supervisor, receptionist, public relations officer and an accountant, she is likely to experience a lot of stress from the several roles she has to play during the day. She may be able to manage the various roles for a short period of time, but if expected to continue in this fashion on a long term basis, she is likely to fall sick or quit.

3. Interpersonal and Group Related Factors. Interpersonal demands are pressures created by other employees. Group related stressors include factors like conflicts, poor communication, unpleasant relationship and fear of being ostracised from the group as a valued member.

Working with superior, peers or subordinates with whom one does not get along can **be a**constant source **of** stress. Some people can deal with conflicts and misunderstandings in **an**open way and resolve issues as they arise. Many, however, find it difficult to do this and build internal stresses for themselves. Moreover, lack of social support from colleagues and poor interpersonal relationships can cause considerable stress, especially among employees with a high social need. Sometimes, the individuals try to avoid these stresses by remaining absent as frequently as possible and even start looking for new jobs.

4. Organisational Structural Factors. Organisational structure defines the level of differentiation, the degree of rules and regulations and where decisions are made. Excessive rules and lack of participation in decisions that affect an employee are examples of structural variables that might be potential stressors.

5. Organisational Leadership Factors. These factors represent the managerial

style of the organisation's senior managers. Some managers create a culture characterised by tension, fear and anxiety. They establish unrealistic pressures to perform in the short run, impose excessively tight controls and routinely fire employees who fail to turn up.

6. Organisation's Life Cycle. Organisations go through a cycle. They are established, they grow, become mature and eventually decline. An organisation's life cycle creates different problems and pressures for the employees. The first and the last stage are stressful. The establishment involves a lot of excitement and uncertainty, while the decline typically requires cutback, layoffs **and a**different set of uncertainties. When the organisation is in the maturity **stage,**stress tends to be the least because uncertainties are low at this point of time.

C. Group Stressors: Another source of stress in organisations is poor interpersonal relationship or conflicts. These conflicts can be among the members of the group or between the superiors and subordinates. Groups have a lot of influence on the employees' behaviour, performance and job satisfaction. On the other hand, the group can also be a potential source of stress. Group stressors canbe categorised into the following factors:

1. Group Cohesiveness. The famous Hawthorne studies had proved that group cohesiveness is very important to the employees, particularly at the lower levels of the organisation. Lack of cohesiveness can be very stress producing, especially for those persons who cannot thrive in isolation.

The other side of the picture is that too much cohesiveness can also lead to stress. Saying like "Too much familiarity breeds contempt" is very valid because prolonged contact with other people can also cause stress. This stress becomes more intensified when the people we are close to or with whom we come in contact with are in distress themselves. For example, people tend to become distressed when their friends, colleagues or pears are in distress. Due to this reason people belonging to certain specific professions, which deal with the problems of other people have the highest level of stress.

According to **Albercht,** doctors have the highest rate of alcoholism of any of the professions and that psychiatrists have the highest rate of suicide.

2. Lack of Social Support. Satisfaction, though, a state of mind is primarily influenced by the positive external factors. These factors include friendliness, respect from other members and self respect, support, opportunity to interact, achievement, protection against threats and a feeling of security. In this type of social support is lacking for an individual, it can be very stressful.

3. Conflicts. People who are working in the organisations are prone tointerpersonal andintergroup conflicts. As we have discussed in the previouschapter, conflict has both functional and dysfunctional aspects. Wheneverconflict has dysfunctional consequences, it will lead to stress in all theconcerned parties.

4. Organisational Climate. Much of the group or interpersonalrelationships depend upon the organisational climate. An overall organisationalclimate may have a relaxed style of working or it may be tense and crisisoriented. All the employees of such organisation will be continuously tense, ifthe climate in general is unfriendly, hostile or totally task oriented.

D. Individual Stressors: The typical individual works for about 8 to 10 hours a day. The problems and experiences which he has to face in the remaining 14 to 16 non-working hours can spill over to his work place. Our Final category of stressors thus includes personal or individual stressors. Following are the main factors which can cause stress to individuals:

1. Job Concerns. One of the major job concern is lack of job security which can lead to concern, anxiety or frustration to the individual. The prospect of losing a job especially when you have a family and social obligations, is always very stressful.Career progress is another reason of anxiety. This is particularly true for middle aged people, because middle age is a period of soul searching and selfdoubt. If these people were not given promotions when due or they feel that the jobs which were given to them were beneath their qualifications, they may become very anxious. This anxiety will lead to stress.

2. Career Changes. When an employee has to relocate geographically because of a transfer or promotion, it disrupts the routine of his daily life causing concern and stress. The relocation can lead to the following problems:

1. The fear of working in a new location.
2. Unpredictability about new work environment.

3. Anxiety about creating new relationships.

4. Uprooting of children from their schools and friends,

5. If the employee has got a working spouse then the stress is greater.

Uncertainty about getting a new job at the new location creates some degree of stress.

Thus, when a person is geographically relocated, his stress will depend upon how many changes occur in his social relationships and family life. More the changes, more will be the stress.

3. Economic Problems. Some people are very poor money managers- or they have wants and desires that always seem to exceed their earning capacity. When individuals overextend their financial resources, or in simple words, if they spend more than they earn, it will always cause stress and distract the employees from their work.

4. Changesin Life Structure. The life structure of a person changes as he grows older. As a person grows older, his responsibilities to himself as well as others change and increase. The higher the responsibility, the greater the stress.

5. The Pace of Life. As the responsibilities of a person increase, his capacity to execute them should also increase. A hectic pace of life when the person is always busy in business or otherwise can create more stress than a relaxed **pace**of life. Certain professions like teaching are less stressful than those of company executives, bankers or businessmen.

6. Life Change and Life Traumas. Life change and life traumas are both stress producing. Life changes may be slow (like getting older) or sudden (like the death of a spouse). Sudden changes are highly stressful. Life traumas can be highly stressful. A life trauma is any unheaval in an individual's life that alter his or her attitudes, emotions or behaviours. Life change and life trauma look alike but there is difference between the two. To illustrate, according to the life-change view, the death of a spouse adds to a person's potential for health problems in the following year. At the same time, the person will also experience an emotional turmoil, which will constitute life trauma and life trauma will spill over to the work place.

Thomas Holmes and Richard Roke developed "Social Adjustment Rating

Schedule" to assess the degree of stress created by certain events in life. In order to develop the scale of impact, they asked people to rate as to how long it would take them to adjust to certain stress producing events in life. After considering the responses of the people, they developed a ranking and weighing schedule for each of these stress producing events. The following table shows the ranking of these events alongwith the weights.

Ranking	Life Event	Weight
1.	Death of spouse	100
2.	Divorce	73
3.	Jail term	63
4.	Death of a close family member	63
5.	Marriage	50
6.	Fired from work	47
7.	Pregnancy	40
8.	Sex difficulties	39
9.	Child leaving home	29
10.	Change in residence	20
11.	Christmas	12

7. Personality of a Person. The extent of stress is also determined by the personality of a person! In respect of personality the distinction between 'TYPE A' and TYPE B' behaviour patterns become relevant. As mentioned earlier, TYPE A personalities may create stress in their work circumstances due to their achievement orientation, impatience and perfectionalism. TYPE A people, thus, bring stress on themselves.

TYPE B people, on the other hand, are less stress prone.

8. Ability to Cope. How a person is able to, cope with the stress and the sources a person seeks to deal with stress are also very important. For example, people who have strong faith in God and his will find it easier to deal with stressful situations

like the loss of a loved one. Similarly, family, relations and friends are a source of great comfort at such times of crisis.

Thus, if we have to appraise the total amount of stress of an individual we have to sum up his or her extra organisational, organisational, group and personal stressors.

6.5.3 Job/Work Stress

Job stress comes in many different forms and affects your body in different ways. Minor sources of stress may include equipment that won't work or phones that won't quit ringing. Major stress comes from having too much work, not having enough work, doing work that is unfulfilling, fearing a job layoff or not getting along with your boss.

The major sources of job stress, fall into the following seven categories:

- Control. This factor is most closely related to Job stress. Studies show that workers who believe that they have a great deal of responsibility but little control or decision making power in their jobs are at increased risk for cardio-vascular disease and other stress related illnesses.
- Competence. Are you concerned about your ability to perform well? Are you challenged enough, but not too much? Do you feel secure in your Job? Job security is a major source of stress for many people.
- **Clarity.** Feeling uncertain about what your duties are, how they may be changing or what your department's or organisation's goals are can lead to stress
- **Communication.** Work place tension often results from poor communication, which in turn increases job stress. An inability to express your concerns, frustrations or other emotions can also lead to increased stress.
- **Support.** Feeling unsupported by your co-workers may make it harder to resolve other problems at work that are causing you stress.
- **Significance.** If you don't find your job meaningful or find pride in it, you may find it stressful.
- **Increased Responsibilities.** Assuming additional responsibilities in your job can be stressful.

6.5.4 Maqnaging Job Work stress

Here are **some** options for lowering stress on the Job:

- **Meet with your supervisor at least** once a year (every 3 or 6 months is better) to talk about your performance and your job. If a performance review is already part of your Job, treat it as a chance to clear up the issues that may be causing stress for you. Discuss the following:
  - — What is expected of me in this position?
  - — Where is this company going and how do I fit into that plan?
  - — How am I doing? What are my strengths? Areas for improvement?
  - — What can I expect from you if a problem with work or my Job should occur?
  - — If I continue my current highquality performance, how and when can I expect to be rewarded?
- **Manage Your Time Well.** It is very important to leave your Job back at the office, even if your office is a room in your home. If you give up free time to get more work done, you may pay for it with stress related symptoms. If your employer offers a flexible workschedule, take advantage of it to fit your own work style. For instance, come in earlier to have a longer midday break or to make time for a yoga class or workout.
- **Unplug.** Technologies such as cellular phones and the internet have made it possible to be available to everyone, including clients and co-workers, all **the**times. Do not allow technology to eliminate the boundaries between your time and your employer's time. Leave your work cell phone behind when having it with you is not absolutely necessary, or decide not to answer it during times you have set aside for yourself or your family. Avoid checking work e-mail at home.
- **Know when to Quit.** If you are truly miserable because of a stressful job and the suggestions above have not worked, it may be time to think about changing jobs. Make sure you know whether it is you or the job that is the problem. Before quitting, spend time researching other job options. Being unemployed

will probably also lead to stress. Getting another job before quitting is ideal, but sometimes that is not possible. Decide what is less stressful for you, unemployment or being miserable in your current Job.

6.5.5 Consequences of Stress

As is pointed out in the introducing comments on stress, stress is not automatically bad for individual employees or their organisational performance. It is the dysfunctional aspects of the high level of stress that should be and are amajor concern for contemporary society in general and for effective human resource management in particular. Distress experienced by individuals has negative consequences for them, their families and for the organisations theyserve. The consequences of stress can be studied under three general categories:

(A) Consequences for the Individual: Stress shows itself in a number of ways; An individual who is experiencing stress may develop the following symptoms:

1. Physiological Symptoms. In the initial stages, the major concern of stress was directed at physiological symptoms. The reason was that this topic was researched by specialists in thehealth and medical sciences. According to the researchers high degrees of stress are typicallyaccompanied by *severe* anxiety, frustration and depression. Some of the physiologicalsymptoms ofsuccess as given by BUSINESS WEEK are as follows.

(a) **Stress:** Irritability, insomnia, alcohol and food abuse. Physical changesincluding rapid breathing, and heart beat, tensed muscles. Prolonged stress cancause muscular twitches, skin problems, baldness and sexual problems such asimpotence.

(b) **Anxiety:** Excessive worry, irritability, anger, nervousness as well as inability to concentrate or sleep. Physical changes include palpitations, chest pain and dizziness.

(c) Depression. Feeling of sadness, hopelessness, guilt and worthlessness, loss of interest in activities, change in appetite or weight, difficulty in concentrating and suicidal thoughts.

The link between stress and particular physiological symptom is not clear.

According to Academy of Management Journal, there are few, if any, consistent relationships. But the fact which isrelatively significant is thatphysiological symptoms have the least direct relevance to the students ofHuman Behaviour. Our concern is with behaviour and attitudes. Therefore, the other two categories of symptoms are more important to us.

2. Psychological Symptoms: While considerable attention has been given to the relationship between stress and physiological symptoms,especially within the medical community not as much importance has been given to the impact of stress on mental health. But psychological problems resulting from stress arevery important in day to day job performance. Thepsychological impacts of stress may be:

(i) Stress can cause dissatisfaction. Job related stress can cause job-related dissatisfaction. Job dissatisfaction, "is the simplest and the most visible psychological aspect of stress."

(ii) High levels of stress may be accompanied by anger, anxiety, depression, nervousness, irritability, tension and boredom. One study found that stress had the strongest impact on aggressive actions such as sabotage, interpersonal aggression, hostility and complaints.

(iii) The psychological problems from stress may lead to poor job performance, lowered self-esteem, resentment of supervision, inability to concentrate, make decisions and job dissatisfaction,

(iv) Research indicates that when people are placed in jobs that make multiple and conflicting demands or in which there is a lack of clarity as to the individual's duties, authority and responsibilities, both stress and dissatisfaction are increased.

(v) Less control people have over the pace of their work, the greater the stress and dissatisfaction.

(vi) Some evidence suggests that jobs that provide a low level of variety, significance, autonomy, feedback and identity create stress and reduce satisfaction and involvement in the job.

3. Behavioural Symptoms: Any behaviour which indicates that you are not acting yourusualself may be a sign of adverse reaction to stress, direct behaviour that may accompany highlevels of stress include:

(i) Undereating or overeating

(ii) Sleeplessness

(iii) Increased smoking and drinking

(iv) Drug abuse

(v) Nodding off during meetings or social gatherings

(vi) Losing your sense of humour

(vii) Moving in a tense and jerky way

(viii) Reacting nervously or irritably to everyday sounds

(ix) Absenteeism and turnover

(x) Reduction in productivity

Consistently acting and feeling out of character is a serious warning that we are losing our ability to cope with tension. Inability to feel or express any emotions or a sense of being indicates loss of contact with, our surroundings and ourselves. The above indicators can help us in overcoming the tensions in our day to day life.

Like the psychological problems resulting from stress, the behavioural problems are often not attributed to stress by-co- workers or supervisors and these generate little sympathy.

B. Consequences forthe Family

Distress which is handled by individuals in dysfunctional ways such as resorting to drinking or withdrawal behaviours, will have an adverse effect on their family life. The effects of this will be spouse abuse, child abuse, alienation from family members and even divorce. The stressors which generally affect the family life are:

(i) In the dual career families where both the spouses are pursuing careers, a lot of personal commitments, varied in nature, are demanded from them (both by their jobs and families). The stresses experienced by the couples stem from role overload, since both partners have to manage their careers as well as help the family.

(ii) Additional stresses are experienced while handling the personal, social and

cultural dilemmas of balancing. work arid family, discharging parenting responsibilities, handling competition at the work place and within the family and being an involved member of the extended family.

C. Consequences to Organisations

The effects of employee's stress on organisations are many and varied. These include:

(i) Low performance and productivity.

(ii) High rate of absenteeism and turnover.

(iii) Loss of customers due to poor attitudes of workers.

(iv) Increased alienation of the worker from the job.

(v) Destructive and aggressive behaviour resulting in strikes and sabotage

The stresses experienced by employees who take on critical roles and are responsible for public safety can sometimes be detrimental to the well being of the constituents served. For example, the stress experienced by airline pilot, train driver, railway guard or air traffic controller can result in the loss of so many lives. Therefore, the costs of employees' stress to the organisation in terms of lost profits, declining assets, bad image projection, poor reputation and loss of future business are enormous.

6.5.6 Coping Stregies for Stress

When we look at stress from organisational point of view, management may not be concerned about the low to moderate levels of stress experienced by the employees. The reason is, that some functional level of stress is necessary to improve employee performance. But high levels of stress and sustained low levels of stress are a cause of action by the management. But when we look at stress from individual's point of view even the low levels of stress are perceived to be undesirable. Keeping this in mind we can discuss the individual and organisational approaches towards managing stress. Before discussing these approaches, we must keep in mind two points:

(i) Firstly, we must not make any generalisation. Each of us have different limits, different optimum stress levels and will perceive the sources of stress differently. One person's over stress may be another person's challenge and optimum stress.

(ii) Secondly, we need to differentiate between what we can do to equipourselves and to organise our environment to prevent us from becoming over orunder stressed. We label this as PREVENTION. Howsoever, well we prepareourselves and try to control our environment from time to time, we still willexperience undesirable stress. It is then that we need to have developedMANAGEMENT SKILLS.

Now we discuss the individual and organisational approaches to managing stress.

(A) Individual Approaches

As we know that stress has got a number of negative consequences for the individuals, that is why every individual should take personal responsibility for reducing his or her stress level. There are a number of ways by which a person can either avoid stressful conditions, change them or learn to cope with them. Stress can be managed by an individual, which will enable him to regain control over his life. Some of the stress reducing strategies from individual point of view are:

1. Knowledge About Stress: In the first stage, an individual should become knowledgeable about stress. He should know about the process and effect of stress. He should know about the process and effects of stress. He must find out the major sources of his stress. He anticipates stressful periods and plan accordingly in advance. He must be honest with himself and decide what he can cope with what he cannot.

2. Physiological Fitness: Exercise in any form can help people in coping with the stress. Non- competitive physical exercise such as aerobics, waiting, jogging, swimming, riding a bicycle, playing softball or tennis have been recommended by physicians as a way to deal with excessive stress levels. There is evidence to suggest that individuals who exercise are much less likely to suffer from certain types of stress related exercises. With proper exercise, diet control and non-smoking habits, blood pressure and cholesterol become controlled and the body becomes more resistant to pressures. People are more likely to get physically sick or emotionally depressed if they are over-weight or poorly nourished.

3. Time Management: Most of the people are very poor in managing their time. They don't know that what must be done and when it would be desirable to do so. The result of poor time management is feeling of work overload, skipped schedules

and tension. A well organised person can often accomplish twice as much as the person who is poorly organised. Therefore, an individual must understand how to manage his time so that he can cope with tensions created by job demands. A few of the well known time management principles are:

(i) Preparing a daily list of activities to be attended to.

(ii) Priortising activities by importance and urgency.

(iii) Scheduling activities according to the priorities set.

(iv) Knowing your daily schedule and handling the most demandingparts of a job when you are most alert and productive.

4. Assertiveness: An individual should become: assertive. He should not say 'Yes' when he wants to say 'No'. He should start saying No to people or managers who demand too much of his time. Being assertive is an important factor in reducing stress.

5. Social Support Network: Every person should have people to turn to, talk to and rely upon. Good friends become highly supportive during times of stress and crisis. Social network includes friends, family or work colleagues. Expanding your social support system can be a means for tension reduction because friends are there when needed and provide support to get the person through stressful situations.

6. Readjust life Goals: Every individual must know what he really wants to do. This should relate to not only the major decisions of the life but to all activities in our life. He must know what is important for. him; Because of the severe competition in life to get ahead of others most individuals set very high standards and goals for themselves. These high expectations and limited resources to reach such expectations result in stress. Accordingly, every person must readjust his goals and- make sure he has the ability, and resources to reach such goals. Perhaps the goals should be established after the resources have been analysed.

7. Relaxation Techniques: Every individual must teach himself to reduce tension through relaxation techniques such as Yoga, mediation, hypnosis and biofeedback. 15-20 minutes a day of deep relaxation releases tension and provides a person with

pronounced sense of peacefulness. Deep relaxation conditions will bring significant changes in heart rate, blood pressure arid other physiological factors. Yoga is probably the most effective remedy for stress. Studies have revealed that Yoga has cured several stress related diseases.

8. Plan your life in Advance: So many times, people create situations which induce stress because they either did not plan or did a bad job of planning. The traditional Indian attitude of "whatever will be, will be" a way of accepting the unexpected difficulties in life. This attitude may be relevant in those situations over which we do not have any control like death in the family, but for other, events in life, it is better to plan in advance, so that we can confront them with confidence when they occur.

(B) Organisational Approaches

Individuals may design their own strategies to reduce stress, but it is a must for the organisations to develop programmes that will help the employees in reducing their stress. This will lead to less employee turnover, absenteeism and as a result productivity will improve. Some of the measures which organisations can take are:

1. Selection and Placement: Individuals differ in their response to stresssituations. We know that "Type A" individuals are more prone to stress. On theother hand, in the organisations there are certain jobs which are more stressfulas compared to other jobs. While doing the selection and placement of the.employees, these factors must be kept in mind. The individuals who are moreprone to stress should not be put on jobs which are stressful. The individuals whoare less prone to stress may adapt better to high stress jobs and perform those jobs more effectively.

2. Goal Setting: Based on extensive amount of research it has been concluded that individuals perform better when they have specific and challenging goals and they receive feedback on how well they are progressing towards those goals. Goal setting; can reduce stress as well as provide motivation. It will result in less employee frustration, role ambiguity and stress.

3. Improved Communication: Sometimes due to lack of effectivecommunication from the superiors, the employees do not know what they haveto do and how they have to do it. This results in role ambiguity. Similarly,when two or more persons

have contradicting role demands from an employee,it leads to role conflict if there is lack of proper communication. Effectivecommunication with employees reduces; the uncertainty by lessening roleambiguity and role conflict.

4. Redesigning Jobs: Organisations should redesign the jobs in such a way as to give employees more responsibility, more meaningful work, more autonomy, and increased feedback. This will help reduce the stress caused by monotony, routine work, work overload or underload and role ambiguity. Job redesigning enhances motivation, reduces the stress among the employees and enhances "Quality of work life".

5. Participative Decision Making: If the organisations allow employees' participation in those decisions which directly affect them and their job performance, it can increase employee control and reduce the role stress. The main reason of role stress is that employees feel uncertain about their goals, expectations and how they will be evaluated. These uncertainties can be reduced by the management by giving the employees a right to participate in the decision making.

6. Building Teamwork: The management should/try to create such work environment in which there is no provision for interpersonal conflict or inter group conflict. Such conflicts are the causes of stress, such should be prevented from building or eliminated if they develop. Accordingly such team work should be developed that the groups and the members are mutually supportive and productive. Members of the group should consider themselves as members of the same family and seek social support from each other.

7. Personal Wellness Programmes: These personal wellness programmes focus on the employees total physical and mental condition. Organisations can provide facilities at their premises for physical 'fitness' such as gyms, swimming pools, tennis courts etc. as well as psychological counselling. They should hold seminars or workshops to make the employees understand nature and sources of stress and the possible ways to reduce it. These workshops should help those individuals who are already under stress. Moreover, a supervisor can impact personal wellness of his subordinates through positive example, encouragement and by practicing the basic concepts and techniques of human resource management.

To conclude, we can say that all these strategies, or a combination thereof should be applied to make the work environment less stressful to a level which is positive and challenging.

6.5.7 Stress Busting Techniques

Two experts on stress-Dr. Roger Henderson G.P. and Medical columnist, Ingrid Miller-each suggest five stressbusting techniques. Dr. Roger Henderson suggests the following top tips on beating stress.

(i) Keep a Diary: Keep a list for atleast a fortnight of events, time, places and people that seem to make you feel more stressed. You will be surprised to find that a pattern soon emerges and this may be linked twotime pressure, personality clashes, in appropriate demands or simply trying to do so many things at once. Once you have identified your pressure points you can move on to the following solutions.

(ii) Talk: Talk with a good friend or your partner even the act of discussing things often makes you feel better. Ask for impartial advice as to how to ease the problems that you have discovered or choose the sort of stressed situations that you have identified in which to use the following relaxation techniques.

(iii) Learn how to relax: Practice deep breathing techniques such as slowly inhaling while counting to five, hold your breath for five seconds and then breath out slowly. Repeat this process ten times when feeling stressed concentrating nothing but on your breathing.

- Stretch the muscles of your neck and shoulders by keeping your shoulders level and trying to touch each shoulder with your ear. Look right up at the ceiling, down at the floor and then rotate each shoulder in a wide circle. Repeat five times. Open and close your jaws widely after each time, since stress often causes tenseness in the jaw area.
- Take time out. For five minutes every hour, try to shut down and think of nothing but your perfect situation. This could be a dream holiday, ideal partner or simply thinking about nothing at all. You will be surprised at how effectively this can lower the stress level.

(iv) Exercise regularly: You don't have to be a gym freek to get the stress beating benefits of exercise. Even twenty minutes of brisk walking three times a week will help to reduce stress as well as promoting restful sleep.

(v) Plan breaks in your day: The aim here is to allow for the unexpected (which as we all know will happen). Get up fifteen minutes earlier than you think you need to and prepare for the day without rushing. Even better, get things ready the night before. Try to have twenty minutes in the morning and afternoon that is exclusively your time, in which you can do whatever you want to do, even if it is simply sitting doing nothing. Look forward to these times when things get busy and if you are unable to use them always remember to 'catch up' later on.

(vi) One thing not to do: One approach, on the other hand to avoid is that a using smoking and alcohol as crutches to help you cope in the long run, they simply make stress worst. Drinking more to 'calm your nerve' is a slippery slope.

Ingrid Miller offers five handy bursting techniques to use in everyday solutions:

1. **Stretch:** Sitting upright on a chair and keeping your back straight, extend your arms out in front of your as far as possible. Hold for ten seconds. Repeat with your arms behind you. Then hold on to the sides of the chair and push your body upwards. Feel your spine stretch. Hold for ten seconds. Now stretch arms to the ceiling, to release tension in back and shoulders. Relax and shake your arms.

2. **Use scent to improve your mood:** Certain aromas are thought to activate the production of the brains feel good. Chemical serotonin (although one recent research study suggest that the benefits claimed for aromatherapy may drive from the power of suggestion). Drip a few drops of the following aromatherapy oils on a tissue and stiff when you feel stress level rising.; jasmine, neroli, lavender, chamomile, vetiver, clary, sage.

3. **Declutter**: Mess creates confusion and a sense of loss of power. If your desk/ home/car is messy and disorganized, have a good clear out and tidy up you will instantly feel more in control.

4. **Change the habit:** Many stresses are habitual if you start to feel anxious or stressed out, do something out of character. Stop what you are doing or do something else or take a minute to take stock and work out why you are feeling upright.

5. **Think positive:** Use "affirmation" positive strends of thought put into words. Repeating "I m a loving and much loved person" can work wonders. Say it and believe it, it will become true.

6.6 AN INTRODUCTION TO COUNSELLING AND IT'S DEFINITION

Any organisation interested in using a good performance appraisal and review system that aims at developing employees has to practice and pay enough attention in counselling. Employee counselling is a process, which is initiated by the counsellor or the manager to assist the employee or subordinate to gain knowledge, understanding and insights on a performance concern. This could relate to the counselee's attitude, motivation or interpersonal skills. Especially the counselling is to provide timely professional and confidential aid for employees whose personal problems might otherwise lead to work impairment, absenteeism, reduce productivity and cause accidents and conflicts in the workplace, or even job termination.

Counselling can be defined as the help provided by a manager to his subordinate in analysing their performance and other job behaviours in order to increase their job effectiveness. It is in effect a process of guiding a subordinate to adjust better with his work environment and to better understand others so that his dealings with them can be effective and purposeful.

Counselling is a dyadic process. It is based on the relation between two persons, usually a superior who provides advice and assistance or who is counselling and the subordinate to whom such help is given or who is a counsellee.

Counseling the employee who is doing a good job is relatively easy, but a different type of counseling is required for an employee whose performance does not meet set standards.

Definitions:

1. "Counseling is a principled relationship characterized by the application of one or more psychological theories and a recognized set of communication skills,

modified by experience, intuition and other interpersonal factors, to clients' intimate concerns, problems or aspirations. It predominates ethos is one of facilitation rather than of advice-giving or coercion. It may be of very brief or long duration, take place in an organisational or private practice setting and may or may not overlap with practical, medical and other matters of personal welfare. It is both a distinctive activity undertaken by people agreeing to occupy the roles of counselor and client... and an emerging profession... It is a service sought by people in distress or in some degree of confusion who wish to discuss and resolve these in a relationship which is more disciplined and confidential than friendship, and perhaps less stigmatizing than helping relationships offered in traditional medical or psychiatric settings". ***(Feltham and Dryden: 1993)***

2. "Counseling is a process through which one person helps another by purposeful conversation in an understanding atmosphere; It seeks to establish a helping relationship in which the one counseled can express their thoughts and feelings in such a way as to clarify their own situation, come to terms with some new experience, see their difficulty more objectively, and so face their problem with less anxiety and tension. Its basic purpose is to assist the individual to make their own decision from among the choices available to them".

(British Association for Counselling: 1989)

3. "Counseling is the discussion of an emotional problem with an employee with general objectives of decreasing it". ***(Keith Davis)***

4. "Counseling is a supportive process conducted by a manager to help an employee define and work through personal problems or organisational changes that affect job performance". ***(Marianne Minor)***

6.6.1 CHaracteristics of Counselling

From the above discussion, the following are the characteristics of counselling.

1. Counselling is an exchange of ideas and feelings between two people.
2. It tries to improve organisational performance by helping the employees to cope with the problems.
3. It makes the organisation be more humane and considerate with people's problems.

4. Counselling may be performed by both the professionals and non-professionals.
5. Counselling is usually confidential in order to have free talks and discussions.
6. It involves both job and personal problems.

6.6.2 Objectives of Employee Counseling

Counseling provides employees with the knowledge and skills necessary to deal effectively with a variety of problems, both personal and professional, ranging from normal supervisory/employee conflicts to difficult conduct and performance issues. Counseling helps to handle these problems with tact, diplomacy, and knowledge of the regulations covering employee performance and conduct.

The main objectives of counseling are:

1. Counseling in organisations is necessary to solve various employee problems.
2. To provide help for adjustment or improvement through a planned and systematicapproach.
3. Helps in conflict resolution.
4. Improves communications and interpersonal skills for an open interactive organisational culture.
5. Provides empathetic yet effective problem solving - interests before solutions. ‘
6. Provides effective feedback.

6.6.3 Employee Counseling Skills

One of the most difficult human resource development skills is to acquire employee counseling skills, which are relevant to the running of the organisation, and the benefits that accrue when an organisation uses effective employee counseling methods.

Counseling skills will, not only, help the employees to cope personally with stressful and traumatic situations but also counseling skills will aid in the day-to-day problems of human interface. In this way the employees will become more effective and also be able to realise their potential.

Employeecounseling skills covers **the** following broad areas:

(1) Communication skills: Counseling skills requires the traditional communication skills of a line manager. Employee counseling styles and skills appropriate for different situations varies widely and may come in conflict with a manager's power base. Problems of acceptance within the organisation, ethics involved,and the prospect of conflicting loyalties between the individual and organisation are to be considered at the time of counseling.

(2) Skills for managing feelings: The counselor needs to identify feelings and develop confidence to self-disclosure during employee counseling sessions. He has to also learn the skill of looking behind the statements to see and appreciate the underlying feelings being expressed. These are prerequisites to dealing with the intimacy that is vital to successful counseling. Identification with, and an ability to project, one's own personality into the situation can help, in certain circumstances, establish some control, give comfort and ensure a trusting relationship. However, relationships are fragile and the employee will constantly be seeking evidence of counselor's integrity and assurance, and this can be partially enhanced with affirming behaviour.

(3) Problem clarification skill: The objective of counseling is to help employees to solve their problems. Therefore, first need is to be clarified, alternatives have to be specified, their implications need to be explored and the consequences fully understood before the changes needed, to accomplish chosen alternatives, can be implemented.

(4) Motivational skill: The employee's motivation to change or come to terms with his behaviour is a major factor in counseling skills. The counselor should use a participative management style to encourage the employee's sense of problem ownership. Only then will the employee be motivated and committed to the change/ action required. A monitoring process helps to access the progress made by the employee. This can best be observed if goals can be set, and agreements reached.

6.6.4 Conditions for Employee Counseling

Manager/Supervisors use controls to help employees achieve objectives. An employee's problem performance is often related to non-job factors. Yet, personal problems generally get worse, not better without professional help. The manager/ supervisor is in the best position to spot and handle problems when they arise. He

can use counseling to provide relief for the troubled employee. Counseling is a behavioural control technique used by the managers/supervisor to solve employee problems. As a counselor, the supervisor is a helper, discusses the employee's personal problems that are affecting his or her job performance, aiming to resolve them. Employee counseling is guidance of the employee's behaviour.

An employee should be counseled when he has personal problems, that affect job performance. Supervisors should recognize early signs. Signs of a troubled employee include:

- Sudden change of behaviour.
- Preoccupation.
- Irritability.
- Increased accidents.
- Increased fatigue.
- Excessive drinking.
- Reduced production/productivity.
- More wastage.
- Difficulty in absorbing training
- Substance abuse. .

In the role of the counselor, the manager/supervisor listens, Emits, and refers. The supervisor uses active listening and reflective listening skills. By listening the manager/supervisor helps the employee to feel valued and understood. The employee is encouraged to talk and explore and to understand more about how he feels and why. The employee can consider options and examine alternatives and may be able to choose a solution to his problems. The manager/supervisor can help the employee develop clear objectives; to form specific action plans and to do, with support what needs to be done. The manager/supervisor helps employees help themselves. In counseling, the supervisor limits comments to the employee's job performance, since the manager/supervisor is not an expert in the problem area. The manager/supervisor refers or gives information to the employee. Informing mainly passes along data and information.

Counseling techniques range from directive to non-directive, depending on the situation. Non-directive counseling reflects what is said and felt. For example, a supervisor using the non-directive approach would say, "You feel frustrated because you don't meet boss's approval". Directive counseling tells and advises. For example, a supervisor using the directive approach would say, "I want you to concentrate on your work and not worry about what the other employees do." Cooperative (or Interactive or participative) counseling combines them.

6.6.5 Functions of Employee Counseling

Counselors should set aside their own value system in order to empathize with the employee during counseling. The things the counselor may view as unimportant may be of paramount importance to the counselee. We tend to view the world through our own values, and this can present problems when we are confronted with values that are at odds with our own. If an employee thinks that something is causing him a problem, then it is a problem for him, regardless of how insignificant the counselor might believe the problem to be.

The objective of counseling is to give, employees support in dealing with problems so that they regain the ability to work effectively in-the organisation. Counseling effectiveness is achieved through performance of one or more of the following counseling functions - advice, reassurance, release of emotional tension, clarified thinking, and reorientation as discussed below:

1. Advice: Many persons think of counseling as primarily an advice-giving activity, but in reality, it is but one of several functions that counselors perform. The giving of advice requires that a counselor make judgments about a counselee's problems and lay out a course of action. Herein lies the difficulty, because understanding another person's complicated emotions is almost impossible.

Advice giving may breed a relationship in which the counselee feels inferior and emotionally dependent on the counselor. In spite of its ills, advice giving occurs in routine counseling sessions because employees expect it and counselors tend to provide it.

2. Reassurance: Counseling can provide members with reassurance, which is a way of giving them courage to face a problem or confidence that they are pursuing a

suitable course of action. Reassurance can be a valuable, though sometimes temporary, cure for an employee's emotional upheavals. Sometimes just the act of talking with someone about a problem can bring about a sense of relief that will allow the employee to function normally again.

3. Release of Emotional Tension: Employees tend to get emotional release from their frustrations and other problems whenever they have an opportunity to tell someone about them. Counseling history consistently shows that as persons begin to explain their problems to a sympathetic listener, their tension begin to subside. They become more relaxed and tend to become more coherent and rational. The release of tensions does not necessarily mean that the solution to the problem has been found, but it does help remove mental blocks in the way of finding solution.

4. Clarified Thinking: Clarified thinking tends to be a normal result of emotional release. The fact is that not all clarified thinking takes place while the counselor and counselee are talking. All or part of it may take place later as a result of developments during the counseling relationship. The net result of clarified thinking is that an employee is encouraged to accept responsibility for problems and to be more realistic in solving them.

5. Reorientation: Reorientation is more than mere emotional release or clear thinking about a problem. It involves a change in the employee's emotional self through a change in basic goals and aspirations. Very often it requires a revision of the employee's level of aspiration to bring it more in line with actual attainment. It causes people to recognize and accept their own limitations. The counselor's, job is to recognize those in need of reorientation before their need becomes severe, so that they can be referred to professional help.

6.6.6 Theoretical Approaches to Counseling

Counselor's work from a variety of theoretical approaches with counselees i.e. employees. These therapies range from the type of psychoanalysis, originally practiced by Sigmund Freud and later developed into other forms of analytic psychotherapy by his pupils, through humanistic psychotherapy (based on personal growth and self development) to the behavioural therapies used for dealing with specific phobias and anxieties.

The following are the commonly used theoretical approaches with brief descriptions of their meanings:

1. Adlerian Therapy: This is sometimes called individual psychology and uses the personality theory and system of counseling originated by Alfred Adler. Rather than psychoanalysis, Adler placed greater emphasis on infantile experiences of power and powerlessness and the goal-orientation of human behaviour. He created the terms "inferiority complex" and "superiority complex".

2. Behavioural Therapy: This therapy is based on the belief that behaviour is learnt in response to past experience and can be unlearnt, or reconditioned, without analysing the past to find the reason for the behaviour. It works well for compulsive and obsessive behaviour, fears, phobias and addictions. The techniques that may be used are: self-monitoring, stimulus control, coping skills and dealing with relapse.

3. Brief Therapy: This uses the cognitive behavioural approach with a small, planned number of sessions arid possibly a single follow-up session after some time has elapsed.

4. Cognitive Analytical Therapy: This combines cognitive therapy and psychotherapy and encourages counselee's to draw on their own resources to develop the skills to change destructive patterns of behaviour. Negative ways of thinking are explored and treatment is structured and directive involving diary keeping, progress charts, etc.

5. Cognitive Behavioural Therapy: This combines cognitive and behavioural techniques. Counselee's are taught ways to change thoughts and expectations and relaxation techniques are used. It has been effective for stress-related ailments, phobias, obsessions, eating disorders and (at the same time as drug treatment) major depression.

6. Cognitive Therapy: Uses the power of the mind to influence behaviour. It is based on the theory that previous experiences can adversely affect self-perception and condition attitude, emotions and ability to deal with certain situations. It works by helping the counselee to identify, question and change self-denigrating thoughts, thus altering habitual responses and behaviour. It can help pessimistic or depressed people to view things from a more optimistic perspective.

7. Eclectic counseling: An eclectic counselor will select what is applicable to the counselee from a range of theories, methods and practices. Justification is based on

the theory that there is no proof that any one theoretical approach works better than all others for a specific problem.

8. Existential Counseling: Existentialists believe that life has no essential (given) meaning: any meaning has to be found or created. Existential counseling involves making sense of life through a personal worldview and includes a willingness to face one's life and life problems.

9. Gestalt Therapy: The name is derived from the German for "organized whole". Developed by Fritz Perls, it is based on his belief that the human response to experiences is summed up in a person's thoughts, feelings and actions. The counselee gains self-awareness by analysing behaviour and body language and giving expression to repressed feelings.

10. Humanistic Psychotherapy: This embraces techniques coming from the "personal growth movement" and encourages people to explore their feelings and take responsibility for their thoughts and actions. Emphasis is on self-development and achieving highest potential rather than dysfunctional behaviour. "Client-centered" or "non-directive" approach is often used and the therapy can be described as "holistic". The counselee's creative instincts may be used to explore and resolve personal issues.

11. Integrative Counseling: This is when several distinct models of counseling and psychotherapy are used together in a converging way rather than in separate pieces.

12. Neuro-Linguistic Programming (NLP): Neuro-linguistic Programming is described as 'the psychology of excellence' and sees a world of excellence where people can be facilitated in creating their own choiceand flexibility. Presuppositions are used as the basic operating principles, some examplesbeing 'Human Behaviour is purposeful', 'we either already have all the resources weneed or we can create them', 'Modeling successful performance leads to excellence.If one person can do it is possible to model it and teach it to others'. In Neuro-linguistic programming, modeling means finding out how someone does something.The core of NLP is the process of replicating excellence with a goal of 'excellence forall'.

13. Person-Centered Counseling: Devised by Carl Rogers and also called "client-centered" or "Rogerian" counseling, this is based on the assumption that an individual (counselee), seeking help in the resolution of a problem he is experiencing, can enter

into a relationship with another individual (counsellor) who is sufficiently accepting and permissive to allow the counselee to freely express emotions and feelings. This will enable the counselee to come to terms with negative feelings, - which may have caused emotional problems, and develop inner resources. The objective is for the counselee to become able to perceive himself as a person, with the power and freedom to change, rather than as an object.

14. Primal Therapy: This is based on the theory that suppressed birth or infancy traumas can resurface as-neuroses. The therapy takes the counselee back to the "primal scene" where trauma can be re-experienced as an emotional cleansing.

15. Psychoanalysis: This is based on the work of Sigmund Freud, who believed that the unacceptable thoughts of early childhood are banished to the unconscious mind but continue to influence thoughts, emotions and behaviour. "Repressed" feelings can surface later as conflicts, depression, etc. or through dreams or creative activities. The analyst seeks to interpret and make acceptable to the counselee's conscious mind, troublesome feelings and relationships from the past. "Transference" onto the analyst, of feelings about figures in the client's life, is encouraged. This type of therapy is often used by clients suffering high levels of stress and can be a lengthy and intensive process.

16. Psychodynamic Psychotherapy/Counseling: This approach stresses the importance of the unconscious and past experience in determining current behaviour. The counselee is encouraged to talk about childhood relationships with parents and other significant people and the therapist focuses on the client/therapist relationship (the dynamics) and in particular on the transference. Transference is when the counselee projects onto the therapist feelings experienced in previous significant relationships. The psychodynamic approach is derived from Psychoanalysis but usually provides a quicker solution to emotional problems.

17. Psychosynthesis: Sometimes described as "psychology of the soul", Psychosynthesis aims to integrate or "synthesize" the level of consciousness, at which thoughts and emotions are experienced, with a higher, spiritual level of consciousness. Painting, movement and other techniques can be used to recognize and value different facets of the personality. Psychosynthesis is useful for people seeking a new, more spiritually oriented vision of themselves.

18. Re-birthing: In this approach, emotional or physical traumas during birth are said to create feelings of separation or fear in later life. Breathing techniques are used to release tension whilst the counselee re-experiences traumatic emotions. A skilled practitioner is essential.

19. Solution-focused Brief Therapy: This promotes positive change rather than dwelling on past problems. Counselee is encouraged to focus positively on what he does well and to set goals and work out how to achieve them. As little as 3 or 4 sessions may be beneficial.

20. Systemic Therapies: These are the therapies, which have, as their aim, a change in the transactional pattern of counselees. It can be used as the generic term for family therapy and marital/ family therapy.

21. Transactional Analysis: Devised by Eric Bernie, this is based on the belief that everyone has a child, adult and parent's self within him, and within each social interaction, one self predominates. By recognising these roles, a counselee can choose which one to adopt and so change behaviour. This form of therapy has produced the term "inner child" used to describe unfulfilled needs from childhood.

22. Transpersonal Therapy: This describes any form of counseling or therapy, which placesemphasis on spirituality, human potential or heightened consciousness. It includespsychosynthesis.

23. Narrative Therapy: This therapy sees counselees as experts in their own lives. It views problems as separate from them and assumes that counselee has many skills, competencies, beliefs and values that will help them to reduce the influence of the problem in their lives.

There are number of different approaches to counseling, however each is not usually used in isolation. In practice, a combination of styles will often be used.

6.6.7 Techniques/Types of Employee Counseling

Employee counseling should be looked upon in terms of the amount of direction that the counselor gives the counselee. This direction ranges from full direction (directive counseling) to no direction (nondirective counseling). The details are as under:

1. Directive Counseling: Directive counseling is the process of listening to an employee's problem, deciding with the employee what should be done, and then encouraging and motivating him to do it. This type of counseling accomplishes the function of advice; but it may also reassure; give emotional release; and, to a minor extent, clarify thinking. Most everyone likes to give advice, counselors included and it is easy to do. But is it effective? Does the counselor really understand the employee's problem? Does the counselor have the technical knowledge of human behavior and the judgment to make the "right" decision? If the decision is all right, will the employee follow it? The Answer to these questions is often no, and that is why advice giving is sometimes and unwise act in counseling. Although advice giving is of questionable value, some of the other functions achieved by directive counseling are worthwhile. If the counselor is a good listener, then the employee should experience some emotional release. As the result of the emotional release, ideas that the counselor imparts, the employee may also clarify thinking. Both advice and reassurance may be worthwhile if they give the employee more courage to take a workable course of action that the employee supports.

2. Non-directive Counseling: Attributed to Carl Rogers, this technique was designed to allow the individual in emotional turmoil to talk out problems and resolve difficulties with a minimum of direction being provided by the person serving as counselor. Rogers believed that everyone has the motivation and ability to change in order to become a better, more "self-actualised" person.

