



**T.Y.B.COM
SEMESTER - VI (CBCS)**

**COMMERCE-VI
HUMAN RESOURCE
MANAGEMENT**

SUBJECT CODE: 83014

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T.Y.B.COM
SEMESTER - VI (CBCS)
COMMERCE-VI
HUMAN RESOURCE MANAGEMENT

SYLLABUS

Elective Courses (EC)

1 B. Discipline Related Elective (DRE) Courses

3. Commerce-VI
Human Resource Management

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Human Resource Management	12
02	Human Resource Development	11
03	Human Relations	11
04	Trends In Human Resource Management	11
Total		45

Sr. No.	Modules / Units
1	Human Resource Management
	- Human Resource Management – Concept, Functions, Importance, Traditional v/s Strategic Human Resource Management - Human Resource Planning- Concept Steps in Human Resource Planning Job Analysis-Concept, Components, Job design- Concept, Techniques - Recruitment- Concept, Sources of Recruitment Selection - Concept , process , Techniques of E,selection,
2	Human Resource Development
	- Human Resource Development- Concept, functions Training- Concept, Process of identifying training and development needs, Methods of Training & Development (Apprenticeship, understudy, job rotation, vestibule training, case study, role playing, sensitivity training, In, basket, management games) Evaluating training effectiveness- Concept, Methods - Performance Appraisal- Concept, Benefits, Limitations, Methods Potential Appraisal-Concept, Importance - Career Planning- Concept, Importance Succession Planning- Concept, Need Mentoring- Concept, Importance Counseling- Concept, Techniques.
3	Human Relations
	- Human Relations- Concept, Significance Leadership –Concept, Transactional & Transformational Leadership Motivation- Concept, Theories of Motivation,(Maslow’s Need Hierarchy Theory, Vroom’s Expectancy Theory, McGregor’s Theory X and Theory Y, Pink’s Theory of Motivation) - Employees Morale- Concept, Factors affecting Morale, Measurement of Employees Morale Emotional Quotient and Spiritual Quotient- Concept, Factors affecting EQ & SQ - Employee Grievance- Causes, Procedure for Grievance redressal Employee welfare measures and Healthy & Safety Measures.
4	Trends In Human Resource Management
	- HR in changing environment: Competencies- concept, classification Learning organizations- Concept, Creating an innovative organization, Innovation culture- Concept, Need, Managerial role. - Trends in Human Resource Management,: Employee Engagement- Concept, Types Human resource Information System (HRIS) – Concept, Importance, Changing patterns of employment. - Challenges in Human Resource Management: Employee Empowerment, Workforce Diversity. Attrition, Downsizing, Employee Absenteeism, Work life Balance, Sexual Harassment at work place, Domestic and International HR Practices, Millennial (Gen Y)Competency Mapping

**Revised Syllabus of Courses of B.Com. Programme at Semester V and VI
with effect from the Academic Year 2018-2019**

**Question Paper Pattern
(Theoretical Courses)**

Maximum Marks: 100

Questions to be set: 06

Duration: 03 Hrs.

All Questions are Compulsory Carrying 15 Marks each.

Question No	Particular	Marks
Q-1	Objective Questions A) Sub Questions to be asked 12 and to be answered any 10 B) Sub Questions to be asked 12 and to be answered any 10 (*Multiple choice / True or False / Match the columns/Fill in the blanks)	20 Marks
Q-2	Full Length Question OR	15 Marks
Q-2	Full Length Question	15 Marks
Q-3	Full Length Question OR	15 Marks
Q-3	Full Length Question	15 Marks
Q-4	Full Length Question OR	15 Marks
Q-4	Full Length Question	15 Marks
Q-5	Full Length Question OR	15 Marks
Q-5	Full Length Question	15 Marks
Q-6	A) Theory questions B) Theory questions OR	10 Marks 10 Marks
Q-6	Short Notes To be asked 06 To be answered 04	20 Marks

Note:

Theory question of 15 marks may be divided into two sub questions of 7/8 or 10/5 Marks.

HUMAN RESOURCE MANAGEMENT

Unit Structure

- 1.0 Objectives
- 1.1 Introduction
- 1.2 Concept of Human Resource Management
- 1.3 Human Resource Planning- Concept and Steps
- 1.4 Job Analysis- Concept and Components
- 1.5 Job design- Concept and Techniques
- 1.6 Summary
- 1.7 Exercise
- 1.8 References

1.0 OBJECTIVES

After studying this unit, you will be able:

- To understand the Human Resource Management
- To discuss Human Resource Planning and Step
- Explain Job Analysis and its components.
- To understand Job design and its techniques

1.1 INTRODUCTION

During the last two decades, the concept of Human Resource Management (HRM) has gained significance and focus in management. Human resources are believed to be at the heart of all economic development processes. While HRM has been recognised for centuries, the deteriorating social conditions, rising competitiveness, and rapid technical innovation have forced its rediscovery. By properly utilising the mind's powers, mankind's only inexhaustible resource, i.e. human resource, will be able to develop solutions to the social and material issues it faces.