Nondirective or employee-centered counseling is the process of skillfully listening to a counselee, encouraging him to explain bothersome problems, and helping him to understand those problems and determine course of action. Non-directive counseling emphasizes the importance of getting the individual to share his problems. The individual may need to unload and air his problems, and it is important the counselor affirms the worth of the employee by listening. This type of counseling focuses on the employee, rather than on the counselor as a judge and advisor; hence, it is "employee-centered." Professional counselors use this type of counseling, but nonprofessionals may use its techniques to work more effectively with employees. The unique advantage of nondirective counseling is its ability to cause the employee's reorientation. It stresses changing the person, instead of dealing only with the immediate problem in the usual manner of directive counseling. The counselor attempts to ask discerning questions, restate ideas, clarify feelings, and attempts

to understand why these feelings exist. Trained counselors treat each counselee as a social and organisational equal. They primarily listen and try to help their counselee discover and follow improved courses of action. They especially "listen between the lines" to learn the full meaning of their counselee's feelings. They look for assumptions underlying the counselee's statements and for the events the counselee may, at first, have avoided talking about. A person's feelings can be likened to an iceberg. The counselor will usually only see the revealed feelings and emotions. Underlying these surface indications is the true problem that the employee is almost always initially reluctant to reveal.

There are four stages of non-directives counseling:

(a) Involving: for building relationship, rapport, empathy, and trust. A clear expectation of the process is given, to the counselee/employee. Attention is being paid to non-verbal behaviour and careful questioning.

(b) Exploration :forclarifying perceptions and attempts to discuss problem in concrete terms.

(c) Resolving: for setting goals and working out ways in which to achieve them. Counselee is encouraged to consider a number of different solutions with non-judgmental suggestions on the various suggestions from the counselor.

(d) Concluding:for final action plan, as agreed.

Strategies to use Non-Directive Counseling:

1. Arrange for a time and place, which will provide privacy for discussion.
2. If the employee does not open the session, leading statements or questions to focus him on the topic of concern should be raised.
3. Counselor should listen to the employee in an interested, non-punitive, accepting manner without making judgments.
4. Counselor should respond whenappropriate, using one of the recommended techniques.
5. After the concerns have been thoroughly voiced by the employee, focus should be placed him on finding a solution for the problem that is best for him.

3. Interactive Counseling: Interactive counseling combines the best of directive and non-directive counseling techniques. As the name suggests, it involves problem

solving through open and interactive process. Employee is encouraged to discuss fully his problem and possible best solution. The counselor gives some suggestive solutions to the employee's problems and helps the employee with decision making as far the choosing the most appropriate solution is concerned. Here, the counselor plays a vital role. He must see that the employee gives possible solution to his problem on one hand and on the other hand he must ensure that the employee takes the right recourse to solution of his problem. Thus, interactive (or cooperative or participative) counseling falls in between directive and non-directive counseling techniques.

6.6.8 Counseling Process

The first step before formal corrective action would normally be informal counseling. Counseling should be an initial verbal discussion between the counselor and employee to inform the employee of a problem at the earliest possible opportunity. A counselor can be line manager, supervisor or HRD Manager. The intent of counseling is to prevent a problem from becoming more serious or prolonged.

The counseling should take place in a private setting, and be based on specific facts. It should express confidence in the employee's ability to improve and indicate the counselor's willingness to assist. Informal counseling is not a form of corrective action; however, it can be referenced at a later date if corrective action is taken. This discussion can take place during periodic performance evaluations or as a stand-alone counseling.

The steps of counseling process are as depicted below:

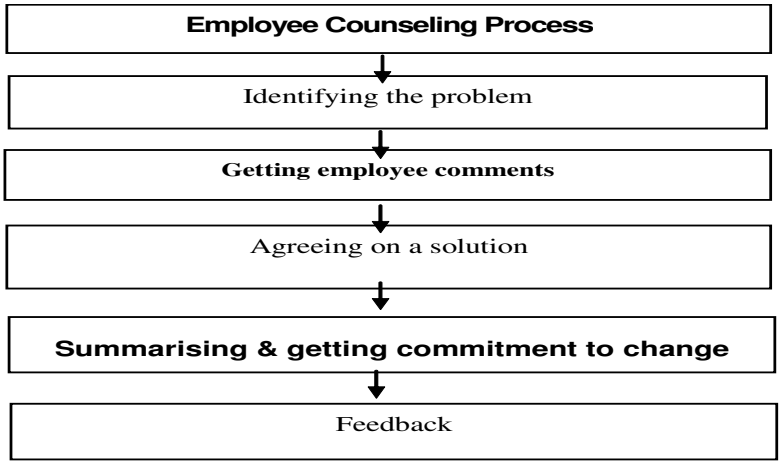

Fig. 5: Process of Employee Counselling

1. Identifying the problem: Employees should know that the organisation is concerned with work performance. The line manager/supervisor must maintain work standard bybeing consistent in dealing with troubled employees. He must explain in very specific terms what the employee needs to do in order to perform up to the organisation's expectations without any unnecessary preaching. Issues must relate to job performance.

Counselor or employee must first identify the problem(s). Examples might include poor work product, strained working relationships, attendance deficiencies, missed deadlines, etc. The problem can be defined as the "gap" between the manager's expectations and the employee's performance.

2. Getting employee comments on the changed behaviour and the reason for it: Employee and counselor assess and clarify scope of problem. Problems can stem from skill deficiencies, lack of clear communication, behavioural styles, personal crises, procedural or structural obstacles or some combination of these and other factors. However, counselor must confine any negative comments or diagnosis to the employee's job performance; He should listen and protect confidentiality.

3. **Agreeingon a solution:** Counselor establishes clear performance or conduct expectations with the employee for correcting the problem and works with employee to identify appropriate measures to correct the problem. Employee needs to know what will be viewed as successful resolution of the problem and what support and/or resources may be available to help meet expectations.

Counselor should emphasis confidentiality. However, he should not be swayed or misled by emotional please, sympathy tactics, or "hard-luck" stories. It should be explained that going for help does not exclude the employee from standard organisation procedures and that it does not open the door for special privileges.

4. Summarising and getting a commitment to change: Seek commitment from the employee to meet work standards and to get help, if necessary, with the problem. Employee accepts responsibility for correcting the problem and takes appropriate action. Examples might include obtaining training for skill problems, making other transportation or family arrangements for attendance problems, receiving guidance

to understand and stop offensive behaviour, etc.

5. Feedback: Once the problem is resolved and a productivity relationship is established**,** follow up is needed to ascertain the progress made and/or improvement sustained! Counselor and employees communicate regularly regarding progress. This step usually includes discussions and written documentation that describes progress toward agreed upon improvement.

6.6.9 Measures of Effective Counseling

Employee counseling seeks to provide effective means of dealing with problems in the workplace. Therefore, counseling must be designed to meet specific goals that have been identified as important to the well-being of the organisation and its employees. Planning a programme and evaluating its effectiveness go hand in hand. At the planning stage, goals and objectives are set; at the evaluating stage, the success of the programme in meeting its stated, objectives is measured.

Counseling programs of various types have implied goals that tend to be common across organisations. Samples of these indicators that might be used to assess the impact of the employee counseling programmes are:

- Improved performance attributable to removal of personal problems.
- The extent to which under-utilisation of employee skills are alleviated.
- Increased productivity.
- Reduction in absenteeism.
- Reduction of accidents both on and off the job.
- Improved employee satisfaction obtained by self-reports or peer reports.

6.6.10 Ethical Dimension of Counseling

Counseling the service of helping people to adjust to or deal with personal problems by enabling them to discover for themselves the solution to the problems while receiving attention from a counselor.

The following principles are expressions of core values in action. They form the foundation for ethical practice.

Counsellors shall:

1. Act with care and respect for individual employee and cultural differences and the diversity of human experience.
2. Avoid doing harm in all their professional work.
3. Respect the confidences with which they are entrusted.
4. Promote the safety and well-being of individual employees, their families, communities, and society at large.
5. Seek to increase the range of choices and opportunities for employees (counselee).
6. Be honest and trustworthy in all their professional relationships.
7. Practice within the scope of their competence.
8. Treat colleagues and other professionals with respect.

6.7 SUMMARY

To sum up,Coaching is part of the day-to-day interaction between a manager and an individual employee who works in his work area, or Human Resources professional and line organisation staff members. Performance coaching, skills coaching, personal coaching are different types of coaching. Employees coaching process includes preparing the learner, demonstrating the operations, creating a positive atmosphere, inducing the learner to perform the operation and feedback. Creating a coaching context, actively listening to the learner, asking questions and giving useful feedback are effective techniques of coaching. Reciprocal exchange, mutual trust and respect, mutually beneficial, dynamic in nature, open & effective communication and confidentiality are principles of mentoring. Types of mentoring includes natural mentoring, supervisory mentoring, situational mentoring, informal mentoring and formal mentoring. A mentoring programme is about building relationships, securing knowledge capital and motivating employees. Its process comprises of understanding needs, attitude & perception; reviewing mentee's action & consequences; identifying mentee's real issue; more productive goals, attitudes & perceptions; expanding mentee's thinking to consider new option and developing workable mentoring action plan. Stress has become a problem in almost all the countries of the world. Therefore, it is essential to include 'work stress' as one of

the topics in studying human behaviour. Medically speaking "speaking is the body's general response to environmental situations". Stress is highly individualistic in nature, for every individual, there is an optimum level of stress under which he or she will perform to full capacity. Personality of a person is the most dominating factor which influences the way he or she responds to all events and situations. Stress generates from four sources-extra organisational stressors, organisational stressors, group stressors and individual stressors. Job stress has come from having too much work, not having enough work, doing work that is unfulfilling, fearing a job layoff or not getting along with your boss. Stress is not automatically bad for individual employees or their performance. It is the dysfunctional aspects of the high level of stress that should be and are a major source of concern for contemporary society in general and foe effective HRM in particular. Individuals may design their own strategies to reduce success but it is a must for the organisations to develop programmes that will help the employees in reducing their stress. This will lead to less employee turnover, absenteeism and, as a result, improvement in productivity. Counselling seeks to improve employee's mental health. People feel comfortable about themselves and about other people and are able to meet the demands of life when they are good in mental health. **Employee** counseling skills covers the areas like communication skills, skills for managing feelings, problem clarification skill and motivational skill. Advice, reassurance, release of emotional tension, clarified thinking, and reorientation are the functions of employee counseling. Techniques/ types of employee counseling contains directive counseling, non-directive counseling and interactive counseling. Counseling process includes identifying the problem, getting employee comments, agreeing on a solution, summarising&getting commitment to change and feedback.

6.8 GLOSSARY

- ***Coaching:***Coaching is a behavioural control technique used by the manager to give on-going guidance and instruction, to follow day-to-day progress, and to give feedback.
- ***Mentoring:***Mentoring is linking an experienced person (mentor) with a less experienced person (mentoree) to help their personal and professional growth.

- ***Job stress:***Stress refers to an individual's reaction to a disturbing factor in the environment. Job stress is defined as stress that is generated due to conflicting demands in one's job..
- ***Counselling:*** Counselling can be defined as the help provided by a manager to his subordinate in analysing their performance and other job behaviours in order to increase their job effectiveness. It is in effect a process of guiding a subordinate to adjust better with his work environment and to better understand others so that his dealings with them can be effective and purposeful.

6.9 SELF ASSESSMENT QUESTIONS

1. Define and explain the nature and scope of employee coaching.
2. Explain the concept and nature of employee mentoring.
3. Describe the term stress. What are its sources.
4. Why is employee counselling important to human resource development function?

6.10 LESSON END EXERCISE

Q1. Discuss employee-coaching process. What techniques should be employed by the coach to ensure the effectiveness of employee coaching?

Ans _____

_____

Q2. Discuss the principles of mentoring. Also explain the mentoring process with suitable examples.

Ans _____

_____

Q3. "Coping strategies for job stress exist for both the individual and the organisational levels". Summarise and evaluate these various strategies for preventing or more effectively managing stress.

Ans _____

_____

Q4. Under what conditions should counselling is given to an employee? What are the skills required to provide successful counselling?

Ans _____

_____

6.11 SUGGESTED READING

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- , Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice of Management: L.M.Prasad
- Human Resource Management: Shashi K. Gupta and Rosy Joshi
- Human Resource Management (Theory & Practice): Tapomoy Deb
- Human Resource Management: Santosh Gupta and Sachin Gupta

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TRAINING AND DEVELOPMENT

STRUCTURE

7.1 Introduction

7.2 Objectives

7.3 Meaning of Training

7.4 Importance of Training and Development

7.5 Objectives of Training

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7.7 Need of Training

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7.1 INTRODUCTION

Training and Development is the framework for helping employees to develop their personal and organizational skills, knowledge, abilities, and attitude. Globalization and liberalization is pushing organizations towards a steep competition. Organizations are trying their level best to sustain in this competitive environment. In such situation the maximum result is the minimum requirement and survival of the fittest employee is the rule of the game. Organizations need the fittest employee who is sharp enough to perform their best for that organization. This calls for high competency and attitude, which may not be readily available in the employees of that organization. This competency gap can be filled with a well designed training and development program. Hence the carefully plarmed and conducted Training and Development activity in any organization has become the activity of developing most superior workforce so that the organization and individual employee can accomplish their goals. Training is an investment in human resource which promises of better returns in future. It results in greater stability, flexibility and capacity for growth in an organization

'A manager develops people. How well or how poorly subordinates develop themselves in their work depends on the way a manager manages. A manager: Directs people or misdirects them; Brings out what is in them or stifles them; Strengthens their integrity or corrupts them; Trains them to stand upright and strong or deforms them. Every manager does these things knowingly or not. A manager may do them well, or may do them wretchedly, but always does them'. **—Peter F. Drucker**

In the world of training and development, impact measuring program is a frequent discussion topic. Everyone seems to be searching for the perfect measurement system to increase organizational capabilities, performance and link them with the business strategy. Human resource practitioners, organization development consultants, training managers, and senior managers realize that any training and development activities should eventually show a positive return and improve the bottom line. Hence, the training and development has an important role in the human resource management. It is generally agreed that human beings began amassing knowledge at the beginning of the stone-age. As they invented tools, weapons, clothing, shelter and language, the need for training became an essential ingredient in the march of civilization. However, our ancestors stumbled upon or invented the

various facets of civilization, which are very little significance, they transmitted the knowledge and skills acquired by them from generation to generation. This 18 was done through various methods. Through these methods, the development process called training came into operation. Before industrial revolution the methods of training in agriculture, trade and business, crafts were not very formal. The techniques were learnt from father to son gradually through practice. The experienced persons were highly recognized in these fields

Manpower or human resources are assets which appreciate with time. A machine's maximum value is reached the day it is installed and starts producing. A man never reaches an ultimate value throughout his life time. As a man, he is constantly able to change, grow and enlarge his value. Sometimes, he does this in face of continuous obstacles; his growth is slowed down when obstacles are thrown in his way.

Of all the factors of production, viz. manpower, money, materials, machines and methods, manpower is the most important for the survival of the organisation. It is the quality of human beings working with the organisation which determines the effective and efficient use of capital, materials, machines and technology. If the quality of human resources is good, the organisation will survive and grow in the long run. If, on the other hand, an organisation is manned by people of low calibre, it will not be able to survive in the long run. L. Urwick has rightly remarked, "Business houses are made or broken in the long run not by markets or capital, patents or equipment, but by men". Therefore, it is of utmost importance that right types of persons are selected for the organisation and they are given adequate opportunity to develop themselves.

Human resources or manpower does not mean simply the group of human brings working in the organisation. The term has got a wider meaning. It denotes "the total knowledge, skills, creative abilities, talents, and aptitudes of an organisation's workforce as well as the values, attitudes and beliefs of the individuals involved. It is the sum total of inherent abilities, acquired knowledge and skills represented by the talents and aptitudes of the employed person". An organisation's performance and resulting productivity are directly proportional to the quality of its human resources. Therefore, human resources must be trained and developed properly to obtain maximum results from them.

The world of training and development, impact measuring program is a frequent discussion topic. Everyone seems to be searching for the perfect measurement system to increase organizational capabilities, performance and link them with the business strategy. Human resource practitioners, organization development consultants, training managers, and senior managers realize that any training and development activities should eventually show a positive return and improve the bottom line. Hence, the training and development has an important role in the human resource management. It is generally agreed that human beings began amassing knowledge at the beginning of the stone-age. As they invented tools, weapons, clothing, shelter and language, the need for training became an essential ingredient in the march of civilization. However, our ancestors stumbled upon or invented the various facets of civilization, which are very little significance, they transmitted the knowledge and skills acquired by them from generation to generation. This 18 was done through various methods. Through these methods, the development process called training came into operation. Before industrial revolution the methods of training in agriculture, trade and business, crafts were not very formal. The techniques were learnt from father to son gradually through practice. The experienced persons were highly recognized in these fields.

Historical growth of training and development

The twentieth century saw dramatic changes within the world of work, and the twenty-first appears to have continued the theme of change. Organizations have evolved in terms of purpose, size, structure, management philosophy and relationships with the outside world. Technological advances have revolutionized all work methods, and for many organizations the operational horizon has moved from a small geographical area to literally the world; for government, 'being competitive' is now a global (as opposed to a selective international) requirement. Everything has speeded up, including the pace of change itself. It is natural that in a period of change and opportunity, approaches to learning, development and training have grown in importance, broadened in scope, and became more sophisticated in method. Once the object of training would have been the individual employee, and the training method would involve teaching. Now, the picture is much more complex: training may involve any grouping up to and including the nation itself, and even sometimes may have an international dimension. It may also extend to nonemployees such as

suppliers, customers or outsourcers. Learner-centered activities are becoming just as important as if not more important than, those that are teacher or tutor led. Learning is no longer mainly the province of the psychologist or sociologist: researchers in fields such as systems engineering, artificial intelligence, cybernetics, communications technology, management and even biology have extended relevant theory by drawing on their own specializations, extending and modifying ideas originally geared only to a human dimension. The organisations think of individuals as being 'able to learn', and indeed of both as being capable of 'learning to learn' - which means much more than acquiring knowledge of how learning happens. Three fundamental (and to some extent contrasting) ideas have grown in importance over the last 20 years or so. The first is that the continuously changing environment demands lifelong learning on the part of all - even governments are aware that this is a key to future prosperity, and are attempting to promote it widely. The second is that real-life experience itself offers significant learning opportunities, and that experiences can be designed to stimulate learning - hence more emphasis on the learner than the trainer. The third is that the government should create and encourage national vocational schools to improve occupational competence, and they should be recognized by the award of national vocational qualifications (NCL, 2002). To understand the reasons for these diverse developments, and how they have gathered momentum in recent years, they will be briefly reviewed by their evolution, focusing on the key themes that have emerged from almost a hundred years of thinking about learning, and showing how and where these have influenced trainers and educators in achieving their aims. After industrial revolution, machines were used in various fields and formal training process came into operation. In the beginning phase of industrial revolution the machine system of production was confined to industrial sector. Gradually highly developed techniques were applied in the fields like agriculture, fishing, forestry, etc. The importance of training in the industrial sector is explained in the theory of "Scientific management" given by Taylor (1967). His theory explained about the importance of training for high increasingly to variety of tools and aids for training during this period. They came up with Job Instruction Training (JIT) for better management of the war operations. After war these tools, techniques and training aids were successfully introduced in industries. They include training films and filmstrips, stimulators, flipchart, flannel boards and models. Role playing was also used as an important

training method. During World War II crisis approached and as the United States moved into the "defense era," these same men and women were ready to accept the call for service in the defense industry to replace young men drafted into the Armed Forces. They took to welding training, machinist training, and specialized job training of many kinds without fear or undue urging. Then business and industry came face to face with the reality that they had too long ignored. Suddenly the training function of the supervisor became paramount. In fact, management found that without training skills, supervisors were unable to produce adequately for the defense or the war effort. With it, new production records were being established by the aged, the handicapped, and industrially inexperienced women. The training director became a necessity, and soon this was a common title in the management hierarchy. The process of selection was often crude, arbitrary, and fortuitous, further demonstrating the imperative need for the training director's services. Now came of the tremendous training impetus accomplished by the establishment of the War Production Board and, within that organization, the Training within Industry group. Here we find as leaders the people who had faced the war production manpower problems of World War I. They capitalized upon that experience by refining the techniques that had proved so effective in the prior conflict. In the later part of 1950s, business games were used as a popular method for decision simulation, videotape and television began to be used successfully. By the end of 1960s and in 1970s assessment centers caught the attention as the best way for executive appraisal of performance and potential, and also as a means of training. Programmed instruction was one of the most popular techniques used for training during this period. Organization Development (OD) gained acceptance during the 1960s and became the most talked about training techniques or practice in 1970s. The 80s popularized Quality Circle (QC) movements. In this period emphasis was on quality through training. The 90s saw growth in the use of computers for training, and behavior modeling for management skills training. More emphasis was on career development of employees during this period. Late 1980s and 1990s witnessed rapid growth in Information Technology (IT and Business Process Outsourcing (BPO)). This growth modified training activities. It enlarged training avenues and the ways and means of training. It made training process easier, more systematic and tailor made as per need for

improvement in performance as well as building potential of technical and non-technical managers. The following tables (Margaret, et. al., 2004) explore the evolution of ideas, of training practices, of employer interest, and of national interventions. Approaches to HRD begin with bureaucracy and instruction, and range 23 through human relations and formal courses, national vocational qualifications, to change management and experiential learning, learning organisations and the internet. All these developments have conditioned the present scene

7.2 OBJECTIVES

To know the concept of training, its nature, scope, importance, need and benefits.

- To determine the different stages of training
- To critically evaluate the training programmes
- To understand difference between training and development

7.3 MEANING OF TRAINING

Training is a process of learning a sequence of programmed behaviour. It is application of knowledge. It gives people an awareness of the rules and procedures to guide their behaviour. It attempts to improve their performance on the current job or prepare them for an intended job.

Training is concerned with imparting and developing specific skills for a particular purpose. For example, Flippo has defined training as "*the act of increasing the skills of an employment for doing a particular job"*. Thus, behaviour, being programmed, is relevant to a specific phenomenon, in the job.

In earlier practice, training programme focussed more on preparation for improved performance in a particular job. Most of the trainees used to be from operative levels like mechanics, machine operators and other kinds of skilled workers. When the problem of supervision increased, the steps were taking to train supervisors for better supervision, however, the emphasis was more on mechanical aspects. Gradually, the problems increased in other areas like human relation besides the technical aspects of the job. Similar problems were also experienced in management group too, that is, how managers can change their approach and attitude in order to face new challenges. This required the total change in utilising the concept of training

beyond operative level to supervisory and management groups. However, the utilisation of training methods for managers did not have the same objectives, that is, providing training to managers to perform a specific job but it extended to **multiskill training** so that managers may be able to handle a variety of jobs in the organisation. People in management group have to perform more varied jobs because of their vertical and horizontal movement in the organisation. Therefore, managers should be trained and developed to handle a variety of jobs. Thus, the old concept of training does not suit the development of managerial personnel and it was replaced by executive development or management development or simply development without any prefix.

7.4 IMPORTANCE OF TRAINING AND DEVELOPMENT

It is an accepted fact that besides money, materials and machines, the success of any organization depends upon the quality of its human resource. In the wake of increased competition, opening of the Indian economy, development of global village concept, people have become pivot around which successful organizations rotate. In the light of these, the training and development function in organizations gained momentum and recognized as a tool to help people to grow within the organization and retain them. To be productive and profit making, organizations need efficient and effective workforce. To manage and maintain this workforce, organizations 26 require skilled and knowledgeable executives. Skilled and competent executives can direct the efforts in right direction and reach the organization objectives. The impact of innovations, technological advances, market driven economy, consumerism has forced many organizations to opt for modernization, diversification and organization restructuring. The liberalization of economy has changed the environment for our managers and workforce. The protective layer has gone, and the world is now in the age of competition not only from within but also from the technologically advanced and capital rich organizations of the developed countries. The organizations opting for this change have to prepare its team to accept the challenges posed by the change process. They have to be prepared, developed and updated, accordingly. Their effectiveness would largely be determined by success of the organizations on the following counts; the redefining of the objectives and the mission of their organization, appraisal of the existing activities, phasing out those with low or negative returns, or rendered irrelevant, unless required for

strategic reasons; increasing productivity of all the resources developed in the organization, shifting to new markets, new products from selling to marketing, all with customer satisfaction. Organizations would need to gear up all their resources to well defined market orientation strategies, human resource development, research and development, and technology up gradation. Therefore, it is necessary for any organization to have trained and developed executives. Change in strategy, structure, and work processes often leave executives unsure of their roles and related responsibilities. This role ambiguity may be a major obstacle to organizational improvement, 27 innovation and change efforts. For role clarity of executives training can do wonders by improving employee knowledge, skills and behaviour; enhancing performance; increasing productivity and booming profits. It also enriches the individual in terms of increasing potential, developing competency and opportunity for career advancement. Training helps both the organization and individual to reach their respective goals.

7.5 OBJECTIVES OF TRAINING

The objectives of training in industry are as under:

(i) Making employees more useful. Training familiarises the employees with the object of the organisation and work he has to perform. Workers learn to operate equipments efficiently and increase their utility in the organisation.

(ii) Increasing efficiency of employees. Workers act efficiently as they are acquainted with the real situations of works, i.e., tools equipments and environment. They have to work practically. They are not required to follow 'trial and error' method of learning.

(iii) Familiarity with the social environment. Workers learn to work properly in the real situations of work. Labour force employed in the factory belongs to different parts of the country. They are unfamiliar with each other. Training is essential to change their habits, approaches and thinking. It also helps in bringing coordination among employees.

(iv) Familiarity with the equipments and methods. The trainee learns to operate the latest machines and equipments. He also learns the methods to work systematically.

(v) Increasing the morale of the employee. Trained workers know their jobs well and they are satisfied with their work. Job satisfaction increases their morale.

7.6 SCOPE OF TRAINING AND DEVELOPMENT

Training has existed from the inception of human being in different forms in the society. It is a medium to pass different skills from one generation to another. But with change in time, the magnitude of training has undergone sea change. Growth and development in technology has developed variety of methods and techniques in the way of training. These changes have added new dimensions to training and influenced the requirement of training. Training of human resource is carried out at macro and micro level. At macro level training is necessary for generating awareness among people on social issues, educating people and spreading literacy in society for giving people an opportunity to live a better life. Training activities at micro level are oriented towards development of people working in the organization to perform better in their job and develop their competency on the job for growth of the organization. Thus every one takes training in some or other form for survival and sustenance on this planet. Scope of training has also shifted from technical skill based to knowledge and interpersonal skill covering a wide zone ranging from manufacturing industries to service sector at micro level. The emphasis and 28 awareness on quality of products manufactured and service provided has increased the need for training of all those involved in this process. Growing quality consciousness among customers and competition in market is forcing organizations to have quality employees to give quality products and services. Inability to provide training and development opportunities can have grave consequences for society, organization and the individual. Poor training and lack of facilities for self development can be a great impediment to growth of the society and shall lead to greater disparity among have's and have not's. In an organization poor or no training shall mean its slow death due to obsolete people. Also for any individual it shall mean stagnancy in career-life and demoralization. Thus training and development activities improve performance in present job, improve quality, and increase productivity, also, decrease absenteeism and employee turnover, reduce accident rate, and help people to have vision for future business environment. Managers get the work done through coordination and direction of the efforts of others. Managers are organization members responsible for planning, organizing,

leading and controlling the activities of the organization so that its goals can be achieved. For the business to improve, the skills of its managers need to be improved. Hence, managing for success requires a comprehensive set of managerial skills. According to Kanter (1989) managerial work is undergoing such enormous and rapid change that many managers are reinventing their profession. Whereas, Mintzberg (1975) said managers serve three primary roles, they are interpersonal, informational and decision making. To perform 29 these roles managers need to develop their skills. Katz and Kahn (1970) categories skills for managers into three types, they are technical skills, human skills and conceptual skills. Technical skills enable manager to use effectively techniques, methods, processes, and equipment in performing specific jobs. Technical skills are most important for operating managers and those at lower level for supervising their subordinates. Human skills refer to the ability to work effectively with others and to build up group relations to accomplish the organizational goals. These skills include the ability to communicate, motivate and lead. Conceptual skills make it possible for a manager to consider an enterprise as a whole and evaluate the relationships, which exist between various parts or functions of a business. Such skills are concerned with the realm of ideas and creativity. Top managers in particular need these skills because they have to coordinate all the activities of the organization. Therefore it may be said that technical skill is an essential ingredient in low-level management; human skills are important at all levels of the management; and conceptual skill is essentially critical in top executive positions. As change continues with time, the functioning and roles of manager should be changed. Organizations are being restructured and redesigned to be lean, flexible and adaptable to change; managers in all areas and at all levels of the organization are expected to be proactive, team-oriented, and focused on results and for this they need special set of managerial skills and competencies. The availability of effective managerial personnel is a critical constraint and, in fact, it is often stated that mangers are the most expensive 30 and also the most critical resource in operating any business enterprise. Moreover, it is also the resource that depreciates rapidly and needs a more or less constant updating, essential for maintaining a high degree of managerial effectiveness and it can take place mainly through a continuous updating and development of the knowledge and skills of the managers operating at various levels. Drucker (1977) suggested five

habits of the mind that have to be acquired to become an effective executive and consequently effective organization. These habits are management of time, orientation to result, setting and keeping of priorities, decision -making and strength building. The manager responsible for training is required to review the shortterm and long term objectives of the firm in order to determine the direction and purpose of training activities. Where a firm plan to grow in, its existing field- or to diversify, to increase its range of products or services, it is creating new needs for trained people at all levels of the business

7.7 NEED OF TRAINING

Before we say that technology is responsible for increased need of training inputs to employees, it is important to understand that there are other factors too that contribute to the latter. Training is also necessary for the individual development and progress of the employee, which motivates him to work for a certain organisation apart from just money. We also require training update employees of the market trends, the change in the employment policies and other things.

The following are the two biggest factors that contribute to the increased need to training and development in organisations:

1. Change: The word change encapsulates almost everything. It is one of the biggest factors that contribute to the need of training and development. There is in fact a direct relationship between the two. Change leads to the need for training and development and training and development leads to individual and organisational change, and the cycle goes on and on. More specifically it is the technology that is driving the need; changing the way how businesses function, compete and deliver.

2. Development: It is again one the strong reasons for training and development becoming all the more important. Money is not the sole motivator at work and this is especially very true for the 21st century. People who work with organisations seek more than just employment out of their work; they look at holistic development of self. Spirituality and self awareness for example are gaining momentum world over. People seek happiness at jobs which may not be possible unless an individual is aware of the self. At ford, for example, an individual can enrol himself / herself in a course on 'self awareness', which apparently seems inconsequential to ones

performance at work but contributes to the spiritual well being of an individual which is all the more important.

The other factors that influence the need for the training of employees are:-

(i) To increase productivity: "Instruction can help employees increase their level of performance on their present assignment. Increased human performance often directly leads to increased operational productivity and increased company profit". Again, "increased performance and productivity, because of training, are most evident on the part of new employees who are not yet fully aware of the most efficient and effective ways of performing their jobs".

(ii) To improve quality: "Better informed workers are less likely to make operational mistakes. Quality increases may be in relationship to a company product or service, or in reference to the intangible organisational employment atmosphere".

(iii) To help a company fulfil its future personnel needs: "Organisations that have a good internal educational programme will have to make less drastic manpower changes and adjustments in event of sudden personnel alterations. When the need arises, organisational vacancies can more easily be staffed from internal sources if a company initiates and maintain an adequate instructional programme for both its non-supervisory and managerial employees.

(iv) To improve organisational climate: "An endless chain of positive reactions results from a well-planned training programme. Production and product quality may improve; financial incentives may then be increased, internal promotions become stressed, less supervisory pressure ensure and base pay rate increases result. Increased morale may be due to many factors, but one of the most important of these is the current state of an organisation's educational endeavour".

(v) To improve health and safety: "Proper training can help prevent industrial accidents. A safer work environment leads to more stable mental attitudes on the part of employees. Managerial mental state would also improve if supervisors know that they can better themselves through company-designed development programme".

(vi) Obsolescence prevention: "Training and development programmes foster the initiative and creativity of employees and help to prevent manpower obsolescence,

which may be due to age, temperament or motivation, or the inability of a person to adapt himself to technological changes".

(vii) Personal growth. "Employees on a personal bias gain individually from their exposure to educational experiences". Again, "management development programmes seem to give participants a wider awareness, an enlarged skill, and enlightened altruistic philosophy, and make enhanced personal growth possible".

It may be observed that the need for training arises from more than one reason.

(i) An increased use of technology in production;

(ii) Labour turnover arising from normal separations due to death or physical incapacity, for accidents, disease, superannuation, voluntary retirement, promotion within the organisation and change of occupation or job.

(iii) Need to additional hands to cope with an increased production of goods and services;

(iv) Employment of inexperienced, new or badli labour requires detailed instruction for an effective performance of the job.

(v) Old employees need refresher training to enable them to keep abreast of the changing methods, techniques and use of sophisticated tools and equipment;

(vi) Need for enabling employees to do the work in a more effective way, to reduce learning time, reduce supervision time, reduce waste and spoilage of raw material and produce quality goods and develop their potential.

(vii) Need for reducing grievances and minimising accidents rates;

(viii) Need for maintaining the validity of an organisation as a whole and raising the morale of its employees.

A programme of training becomes essential for the purpose of meeting the specific problems of a particular organisation arising out of the introduction of new lines of production, changes in design, the demands of competition and economy, the quality of materials processed, individual adjustments, promotions, career development, job and personnel changes and changes in the volume of business. Collectively, these purposes directly relate to and compromise the ultimate purpose of organisational training programmes to enhance overall organisational effectiveness.

O. Jeff Harris, Jr. observes:

"Training of any kind should have as its objective the redirection or improvement of behaviour so that the performance of the trainee becomes more useful and productive for himself and for the organisation of which he is a part. Training normally concentrates on the improvement of either operative skills (the basic skills related to the successful completed of a task), interpersonal skills (how to relate satisfactorily to others), decision-making skills (how to arrive at the most satisfactory causes of action), or a combination of these".

The objectives of training as adopted by the Indian Oil Company will serve as an illustrative example:

(i) To impart to new entrants the basic knowledge and skill they need for an intelligent performance of definite tasks;

(ii) To assist employees to function more effectively in their present positions by exposing them to the latest concepts, information and techniques and developing the skills they will need in their particular fields;

(iii) To build up a second line of competent officers and prepare them to occupy more responsible positions;

(iv) To broaden the minds of seniors managers by providing them with the opportunities for an inter-change of experiences within and outside with a view to correcting the narrowness of the outlook that may arise from over-specialisation;

(v) To impact customer education for the purpose of meeting the training needs of Corporations which deal mainly with the public, e.g., Hindustan Steel Limited, Gujarat State Road Transport Corporation, B.E.S. & T, Mumbai, Heavy Electric, Bhopal, Gujarat State Fertilizer Corporation, Vadodra, Western Railway, Bombay, And The All India State Road Transport Corporation.

7.8 BENEFITS OF TRAINING

Training offers innumerable benefits to both the employees and the employers. It makes the employee more productive and more useful to an organisation. The importance of training can be studies under following heads:

(A) Benefits to the Organisation

The major benefits of training are discussed below:

(i) ***Systematic learning:*** Training helps to reduce the learning time to reach the acceptable level of performance. The employees need not learn by observing other and waste time if the formal training programme exists in the organisation. The qualified instructors will help the new employees to acquire the skills and knowledge to do particular jobs within a short interval of time

(ii) ***Increase in productivity:*** The trained worker becomes efficient in his work. His productivity is increased and as such production also increases.

(iii) ***Proper use of machines and equipments:*** A trained employee has the knowledge of operating requisite machines and equipments. He handles them properly and methodically. The appropriate use of tools and equipments enables the most suitable use of resources.

(iv) ***Improved quality of goods:*** Goods manufactured by trained workers are superior in quality as compared to goods produced by untrained workers. This is due to the application of right methods, techniques and handling of equipments and materials.

(v) ***Less accidents:*** Due to the operational efficiency of the trained workers and the complete knowledge about the working of plants and machines, chances of accidents are reduced.

(vi) ***Less supervision****:* If the employees are given adequate training, the need for supervision is lessened. Training does not eliminate the need for supervision, but it reduces the need for detailed and constant supervision. A well-trained employee is self-reliant in his work because he knows what to do and how to do. Under such situations, close supervision is ordinarily not mandatory.

(vii) ***Economical operations:*** Trained personnel will be able to make better and economical use of materials and equipments. Wastage will also be low. These will leads to lower cost of production per unit.

(viii) ***Boosting morale****:* A good training programme will mould employees' attitudes

to achieve support for organisational activities and to obtain higher cooperation and greater loyalty. With the help of training, dissatisfactions, complaints, absenteeism and turnover can also be reduced among the employees. Thus, training helps in building an efficient and co-operative work force.

(ix) ***Preparation of future managers:*** Training can be used in spotting out promising mean and in removing defects in the selection process. It is better to select and train from within the organisation rather than seek skilled employees from the outside sources. Training may be imparted to qualify them for promotion to more responsible jobs.

(B) Benefits to Employees

Training helps the employees and workers in the following ways:

(i) ***Greater confidence:*** Training creates a feeling of confidence in the minds of workers. It gives safety and security to them at the workplace.

(ii) ***Acquisition of new skills:*** Training develops skills which serve as a valuable personal asset of a worker. It remains permanently with the worker himself.

(iii) ***Better chances of promotion:*** Training provides opportunity for promotion and self development.

(iv) ***Higher earnings:*** Training increases productivity which provides higher remuneration and other monetary benefits to the workers.

(v) ***Adaptability:*** Training develops adaptabilities among workers. They don't worry when work procedures and methods are changed.

(vi) ***Increased mobility:*** Trained employee knows his job well and he can easily shift from one place to other place and from one organisation to other organisation.

(viii) ***Increased safety:*** Trained workers handle the machines safely. They also know the use of various safety devices in the factory. Thus, they are less prone to accidents.

7.9 STAGES OF TRAINING

Training programmes are a costly affair and a time consuming process. Therefore, they need to be drafted very carefully. Usually in the organisation of training programmes, the following stages are considered necessary.

(1) Discovering or identifying training needs. A training programme should be established only when it is felt that it would assist in the solution of specific operational problems. The most important stage, in the first place, is to make a thorough analysis of the entire organisation, its operations and manpower resources available in order to find out "the trouble spots" where training may be needed. It should, however, be noted that training is not a cure-all. For example, if the efficiency of an employee is low, or he cannot get the job done, it may be due to faulty raw materials and equipment or not getting their timely supplies, or a defective engineering design, or uncongenial work environment, or low wages, or tax supervision. If that is the case, these problems should be rectified.

Identification of training needs must contain three types of analyses – organisational analysis, operations analysis, and man analysis. *Organisational analysis* centres primarily upon the determination of the organisational goals, its resources, and the allocation of the resources as they relate to the organisational goals. The analysis of organisational goals establishes the framework in which, training needs can be defined more clearly. *Operational analysis* focuses on the task or job regardless of the employee doing the job. This analysis includes the determination of the worker must do – the specific worker behaviour required – if the job is to be performed effectively. *Man analysis* reviews the knowledge, attitudes and skills of the incumbent in each position and determines what knowledge, attitudes and skills he must acquire and what alterations in his behaviour he must make if he is to contribute satisfactorily to the attainment of organisational objectives.

William Berliner and William McLarney say that discovering training needs involves five tasks.

(a) Task description analysis

1. List of duties and responsibilities or tasks of the job under consideration, using the job description as a guide.

2. List the standards of work performance on the job.

(b) Determining training needs

3. Compare actual performance against the standards.
4. Determine what parts of the job are giving the employee trouble – where is the falling down in his performance?
5. Determine what kind of training is needed to overcome the specific difficulty or difficulties.

Numbers 1 and 2 comprise basic task description step in indentifying training needs. Here job requirements – the jobs the person does – and expected standards of performance are taken note of Numbers 3, 4 and 5 involve determining job related training needs. Problem and performance discrepancies are notes and training goals set.

(a) **Task description analysis:** The job or task analysis aims at determining what constitutes the job, the methods that are used on the job, and the human skills required to perform the job adequately. The job or task description that results, lays out the requirements of the task in terms of actual duties to be performed. The job specification lists the human skills and knowledge required.

(b) **Determining training needs:** Training needs may be discovered/identified for the new as well as the present employees and for solving the specific problem in the following ways:

(i) Identifying specific problems: Such problem are: productivity, high costs, poor material and control, poor quality, excessive scrap and waste, excessive labour management troubles, excessive grievances, excessive violation of rules of conduct, poor discipline, high employee turnover and transfers, excessive absenteeism, accidents, excessive fatigue, fumbling, discouragement, struggling with the job; standards of work performance not being met bottlenecks in production, deadlines not being met, and delayed production. Problems like these suggest that training may be necessary. For this, the task and the workers should be closely observed and the difficulties found out.

(ii) Anticipating impending and future problems: Bearing on the expansion of

business, the introduction of new product, new services, new designs, new plant, new technology and of organisational changes concerned with manpower inventory for present and future needs.

(iii) ***Management requests:*** The supervisors and managers may make specific request for setting training programmes. Though this method is simple and a correct evaluation of the employee's performance deficiencies can made, but often such recommendations may be built on faulty assumptions; and requests may not coincide with each other or organisational goals.

(iv) ***Interviewing and observing the personnel on the job:*** Interviewing personnel and direct questioning and observation of the employee by his superiors may also reveal training needs.

(v) ***Performance appraisal:*** An analysis of the past performance records of the perspective trainee and comparing his actual performance with the target performance may provide clues to specific interpersonal skills that may need development.

(vi) ***Questionnaire:*** Questionnaire may be used for eliciting opinions of the employees on topics like communication, satisfaction, job characteristics, their attitude towards working conditions, pay, promotion policies etc. These will reveal much information about where an employee's skills and knowledge are deficient.

(vii) ***Checklist:*** The use of checklist is a useful supplement to interview and observations. Through it, more reliable information can be obtained and the data got are quantifiable. The facilitates evaluating the training programme's effectiveness.

(viii) ***Morale and attitude surveys:*** An occasional personnel audit may be conducted to forecast future promotions, skills requirements, and merit rating, to initiate informal discussions and an examination of records and statistics regarding personnel, production, cost, rejects and wastages. All these generally reveal the potential problems to be tackled through training programme.

(ix) In addition, tests of the interpersonal skills through handling of posed cases and incidents may also reveal training needs.

It is interesting to note that "the determination of training needs in American industry ranges from subjective beliefs about the value of training and education to a systematic identification of problems requiring solutions. The latter seems to be the wisest course in order to ensure that training contributes to the goals of an enterprise. In a survey of 150 firms, it was found that the training needs of an organisation were determined generally by requests from the top management. Presumably, perceptions, judgement, intuition, the expressed needs of the first level and middle managers, or a desire to follow the practices of other firms were the determining factors in these requests. The other methods which were often used were informal observations, talks with supervisors, and group discussions and conferences; used less often were analysis of various reports (such as cost, turnover, grievances, suggestions, etc.), formal training advisory committees, employee questionnaires and merit of performance rating. In another enquiry, it was found that the development of training needs was based on supervisory commendations in 73 percent of the firms, on the analysis of job requirements in 58 percent and on the analysis of job performance in 32 percent. Suggestions by employees were a factor in 66 percent of the firms. Organisations have several sources of information which assist them in determining their training needs; and in this determination of needs, supervisors play a major role.

In India, it was found in a survey that in all the 13 private sector companies where the survey was undertaken, the training needs were determined on the basis of supervisory recommendations, analyses of job performance and job requirements, and on the basis of employee suggestions. In the case of steel and tobacco industries, the employees themselves suggested the type of training that was needed.

Armed with the knowledge of each trainee's specific training needs, programmes of improved can be developed that are tailored to these needs. This training – programme then follows a general sequence aimed at supplying the trainee with the opportunity to develop his skills and abilities.

(2) Getting ready for the job: under this stage, it is to be decided who is to be trained – the newcomer or the older employee, or the supervisory staff, or all of them

selected from different departments. The trainer has to be prepared for the job, for he is the key figure in the entire programme. This calls for a decision on:

(i) Support material for training

· Lectures (learning by hearing supplemented by reading assignments); conferences, seminars and staff-meeting (learning by participation); demonstrations (learning by seeing); and short courses, through coaching.