1.2 CONCEPT OF HUMAN RESOURCE MANAGEMENT

Human Resource Management is the process of planning, organising, directing, and controlling the procurement, development, compensation, and maintenance of human resources in order to meet the goals and objectives of a company. It is in responsibility of hiring the best people, training them, and putting in place systems to ensure that these employees remain productive members of the business.

In the early 1950s, Peter Drucker invented the term 'human resource management,' which was just another name for 'personnel management.' The 'people' part of management is addressed through human resource management (HRM). Every organisation is made up of people who

provide services, develop skills, motivate employees to achieve better levels of performance, and ensure that they remain committed to the organisation. As a description of the procedures involved in managing people in organisations, the word "Personnel Management" has been supplanted by the term "Human Resource Management." As a result, we can conclude that (HRM) includes more than just personnel management; it also covers hiring people, developing and utilising them, as well as sustaining and compensating their services in accordance with job and organisational requirements.

French Wendell, defines — "Human resource management as the recruitment, selection, development, utilisation, compensation and motivation of human resources by the organisation."

According to Flippo, "Human Resource /Personnel Management may be defined as the planning, organising, directing, and controlling of the procurement, development, compensation, integration and maintenance and separation of human resources to the end that individual, organisational and societal objectives are accomplished"

Human resource management (HRM) is a framework for managing people that is based on four fundamental ideas. First and foremost, human resources are an organization's most valuable asset, and their proper management is critical to its success. Second, the enterprise's personnel policies and processes are most likely to succeed if they are directly linked to, and contribute significantly to, the attainment of corporate objectives and strategic plans. Third, company culture, as well as the values, organisational environment, and managerial behaviour that emerge from it, will have a significant impact on achieving excellence. As a result, this culture must be controlled, which may necessitate changing or reinforcing organisational values, as well as a sustained effort, beginning at the top, to have them recognised and implemented. Finally, HRM is concerned with integration, which entails involving and collaborating with all members of the organisation for a single goal.

1.2.1 Function of HRM

Human Resource Management (HRM) has already been defined. What managers do is the basis for HRM's definition. Managerial responsibilities are shared by all businesses. The function of resource management can be roughly categorised into two groups for the purposes of study, viz.

(1) Managerial Functions:

Planning:

A predetermined line of action is referred to as planning. It is the process of identifying organizational objectives and developing policies and programmes to achieve them. As a result, planning is future-oriented, focusing on clearly mapping out the planned path of future corporate activities. One of the most crucial aspects of the planning process is forecasting. Other managerial functions are reliant on the planning function.

Organizing:

Organizing is the process of determining the structure and distribution of work. As a result, organizing entails assigning particular tasks to each subordinate, creating departments, distributing authority to subordinates, establishing authority and communication channels, coordinating subordinates' activities, and so on.

Staffing:

Managers recruit, train, promote, and retire their employees through the TOs process. This includes identifying who should be hired, recruiting potential employees, selecting employees, establishing performance standards, rewarding employees, reviewing performance, coaching employees, and training and developing employees.

Directing:

Activating group efforts to achieve desired goals is the process of directing. It entails tasks such as ensuring that subordinates complete tasks, maintaining morale, and inspiring subordinates, among others, in order to achieve the organization's objectives.

Controlling:

It is the process of establishing performance criteria, comparing actual performance to these standards, and taking remedial action as needed.

(2) Operative Functions:

The operative functions, also known as service functions, are those that are specific to a department. These functions differ from one department to the next, depending on the department's character. From this perspective, HRM's operational functions revolve around finding the right people for the right positions at the right time. HRM procurement, development, compensation, and maintenance are among these functions.

Procurement:

It involves finding the right personnel in the proper numbers to be positioned in the organization. Manpower planning, recruitment, selection, placement, and induction or orientation of new employees are all parts of it.

Development:

This function entails activities aimed at improving employees' knowledge, skills, abilities, and values in order for them to execute their tasks more effectively in the future. Employee training, executive training to develop managers, and organizational development to improve the match between the organization's climate/culture and its personnel are examples of these functions.

Compensation:

The compensation function involves deciding wages and salaries that are commensurate with employees' contributions to the organization's goals. In other words, this job ensures that employees in the organization are paid fairly and equally. It includes tasks such as work appraisal, pay and compensation administration, bonuses, and incentives, among others.

Maintenance:

It is focused with the safety and development of employees while they are at work. Various benefits, such as housing, medical, educational, and transportation facilities, are offered to employees for this purpose. Several social security measures are also in place, including a provident fund, pension, gratuity, group insurance, and so on.

It's crucial to remember that HRM's managerial and operational functions are carried out in tandem in every organization, large or small. Now that we've covered the scope and duties of HRM, it's time to look at the HRM landscape in India.

1.2.2 Importance of HRM

Human resources are one of a company's most significant assets. They are the source of their power. Effective human resource management is required to meet new challenges on the fronts of knowledge, technology, and changing patterns in the global economy. HRM is significant in three contexts: organisational, social, and professional.

Organizational Importance:

HRM is critical to an organization's success in accomplishing its goals.

It aids in the accomplishment of organisational goals in the following ways:

1. Effective human resource management can assist in attracting and retaining the best employees.
2. Providing personnel with the essential skills and attitudes through training, development, performance appraisal, and other means.
3. Enlisting employees' willing assistance through motivation, involvement, and grievance resolution, among other methods.
4. Making the most use of available human resources.
5. Assuring that the company will have a staff of capable and dedicated personnel in the future.

Social Significance:

HRM has a social relevance because it satisfies the needs of employees in the organisation. Because these individuals are drawn from the community, their effectiveness contributes to the community's well-being. The greatest benefit of good human resource management is to society as a whole.

- i. Job opportunities increase.
- ii. Reducing human resource waste by preserving physical and mental wellbeing.
- iii. Scarce abilities are utilised to their full potential. Companies that pay and treat their employees properly are always one step ahead of the competition and produce exceptional outcomes.

Professional Significance:

HRM's professional relevance is in the development of individuals and the provision of a healthy environment in which their strengths may be fully utilised.

1. Continuously developing employees to meet the challenges of their jobs.
2. Encouraging staff to work together and have a positive attitude.
3. Providing good possibilities for advancement to those with the potential to advance.
4. Creating an atmosphere and providing incentives for the development and use of creativity.

1.2.3 Traditional v/s Strategic Human Resource Management

HRM stands for Human Resource Management and refers to the application of management principles to the management of an organization's employees. It is concerned with the employment, development, and retention of workers in order to improve their efficiency. It becomes clearer when traditional HRM is compared and contrasted with strategic HRM, also known as SHRM.

SHRM is the process of aligning a company's business strategy with its human resource practices in order to achieve the organization's strategic goals. The company's personnel are managed proactively in SHRM. Take a look at this article to learn more about the differences between HRM and SHRM.

Basis of Comparison	HRM	SHRM
Meaning	Human resource management (HRM) refers to the systematic and systematic management of an organization's manpower.	SHRM is a managerial role that entails designing HR initiatives in such a way that employees' activities are directed toward the organization's goals.
Nature	Dynamic	Conservative
Scope	Employee relations are a concern.	Internal and external relations are a concern.
Period	Short Term	Long Term
Control	Employees are subject to strict supervision.	It demonstrates leniency.

1.3 HUMAN RESOURCE PLANNING- CONCEPT AND STEPS

Human resource planning is critical for both employers and employees to prepare for the future. Human resource planning's primary purpose is to forecast the future and, based on those forecasts, establish programmes to avert problems that might arise. In a nutshell, human resource planning is the process of analysing an organization's or individual's future human resource needs, such as what types of skills will be required for future jobs versus future human resource capabilities (such as the types of skilled employees you currently have), and developing human resource policies and practises to address potential problems, such as implementing training programmes to avoid skill deficiencies.

Human resource planning is a method of ensuring that the proper person is hired for the right job. The most important aspect in running any process is to define the organisational goal that will be attained through the process.

1.3.1 Steps

1. Analysing Organizational Objectives:

The future goals in many domains such as production, marketing, finance, expansion, and sales give a sense of the work that needs to be done in the company.

2. Present Human Resource Inventory:

The present number of employees, their capacity, performance, and potential may all be assessed using the updated human resource information storage system. Internal sources (i.e., personnel from within the organisation) and external sources (i.e., candidates from various placement agencies) might be calculated to fill various job requirements.

3. Human Resource Demand and Supply Forecasting:

It is necessary to assess the human resources required for various positions based on their job profiles. The internal and external resources available to meet those requirements are also assessed. The job description and job specification of one particular position should be well aligned, and the person's profile should be suitable for it.

4. Identifying Manpower Shortages:

The surplus or deficit of human resources will be determined by comparing human resource demand and supply. The number of people who will be employed is represented by the deficit, whereas the number of people who will be terminated is represented by the surplus. Employee abilities can be upgraded by making extensive use of appropriate training and development programmes.