- Role-playing (learning by doing) and job rotation (learning by experience).
- Case or project studies and problem-solving sessions (learning by personal investigation).
- Use of pamphlets, charts, brochures, booklets, handbooks, manual, etc.
- Graphs, pictures, books, slides, movie projectors, film strips, tape recorders, etc.
- Posters, displays, notice and bulletin boards.
- Reading rooms and libraries where specified books and journals are maintained for reference and use.
- Under-study and visits to plants.
- Correspondence courses under which knowledge about business law, statistics, industrial management, marketing, office procedures, retailing and many other similar subjects may be imparted.
- Teaching machines.
- Membership of professional or trade associations, which offer new techniques and ideas to their members.

(ii) Training period

The duration of training varies with the skill to be acquired, the complexity of the subject, a trainee's aptitude and ability to understand, and the training media used.

Generally, a training period should not be unduly long; if it is, trainees may feel bored, uninterested. The ideal session should not go beyond 2 to 3 hours at a stretch, with a break in between two sessions. If convenient, employees may be trained for a week or a fortnight for an hour or two, everyday after work hour.

The training period may extend from 3 weeks to 6 months or even more, depending upon job requirements.

The physical location of the programme should be in pleasant surrounding away from the noise and tension of the work place.

(iii) Training for different employees

Employees at different levels require training. Unskilled workers require training in improved methods of handling machines and materials to reduce the cost production and waste and to do the job in the most economical way. Such employees are given training on the job itself; and the training is imparted by their immediate superior officers, sardars or foreman. The training period ranges from 3 weeks to 6 weeks.

Semi skilled workers require training to cope with the requirements of an industry arising out of the adoption of mechanisation, rationalisation and technical processes. These employees are given training either in their own sections or departments, or in segregated training shops where machines and other facilities are usually available. The training is usually imparted by the more proficient workers, bosses or inspectors, and lasts for a few hours or weeks, depending upon the number of operations, and the speed and accuracy required on a job. Training methods include instruction in several semi-skilled operations because training in one operation only creates difficulties in adjustments to new conditions, lends the colour of specialisation to a job and makes work somewhat monotonous for an individual

Skilled workers are given training through the system of apprenticeship, which varies in duration from a year to three or five years. Such training is also known as tradesmen or craftsmen training, and is particularly useful for such trades in industry which requires highly sophisticated skills – as in carpentry, drilling, boring, planning and host of other industrial jobs and operations. While the mass production in industry has considerably reduced the proportion of employees who must be skilled tradesmen, the design, the construction and maintenance of new machines have increased to such an extent that a very high level of skill and capacity is required to become a skilled tradesman. Any apprenticeship programme usually takes into consideration the facts of individual differences in abilities and capacities. Such programmes are

usually conducted in training centres and industry itself.

Besides the above types of employees, other – typists, stenographers, accounts clerks, and those who handle computers – need training in their particular fields; but such training is usually provided outside an industry.

Salesmen are given training so that they may know the nature and quality of the products, and the routine involved in putting through a deal; they are trained in the art of salesmanship, and in handling customers and meeting their challenges.

The supervisory staff needs training most, for the form a very important link in the chain of administration. The training programme for supervisors must be tailor-made to fit the needs of an undertaking. Their training enables supervisors to cope with the increasing demands of the enterprise in which they are employed and to develop team spirit. Supervisory training aims at:

- Helping the present supervisors to improve their performance;
- Helping them to prepare for the greater responsibilities of the higher levels of management;
- Building up the security and status of supervisors; and
- Ensuring their technical competence with the view to enabling them to know and understanding all about the processes and operations in which their workers participate.

The courses for supervisors concentrate upon those areas which are closely related to their day-to-day jobs. Accordingly, they are generally given training in:

- The organisation and control of production, in maintenance and materials handling at the department level;
- Planning, allocation and control of work and personnel;
- Impact of methods study, time study, job evaluation, and the supervisors' responsibilities and functions in connection therewith;
- Company policies and practices for the purchase of stores, the preparation of requisitions, inventories, cost analysis, cost control and shop rules and the preparation of reports and other standards operating procedures;

- Personnel procedures, policies and programmes;
- Training of subordinates and grievances handling; and techniques of disciplinary procedures;
- Communication, effective instruction, report writing;
- Appraisal of employees and their rating, and the maintenance of personnel records;
- Dealing with the problem of absenteeism, tardiness, indiscipline and subordination;
- The handling of human problems – i.e. maintaining good interpersonal relations and morale of the employees;
- Evaluating the effects of industrial legislation at the department level;
- Leadership qualities;
- Industrial law, standing orders, and trade union organisation; and
- Principles of administration, safety, health and welfare regulations.

Supervisor's training may include the supply of necessary reading material, job rotation to give them a wide in plant experience, holding of staff meetings, visits to other industrial units, participation in the work of other departments, lectures and teaching, role-playing, case studies and conferences.

In India, such training is provided by the National Productivity Council, New Delhi and the Central Labour Institute at Mumbai and Delhi.

(iv) Training methods (see next chapter 20)

(3) Preparation of the learner: This stage consists: (i) in putting the learner at ease (so that he does not feel nervous because of the fact he is on a new job); (ii) in stating the importance and ingredients of the job, and its relationship to work flow; (iii) in explaining why he is being taught; (iv) in creating interest and encouraging questions, finding out what the learner already knows about his job or other jobs; (v) in explaining the 'why' of the whole job and relating it to some job the worker already knows; (vi) in placing the learner as close to his normal working position as possible; and (vii) in familiarising him with the equipment, materials, tools and trade terms.

(4) Presentation of operation and knowledge: This is the most important stage

in a training programme. The trainer should clearly tell show, illustrate and question in order to put over the new knowledge and operations. The learner should be told of the sequence of the entire job, and why each step in its performance is necessary. Instructions should be given clearly, completely and patiently; there should be an emphasis on key points, and one point should be explained at a time. For this purpose, the trainer should demonstrate or make use of audio-visual aids and should ask the trainee to repeat the operations. He should also be encouraged to ask questions in order to indicate that he really knows and understands the job.

(5) Performance try out: Under this, the trainee is asked to go through the job several times slowly, explaining him each step. Mistakes are corrected, and if necessary, some complicated steps are done for the trainee the first time. The trainee is asked to do the job, gradually building up skill and speed. As soon as the trainee demonstrates that he can do the job in a right way, he is put on his own, but not abandoned.

The trainee is then tested and the effectiveness of a training programme evaluated. This is usually done by:

(i) Giving written or oral tests to trainees to ascertain how far they have learnt the techniques and principles taught to them and the scores obtained by them;

(ii) Observing trainees on the job itself and administering performance tests to them;

(iii) Finding out individual's or a group's reaction to the training programme while it is in progress and getting them to fill up evaluation sheets;

(iv) Arranging structured interviews with the participants or sending them questionnaire by mail;

(v) Eliciting the opinion or judgement of the top management about the trainees' performance;

(vi) Comparing the results obtained after the training with those secured before the training programme in order to find out whether any material change has taken place in attitude, opinion, in the quality of output, in the reduction in scrap, breakage and the supplies used and in overheads costs.

(vii) Study of profiles and charts of career development of the participants and related assignment techniques.

Through one or a combination of these devices, the validity of training programmes may be ascertained. If there are any errors or weaknesses, they should be corrected and instruction repeated, if necessary, till the trainer knows that the trainee has learnt whatever has been imparted to him.

(6) Follow-up: This stage is undertaken with a view to testing the effectiveness of training efforts. This consists in:

(i) Putting a trainee "on his own".

(ii) Checking frequently to be sure that he has followed instructions; and

(iii) Tapering off extra supervision and close follow-up until he is qualified to work with normal supervision.

It is worth remembering that if the learner hasn't learnt, the teacher hasn't taught.

7.10 TYPES OF TRAINING

On the basis of purpose, several types of training programmes are offered to the employees. It should be noted that these programmes are not mutually exclusive. They invariably overlap and employee many common techniques. The important types of training programme are discussed below:

(i) Induction training: Employee orientation or induction training is nothing but introduction of the organisation to the newly employed person. The purpose is to give a 'bird's eye view' of the organisation where he has to work. It is a very short information training given immediately after recruitment. It creates a feeling of involvement in the minds of newly appointed employees.

(ii) Job training: Job training relates to specific job which the worker has to handle. It gives information about machines, process of production, instruction to be followed, methods to be used and so on. It develops skills and confidence among the workers and enables them to perform the job efficiently.

Job training is the most common of formal in-plant training programmes. It is necessary for the new employees to acquaint them with the jobs they are expected to perform. It helps in creating interest of the employees in their jobs.

(iii) ***Apprenticeship training:*** Apprenticeship training programme tends more towards education than merely on the vocational training. Under this, both knowledge and skills in doing a job or a series of related jobs are involved. The government of various countries have passed laws which make it obligatory on certain classes of employers to provide apprenticeship training to the young people. The usual apprenticeship programmes combine on-the-job training and experience with class-room instructions in particular subjects.

The trainees receive wages while learning and they acquire valuable skills which command at high wage in the labour market. In India, there are so many 'earn when you learn' schemes both in the private as well as public sector undertakings. This is also advantageous to the trainees. Some employers look upon apprentices as sources of cheap labour. Apprenticeship training is desirable in industries which require a constant flow of new employees expected to become all round craftsmen. It is very much prevalent in printing trades, building and construction, and crafts like mechanics, electricians, welders, etc.

(iv) ***Internship training:*** This method of training refers to a joint programme of training in which the technical institutes and business houses cooperate. The object of such cooperation is to provide such training as will bring about a balance between theory and practice. For this purpose, students may be sent to factories for practical training from their schools during vacations.

(v) ***Refresher training****:* As the name implies, the refresher training is meant for the old employees of the company. The basic purpose of refresher training is to acquaint the existing work force with the largest methods of performing their jobs and improve their efficiency further. In the words of Dale Yoder, "Retraining programmes are designed to avoid personnel obsolescence". The skills with the existing employees become obsolete because of technological changes and because of the tendency of human beings to forget. Thus, refresher training is essential because of the following factors:

(a) The workers require training to bring them up-to-date with the knowledge and skills and to relearn what they have forgotten.

(b) Rapid technological changes make even the qualified workers obsolete in course of time because new technology is associated with new work-methods and job requirements. The workers need to learn new work methods to use new techniques in doing their jobs.

(c) Refresher training becomes necessary because many new jobs which are created due to changes in the demand for goods and services are to be handled by the existing employees.

Training for promotion:. The talented employees may be given proper training to make them eligible for promotion to higher jobs in the organisations. It is known as 'training for promotion'. The purpose of such training is to train and educate the trainees to make them fit for assuming higher job responsibilities

7.11 METHODS OF TRAINING

The important methods of imparting training to the operative employees are as follows:

1. On-the-job training
2. Vestibule training
3. Off-the-job training

On-the-job training

4. On-the-job training is very effective method of training the operative personnel. Under this method, the worker is given training at his workplace by his immediate supervisor who knows exactly what the trainees should learn to do. On-the-job training may take any one of the following forms:

(a) Coaching: It is a procedure by which a supervisor teaches job knowledge and skills to a subordinate. The emphasis is on learning by doing.

(b) Under-study: Under this method, a superior gives training to a subordinate as his under-study. The subordinate chosen for under-study is designated as the heir-apparent and his future depends upon what happens to his boss. The purpose of under-study is to prepare someone to fill the vacancy caused by death, retirement, promotion, or transfer of the superior.

(c) Job rotation: The purpose of job rotation is to broaden the background of the trainee in various positions. The trainee is periodically rotated from job to job instead

of sticking to one job so that he acquires a general background of different jobs.

(d) Project assignment: Under the project assignment method, a number of trainee executives are put together to work on a project directly related to their functional areas. The group of executives on the project, called project team, studies the specific problem and find its appropriate solution. For example, marketing officers may be assigned the task of designing and developing an effective compensation plan for salespersons. When trainees work on this project, they learn the work procedures and techniques of salary administration. Besides, they have the opportunity to acquire knowledge of the interrelationships especially between marketing, finance, administration and personnel departments.

(e) Committee assignment: Under this method, an ad hoc committee of management trainees is constituted and is assigned a subject to discuss and make recommendations. The committee has specific objectives and responsibilities related to some aspect of the organisation. It will make a study of the problem and present its suggestions to the departmental head. Committee assignments can provide the necessary general background to the trainees because every member of the committee gets a chance to learn from others. Committee assignment is an important device of educating the executive to acquire general background and to modify their behaviour towards the selected problem.

(f) Multiple management. This technique was developed by Charles P. McCormick of the McCormick Corporation of Baltimore, United States. It is also called 'junior board of executive'. Under this technique, a junior board of young executives is constituted. Specific problems are assigned to the junior board for the proper analysis. The board discusses such problems from all angles and in all reasonable details and makes its recommendation to the (senior) board of directors for taking final decisions. Thus, the young executives get the opportunity to acquire the knowledge of various aspects of business and also learn decision-making skills. This technique also helps to identify those young executives who have the skills and capabilities of an effective manager. Moreover, the (senior) board of directors receives the collective wisdom of the young executives, team. Vacancies in the board of directors can be filled from the junior-board members who have received considerable exposure to problems and issues of the organisation.

Vestibule training

The term 'vestibule training' is used to designate training in a class-room for semi-skilled jobs. It is more suitable where a large number of employees must be trained at the same time for the same kind of work. Where this method is used, there should be well qualified instructors in charge of training programme. Here the emphasis tends to be on learning rather than production. It is frequently used to train clerks, machine operators, typist, etc.

Vestibule schools are adapted to the same general type of training problem that is faced by on-the-job training. A vestibule school is run as a special endeavour of the personnel department. An attempt is made to duplicate, as nearly as possible, the actual material, equipment and conditions found in the real work place. Now the question arises why to have a vestibule school? The vestibule school may be started when the training work exceeds the capacity of the line supervisors. Thus, in vestibule training, the workers are trained on specific jobs in a school run by the organisation. An attempt is made to create working conditions which are similar to the actual workshop conditions. The learning conditions are also carefully controlled.

Vestibule training is particularly suitable where it is not advisable to put the burden of training on line supervisors and where a special coaching is required. The staff of the vestibule school consists of experts and specialist instructors. The trainees avoid confusion and pressure of the work situation and are thus able to concentrate on training. Their activities do not interfere with the regular processes of production. Moreover, trainees get an opportunity to become accustomed to work routine and recover from their initial nervousness before going on to actual job.

Vestibule training has certain limitations also. The artificial training atmosphere may create the adjustment problem for the trainees when they return to the place of job. Vestibule training is relatively expensive because there is duplication of materials, equipment and conditions found in a real work place.

Off-the-job training

In case of complicated and technical jobs, where more understanding, skill

and experience required, training is imparted off the job. Many big enterprises, institutions, banks, hotels, etc. have their own staff training colleges and institutes, where off-the-job training is imparted to their employees. Important off-the-job methods are discussed below:

(a) Classroom training: Class-room instruction is most useful where concepts, attitudes, theories and problem-solving abilities must be learnt. It is more associated with knowledge rather than skill. For instance, there are certain aspects of nearly all jobs that can be learnt better in the class-room than on the job. Orientation about organisation and safety training can be accomplished most effectively in the classroom. The standard instructional method suitable for operative employees is a 'formal lecture' by an instructor to the trainees. The lecture possesses a considerable depth of knowledge of the subject at hand. He seeks to communicate his thoughts in such a manner as to interest the class and cause the trainees to retain what he has said. The trainees generally take notes as an aid to learning.

The lecture method can be used for providing instructions to large groups. Thus, the cost per trainee is low. However, it has certain limitations also. The learner may be passive. It violates the principle of learning by doing and constitutes one-way communication. But students may be permitted to ask questions. This will provide feedback from the students. Lectures can easily be combined with other techniques. Thus, a teacher may conduct a class by the combined lecture-cum-discussion method. He may lecture only to add new information that the group does not possess. Formal reading assignment may be given, demonstration may be presented and video films may be shown alongwith the lecture.

(b) Case study: This method is used in addition to lecture method of training. A case is a record of a business problem which has been actually faced by some business firm. The candidates are provided with wealth of details and data about the problem. Each candidate learns to see beyond the confines of his speciality, and to communication coherently. In addition, he has the benefits of listening to his companions arriving, perhaps, at different solutions using the same data. Thus, he learns about himself, his assumptions, talents and limitations and can see that there are many possible answers to a problem

(c) Conference: Under this method, the managers attend the conference programme in which they pool their ideas and experiences with certain problems which are a common subject of discussion. For example, the conference may discuss specific problems such as planning, delegation, communication, uses of managerial control, co-ordination, relationship between business and society, etc. Such programmes are very useful for development if there is active participation of all the participants in the discussion.

(d) Seminars: A seminar is more or less like a conference, but it is on smaller scale. It centres around a single theme which is discussed in detail. The penal speakers are specialists in their fields and they share their ideas with the participants or trainees.

(e) Sensitivity training: This method aims to influence an individual's behaviour through group discussion known as T-graph. During the session, the trainees freely express their ideas, beliefs and attitudes. The trainees are enabled to see themselves as others see them and develop an understanding of others' view and behaviour. Further, the participants are trained to become patient listeners and also resolve conflicts, if any. In addition, the trainees become sensitive to one another's feelings and development increased tolerance towards others.

(f) Role playing: Role playing focuses on such problems as giving an assignment, correcting an employee, dealing with a complaint, safety, principles, and practice, etc. It can be a matter of a supervisor dealing with an individual or a group. The role playing lasts 20-30 minutes after which data are collected about the performance results and a discussion takes place about the solution, the issues and the behaviour of the group members in the role playing.

(g) Management games: Management or business 'games' are management development exercises in which participants are given background information, instruction about rules and conditions and perhaps roles to play. One example would be complex computerised games which are frequently played on an electronic computer that has been programmed for a particular game. In such a game, competing groups make a series of management decisions, such as product price, sale of stock, wages rates and inventory size. These groups are given scores as they progress through a series of change in the economic environment.

(h) In-Basket training: This technique emphasises the necessity for skills in decision-making and ability to differentiate the significant from the important. The trainee is presented with a situation where he must take over for a manager who is absent. He is provided with an in-basket full of materials with which he must deal. These materials may be phone calls, meeting to set up, complaints to handle, orders to make and other demands which supposedly duplicate the task he would face, if he were holding such a position. This may require a list of priorities.

After the session is completed, the trainer and the trainee meet to discuss and evaluate the trainee's performance. Similarly techniques may have men working together as a group. Same strong and weak points that are applicable for business games are applicable here also

7.12 DIFFERENCE BETWEEN TRAINING AND DEVELOPMENT

The processes of training and development are often confused. Training means learning the basic skills and knowledge necessary for a particular jobs or a group of jobs. To put it in other words, training is the act of increasing the knowledge for doing a particular job. But development, on the other hand, means growth of the individual in all respects. An organisation works for the development of its executives or potential executives in order to enable them to be more effective in performing the various functions of management. An executive development programme aims at increasing the capacities of the individuals to achieve the desired objectives. Executive capacities imply his personal abilities and potentials. Desired objectives imply consideration for the goals of the organisation and the individuals. Increasing the capacities implies that change must occur in the executive and through him in his subordinates.

Role of learning in training and development

Learning has been described as a relatively permanent change in behavior that occurs as a result of insight, practice or experience. Learning has been defined by Kim, (1993) as the process of increasing one's capacity to take action. Learning takes place more readily in some circumstances than in other and hence can be influenced. Reynolds, Caley and Mason (2002) distinguished it from training as learning is the process by which a person acquires new knowledge, skills and

capabilities whereas training is one of several responses and organization can take to promote learning. Pedler, Boydell and Burgoyue (1989) opine that learning is concerned with increase in knowledge or a higher degree of an existing skill, but development is more towards a different state of being or functioning. An operational definition of learning refers it to change in a subjects behaviour or behavior potential in a given situation brought about by the subjects repeated experiences in that situation, provided that the behaviour change cannot be explained on the basis of the subjects natural response tendencies, maturation or temporary states. It emphasizes the relative permanency of learning. Learning of knowledge and skills imparted during training and management development can be increased through various factors such as motivation, response and reinforcement, feedback, participation and knowledge, perception of trainee and setting of training objectives. Therefore while setting training objectives, designing and developing training program and implementing training, it is important to take care of the factors influencing learning for better and effective results or outcome of training. Mintzberg (1975) opined that at a personal level, managers have to widen their perspectives and enlarge their information base by resorting to diverse sources of information, formal and informal which can enable strategic thinking

7.13 STRATEGY OF TRAINING AND DEVELOPMENT

For successful outcomes of training and management development program, it is necessary to have clear goals, a possible strategy for attaining them, and precise specifications for each part of the training task including the resources of time, skill and facilities. Lynton and Pareek (2004) suggested four key issues for training strategy. They are: the need for a action perspective in establishing a training strategy; setting goals; planning the specifications; and programming the resources and their sequences for these requirements. Action perspective in training is a systematic attempt to develop the human resources - individual, group and organizational competencies required to manage some present tasks and situations as well as those in the future. It is followed by setting of goals or objectives. Then the time comes for defining training specifications and deciding them with the trainers. Next is the most important step of organizing the various training inputs for maximum

effectiveness and in an economic way. Training strategy formulation, testing in practice, review and development costs much time and effort but is justified by making training effective and economical.

7.14 TRAINING NEED ANALYSIS

Introduction

Today's work environment requires employees to be skilled in performing complex tasks in an efficient, cost-effective, and safe manner. Training (a performance improvement tool) is needed when employees are not performing up to a certain standard or at an expected level of performance. The difference between the actual level of job performance and the expected level of job performance indicates a need for training. The identification of training needs is the first step in a uniform method of instructional design. A successful training needs analysis will identify those who need training and what kind of training is needed. It is counter-productive to offer training to individuals who do not need it or to offer the wrong kind of training. A Training Needs Analysis helps to put the training resources to good use. It is process of identifying training needs in an organization for improving employee job performance.

Meaning

The term training needs analysis is often referred as learning needs analysis in human resource department. The training needs reflect that there are lots of ways to perform a job and thus a huge opportunity of learning to work. The analysis is all about the gap in the skills and knowledge and how the HRM department can help to bridge the gap. HRM department always put focus on the idea that constant learning process is good for employees. It keeps their skills updated and improves their performance. The training need analysis implies to the analysis of skill improvement required to perform the current or future job with great excellence.

Objectives of Training needs analysis

Following are the important objectives of training needs analysis: -

- To ensure that the product/service requirement of customer have been met with the help of skilled employees.

- To help the organization to set appropriate goals and achieve them.
- To create an appropriate performance benchmark which can be used to judge the employee productivity.
- To enable employees to evaluate their current skills seta and continuously upgrade their knowledge to improve their performance levels
- To highlight the work quality issues in the organization and identify focus area which need improvement.

Types of Training Needs Analysis

The process of identifying training needs in an organization for improving employee job performance. Many needs assessments are available for use in different employment contexts. Sources that can help you determine which needs analysis is appropriate for your situation are described below.

- **Organizational Analysis**: An analysis of the business needs or other reasons the training is desired. An analysis of the organization's strategies, goals, and objectives. *What is the organization overall trying to accomplish?* The important questions being answered by this analysis are who decided that training should be conducted, why a training program is seen as the recommended solution to a business problem, what the history of the organization has been about employee training and other management interventions.
- **Person Analysis**: Analysis dealing with potential participants and instructors involved in the process. The important questions being answered by this analysis are who will receive the training and their level of existing knowledge on the subject, what is their learning style, and who will conduct the training. *Do the employees have required skills?* Are there changes to policies, procedures, software, or equipment that require or necessitate training?
- **Work analysis / Task Analysis**: Analysis of the tasks being performed. This is an analysis of the job and the requirements for performing the work. Also known as a task analysis or job analysis, this analysis seeks to specify the main duties and skill level required. This helps ensure that the training which is developed will include relevant links to the content of the job.

- **Performance Analysis**: Are the employees performing up to the established standard? If performance is below expectations, can training help to improve this performance? Is there a *Performance Gap*?
- **Content Analysis:** Analysis of documents, laws, procedures used on the job. This analysis answers questions about what knowledge or information is used on this job. This information comes from manuals, documents, or regulations. It is important that the content of the training does not conflict or contradict job requirements. An experienced worker can assist (as a subject matter expert) in determining the appropriate content.
- **Training Suitability Analysis:** Analysis of whether training is the desired solution. Training is one of several solutions to employment problems. However, it may not always be the best solution. It is important to determine if training will be effective in its usage.
- **Cost-Benefit Analysis:** Analysis of the return on investment (ROI) of training. Effective training results in a return of value to the organization that is greater than the initial investment to produce or administer the training.

How to Conduct a Training Needs Analysis?

There are following steps required for conduct a training needs analysis: -

1. **Determine Desired Outcomes**: Clarify goal of the training and expected business outcomes.
2. **Link Desired Outcomes with Employee Behaviour**: Identify the competencies (behaviours, skills, qualities and knowledge) that are linked to desired outcome.
3. **Identify Trainable Competencies:** Evaluate the critical competencies and determine if they are abilities one should possess prior to job entry or abilities that can be leaned on the job.
4. **Evaluate Competencies and Determine Performance Gaps:** Evaluate current competencies and identify where there are gaps between current ability and desired ability.
5. **Prioritize Training Needs:** Identify the percentage of employees who need training on the competencies and consider the importance of the competencies to the business objectives.

7.17 SELF ASSESSMENT QUESTIONS

1. Training is learning the basic skills and knowledge necessary for a particular jobs or a group of jobs. (T/F)
2. Training is a process of learning a sequence of programmed behaviour. (T/F)

7.18 LESSON END EXERCISE

Q1 Define training. Explain the advantages of training to the employees and the organisation.

Ans _____

_____

Q2 State the nature and objectives of training.

Ans _____

_____

Q3 Discuss the significance of training to the employees.

Ans _____

_____

Q4 Explain the different stages involved in training of an employee.

Ans _____

_____

Q5 Discuss the various types of training programmes prevalent in the industry.

Ans _____

_____

Q6 Explain the various methods of training which are relevant for imparting training to workers.

Ans _____

_____

Q7 State the difference between training and development.

Ans _____

_____

7.19 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice Of Management: L.M.Prasad

CAREER DEVELOPMENT

STRUCTURE

8.1 Introduction
8.2 Objectives
8.3 Meaning of Career Development
8.4 Importance of Career Development
8.5 Benefits of Career Development
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8.1 INTRODUCTION

Career development is important to organizations for retaining and developing human resources to achieve organizational goals. It is also important to individuals because careers represent their entire lives in the work settings. Career development is supported and sponsored by individuals and organizations. From an individual's point of view, career development is an ongoing process of planning and action

toward personal work and life goals. Career development programs can be conducted throughout an individual's life stages by career counselors, counseling psychologist, teachers, placement specialists, and mentors or managers. A career development intervention is a deliberate action aimed at enhancing some aspects of a person's career, including influencing the career decision-making process, clarifying career goals, and skill building activities.

Career Development is a "continuous lifelong process of developmental experiences that focuses on seeking, obtaining and processing information about self, occupational and educational alternatives, life styles and role options" (Hansen, 1976). Put another way, career development is the process through which people come to understand them as they relate to the world of work and their role in it. This career development process is where an individual fashions a work identity. In America, we are what we do, thus it becomes a person's identity. It is imperative when educating our young people that our school systems assist and consider the significance of this responsibility for our youth and their future. The influences on and outcomes of career development are one aspect of socialization as part of a broader process of human development.

The term 'career' in career development refers to all the activities whch a person does in his/her lifetime. These activities includes personal, occupational and social life of the person. Thus, career refers to the life pattern of a person. Development is the modification of behaviour as a result of growth and learning. It normally involves a progressive change. Thus, career development means the overall development in the life style of a person. It involves person's experiences that contribute to the formation of his/her identity including life experiences, education, career choice, on the job training, level of professional achievement and degree of satisfaction.

Development is a long-term educational process utilising a systematic and organised procedure by which managerial personnel get conceptual and theoretical knowledge. In other words it refers not to technical knowledge or skills in operation but to philosophical and theoretical educational concepts.It involves broader education and its purpose is long-term development. Career development or management development is a systematic and continuous process through which executives learn advanced knowledge and skills in managing. It is a planned and organised process of

learning and growth designed to improve managerial behaviour and performance. Through career development programmes, management cultivates their mental abilities and inherent skills and they learn to manage effectively.

The concept of career development is of growing concern to organizations since it matches the needs of a business with the career goals of employees. Formulating a career development plan can help employees to do their jobs more efficiently. Additionally, these plans can be beneficial for employees who might want to move up in a company or look for other jobs in the future. Today, challenging organizations have developed new concerns for the career development of their employees. They put greater emphasis on 'career' with coherent induction, training and development, increased job security by the accrual of experience and qualifications valued in the labor market.

In order to undertake the lifelong career development process, individuals need to acquire skills that support employability, career management and resilience in the face of career change. Career management skills help individuals to develop a positive and resilient mindset; learn about themselves and the opportunities available; make informed and justified decisions and act on these, networking with people who can support them. For lifelong career development people need access throughout their lives to career learning (education) and personal career guidance/coaching. There are two facets to career development:

1. Career learning (education) consisting of planned and progressive learning experiences throughout an individual's life. Often delivered in group settings, these help to develop the lifelong career management capabilities and competences individuals need to:
    - learn about themselves and the opportunities available;
    - convert careers information into personal career understanding;
    - weigh up and consider the impact of influences from family, friends and peers;
    - access experiences with employers and education and training providers, mentors and
    - work-related activities ; access personal career guidance/career coaching;

- make informed decisions about learning and work options and participate `` effectively in
- work and society; learn how to present themselves for employment and learning opportunities including
- the use of digital media.

2. Personal career guidance/career coaching provides individualised interventions which help individuals to build on their career education/ learning and to decide on their career goal/s. This is best understood as a process which enablesindividualsto consider their circumstances, values and aspirations; confront any challenges; resolve any conflicts; build resilience and confidence; develop new perspectives; justify their thinking and reach a decision in the light of relevant career and labour market information.

8.2 OBJECTIVES

(a) To understand the meaning of Career development

(b) To know importance and benefits of Career development

(c) To familiarise with the need of career development

8.3 MEANING OF CAREER DEVELOPMENT

People are the most important resource an organization can have. So, it becomes prime responsibility of the organizations to take care of their employees and give them an opportunity to grow especially to those who are career conscious and deliver performance. Career in 21st century is measured by continuous learning of the employees and identity changes in due course of time rather than changes in age and life stages. Career development of employees is not a mere responsibility of organizations, rather it is their obligation to address the ambitions of employees and create such job positions where they can accommodate their growing ambitions.

Employees are career conscious and they'll stick to an organization where they feel that they have an opportunity to showcase their talent, grow to the maximum possible level and achieve their objectives. When we talk about growth, it can have different meanings to different people. Some may look at it as a fat package, some may want to climb up the ladder in the hierarchy and reach the topmost position

while some want to acquire higher skills and competencies along with their growth as a human being. Some people may take it as an opportunity to avail some exclusive perks and benefits. Depending upon one's own thinking, different people take different actions in order achieve their objectives.

Given the present situations, if employees want their organization to give them an opportunity to grow and achieve their ambitions, they need to be prepared for the future jobs. The main focus of organizations is on the employability of their people. Therefore, individuals should make sure that they have skills and competencies plus willingness to perform a specific job efficiently. Although the organizations can hire employees from outside but they require portable competencies in order to get the job done. For this, they will need to impart training to them and develop skills and competencies according to the job profile. But this is a troublesome process and takes hell lot of time to prepare the employees for a specific job. In order to avoid this situation to the maximum possible extent, organizations take control of the careers of their already existing employees and foster succession planning to fill the topmost positions.

Individuals need to develop new and better skills so that they are fit for promotion and reach to a higher level in the organization. Organizations likewise need to become proactive in designing and implementing career development programs for their employees. It is the best thing they can do to decrease employee turnover. Although it is employees responsibility to plan their career but in today's turbulent and terrifically ambiguous world of work it is the employers' responsibility to provide them with opportunities achieve their ambitions. They need to create that environment and culture for continuous learning and support their employees by motivating and rewarding them.

Career development is a continuous process where both employees as well as employers have to put efforts in order to create conducive environment so that they can achieve their objectives at the same time.

Career development is a lifelong process of skill acquisition and building through a continuum of learning, development and mastery. This process enables people to be in charge of their own career, with enough focus and direction for stability and enough flexibility and adaptability for change along the way.

It assists students to make decisions at key transition points and supports their successful transition from **school** to further **education** or work. It also aims to develop the **career** management competencies that will equip students to manage their **career** pathways and opportunities throughout their lives.

It assists students to make decisions at key transition points and supports their successful transition from **school** to further **education** or work. It also aims to develop the **career**management competencies that will equip students to manage their **career** pathways and opportunities throughout their lives.

8.4 IMPORTANCE OF CAREER DEVELOPMENT

Although the business environment has been endlessly experiencing negative changes such as economic downsizing and restructuring resulting in fewer hierarchical positions but at the same time the need for improving productivity while keeping a pace with continuously changing technology has also increased. Organizations, therefore, instead of hiring a new individual from the market prefer to promote their already existing employee to a specific position as he or she is already aware of the organizational culture and does not need to be trained. This requires a careful succession planning of employees and developing and preparing them continuously for filling topmost designations in future.

The process of organizational career development is important for both

employees and employers. There may be several unintended and undesired changes as well as consequences that can change the entire scenario. In such a situation both employees and employers must be ready to keep with the changing environment and act accordingly. Employees continuously need to upgrade their skills and competencies to meet the current demands where as organizations must be ready with those employees who can handle the pressure efficiently and cease the risk of falling prey to the changed scenario. Therefore, understanding the importance of career development is very necessary for both the parties.

8.5 BENEFITS OF CAREER DEVELOPMENT

Career development programs are most effective when they are integrated with the organization's ongoing training and development strategies. For being able to do this, an organization must have a carefully designed career development system especially designed to meet its own unique needs and requirements. An automated and well-designed career management system not only benefits organizations but also help employees and managers or supervisors in establishing effective communication with each other. All the parties gain different benefits and combining which they can together set an organizational culture that supports such types of activities in an organization.

Benefits of a Career Development System to Organization

- Once organization has a fair idea about employee's strengths and weaknesses, attitude and behaviour, values and future aspirations and skills and competencies, they are able to make better use of employee skills and put them at the right place.
- The organization can disseminate all important details and information at all organizational levels in order to ensure effective communication at all levels. It fosters and lays emphasis on better communication within the organization as a whole.
- It also helps organization retain valued employees by providing them what they want. Since the organization is able to collect all necessary information about a specific individual, it can make efforts to retain them.

- It establishes a reputation of the organization in the market. More and more working professionals see it as a people developer and get attracted towards it.

Benefits of a Career Development System to Employees

- The major benefit of career development system to employees is that they get helpful assistance and guidance with their career decisions. They get to know about their own aspirations, objectives and desires and understand how to shape their career.
- By using this system, they can set more realistic goals and objectives that are feasible to be accomplished over the span of one's life.
- It fosters better communication between the employee and the manager as well as at all levels of the organization.
- The best part is that they can get feedback on their performance. This helps them improve their working style and compels them to upgrade their skills.
- The process leads to job enrichment and enhanced job satisfaction.

Benefits of a Career Development System to Managers/Supervisors

- A career development system helps managers and supervisors in improving and upgrading their skills in order to manage their own career. Even they get to where they are heading to and what their aspirations are.
- It fosters better communication between managers and employees.
- It helps them in retaining valued employees as they get to know about their skills and competencies and future aspirations as well.
- It helps in discussing productive performance appraisal of employees and planning their promotions as well as their career graph.
- It leads to greater understanding of the organization as a whole and cultivate a supportive and conducive culture in the organization.
- It helps managers in understanding the hidden aspects of employees and guides them to allocate employees the right job that matches to their skills and competencies.

8.6 COMPONENTS OF CAREER DEVELOPMENT

A career development system includes a variety of components for use in the organizations. In order to increase the efficiency of the system, the HR mangers must have complete knowledge about these tools since they play a role of consultant when employees and supervisors use this system. Plus, they are responsible for designing and developing an effective career development system for their organization. Some activities or components are known as individual career planning tools while some are used for organizational career management. To achieve greater efficiency, most organizations use a right combination of both types of activities. Let us understand these tools and activities to learn in-depth about career development system:

- **Self Assessment Tools:** This is the first technique that is widely used by organizations in their efforts to career management of their employees. This is a career exploration tool where individuals complete self-assessment exercises and fill information about their skills, interests, competencies, work attitudes and preferences, long and short term goals and obstacles and opportunities. The whole exercise helps them understand their own desires and aspirations and likes and dislikes.
- **Career Planning Workshops:** Once employees are through their self-assessment, they share their findings with other individuals and their supervisors in career-planning workshops. It allows them to receive feedback from others and check the reality of their plans and aspirations. They may change their plans if they find them unrealistic and move in new direction.
- **Individual Counselling:** It is one of the most common activities that are undertaken by almost all people developing organizations. Generally, individual counseling is provided by career development specialists, HR specialists or life skills development trainers. Some organizations hire them from outside while some have their own full fledged departments where they recruit and hire trainers for full time. It helps employees in understanding their own goals, making a change in them if required and working on improving their skills and competencies.

- **Organizational Assessment Programs:** Organizational assessment programs include tools and methods for evaluating employees' potential for growth within the organization. Johnson & Johnson is one company that uses these programs to assess the careers of their employees and evaluate their potential in order to facilitate the staffing and development of special teams known as "tiger teams". These special teams are formed to speed up the development of new products. The most popular programs under this category include assessment centers, psychological testing, 360 degree appraisal, promotability forecasts and succession planning.
- **Developmental Programs:** Developmental programs are used by an organization to develop their employees for future positions. They can be internal as well as external and can be performed under the supervision of human resource staff or trainers and specialists from outside. These programs include assessment centers, job rotation programs, tuition refund plans, internal training programs, external training seminars and formal mentoring programs.

In addition to these programs, there are several other components of a career development system such as career programs for special target groups, fast-track or high potential employees, supervisors, senior-level employees, women, technical employees, minorities and employees with disabilities, etc.

8.7 OBJECTIVES OF CAREER DEVELOPMENT

Career development has become primary activity of organizations in order to create a pool of talented employees as well as enhance their career satisfaction. Along with this, it is also considered as an organized and planned process to improve the efficiency of organization. In common terms, we may look upon it as an effort to strike a balance between organizational workforce requirements and individual career needs. Employees have their own personal desires and aspirations and need to effectively utilize their personal skills to attain their career goals and objectives. On the other hand, organizations have needs for staffing and meeting present and future human resource requirements. A career development system is a mechanism that takes both the parties in to consideration and helps them meet their requirements as well as objectives.

Objectives of Career Development Systems

- **Fostering Better Communication in Organization:** The main objective of designing a career development system is to foster better communication within the organization as a whole. It promotes communication at all levels of organizations for example manager and employee and managers and top management. Proper communication is the lifeblood of any organization and helps in solving several big issues.
- **Assisting with Career Decisions:** A career development system provides employees as well as managers with helpful assistance with career decisions. They get an opportunity to assess their skills and competencies and know their goals and future aspirations. It helps them give a direction so that they can focus on achieving their long term career goals.
- **Better Use of Employee Skills:** A career development system helps organization make better use of employee skills. Since managers know their skills and competencies and therefore, can put them at a job where they will be able to produce maximum output.
- **Setting Realistic Goals:** Setting realistic goals and expectations is another main objective of a career development system. It helps both employees and organization to understand what is feasible for them and how they can achieve their goals.
- **Creating a Pool of Talented Employees:** Creating a pool of talented employees is the main objective of organizations. After all, they need to meet their staffing needs in present and future and a career development system helps them fulfill their requirements.
- **Enhancing the Career Satisfaction:** Organizations especially design career development systems for enhancing the career satisfaction of their employees. Since they have to retain their valuable assets and prepare them for top notch positions in future, they need to understand their career requirements and expectations from their organization.
- **Feedback:** Giving feedback on every step is also required within an organization to measure the success rate of a specific policy implemented

and initiatives taken by the organization. In addition to this, it also helps managers to give feedback for employees' performance so that they can understand what is expected of them.

A career development system can be very effective in creating a supportive culture in the organization and help employees grow and utilize their skills to achieve their desires and aspirations related to their career. Both organization and employees can meet their goals simultaneously.

8.8 STAGES OF CAREER DEVELOPMENT

The career stage approach is one way to look at career development. One way to characterize a person's life or career is by identifying common experiences, challenges, or tasks most people go through as their life or career progress. As argued by psychologist like Freud and others, the human nature such as personality, intelligence and morality develop in a predictable common sequence closely tied to a person's age. People grow through specific stages separated by transition periods. At each stage, a new and crucial activity and psychological adjustment may be completed. In this way, career stages can be, and usually are based on chronological age. Careers also develop in stages. Again, unfolding career development with life stages reveals the commonalities of difficulties for all people when they experience difficulties in adjusting their first position, or face mid-career crisis. It also helps in understanding why both individuals and organisations predict likely crises and challenges and therefore plans ways to resolve or minimize them.

As individuals have different career development needs at different stages in their careers, when an organisation recruits an employee in any of the grades of its cadre for a fairly long tenure, the employer must take interest in and take constructive steps for building up employees career from that point of time. Stage views of career development have their limitations. It is applicable to a typical individual. Since all individuals are unique, they may not have the same experiences. Therefore, career development stages differ from individual to individual due to obvious difference in perceived internal career. However, keeping in view of general requirements of people career development may be grouped under the following four categories.

1. Exploration Stage

This stage starts when a new employees joins an organisation. This career exploration stage is best described as the "information gathering" phase. This is a kind of 'budding' stage for a new employee and is considered as the formative phase of his/her career. Therefore, it is essential for an organisation to sustain the behavioural as well as operational deficiencies of new hire to help him to develop in the course of time. The organisation's responsibility at this stage is to ensure that, the employee's concerns are taken care of. He/she is helped out to settle down and establish himself/ herself. At this stage, induction-training in the form of organisational work familiarization programmes, technical or professional training or on-the-job training at the institutions are imparted to the employees. Unfortunately many organizations experience high level of turnover at this trial and exploration stage. Employees in this stage need opportunities for self-exploration and experiment with a variety of job activities or assignments.

2. Establishment Stage

The next phase is the establishment and developmental stage. It is also known as blooming' stage or advancement stage. This involves growing and getting established in one's career. In this stage, the individual is concerned with achievement, performance, and advancement. This stage is marked by high employee productivity and career growth, as the individual is motivated to proceed and succeed in the organization in his or her chosen occupation.

This stage desires the employees to take the opportunities of higher responsibility and more challenging jobs for better use of special competencies. The employees strive hard for creativity and innovation by taking challenging job assignments. Organisations, at this stage, need to provide required degree of autonomy to the employees, so that they can experience feelings of individual achievement and personal success. During this period, employees must be oriented in a manner that will create maximum learning opportunities and favorable attitude towards the organisation. It should also be ensured that the assignments assigned to them are optimally challenging with a genuine test of their abilities and skill.

Suitable training and developmental opportunities could be provided to ensure an adequate and proper transition from technical work to management work particularly for those who posses all the management talent and want to occupy managerial positions. Usually, Management Development programmes are organised at this level to help those kinds of people. Some area-specialization input is also imparted to enable them to update their specialist skills. Therefore, a successful career development process is important at establishment stage, in order to retain more number of employees in the organisation and to develop a sense of loyalty and commitment.

4. Maintenance Stage

This is a mid-career stage for those employees, who strive hard to retain their established name and fame. The mid-career stage is generally typified and characterized by a sort of continuation of established patterns of work behavior. At this stage, the person seeks to maintain his or her established position in the organization. This stage is also viewed as a mid-career plateau in which very little new ground is broken. This is otherwise known as mid career crisis. People at this stage, often make a major reassessment of their progress relative to their original career ambitions and goals. The individuals at this stage is helped out and provided with some technical training to update their skill sets in their respective field.

In order to avoid early stagnation and decline, the employees are encouraged to develop and learn new job skills by renewing and updating their knowledge in the context of the changing environment. Only the stable and matured executives/ managers from this point can progress and reach at the higher career stage which is known as 'full bloom' stage. At this stage people are in super time scale, holding senior management positions, involving high level policy and programming assignments. The organisation, at this stage, must help people to flourish to the maximum extent possible by providing them with wider range of responsibilities and broader opportunities for better performance and to adjust with their changing role as their career shifts from the specialized to generalized advisory role.

In this top level stage of policy-planning-advisory area, the organisation must see that people's career interests are catered for and self actualization facilities are

provided. That encourages the employees to devote their full time, attention, energy to the organisation. In this part of career developmental strategy is then oriented towards policy making, programme planning and review and problem solving. For which, the focus should be on advanced study and education for enhancement of professionalized efficiency and total preparation for leadership. This career stage is also reflected with a kind of spiritual attitude, dedicated to public service and a stronger inner urge to work for a larger cause than oneself.