5. Creating a Human Resource Action Plan (HRAP):

The human resource strategy is determined by whether the company is in deficit or surplus. As a result, the plan may be formalised for new recruitment, training, and interdepartmental transfer in the event

of a deficit, or voluntary retirement plans and redeployment in the event of a surplus.

6. Feedback, Control, and Monitoring:

It mostly entails carrying out the human resource action plan. Human resources are assigned in accordance with the needs, and inventories are updated over time. The strategy is closely monitored in order to discover and correct any flaws. To ensure proper action and the availability of the needed number of personnel for various roles, a comparison is made between the human resource plan and its actual implementation.

1.4 JOB ANALYSIS- CONCEPT AND COMPONENTS

Many HR services are built on the foundation of job analysis. Job analysis tells us about the basics of the jobs, including the behavioural expectations required to do these jobs, whereas human resource inventory tells us which employees can do what and where.

The practise of gathering information about a company's jobs is referred to as job analysis. It is a formal examination of all facets of a job. It gives details on the tasks that must be completed as well as the human factors that must be considered.

It is vital to comprehend these two terms:

1. **Job** - A job is a group of tasks, responsibilities, and responsibilities that are considered a regular assignment to an individual employee and are distinct from other assignments. The nature of jobs is that they are always changing.
2. **Analysis** - Analysis is the process of gathering all of the required and relevant facts about a job.

The U.S. Department of Labour defined job analysis as – “the process of determining by observation and study, and reporting 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 of a successful performance and which differentiate one job from all others”.

John A. Shbim, “Job analysis is the methodical compilation and study of work data in order to define and characterise each occupation, in such a manner as to distinguish it from all others.”

Edwin B. Flipppo, “Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job.”

Components of Job Analysis:

1. Job Description:

A work description is a written summary of the purpose, tasks, and responsibilities of a certain position. It comprises the key aspects of

the job. This information is required to determine the qualifications and attributes that a person must possess in order to execute the job effectively.

According to M.W. Cumming, “A job description is a broad statement of the purpose, scope, duties and responsibilities of a particular job”.

Contents of Job Description:

The nature of a job description paper is descriptive, and it contains a list of the job's contents.

- a. Job Introduction – Job title, location, division, department, section, plant, office, job important number, and so on.
- b. Job Summary - The job holder's responsibilities, who reports to whom, and the link between the two organizations, among other things.
- c. Responsibilities and Obligations – Define the scope of major responsibilities and duties.
- d. Relationship to other jobs – Number of supervised employees
- e. Given and received supervision – Position of the position in the job hierarchy
- f. The working environment.
- g. Additional information, such as the likelihood of an accident.

2. Job Specification:

A job specification outlines the basic credentials and traits that a person must possess in order to execute the job. The job specification outlines the attributes that are required of the candidate for the position. It specifies the educational qualifications, experience, knowledge, abilities, and attitude, among other things, that are required to do the work successfully.

According to Edwin Flippo, “A job specification is a statement of the minimum acceptable human qualities necessary to perform a job properly”.

The physical, personal, psychological, and demographic characteristics required for the job are listed in the job specification.

- (a) Physical characteristics –Weight, height, eyesight, physique, and health are all physical qualities.
- (b) Personal traits - physical attractiveness, pleasant attitude, leadership qualities, initiative and drive, and so on.
- (c) Psychological traits - judgement, mental health, analytical aptitude, and so on.

1.5 JOB DESIGN- CONCEPT AND TECHNIQUES

The term "job design" refers to the process of determining the contents of a job. It establishes the job's duties and obligations, work techniques, and

interactions between the job holder (manager) and his superiors, subordinates, and colleagues.

The following are some of the most essential job design strategies and techniques: 1. Work Simplification 2. Job Rotation 3. Job Enrichment 4. Job Enlargement.

1. Work Simplification:

The job is subdivided into little sub-parts and simplified using this strategy. Then, for each part of the job, a worker is allocated to repeat the identical task. This allows the worker to improve his or her proficiency and fitness by performing the same task repeatedly. On the one hand, this boosts employee productivity, and on the other, earnings. Because just a minimal degree of skill is necessary to do these simplified jobs, the training costs are almost free.

Workers, on the other hand, are bored by the repetitious nature of their employment. They have a habit of disappearing on a regular basis. Boredom can sometimes contribute to errors and mishaps. Overall, the quality and amount of work suffers-." As a result, due to job simplification, the organisation may not always receive the benefits of task specialisation.

2. Job Rotation:

Job rotation is one answer to boredom, as demonstrated in work simplicity. Position rotation refers to the movement of employees from one job to the next without a change in their duties. When an employee rotates jobs, he or she does different jobs that are similar in nature.