4. Stage of Decline

This stage is characterized by lessen career importance and the employees plan for retirement and seek to develop a sense of identity outside the work environment. Employees at this stage get scared for the possible threat of reduced role and responsibilities in the organisation. Therefore, career development at this stage aims at helping the employees to get mentally prepared for retirement and to accept the reduced role and responsibilities, so that they can accommodate themselves in their family and in the society after retirement. Retirement rituals management without destroying the employee's sense of self worth is the primary concern of the career development process at this stage. The retired employees can also be provided with new part-time roles both within and outside the parent organisation, so that people can use their knowledge, experience and wisdom for the cause of society.

8.9 SUMMARY

Career development is a continuous process where both employees as well as employers have to put efforts in order to create conducive environment so that they can achieve their objectives at the same time. Career development is defined an organized, planned effort comprised of structured activities or processes that result in a mutual career plotting effort between employees and the organization. Career development is an ongoing process by which individuals progress through a series of stages, each of which is characterized by a relatively unique set of issues, themes and tasks. Career development involves two sets of activities: career planning and career management. Career planning is defined as the activities performed by an individual, with the assistance of counselors and other individuals to assess the skills and potential of employees to be able to establish a realistic career plan while career management consists of activities that help an individual to develop and carry out career plans.

Career management involves taking the necessary steps to achieve that plan, and generally focuses more on what the organization can do to foster employee career development.

8.10 GLOSSARY

a. **Hierarchy -** system in which members of an organization or society are ranked according to relative status .

b. **Stagnation**- lack of activity, growth, or development.

c. **Opportunities:-** a time or set of circumstances that makes it possible to do something.

d. **Counselling :-** the provision of professional assistance and guidance in resolving personal or psychological problems.

e. **Downsizing:-** make (a company or organization) smaller by shedding staff.

8.11 SELF ASSESSMENT QUESTION

(a) Career development can set more realistic goals and objectives that are feasible to be accomplished over the span of one's life. (true/false)

(b) Career development system foster better communication within the organization as a whole. (true/false)

8.12 LESSON END EXERCISE

Q1 What is Career development? State its importance.

Ans _____

_____

_____

Q2 Describe briefly the various components that are involved in career development.

Ans _____

_____

_____

8.13 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice Of Management: L.M.Prasad

PERFORMANCE APPRAISAL

STRUCTURE

9.1 Introduction
9.2 Objectives
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9.1 INTRODUCTION

In a work group, members consciously or unconsciously, make opinion about others. The opinion may be about their quality, behaviour, way of working, etc. Such an opinion becomes the basis for interpersonal interaction. In the same way, superiors form some opinion about their subordinates for determining many things like salary increase, promotion, transfer, etc. In large organisations, this process is formalised and takes the form of performance appraisal. Performance appraisal in some form has existed in old days also. For example, Wei dynasty (221-265 A.D.) in China introduced performance appraisal in which an Imperial Rater appraised the performance of members of the official family. In its present form, the New York City Civil Service adopted performance appraisal in 1883. Since then and especially after World War I, performance appraisal in formal way has been adopted by most of the large organisation particularly in business field. In our country, too large organisations adopt formal appraisal method.

9.2 OBJECTIVES

- To familiarise with the concept of performance appraisal, its features, purpose and need
- To identify different approaches of performance appraisal
- To acquaint with performance appraisal process
- To elicit the benefits and limitations of performance appraisal
- To determine various problems of performance appraisal
- To find out different techniques of performance appraisal
- To know the difference between performance appraisal and potential appraisal

9.3 CONCEPT OF PERFORMANCE APPRAISAL

Appraisal is the evaluation of worth, quality or merit. In the organisation context, performance appraisal is a systematic evaluation of personnel by superiors or others familiar with their performance. Performance appraisal is also described as merit rating in which one individual is rankedas better or worse in comparison to others. The basic purpose in this merit rating is to ascertain an employee's eligibility for promotion. However, performance appraisal is more comprehensive term for

such activities because its use extends beyond ascertaining eligibility for promotion. Such activities may be training and development, salary increase, transfer, discharge, etc. besides promotion. A formal definition of performance appraisal is as follows:

"It (performance appraisal) is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, for the purpose of administration including placement, selection for promotion, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally".

According to Beach, "Performance appraisal is the systematic evaluation of the individual with regard to his or her performance on the job and his potential for development".

Scott, Clothier and Spriegel have defined performance appraisal as the process of evaluating the employee's performance on the job in terms of requirement of job. According to Dale Yoder, performance appraisal refers to all formal procedures used in working organisations to evaluate personality, contribution and potential group members. This definition reveals that performance appraisal is a formal programme in an organisation which is concerned with not only the contribution of the members who form part of the organisation but also aims at spotting the potential of the people. Heley observes, "performance appraisal is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, purpose of administration including placement, selection for promotions, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally". Other regard it as a "process of estimating or judging the value, excellence, qualities or status of some object, person or thing". Individually and collectively, it is a part of all the other staffing processes, viz., recruitment, selection, placement and indoctrination.

Thus, performance appraisal is a systematic and objective way of judging the relative worth or ability of an employee in performing his job. It emphasises on two aspects: systematic and objective. The appraisal is systematic when it evaluates all performance in the same manner, utilising the same approaches so that appraisal of different persons is comparable. Such an appraisal is taken periodically according to

plan; it is not left to chance. Thus, both raters and rates know the system of performance appraisal and its timing. Appraisal has objectivity also. Its essential feature is that it attempts at accurate measurement by trying to eliminate human biases and prejudices.

9.4 FEATURES OF PERFORMANCE APPRAISAL

The main characteristics of performance appraisal may be listed thus,

(i) The appraisal is a systematic process. It tries to evaluate performance in the same mannerusing the same approach. A number of steps are followed to evaluate an employee'sstrength and weaknesses.

(ii) It provides an objective description of an employee's job's relevant strength andweaknesses.

(iii) It tries to find out how well the employee is performing the job and tries to establish a planfor further improvement.

(iv) The appraisal is carried out periodically, according to a definite plan. It is certainly not aone-shot deal.

(v) Performance evaluation is not job evaluation. Performance appraisal refers to how wellsomeone is doing an assigned job.

(vi) Performance appraisal may be formal or informal. The informal evaluation is more likely to be subjective and influenced by personal factors. Some employees are liked better than others and have, for that reason only, better chances of receiving various kinds of rewards than others. The formal system is likely to be more fair and objective, since it is carried out in a systematic manner, using printed appraisal forms.

9.5 PURPOSE OF PERFORMANCE APPRAISAL

Performance appraisal could be taken either for evaluating the performance of employees or for developing them. The evaluation is of two types: telling the employee where he stands and using the data for personnel decisions concerning pay, promotions, etc. The developmental objectives focus on finding individual and organisational strengths and weaknesses; developing healthy superior-subordinate relations; and offering appropriate counselling/coaching to the employee with a view to develop his potential in future.

The purposes or uses of performance appraisal fall in two categories:

(1) Administrative; and

(2) Self-improvement.

(1) Administrative Use

(i) Promotions: This is perhaps the most important administrative use of performance appraisal. It is to the common interests of both the management and employees to promote employees into positions where they can most effectively utilise their abilities. It is mismanagement to promote employees into positions where they cannot perform effectively at the time in question. A properly developed and administered performance appraisal system can aid in determining whether individuals should be considered for promotions. The system must rate the ratee for the present job and potentialities for the higher job. A person performing his job well does not necessarily mean that he fit for promotion.

(ii) Transfers: In an organisation, it may be necessary to consider various types of personnel actions such as transfers, layoffs, demotions and discharges. In some cases, such actions are called for because of unsatisfactory performance while in other cases it may be called for due to economic conditions over which the organisation has no control because of changes in production process. Such actions can be justified if they are based on performance appraisal.

(iii) Wage and Salary Administrative: In some cases, the wage increases are based on the performance appraisal reports. In some cases, appraisals and seniority are used in combination.

(iv) Training and Development: An appropriate system of performance appraisal can be helpful in two ways. First, it can help in identifying the areas of skills or knowledge in which numerous employees are not upto par, thus pointing out general training deficiencies which presumably should be corrected by additional training, interviews, discussions, or counselling. Secondly, these appraisals help in spotting the potentials to train and develop them to create an inventory of executive skills. It can also provide the areas where the employee/ executive could be further trained and positioned to meet retirement and expansion situations.

(v) Personnel Research: Personnel research helps in research in the field of personnel management. Various theories in human relationships are the outcome of efforts to find out the cause and effect relationship between the personnel and their performance.

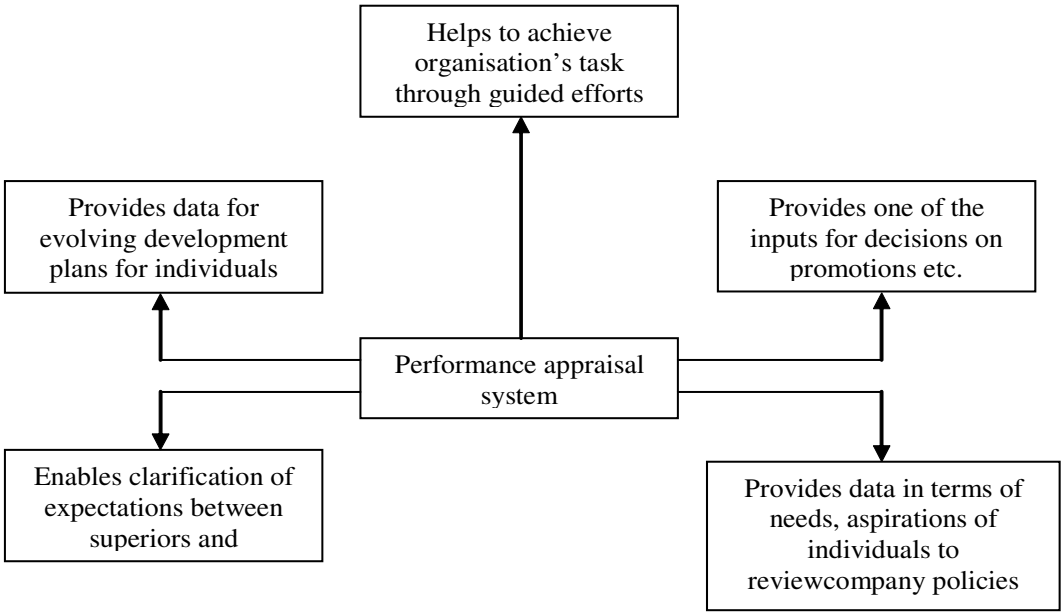


Figure 1: Purposes of Performance Appraisal

(2) Self Improvement: The performance appraisal brings out the deficiencies and shortcoming of the rates. A discussion between the rater and the rate conducted in a spirit of co-operation and mutual understanding gives the chance to employee to have an insight on his performance in the general set up of the organisation. The way these discussions are conducted give chance to the employees to take suitable steps to improve upon their performance or the correct their shortcomings. Performance rating answers the questions of the employee like 'How am I doing?' and 'Where do I stand?'

Performance appraisal helps manpower development in another way also. A promotion minded individual can ask for the target programme of a position he seeks and use the information given by performance appraisal to prepare him for the job and enhances his candidacy.

In short, performance appraisal helps to spot out a person's ability to see an

organisational problem, devise ways of attacking it, translate his ideas into action, incorporate new information as it arises and carry his plans through the results. It highlights a sort of total managerial action in contrast to thing we customarily factor out ad conceptual entities- things such as the planning function, leadership ability, or financial knowledge. The manager's selection will often be improved by this emphasis on the whole managerial job. It should be noted that best predictor of future success as a manager is past success in managerial duties. The appraisal programme asks the raters to look at the record of managerial success, not the manger's personality.

9.6 NEED OF PERFORMANCE APPRAISAL

Performance appraisal has been considered as a most significant and indispensable tool for an organisation, for the information it provides is highly useful in making decisions regarding various personal aspects such as promotions and merit increases. Performance measures also link information gathering and decision-making processes which provide a basis for judging the effectiveness of personnel sub-divisions such as recruiting, selection, training and compensation. Accurate information plays a vital role in the organisation as a whole. They pinpoint weak areas in the primary systems (e.g., production foreman, sales manager, financial analyst). These categories can be broken into smaller and smaller groups, if necessary. If valid performance data are available, timely, accurate, objective, standardised and relevant, management can maintain consistent promotion and compensation policies throughout the total system.

Mcgragor say: "Formal performance appraisal plans are designed to meet three needs, one of the organisation and other two of the individual, namely:

(i) They provide systematic judgements to back up salary increases, transfers, demotions, or terminations.

(ii) They are means of telling a subordinate how he is doing, and suggesting needed changes in his behaviour attitudes, skills, or job knowledge. They let him know "where he stands" with the boss.

(iii) They are used as a base for coaching and counselling the individual by the superior.

According to Roland Benjamin, a "performance appraisal determines who shall receive merit increases; counsels, employees on their improvement; determining training needs; determines promotability; identifies those who should be transferred. Moreover, it improves employee job performance; encourages employees to express their views or to seek clarification on job duties; broadens their outlook, capacity and potential; promotes a more effective utilisation of the best qualified employee; prevents grievances and increases the analytical abilities of supervisors'.

Levinson has given three functions of performance appraisal: (i) It seeks to provide an adequate feedback to each individual for his or her performance. (ii) It purports to serve as a basis for improving or changing behaviour toward some more effective working habits. (iii) It aims at providing data to managers with which they may judge future job assignments and compensation. He stresses the fact that the existing systems of performance appraisal do not serve any of these functions effectively but focus on 'outcome of behaviour'.

9.7 APPROACHES OF PERFORMANCE APPRAISAL

Generally speaking three approaches are used in making performance appraisal:

(i) **A casual, unsystematic, and often haphazard appraisal:** this method was commonly used in the past, but now it has given place to a more formal method, the main basis being seniority or quantitative measures of quantity and quality of output for the rank-and-file personnel.

(ii) **The traditional and highly systematic measurement:** it measures (i) employee characteristics, and (ii) employee contribution, or both. It evaluates all the performances in the same manner, utilising the same approach, so that the rating obtained of separate personnel are comparable.

(iii) **The behaviour approach, emphasising mutual goal-setting:** according to Mcgragor, in the traditional approach, the supervisor is placed in the position of "playing gods". He judges and times criticise the personal worth of his men. Therefore, emphasis has been laid upon providing mutual goal-setting and appraisal of progress by both the appraiser and the appraise. The approach is based on the behavioural value of fundamental trust in the goodness, capability and responsibility of human being.

9.8 THE PERFORMANCE APPRAISAL PROCESS

Performance appraisal is planned, developed and implemented through a series of steps (Figure 2):

(a) ***Established performance standards:*** The process of evaluation begins with the establishment of performance standards. At the time of designing of a job and formulating a job description, performance standards are usually developed for the position. These standards should be clear and not vague, and objective enough to be understood and measured. These standards should be discussed with the supervisors to find out which different factors are to be incorporated, weights and points to be given to each factor and these then should be indicated on the appraisal form, and later on used for appraising the performance of the employees.

(b) ***Communicate the standards:*** Performance appraisal involves atleast two parties; the appraiser who does the appraisal and the appraise whose performance is being evaluated. Both are expected to do certain things. The appraiser should prepare job description clearly; help appraise set his goal and targets; analyse result objectively; offer coaching and guidance to appraise whenever required and reward good results. The appraisee should be very clear about what he is doing and why he is doing. For this purpose, performance standards must be communicated to appraisees and their reactions be noted down initially. If necessary, these standards must be revised or modified. As pointed out by De Cenzo and Robbins, "too many jobs have vague performance standards and the problem is compounded when these standards are set in isolation and do not involve the employee".

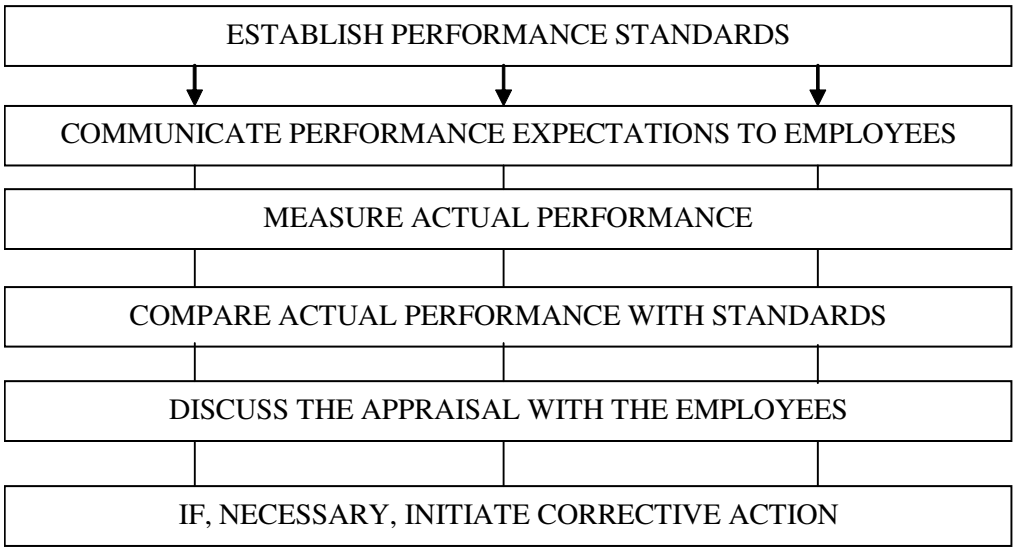


Figure 2: The Performance Appraisal Process

(a) ***Measure actual performance:*** After the performance standards are set and accepted, the next step is to measure actual performance. This requires the use of dependable performance measures, the rating used to evaluate performance. Performance measures, to be useful must be easy to use, be reliable and report on the critical behaviours that determine performance. Four common sources of information which are generally used by managers regarding how to measure actual performance: personal observation, statistical reports, oral reports and written reports.

Performance measures may be subjective or objective. Objective performance measures are indications of job performance that can be verified by others and are usually quantitative. Objective criteria include quality of production, degree of training needed and accidents in a given period, absenteeism, length of service, etc. Subjective performance measures are rating that is based on the personal standards of opinion of those doing the evaluation and are not verifiable by others. Subjective criteria include rating by superiors, knowledge about overall goals, contribution to social-cultural values if the environment. It should be noted here that objective criteria can be laid down while evaluating lower level jobs which are specific and defined clearly. This is not the case with middle level positions that are complex and vague.

(b) Compare actual performance with standards and discuss the appraisal: Actual performance may be better than expected and sometimes it may go off the track. Whatever be the consequences, there is a way to communicate and discuss the final outcome. The assessment of another person's contribution and ability is not an easy task. It has serious emotional overtones as it affects the self esteem of the appraisee. Any appraisal based on subjective criteria is likely to be questioned by the appraisee and leave him quite dejected and unhappy when the appraisal turns out to be negative.

(c) Taking corrective actions, if necessary: A corrective action is of two types. The one which puts out the fires immediately and other one which strikes at the root of the problem permanently. Immediate actions sets things right and get things back on track whereas the basic corrective action gets to the source of deviations and seeks to adjust the difference permanently. Basic corrective steps seek to find out how and why performance deviate.

9.9 BENEFITS OF PERFORMANCE APPRAISAL

Performance appraisal has become a very significant activity in most of the enterprises because it provides data about past, present and expected performance of the employees which is helpful in taking decisions on selection, training & development, increase in pay, promotion, transfer, and the like. These days a large amount of money is being spent on performance appraisal by most of the organisations. The following benefits of performance appraisal justify the expenditure on devising and implementing an appropriate system of performance appraisal:

(i) It helps the supervisors to evaluate the performance and to know the potentials of their subordinate systematically. It also helps them to assign work to individuals for which they are best suited. Thus, it facilitates the correct placement of workers.

(ii) Rating can be used as a basis of sound personnel policy in relation to transfer and promotion. If the performance of a worker is better than others, he can be recommended for promotion, but if a person is not doing well in the job, he may be transferred to some other job for which he is considered to be better suited.

(iii) Performance appraisal of the workers helps in designing the training programme in a better way. Weaknesses of the workers are revealed by such appraisals and the training programme can be developed and modified accordingly.

(iv) Performance ratings help in guiding the employees. The supervisors may use the result of performance appraisal for the purpose of constructively guiding the employees in the efficient performance of work. The employees also come to know where they stand and consequently they try to improve their performance.

(v) If the performance appraisal is done scientifically and systematically, it will prevent grievances and develop a sense of confidence amongst the workers because they are convinced of the impartial basis of evaluation. The records of performance appraisal are available in permanent form of protect the management against subsequent charges of discrimination which might be levelled by the trade unions.

(vi) A competitive spirit is created and employees are motivated to improve their performance. Systematic appraisal provides management an opportunity to properly size up the employees. It also enables each employee to understand his strengths and weaknesses.

(vii) Scientific appraisal promotes a positive work environment which contributes to productivity. When achievements are recognised and rewarded on basis of objective performance measures there is improvement in work environment.

9.10 LIMITATIONS OF PERFORMANCE APPRAISAL

Performance appraisal may not yield the desired results because of the following deficiencies:

(i) If the factors included in the assessment are relevant, the result of merit rating will not be accurate.

(ii) Different qualities to be rated may not be given proper weightage in certain cases.

(iii) Some of the factors are highly subjective like initiative and personality of the employees; so, the actual rating may not be on scientific lines.

(iv) Supervisors often do not have critical ability in assessing the staff. Sometimes, they are guided by their personal emotions and likes. So, the rating is likely to be biased.

9.11 PROBLEMS OF PERFORMANCE APPRAISAL

Appraisal of personnel, both performance and potential, is used by every organisation either formally or informally. However, this is full of shortcomings and limitations. There are certain barriers which work against the effective appraisal systems. Some of these barriers are more pronounced in specific method of appraisal; in some methods, these may be less pronounced. Identification of these barriers is essential so that suitable measures may be adopted to reduce their impact to a possible minimum level. The barriers to effective appraisal may be grouped in three categories:

(1) Faulty assumptions: Because of the faulty assumptions of the party concerned- superior and his subordinate- in appraisal system, it does not work properly or objectively. These assumptions works against an appraisal system in the following manner:

(i) The assumption that managers naturally wish to make fair and accurate appraisal of subordinates is untenable. Both supervisor and subordinates show tendencies to avoid formal appraisal processes, as well as to heed them in their respective work roles. Their resistance lies partly in their psychological characteristics, partly in their organisational roles and partly in their technical deficiencies and the unwise management of appraisal policies and procedures.

(ii) Another faulty assumption is that managers take a particular appraisal system as perfect and feel that once they have launched a programme that would continue forever. They expect too much from it, and rely too much on it, or blame for their faults. It should be recognised that no system can provide perfect, absolutely defensible, appraisal devoid of subjectivity.

(iii) Managers sometimes assume that personnel opinion is sometime better than formal appraisal and they find little use of systematic appraisal and review procedures. However, this 'management by instinct' assumption is not valid and leads to bias, subjectivity and distorted decisions based on partial or inaccurate evidence.

(iv) Manager's assumptions that employees want to know frankly where they do stand and what their superiors think about them are not valid. In fact, subordinates resist to be appraised and their reaction against appraisal has often been intense. As such, they tend to defeat the basic purpose of appraisal by providing camouflaged information as far as possible.

(2) Psychological blocks: The value of any tool, including performance appraisal lies largely on the skills of the user. Therefore, the utility of performance appraisal depends on the psychological characteristics of managers, no matter whatever the method is used. However, research tells more about the inhibiting rather than the facilitating characteristics of the people. There are several psychological blocks which work against the effectiveness of an appraisal system. These are: managers' feeling of insecurity, appraisal as an extra burden, their being excessively modest or sceptical, their feeling to treat their subordinates' failure as their deficiency, disliking of resentment by subordinates, disliking of communicating poor performance to subordinates, and so on. Because of these psychological barriers, managers do not tend to become impartial or objective in evaluating their subordinates, thereby defeating the basic purpose of appraisal.

(3) Technical pitfalls: The design of performance appraisal forms has received detailed attention from psychologists, but the problem of finding adequate criteria still exist there. At best, appraisal methods are subjective and do not measure performance in any but in the most general sense. The main technical difficulties in appraisal fall into two categories: the criterion problem and distortions that reduce the validity of results.

(i) Criterion problem. A criterion is the standard of performance the manager desires of his subordinates and against which he compares their actual performance. This is the weakest point in the appraisal procedure. Criteria are hard to define in measurable, or even objective, terms. Ambiguity, vagueness and generality of criteria are difficult hurdles for any process to overcome. Traits too present ambiguity. A particular trait is hard to define and variations of interpretation easily occur among different managers using them.

(ii) Distortions. Distortions occur in the form of biases and errors in making the evaluation. Such distortions may be introduced by evaluator consciously or

unconsciously. An appraisal system has the following possible distortions:

(a) Halo effect. This distortion exists where the rater is influenced by ratee's one or two outstandingly good (or bad) performance and he evaluates the entire performance accordingly. Another type of halo effect occurs when the rater's judgement is influenced by the work team or informal group with which a subordinate associate. If the group is not well linked, this attitude may work in the rating of the individuals on it, apart from the actual performance.

(b) Central tendency. This error occurs when the rater marks all or almost all his personnel as average. He fails to discriminate between superior and inferior persons. This may arise from the rater's lack of knowledge of individuals he is rating, or from haste, indifference, or carelessness.

(c) Constant errors. These are easy raters and tough raters in all phases of life. Some raters habitually rate everyone high; others tend to rate low. Some rate on potential rather than on recently observed performance. In such a situation, the results of two raters are hardly comparable.

(d) Rater's liking and disliking. Managers, being human, have strong liking or disliking for people, particularly close associates. The rating is influenced by personal factors and emotions and raters may weigh personally traits more heavily than they realise. Raters tend to give high rating to persons whom they like and low rating whom they dislike.

9.12 SUGGESTIONS TO IMPROVE PERFORMANCE APPRAISAL

Systematic performance appraisal is a measurement process and as such must be reliable, which means that it must be accurate and consistent. Two main obstacles come in the way of reliable appraisal system: technical characteristics of the system itself and the abilities of the appraiser to exercise objective judgement and apply the tools provided. Taking appropriate actions in this direction may reduce the impact of these obstacles if not altogether eliminate them. Following measures may be taken:

(i) The reliability of rating system can be obtained by comparing the rating of two individuals for the same purpose. It can also be obtained by comparing the supervisor's rating given now to another rating in future. Moreover, the degree

of reliability in an appraisal system cannot be as high as psychological test; it is essentially an attempt to objectively estimate and it deals with more intangible subjects. Thus, one should go for satisfactory level of reliability only.

(ii) The appraisal system can be designed to help in minimising undesirable effects. The system should focus on objective analysis of performance in terms of specific events, accomplishment or failures. The raters may be required their ratings through as much continuous and close personal observations as possible.

(iii) The ratings must be made by the immediate superiors, however, a staff department can assume the responsibility of monitoring the system. Though the staff department cannot change any ratings, it can point out inconsistencies to the rater, such as harshness, leniency, central tendency, and so on.

(iv) The rating should be reviewed by the ratee. This process helps in several ways. It helps him to know where he stands, what he is expected to do, what are his strengths and weaknesses, and what further actions he should take. This not only puts subordinates in a position to improve performance, he also minimises his resistance to appraisal if a proper atmosphere has been created.

(v) To make appraisal system effective, it should be backed by effective feedback system, which is often a missing link in appraisal system. Employees often feel scared if the post-appraisal feedback is not provided or feedback becomes threatening. The managers should realise that performance appraisal is not just a fault-finding system but it is meant for improving performance by indicating where an employee lacks and how it can be overcome.

(vi) The last factor but the most important is one for effective appraisal system is the supportive management philosophy. Without an appropriate basic philosophy to generate the continuous support of all the mangers, appraisal system cannot succeed. The philosophy must pervade the organisation with good examples from top management. It should be remembered that establishing the climate in which appraisal are effective and reliable takes time and patience. Goal-oriented climate, in which informality is the keynote of work relationships, communications and the conduct of business among employees at all levels, favours the development of effective performance appraisal methods.

9.13 TECHNIQUES OF PERFORMANCE APPRAISAL

Several methods and techniques of appraisal are available for measurement of the performance of an employee. The methods and scales differ for obvious reasons. First, they differ in the sources of traits or qualities to be appraised. The qualities may differ because of difference in job requirements, statistical requirements and the opinion of the management. Second, they differ because of the different kinds of workers who are being rated, viz., factory workers, executives, or salesman. Third, the variation may be caused by the degree of precision attempted in an evaluation. Finally, they may differ because of the methods used to obtain weighing for various traits.

There is little agreement on the best method to evaluate managerial, professional or salaries performance. Different authors have suggested different approached. For example:

Rock and Lewis have classified the methods into two broad categories, viz., the narrow interpretation and broad interpretation of appraisal. The former is considered as "a post-mortem of a subordinate's performance by his superior during a pre-determined period of time, often, the preceding year. It involves assessment of performance vis-à-vis such as the traits or characteristics' rating scale, the ranking method, the employee comparison method and performance standard method are included under this category". The latter, "also known as accountability management, management by objectives, or management by end results, involves a broad purview, and aims at improving the entire managing process and the individual managers on a year round basis".

Robbins gives three categories, viz., (i) Single trait, single subject, in which subjects are not compared with any other person and each trait is measured alone. The check-list, the numerical and graphic scale methods are more popular of such category. (ii) Single-trait, multiple-subject, in which subjects are compared with other subjects. Group order ranking, individual ranking and pair comparison methods belong to this category. (iii) Multiple-trait, single subject, in which force choice rating is done by either the subject himself or the evaluation, into traits offered for evaluation

The widely used categorisation is that given by Strauss and Sayles. They have classified performance appraisal methods into traditions, and newer or modern

methods. The traditional methods lay emphasis on the rating of the individual's personality traits, such as initiative, dependability, drive, responsibility, creativity, integrity, leadership potential, intelligence, judgment, organising ability, etc. On the other hand, newer methods place more emphasis on the evaluation of work results-job achievement- than on personality traits. Results oriented appraisals tend to be more objective and worthwhile, especially for counselling and development purposes.

Chart 1: Methods of Performance Appraisal

Traditional Methods	Modern Methods
Unstructured Appraisal Straight Ranking Method Mean-to-man Comparison Method Grading Graphic Rating Scales Forced Choice Description Method Forced Distribution Method Check Lists Free Form Essay Method Critical Incidents Group Appraisal Field Review Method	Assessment Centres Appraisal by Results or Management by Objectives Human Asset Accounting Method Behaviourly Anchored Rating Scales

TRADITIONAL METHODS

(1) Unstructured Appraisal: Under this, the appraiser is required to write down his impressions about the person being appraised in an unstructured way. However, in some organisations, comments are required to be grouped under specific headings such as quality of job performance, reasons for specific job behaviours, personality traits and developments needs. This system is highly subjective and has got its merit in its simplicity and is still in use especially in the small firms.

(2) Straight Ranking Method: It is the oldest and the simplest method of performance appraisal, by which the man and his performance are considered as an entity by the rater. No attempt is made to fractionalisethe rate or his performance; the "whole man" is compared with the "whole man"; that is, the ranking of a man in a work

group is done against that of another. The relative position of each man is tested in terms of his numerical rank. It may also be done by ranking a person on his job performance against that of another member of a competitive group by placing him as number one or two or three in total group. i.e., persons are tested in order of merit and placed in a simple grouping.

This is the simplest method of separating the most efficient from the least efficient; and relatively easy to develop and use. But the greatest limitation of this method is that in practice it is very difficult to compare a single individual with human beings having varying behaviour traits. Secondly, the method only tells us how a man stands in relation to others in group but does not indicate how much better or worse he is than another. Thirdly, the task of ranking individuals is difficult when a large number of persons are rated. Fourth, the ranking system does not eliminate snap judgements, nor does it provide us with a systematic procedure for determining the relative ranks of subordinates. To remedy this defect, the paired comparison technique has been evolved.

(3) Paired Comparison Techniques: By this technique, each employee is compared every trait with all the other persons in pairs one at the time. With this technique, judgement is easier and simpler than with the ordinary ranking method. The number of times each individual is compared with another is tallied on a piece of paper. These numbers yield the rank order of the entire group. For example, if there are five persons to be compared, then A's performance is compared to B's, and a decision is arrived at as to whose is the better performance. Then A is compared to C, D and E… in that order. Next B is compared with all the others individually. Since he has already been compared with A, he is compared only with C, D and E. A similar comparison is made in respect of other personnel. Thus, by this method, we arrive at ten decisions, and only two are involved in each decision. The number of decisions is determined by the formula N(N-2), where N represents the number of persons to be compared.

The results of these comparisons are tabulated, and a rank is assigned to each individual.

This method is not suitable when the group is large because, in that case, the number of judgements becomes excessively large.

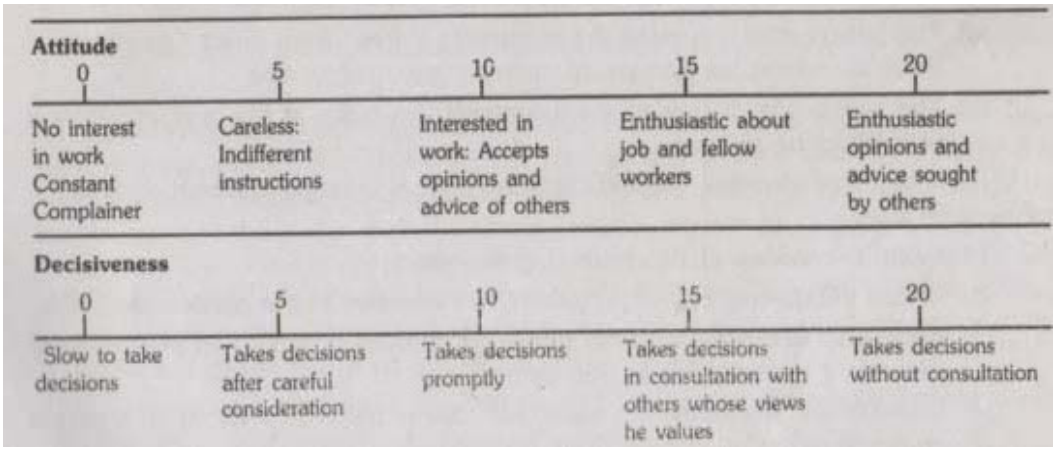
(4) Man-to-man Comparison Method: This technique was used by the U.S.A. army during the First World War. By this method, certain factors are selected for the purpose of analysis (such as leadership, dependability and initiative), and a scale is designed by the rater for each factor. A scale of man is also created for each selected factor. Each man to be rated is compared with the man in the scale, and certain scores for each factor are awarded to him. In other words, instead of comparing a "whole man" to a "whole man", personnel are compared to the key man in respect of one factor at a time. This method is used in job evaluation, and is known as the factor comparison method. In performance appraisal, it is not of much use because the designing of scales is a complicated task.

(5) Grading Method: Under this system, the rater considers certain features and marks them accordingly to a scale. Certain categories of worth are first established and carefully defined. The selected feature may be analytical ability, cooperativeness, dependability, self-expression, job knowledge, judgement, leadership and organising ability, etc. They may be: A – outstanding; B – very good; C – good or average; D – fair; E – poor; and –B (or B-) very poor or hopeless.

The actual performance of an employee is then compared with these grade definitions, and he is allotted the grade which best describes his performance. Such type of grading is done in semester examinations and also in the selection of candidates by the public service commissions.

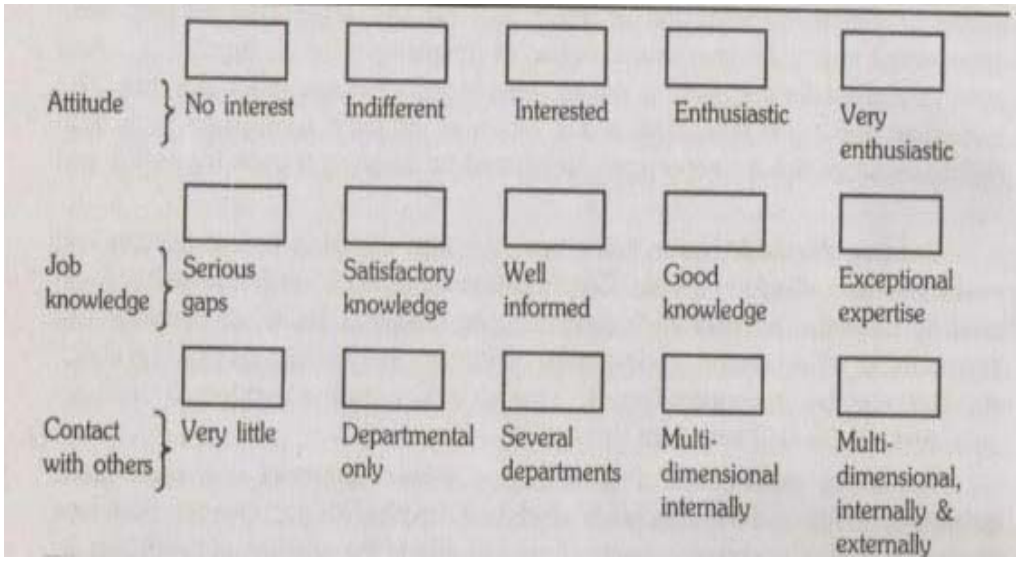
(6) Graphic or Linear Rating Scale: This is the most commonly used method of performance appraisal. Under it, a printed form, one for each person to be rated. According to Jucius, these factors are: employee characteristics and employee contribution. In employee characteristics are included such as qualities as initiative, leadership, cooperativeness, dependability, industry, attitude, enthusiasm, loyalty, creative ability, decisiveness, analytical ability, emotional ability, and co-ordination. In the employee contribution are included the quantity and quality of work, the responsibility assumed, specific goals achieved, regularity of attendance, leadership offered, attitude towards superiors and associates, versatility, etc. these traits are then evaluated on a continuous scale, wherein the rather places a mark. Somewhere along a continuum.

Chart 2



Sometimes a discontinuous or multiple type of scale is used, wherein one factor is used along a discontinuous scale, consisting of appropriate boxes or squares which are to be ticked off. The scale may be represented by, and broken down into 3,7,10 or more parts and points. Often, the number of factors used varies from 9 to 12; in some methods, they are as many as 30.

Chart 3



The rating scale method is easy to understand and easy to use, and permits a statistical tabulation of scores. A ready comparison of scores among the employees is

possible. These scores indicate the worth of every individual. It is most common evaluation tool in use today. Besides, when ratings are objectively given, they can provide useful feedback.

However, this method suffers from a serious disadvantage, for it is arbitrary, and the rating is generally subjective. Often, the rating clusters on the hide side when this method is used. Another severe limitation is that it assumes that each characteristic is equally important for all jobs. Perhaps, worst of all, it assumes everyone's definition of 'dependable' is the same.

This method was introduced by Walter D. Scott to get the judgement of superiors on subordinates. The two important features of this system are:

(a) The person who is making the judgement is freed from direct "quantitative" terms in making his decision of merit on any quality; and

(b) The person who is making the judgement can make as fine a discrimination of merit as he chooses.

These two facts eliminate the restrictions on natural judgments which other rating methods impose.

To ensure the success of this method, one should:

(a) Obtain the descriptions of persons at two extremes of the performance scale;
(b) Analyse these descriptions into simple behavioural qualities and present these either as a statement or trait names;
(c) Establish the discrimination value (i.e., the index of the extent to which a quality is valued);
(d) Pair the statement or trait names and preference value;
(e) Pair high and low preference values forming an item;
(f) Prefer instructions for the rater, asking him to choose one "best fit" and one "least appropriate" statement for the employees;
(g) Prepare a scoring key on the basis of responses and weights.

(7) Forced Choice Description Method: This method was evolved after a great deal of research conducted for the military services during World War II. It attempts to correct a rater's tendency to give consistently high or consistently low ratings to

all the employees. The use of this method calls for objective reporting and minimum subjective judgement. Under this method, the rating elements are several sets of pair phrases or adjectives (usually sets of four phrases two of which are positive, two negative) relating to job proficiency or personal qualifications. The rater is asked to indicate which of the four phrases is most and least descriptive of the employee.

The following statements are illustrative of the type of statements that are used:

(a) Makes little effort and individual instruction;

(b) Organises the work well;

(c) Lacks the ability to make people feel at ease;

(d) Has a cool, even temperament;

(e) Is punctual and careful;

(f) Is a hard worker and co-operative;

(g) Is dishonest and disloyal;

(h) Is overbearing and disinterest in work.

In each illustration above, two of the above phrases are relative favourable terms, while the other two are relatively unfavourable. The favourable terms earn a plus credit, while unfavourable terms get no credit. The employee also gets plus credit if one of the negative phrases is checked as being least characteristics.

The method has certain drawbacks such as while choosing two statements from each series, the rater is unable to introduce personal bias or halo effect, as only one of the favourable and of the unfavourable phrases in each series is related to success or failure on the job. Further, he also does not know how 'high' or 'low' he is evaluating the individual because he has no access to the scoring key. This increases the overall objectivity of this method.

However, this method is not clearly superior to traditional rating methods. Trained technicians are required to prepare sets of series for each occupational group. And most managers do not like to "rate in the dark". Further, such tests are expensive to develop, because of the particular job and company. Again, most of the raters

become irritated with the tests because they are not being trusted. Finally, the results of evaluation do not prove useful for counselling and training purposes because the rater is ignorant of how he is evaluating the individual.

(8) Forced Distribution Method: This method was evolved by Joseph Tiffin after statistical work. This system is used to eliminate or minimise raters' bias, so that all personnel may not be placed at the higher end or at the lower end of the scale. It requires the rater to appraise an employee according to a pre-determined distribution scale. Under this system, it is performance and promotability. For this purpose, a five-point performance scale is used without any descriptive statement. Employees are placed between the two extremes of 'good' and 'bad' job performance; for example, 10 percent are placed at the top end of the scale, given superior or outstanding merit; 20 percent given good rating (i.e., above the average); 40 percent satisfactory (or average); 20 percent fair; and 10 percent unsatisfactory (or below average or poor). This forced distribution method assumes that, of the total personnel, 10 percent must go to the top grade, 20 percent to the second grade, 40 percent to the middle grade, 20 percent to the grade next to the lowest end of the scale, and 10 percent of the lowest grade.

In addition to job performance, employees are rated for promotability. A three-point scale is often used for this purpose:

(a) Very likely promotional material;

(b) May or may not be promotional material; and

(c) Vary unlikely to be promotional material.

The good point of this system is that by forcing the distribution in this manner, the problem of different appraisers using different parts of the scale is avoided. Second, this method tends to eliminate or reduce bias; but its use in wage administration leads to low morale and low productivity. Third, the method is highly simple to understand and very easy to apply in organisations.

(9) Checklist Method: Under this method, the rater does not evaluate employee performance; he supplies report about it and the final rating is done by the personnel department. A series of questions are presented concerning an employee to his behaviour. The rater, then, checks to indicate if the answer to a question about an

employee is positive or negative. The value of each question may be weighed equally or certain questions may be weighed more heavily than others. An example of a checklist is given below:

(1) Is the employee really interested in his job? Yes/No

(2) Is he regular on his job? Yes/No

(3) Is he respected by his subordinates? Yes/No

(4) Does he show uniform behaviour to all? Yes/No

(5) Does he keep his temper? Yes/No

(6) Is he always willing to help other employees? Yes/No

(7) Does he follow instructions properly? Yes/No

(8) Does he give recognition and praise to employees for work done well? Yes/No

(9) Is the equipment maintained in order? Yes/No

(10) Does he ever make mistakes? Yes/No

This method suffers from bias on the part of the rater because he can distinguish positive and negative questions. Secondly, a separate checklist must be developed for different classes of jobs. This process can be expensive and time consuming. Thirdly, it is difficult to assemble, analyse and weigh a number of statements about employee characteristics and contributions.

(10) Free Essay Method: Under this method, the supervisor makes a free form, open-ended appraisal of an employee in his own words and puts down his impressions about the employee. He takes note of these factors:

(a) Relations with fellow supervisors and personnel assigned to him;

(b) General organisation and planning ability;

(c) Job knowledge and potential;

(d) Employee characteristics and attitudes;

(e) Understanding and application of company policies and procedures;

(f) Production, quality and cost control;

(g) Physical conditions; and

(h) Development needs for future.

The description is always as factual and concrete as possible. No attempt is made to evaluate an employee in a quantitative manner.

There are several advantages of this method. An essay can provide a good deal of information, especially if the supervisor is asked, for instance, to give two or three examples of each judgement he makes. The explanations will give specific information about the employee, and can reveal even more about the supervisor.

However, there are certain drawbacks too: (i) it contains a subjective evaluation of the reported behaviour of an individual and may affect such employment decisions as promotion, lay-off, etc. There is no common for evaluation; (ii) Some appraisers may be good at narrative appraisal, while others may not have the facility to write a descriptive report; (iii) the appraisal may be loaded with a flowery language about the quality of the ratee than with the actual evaluation of performance; (iv) Under this system, the supervisor is required to devote considerable time and thought to the procedure. He has to be critical. The appraisal depends more on the appraiser's literary skills than on an employee's abilities and performance. (v) Rater bias is easily introduced into such ratings, since the essay is in the supervisor's own words.

(11) Critical Incident Method: This method was developed following research conducted by the armed forces in the United States during World War II. The essence of this system is that it attempts to measure workers' performance in terms of certain 'events' or 'episodes' that occur in the performance of the ratee's job. These events are known as critical incidents. The basis of this method is the principle that "there are certain significant acts in each employee's behaviour and performance which makes all the difference between success and failure on the job".

The supervisor keeps a written record of the events (either good or bad) that can easily be recalled and used in the course of a periodical or formal appraisal. Feedback is provided about the incidents during performance review session. Various behaviours are recorded under such categories as the type of job, requirements for employees, judgement, learning ability, productivity, precision in work, responsibility

and initiative. To give an illustration, a materials manager may be trained to look for and recognise the following critical incidents in a purchasing agent's performance:

(i) He treated a salesman in a markedly discourteous fashion;

(ii) He helped a buyer to prepare an unusually difficult purchase order;

(iii) He persuaded a local vendor to stock a particularly important material needed by the firm;

(iv) He rejected a bid that was excessively over-priced;

(v) He failed to return an important phone call; and

(vi) He improved the design of the internal material requisition form.

These critical incidents are discovered after a thorough study of the personnel working on a job. The collected incidents are then ranked in order of frequency and importance.

This method provides an objective basis for conducting a discussion of an individual's performance. Vague impressions and general remarks are avoided, for the supervisor is trained to record accurately the actual incidents from the daily activities of an employee. This approach reduces the "recency" effect (most recent incidents get too much emphasis) of most performance ratings.

However, this method has significant limitations. These includes: (i) Negative incidents are generally more noticeable than positive ones. (ii) The recording of incidents is a chore to the supervisor and may be put off and easily forgotten. (iii) Very close supervision may result, which may not be to the liking of an employee. (iv) Managers may unload a series of complaints about incidents during an annual performance review session. The feedback may be too much at one time and appear as a punishment.

(12) Group Appraisal Method: Under this method, employee are rated by an appraisal group, consisting of their supervisor and three or four other supervisors who have some knowledge of their performance. The supervisor explains to the group the nature of his subordinates' duties. The group then discusses the standards of performance for that job, the actual performance of the job-holder, and the causes of their particular level of performance, and offers suggestions for future improvement, if any.

The advantages of this method are that it is thorough, very simple and is devoid of any bias, for it involves multiple judges. But it is very time-consuming.

(13) Field Review Method: Under this method, a trainer employee from the personnel department interviews line supervisors to evaluate their respective subordinates. The appraiser is fully equipped with definite test questions, usually memorised in advance, which he puts to the supervisor. The supervisor is required to give his opinion about the progress of his subordinates, the level of the performance of each subordinate, his weaknesses, good points, outstanding ability, promotability, and the possible plans of actions in cases requiring further consideration. The questions are asked and answered verbally. The appraiser takes detailed notes of the answers, which are then approved by the supervisor and placed in the employee's personal folder. The success of this system depends upon the competence of the interviewer. If he knows his business, he can contribute significantly to a reasonably accurate appraisal. Moreover, he keeps the supervisor on his toes by this evaluation and minimise bias and prejudice on his part.

This system is useful for a large organisation, and does not suffer from the weaknesses which are evident in other systems. The over-all ratings are obtained by largely using a three-way categorisation, viz., outstanding, satisfactory and unsatisfactory. It relieves the supervisor of the need for filling out appraisal forms. The main defect is that it keeps two management representatives busy with the appraisal.

General Demerits of Traditional Techniques

Many of the above traditional performance evaluation techniques have internal weaknesses. For example,

(i) Managers are generally are not qualified to assess personality traits, and most managers are even not properly trained to conduct evaluation and performance interviews. They have very vague notions of the purpose of evaluations. Hence, they do a poor job.

(ii) Some managers discourage good performance by over-emphasising shortcomings and almost neglecting good work. Others have little effect on poor workers because they tend to sugar-coat their criticisms. Consequently, the real message is lost.

(iii) Rater's personality also plays an important part in the effectiveness of evaluation programmes. Some raters are by temperament, overtly harsh and give low

ratings to all subordinates. Others are too lenient and give everyone a good rating; some raters play favourites, some are victims of 'halo' effect.

(iv) The relative status of raters in their organisation is a factor that is important to the validity of performance appraisal. Using more raters or endorsements by a superior reduces rater bias and increases validity of appraisals.

MODERN METHODS OF APPRAISAL

(1) Assessment Centre Method: The assessment centre concept was initially applied to military situations by Simoniet in the Germany army in the 1930s and the war office selection board of the British army in the 1960s. The purpose of this method was and is to test candidates in a social situation, using a number of assessors and a variety of procedures. The most important feature of the assessment centre is job-related simulations. These stimulations involve characteristics that managers feel are important to the job success. The evaluators observe and evaluate participants as they perform activities commonly found in these higher level jobs.

Under this method, many evaluators join together to judge employee performance in several situations with the use of variety of criteria. It is used mostly to help select employees for the first level (the lowest) supervisory positions. Assessments are made to determine employee potential for purposes of promotion. The assessment is generally done with the help of a couple of employees and involves a paper and pencil test, interviews and situational exercises. Some of the other features of this system are

(i) The use of situational exercises (such as an in-basket exercise, business game, a role-playing incident and leaderless group discussion);

(ii) Evaluators are drawn from experienced managers with proven ability at different levels of management;

(iii) They evaluate all employees, both individually and collectively, and each candidate is given one of the three categories: more than acceptable, less than acceptable and unacceptable**;**

(iv) A summary report is prepared by the members, and a feedback on a face-to-face basis is administered to all the candidates who ask for it.

Purpose of assessment centres:

Assessment centres are used for the following purposes.

(i) To measure potential for first level supervision, sales and upper management positions; and also for higher levels of management for development purposes.

(ii) To determining individual training and development needs of employees.

(iii) To select recent college students for entry level positions.

(iv) To provide more accurate human resource planning information.

(v) To make an early determination of potential.

(vi) To assist in implementing affirmative action goals.

The assessment centres generally measures interpersonal skills and other aspects such as: organising and planning, interpersonal competence (getting along with others), quality of thinking resistance to stress, orientation (motivation) to work, dependence on others, other community communication and creativity. The ability to organise, plan and make decisions, as in basket simulations and scores obtained on paper and pencil, psychological tests, are important to the overall assessment score.

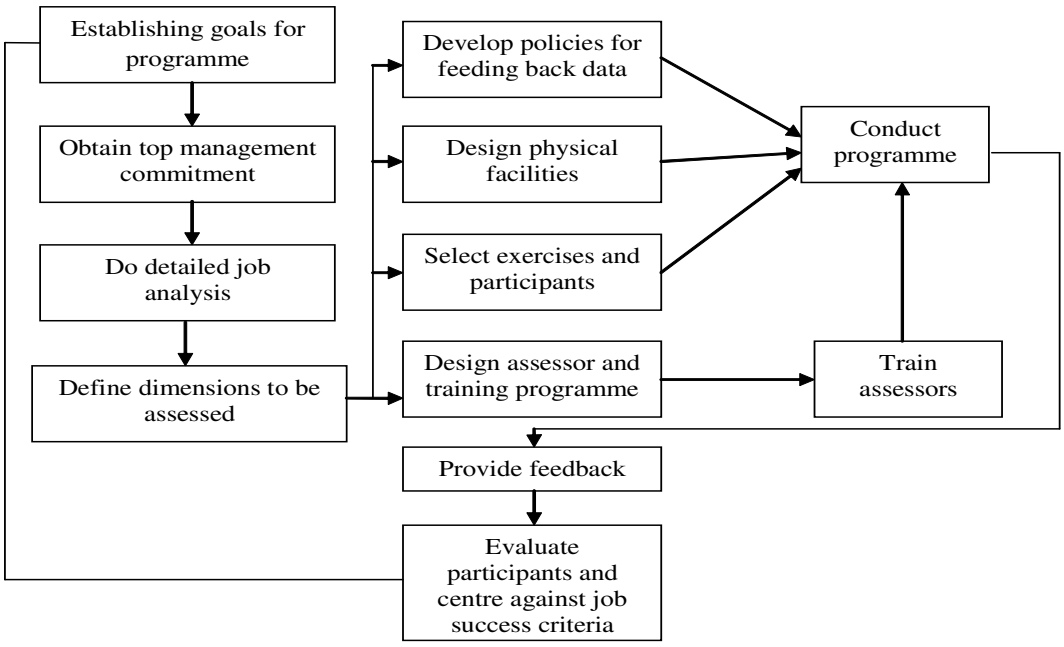


Figure 3: An assessment centre model

Procedure: The assessment centre programme commonly follows a procedure. First, a leadership group is established; each member supporting a predefined position, but the group must arrive at consensus. Then a task force is used with an appointed leader, who decides on a course of action. Simulation games and in-basket exercises are used to test organisational and planning abilities. Oral report is made by the candidate, which test his communication skills and straight into his present position. Personal interviews and projective tests are used to assess work motivation, career orientation, and dependence on others. Paper and pencil tests measure intellectual ability.

The duration of assessment centre programme varies with the persons. For example, centres designed for selection of first line supervisors, sales personnel, and management trainees generally last for a day or less; while those used for higher-level managers may run for two or three days or longer if used for developmental and not for selection purposes.

Problems: Assessmentcentre rating are said to be strongly influenced by the participant's interpersonal skills, judges tend to evaluate the quality of the individual's social skills rather than quality of decisions themselves. Further, the organisation and decision making abilities are measured by in-basket exercises, verbal ability and personal traits. Thus, the relatively inexpensive paper and pencil tests for measuring potential may be as accurate as the high cost stress assessment centre.

The assessment centre approach, therefore, suffers from many real hazards. One of them most obvious is the exam-taking. Solid performers in day-to-day operations suddenly choke in simulated environment. Another drawback is the potential bad effects on those not selected to participate in the exercise. The cost of assessing an individual in a particular job habit is prohibitive. Many assessment centres have one particular weakness; immediate supervisors nominate participants. Employees who are curious, independent, aggressive, and intelligent may never be selected because such traits, though important at higher levels, are not accepted by lower level supervisors. Further, employees who receive a poor report from the centre may reach in negative ways and might demoralise an employee who was once an asset.

To make assessment centre programme successful it is necessary that heavy emphasis must be placed on clear statement of goals, the obtaining of top management commitment, job analysis, assessor training and programme audit and evaluation.

(2) Management By Objective: This method has been evolved by Peter Drucker. MBO is potentially a powerful philosophy of managing and an effective way for operationalising the evaluation process. It seeks to minimising external controls and maximising internal motivation through joint goal setting between the manager and the subordinate and increasing the subordinate's own control of his work. It strongly reinforces the importance of allowing the subordinate to participate actively in the decisions that affect him directly.

Management by objectives can be described as "a process whereby the superior and subordinate managers of an organisation jointly identifies its common goals, define each individual's major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contributions of each of its members.

From another point of view, MBO has been defined as: (1) a system approach to managing and organisation, where those accountable for directing the organisation first determine where they want to take the organisation; (2) a process requiring and encouraging all key management personnel to contribute their maximum to achieving the overall objectives; (3) an effort to blend and balance all the goals of all key personnel; and (4) an evaluation mechanism. *(see next chapter)*

(3) 360 Degree Performance Appraisal: the appraisal may be any person who has thorough knowledge about the job done by contents to be appraised, standards of contents and who observes the employee while performing a job. The appraiser should be capable of determining what is more important and what is relatively less important. He should asses the performance without bias. The appraisers are supervisors, peers, subordinates, employees themselves, users of service and consultants. Performance appraisal by all these parties is called "360 f appraisal*". (see next chapter)*

(4) Human Asset Accounting Method: the human asset accounting method refers to activity devoted to attaching money estimates to the value of a firm's internal human organisation and its external customer goodwill. If able, well-trained personnel

leave a firm, the human organisation is worthless; if they join it, their human assets are increased. If distrust and conflict prevail, the human enterprise is devalued. If teamwork and high morale prevail, the human organisation is a very valuable asset.

The current values of a firm's human organisation can be appraised by developed procedures, by undertaking periodic measurements of "key causal" and "intervening enterprise" variables. The key casual variable includes the structure of an organisation's management policies, decisions, business leadership, strategies, skills and behaviour. The intervening variables reflect the internal state and health of an organisation. They include loyalties, attitudes, motivations, and collective capacity for effective interaction, communication and decision making. These two types of variable measurements must be made over several years to provide the needed data for the computation of the human asset accounting. This method is not yet popular.

(5) Behaviourally Anchored Rating Scales (BARS): This is a new appraisal technique which has recently been developed. Its supporter claims that it provides better, more equitable appraisals as compared to other techniques. The procedure for BARS is usually five stepped.

(i) Generate critical incidents. Persons with knowledge of the job to be appraised (job holders/supervisors) are asked to describe specific illustrations (critical incidents) of effective performance behaviour.

(ii) Develop performance dimensions. These people then cluster the incidents into a smaller set (or say 5 or 10) of performance dimensions. Each cluster (dimension) is then defined.

(iii) Reallocate incidents. Any group of people who also know the job then reallocate the original critical incidents. They are given the cluster's definitions, and critical incidents, and asked to redesign each incident to the dimension it best describes. Typically, a critical incident is retained if some percentage (usually 50 to 80%) of this group assigns it to the same cluster as previous group did.

(iv) Scale of incidents. The second group is generally asked to rate (7 or 9point scales are typical) the behaviour described in the incident as to how effectively or ineffectively it represents performance on the appropriate dimension.

(v) Develop final instrument. A subset of incidents (usually 6 or 7 per cluster) is used as "behaviour anchors" for the performance dimensions.

Below is given an example of how the method works in practice, based upon the research done on grocery clerks in a large grocery chain stores in USA. A number of critical incidents were collected there and these were then clustered into eight performance criteria, viz.

- Knowledge and judgement.
- Conscientiousness.
- Skill in human relations.
- Skill in operation of register.
- Skill in bagging.
- Organisational ability of check-stand work.
- Skill in monetary transactions.
- Observational ability.

In the chart is given the BARS for one of these criteria, viz., "knowledge and judgement". The scale ranges, from one to seven, for rating performance from "extremely poor" to "extremely good".

Though BARS technique is more time-consuming and expensive than other appraisal tools, yet it has got certain advantages, such as".

(a) A more accurate gauge, since BARS is done by persons expert in the technique, the results are sufficiently accurate.

(b) Clear standards. The critical incidents along the scale help to clarify what is meant by "extremely good" performance, "average" performance and so forth.

(c) Independent dimensions. Systematically clustering the critical incidents into 5 or 6 performance dimensions, helps in making the dimensions more independent of one another.

(d) Rater- independence. The technique is not biased by the experience and evaluation of the rater.

9.14 PERFORMANCE APPRAISAL VS. POTENTIAL APPRAISAL

Performance Appraisals is the assessment of individual's performance in asystematic way. It is a developmental tool used for all round development ofthe employee and the organisation. The performance is measured againstsuch factors as job knowledge, quality and quantity of output, initiative,leadership abilities, supervision, dependability, co-operation, judgment,versatility and health. assessment should be confined to past as well aspotential performance also. The second definition is more focused onbehaviours as a part of assessment because behaviours do affect job results. Performance appraisal helps to rate the performance of the employees andevaluate their contribution towards the organisational goals.

Performanceappraisal as Career Developmentleads to the recognition of the workdone by the employees, many a times by the means of rewards andappreciation etc. It plays the role of the link between the organisation andthe employees' personal career goals.

Potential appraisal is a part of performance appraisal, helps to identify thehidden talents and potential of the individuals. It is evaluation of a person's likelihood of success in a different role - usually a more senior role. The role could be on a specialised career pathway or on a leadership pathway. Identifying these potentialtalents can help in preparing the individuals for higher responsibilities andpositions in the future. The performance appraisal process in itself isdevelopmental in nature.

9.15 SUMMARY

Performance appraisal is the systematic evaluation of the individual with regard to his or her performance on the job and his potential for development. It is important for various purpose such aspromotion, transfer, wage & salary administration, training development, research purpose, and for self-improvement. Performance appraisal is helpful in taking decisions on selection, training & development, increase in pay, promotion, transfer, and the like. It is not yield good result because of different qualities may not be properly weighted, some factors are very subjective like initiative, etc. Both traditional and modern methods of appraising the employees.

9.16 GLOSSARY

- ***Performance Appraisal:*** It is aprocess of evaluating an employee's performance of a job in terms of its requirements.
- ***Assessment centre:*** It is a central location where the managers may come together to participate in job related exercises evaluated by trained observers.
- ***Human resource accounting:*** This method attaches money values to the value of a firm's internal human resources and its external customer goodwill.
- ***360 degree performance appraisal:*** It involves a systematic collection of performance data on an individual or group, derived from a number of stakeholders.
- ***Potential Appraisal:***It is a future-oriented appraisal whose main objective is to identify and evaluate the potential of the employees to assume higher positions and responsibilities in the organisational hierarchy.

9.17 SELF-ASSESSMENT QUESTIONS

1. Discuss the approach of performance appraisal.
2. Discuss benefits and limitations of performance appraisal.
3. What are the problems of performance appraisal.
4. Give some suggestions to improve performance appraisal

9.18 LESSON END EXERCISE

Q1. What do you mean by performance appraisal? Discuss its features and uses.

Ans _____

_____

Q2. Explain the process of performance appraisal.

Ans _____

_____

Q3. Discuss the traditional and moderntechniques of performance appraisal.

Ans _____

_____

Q4. What is the difference between performance appraisal and potential appraisal.

Ans _____

_____

9.19 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice of Management: L.M.Prasad
- Human Resource Management: Shashi K. Gupta and Rosy Joshi
- Human Resource Management (Theory & Practice): Tapomoy Deb
- Human Resource Management: Santosh Gupta and Sachin Gupta

WORKERS PARTICIPATION AND EMPOWERMENT

STRUCTURE

10.1 Introduction
10.2 Objectives
10.3 Meaning of Workers Participation
10.4 Objectives of Workers Participation
10.5 Levels of Participation
10.6 Strategies/Methods/Schemes/Forms of Participation
10.7 Forms of Workers Participation in India
10.8 Schar Committee on Workers Participation
10.9 Empowerment
10.10 Meaning of Empowerment
10.11 Types of Empowerment
10.12 Theoretical Approaches
10.13 Advantages of Empowerment
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10.18 Lesson End Exercise
10.19 Suggested Readings

10.1 INTRODUCTION

Harmonious industry relation is sine qua non of the progress and prosperity of arl industrial establishment at the micro level and the nation at the macro level. National Commission on Labour Report 1969 has rightly observed that "economic progress is bound up with industrial harmony for the simple reason that industrial harmony inevitably leads to more cooperation between employers and employees, which results in more productivity and thereby contributes to all round prosperity of the country." In this context modern, mechanism of industrial relations is to emphasis the people, who handle the techniques and not the techniques alone. It is now admitted, all over the world, particularly in industrialized countries that for higher productivity and sound industrial relations, it is extremely important to give the workers the place of partners in industry. In this connection, workers participation in management will have to be instrumental in achieving the broader spirit of industrial democracy by employing more strategic and proactive approach. The term industrial democracy has been used interchangeably with the term workers participation in management. However, the two terms are in fact quite different. Industrial democracy means that the management in industrial units is by the people, of the people and for the people. Here people include all those who are concerned with the industrial unit. Industrial democracy connotes equilibrium between the rights of the dominant industrial, hierarchy and the rights of employees with a broad social objective.

The concept of industrial democracy is a complete departure from the traditional concept of autocratic management or one man rule. Industrial democracy means the application of democratic principles in managing industrial units. In such type of system, workers are treated as responsible partners of an enterprise and are allowed to participate in the decision making process through different methods. Workers are given the right of self expression and an opportunity to communicate their views on policy formulation. The industrial democracy has the following features. * "Workers are treated as partners in the organization and are given-an opportunity to participate in the management." The various methods through which industrial democracy can be introduced are work committees, joint management councils, suggestion schemes etc. * Workers are generally allowed to participate indirectly i.e. through their representatives. This participation is

restricted to certain aspects of management only. The participation of workers is sought only in those areas which are directly related to them. * The morale of the workers is boosted as they have an effective say in the working of the enterprise where they are working. They feel as if they have been elevated to a higher status. It is rightly suggested that management of Industrial Units will be smooth and efficient if workers are associated with the management. "Political democracy will remain formalistic and legalistic, if it is not supplemented by Industrial Democracy".4 The conditions necessary for effective implementation of industrial democracy5 includes - * In every organization, there should be a strong trade union with effective leadership. * There should be willingness on the part of employees to treat workers as partners. * Industrial democracy cannot succeed unless all concerned workers, employers, government and the public - fully realize its importance and its due place in the national life. * The management and the unions should have the strong and genuine desire to deal with the industrial problems peacefully and through democratic means. The objectives of industrial democracy are:

(i) To create a sense of belongingness of workers to the organization.

(ii) To improve a sense of commitment to the organizational objectives, plans and activities among employers.

(iii) To satisfy the psychological needs of the employees. (iv) To respect the human dignity of the employees.

The advantages of industrial democracy are as follows:

(i) There would be full cooperation of employees for the implementation of decisions as they participate in decision making.

(ii) Industrial harmony can be maintained as the employees feel the sense ofbelongingness

(iii) Productivity can be increased.

The idea of extension of the principle of democracy to the industrial sector is that workers should be associated in managerial decisions. The important methods used to associate the workers include:- * Establishment of various schemes of workers' participation in management like shop councils, joint councils, joint management councils, works committees etc. *Recognition of human rights in industry. The days

of treating the workers as a commodity are gone. Humanitarian approach to workers and human relations approach have come to stay. Hence managements of various organizations should maintain human relations by recognizing the human dignity and values. * Creation of an environment which is materially, socially and psychologically conducive. Industrial democracy is a value which even before incorporation of Article 43-A into the Indian constitution, is embodied in the total philosophy of the constitution. Participative management has been a hotly discussed topic in the management literature. But it has, however, generated more heat than any light. Industrial democracy in the form of workers participation in management has been an integral part of Indian labour policy for quite some time. Plan documents have acknowledged the increased association of worker with management for promoting increased productivity, for giving employees a better understanding of their role in the working of the industry and of the process of production and also satisfying workers' urge for self expression leading to better industrial relations and increased cooperation. Several attempts have been made in India to experiment with various forms of workers participation both through legislation and persuation. Workers' participation in management: Within the last three decades in the realm of human resource management, "the technique of the workers' participation in management has been regarded as a powerful behavioural tool for managing the industrial relations system" .This widely debated concept has evolved from the purely ideological and imaginative plank to an organizational reality. But the form and connotation of the term varies with the socio-economic goals of a particular country. A few popular connotations of participation are: 'Labour management co-operation'; 'Co-determination'; 'Joint consultation'; 'Joint decision-making'; 'Workers' control'; Workers' participation in management'; 'Self-management'; 'Workers' participation in industry'. All of these connotations are often used interchangeably; in fact, no clear-cut demarcation line can be drawn between them. It appears that all these connotations represent different forms of participation which differ only in degree but not in nature. By and large, the main ideas have always been the same; namely, to increase workers' influence in the management of the enterprise to which they belong. For example, earlier in those countries where all or more of the means of production were under public ownership, the term is used in quite a different sense as against those countries where the means of production are in private hands. Again, in a

"centrally planned economy," the nature and form of industrial democracy is not the same as in a market economy. It means different things to different people; and most international discussions on the subject suffer from the fact that those who use the term are often thinking of one particular form of workers' participation in management. For management, "It is joint consultation prior to decision-making."10 "The management experts and executives view it as "a look for improving the overall performance of an enterprise." For them, it means that workers are given an opportunity to take part in those decisions, which affect their wages, their working conditions. Their very jobs and participation pave the way to harmonious industrial relations which are conducive to increasing productivity and efficiency. For workers, it is just like co-decision or co- determination. The trade unions view the concept as "the harbinger of a new order of social relationship and a new set of power equations within organizations. This does not mean that they are concerned with improving organizational performance; but in terms of relative importance and priorities, they hold the view that the functioning of economic activity is, by its very nature, social. The objective is to gain control over the decision-making process within an enterprise." The concept of workers' participation in management crystallizes the concept of industrial democracy, and indicates an attempt on the part of an employer to build his employees into a team which works towards the realization of a common objective. In the words of Davis, "it is a mental and emotional involvement of a person in a group situation, which encourages him to contribute to the goals and share responsibilities with them." Sometimes participation is regarded as basically the same thing as Taylor's "scientific management", the aim of which is to secure the maximum prosperity of employers and the employed. However, the approach is somewhat different, for "scientific management" lays emphasis on the technical aspect of work, whereas the "participation" lays primary emphasis on the human element and rests on the assumption that a worker is more than a pair of hands. He is a human resource. The worker's technical knowhow and an ingenuity, properly utilized, may make, more significant contribution to the effectiveness and economic welfare of an organisation than any improvement in his physical effort alone, although that is not unimportant. When operationalised, the term workers' participation implies "a formal method of providing an opportunity for every member of the organisation to contribute his brain and ingenuity as well as his physical efforts to the improvement of

organizational effectiveness" as well as enhancing his own economic welfare. In the words of Kenneth Walker, "Workers' participation in management is a resounding phrase, bridging the past and the future. It echoes the millennial vision of nineteenth century thinkers while heralding the evolution of new forms, of industrial organisation under twentieth century pressures. The word 'workers' participation' is plentifully supplied with ideas, institutions and opinions." He adds that "there are two basic ideas in the concept of workers' participation in management: that there are two groups of people in an undertaking (managers and workers) and that there are two separate-sets of functions to be performed (managerial and operative). The managerial functions are essentially those concerned with planning, organizing, motivating and controlling, in contrast with 'doing' or 'operative' work. A self-employed person carries on the managerial as well as the operative functions of his one-man enterprise; he is both his own manager and operative. The Industrial Revolution and the factory system divorced managerial and operative functions, authorizing persons who occupied 'managerial' positions to exercise managerial functions while 'workers' performed their operational functions. Those who advocate workers' participation in management seek to bridge this gap, or even to remove it, by aurthorising workers to take part in managerial functions ... The participation, therefore, can be defined, in neutral terms, as 'taking part in', leaving the question whether such participation does produce a co-operative commitment to the enterprise, or involves a sharing of powers and status between the managers and. the workers to be settled by evidence." The essence of workers' participation in management lies in the firm belief and confidence in the individual, in his capacity for growth and learning, in his ability to contribute significantly with his hands, head as well as his heart; and this implies discarding the narrow conventional outlook of antagonism of interests and substituting in its place a community of purpose and extending cooperation in promoting the well-being of labour and management in industry. The principle of workers' participation in management affords a self-realisation in work and meets the psychological needs of workers at work by eliminating, to a large extent, any feeling of futility, isolation and consequent frustration that they face in a normal industrial setting. In this connection G.D.H.Cole noted that the "Industrial democracy at the top, through nationalsation, is an inefficient condition to ensure workers' involvement

in enterprises. Unlike in politics, in the case of industry, workers are connected mostly with stop floor issues. Better participation and greater responsibility in the decision-making process on the part of general workers would perhaps tend to develop in them organizational loyalty, confidence, trust, favourable attitude towards supervisors, and a sense of involvement in the organisation. The schemes of workers' participation in management, among other measures of industrial reform are expected to democratize the industrial milieu and ensure egalitarianism in the process."16 It is said that the workers' participation as a "system of communication and consultation, either formal or informal, by which employees of an organisation are kept informed about the affairs of the undertaking and through which they express their opinion and contribute to management decisions".17 It is a distribution of social power in industry so that it tends to be shared among all who are engaged in the work rather than concentrated in the hands of a minority. It is industrial democracy in action based on the principles of equity, equality and voluntarism. It gives to the employees' representatives the right to criticize, to offer constructive suggestions, and to become aware of various delicate issues involved in decision-making. It performs the following functions:-

- The participation enhances employees ability to influence, decision-making at different tiers of the organizational hierarchy with concomitant assumption of responsibility. .
- The participation incorporates the willing acceptance of responsibilities by the body of workers. As they become a party to decision-making, they have to commit themselves to the implementation of decisions made.
- The participation is conducted through the mechanism of forums and practices which provide for the association of workers' representatives.
- The broad goal of participation is to change basically the organizational aspect of production and transfer the management function entirely to the workers so that they can experience intricacies of "auto management"

Workers participation in management refers to the participation o f non-managerial employees in the decision-making process of the organisation. Workers participation gives employees the mental and psychological satisfaction and thereby

increase their involvement in the affairs o f the organization. Workers participation in management is the most accepted principle of industrial relations in modern industry throughout the world and in India too. In the words of Keith Davis "Participation is a mental and emotional involvement of a person in a group situation which encourages to contribute to group goals or objectives and share responsibilities." According to the British Institute of Management Workers participation in management is the practice in which employees take part in Management decisions and it is based on the assumption o f commonality of interest between employer and employee in furthering the long term prospects of the enterprise and those working in it. Sawtell defined participation as any or all the processes by which the employees other than managers contribute positively towards the reaching o f managerial decisions which affect their work. Workers participation is a system where the workers get the rights to participate in decisions on issues which are of concern to the workers like wages, working conditions, safety, welfare, sharing o f gain, production related aspects, incentives and allowances were considered to be legitimate areas of workers concern and therefore workers should be consulted when these are determined. Workers participation in management is one of the important aspects of industrial democracy. It is distribution of social power in industry so that the power is shared among all those who are engaged in work rather than power being concentrated only in the hands o f a few managers. Participation is a system of communication and consultation either formal or informal by which employees can express their opinions and ideas and contribute to managements decisions. Workers participation is a method of providing opportunities for all the members o f the organisation to contribute his mental ideas along with his physical efforts towards the improvement o f organisational effectiveness as well as enhancing his own economic welfare. Better participation and greater responsibility in the decision making process on part of the general workers will perhaps develop their organisational loyalty, confidence, trust involvement and a sense of responsibility towards supervisors, managers and the organisations in general. Participation has to be done at different levels o f management.

(a) At the shop floor level.

(b) At the department level and

(c) At the board level.

The decision making at these different levels would assume different levels would assume different patterns in regard to policy formulation and execution. When workers participate in decision-making and they have to commit themselves for the implementation o f decisions made. They become more responsible and involved. Workers participation in management is a humanitarian approach to the labour class giving them new set of values giving them a social status, base and a place in the industrialized society.

10.2 OBJECTIVES

After studying this unit, you should be able to:

- Explain the meaning of worker participation and analyse the need and its importance.
- Levels and forms of Participation
- Explain the meaning and concept of empowerment
- Describe the types of empowerment
- Advantages and disadvantages

10.3 MEANING OF WORKERS PARTICIPATION

Workers' participation in management is an essential ingredient of Industrial democracy. The concept of workers' participation in management is based on Human Relations approach to Management which brought about a new set of values to labour and management.

Traditionally the concept of Workers' Participation in Management (WPM) refers to participation of non-managerial employees in the decision-making process of the organization. Workers' participation is also known as 'labour participation' or 'employee participation' in management. In Germany it is known as co-determination while in Yugoslavia it is known as self-management. The International Labour Organization has been encouraging member nations to promote the scheme of Workers' Participation in Management.

Workers' participation in management implies mental and emotional involvement of workers in the management of Enterprise. It is considered as a mechanism where workers have a say in the decision-making.

Definition: According to Keith Davis, Participation refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share the responsibility of achievement.

According to Walpole, Participation in Management gives the worker a sense of importance, pride and accomplishment; it gives him the freedom of opportunity for self-expression; a feeling of belongingness with the place of work and a sense of workmanship and creativity.

The concept of workers' participation in management encompasses the following:

- It provides scope for employees in decision-making of the organization.
- The participation may be at the shop level, departmental level or at the top level.

The participation includes the willingness to share the responsibility of the organization by the workers.

10.4 OBJECTIVES OF WORKERS PARTICIPATION

The objectives of workers participation in management may vary from country to country, state to state, and from industry to industry depending upon the quality of manpower, level of technology, level of competition socio-economic status, political philosophy, attitude of the working class and the industrial relations scene. Though there are so many factors governing the objectives of workers participation some common objectives are:

1. To prevent workers from exploitation by the management or by the owners of the organisation.
2. To have democracy in the organization.
3. To have proper development of the working class.
4. To resolve conflicts and differences between management and employees in a democratic manner.
5. To create in employees a sense of participation in industry.
6. To encourage suggestions from employees.
7. To improve the working and living conditions of employees.

8. To promote better understanding between labours and management on the various issues of the organisations.

9. To give employees a better understanding of their role in the working of the industry.

10. To give the employees an opportunity for self expression leading to industrial peace, good relations and increased co-operation.

Features of Workers' Participation in Management

The main features of workers' participation in management are as follows:

1. Participation means mental and emotional involvement rather that mere physical presence. It is more than consent or approval to managerial actions.

2. Workers participate collectively as a group through their representatives rather than participating individually.

3. Workers participation may be formal or informal. In both the cases, it is a system of communication and consultation.

4. Workers participation is different from collective bargaining. Collecting bargaining is based on power play, pressure tactics and negotiations, whereas participation is based on mutual trust, information sharing and mutual problem solving.

5. There can be four levels of participation: shop floor, plant, department and corporate levels. There are four degrees in participation:

(i) Management share information with the workers about all management decisions (communication).

(ii) Workers express their views on work related issues. Final decisions are taken by the management (consultation).

(iv) Management and workers jointly take decisions (code determination).

(v) Workers enjoy complete autonomy right from decision making to its execution. Levels ofParticipation: The participation is possible at all levels of management. It depends upon the nature of functions, the strength of the workers, the varieties of departments, the attitudes of trade unions and that of management. The

areas and degrees may differ very considerably at different levels of management. At one end, where the exercise of authority in decision-making is almost complete, participation will be negligible, while at the other end, where the exercise of authority is relatively small, participation will be maximum. In between these two extremes, the nature and extent of participation will differ, depeding on a variety of factors, including the problems or issues, the attitudes and past experience of the management, and the development of human relations in general and labour management relations in particular. The fact is that workers' participation in management will have to be at different levels. The workers may be given an opportunity to influence or take part in managerial decisions at the higher level through their representatives on a supervisory board or on the board of Directors or through works councils. The participation \ may also be at lower levels at which workers are given some authority to plan and take decisions about their work, like job enrichment, job enlargement, delegation, etc. Broadly speaking, there are four stages of participation. At the initial stage, participation may be "informative and associative participation", where members have the right to receive information, discuss and give suggestions on the general economic situation of the concern, the state of the market, production and sales programmes, organization and general running of the 26 undertaking, circumstances affecting the economic position of the concern, methods of manufacture of work, annual balance shall and profit and loss account and connected documents and explanations, long-term plans for expansion, redeployment, and such other matters as may be agreed to. There are the areas in which the members have the right to receive information and discuss these, and make suggestions which are binding on the management. Consulttive participation involves a higher degree of sharing of views of the members and giving them an opportunity to express their feelings. In the process members are consulted on matters relating to welfare amenities, adoption of new. technology and the problems emanating from it, safety measures, etc. Its managements' prerogative to accept the suggestions of workers given at participative forum. Administrative participation involves a greater degree of sharing of authority and responsibility of the management functions. Here

members are given a little more autonomy in the exercise of administrative and supervisory powers in respect of welfare measures and safety works, the operation of vocational training and apprenticeship schemes, the preparation of schedules of working hours and breaks and holidays, payment of reward for valuable suggestions received, and any other matter that may be agreed to by the members. Decision participation is the highest form of participation, where sharing in the decision-making power is complete and the delegation of authority and responsibility of managerial function of such a body is maximum. In matters like economic, financial and administrative policies the decisions are mutually taken. in short, workers' participation in management deals with and exercises supervisory, advisory and administrative frunctions on matters concerning, safety welfare, etc., though the ultimate responsibility is vested in the management. However, all such matters as wages, bonus, etc., which are subjects of collective bargaining, are excluded from the purview of the workers' participation schemes. The individual grievances are also excluded from their scope. In short, the creation of new rights as between employers and workers should be outside the jurisdiction of the participation schemes.

Factors influencing workers' participation in management:

The employer's realization of the need for workers' participation in management is considerably influenced by the following factors:

(i) The increased use of technology in industry has necessitated the growing co-operation of workers because of the complex operations of production;

(ii) The changed view that employees are no longer servants but are equal partners with their employers in their efforts to attend the goals of the enterprise;

(iii) The growth of trade unions which safeguard the interests of workers and protect them against possible exploitation by their employers;

(iv) The growing interest of the government in the development of industries and the welfare of workers; and

(v) The need of increased and uninterrupted production which can be achieved only when there is a contented worker class. The empirical researches undertaken by Kurt Lewin, and others have shown that democratically managed groups,

in which rank and file also get an opportunity to participate in decision-making, are healthier and more efficient than groups managed in an authoritarian way. The findings of Rensis Likert, Blake and MacGregor popularized the belief that if workeia are given opportunities to participate in the management, there would be positive aims for the organisation through higher productivity, on the one hand, and reduced negative behaviour on the other. It is quite logical to believe that if people have the right to choose their own government, the workers have the right to choose the management of the enterprise to which they belong and to whose success they contribute substantially. It rests on the fundamental promise that the worker is not a slave, who has no right at all; he is a citizen employed in an industry and has opinions of his own which, he thinks, should be taken into account when decisions are taken and policies are formulated. The factory is not a mechanical entity which is governed by mechanical principles and economic laws, but a social system which is subject to the democratic rights of those who are involved in it. It is no wonder that ever since the early days of industrialization, the demand for democracy in a worker's life has been an important feature of the many political programmes. It may, therefore, be concluded that the concept of workers' participation has its deep roots not only in political and social norms and in the ethos of our times but also in the empirical studies on human behaviour at work.

10.5 LEVELS OF PARTICIPATION

There is no hard and fast rule as to which level of management, workers participation in management should be introduced. In fact participation is possible at all levels of management. The only difference is that of degree and nature of application. For example, it may be light or not so vigorous at the top level and may be very strong and vigorous at a lower level. A lot depends upon the nature of work, nature of functions, quality of manpower, strength of workers, attitude of trade unions, attitude of management and the organisational culture. There are other factors which are also responsible for the application of workers participation in management like the government policy on labour. Industrial Acts, phases of trade cycle, economic and political stability and situation. Workers participation is more of a balancing situation. When there is more use of authority in decision making participation in

management will be negligible but when the use of authority is in small proportion, participation will be maximum. In between the two elements more use of authority and less use of authority the nature of participation will also depend upon the type of issues, attitude of employees, management culture and the past experience of management. Broadly speaking there are five levels of workers participation in management.

1. INFORMATION PARTICIPATION LEVEL

Information participation ensures that the employees are in a position to receive information and express their views pertaining to the matters of general and economic importance. The management depends upon the joint committee for informing the workers about the business conditions and also informs them about the various changes put into effect in the working of the organisation.

2. Associative Participation Level

In this level of participation members have the right to receive information discuss and give suggestions on the general and economic conditions of the organisation like production, markets, finance and technology affecting the position of the organisation or organisations profit and loss account. The workers have the right to receive information and discuss important matters like change in the methods of production, expansion of business or closing of a particular unit. The workers not only receive information and discuss the issues but when suggestions are made it is binding on the management.

3. CONSULTATIVE PARTICIPATION LEVEL

In such level of participation workers are consulted on the matters of employee welfare such as work, safety, health and training. It involves a higher degree of sharing of views of the workers and giving them an opportunity to express their feelings and opinions. In this level of participation it is the managements prerogative to accept the suggestions of the workers given at the participative forum. Workers suggestions are only of advisory nature.

4. ADMINISTRATIVE PARTICIPATION LEVEL

Administrative participation gives a greater degree of sharing of authority

and responsibility of management functions. The issues taken at this level are welfare, safety, training, preparing work schedules, working hours, incentives, holidays and rewards for valuable suggestions. In this level of participation alternatives are given by the management and the workers select the best from those decided for smooth implementation and efficient administration.

5. DECISIVE PARTICIPATION LEVEL

This is the highest form of participation where decisions are taken jointly on the matters relating to production, welfare, economic, financial and administrative policies.Delegation of authority and responsibility of managerial fiinctions to the workers is maximum at this level of participation. When participation is done at this level it speaks of democracy and the democratic style of management. It also shows the faith and trust between management and the employees.

10.6 STRATAGIES/METHODS/SCHEMES/FORMS OF PARTICIPATION

1. Suggestion Schemes: Participation of workers can take place through suggestion scheme. Under this method workers are invited and encouraged to offer suggestions for improving the working of the enterprise. A suggestion box is installed and any worker can write his suggestions and drop them in the box. Periodically all the suggestions are scrutinized by the suggestion committee or suggestion screening committee. The committee is constituted by equal representation from the management and the workers. The committee screens various suggestions received from the workers. Good suggestions are accepted for implementation and suitable awards are given to the concerned workers. Suggestion schemes encourage workers' interest in the functioning of an enterprise.

2. Works Committee: Under the Industrial Disputes Act, 1947, every establishment employing 100 or more workers is required to constitute a works committee. Such a committee consists of equal number of representatives from the employer and the employees. The main purpose of this committee is to provide measures for securing and preserving amity and good relations between the employer and the employees.

Functions: Works committee deals with matters of day-to-day functioning at the shop floor level. Works committees are concerned with:

- Conditions of work such as ventilation, lighting and sanitation.

- Amenities such as drinking water, canteens, dining rooms, medical and health services.
- Educational and recreational activities.
- Safety measures, accident prevention mechanisms etc.

Works committees function actively in some organizations like Tata Steel, HLL, etc but the progress of Works Committees in many organizations has not been very satisfactory due to the following reasons:

- Lack of competence and interest on the part of workers' representatives.
- Employees consider it below their dignity and status to sit alongside blue-collar workers.
- Lack of feedback on performance of Works Committee.
- Undue delay and problems in implementation due to advisory nature of recommendations.

3. Joint Management Councils: Under this system Joint Management Councils are constituted at the plant level. These councils were setup as early as 1958. These councils consist of equal number of representatives of the employers and employees, not exceeding 12 at the plant level. The plant should employ at least500 workers. The council discusses various matters relating to the working of the industry. This council is entrusted with the responsibility of administering welfare measures, supervision of safety and health schemes, scheduling of working hours, rewards for suggestions etc.

Wages, bonus, personal problems of the workers are outside the scope of Joint management councils. The council is to take up issues related to accident prevention, management of canteens, water, meals, revision of work rules, absenteeism, indiscipline etc. the performance of Joint Management Councils have not been satisfactory due to the following reasons:

- Workers' representatives feel dissatisfied as the council's functions are concerned with only the welfare activities.
- Trade unions fear that these councils will weaken their strength as workers come under the direct influence of these councils.

4. Work directors: Under this method, one or two representatives of workers are nominated or elected to the Board of Directors. This is the full-fledged and highest form of workers' participation in management. The basic idea behind this method is that the representation of workers at the top-level would usher Industrial Democracy, congenial employee-employer relations and safeguard the workers' interests. The Government of India introduced this scheme in several public sector enterprises such as Hindustan Antibiotics, Hindustan Organic Chemicals Ltd etc. However the scheme of appointment of such a director from among the employees failed miserably and the scheme was subsequently dropped.

5. Co-partnership: Co-partnership involves employees' participation in the share capital of a company in which they are employed. By virtue of their being shareholders, they have the right to participate in the management of the company. Shares of the company can be acquired by workers making cash payment or by way of stock options scheme. The basic objective of stock options is not to pass on control in the hands of employees but providing better financial incentives for industrial productivity. But in developed countries, WPM through co-partnership is limited.

6. Joint Councils: The joint councils are constituted for the whole unit, in every Industrial Unit employing 500 or more workers, there should be a Joint Council for the whole unit. Only such persons who are actually engaged in the unit shall be the members of Joint Council. A joint council shall meet at least once in a quarter. The chief executive of the unit shall be the chairperson of the joint council. The vice-chairman of the joint council will be nominated by the worker members of the council. The decisions of the Joint Council shall be based on the consensus and not on the basis of voting.

In 1977 the above scheme was extended to the PSUs like commercial and service sector organizations employing 100 or more persons. The organizations include hotels, hospitals, railway and road transport, post and telegraph offices, state electricity boards.