The following are some of the benefits of job rotation:

- (i) It helps to reduce boredom.
- (ii) It broadens the knowledge and skills of employees.
- (iii) Employees develop skills in multiple occupations rather than just one.

Job rotation, on the other hand, has a number of drawbacks:

- (i) Employees are frequently shifted between positions, causing disruption in the work routine.
- (ii) Employees who are rotated from job to job may feel excluded.
- (iii) Employees seeking more difficult jobs may still be frustrated.

3. Job Enlargement:

Adding more things to a task is called job enlargement. In a job, this is referred to as horizontal expansion. Job enlargement widens the scope of the job and provides the job holder with a range of jobs by adding new tasks to the job. A mail sorter's duty, for example, could be expanded to include physically delivering mail to other departments inside the firm.

By providing the employee with a greater diversity of activities, job expansion decreases boredom and monotony. As a result, it contributes to increased productivity and interest in work. According

to a recent study, workers discovered benefits such as increased job satisfaction, improved customer service, and fewer errors as a result of broadening their job scope.

Job expansion is supposed to alleviate monotony and increase employee motivation. In practise, however, the same cannot be said. Even if the job is expanded, it may become dull to the employee after a while, especially if the job was previously routine.

4. Job Enrichment:

Job enrichment is another method for creating motivating work. The reasons for installing job enrichment are several. Excessive job specialisation (via job rotation) has dehumanised employment by making the worker's job ordinary, repetitive, and devoid of any challenges.

As a result, human potential is not being completely utilised under such circumstances, causing worker frustration and alienation from their occupations. Furthermore, today's workers are better educated and paid.

Job enrichment entails incorporating stimulating features into the work environment. As a result, job enrichment is a vertical extension of a work by giving it more responsibilities and freedom. Job enrichment, according to Fredrick Herzberg et al., is a sort of job development that gives a worker more of a challenge, a more comprehensive task, more responsibility, more opportunities for growth, and more chances to offer his thoughts.

1.6 SUMMARY

- Human resource management (HRM) is a framework for managing people that is based on four fundamental ideas.
- Planning is the process of identifying organizational objectives and developing policies and programmes to achieve them.
- HRM's operational functions revolve around finding the right people for the right positions at the right time.
- The compensation function involves deciding wages and salaries that are commensurate with employees' contributions to the organization's goals.

1.7 EXERCISE

A. Descriptive Questions:

Short Answers:

1. Define human resources management.
2. Different between HRM and SHRM.
3. Meaning of Job Design.
4. Explain the concept of Job analysis
5. Write a note on Job Enlargement

Long Answers:

1. Describe the function of HRM.
2. Explain the importance of HRM.
3. Which are the steps are there in HRM?
4. What are the techniques are there in Job design?
5. What are the components of Job Analysis?

B. Multiple Choice Questions:

1. part of management is addressed through human resource management (HRM).
 - a) People
 - b) Place
 - c) Promotion
 - d) Product
2. is another method for creating motivating work.
 - a) Job Rotation
 - b) Job enrichment
 - c) Job Enlargement
 - d) Work Simplification
3. The job is subdivided into little sub-parts and simplified using which strategy?
 - a) Job Rotation
 - b) Job enrichment
 - c) Job Enlargement
 - d) Work Simplification
4. Job enrichment entails incorporating stimulating features into the environment.
 - a) product
 - b) work
 - c) goods
 - d) job
5. is a managerial role that entails designing HR initiatives in such a way that employees' activities are directed toward the organization's goals?
 - a) SHRM
 - b) HRM
 - c) MHRM
 - d) EHRM

Answer: 1-a, 2-b, 3-d, 4-b, 5-a.

C. Fill in the blanks:

1. The part of management is addressed through human resource management (HRM).
2. is a framework for managing people that is based on four fundamental ideas?
3. Activating group efforts to achieve desired goals is the process of.....
4. The operative functions, also known as functions.
5. The function involves deciding wages and salaries that are commensurate with employees' contributions to the organization's goals.

Answers:

1- 'people', 2- Human resource management, 3- directing, 4- service, 5- compensation

D. State whether the following sentence are True / False:

1. SHRM is the process of aligning a company's business strategy with its human resource practises in order to achieve the organization's strategic goals.
2. The nature of jobs is that they are always same.
3. HRAP stands for Human Resource Action Product.
4. A job is a group of tasks, responsibilities, and responsibilities that are considered a regular assignment to an individual employee and are distinct from other assignments.
5. SHRM refers to the systematic and systematic management of an organization's manpower.

Answer:

True: 1, 4

False: 2, 3 and 5.

1.8 REFERENCES

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HUMAN RESOURCE PLANNING

Unit Structure

- 2.0 Objectives
- 2.1 Introduction
- 2.2 Recruitment- Concept and Sources
- 2.3 Selection- Process and Techniques
- 2.4 Summary
- 2.5 Exercise
- 2.6 References

2.0 OBJECTIVES

- To understand the concept of recruitment.
- Discuss the various sources of recruitment.
- Understand the concept of Selection.
- Explain the various techniques of Selection.
- Discuss the process of selection

2.1 INTRODUCTION

Recruitment is the process of identifying suitable candidates and motivating them to apply for a current or anticipated position. Selection, on the other hand, is the process of recruiting people from among the shortlisted candidates and placing them in positions inside the company.

Getting a good job has become more difficult as the population has grown. Employers are looking for the best candidate for the job. They have been able to select the top talent due to the large number of workers.

The procedure for appointing an employee to a position is now extremely extensive. Recruitment and selection are two significant steps that you may have heard hundreds of times. The majority of us consider them to be the same thing. However, their meaning and behaviour are vastly different. Read the article below for a table-based explanation of the differences between recruiting and selection in human resource management (HRM).

2.2 RECRUITMENT- CONCEPT AND SOURCES

Our human resource needs should be identified as part of successful human resource planning. We'll want to do something about satisfying these needs after we've identified them. As a result, recruitment is the following step in the acquisition process. This activity enables us to obtain

the number and types of people required to ensure the organization's continuous operation.

Recruiting is the process of identifying possible candidates for current or future organizational openings. Or, to put it another way, it's a connecting activity, bringing together individuals who have jobs to fill and those who are looking for work.

According to Edwin B. Flippo,“ Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization.”

According to Lord,“ Recruitment is a form of competition. Just as corporations compete to develop, an manufacture, and market the best product or service, so they must also compete to identify, attract and hire the most qualified people. Recruitment is a business, and it is a big business.”

Hallett says, “It is with people that quality performance really begins and ends.”Robert Heller also says,“If people of poor caliber are hired, nothing much else can be accomplished and Gresham’s law will work: the bad people will drive out the good or cause them to deteriorate.”

2.2.1 Sources of Recruitment

After the recruitment plan is finalized, which includes the number and type of potential candidates, they must be enticed to apply for the job. This necessitates the discovery of potential sources for these possibilities. Some businesses attempt to create new sources, while others focus solely on their current ones. Internal and external sources, respectively, can be classified.

Internal Sources

1. **Promotions:** The promotion policy is used as a motivational tool for employees who work hard and deliver strong results. Pay, position, responsibility, and authority all improve as a result of promotion. The terms, conditions, rules, and regulations must all be clearly established in order for the promotion policy to be implemented.
2. **Retirements:** In the event that qualified candidates for the position are not available, retired employees may be allowed an extension of service.
3. **Previous employees:** Former employees who did well during their time with the company may be rehired, and greater compensation and incentives may be offered.
4. **Transfer:** Employees may be transferred from one department to another if a vacancy arises.
5. **Internal advertisement:** Existing employees may be interested in filling the open positions. They are familiar with the job specification and description because they have worked for the company for a long time. The advertisement is spread within the company for their benefit, informing the staff.

Internal Recruitment's Advantages:

1. Employees who are already on the job become more motivated.
2. There is a cost savings because the vacancy does not need to be advertised.
3. Employees become more loyal to the company as a result of it.
4. Training costs are reduced because personnel are already familiar with the nature of the job.
5. It's a safe and straightforward procedure.

Internal Recruitment's Limitations:

1. Young people with modern technology skills and unique ideas are deprived of the opportunity.
2. Existing employees' performance may not be as good as it once was.
3. It lowers employee morale when they are not promoted or selected for a position.
4. Favouritism may be encouraged as a result of it.
5. It might not always be in the organization's best interests.

External Sources:

1. **Press advertisement:** This source provides a wide range of options for picking the best candidate for the job. It publicizes unfilled positions and makes information about the job available to the general public in the form of a job description and specification.
2. **Campus interviews:** It is the most effective way for businesses to select individuals from a variety of educational institutions. It's simple and cost-effective. Officials from the company personally visit various institutes and interview students who are qualified for a specific position. Students have an excellent opportunity to demonstrate their worth and be considered for a good job.
3. **Placement agencies:** In exchange for a commission, a databank of candidates is supplied to organizations for the purpose of selection.
4. **Employment exchange:** People register their personal information with government employment exchanges. Candidates are sent for interviews based on the organization's needs and requests.
5. **Walk in interviews:** Companies schedule these interviews for a specified day and time, and they are performed for the purpose of selection.
6. **E-recruitment:** Various electronic sites, such as jobs.com, naukri.com, and monster.com, are available for candidates to upload their resumes and search for jobs.
7. **Competitors:** Human resource managers aim to persuade employees to work for a competitor by offering better terms and conditions of employment.