7. Shop councils: Government of India on the 30th of October 1975 announced a new scheme in WPM. In every Industrial establishment employing 500 or more workmen, the employer shall constitute a shop council. Shop council represents each

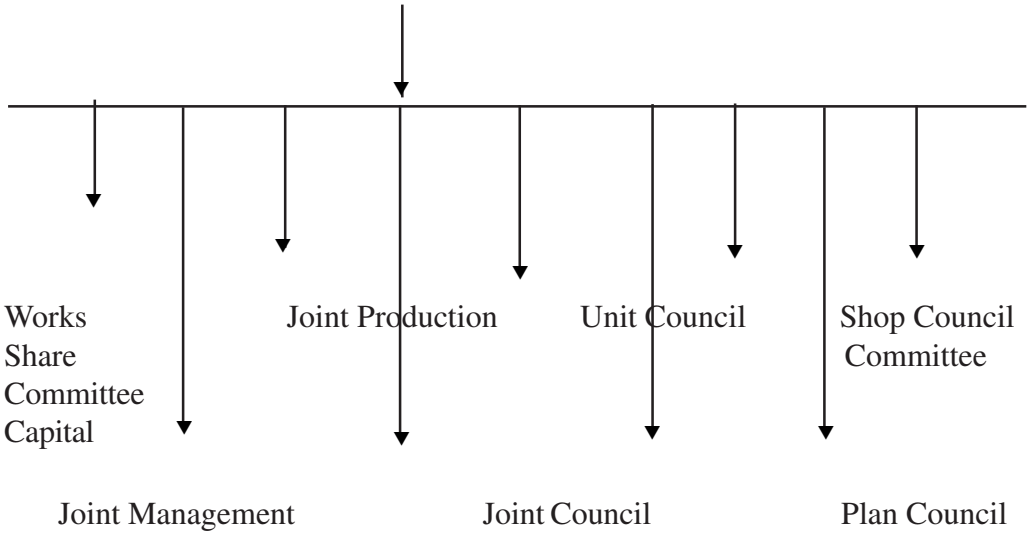
department or a shop in a unit. Each shop council consists of an equal number of representatives from both employer and employees. The employers' representatives will be nominated by the management and must consist of persons within the establishment. The workers' representatives will be from among the workers of the department or shop concerned. The total number of employees may not exceed 12.

Functions of Shop Councils:

1. Assist management in achieving monthly production targets.
2. Improve production and efficiency, including elimination of wastage of man power.
3. Study absenteeism in the shop or department and recommend steps to reduce it.
4. Suggest health, safety and welfare measures to be adopted for smooth functioning of staff.
5. Look after physical conditions of working such as lighting, ventilation, noise and dust.
6. Ensure proper flow of adequate two way communication between management and workers.

10.7 FORMS OF WORKERS PARTICIPATION IN INDIA

Forms of Workers Participation in India



I. WORKS COMMITTEE

The works committee started in India because of the Industrial Dispute Act 1947. It was this act which stated that "in case of any industrial establishment in which 100 or more workers are employed or have been employed on any day in the preceding twelve months the appropriate government may by general or special order require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workman". The objective of the works committee is to create cordial relations between the management and the workers. The Works Committee does not perform any administrative function it is an advisory body. It is not expected to deal with matters relating to wages, allowances, bonus, etc.

II. JOINT MANAGEMENT COUNCIL

For the success of Industrial Planning it was necessary to set up Joint Management Council in the industrial undertaking which will have representatives of Management Technicians and Workers. Joint Management Council can discuss issues related to lighting, ventilation, temperature, sanitation, drinking water, canteens, dinning and rest rooms, medical and health services, safe working conditions, administration of welfare funds and recreational activities. The governments Industrial Policy resolution of 1956 stated that in a socialist democracy labour is a partner in a common task of development and should participate in it with enthusiasm, there should be joint consultation and workers and technicians should wherever possible be associated with management.

The objective of the Joint Management Council were to promote cordial relations between management and labour to build trust and understanding and also to increase productivity, secure effective welfare and other facilities to train workers and share responsibilities and in general to function as a consultative body. The Third Five year Plan desired that the Joint Management Council's become a normal feature of the industrial system, and integrate private enterprises into a socialist order.

III. JOINT PRODUCTION COMMITTEE

Joint Production Committee consists of equal number of representatives of management and unions. Generally the following functions are entrusted to the committee.

(i) To study operational results as well as current and long term departmental production problems.

(ii) To advice management on steps necessary at the departmental level to promote and rationalize production.

(iii) To improve methods of production and productivity.

(iv) To reduce cost and reduce deflective work. To improve quality of products.

(v) To improve the upkeep and care of machinery, tools and instruments.

(vi) To promote efficient use of safety devices.

(vii) To improve the working conditions and ensure better functioning of the department.

IV. JOINT COUNCILS

At every division, department or branch employing 100 or more people there shall be a joint council. Every organisation shall decide the number of councils to be set up fordifferent departments or services rendered in consultation with the recognized union or workers. Only those who are actually engaged in the organisation or service shall be the member of the joint council the tenure of the council shall be two years. The joint council shall meet whenever considered necessary but at least once in a quarter. Every decision of the joint council shall be binding on the management and the workers and shall be implemented within one month unless otherwise stated in the decision. The Joint councils are concerned with matters related to the unit councils. The joint councils shall review and settle issues which are not settled by the unit councils. The work of the joint councils shall also be related to the development of the skills of the workers, improvement of working conditions, preparation of schedules of working hours and holidays, recognition and appreciation of suggestions received from the workers and discuss any matter related to the improvement of performance of the organisation.

V. UNIT COUNCILS

Motivated by the success of the Joint Councils in the manufacturing and mining units anew scheme of worker's participation in management in commercial and serviceorganisations in the public sector, having large scale dealings with public

was announced on 5"* January 1977, for units employing at least 100 people. The organizations include hotels, hospitals, sea transport, road transport, air transport railways ports, docks, research institutions banks, insurance companies, post and telegraph offices, food corporation. State Electricity Boards, State Trading Corporation, Mines, and Minerals Trading Corporation and Irrigation systems. The unit council shall have representatives of workers and management for organisationshaving employed 100 or more workers. These unit councils are formed to discuss day to day problems and find solutions. Unit council shall consists of equal number of representatives of the management and workers. The actual number of members shall be decided by the management in consultation with the recognized trade union. The total number of members shall not exceed 12. Every decision of the unit council shall be implemented by the parties concerned within a month, unless otherwise stated in the decisions itself. A unit council once formed shall function for a period of three years. The council shall meet at least once a month.

The functions of the unit councils are:

1. To create conditions for maximum efficiency and better customer service.
2. To identify the areas of inferior service and take action to eliminate them.
3. To study absenteeism problem and recommend steps to reduce it.
4. To suggest improvements in the working conditions such as light, dust, noise and ventilation.
5. To ensure proper flow of communication between management and workers.
6. To recommend and improve safety, health and welfare measures.
7. To discuss any other matter which has bearing on the performance for ensuring better customer service.

VI. PLANT COUNCIL

The Plant Council is applicable to all central Public Sector undertakings, except those which are given specific exemption from the operation of the scheme by the government. It has one Plant Council for the whole unit. Each Plant Council shall have not less than six members and not more than eighteen members. The members of the council are only those who are actually engaged in the unit and the members of

the council shall have a tenure for a period of three years. The members of the plant council shall meet at least once in a quarter. Every decision of this council shall be on the basis of consensus and not by voting and it shall be binding on both the employer and the employees. The decision of this council shall be implemented within a month unless otherwise stated in the decision itself. The Plant Council normally deals with operational areas. Economic matters. Financial aspects. Personnel matters, Welfare and Environmental aspects.

VII. SHOP COUNCILS

Every industrial unit employing 500 or more workers the employers shall constitute a Shop Council. Shop Council shall have equal number of representatives of employers and workers. All the members of the shop council shall be from the unit concerned. The total number of members of the Shop Council shall not be more than 12. Every decision of the Shop Council shall be implemented by the parties concerned within a period of one month unless otherwise stated in the decision itself A council once formed shall function for a period of three years. The council shall meet as frequently as necessary but at least once a month.

VIII. WORKERS REPRESENTATION ON BOARD OF MANAGEMENT

On the recommendations of the Administrative Reforms Commission made in its report on public sector undertakings, the Government of India accepted in principle that representatives of workers should be taken on the Board of Directors of Public Sector enterprises. The representatives of workers on the board should be those actually working in the enterprise. Worker's Representation on Board shall be limited to companies which employ 1000 or more persons. (Does not include casual or badli workers). If 51% of the workers vote through secret ballot in favour of participation, the company is under legal binding to introduce this scheme. However any company can voluntarily introduce this participation scheme. In this scheme the worker Director will be elected by all the workers of the company through secret ballot. The workers who gets elected as a director is given training in the various important aspects of business. The workers director participates in all the functions of the board. They may also review the working of the shop and plant councils and take decisions on matters not settled by the council. It has been observed that this

scheme has failed to develop good relations based on faith, trust, understanding and cooperation. This scheme has also not helped much in decision making.

IX. WORKER'S PARTICIPATION IN SHARE CAPITAL

Workers Participation in Share Capital is the outcome of the Sachar Committee. The Sacher Committee had in its report to the government observed that majority of the organizations are in favour of workers participation in Share Capital and that future issues of shares the companies should reserve a portion of the new shares exclusively for the workers. These shares in the first instance must be offered to the employees of the company, failing that they should be offered to the existing shareholders or the public. Due to this scheme workers get an opportunity to have a share in the capital of the organisation where he is working. He therefore gets the status of the employee and also the status of the employee and also the owner of the company. When an employee is a part of ownership of the capital there is a sense of belonging and a sense of responsibility. This scheme awns to improving industrial relations and a feeling of being together

10.8 SACHAR COMMITTEE ON WORKERS PARTICIPATION

In June 1977 a high powered committee was set up by Government of India under the chairmanship of Rajinder Sachar. The committee was set up to suggest measures by which workers participation in the share capital and management of companies can be brought about. The committee submitted its report on August 1978. The main recommendations of the committee were,

1. Participation shall be limited to companies which employ 1000 or more workers(excluding casual and badli workers).
2. The participation at the Board level should be introduced if atleast 51% of the workers vote in favour of such participation. However any company can voluntarilyintroduce this participation scheme.
3. The Worker Directors will be elected by the workers through secret ballot at thecompanies premises.
4. The Workers Director must be from amongst the workers employed by the companyand not an outsider.

5. For the success of this scheme training is a must and it shall be the responsibility ofthe government to organize training programmes.

6. The pressure of Workers Directors on Board would not lead to any breach in theconfidentiality of the information.

7. The committee did not favour a two-tier representation that is Supervisory Board and the Smaller management board.

10.9 MPOWERMENT

The term empowerment has different meanings in different sociocultural and political contexts, and does not translate easily into all languages. An exploration of local terms associated with empowerment around the world always leads to lively discussion. These terms include self-strength, control, self-power, self-reliance, own choice, life of dignity in accordance with one's values, capable of fighting for one's rights, independence, own decision making, being free, awakening, and capability—to mention only a few. These definitions are embedded in local value and belief systems. Empowerment is of intrinsic value; it also has instrumental value. Empowerment is relevant at the individual and collective level, and can be economic, social, or political. The term can be used to characterize relations within households or between poor people and other actors at the global level. There are important gender differences in the causes, forms, and consequences of empowerment or disempowerment. Hence, there are obviously many possible definitions of empowerment, including rights-based definitions.

In its broadest sense, empowerment is the expansion of freedom of choice and action. It means increasing one's authority and control over the resources and decisions that affect one's life. As people exercise real choice, they gain increased control over their lives. Poor people's choices are extremely limited, both by their lack of assets and by their powerlessness to negotiate better terms for themselves with a range of institutions, both formal and informal. Since powerlessness is embedded in the nature of institutional relations, in the context of poverty reduction an institutional definition of empowerment is appropriate. This also helps draw out the relevance to Bank operations.

Empowerment has become a widely used management term of the 1990s.

However, in practical terms , it shares the ambiguity of its predecessors in the HRM tradition. For its proponents, empowerment is a humanistic device to improve the quality of working life for ordinary employees. For its critics it is the latest management ruse to intensify work and shift risk. Unlike TQM on BPR, however, empowerment is also a highly elusive theoretical concept. It has no single guru, nor does it define a clear-cut set of policy initiatives. Instead, it is much more free-floating, evolving in vague terms, a new liberated world of work

Empowerment is related to the word power. In English, the concept leans on its original meaning of investment with legal power—permission to act for some specific goal or purpose . The new meaning of the concept includes mainly references to power that develops and is acquired. People are managing to gain more control over their lives, either by themselves or with the help of others. The form to be empowered relates to what is both a process and an outcome—to the effort to obtain a relative degree of ability to influence the world

Robert Adams points to the limitations of any single definition of 'empowerment', and the danger that academic or specialist definitions might take away the word and the connected practices from the very people they are supposed to belong to.[3] Still, he offers a minimal definition of the term: 'Empowerment: the capacity of individuals, groups and/or communities to take control of their circumstances, exercise power and achieve their own goals, and the process by which, individually and collectively, they are able to help themselves and others to maximize the quality of their lives.'[4]

One definition for the term is "an intentional, ongoing process centered in the local community, involving mutual respect, critical reflection, caring, and group participation, through which people lacking an equal share of resources gain greater access to and control over those resources".

Rappaport's (1984) definition includes: "Empowerment is viewed as a process: the mechanism by which people, organizations, and communities gain mastery over their lives."

Sociological empowerment often addresses members of groups that social discrimination processes have excluded from decision-making processes through –

for example – discrimination based on disability, race, ethnicity, religion, or gender. Empowerment as a methodology is also associated with feminism

10.10 MEANING OF EMPOWERMENT

A management practice of sharing information, rewards, and power with employees so that they can take initiative and make decisions to solve problems and improve service and performance.

Empowerment is based on the idea that giving employees skills, resources, authority, opportunity, motivation, as well holding them responsible and accountable for outcomes of their actions, will contribute to their competence and satisfaction. Workplace empowerment is the term used to describe the autonomy and responsibility employers extend to employees in a workplace environment. Empowered employees are typically given leeway in how they perform their jobs, manage others and make decisions. Empowered employees may be more likely to enjoy their positions and have higher morale. This can increase workplace productivity, reduce turnover and create greater levels of professional motivation company-wide empowerment is giving employees a certain degree of autonomy and responsibility for decision-making regarding their specific organizational tasks. It allows decisions to be made at the lower levels of an organization where employees have a unique view of the issues and problems facing the organization at a certain level.

The term empowerment refers to measures designed to increase the degree of autonomy and self-determination in people and in communities in order to enable them to represent their interests in a responsible and self-determined way, acting on their own authority. It is the process of becoming stronger and more confident, especially in controlling one's life and claiming one's rights. Empowerment as action refers both to the process of self-empowerment and to professional support of people, which enables them to overcome their sense of powerlessness and lack of influence, and to recognize and use their resources. To do work with power.

Four Elements of Empowerment There are thousands of examples of empowerment strategies that have been initiated by poor people themselves and by governments, civil society, and the private sector. Successful efforts to empower

poor people, increasing their freedom of choice and action in different contexts, often share four elements:

- Access to information
- Inclusion and participation
- Accountability
- Local organizational capacity.

While these four elements are discussed separately below, they are closely intertwined and act in synergy. Thus although access to timely information about programs, or about government performance or corruption, is a necessary precondition for action, poor people or citizens more broadly may not take action because there are no institutional mechanisms that demand accountable performance or because the costs of individual action may be too high. Similarly, experience shows that poor people do not participate in activities when they know their participation will make no difference to products being offered or decisions made because there are no mechanisms for holding providers accountable. Even where there are strong local organizations, they may still be disconnected from local governments and the private sector, and lack access to information.

(a) Access to Information: Information is power. Informed citizens are better equipped to take advantage of opportunities, access services, exercise their rights, negotiate effectively, and hold state and nonstate actors accountable. Without information that is relevant, timely, and presented in forms that can be understood, it is impossible for poor people to take effective action. Information dissemination does not stop with the written word, but also includes group discussions, poetry, storytelling, debates, street theater, and soap operas—among other culturally appropriate forms—and uses a variety of media including radio, television, and the Internet. Laws about rights to information and freedom of the press, particularly local press in local languages, provide the enabling environment for the emergence of informed citizen action. Timely access to information in local languages from independent sources at the local level is particularly important, as more and more countries devolve authority to local government. Most investment projects and institutional reform projects, whether at the community level or at the national or

global level, underestimate the need for information and under invest in information disclosure and dissemination. Critical areas include information about rules and rights to basic government services, about state and private sector performance, and about financial services, markets, and prices. Information and communications technologies (ICT) can play important roles in connecting poor people to these kinds of information, as well as to each other and to the larger society. Tools and Practices 1 provides some examples of this. Tools and Practices provides detailed examples of information disclosure strategies used in different contexts.

(b) Inclusion and Participation: Inclusion focuses on the who question: Who is included? Participation addresses the question of how they are included and the role they play once included. Inclusion of poor people and other traditionally excluded groups in priority setting and decision making is critical to ensure that limited public resources build on local knowledge and priorities, and to build commitment to change. However, an effort to sustain inclusion and informed participation usually requires changing the rules so as to create space for people to debate issues and participate directly or indirectly in local and national priority setting, budget formation, and delivery of basic services. Participatory decision making is not always harmonious and priorities may be contested, so conflict resolution mechanisms need to be in place to manage disagreements.

Sustaining poor people's participation in societies with deeply entrenched norms of exclusion or in multiethnic societies with a history of conflict is a complex process that requires resources, facilitation, sustained vigilance, and experimentation. The tendency among most government agencies is to revert to centralized decision making, to hold endless public meetings without any impact on policy or resource decisions. Participation then becomes yet another cost imposed on poor people without any returns. Participation can take different forms. At the local level, depending on the issue, participation may be:

- direct;
- representational, by selecting representatives from membership-based groups and associations; · political, through elected representatives;
- information-based, with data aggregated and reported directly or through intermediaries to local and national decision makers.

- based on competitive market mechanisms, for example by removing restrictions and other barriers, increasing choice about what people can grow or to whom they can sell, or by payment for services selected and received.

Among the four elements of empowerment, participation of poor people is the most developed in Bank projects and increasingly also in preparation of Bank Country Assistance Strategies (CAS). In low-income countries, the process of preparing Poverty Reduction Strategy Papers (PRSP) has opened new opportunities for broad-based participation by poor people, citizens' groups, and private sector groups in national priority setting and policy making.

(c) **Accountability:** Accountability refers to the ability to call public officials, private employers or service providers to account, requiring that they be answerable for their policies, actions and use of funds. Widespread corruption, defined as the abuse of public office for private gain, hurts poor people the most because they are the least likely to have direct access to officials and the least able to use connections to get services; they also have the fewest options to use private services as an alternative.

There are three main types of accountability mechanisms: political, administrative and public. Political accountability of political parties and representatives is increasingly through elections. Administrative accountability of government agencies is through internal accountability mechanisms, both horizontal and vertical within and between agencies. Public or social accountability mechanisms hold government agencies accountable to citizens. Citizen action or social accountability can reinforce political and administrative accountability mechanisms. A range of tools exist to ensure greater accounting to citizens for public actions and outcomes. Access to information by citizens builds pressure for improved governance and accountability, whether in setting priorities for national expenditure, providing access to quality schools, ensuring that roads once financed actually get built, or seeing to it that medicines are actually delivered and available in clinics. Access to laws and impartial justice is also critical to protect the rights of poor people and pro-poor coalitions and to enable them to demand accountability, whether from their governments or from private sector institutions. Accountability for public resources at all levels can also be ensured through transparent fiscal management and by offering users choice in services. At the community level, for example, this includes giving poor groups choice and the funds

to purchase technical assistance from any provider rather than requiring them to accept technical assistance provided by government. Fiscal discipline can be imposed by setting limits and reducing subsidies over time. Contractor accountability is ensured when poor people decide whether the service was delivered as contracted and whether the contractor should be paid. When poor people can hold providers accountable, control and power shifts to them.

(d) Local Organizational Capacity Since time immemorial, groups and communities have organized to take care of themselves. Local organizational capacity refers to the ability of people to work together, organize themselves, and mobilize resources to solve problems of common interest. Often outside the reach of formal systems, poor people turn to each other for support and strength to solve their everyday problems. Poor people's organizations are often informal, as in the case of a group of women who lend each other money or rice. They may also be formal, with or without legal registration, as in the case of farmers' groups or neighbourhood clubs.

Around the world, including in war-torn societies, the capacity of communities to make rational decisions, manage funds, and solve problems is greater than generally assumed. Organized communities are more likely to have their voices heard and their demands met than communities with little organization. Poor people's membership-based organizations may be highly effective in meeting survival needs, but they are constrained by limited resources and technical knowledge. In addition, they often lack bridging and linking social capital, that is, they may not be connected to other groups unlike themselves or to the resources of civil society or the state. It is only when groups connect with each other across communities and form networks or associations—eventually becoming large federations with a regional or national presence—that they begin to influence government decision making and gain collective bargaining power with suppliers of raw materials, buyers, and financiers. Local organizational capacity is key for development effectiveness.34 Poor people's organizations, associations, federations, networks, and social movements are key players in the institutional landscape. But they are not yet a systematic part of the Bank's analytical or operational work in the public or the private sector or in most sectoral strategies. Tools and Practices provides examples of investing in local organizational capacity in community-driven projects. Tools and Practices provides

examples of the roles played by poor people's organizations, such as farmers' organizations in rural areas and slum dwellers' associations in urban areas.

10.11 TYPES OF EMPOWERMENT

Decision-making Empowerment

Most small businesses have a chain of command employees are expected to follow when it comes to different levels of decision making. For example, employees may be empowered to make decisions about simple workplace issues, such as what type of office supplies to order, but be required to consult a manager for larger decisions, such as whether to extend credit to a particular customer. Empowering employees to make decisions gives staffers a vested interested in the business' success.

Financial Empowerment

Even in small operations, different positions or departments are likely to be allocated their own budgets. Giving employees financial empowerment allows them to decide the best uses of the budget for supporting their positions and achieving company goals. When employees have this type of financial empowerment, they are more likely to review their spending, look for the most appropriate use of funds and use their budgets wisely. Staffers may be less likely to miss deadlines that incur extra costs or to over-spend, simply because they will have a more personal connection and sense of stewardship with the funds they are using.

Time Management Empowerment

Some employers feel the need to see employees seated at their desks to feel they are getting a full day's worth of work from them. Small business owners who empower employees with managing their own time focus more on outcomes than on hours worked. This approach gives employees the autonomy to use their time as they see fit, working non-traditional hours or dividing time between a home office and a work location. Employees are still expected to complete their work products on schedule and to be available during times when a physical presence is required.

Shared Information Empowerment

Employees who are empowered with an honest and forthright look at what's going on behind the scenes at work are less likely to feed the corporate rumor mill.

When employees are left in the dark about key business decisions or lack an understanding of why a particular business approach is being implemented, they may feel shut out. When open and honest communication is promoted, employees will feel like valued and important members of the small business team. They will be more likely to feel empowered to help with problem solving and new program implementation.

10.12 THEORETICAL APPROACHES

Three theoretical approaches have been used to study empowerment: socio-structural perspective, psychological approach, and the critical perspective. The socio-structural **perspective** focuses its attention on developing or redesigning organizational polices, practices, and structures to give employees power, authority, and influence over their work. The psychological approach focuses on enhancing and enabling personal effectiveness by helping employees develop their sense of meaning, competency, self-determination, and impact. The **critical perspective** challenges the notion of employee empowerment and argues that efforts to create empowerment may actually lead to more, albeit less-obvious, controls over employees.

10.13 ADVANTAGES TO EMPOWERMENT

Employee empowerment provides some distinct advantages. Employee empowerment should lead to increased organizational responsiveness to issues and problems. Another advantage of employee empowerment should be an increase in productivity. It should also lead to a greater degree of employee commitment to organizational goals since employees can take some degree of ownership in the decisions made toward goal achievement.

10.14 DISADVANTAGES TO EMPOWERMENT

Employee empowerment is not without some disadvantages. It can lead to decreased efficiency because decisions may not be uniform and optimized for organizational goals. It can also create problems with coordination throughout the organization because decisions are decentralized and not managed at the top. Manager and employee relationships can become tense as the boundaries of authority can be blurred. Finally, according to the critical perspective, attempts at employee example, empowering employees through the use of teams may create peer pressure.

10.15 SUMMARY

Workers participation is a system where the workers get the rights to participate in decisions on issues which are of concern to the workers like wages, working conditions, safety, welfare, sharing o f gain, production related aspects, incentives and allowances were considered to be legitimate areas of workers concern and therefore workers should be consulted when these are determined. Workers participation in management is one of the important aspects of industrial democracy. It is distribution of social power in industry so that the power is shared among all those who are engaged in work rather than power being concentrated only in the hands o f a few managers.

10.16 GLOSSARY

(a) Blurred: difficult to understand

(b) Prerogative: a right or privilege exclusive to a particular individual or class.

(c) Ambiguity: the quality of being open to more than one interpretation; inexactness

(d) Ethnicity: the fact or state of belonging to a social group that has a common national tradition

(e) Autonomy: freedom of external control.

10.17 SELF ASSESSMENT QUESTIONS

(a) Employee empowerment should lead to increased organizational responsiveness to issues and problems (T/F)

(b) Workers participation gives employees the mental and psychological satisfaction.(T/F)

(c) Empowerment can lead to decreased efficiency because decisions may not be uniform and optimized for organizational goals.(T/F)

10.18 LESSON END EXERCISE

Q.1 Explain the concept of Workers Participation?

Ans _____

_____

Q.2 Explain the forms of Workers Participation in India?

Ans _____

_____

Q.3 Explain the meaning of Empowerment along with its types?

Ans _____

_____

Q.4 What are the advantages of Empowerment?

Ans _____

_____

10.19 SUGGESTED READINGS

- Personal Management & Industrial Relations: B.P.Singh; T.N.Chhabra And P.L.Taneja
- Human Resource Management: V.S.P.Rao
- Personnel Management: C.B.Mamoria and S.V.Gankar
- Principles And Practice Of Management: L.M.Prasad

WORK LIFE BALANCE AND QUALITY OF WORK LIFE

STRUCTURE

11.1 Introduction

11.2 Objectives

11.3 Work Life Balance (WLB)

- 11.3.1 Definition of WLB
- 11.3.2 Causes of Work Life Imbalance
- 11.3.3 Impact of Work Life Imbalance
- 11.3.4 Benefits of implementing WLB policies
- 11.3.5 Measures to implement WLB

11.4 Quality of Work Life (QWL)

- 11.4.1 Definition of QWL
- 11.4.2 Factors affecting QWL
- 11.4.3 Aspects of QWL
- 11.4.4 Importance of QWL
- 11.4.5 Measures to improve QWL
- 11.4.6 Problems in improving QWL

11.5 Summary

11.6 Glossary

11.7 Self Assessment Questions

11.8 Lesson End Exercise

11.9 Suggested Readings

11.1 INTRODUCTION

In the present competitive scenario, work life balance and quality of work life has gained importance since organisations are trying to carve competitive advantage through the human factor. Profitability of an organization can be achieved through employee satisfaction by maintaining their work life balance and managing their quality of work life. Achieving balance between one's family life and professional life is a matter of concern for both workers and employers. Accordingly, businesses and organizations can greatly benefit from addressing this issue and ensuring that their human resources are functioning as optimally as possible. Thus, it is imperative for employers and organizations to design, develop, implement and maintain feasible work-life balance models in order to address these challenges. Further, work life balance and good work-life quality leads to decreased absenteeism and turnover, less number of accidents, improved labour relations, employee personification, positive employee attitudes toward their work and the company, increased productivity and intrinsic motivation, enhanced organizational effectiveness and competitive advantage, and employees gain a high sense of control over their work.

11.2 OBJECTIVES

After going through this lesson, you shall be able to understand:

- Meaning and definition of work life balance (WLB)
- Causes and impact of work life imbalance
- Benefits and measures of WLB policies
- Meaning and definition of quality of work life (QWL)
- Factors, effects and importance of QWL
- Measures of and problems in improving QWL

11.3 WORK LIFE BALANCE (WLB)

A good work-life balance is defined as a situation in which workers feel that

they are capable of balancing their work and non-work commitments, and, are also able to do so. Work-life balance encompasses many components, dimensions and concepts. The most important asset for the organisation is undoubtedly high quality manpower, which is earned through an optimum work-life balance. Work-life balance has different meanings regarding the context in which it is used. There are different terms that are used regarding work-life balance, such as work/family, work/family conflict, family-friendly benefits, work/life programs, work/life initiatives and work/family culture.

11.3.1 Definition of WLB

According to the Word Spy (2002), work-life balance is defined as "a state of equilibrium in which the demands of both a person's job and personal life are equal".

HRzone (2020) defines work-life balance as the "level of prioritisation between personal and professional activities in an individual's life and the level to which activities related to their job are present in the home".

In a holistic sense, work-life balance is the match that a person achieves in multiple facets of life. Work life balance as the name indicates is to achieve a level of equilibrium, symmetry or stability, which thus creates harmony and synchronisation in a person's overall life (Clarke, Koch, & Hill, 2004).

11.3.2 Causes of Work Life Balance

Work life imbalance is a result of three social transformations that are explained as under:

1. Demographic Change

- Changes in the workforce due to the high volume of the population reaching retirement age;
- Decline in the volume of the next generation labour force;
- The rise of the "sandwich generation" (that is workers responsible for the care of their children and their aging parents).

These changes particularly impact women workers in that despite their entry into the labour market they remain the primary caregivers for their families and loved ones.

2. Sociological Change

- Increased presence of women in the labour market;
- Increase in the number of families where both parents work on the labour market;
- Increase in the number of single-parent families.

These changes necessarily imply that we rethink how work hours are structured because earlier conceptions based on women being home to tend to household and family responsibilities are no longer tenable.

3. Changes in the Workplace

- The nature of the market economy inevitably compels businesses to be ever more competitive and high performing. This in turn put an enormous amount of pressure on human resources.
- The growth of the service-based economy, the rise of the "consumer as king", and the advent of new technologies not only allow but require businesses to scale up their services, extend their hours, increase business travel, and adopt measures to enable continuous monitoring.

These workplace, sociological, and demographic changes have consequently forced business and society at large to rethink how time is managed, how human resources are managed, and how work conditions are adapted to optimize employer-employee relations.

11.3.3 Impact of Work Life Balance

Work-life imbalances can be the cause of any number of negative outcomes impacting not only individual workers, but also businesses as well as the society at large.

Impact on employees

The impacts of work-life imbalances typically manifest themselves at the physical and psychological level, such as fatigue, tension, migraines, stress, burnout, lack of concentration, loss of self-esteem, depression, etc. Over the long term, these impacts become more extensive and spill over into different spheres of the worker's

professional life, like reduced revenue due to lost employment, poor or no career progression, shrinking of one's social network due to lack of time, etc.

Impact on organisations

Human resource management lies at the heart of an organisation's performance and productivity. Many studies have shown that good work life balance policies have a positive impact on an organisation's economic health in terms of reduced turnover, reduced incidences of burnout, reduced absenteeism, reduced employee health care costs, etc.

Impact on society

The negative impacts of work life imbalances borne by employees and organisations also have a wider impact on families, spouses, and social networks. Work life imbalances also impact gender equality within the society at large. This is because women are in large majority the ones bearing the brunt of any work life imbalances since they continue to be the ones primarily responsible for household and family-related obligations while simultaneously working in the job market. Women consequently contend with increasingly precarious economic realities by virtue of having to choose temporary, part-time, or atypical work in order to better balance their home and work lives, and consequently contend with the less generous salaries that this type of work involves. They are also less likely to accept promotions or management positions if they are unable to get the necessary support required to meet the needs of the household.

Therefore, a more equitable sharing of responsibilities between men and women is a necessary component of work-life balance. At the organizational level, this involves a gender-neutral distribution of positions amongst employees and an organizational culture that fosters men's involvement at the household level.

11.3.4 Benefits of Implementing WLB Policies

Organisations can gain significantly from taking action. Working towards the implementation of a work-life balance policy can help reduce the negative impacts and costs related to work life imbalances. It should be considered as an investment towards increasing organisational efficiency and revenues, as well as improving the organisation's image.

The primary benefits of implementing an organizational work life balance policy are:

- It promotes employee recruitment and retention
- It increases employee engagement and performance
- It reduces the various costs associated with work life imbalances, like absenteeism, lateness, employee turnover, etc.
- It increases workforce competitiveness
- It improves organisational performance
- It avoids production delays by means of a workforce absence contingency plan;
- It reduces incidences of perceived injustice or inaccuracies stemming from case-by-case decision-making by applying measures consistently with all employees;
- It reduces human resource personnel workload through increasingly autonomous teams, less daily case-by-case decision-making, fewer exceptional situations, reduced monitoring and follow-up
- It improves knowledge transfer by offering favourable conditions to employees nearing retirement who are often caregivers to aging parents, and to new employees who are often new parents
- It builds a favourable work environment and improves team synergy
- It improves the organisation's image

11.3.5 Measures to Implement WLB

Work-life balance is very critical to the organisations with respect to their key objectives. Organisations are now aware of the importance that workers place to their work-family lives. Organisations are concerned about the work life balance issues because of the impact it places on their growth and profits, complete involvement and services to the customers, competitive advantage, and solution to health-care cost since considerable amount of cost is incurred in improving employee's health by the organisations. Therefore, companies have become cautious and take proactive measures to help employees improve their own quality of life so that a healthier workplace is created.

In order to help employees create balance and equilibrium in their work and non-work lives, the following measures may be undertaken:

- **Working part-time:** Workers are allowed to work less than the standard time, basic time or full-time. Part-time working is used by the employees to take time out of work for their family concerns, studying or hunting their personal hobbies.

- **Flexi-time working:** Flexi-time is an arrangement in which organization gives its employees the autonomy of flexible working hours. Under this arrangement, there is a core period in a day which is mandatory for the employees to be present at and the rest is the flexi-time. Organization get benefited from flexi-time arrangements with increased morale of the staff, reduced stress among employees, increased retention of the staff, and more efficient productivity. The employees are also benefited from flexi-time arrangements as they have more control over their work, can adjust easily to all the activities (work and non-work), better utilise their free time, avoidance of congestion, without taking time-off employees, and life outside work issues (flexi time planner).

- **Staggered hours:** Under this arrangement, employees have fixed working hours in which they work however each employee has specific starting, ending and lunch/break times. It also helps in evading rush hour traffic as staggered hours are an important tool to ease the problem of congestion. However, workers have to be cautious in fixing beginning and ending time within recommended limits.

- **Compressed work weeks:** Compressed work weeks play an important role in publishing, manufacturing and financial services industries to increase their economic efficiency. Compressed workweeks are the arrangements in which workers in fewer working days fulfill their allotted (standard) work load. Compressed workweeks are aimed at creating a more flexible system in which employees can assimilate their personal and professional lives and get time to work through the issues of pursuing education, eldercare, commuting, and childcare etc. The most popular types of compressed workweek arrangements are 4/10 (which means four days with 10 hours per week), and 9/10 (9 days and 80 hours per two weeks).

- **Job sharing and job splitting:** Job sharing is an arrangement in which job

is shared between two workers with pre decided hours to work for each other. When two employees divide the full-time job between both of them, a job sharing arrangement is said to have taken place where all the facets of the job along with the pay package and benefits are shared. The various patters of job sharing are split week-with a five days week, where each of the two employees works for two and a half days, split day- an arrangement in which the day is divided between the two employees i.e. one works in the morning and the other works in the afternoon or vice versa, week overlapping- both of the employees work for three days per week, in this way there is an overlapping of one day, and alternate weeks-each partner works for the whole week and gets the same time off from the work. For a job sharing arrangement to be successful, every employee should have the potential to perform to his utmost. A properly implemented job sharing program can be a win-win situation for the company and the employees as employees will be more satisfied and as a result of which will be more productive. A successful job sharing program is the best way to avoid lay-offs.

- **Term-time working/contracting:** Under this arrangement, employees work on permanent contracts and are allowed to take leave (either paid/unpaid) in the time of school holidays. Such time of arrangement is fruitful for the working parents who have school-going children so that they get time to spend with their children at home.

- **Tele commuting/tele working:** It is an arrangement in which employees carry out complete or part of their work from homes instead of their offices, away from the premises of employer. Tele working is a work program that allows the employees to do job-relevant work at their home through a computer system away from usual working hours of the office. An important purpose of tele commuting is to make the schedules of the employees more flexible.

- **Career breaks and unpaid leaves**: This arrangement allows the employees to take specific time period off from work in order to deal with the personal family issues. This program is an important way to retain employees who are useful for the organisation. Unpaid leaves are short period leaves usually ranging from one day to three months. Career breaks are longer term leaves usually ranging from three months to twelve months. In order to address the personal priorities, employees usually take unpaid leaves from their careers.

- **Parental leave:** Companies using this work-life balance program allow the parents to take some time off from work in order to look after a young child or to manage action plans for his/her welfare. The advantage of this program for the employees is to keep a balance between their work and family life. Employees feel esteemed and cherished when their employers allow them for parental leave, as a result of which employees perform with more dedication and devotion to the employer. This work life balance tool enables employee's withholding and less cost is incurred on training and recruitment.

- **Dependant care initiatives:** This program includes dealing with elder care and child care issues. Eldercare is the most emerging issue in work-life balance. Emergency eldercare and eldercare referral services are the most popular eldercare programs offered by the companies. Emergency eldercare entails concern of the employees for their elders to look after them because employees themselves are unable to look after them, if they have to work overtime. In this situation, employee's company makes several arrangements with any community center to provide services for the employee. The benefits of this program are lower absenteeism rate, reduction in stress level of employees, and more engagement in work. Most of the companies also offer for emergency child-care services. Under this arrangement, if parents have to work overtime due to which they are unable to look after their child, the company makes arrangements with a community or private center to provide the service for the childcare. The other programs include providing financial aid to the employees for child-care and in-house child-care facilities (also known as workplace child-care) in which company makes the arrangement within or near the workplace where employees' children are looked after. Other child-care programs for supporting employees include referral services and after school programs.

Thus, offering flexibility to the employees through work-life balance programs/ initiatives detailed above results in a positive impact on the productivity, sales, profits per employee, job satisfaction, rate of retention and job commitment. Hence, introducing, integrating and maintaining work-life balance initiatives or programs help in giving a boost to the organisation. The more companies invest on the well being of their employees, the more enhanced employee's quality of life would be and the more positive return company would get on human resource investment.

Check Your Progress-I

Answer the questions in the space given below:

1. Define the term "work life balance".

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2. What are the causes of work life imbalance?

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3. What measures can be taken to ensure work life balance of employees in an organisation?

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11.4 QUALITY OF WORK LIFE (QWL)

Quality of work life refers to the favourableness or unfavourableness of a job environment for the people working in an organisation. The period of scientific management which focused solely on specialisation and efficiency, has undergone a revolutionary change. The traditional management (like scientific management) gave inadequate attention to human values. In the present scenario, needs and aspirations of the employees are changing. Employers are now redesigning jobs for better QWL.

11.4.1 Definition of QWL

The QWL as strategy of human resource management has assumed increasing interest and importance. Many other terms have come to be used interchangeably with QWL such as 'humanisations of work', 'quality of working life, 'industrial democracy', and 'participative work'. With the increasing shift of the economy towards knowledge economy, the meaning and quality of work life has undergone a drastic change. There are divergent views as to the exact meaning of QWL.

According to the American Society of Training and Development, "QWL is a process of work organisations which enable its members at all levels to actively; participate in shaping the organizations environment, methods and outcomes. This value based process is aimed towards meeting the twin goals of enhanced effectiveness of organisations and improved quality of life at work for employees."

In the words of Nadler and Lawler, "QWL is a way of thinking about people, work and organisations, its distinctive elements are (i) a concern about the impact of work on people as well as on organisational effectiveness, and (ii) the idea of participation in organisational problem-solving and decision making."

According to Luthans, "the overriding purpose of QWL is to change the climate at work so that the human-technological-organisational interface leads to a better quality of work life."

Beinum explained that "QWL is based on a general approach and an organisational approach. The general approach includes all those factors affecting the physical, social, economic, psychological and cultural well-being of workers, while the organisational approach refers to the redesign and operation of organisations in accordance with the value of democratic society. "

From the definitions given above, it can be concluded that QWL is concerned with taking care of the higher-order needs of employees in addition to their basic needs. The overall climate of work place is adjusted in such a way that it produces more humanised jobs. QWL is viewed as that umbrella under which employees feel fully satisfied with the working environment and extend their wholehearted co-operation and support to the management to improve productivity and work environment.

11.4.2 Factors Affecting QWL

Dissatisfaction with working life affects the workers some time or another, regardless of their position or status. The frustration, boredom and anger common to employees can be costly to both individuals and organizations. Profitability of a company is linked to satisfaction of its work force. A company that does not measure and improve employee satisfaction may face increasing turnover, declining productivity and limited ability to attract and retain qualified personnel. Following are some factors which contribute to improving the quality of work in a holistic manner:

1. **Job Satisfaction:** Job Satisfaction refers to how satisfied an employee is at his/her organization. Factors such as working environment, people at work, job security, and work responsibilities majorly impact an individual's job dissatisfaction levels. With better job satisfaction, comes an improved quality of work life. An employee who is satisfied with his position at the company is more likely to do good work. Consequently, job dissatisfaction is more likely to lower employee engagement as well as higher turnover rates.
2. **Workplace Stress Stress is a silent killer:** This is especially true for most working individuals. With the added pressure to manage their work-life, employees feel extreme levels of stress. Not only does it impact their physical health, but it affects their emotional wellbeing as well. Workplace stress can be a result of various sources called stressors like, workload, relationships at work, work-life imbalance, lack of job security, etc. The good news is that with proper organizational commitment and personal effort, stress can be effectively handled.
3. **Financial Reimbursement:** The purpose behind any work is to get a bstantial income in return. The rewards, pay, and benefits enhance organizational QWL. With better compensation, employees are more involved in their work. Unless the company provides extrinsic motivation (in the form of better financial gain), workers will less likely go beyond the job requirements. After obtaining good pay, employees are more likely to find job satisfaction as well as more committed to achieving the company's goals.

4. **Work-Life Balance:** Rigid work schedules are a big no for the current millennial workforce. The modern worker wants to balance his life at work with his personal life. That means more remote working and more flexible work hours. Achieving a satisfactory work-life balance is a significant factor in the quality of work-life. Splitting time, energy, and resources into two different aspects of your life is challenging. Adding to this challenge are obstacles such as long hours of commute, family commitments, or longer working hours. To improve the quality of work-life in your organization, you can't overlook the importance of introducing an excellent work-life balance. However, not everyone seeks the same kind of work-life balance. That's why it is vital to have open communication channels with your workforce.

Following are a few options that'll help the employees balance their personal and work lives:

- **Flexible Working Hours:** It doesn't mean leaving at 5'o clock on the dot. It means that employees are free to come and work at hours where they are the most comfortable.
- **Work from home:** Once a week or once a month, work from the home initiative will work wonders in boosting morale and increasing productivity.
- **Telecommunicating:** Telecommuting is a system that enables an employee to work from home from any location for all or part of the week. Telecommuting may be suitable for only some employees and jobs.
- **Remote Working:** Remote working refers to when an employee works outside the traditional job environment. That is, they prefer to work from an off-site location. This form of working style is seeing a lot of interest over the current few years.
- **Part-Time:** This form of work requires the employee to work in shifts.

5. Working Conditions / Job Environment Businesses need to understand the value of a pleasant working environment for enhanced organizational effectiveness. The job environment affects life at work, mood, performance, and motivation. The job environment broadly includes:

- Improved quality of lighting

Good lighting makes a drastic difference in employees' performance and attitude. Research states that exposure to natural light helps in improving energy, mood, focus, and productivity. A great alternative to natural lighting is blue-enriched light bulbs. Using such lighting will promote calmness and positivity in the workplace.

- **Comfortable working environment:** The organization should make an effort to provide relaxing working conditions by providing comfortable chairs, indoor plants, break rooms, office snacks, etc. to make the workplace an enjoyable and fun place to be.

- **Respect and fairness:** Unless an employee is being treated fairly and with respect, he/she is less likely to feel any connection to the place of work. This implies that every employee deserves to feel belonged regardless of their race, gender, sexuality, or job role.

11.4.3 Aspects of QWL

Quality of work life involves three major aspects:

1. **Occupational health care:** Safe work environment provides the basis for people to enjoy his work. The work should not pose health hazards for the employees.
2. **Suitable working time:** Companies should observe the number of working hours and the standard limits on overtime, time of vacation and taking free days before national holidays.
3. **Appropriate salary:** The employee and the employer agree upon appropriate salary. The Government establishes the rate of minimum salary; the employer should not pay less than that to the employee. Work represents a role which a person has designated to himself. On the one hand, work earns one's living for the family, on the other hand, it is a self-realization that provides enjoyment and satisfaction.

11.4.4 Importance of QWL

Many companies find that paying attention to the needs of employees can

benefit the company in terms of productivity, employee loyalty and company reputation. QWL is important because of the following reasons:

1. **Enhance stakeholder relations and credibility:** A growing number of companies that focus on QWL improve their relationships with the stakeholders. They can communicate their views, policies, and performance on complex social issues; and develop interest among their key stakeholders like consumers, suppliers, employees etc.

2. **Increase productivity:** Programmes which help employees balance their work and lives outside the work can improve productivity. A company's recognition and support through its stated values and policies of employees' commitments, interests and pressures, can relieve employees' external stress. This allows them to focus on their jobs during the workday and helps to minimize absenteeism. The result can be both enhanced productivity and strengthened employee commitment and loyalty.

3. **Attraction and retention:** Work-life strategies have become a means of attracting new skilled employees and keeping existing ones satisfied. Many job seekers prefer flexible working hours as the benefit they would look for in their job. They would rather have the opportunity to work flexible hours than receive an additional increment in annual pay.

(a) More employees may stay on a job, return after a break or take a job with one company over another if they can match their needs better with those of their paid work.

(b) This results in savings for the employer as it avoids the cost of losing an experienced worker and recruiting someone new.

(c) Employers who support their staff in this way often gain loyalty from the staff.

4. **Reduces absenteeism:** Companies that have family-friendly or flexible work practices have low absenteeism. Sickness rates fall as pressures are managed better. Employees have better methods of dealing with work-life conflicts than taking unplanned leave. Further, workers (including the managers) who are healthy and not over-stressed are more efficient at work.

5. **Improve the quality of working lives:** Minimising work-life role conflict helps prevent role overload and people have a more satisfying working life, fulfilling their potential both in paid work and outside it. Work life balance can minimise stress and fatigue at work, enabling people to have safer and healthier working lives. Workplace stress and fatigue can contribute to injuries at work and home. Self-employed people control their own work time to some extent. Most existing information on work-life balance is targeted at those in employment relationships. However, the self-employed too may benefit from maintaining healthy work habits and developing strategies to manage work flows which enable them to balance one with other roles in their lives.

6. **Matches people who would not otherwise work with jobs:** Parents, people with disabilities and those nearing retirement may increase their work force participation if more flexible work arrangements are made. Employment has positive individual and social benefits beyond the financial rewards. Employers may also benefit from a wider pool of talent to draw from, particularly to their benefit when skill shortages exist.

7. **Benefiting families and communities:** In a situation of conflict between work and family, one or other suffers. Overseas studies have found that family life can interfere with paid work. QWL maintains balance between work and family. At the extreme, if family life suffers, this may have wider social costs. Involvement in community, cultural, sporting or other activities can be a benefit to community and society at large. For instance, voluntary participation in school boards of trustees can contribute to the quality of children's education. While such activities are not the responsibility of individual employers, they may choose to support them as community activities can demonstrate good corporate citizenship. This can also develop workers' skills which can be applied to the work place.

8. **Job involvement:** Companies with QWL have employees with high degree of job involvement. People put their best to the job and report good performance. They achieve a sense of competence and match their skills with requirements of the job. They view their jobs as satisfying the needs of achievement and

recognition. This reduces absenteeism and turnover, thus, saving organisational costs of recruiting and training replacements.

9. **Job satisfaction:** Job involvement leads to job commitment and job satisfaction. People whose interests are protected by their employers experience high degree of job satisfaction. This improves job output.

10. **Company reputation:** Many organizations, including Governments, NGOs, investors and the media, consider the quality of employee experience in the work place when evaluating a company. Socially responsible investors, including some institutional investors, pay specific attention to QWL when making investment decisions.

11.4.5 Measures to Improve QWL

1. **Recognition of work life issues:** Issues related to work life should be addressed by the Board and other important officials of the company like why people are not happy, do they need training, why employee morale is poor and numerous other issues. If these are addressed properly, they will be able to build, "People-Centred Organisations".

2. **Commitment to improvement:** QWL can be improved if the staff is committed to improvement in productivity and performance. This issue can be taken by the board through staff recognition and support programmes. Board should prepare QWL reports on periodic basis to boost the system. They can also introduce reward system which will be of help to them.

3. **Quality of work life teams** Board members should form the combined team of managers and workers and all the issues and common themes must be identified.

   Work Life Teams = Managers + Staff

   All issues must be addressed like loss of morale, lack of trust, increased intensity of work, reward, recognition etc. and commonly, managers and staff should arrive at solutions.

4. **Training to facilitators:** Both the leader and staff can assess the job requirement and decide jointly what type of training is required to improve the quality of work life

5. **Conduct focus groups:** Formation of focus groups can affect the QWL and discuss the questions in a positive way like:

   (a) What brought you here today?

   (b) What do you feel are the top three issues that affect your quality of work life?

   (c) What do you want the organisation should do for you?

   (d) Do you want company to increase the salary, etc.

6. **Analyze information from focus group:** After the formation of focus groups and their discussion on different issues and collection of information, the information should be analysed to give right direction to organisational activities.

7. **Identify and implement improvement opportunities:** It is important to identify and implement improvement opportunities like communication, recognition and non-monetary compensation. Improving support structure, constant review of reward and recognition system etc. would help in formulating communication strategies, focusing on linkages between managers and staff.

8. **Flexible work hours** The diverse work force of today does not want to work for fixed hours or days. They want flexibility in their work schedule so that professional and personal life can be managed together. Flexibility can improve the QWL in the following ways:

   i. Work for longer hours in a day with less number of working days in a week.

   ii. Going to office for fixed hours but in different time slots rather than fixed working hours. Many companies even provide the flexibility of work from home.

9. **Autonomy to work:** Delegation is an essential element of organisation structure. People want freedom to work in their own way, in terms of forming teams and making decisions. If they are allowed to do so, it enhances the QWL. An organisation with high quality of work life is "an organisation that promotes and maintains a work environment that results in excellence in everything it does – by ensuring open communication, respect, recognition,

trust, support, well being and satisfaction of its members, both, personally and professionally".

11.4.6 PROBLEMS IN IMPROVING QWL

Though every organisation attempts to improve the employer-employee relations and through it, the quality of work life of employees, problems may occur in effective implementation of QWL programmes. These problems may occur because of:

1. **Poor reward and recognition:** People will not do their best when they feel that employers' commitment in terms of reward and recognition is lacking. Commitment is a mutual phenomenon. When employers want to get the best from employees but do not give them reward and recognition, people will not be committed to work.
2. **Dead-end jobs:** Work which does not offer opportunities for growth and promotion is one of the greatest reasons for employees' de-motivation and non-commitment. Jobs which deprive employees of self-development and growth opportunities lead to high dissatisfaction and disloyalty.
3. **Managing by intimidation:** Mistreating people and managing them by threats and embarrassment leads to employees' dissatisfaction and weakens their commitment. In a best seller book" The Loyalty Link" Dennis G. Mc Carthty has identified managing by intimidation as one of the seven ways which undermine employees' loyalty.
4. **Negative working environment:** Non-acceptance by colleagues, non-cooperation, too much politics, and negative behaviour by colleagues, supervisors and other people in the company also hamper commitment. At the end of the day people want peace of mind, which if not available in the work environment will discourage them to show total support to the company.
5. **No job security:** One of the major needs of employees is job security. If the employee feels that he can lose his job anytime, he would not be committed towards company's goals.

6. **Negative attitude:** Some people by nature are not committed to anything and anyone and as such they would not be committed to their employers also. Commitment is an attitude and those who lack it will not be committed to their jobs.

Check Your Progress-II

Answer the questions in the space given below:

1. Define the term "quality of work-life".

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2. What are the aspects of QWL?

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3. What are the benefits of a good quality of work life for an organization?

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11.5 SUMMARY

Work-life balance is a concern not only to improve life at work, but also life outside work. In other words, both the internal and external environments have an equally important role to play. The ultimate aim is to balance the two most important domains of a person's life, i.e. professional and family life. Consequently, integrating family needs and career requirements provides the much needed psychological boost to excel in both these domains, with the end result being a win-win situation for both

the organization and the individual. Moreover, in a transitioning society like India where the roles of women as homemakers and caretakers are deeply entrenched, work-life balance becomes an intriguing challenge for women and their employers. Further, employee satisfaction and quality of work life directly affect company's ability to serve its customers. Efforts towards QWL measurement help in efficient and effective allocation of resources to enhance productivity and stability of the workforce. However, some organizations view QWL as important, but do not formally link it to their strategic or business plans.

11.6 GLOSSARY

- **Work life balance:** A good work-life balance is defined as a situation in which workers feel that they are capable of balancing their work and non-work commitments, and, are also able to do so.
- **Flexi-time working:** Flexi-time is an arrangement in which organization gives its employees the autonomy of flexible working hours.
- **Compressed work weeks:** Compressed workweeks are the arrangements in which workers in fewer working days fulfill their allotted (standard) work load.
- **Job sharing:** Job sharing is an arrangement in which job is shared between two workers with pre decided hours to work for each other.
- **Term-time working/contracting:**Under this arrangement, employees work on permanent contracts and are allowed to take leave (either paid/unpaid) in the time of school holidays.
- **Tele commuting/tele working:** It is an arrangement in which employees carry out complete or part of their work from homes instead of their offices, away from the premises of employer.
- **Quality of work life:** Quality of work life refers to the favourableness or unfavourableness of a job environment for the people working in an organisation.

11.7 SELF ASSESSMENT QUESTIONS

1. Discuss the causes and impact of work life imbalance.
2. What are the benefits of WLB policies and how can these policies be implemented?

11.8 LESSON END EXERCISE

Q1 What is the relevance of quality of work life in today's competitive world?

Ans _____

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Q2 How can an organization improve the quality of work life of its employees?

Ans _____

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Q3 "Implementation of QWL measures is a difficult task". Comment.

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HUMAN RESOURCE INFORMATION SYSTEM AND TALENT MANAGEMENT

STRUCTURE

12.1 Introduction

12.2 Objectives

12.3 Human Resource Information System (HRIS)

12.3.1 Definition of HRIS

12.3.2 Functions of HRIS

12.3.3 Users of HRIS

12.3.4 Uses/Benefits of HRIS

12.3.5 Types of HRIS systems and software

12.3.6 HRIS implementation

12.4 Talent Management (TM)

12.4.1 Definition of Talent Management

12.4.2 Talent Management Pillars

12.4.3 Talent Management Process

12.4.4 Initiatives of Talent Management

12.4.5 Benefits of Talent Management

12.5 Summary

12.6 Glossary

12.7 Self Assessment Questions

12.8 Lesson End Exercise

12.9 Suggested Readings

12.1 INTRODUCTION

In this lesson, we would discuss two recent topics of human recourse management, i.e. human resource information system (HRIS) and talent management. HRIS allows a company to plan its HR costs more effectively, as well as to manage them and control them without needing to allocate too many resources toward them. HRIS also lead to increases in efficiency when it comes to making decisions in HR. The decisions based on HRIS should also increase in quality and as a result, the productivity of both employees and managers increases and becomes more effective. Further, the talent management process involves identifying talent gaps and vacant positions, sourcing for and onboarding the suitable candidates, growing them within the system and developing needed skills, training for expertise with a future-focus and effectively engaging, retaining and motivating them to achieve long-term business goals. It is thus the process of getting the right people onboard and enabling them to enable the business at large.

12.2 OBJECTIVES

After going through this lesson, you shall be able to understand:

- Functions and users of HRIS
- Benefits of HRIS
- HRIS systems and softwares
- HRIS implementation procedure
- Process of talent management
- Initiatives and benefits of talent management

12.3 HUMAN RESOURCE INFORMATION SYSTEM (HRIS)

Human resource information system (HRIS) is a method by which an organization collects, analyses and reports information about people and jobs. HRIS is basically a data base system that offers important information about employees in

a central and accessible location. When such information is needed the data can be retrieved and used to facilitate human resource planning decisions. HRIS is basically an intersection of human resources and information technology through HR software. This allows HR activities and processes to occur electronically. HRIS may be viewed as a way, through software, for businesses big and small to take care of a number of activities, including those related to human resources, accounting, management, and payroll.

12.3.1 Definitions of HRIS

The Human Resource Information System is a system used to collect and store data on an organization's employees, like their name, address, age, salary, benefits, time and attendance, performance reviews, and more. This data is valuable input for data-driven decision-making in HR. The HRIS analyst provides support for the HRIS. This includes researching and resolving problems and being a liaison with other parts of the business, like finance and payroll.

According to Parry (2010), HRIS can serve as a vital strategic tool as it shares crucial data with the management related with recruitment and retention strategies which can be aligned with the overall corporate strategy for realizing the organizational objectives of growth. Additionally, by using HR applications, a company can calculate the overall costs incurred per employee and it's effects on the business as a whole.

12.3.2 Functions of HRIS

As an HR tool, an HRIS usually features modules to handle the following tasks:

- Master data management (MDM)
- Organizational management, such as positions and departments
- Employee and manager self-services
- Absence and leave management
- Benefits administration
- Workflows

- Performance appraisals
- Recruiting and applicant tracking
- Compensation management
- Training tracking (as opposed to a learning management system-LMS) and organizational development
- Reporting and basic analytics

An HRIS provides a comprehensive set of human resource management functionalities to serve most HR needs. Without this, unsecured or paper-based documents or spreadsheets are required to store data. Manual data entry can cause errors and manual cross-checking of documents and spreadsheets can be time-consuming and sometimes confusing, especially with a lack of standardization in how data is captured and stored.

12.3.3 Users of HRIS

Implementing an HRIS system requires careful planning, setting up of systems and processes in place, clear definition of objectives/goals and an integrated approach. A well designed HRIS system can eventually lead to improved organizational productivity and vice versa may also be true if it is implemented in an unplanned manner. The customers or users can be both employees and non-employees.

1. **Employees** include managers and data analyzers, potential decision-makers, clerks, system providers and to certain level those who rely on the system for self-help.
   - **Managers** are generally the regular managers, directors, president, vice-president, CEO, etc. The common requirement of various managers is to have an access to accurate data which can facilitate their decision making in connection with people matters. HRIS should provide information on performance appraisal, recruitment, selection, training, maintenance, potential appraisal, pay-roll, group force, areas of improvement and thereby contribute in formulation of strategic goals and objectives.
   - The **data analyzer** on the other hand, helps not only in collecting the relevant data but also filtering and examining them for the managers. The verification

of the data helps the managers in decision making. There are various models available for the data analyzer.

- The **potential decision-makers** are helped by the technical analysts, who interpret the data through various programs into an easy language so that the managers can have an easy accessibility to them.
- **Clerks** mostly dedicate their time in providing the backup support and spend most of their time in providing assistance. They retain each and every minute detail of HR functions to assist HRIS. There are also certain employees who rely on self-help. Fr e.g., they plan their own vacations or retirement schemes on the basis of company policies in a computerized form.

2. **Non-employees** job seekers rely on job portal for gathering knowledge of the HRIS. They don't really interact directly but on certain servicing partners.

As discussed, the users of HRIS module may be different and also that they have different usage requirements. Some are simply involved in feeding the information and data, while few simply glance through the information in report forms and some pay a careful attention to the data and information, analyze the trends and use it in their day to day decision making.

On the basis of classification in terms of usage of data and information, the data can be essentially classified into 3 categories:

- **Information about the employees** may include their biographical details and equally information regarding their knowledge, skills and abilities or competencies.
- **Organization based information** like organizational structure, job description and specifications, various positions and jobs, etc.
- The third kind of information will essentially be a **combination of the above 2 categories**. For example, information which gives an idea about employee performance (performance appraisal) and information about the compensation of the employee.

12.3.4 Uses/Benefits of HRIS

The main purpose of maintaining HRIS system is to gather, classify, process,

record and disseminates the information required for efficient and effective management of human resources in the organisation. The various uses of HRIS in an organisation can be listed as follows:

- **Personnel Administration:** It encompasses personal information of an employee. These may include name, address, date of birth, marital status, and the date of joining the organisation. It also contains the name and address of next kin of the employee concern. These information describe the employee.
- **Salary Administration:** One of the functions of HRIS is to provide a report containing information like present salary, benefits, last pay increase and proposed increase in future.
- **Leave/Absence Increase:** HRIS is also used to control leave/absence of employees. This is done by maintaining a leave history of each employee. Every employee can be issued an identity card writing every employee's token number coded on it. Employee's entry and exit from the organisation should be recorded on the identity card. This reduces chances for malpractice or oversight in calculating wages for each employee.
- **Skill Inventory:** Recording employee skills and monitoring a skill data base is yet another use of the HRIS. Such a skill record helps identify employees with the necessary skill for certain positions or jobs in an organisation.
- **Medical History:** The HRIS is also used to maintain occupational health data required for industrial safety purposes, accident monitoring, and so on.
- **Performance Appraisal:** In order to form a comprehensive overview about an employee, HRIS maintains performance appraisal data such as the due date of the appraisal, potential for promotion, scores of each performance criteria and alike. The textual information can be combined with the factual data obtained from the HRIS and the combination of information can be used for imparting training and affecting employee mobility in the form of transfer and promotion.
- **Manpower Planning:** HRIS is used for manpower planning also. It keeps information of organisational requirements in terms of positions. HRIS connects employees to the required positions in the organisation. It is also

used to identify vacancies and establish employees thereon. HRIS can also help identify a logical progression path and the steps to be taken for employee progress/ advancement.

- **Recruitment:** Recruitment forms the most essential function of HRM. HRIS helps in the recruitment process in a big way by recording the details of activities involved in employee recruitment. These may include cost and method of recruitment and time taken to fill the positions level wise, for example.
- **Career Planning:** By providing necessary information such as which employees have been earmarked for which positions, HRIS facilitates positional advancement of employees. In other words, HRIS helps in planning for succession.
- **Collective Bargaining:** HRIS through a computer terminal can provide up-to-date relevant and required information, facts and figures and, thus, can facilitate collective bargaining. It can he p collective bargaining as "what if analysis" rather as feelings and fictions. In the same manner, HRIS can also help maintain better human relations in the organisation.

HRIS can be utilized within the department to help human resources employees and managers improve their productivity and the results of their efforts. There are many benefits that can be enjoyed after implementing HRIS into an organization, such as:

- Expedition of recurring tasks through automation.
- Improved ability to reach large candidate pools regarding new position openings.
- Ability to quickly apply higher selection standards to a number of applications.
- Speedy onboarding made possible by mobile accessibility.
- Reduction of paper and related materials and storage often yields cost savings.
- Ease in distributing up-to-date materials concerning company policies and procedures.
- Potential for greater employee engagement through self-service options.
- Streamlining of open enrollment for benefits.

- Empowerment of employees to change benefits information directly as changes occur.
- Improved collaboration throughout organization, even when there are multiple company locations.
- Improvements in training capabilities through integration with LMS and development tracking features.
- Scheduling optimization with an emphasis on compliance and immediate distribution to employees.
- Reduction of errors within payroll systems and employee information databases.
- Improved time and attendance tracking abilities and accuracy.
- Decrease in compliance woes aided by alerts and automatic reporting options.
- Ability to make more informed decisions in real time by using analytics and integration of organizational data.

12.3.5 Types of HRIS Systems and Software

There are different kinds of HRIS systems and software. Because an HRIS encompasses all the functionalities for HR, all separate functionalities are part of the system. These functionalities include:

- **Applicant Tracking System (ATS):** This software handles all the company's recruiting needs. It tracks candidate information and resumes, enables recruiters to match job openings to suitable candidates from the company's application pool, and helps in guiding the hiring process.
- **Payroll:** Payroll automates the pay process of employees. Contractual data is often entered into this system – sometimes combined with time and attendance data – and at the end of the month, payments orders are created.
- **Benefits:** Another functionality of the HRIS is benefits management. Employee benefits are an important aspect of compensation and are also managed in this system. More advanced systems offer an employee self-service

model for employee benefits. In this case, employees can select the benefits they are looking for themselves. One may want more paternity leave, the other one a more expensive company car. This self-service approach to benefits is also called a *cafeteria model*.

- **Time and attendance:** This module gathers time and attendance data from employees. These are especially relevant for blue-collar work where employees clock in and out. Back in the day when I worked in a supermarket, we wrote the time worked down on a piece of paper, which was then manually entered into the time tracking system by the manager. Based on this data, payment orders were generated and paid to all employees.
- **Training:** Learning and development is a key element when it comes to employee management. This module allows HR to track qualification, certification, and skills of the employees, as well as an outline of available courses for company employees. This module is often referred to as an LMS, or Learning Management System, when it's a stand-alone. An LMS usually includes available e-learning and other courses to be followed by employees.
- **Performance management:** Performance management is a key part of managing people. Performance ratings are generated once or multiple times a year by the direct manager or peers of the employee.
- **Succession planning**: Creating a talent pipeline and having replacements available for key roles in the organization is another key component of an HRIS.
- **Employee self-service:** Employee self-service was already mentioned. Organizations are focusing increasingly on having employees and their direct supervisors manage their own data. Requests like holidays can be asked for by the employee him/herself. After approval, these are then immediately saved into the system (and registered to track for payroll and benefits purposes).
- **Reporting and analytics:** A much rarer module in HRIS systems is reporting and analytics. Modern systems enable the creation of automated HR reports

on various topics like employee turnover, absence, performance, and more. Analytics involves the analysis of this data for better-informed decision making. We'll explain more about this in the section below.

12.3.6 HRIS Implementation

HRIS implementation or software implementation can be implemented in six steps as under:

1. **Search:** In the search phase, the specific demands of the different stakeholders inside the company are inquired about. Based on these requirements, a long-list of compatible vendors is made. Based on initial inquiries, a shortlist is created. These vendors are invited to create a proposal. At the end of this phase, a compatible provider is selected.
2. **Plan and align:** In this phase, you choose an implementation partner, create a steering committee and an implementation team. The steering committee usually consists of senior delegates from the vendor/supplier, the HR director from the company, the internal project manager, and preferably a senior user from the business. The implementation team is concerned with day-to-day implementation.
3. **Define and design:** In this phase, user groups are specified and processes and workflows are mapped. Here the functional and technical requirements for infrastructure, system, and security are further defined.
4. **Configure and test:** In this phase, a core test team is created. This team is tasked with testing the system and suggesting improvements. After this, a user acceptance test is created by bringing in a number of users to provide final feedback.
5. **Train and communicate:** Before the Go-Live moment, technical staff needs to be trained, communication plans need to be created, and Frequently Asked Question and other support documents created to benefit the software implementation and uptake.
6. **Deploy and sustain:** This is the last phase where everyone is made ready for Go-Live. Once all support processes are in place, the system can Go-Live.

Feedback needs to be constantly collected and training material updated with

the evolving systems. Constant, accurate communication is key here.

By following these six steps, HRIS can be selected and implemented. These elements are essential when it comes to defining user requirements and implementing a software solution.

Check Your Progress-I

Answer the questions in the space given below:

1. Define the term "human resource information system".

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2. Who are the users of HRIS?

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3. List various HRIS systems and softwares.

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12.4 TALENT MANAGEMENT (TM)

Talent management continues to be one of the top focuses for HR departments all over the world. Numerous studies show companies offering growth and development opportunities translates to high success in recruitment and retention. Talent management itself is a commitment from an organization to recruit, hire, retain, and develop employees.

12.4.1 Definition of Talent Management

Talent management is the systematic process of identifying the vacant position,hiring the suitable person, developing the skills and expertise of the person to match the position and retaining him to achieve long-term business objectives. In other words, talent management is defined as the methodically organized, strategic process of getting the right talent onboard and helping them grow to their optimal capabilities keeping organizational objectives in mind.

John Hopkins University defines talent management as, "a set of integrated organizational HR processes designed to attract, develop, motivate, and retain productive, engaged employees." In simpler terms, it's finding the right people for the right jobs to achieve the strategic goals set forth by leadership.

As a strategy, talent management is not wholly owned by the HR department. In fact, it requires HR professionals to work with managers/supervisors within the company's ranks to put the strategy into action. That's a bit different when contrasted with strategies such as human capital management or a performance management strategy. Under those strategies, there is more reliance on HR than the managers.

Under the umbrella of talent management, there are a string of elements and sub-processes that need to work in unison to ensure the success of the organization. For example, analyzing the right talent gaps for the present and the future, identifying the right talent pools and best-fit candidates, getting them to join and then optimizing their existing skills and strengths while helping them grow are touch-points that are all equally important. They support each other and the whole structure would crumble even if one sub-process fell out of sync.

12.4.2 Talent Management Pillars

A solid talent management strategy will address four critical areas. These are often referred to as the four pillars of talent management.

1. Recruitment
2. Performance Management
3. Learning and Development
4. Retention

To better understand each pillar, a description of each is below:

- **Recruitment:** In order for a talent management strategy to exist, there must first be talent. Recruitment is Step 1 in creating the strategy. Here, companies and organizations work to attract talented people who can be converted in to employees.
- **Performance Management:** Once hired, talent is expected to perform at a high standard. This process includes the way in which HR measures and improves performance. Common procedures include performance reviews, one-on-one meetings, and reward and recognition programs.
- **Learning and Development:** This pillar includes everything from ongoing training to learning during the employee lifecycle. It allows for workers to fine-tune and further develop the critical skills needed to meet their performance goals and to help the company complete its strategic goals.
- **Retention:** As defined, retention is about keeping high performing talent with the company or organization as long as possible. This leads to increased productivity and successful completion of strategic goals.

12.4.3 Talent Management Process

The following steps cover what you need to do to develop a continuous talent management process for your organization. It covers how to find the most talented people available and then help them stay in your company.

1. **Planning:** Planning is the initial step in the process of Talent Management. It involves the following:
   - Identifying the human capital requirement.
   - Developing the job description and key roles.
   - Proposing a workforce plan for recruitment.
2. **Attracting:** Deciding whether the source of recruitment should be internal or external and seeking for the suitable individuals to fill in the vacant positions through:
   - Job Portals such as Naukri.com, Timesjob.com, etc.

- Social Network such as LinkedIn and Twitter.
- Referrals.

3. **Selecting Recruiting** and selecting the personnel. It involves the following steps:
   - Scheduling written test and interviews.
   - Scrutinizing the most suitable candidate for the profile.
4. **Developing** In this stage, the employee is prepared according to and for the organisation and the profile. Following are the steps involved in the process:
   - Carrying out an onboarding programme or an orientation programme.
   - Enhancing the skills, aptitude and proficiency of the personnel to match the profile.
   - Counselling, guiding, coaching, educating, mentoring employees and job rotation.
5. **Retaining**: Employee retention is essential for any organisational existence and survival. Following are the ways of employee retention:
   - Promotions and increments.
   - Providing opportunities for growth by handing over special projects.
   - Participative decision making.
   - Teaching new job skills.
   - Identifying the individual's contribution and efforts.

6. Transitioning: Talent management aims at the overall transformation of the employees to achieve the organisational vision. It can be done through:

- Retirement benefits to employees.
- Conducting exit interviews.
- Succession Planning or Internal Promotions.

12.4.4 Initiatives of Talent Management

The managers and the higher authorities need to take the initiative to pave the way for the personal development and long-term association with the organisation.

Some of the ways in which a manager can motivate and retain employees are as follows:

- **Recognition** Recognising employees' contribution and their work on individual grounds, boost up self-confidence in them.
- **Remuneration and reward** Increasing pay and remuneration of the employees as a reward for their better performance.
- **Providing opportunities** Giving the charge of challenging projects to the employees along with the authority and responsibility of the same, makes them more confident.
- **Role design** The role of employees in the organisation must be designed to keep them occupied and committed, it must be flexible enough to inculcate and adapt to the employee's talent and knowledge.
- **Job rotation** Employees lack enthusiasm if they perform the same kind of work daily. Thus, job rotation or temporary shifting of employees from one job to another within the organisation is essential to keep them engaged and motivated.
- **Training and development** On the job training, e-learning programmes, work-related tutorials, educational courses, internship, etc. are essential to enhance the competencies, skills and knowledge of the employees.
- **Succession planning** Internal promotions helps identify and develop an individual who can be the successor to senior positions in the organisation.
- **Flexibility** Providing a flexible work environment to the employees makes them more adaptable to the organisation and brings out their creativity.
- **Relationship management** Maintaining a positive workplace where employees are free to express their ideas, take part in the decision-making process, encourage employees to achieve goals and are rewarded for better performance leads to employee retention.
- **Self-motivation** Nothing can be effective if the employee is not self-determined and motivated to work.

12.5.5 Benefits of Talent Management

The talent management process can be a discipline as big as human resource (HR) function itself or a small bunch of initiatives aimed at people and organization department. Different types of organizations as per their sizes utilized talent management process for their benefits. For this purpose conduct yearly interview, discuss the strength and development needs of the employees. The benefits of using talent management process are:

1. Right Person in the right Job

Proper ascertainment of people skill and strength and people decisions, gain a strategic agenda. This phenomenon is important for organizations because the right person for the right position increased productivity.

2. Retaining the top talent

Retaining the top talent for your organization is the most important factor to compete in market with others. To keep employees for long time companies must reward employees on the basis of individual performances with bonuses and promotions.

3. Better Hiring

The talent management process helps companies to hire better workforce. The quality of an organization depends on the quality of workforce it possesses. No wonder talent management process software has become an integral part of HR (Human Resource) processes nowadays.

4. Understanding Employees Better

The talent management process software allows HR (Human Resource) department better assessment of each employee individually. You can easily guess what motivates whom and their development needs, career aspirations, strengths and weaknesses, abilities, likes and dislikes.

5. Better professional development decisions

When an organization find out who is its high potential, it becomes much easier for the organization to invest in their professional developments. Talent management process provides ease to organizations in decision making, learning, training, development, etc. and help the organizations where to invest.

There are many benefits of talent management process than the ones discussed above, which are as follows:

1. Benefits of talent management for the organization

- Strategic talent management results in the accomplishment of organisational vision.
- Filtration of talented employees and retaining of the finest ones is possible.
- Talent management strengthens the organisational structure by building strong human capital.
- It helps the organisation to succeed over its competitors and establish a strong presence in the market.
- It builds up a good reputation of the company among the job seekers.
- It leads to improved participative decision making by the management.
- It directs continuous improvement in organisational performance making it more efficient and effective.

2. Benefits of talent management for employees

- Talent management initiates a positive environment in the organisation where employees experience job satisfaction.
- Employees get a chance of learning and improving themselves which motivates them to perform better.
- The training and development programmes help the employees to learn something new, enhancing their personal skills and knowledge.
- The organisation focuses on an individual's growth and betterment hence employees develop a feeling of being cared for and belongingness for the organisation.
- The employees remain associated with the organisation for a long-term period.
- Recognition and rewards lift up the employee's confidence level.
- The rigorous learning, adds on to the experience of the employees.

In today's global scenario, the human resource has been a very effective tool for the compan's growth and success. Thus to make the best possible utilisation of the employee's talent and skills, talent management is essential.

Check Your Progress-I

Answer the questions in the space given below:

1. Define the term "talent management".

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2. State any five initiatives of talent management.

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3. What are the pillars of talent management?

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12.5 SUMMARY

At the end can say that, it is important to choose the right HRIS. A company that takes the time to invest in a HRIS that fits their goals, objectives, mission, and values, is a company that is investing in its future and in its success. It will be necessary to customize any HRIS to the unique needs of a company so that the system remain flexible and relevant throughout the life of the company or enterprise. Further, talent management as a process provide new ways to human resource department to handle problems faced in hiring talent. With the help of talent management process companies

are hiring right person for the right job as per their job requirement and description. Talent management process is not only restricted to hiring best talent it also help companies to find out hidden qualities of employees to get desired outputs.

12.6 GLOSSARY

HRIS is a method by which an organization collects, analyses and reports information about people and jobs. It is basically a data base system that offers important information about employees in a central and accessible location.

- **Applicant Tracking System (ATS): ATS** is a software that handles all the company's recruiting needs by tracking candidate information and resumes for enabling recruiters to match job openings to suitable candidates.
- **Talent management:** Talent management is defined as the methodically organized, strategic process of getting the right talent onboard and helping them grow to their optimal capabilities keeping organizational objectives in mind.
- **Retention:** Retention is about keeping high performing talent with the company or organization as long as possible.

12.7 SELF ASSESSMENT QUESTIONS

- Explain the functions of HRIS.
- How is HRIS beneficial for the organisation?

12.8 LESSON END EXERCISE

Q1 What is the procedure to implement HRIS?

Ans _____

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Q2 Discuss various benefits of talent management for the organization and employees.

Ans _____

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Q3 Explain the process of talent management

Ans _____

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COMPENSATION MANAGEMENT : REWARDS, INCENTIVES AND OTHER BENEFITS

STRUCTURE

13.1 Introduction

13.2 Objectives

13.3 Compensation Management

13.3.1 Objectives of compensation management

13.3.2 Importance of compensation management

13.3.2 Factors affecting compensation

13.3.4 Components of compensation

13.4 Compensation and rewards

13.4.1 Reward systems

13.5 Compensation and fringe benefits

13.5.1 Types of indirect compensation/fringe benefits

13.6 Compensation and incentive plans

13.7 Summary

13.8 Glossary

13.9 Self Assessment Questions

13.10 Lesson End Exercise

13.11 Suggested Readings

13.1 INTRODUCTION

Most companies want to hire the most qualified employees and keep those employees loyal and productive. To attract and keep their best employees, companies provide a "package" that includes compensation (money), incentives (special perks or rewards for good work), and benefits (valuable options such as health insurance and paid vacation). Because each employee is unique, larger corporations offer a wide range of mix-and-match options to suit individual needs and preferences. A manager has the option of offering the team members specific incentives based on their type of work and particular areas of interest and need.

13.2 OBJECTIVES

After going through this lesson, you shall be able to understand:

- Objectives and importance of compensation management
- Components of compensation
- Factors affecting compensation
- Monetary and non-monetary reward system
- Fringe benefits as a form of indirect compensation
- Compensation and incentives

13.3 COMPENSATION MANAGEMENT

Employee compensation refers to all forms of pay or rewards going to employees and arising from their employment, and it has two main components. There are direct financial payments in the form of wages, salaries, incentives, commissions and bonuses and there are indirect payments in the form of financial benefits like employee paid insurance and vacations. So, in nutshell we can say that employee compensation refers to all the forms of pay or rewards going to employees and arising from their employment.

Compensation includes direct cash payments, indirect payments in the form of employee benefits and incentives to motivate employees to strive for higher levels of productivity is a critical component of employment relationship. Compensation is affected by many factors like labour market factors, collective bargaining, government legislation & top management philosophy regarding pay benefits.

Compensation of employees for their services is an important responsibility of human Compensation refers to a wide range of financial and non-financial rewards to employees for their services rendered to the organization. It is paid in the form of wages,salaries and employee benefits such as paid vacations, insurance, maternity leave, free travel facility, retirement benefits, etc.

13.3.1 Objectives of Comprnsation Management

The objectives of compensation policy are as follows:

- Allure suitable staff.
- Keep qualified personnel.
- Develop reward structures that are equitable with logical and fair pay relationships between differently valued jobs.
- Manage pay structures to mirror inflationary effects.
- Assure that rewards and salary costs handle changes in market rates or organizational change.
- Appraise performance, duty, and loyalty, and provide for progression.
- Abide with legal requirements.
- Maintain compensation levels and differentials under review and control salary or wage costs.

13.3.2 Importance of Comprnsation Management

A good compensation is a must for every business organization, as it gives an employee a reason to stick to the company. An organization gains from a structured compensation management in the following ways:

- It tries to give proper refund to the employees for their contributions to the organization.
- It discovers a positive control on the efficiency of employees and motivates them to perform better and achieve the specific standards.
- It creates a base for happiness and satisfaction of the workforce that limits the labor turnover and confers a stable organization.

- It enhances the job evaluation process, which in return helps in setting up more realistic and achievable standards.
- It is designed to abide with the various labor acts and thus does not result in conflicts between the employee union and the management. This creates a peaceful relationship between the employer and the employees.
- It excites an environment of morale, efficiency and cooperation among the workers and ensures satisfaction to the workers.

In short, we can say that compensation management is required as it encourages the employees to perform better and show their excellence as well as provides growth and development options to the deserving employees.

13.3.3 Factors Affecting Compensation

1. **Demand and supply of labour:** Wage is a compensation or price for the services rendered by a worker. Wages are based on the demand and supply of labour force available in the market. If there is huge supply of the labour,the wages will increase ,on the other hand, if there is a scarcity of labour force, wage will increase.
2. **Ability to pay:** Employer's ability to pay is an important factor affecting wages not only for the individual firm, but also for the entire industry. This depends on the financial position and profitability of the firm.
3. **Cost of living:** Another important factor affecting the wage is cost of living of wages. This tend to vary money wage depending upon the variation in the cost of living index following rise or fall in the general price level and consumer index.
4. **Productivity of workers:** To the achieve the best result from the worker and to motivate him to increase his efficiency, wages have to be productivity based. Productivity is the key factor in the operations of a company.
5. **Labour unions:** Organized labour able ensures better wages than the unorganized one. Higher wages may have to be paid by the firm to its workers under the pressure of trade unions. If trade union fail in their attempt to raise the wages and

other allowance through collective bargaining they might resort too strike, this exerts influence on employer to concede at least partial demands of labour union.

6. **Government:** Several laws have been enacted by the government to protect the working class. Laws on minimum wages, hours of work, equal pay for equal work, payment of dearness allowance, bonus, etc. have been enacted to bring about measure of fairness in compensating the working class. Thus, the laws enacted and labour policies framed by the government have an important influence on wages and salaries paid by the employers.

7. **Prevailing wage rates:** Wages in a firm are influenced by the general wage level or the wages paid by the similar occupations in the industry, region and economy as a whole. External alignment of wages is essential because if wages paid by the firm are lower than those paid by the other firms, the firm will not be able to attract and retain efficient employees.

8. **Other factors:** Other factors like, worker's capacity, educational qualification, work experience, hazards in work, promotion possibilities, stability of employment, demand for special skills, profits earned by the organization can also affect compensation decisions.

13.3.4 Components of Compensation

Compensation as a whole is made up of different components that work as an aid for an employee after retirement or in case of some accident or injury. Now we shall see the key elements or components that make compensation.

Wages and Salary

Wages mark hourly rates of pay, and salary marks the monthly rate of pay of an employee. It is irrelevant of the number of hours put in by an employee working in the firm. These are subject to annual increase.

Allowances

Allowances can be defined as the amount of something that is allowed, especially within a set of rules and regulations or for a specified purpose. Various allowances are paid in addition to basic pay. Some of these allowances are as follows:

- **Dearness Allowance** This allowance is given to protect real income of an employee against price rise. Dearness allowance (DA) is paid as a percentage of basic pay.
- **House Rent Allowance** Companies who do not provide living accommodation to their employees pay house rent allowance (HRA) to employees. This allowance is calculated as a percentage of salary.
- **City Compensatory Allowance** This allowance is paid basically to employees in metros and other big cities where cost of living is comparatively more. City compensatory allowance (CCA) is normally a fixed amount per month, like 30 per cent of basic pay in case of government employees.
- **Transport Allowance/Conveyance Allowance** Some companies pay transport allowance (TA) that accommodates travel from the employee's house to the office. A fixed amount is paid every month to cover a part of traveling expenses.

Incentives and Performance Based Pay

Incentive compensation is performance-related remuneration paid with a view to encourage employees to work hard and do better.

Both individual incentives and group incentives are applicable in most cases. Bonus, gain-sharing, commissions on sales are some examples of incentive compensation.

Fringe Benefits/Perquisites

Fringe benefits include employee benefits like medical care, hospitalization, accident relief, health and group insurance, canteen, uniform, recreation and the likes. In recent years, a great deal of attention has been directed to the development of compensation systems that go beyond just money. We can say that all the components of compensation management play a very important role in the life of an employee. In particular, there has been a marked increase in the use of pay-for-performance (PrP) for management and professional employees, especially for executive management and senior managers. Compensation is a primary motivation for most employees.

Employee rewards and recognition system is not just a positive action towards employees. If it is implemented effectively, it proves to be an efficient tool in encouraging the employees to create and bring business for the company. Recognizing the efforts of employees and encouraging their morale results in increased productivity and decreased attrition rate. It is a documented fact that an encouraged and dedicated workforce can change the fate of a company. Establishing and executing a reward system needs careful analysis of the company policies and procedures. Deciding how to recognize employees' efforts and what to provide them needs thorough analysis of duties and risks involved in a particular job.

13.4 COMPENSATION AND REWARDS

The words 'compensation' and 'reward' are often used interchangeably in contemporary personnel management. Although in principle, the two concepts may mean the same thing, they have different philosophical roots. Whereas the former is based on the interpretation that work is not necessarily a good thing and hence those who work lose something which should be compensated, the later considers work positive and something which has to be rewarded depending on the quantity and quality of accomplishment. Therefore, employees need different types of compensations or rewards for the effort they expend on the job and enable the organisation function. It is the duty of the human resource department through the responsible officers to evaluate different types and levels of jobs in order to develop appropriate compensations or rewards in terms of pay and other incentive packages. Compensation may also be used as a reward for exceptional job performance. Examples of such plans include: bonuses, commissions, stock, profit sharing, gain sharing.

13.4.1 REWARD SYSTEMS

Although many scholars use the phrase reward system to mean compensation packages for the recognition of the job done and the way they are provided. Reward systems are conceptualised as a mixture of extrinsic and intrinsic rewards provided by the employer. It also includes the integrated policies, processes, practices and administrative procedures for implementing the system within the framework of the human resource strategy and the total organisation's system. This understanding of

the reward system is critical in designing effective human resource reward packages and in particular, the recognition that the institutional framework that supports rewards is crucial in the employees' perception of the quality and quantity of the reward provided. Armstrong (1995) has provided a detailed description of rewards, their purpose and how they are expected to encourage employees' commitment to the job and the overall organisation's performance. The description covers both the financial and non-financial aspects of rewards.

1. Financial Rewards

- Wages and Salaries Wages refer to total emolument paid to a worker for contribution to the organisation. Wages are paid weekly or fortnightly. Deductions are made for non-attendance while salary is paid monthly, and expressed as an annual figure. It is unlikely to deduct for non-attendance in some days or hours although deductions are becoming increasingly common in multinational companies operating in Tanzania.
- Wages could be paid as piece rate (upon finishing the agreed piece work) or time rate based on the number of hours.
- Incentives: payments made for the achievement of the previously set and agreed targets – result oriented.
- Bonus rewards for the successful performance and paid out as a lump sum. Paid for recognition of outstanding performance – result oriented.
- Additional allowance e.g. responsibility.
- Premium – paid due to inconveniences, shifts, etc.
- Overtime – paid for extra time spent.
- Competence pay – paid due to achievement of defined levels of competence.
- Profit sharing based on profit generated.

2. Non-financial rewards (intrinsic and extrinsic rewards)

Although there is a general consensus in the literature that the task done by a worker can be the source of reward, there are also those who believe that the environment within which a task is performed can be a source of reward. For decades, now the centre

of the debate is the extent to which intrinsic and extrinsic motivation are a source of rewards for different professions and staff. Intrinsic rewards are attached to the direct relationship between the work and the task done including the feeling of achievement, accomplishment, challenges met and competence derived from performing the job. On the other hand, extrinsic rewards are achieved through motivation from factors outside the job itself. Apart from financial rewards, as already explained, the others are fringe benefits, company policies, supervision, office and a comfortable working environment.

13.5 COMPENSATION AND FRINGE BENEFITS

Dessler refers to indirect compensation as the indirect financial and non-financial payments employees receive for continuing their employment with the company which are an important part of every employee's compensation. Other terms such as fringe benefits, employee services, supplementary compensation and supplementary pay are used. Armstrong says indirect compensation or employee benefits are elements of remuneration given in addition to the various forms of cash pay. They also include items that are not strictly remuneration such as annual holidays. Management uses it apparently to facilitate its recruitment effort or influence the potential of employees coming to work for a company, influence their stay or create greater commitment, raise morale, reduce absenteeism in general and improve the strength of the organization by instituting a comprehensive programme in this area.

According to Chhabra, indirect or supplementary compensation involves 'fringe benefits' offered through several employee services and benefits such as housing, subsidized food, medical aid, creches and so on. It involves rewards provided by organizations to employees for their membership, attendance or participation in the organization. Because of the increasing costs of fringe benefits, some people also label them as 'hidden payroll.' Benefits currently account for almost 40 per cent of the total compensation costs for each employee. The basic purpose of fringe benefits or supplementary compensation is to attract and maintain efficient human resources within the organization and to motivate them.