Benefits of External Sources of Recruitment:

1. New talents are given the chance to shine.

2. Because a big number of candidates apply for the position, the best selection is feasible.
3. If suitable people are not available within the organisation, it is preferable to recruit them from outside sources.

External Recruitment Sources' Limitations:

1. Skilled and ambitious people are more likely to change jobs.
2. It creates a sense of unease among the candidates who are already in the running.
3. It raises the expense since new candidates must be advertised in the press and training facilities must be provided.

2.3 SELECTION

The process of recruiting involves finding interested applicants who have submitted their resumes for a certain job, and the process of selection involves selecting the best and most qualified candidates from among them. As a result, unqualified candidates are rejected. It employs scientific methods for selecting the best candidate for the job.

When it collects applications from interested applicants, the recruiting process has a broad scope, whereas the selection process narrows the scope and becomes more focused when it selects the best candidates.

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

2.3.1 Process

Candidates are chosen scientifically and logically using a scientific and logical selection technique. The criteria used to choose a candidate for a specific job differ from one organisation to the next.

As a result, the selection process used by various firms often gets lengthy because it is a question of finding the best applicants, which necessitates the administration of multiple exams and interviews. The selection approach should be systematic so that there are no ambiguities or doubts about the candidate chosen.

The following are brief descriptions of the various steps in the selection procedure:

- **Inviting applications:**
Prospective individuals from within and outside the organization are encouraged to apply for the position. The job posting includes a detailed job description and work requirements. It draws a considerable number of applicants from a variety of fields.

- **Receiving applications:**

Candidates are asked to fill out detailed applications that include all of the relevant personal and professional information. These programmes make it easier to analyse and compare candidates.

- **Scrutiny of applications:**

The applications are sorted through once the time limit for which the company is supposed to receive applications expires. Incomplete applications are rejected, as are applicants who do not match the job qualifications.

- **Written tests:**

The written exam is conducted once the final list of candidates has been compiled following the review of applications. This test is used to determine the candidates' technical knowledge, attitude, and interest. When there are a lot of applications, this method is helpful.

Candidates are frequently offered a second chance to prove themselves by taking another written test.

- **Psychological tests:**

These examinations are conducted individually and aid in determining a person's individual quality and skill. Aptitude tests, intelligence tests, synthetic tests, and personality tests are examples of psychological exams.

- **Personal interview:**

Candidates who have proven themselves successful in tests are interviewed in person. Individual interviews or a panel of interviewers may be used. Officers from the highest levels of management are usually involved.

Candidates are given a series of questions about their previous work experience, family background, interests, and so on. They are expected to state what they expect from the employment. The interviewers identify and note their strengths and limitations, which aids them in making a final selection decision.

- **Reference check:**

In most cases, the firm will want at least two references from the candidate. A reference check is a type of crosscheck for information provided by the candidate on their application form and during the interview process.

- **Medical examination:**

Before work commences, a candidate's physical strength and fitness must be demonstrated. Candidates can be disqualified even if they score well in tests and interviews due to health issues.

- **Final selection:**

The candidate is given an appointment letter to join the organisation on a specific date at this point. The job title, salary, and terms of employment are all specified in the appointment letter. In most cases, the original position is on probation and then becomes permanent after a set amount of time.

- **Placement:**

This is the last step. The appointed applicant is assigned to an appropriate position so that they can gain a better understanding of the nature of the job. With all of their abilities and qualities, they can adjust to the job and perform well in the future.

2.3.2 Techniques of E-Selection

It's usually tough to tell the difference between recruiting and selecting. The main e-Selection is a paperless process that allows electronic documents and information to be promptly distributed across the country or around the world. Electronic resumes, online assessments, online interviewing, and online assessment centres are the most important methods for e-recruitment.

- **Electronic resumes**

Applicants can send their resumes via email or through the organization's website. Applicants can send their resumes to thousands of organisations through electronic submission. In January 2001, there were more than 2.5 million resumes on the internet. Resumes are an effective approach for experienced candidates to emphasise cognitive aptitude, job knowledge, and work capacity. An individual's job portfolio is represented through resumes that summarise position accomplishments with quality indicators. Because previous performance is one of the best indicators of future performance, past performance information on a resume can be used as a proxy measure of job expertise and an applicant's ability to fulfil identical responsibilities in a new firm.

Education and grade point average (GPA) information will also be included on resumes. GPA is a composite statistic that combines cognitive ability and motivation to offer a measure of cognitive capacity. Many prominent companies, such as Microsoft, require applicants to provide their GPA.