13.5.1 Types of Indirect Compensation/Fringe Benefits

Below are some of the more popular indirect compensations offered by today's organizations:

- **Social Security** This is a federally administered insurance system. According to law, both employer and employee must pay into the system, and a certain percentage of the employee's salary is paid up to a maximum limit. How much is paid by employer and employee is calculated on the average monthly wage (weighted towards the later years). It is provided mainly to give financial security to employees when they retire.
- **Workers' Compensation** It is meant to protect employees from loss of income and to cover extra expenses associated with job-related injuries or illness. The laws generally provide for replacement of lost income, medical expenses, rehabilitation of some sort of death benefits to survivors, and lump-sum disability payments.
- **Retirement Plans** Retirement and pension plans, which provide a source of income to people who have retired, represent money paid for past services. Private plans can be funded entirely by the organization or jointly by the organization and the employee during the time of employment. One popular form of pension plan is the defined-benefit plan. Under this plan, the employer pledges to provide a benefit determined by a definite formula at the employee's retirement date. The other major type of retirement plan is the defined contribution plan, which calls for a fixed or known annual contribution instead of a known benefit.
- **Paid Holidays** These comprise Christmas Day, New Year's Day, Independence Day, Labour Day, etc. One relatively new concept is the floating holiday, which is observed at the discretion of the employee or the employer. Another relatively new concept is referred to as personal time-off or personal days. Under this concept, organizations give employees a certain number of days with pay to attend to personal affairs. Normally these days can be taken at the employee's discretion.
- **Paid Vacations** Typically, an employee must meet a certain length-of-service requirement before becoming eligible for paid vacation. The time allowed for paid vacations generally depends on the employee's length of service. Unlike holiday policies that usually affect everyone in the same manner, vacation policies

may differ among categories of employees. Most organizations allow employees to take vacation by the day or week but not in units of less than a day.

- **Other Benefits** Organizations may offer a wide range of additional benefits, ncluding food services, exercise facilities, health and first-aid services, financial and legal advice, and purchase discounts. The extent and attractiveness of these benefits vary considerably among organizations. For example, purchase discounts would be especially attractive to employees of retail store or an airline.

13.6 COMPENSATION AND INCENTIVE PLANS

In running a service business, it can be challenging to figure out which type of compensation plan provides the most incentive for employees to go the extra mile and take pride and ownership in their work products. Trial and error is one way to evaluate which compensation plan works best. If selling services to new and current clients is essential, you could find the key to your success among a number of incentive compensation plan options.

Profit sharing: Profit sharing plans typically make employees feel as though their hard work has a direct impact on the company's bottom line by rewarding them with a portion of annual profits when certain milestones or goals are reached. You have some options when implementing a profit sharing plan. If your workforce is concerned about retirement, payments can be deposited directly into tax-deferred retirement accounts. If your employees are relatively young, making payments directly to each employee may provide more incentive to exceed expectations on every client project.

Performance bonuses: Offering periodic lump-sum bonuses to individual staff members who achieve certain performance goals also is an effective motivational tool. In a firm that provides services, the goals you establish for bonus eligibility can be tailored to specific job roles. For example, for employees who have the opportunity to seek out new clients and increase the service offerings to current clients, one option is to tie bonuses to the revenue increase that each employee is responsible for bringing in.

Stock options: Perhaps your business is fairly new or doesn't have a lot of cash to play with, but you still think it's important to offer an employee compensation program. Offering stock options, or a similar equity-based program, won't cost anything, but it does mean that your own percentage of ownership in the business will decrease The goal in giving employees equity in the business is creating a culture of owners rather than just employees. In theory, employees who have a

Merit-based raises: Whether offered in addition to, or in lieu of, other incentive compensation programs, merit-based raises can go a long way in retaining employees you recognize as being vital to the operation. Rewarding employees who consistently perform above expectations can instill a sense of pride and loyalty in them. In general, a merit-based raise tends to be more effective when the salary increase is substantial enough to make a noticeable difference to the employee.

Other incentives There's nothing preventing you from creating your own incentive compensation plan. The more you know about your employees and what's important to them, the easier it is to tailor a compensation plan aligned with their needs and wants. It's important to remember that non-monetary benefits, such as extra vacation days, sometimes can motivate employees more than money.

Check Your Progress

Answer the questions in the space given below:

1. Define the term "compensation".

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_____

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_____

2. What are the objectives of compensation management?

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3. Why is compensation management important?

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13.8 SUMMARY

Compensation is a systematic approach for providing monetary value to employees in exchange for work performed. Compensation may achieve several purposes assisting in recruitment, job performance, and job satisfaction. In other words we can say that Compensation is the process of providing adequate, equitable and fair remuneration to the employees. It includes job evaluation, wage and salary administration, incentives, bonus, fringe benefits, social security measures, etc. Every organization must offer good wages and fringe benefits to attract and retain talented employees with the organization. If at any time, the wages offered by the firm are not competitive as compared to other firms, the efficient workers may leave the firm. Therefore, the workers must be remunerated adequately for their services. Compensation to workers will vary depending upon the nature of job, skills required, risk involved nature of working conditioning, paying capacity of the employer, bargaining power of the trade union, wages and benefits offered by the other units in the region or industry, etc.

13.8 GLOSSARY

Compensation refers to all forms of pay or rewards given to employees arising from their employment which includes direct cash payments and indirect payments in the form of employee benefits and incentives.

- **Reward systems:** Reward systems are a mixture of extrinsic and intrinsic rewards provided by the employer.
- **Wages and Salary:** Wages mark hourly rates of pay, and salary marks the monthly rate of pay of an employee.
- **Fringe Benefits/Perquisites:** Fringe benefits include employee benefits like medical care, hospitalization, accident relief, health and group insurance, canteen, uniform, recreation and the likes.
- **Incentives:** Incentives are result oriented payments made for the achievement of the previously set and agreed targets.
- **Workers' Compensation:** Workers' Compensation protects the employees from loss of income and covers extra expenses associated with job-related injuries or illness.

13.9 SELF ASSESSMENT QUESTIONS

- What are the factors affecting compensation?
- Discuss the components of compensation.
- What is the difference between rewards, benefits and incentives?

13.10 LESSON END EXERCISE

Q 1 Explain various financial and non-financial rewards.

Ans _____

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Q 2 What do you mean by fringe benefits? Discuss various fringe benefits.

Ans _____

_____

_____

Q3 Why are incentives an important part of the compensation package?

Ans _____

_____

_____

13.11 SUGGESTED READINGS

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HUMAN RESOURCE DEVELOPMENT FRAMEWORK

STRUCTURE

14.1 Introduction

14.2 Objectives

14.3 Human Resource Development Framework

14.3.1 Meaning and definition of HRD

14.3.2 Features of HRD

14.3.3 Components of HRD

14.3.4 Aims and objectives of HRD

14.3.5 Scope of HRD

14.3.6 Functions of HRD

14.3.7 Benefits of HRD

14.4 Summary

14.5 Glossary

14.6 Self Assessment Questioms

14.7 Lesson End Exercise

14.8 Suggested Readings

14.1 INTRODUCTION

In 1970, Leonard Nadler published his book "Developing Human Resources" in which he coined the term 'human resource development' (HRD). Human resource

refers to the talents and energies of people that are available to an organization as potential contributors to the creation and realization of the orga-nization's mission, vision, values, and goals. Development refers to a process of active learning from experience-leading to systematic and purposeful development of the whole person, body, mind, and spirit. Thus, HRD is the integrated use of training, organizational and career development efforts to improve individual, group, and organizational effectiveness.

14.2 OBJECTIVES

After going through this lesson, you shall be able to understand:

- HRD framework
- Features and components of HRD
- Aims and objectives of HRD
- Scope and functions of HRD
- Benefits of HRD

In 1970, Leonard Nadler published his book "Developing Human Resources" in which he coined the term 'human resource development' (HRD). Human resource refers to the talents and energies of people that are available to an organization as potential contributors to the creation and realization of the orga-nization's mission, vision, values, and goals. Development refers to a process of active learning from experience-leading to systematic and purposeful development of the whole person, body, mind, and spirit. Thus, HRD is the integrated use of training, organizational and career development efforts to improve individual, group, and organizational effectiveness.

14.3 HUMAN RESOURSE DEVELOPMENT (HRD) FRAMEWORK

Recent economic liberalisations announced by the Government of India tend towards market and economy and started creating more dynamic environment in India than ever before. HRD plays a significant and crucial role in market economies under dynamic environments. Human Resources Development should be effective and efficient. HRD cannot be effective for the candidates who do not possess potentials to perform present and future roles in organisations with dynamic environment. HRD

to be effective should essentially have a strong base of human resources planning, recruitment and selection based on effective HRD requirements. These base factors enable the organisation to develop its human resources efficiently.

Human resources planning for HRD should plan for human resources not only for the present and future jobs but also roles. Further, human resource planning, recruitment, selection should emphasise on potentialities for development. Human resources to be acquired and developed are determined in terms of skills, knowledge, abilities, values, aptitude, beliefs, commitment, etc. Suitable technique(s) of human resources development is/are to be selected depending upon the resources to be acquired and developed. These techniques include- performance appraisal, potential appraisal, training, management development and organisational development, career planning and development, worker participation in management, quality circles, and social and spiritual programmes.

The outcomes of HRD are four-fold, viz., to the organisation, to the individuals, to the groups and to the society. HRD benefits the organisation by developing the employees and make them ready to accept responsibilities, welcome change, adapt to change, enables the implementation of the programmes of total quality management, maintenance of sound human relations, and increase in productivity and profitability. HRD also benefits individuals in achieving of potentials, increase in performance, fulfilling their needs and enhancing social and psychological status. The HRD helps the groups in the form of increase in co-operation, increase in collaboration and team effectiveness. Further, it helps the society in the form of developing human resources and increased contribution of human resources to the society.

14.3.1 Meaning and Definition of HRD

HRD refers to the activities and process undertaken by an organisation to formulate the intellectual, moral, psychological, cultural, social and economic development of the individuals in an organisation, in order to help them to achieve the highest human potential as a resource for the community. It means to bring about a total all-round development of the working human, so that they can contribute their best to the organisation, community, society and the nation.

HRD does not cover only a set of mechanisms or techniques but it is a process by which employees acquire or sharpen capabilities to perform the various functions, develop their general capabilities as individuals and exploit their own inner potentials, develop team work and collaboration. HRD concept is much wider and embraces almost all areas of an organisation. Further, HRD is not a piecemeal or a one-time exercise, it is a continuous process requiring to keep pace with the changes and developments, taking place. The concept of HRD is not yet well conceived by various authors though they have defined the term from their approach as it is of recent origin and still is in the conceptualising stage. It is an understanding of the term i.e., new or rather was new. HRD is not training and development.

The concept of HRD was formally introduced by Leonard Nadler in 1969 in a conference organised by the American Society for Training and Development. Leonard Nadler defines HRD as "those learning experiences which are organised for a specific time and designed to bring about the possibility of behavioural change."

Among the Indian authors, T. Ventateswara Rao defined HRD in the organisational context as a process by which the employees of an organisation are helped in a continuous, planned way to-

(i) Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles;

(ii) Develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organisational development purposes;

(iii) Develop an organisational culture in which superior-subordinate relationship, team work and collaboration among sub-units are strong and contribute to the professional well- being, motivation and pride of employees.

According to Pulapa Subba Rao, HRD from the organisational point of view is a process in which the employees of an organisation are helped/motivated to acquire and develop technical, managerial and behavioural knowledge, skills and abilities and mould the values, beliefs and attitudes necessary to perform present and future roles by realising the highest human potential with a view to contribute positively to the organisational, group, individual and social goals. Technical skills and knowledge

are provided through training, managerial skills and knowledge are provided through management development and behavioural skills and knowledge are provided through organisation development.

A comparative analysis of these definitions shows that the third definition seems to be comprehensive and elaborate as it deals with the developmental aspects of all the components of human resources. Further, it deals with all types of skills, the present and future organisational needs and aspects of contribution not only to organisational but also other goals. The analysis of the third definition further shows that there are three aspects, viz.- (i) employees of an organisation are helped/motivated; (ii) acquire, develop and mould various aspects of human resources and (iii) contribute to the organisational, group, individual and social goals. The first aspect deals with helping and motivating factors for HRD. These factors may be called 'enabling factors' which include: organisation structure, organisational climate, HRD climate, HRD knowledge and skills of managers, human resources planning, recruitment and selection. The second aspect deals with the techniques or methods which are the means to acquire develop and mould the various human resources. These techniques include: performance appraisal, potential appraisal, career planning and development, training, management development, organisational development, social and cultural programmes, and workers' participation in management and quality circles. The third category includes the outcomes' contribution of the HRD process to the goals of the organisation, group, individuals and the society.

14.3.2 Features of HRD

Following are the features of human resource development:

- HRD is a systematic and planned approach for the development of individuals in order to achieve organisational, group and individual goals.
- HRD is a continuous process for the development of technical, managerial, behavioural and conceptual skills and knowledge.
- HRD develops the skills and knowledge not only at the individual level, but also at dyadic level, group level and organisational level.
- HRD is multi-disciplinary. It draws inputs from engineering, technology, psychology, anthropology, management, commerce, economics, medicine, etc.

- HRD is embodied with techniques and processes. HRD techniques include performance appraisal, training, management development, career planning and development, organisation development, counselling, social and religious programmes, employee involvement /workers' participation, quality circles, etc.
- HRD is essential not only for manufacturing and service industry but also for information technology industry.

14.3.3 Components of HRD

HRD includes the development of employees at the individual and organizational level. It also comprises career development. The crux of HRD is that organizational growth can be achieved only through the personal and collective development of the individual employees. The main components of HRD are:

1. **Individual Development:** It refers to the development of new skills, knowledge and improved behaviour that contribute to his productivity. As a result of this training, his job performance is improved. Individual development mainly takes place through informal activities like coaching or mentoring by an experienced senior. Some companies, may, however provide formal programmes for such training.
2. **Career Development:** It is an approach to match employee goals with the requirements of the organization. The interests, values, abilities and competencies of the individuals are identified to analyse how their skills can be developed for future jobs. At an individual level, career development includes career planning and career awareness. Mentoring, providing career counselling, career development workshops, human resource planning are the steps the organization takes for career development.
3. **Organizational Development:** Organizational develop-ment means an organization wide effort to enhance organizational effectiveness. It includes making improvements to the organizational structure, culture, processes, etc. through activities like performance evaluation, change management, succession planning, process analysis and team building.

The first step in organizational development is to discover its internal problems and weaknesses, and then work towards solving them. The organization should try to become a more functional unit by fostering a close relationship among its various units.

14.3.4 Aims and Objectives of HRD

The major aims of HRD may be stated as:

i. Improve performance of individual on present job

ii. Improve competence of individual to perform future jobs

iii. Improve group dynamism and effectiveness

iv. Improve individual's attitude

v. Integrate goal of individual with the goal of the organization

vi. Optimize the available human resource in an organization

vii. Encourage creativity

viii. Provide opportunities and facilities to individual for full expression of their talent potential

ix. Improve interpersonal relationship and work culture

x. Bring industrial harmony

xi. Increase productivity.

The objectives of HRD are:

i. To prepare the employee to meet the present and changing future job requirements.

ii. To prevent employee obsolescence.

iii. To develop creative abilities and talents.

iv. To prepare employees for higher level jobs.

v. To impart new entrants with basic HRD skills and knowledge.

vi. To develop the potentialities of people for the next level job.

vii. To aid total quality management.

viii. To promote individual and collective morale, a sense of responsibility, co-operative attitudes and good relationships.

ix. To broaden the minds of senior managers by providing them with opportunities for an interchange of experiences within and outside.

x. To ensure smooth and efficient working of the organisation.

xi. To provide comprehensive framework for HRD.

xii. To enhance organisational capabilities.

xiii. To create a climate that enables every employee to discover, develop and use his/her capabilities to a fuller extent in order to further both individual and organisational goals.

14.3.5 Scope of HRD

Human resources management deals with procurement, development, compensation, maintenance and utilisation of human resources. HRD deals with development of human resources for efficient utilisation of these resources in order to achieve the individual, group and organisational goals. Thus the scope of HRM is wider and HRD is part and parcel of HRM. In fact, HRD helps for the efficient management of human resources. The scope of HRD invades into all the functions of HRM.

The scope of HRD includes:

(i) Recruiting the employees within the dimensions and possibilities for developing human resources.

(ii) Selecting those employees having potentialities for development to meet the present and future organisational needs.

(iii) Analysing, appraising and developing performance of employees as individuals, members of a group and organisations with a view to develop them by identifying the gaps in skills and knowledge.

(iv) Help the employees to learn from their superiors through performance consultations, performance counselling and performance interviews.

(v) Train all the employees in acquiring new technical skills and knowledge.

(vi) Develop the employees in managerial and behavioural skills and knowledge.

(vii) Planning for employees' career and introducing developmental programmes.

(viii) Planning for succession and develop the employees.

(ix) Changing the employees' behaviour through organisation development.

(x) Employee learning through group dynamics, intra and inter team interaction.

(xi) Learning through social and religious interactions and programmes.

(xii) Learning through job rotation, job enrichment and empowerment.

(xiii) Learning through quality circles and the schemes of workers' participation in the management.

14.3.6 Functions of HRD

The important functions of human resource development are as follows:

1. **Performance appraisal:** Employees' performance appraisal or merit-rating is an important function of the HRD. This is necessary for the HRD to assess the relative efficiency of various workers as reflected in their performance of their jobs. While job evaluation is concerned with the rating of the job to be performed, performance appraisal or merit-rating is concerned with the rating of the workers on their jobs. HRD has to perform this function to analyse and classify the differences amongst the workers vis-a-vis job standards.

2. **Employee training:** The next function of the HRD is to provide proper training to its employees or workers. Training is the act of increasing the knowledge and skills of an employee for doing a particular job. Training is considered to be the corner-stone of sound personnel administration. The employees could be systematically and scientifically trained, if they are to do their jobs effectively and efficiently.

3. **Executive development:** Another important functions of the HRD is to provide for executive development in the organization. Executive development is the programme by which executive capacities to achieve desired objectives are increased. Programme must be related to development of various inter-related matters, factors and needs.

   Executive capacities involve different individual abilities of present and prospective managers at different levels of management. The desired objectives include objectives of the concern, its executives and the persons to be managed.

4. **Career planning and development:** The next function of HRD is career planning and development. Career planning is a systematic process by which an individual selects his career goals and the path to these goals. From the organisation's point of view, career planning means helping the employees to plan their career in terms of their capacities within the context of the organisation's requirements. Career planning and development involve formulation of an organizational system of career improvement and growth opportunities for employees from the time of their appointment in the organization to their retirement time.

5. **Successful planning and development:** The HRD is also required to perform the function of planning and development of the business of the organization in successful manner. For this purpose, it has to plan every aspect of its organization and develop the same successfully.

6. **Organisational change and development:** Another main function of the HRD is the organizational change and development. It involves organizational diagnosis, team building, task force and other structural and process interventions such as role development, job enrichment, job re-designing etc.

7. **Involvement is social and religious organisation:** The HRD manager should arrange for social and religious programmes and enable the employees to learn from each other. Such programmes enable the employees to interact closely with each other, open up their cognitions, share the strengths etc.

8. **Involvement in quality circles:** Quality Circle is a self-governing group of workers with or without the supervisors who voluntarily meet regularly in order to identify, analyse and solve problems of their work field. This process of solving problems voluntarily enables the workers to learn decision-making and problem-solving skills from each other.

9. **Involvement in workers' participation in management:** The participation of workers in management enables the representatives of both the management and the workers to share and exchange their ideas and view-points in the process of joint decision-making in the organization. The joint decision-making process

creates a plat-form for mutual learning and development. Therefore the HRD managers should encourage the workers to participate in the management of the organisation.

14.3.7 Benefits of HRD

HRD not only develops the competence of the individuals but also develop their latent potential for the total effectiveness of the organization. The benefits from HRD are therefore many, some of them are:

i. HRD assists employee to diagnose his own strengths and weaknesses.

ii. It develops creativity in employees.

iii. It helps employees to develop himself in a given organizational climate to improve not only his performance but that of the organizations.

iv. It develops trust and openness amongst employees thus enriches interpersonal relationships.

v. It creates environment for realistic feedback and guidance from superiors.

vi. It provides long term and short term development opportunities.

vii. It smoothen the career development plans.

viii. It helps organizations to use available human resources for future challenging responsibilities after developing them.

ix. It enables an overall development of personality of employees and the organizations.

Check Your Progress

Answer the questions in the space given below:

1. Define the term "human resource development".

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2. State the features of HRD.

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3. What are components of HRD?

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14.4 SUMMARY

HRD is an integral part of every manager's responsibility and need not be looked upon merely as the responsibility of the personnel department. The top management, personnel department and the branch manager have their respective roles in promoting HRD. The difference in the level of performance of two organisations depends on the utilisation value of human resources. Moreover, the efficiency of production process and various areas of management depend to a greater extent on the level of human resources development. Thus, HRD assumes significance in view of the fast changing organisational environments and need of the organisation to adopt new techniques in order to respond to the environmental changes.

14.5 GLOSSARY

Human resource refers to the talents and energies of people that are available to an organization as potential contributors to the creation and realization of the orga-nization's mission, vision, values, and goals.

- **Human Resource Development:** HRD refers to the activities and process undertaken by an organisation to formulate the intellectual, moral, psychological, cultural, social and economic development of the individuals in an organisation, in order to help them to achieve the highest human potential as a resource for the community.

- **Individual Development:** Individual development refers to the development of new skills, knowledge and improved behaviour that contribute to the individual employee's productivity.
- **Career Development:** Career development is an approach to match employee's goals with the requirements of the organization.
- **Organizational Development:** Organizational develop-ment means an organization wide effort to enhance organizational effectiveness by making improvements to the organizational structure, culture, processes, etc.

14.6 SELF ASSESSMENT QUESTIONS

- Discuss the framework of HRD in detail.
- What is covered under the scope of HRD?

14.7 LESSON END EXERCISE

Q 1 Explain the aims and objectives of HRD.

Ans _____

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Q 2 Write a note on HRD functions.

Ans _____

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Q3 How is HRD beneficial for the organizations?

Ans _____

_____

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14.8 SUGGESTED READINGS

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EXECUTIVE DEVELOPMENT PROGRAMME AND KNOWLEDGE MANAGEMENT

STRUCTURE

15.1 Introduction

15.2 Objectives

15.3 Executive Development Programme (EDP)

15.3.1 Procedure of EDP

15.3.2 Reasons for the failure of EDPs

15.3.3 Principles for successful EDP

15.4 Knowledge Management

15.4.1 Approaches to Knowledge Management

15.4.2 Benefits of Knowledge Management

15.4.3 Strategies to improve Knowledge Management

15.4.4 Challenges in implementing Knowledge Management

15.5 Summary

15.6 Glossary

15.7 Self Assessment Questions

15.8 Lesson End Exercise

15.9 Suggested Readings

15.1 INTRODUCTION

This lesson throws light on two important aspects of human recourse management, namely, executive development programme and knowledge management. The executive development programme is designed for executives in management positions in any industry. Professionals can take the program to build their business and leadership skills and to stay on track with developing technologies and business strategies. Further, knowledge management is an integrated system of accumulating, storing, and sharing knowledge within a team or organization. Knowledge management consists of several components, as well as strategies to implement it successfully. It can be implemented enterprise-wide across a number of industries. However, the way knowledge management is implemented might change depending on factors such as industry and company size.

15.2 OBJECTIVES

After going through this lesson, you shall be able to understand:

- Procedure of EDP
- Reasons for the failure of EDPs
- Principles for the success of EDP
- Approaches and benefits of knowledge management
- Implementation of knowledge management

15.3 EXECUTIVE DEVELOPMENT PROGRAMME (EDP)

Executive development refers to learning opportunities provided to managers working at various levels. It is any attempt to improve managerial performance by imparting knowledge, changing attitudes or increasing skills. The aim of development is not just to improve current job performance of managers but to prepare them for future challenging roles too. Therefore, executive development or management development is a systematic and continuous process through which the executives learn advanced knowledge and skills in managing.

Executive Development Programme (EDP) is a planned and organised process of learning and growth designed to improve managerial behaviour and performance of executives by cultivating their mental abilities and inherent qualities through the

acquisition and application of advanced knowledge insights and skills.

In the words of Michael Armstrong, "Executive development is eventually something that the executive has to attain himself. But he will do this much better if he is given encouragement, guidance and opportunity by his company".

An executive development program focuses on many aspects of leadership, business and management, including new technological developments. Programs vary in length, but typically range between 1 and 3 weeks. The program helps professionals develop new and enhance old skills in many areas of business, including strategy, finance and negotiations. The program also provides theory-based concepts and several courses that give students hands-on learning opportunities to practice their leadership and management skills. Specific skills or abilities that business professionals can acquire through an executive development program include:

- Ability to function more adeptly in management roles by gaining additional confidence and knowledge.
- Ability to apply new concepts.
- Increase in leadership skills.
- Stronger communication skills.
- Ability to work with others, while assessing their skills and strengths.
- Ability to formulate more competitive business strategies.
- Skills in team building.

Different executive development programmes focus on different executives. A few executive development programmes are listed as under:

- Wharton School of the University of Pennsylvania: Any executives.
- Kellogg School of Management: Middle-management executives.
- The University of Chicago Booth School of Business: Middle-management executives.
- Harvard Business School: Senior executives.

15.3.1 Procedure of EDP

Since executive development programme is purposive one, hence there is a need to appraise the effectiveness of the programme. Such an exercise highlights the weaknesses, if any, of the programme and helps in determining whether the development programme should be continued in future also or how it can be improved to meet its objectives.

Hamblin has defined training evaluation as "any attempt to obtain information (feedback) on the effect of a training programme and to assess the value of the training in the light of that information". In fact, evaluation of executive development/ training programme is as much important is not so easy. The reason is not difficult to seek.

The impact of programme is of abstract nature and has long-term impact on both the executives/trainees and the organisation. Therefore, it is difficult to measure effect of programme in quantitative terms. At best, only qualitative improvements can be gauged. Then, the problem is how to measure even the qualita-tive improvements. Behavioural scientists suggest that the evaluation of the effectiveness of any executive development programme should adopt a systematic procedure so as to be more realistic. Such a procedure may consist of the following steps:

1. **Determination of objectives:** Every executive development programme is conducted to meet the specific objective or objec-tives. The reason is that all training/development programmes do not contribute in all areas. Hence the objectives of a programme should be set in clear terms at the first instance. The objectives so set then should govern the evaluation of the effectiveness of the particular development programme.
2. **Fixation of evaluation criteria:** Ideally speaking, the evaluation criteria should be fixed in the light of the objectives of training/ development programme. These are broadly classified into two categories: immediate objectives and ultimate objectives. The immediate objectives refer to learning and change in behaviour, while ultimate objectives mean increase on productivity, reduced employee turnover, and improved industrial rela-tions. The fixation of evaluation criteria in both the cases may not be similar and same. Use of new technology and better

methods of production, for example, may also have contributed to increase in productivity. Hence, in order to evaluate the effectiveness of the training/ development programme, evaluation criteria should be fixed as such that can eliminate, to the extent possible, the effect of other factors on productivity.

3. **Collection of relevant information:** Once the aspects to be measured and criteria in respect of these are fixed, next step is to collect relevant data and information to arrive at some conclusions. The type of data collection will vary in line with aspects to be measured. The sources of data collection will include organisational records, questionnaires, interviews, observations, psychological tests etc. It must be noted that the appropri-ateness of evaluation will depend on the collection of appropriate and relevant data.

4. **Analysis:** Data collection remains meaningless till it is analysed and interpreted. At this final stage, col-lected data is analysed and interpreted to know the impact and effectiveness of the executive development programme. Such knowledge is necessary for both the organisation and the employ-ees. Having such knowledge, organisation decides whether to continue the development programme in future also or not. This is because, training involves costs. On the other hand, employees also decide whether they should undergo training or not.

15.3.2 Reasons for the Failure of EDPs

Not only the measuring of the effectiveness of EDP is difficult and complex, but also there are some reasons that make it ineffective or failure. Biswajeet Pattanayak has identified the following five major reasons for the failure of EDPs in India:

1. Non-alignment of EDPs with the challenges, problems and strategies of the organisations.
2. Non-suitability of programmes designed to create awareness and understanding among the executives or/and managers.
3. Lopsided focus of programmes skewed in favour of individuals than organisations.
4. Participation of executives/ managers in the programme by chance not by choice.
5. Inability of programmes to help the participants confront with the reality.

Besides, there are some other reasons responsible for failure of EDPs in India as given below:

1. Little or no opportunities for advancement in future for managers that makes especially middle level managers 'frozen'.
2. Home sickness, firm ties with one's family, community, society, etc. also inhibit executive development through training programmes, especially outside training programmes.
3. Non-conducive relations between the superiors and subordinates become a stumbling block in smooth administration of the programme.

15.3.3 Principles for Successful EDP

The following principles may help make the EDP successful:

1. The top management should accept responsibility for getting the development programme duly executed. For this, a senior executive should be made in charge to execute the programme in a proper manner.
2. The EDP should be properly aligned with the needs of the people and organisation.
3. Every manager should willingly accept the responsibility to develop executives under his control and direction.
4. Right persons for executive positions particularly at the entry level should be entered.
5. The objectives, coverage and type of EDP should be clearly spelled out before the com-mencement of the programme.
6. The EDP should follow a realistic time schedule to develop executives to meet the present and future needs of the organisation.
7. The EDP should be found interesting by the participants. In the absence of it, any effort made for the EDP will be unsuccessful.
8. Lastly, the feedback should be made available to the learner/executive so that he/she knows his/her progress and can take required steps to improve him/her.

Check Your Progress-I

Answer the questions in the space given below:

1. What is executive development programme?

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2. What do you mean by executive development?

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3. What specific skills or abilities can the business professionals acquire through EDP?

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15.4 KNOWLEDGE MANAGEMENT

Knowledge management is the concept of finding, gathering, assessing, organizing, and sharing information or knowledge. The information and knowledge consists of documents, procedures, resources, and worker skills. Knowledge management is a useful tool to help companies gather and organize important information so that tasks and projects can be completed efficiently. It is also a helpful tool to find the individuals that have the desired skills necessary to complete those tasks and projects. So, knowledge management is essentially a map that outlines the flow of information so that a company can successfully fulfill their duties, tasks, and projects.

Knowledge management (KM) is the process used to handle and oversee all the knowledge that exists within a company. Knowledge management relies on an understanding of knowledge, which consists of discrete or intangible skills that a person possesses. It consists of the initiatives, processes, strategies, and systems that sustain and enhance the storage, assessment, sharing, refinement, and creation of knowledge. Knowledge management therefore implies a strong tie to organizational goals and strategy, and it involves the management of knowledge that is useful for some purpose and which creates value for the organization.

The field of knowledge management identifies two main types of knowledge. *Explicit knowledge* is knowledge or skills that can be easily articulated and understood, and therefore easily transferred to others (this is also called *formal* or *codified* knowledge). Anything that can be written down in a manual, instructions, mathematical equations, etc. qualify as explicit knowledge. *Tacit knowledge*, by contrast, is knowledge that is difficult to neatly articulate, package, and transfer to others. These are usually intuitive skillsets that are challenging to teach, such as body language, aesthetic sense, or innovative thinking. A third knowledge type is *implicit knowledge*, which is information that has not yet been codified or transferred, but that would be possible to teach. Implicit knowledge is different from tacit knowledge, which is unlikely to be able to be codified. In this lesson, however, we will primarily discuss explicit and tacit knowledge.

These knowledge types can be further categorized as:

- **Factual Knowledge** is measurable, observable, and verifiable data.
- **Conceptual Knowledge** relates to perspectives and systems.
- **Expectational Knowledge** is knowledge rooted in expectations, hypotheses, or judgments.
- **Methodological Knowledge** deals with decision-making and problem-solving.

Knowledge management enables organizational learning, a concept where companies are invested not only in the reliable, expert production of a product or service, but in the knowledge that underlies these production processes. Companies devoted to organizational learning are interested in maintaining and building upon

internal knowledge at the organizational level by not just helping individuals accrue special skills, but ensuring that this knowledge is available to and dispersed throughout the workforce.

15.4.1 Approaches to Knowledge Management

There are three main ways that people approach knowledge management:

1. **People-centric:** Centered on people, relationships, and how people form learning communities and other informal ways of knowledge sharing. This idea is also known as *ecological* knowledge management *theory.*
2. **Tech-centric:** Focused on the technology that facilitates knowledge storage and transfer, and aims to create technology systems that encourage knowledge sharing.
3. **Process-centric:** Interested in how the organizational structure and processes accommodate and encourage knowledge sharing and organizational learning. This concept includes the production processes, the organizational hierarchy, and the cultural framework.

The approach you take will depend on how your company currently functions. Organizational structure, politics, management style, and existing processes all create parameters around what kind of knowledge management implementation is workable. Regardless of the approach you choose, however, implementing knowledge management will inevitably affect your organization's people, technology, and processes. Therefore, it's best to keep all three in mind when enacting a knowledge management strategy. Theoretical approaches aside, there are some common tactical ways of handling knowledge. The common strategies include:

- **Storing knowledge vs. sharing knowledge:** Storing knowledge involves accumulating, codifying, and maintaining knowledge in a reliable storage system. This is a good first step, but successful knowledge management also requires a system to disperse that stored knowledge.
- **Codification vs. personalization:** The difference between these strategies are similar to the previous example. Codification is any activity where you are collecting knowledge (creating and maintaining databases, content architecture, training to support software storage systems), and creating awareness of these

collection systems. Personalization, is connecting people to this codified knowledge by forming learning communities, promoting active discussion and knowledge transfer, and facilitating group interaction.

- **Push vs. pull:** These represent two opposing strategies. In a push strategy, individuals actively encode their knowledge to make it available for others. In a pull strategy, team members seek out experts to request knowledge sharing, so you only transfer knowledge on an as-needed basis.
- **SECI model:** This is the knowledge transfer and strategy model first proposed by Nonaka and Takeuchi in 1996, and is considered the cornerstone of knowledge management theory. It outlines the four different types of knowledge transfer:
- **Socialization:** Tacit to tacit, where knowledge is transferred intuitively through observation, guidance, and practice.
- **Externalization:** Tacit to explicit, which codifies intuitive, intangible knowledge in order to be taught. This type of knowledge transfer is the most difficult because tacit knowledge is extremely difficult to break down into digestible directives.
- **Combination:** Explicit to explicit, where codified knowledge is transferred or combined with other codified knowledge. This type of knowledge transfer is the simplest.
- **Internalization:** Explicit to tacit, where an organization follows and practices codified knowledge so that it becomes intuitive.

15.4.2 Benefits of Knowledge Management

Effective knowledge management reduces operational costs and improves productivity because it provides seven key benefits explained as under:

1. **Spend less time recreating existing knowledge:** When information is easy to access and accurate, it reduces the need for coworkers to interrupt each other with emails, chats, and support tickets. Employees and especially support teams spend less time answering repetitive questions, freeing them up to focus on more important—and more profitable—work.

2. **Get the information you need sooner (and with fewer headaches):** If you've ever sent an email asking for information only to have that email forwarded multiple times to different people who *might* know the answer, you know how unproductive it is when finding information feels like playing a game of whack-a-mole.
3. **Make fewer mistakes:** The old adage "history repeats itself" is as true in business as it is in all other aspects of life. When employees aren't sharing information, they're doomed to repeat the same mistakes others have already made. But this is avoidable when the lessons-learned from mistakes and failures are easily accessible to everyone.
4. **Make informed decisions:** When employees share their experiences, lessons-learned, and research on a searchable knowledge system, others can access and review that information in order to consider multiple pieces of data and differing viewpoints before making decisions.
5. **Standardize processes:** If you've ever played the telephone game, you know exactly how distorted information gets when communicated by word-of-mouth and in silos. With documented and shared processes, it's easy to make sure that everyone is on the same page and following approved procedures.
6. **Provide better service to employees and customers** Effective knowledge management allows support teams to resolve employee and customer requests quickly and correctly. Employees are able to stay happy and productive, and customers place more trust in the company, which makes them more likely to purchase.

15.4.3 Strategies to Improve Knowledge Management

Even with an understanding of the knowledge management life cycle, knowledge management can be difficult to implement. Below are a few tips on how to improve knowledge management:

- **Understand the flow of knowledge in your organization:** While the various knowledge management life cycle models list phases to follow, they are merely a blueprint. Knowledge management will only be successful with the understanding that how the organisation already naturally gains, stores, and

shares knowledge, so use the existing flow of information to structure your formal knowledge management process.

- **Clearly define goals and how to measure them:** Just like any project, success cannot be judged without clearly defined goals. Choose objectives and how to measure them before implementing knowledge management.
- **Encourage socialization:** One way to foster an environment of knowledge transfer is to let it happen naturally, by talking and casually sharing. Allow team members to talk and form relationships in-office, which will make them more likely to turn to each other for information or advice, or to learn new skills.
- **Generate new knowledge:** Remember that knowledge management is not only concerned with storing existing knowledge; rather, processes need to be created to manage the ongoing stream of new information. Actively generate new knowledge within the organization not only to create a robust knowledge stream, but also to show the employees that the organization treat new knowledge and *their* knowledge as an asset. This will make workers more apt to adopt knowledge management.
- **Employ technology:** Technology can play a huge role in standardizing and organizing the knowledge management process. However, remember that technology itself is not knowledge management, but simply a tool to enhance the processes.

15.4.4 Challenges in Implementing Knowledge Management

There are many challenges that businesses face when implementing knowledge management. Here is a list of some of the most common ones:

- **Creating a culture of flexibility and collaboration** This is one of the most significant and enduring challenges of knowledge management. Companies already struggle to implement new policies, because people naturally tend to resist change. However, knowledge management can be especially difficult because employees might want to protect their skills and knowledge, or be reluctant to learn from their peers.

- **Security** You have to design a knowledge transfer system that makes it easy for the appropriate people to access information, while protecting sensitive or private intelligence from outsiders.
- **Measuring knowledge** It can be difficult to define metrics to measure the knowledge within your organization, especially for tacit knowledge that cannot be easily quantified. To overcome this, some experts recommend focusing on the purpose of knowledge, rather than the efforts or results (which are often also unquantifiable).
- **Identifying an expert:** There won't always be a single "keeper" of every knowledge type, but you will still have to identify who within the company possesses certain knowledge, and use them as the base level of knowledge from which you want to build. This process is difficult tactically, but can also be delicate among employees who might feel competitive about their skill levels.
- **Document storage and management:** While not all knowledge makes for straightforward documentation, it will have to be stored and organized in some form. Document management is a challenge for many companies, but organization is a vital aspect of knowledge management - otherwise, it will be impossible to locate and use the knowledge you have stored. Consider using a dedicated document management system to keep everything organized.
- **Disseminating knowledge throughout an organization** You'll need to devise a process where, once you store the knowledge, other team members can access it. This is complicated both theoretically and tactically, so many organizations opt for a software system designed specifically for this purpose.
- **Continual improvement** Like most process-driven strategies, you should continually improve upon the knowledge management system you implement. Stage periodic reviews or, if possible, dedicate resources to continually optimize your process.

- **Determining where knowledge management is housed** If knowledge management serves your entire organization, decide which department will "own" the strategy. Companies most commonly house knowledge management in HR or IT. Remember, this department is not only responsible for effectively managing the knowledge itself, but also for maintaining the community of knowledge sharing and organizational learning.

Check Your Progress-II

Answer the questions in the space given below:

1. Define the term "knowledge management".

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2. What are the three main ways that people approach knowledge management?

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3. What are the common tactical ways of handling knowledge?

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15.5 SUMMARY

Contemporary organizations have realized the importance of human capital and increasingly finding it necessary to continuously train and develop human

resources. The training and development needs of the employees cannot be looked at in isolation but any proactive organization has to view the individual training needs in the overall organizational context. Therefore, executive development programs are designed for business professionals. Through the executive development program, business executives can learn to become better leaders and gain skills that can help them develop a global business. Besides, without a reliable system to store existing knowledge and accumulate new knowledge, it would be difficult to react to these market changes. However, both large and small companies can benefit from KM because it treats the knowledge that every individual brings as an asset, so employees feel respected for their skills in the workplace.

15.6 GLOSSARY

Executive development refers to learning opportunities provided to managers working at various levels to improve their managerial performance by imparting knowledge, changing attitudes or increasing skills.

- **Executive Development Programme (EDP):** EDP is a planned and organised process of learning and growth designed to improve managerial behaviour and performance of executives by cultivating their mental abilities and inherent qualities through the acquisition and application of advanced knowledge insights and skills.
- **Knowledge management:** Knowledge management is the concept of finding, gathering, assessing, organizing, and sharing information or knowledge to handle and oversee all the knowledge that exists within a company.
- **Factual knowledge** is measurable, observable, and verifiable data.
- **Conceptual knowledge:** Conceptual knowledge relates to perspectives and systems.
- **Expectational knowledge:**Expectational knowledge is knowledge rooted in expectations, hypotheses or judgments.

Methodological knowledge: Methodological knowledge deals with decision-making and problem-solving.

15.7 SELF ASSESSMENT QUESTIONS

- Discuss the procedure for implementing EDP.
- Why do EDPs fail?

15.8 LESSON END EXERCISE

Q 1 What are the principles to be followed for making EDP successful?

Ans _____

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Q 2 How does knowledge management benefit the organization?

Ans _____

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Q3 Write a detailed note on implementation of knowledge management.

Ans _____

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15.9 SUGGESTED READINGS

- Schermerhorn, J. R., Management for productivity, John Wiley & Sons.
- Stockard, J. G., Career Development and Job Training-A Managers Handbook, Amacom.
- Woodcock, M. and Francis, D., Interventions for Developing Managerial Competencies, Ashgate Publishing.
- Smriti Chand. http://www.yourarticlelibrary.com/hrm/procedure-of-executive-development-programme/35310
- https://learn.org/articles/What_is_an_Executive_Development_Program.html
- Spoke. https://www.askspoke.com/blog/knowledge-management/knowledge-management-importance/

- http://www.brainkart.com/article/Knowledge-Management_5386/
- http://www.knowledge-management-tools.net/knowledge-management-definition.html
- https://www.smartsheet.com/knowledge-management-101

Note for Paper Setter :

The Paper Setter is requested to set 10 questions in all with at least 2 questions from each unit. All the questions shall carry equal marks. The students are required to attempt 5 questions selecting one from each unit necessarily i.e. internal choice is available.

Suggested Readings :

1. A framework for Human Resource Management : Desseler Gary, Published by Pearson Education (2010), 7th Edition.
2. Human Resource Management Text and cases : Rao, VSP, Excel Books (2010), 3rd edition.
3. Training and Development : Lynton R.P., Pareek Udai, Sage Publication India Pvt. Ltd. (2011), 3rd edition.
4. Managing Human Resource : Cascio W.F., Nambudiri Ranjeet, Tata Mc-Graw Hill (2010) 8th edition.
5. Managing Human Resource : Mejia L.R.G., Balkin D.B. Cardy R.L. PHI Learning Private Limited (2012) 7th edition.
6. Human Resource Management : Haldar Uday, Sarkar Juthika, Oxford University Press (2012) 1st edition.

BUSINESS MANAGEMENT

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Contact Hours : 45 Total Marks: 100

Examination : 3 Hrs. External Marks : 80

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Objective : The objective of this course is to sensitize the students with the various facts of managing people and to create an understanding of the various policies and practices of Human Resource Management.

Unit I **Human Resource Management (HRM) :** Concepts, Nature, Scope and Importance; Personnel Management Vs. HRM, Functions of the HRM, Role and responsibilities of HR managers, HRM in a dynamic environment. **(Page No. 1-61)**

Unit - II **Manpower Planning :** Job design and Job analysis, Recruitment and Selection Processes, Induction and Placement, Promotions and Transfers, Coaching and Mentoring, Work stress and Counselling. **(Page No. 62-227)**

Unit - III **Training and Development :** Training need analysis, Methods of training, Career Development; Performance appraisal : process and techniques, performance appraisal Vs. Potential Appraisal. **(Page No. 228-321)**

Unit - IV **Worker's participation and empowerment :** Work life balance and Quality of Work Life, Human Resource Information System (HRIS), Talent Management. **(Page No. 322-399)**

Unit - V **Compensation :** rewards, incentives and other benefits, Human Resource Development framework. Executive Development Programme, Knowledge Management. **(Page No. 400-445)**

HUMAN RESOURCE MANAGEMENT

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B. A. SEMESTER - III

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Course No. : BM-301 **Lesson No. 1-15**

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