- **Online assessment**

Previously paper-based instruments can now be viewed on the internet. Applicants can access an interactive form on a website, fill it out, and submit it. The responses of the applicants are instantly graded, and an applicant profile is created right away. An organisation can provide applicants with rapid feedback on their potential match with the organisation by using online testing.

- **Online interviewing:**

The majority of organisations rely their hiring decisions on candidate interviews. Interviews can be arranged to assess practically any aspect of a candidate. A structured interview assesses cognitive capacity, whereas an interpersonal interview assesses interpersonal skills. Video-conferencing technology and web cams, which allow for video and audio streaming between geographically remote places, were used to conduct applicant interviews online.

2.4 SUMMARY

- Recruiting is the process of identifying possible candidates for current or future organizational openings.
- Pay, position, responsibility, and authority all improve as a result of promotion.
- The advertisement is spread within the company for their benefit, informing the staff.
- Campus Interview is the most effective way for businesses to select individuals from a variety of educational institutions.
- People register their personal information with government employment exchanges.
- Human resource managers aim to persuade employees to work for a competitor by offering better terms and conditions of employment.
- The process of recruiting involves finding interested applicants who have submitted their resumes for a certain job, and the process of selection involves selecting the best and most qualified candidates from among them.
- The selection approach should be systematic.

2.5 EXERCISE

A. Descriptive Questions:

Short Answers:

1. Define recruitment
2. Benefits of Internal Recruitment.
3. Explain the concept of Selection.
4. Write a meaning on Electronic resumes.
5. Explain the concept of External Recruitment

Long Answers:

1. Advantages and disadvantage of Recruitment.
2. What are the process of Selection?
3. Explain the Techniques of E-Selection.
4. Write in detail of Selection
5. Different between Recruitment and Selection.

B. Multiple Choice Questions:

1. Applicants can send their resumes via email or through the organization's website is known as:
 - a) CV
 - b) Electronic resumes
 - c) Online assessment
 - d) Email
2. What is conducted once the final list of candidates has been compiled following the review of applications?
 - a) Written tests
 - b) Oral tests
 - c) Presentation test
 - d) Seminar test
3. The process of recruiting involves finding interested applicants who have submitted their resumes for a certain job, and the process of
 - a) Selection
 - b) Motivation
 - c) E-recruitment
 - d) Advertisement
4. In which Recruitment's employees who are already on the job become more motivated?
 - a) Internal
 - b) External
 - c) Formal
 - d) Informal
5. In which Recruitment's favouritism may be encouraged as a result of it.
 - a) External
 - b) Internal
 - c) Formal
 - d) Informal

Answer: 1-b, 2-a, 3-a, 4-a, 5-a.

C. Fill in the blanks:

1.is the process of identifying possible candidates for current or future organizational openings.
2. examinations are conducted individually and aid in determining a person's individual quality and skill.
3. A is a type of crosscheck for information provided by the candidate.
4. GPA stands for

5. are an effective approach for experienced candidates to emphasise cognitive aptitude, job knowledge, and work capacity.

Answer: 1- Recruiting, 2- Psychological tests, 3- reference check, 4- Grade point average, 5 Resumes

D. State whether the following sentence are True / False:

1. Psychological examinations are conducted individually and aid in determining a person's individual quality and skill
2. Incomplete applications are rejected, as are applicants who do not match the job qualifications
3. In exchange for a commission, a databank of candidates is supplied to organizations for the purpose of selection in placement agencies.
4. The Oral exam is conducted once the final list of candidates has been compiled following the review of applications.
5. Campus interviews source provides a wide range of options for picking the best candidate for the job.

Answer:

True: 1, 2, and 3.

False: 4 and 5

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HUMAN RESOURCE DEVELOPMENT

Unit Structure

- 3.0 Objectives
- 3.1 Introduction
- 3.2 Human Resource Development
- 3.3 Training
- 3.4 Evaluating training effectiveness
- 3.5 Performance Appraisal
- 3.6 Recruitment
- 3.7 Potential Appraisal
- 3.8 Summary
- 3.9 Exercise
- 3.10 References

3.0 OBJECTIVES

- To understand Human Resource Development
- Discuss the concept, process and methods of Training
- Analyze the Evaluating training effectiveness
- To understand the techniques of Performance Appraisal
- Discuss the various sources of Recruitment
- To understand Potential Appraisal

3.1 INTRODUCTION

In the last two decades, a considerable number of companies have established Human Resource Development (HRD) departments, implemented new HRD systems, and changed their organisational structures to differentiate the HRD function from the HR function. For the majority of their difficulties, issues, and challenges, a large proportion of CEOs identified HRD as a possible solution. On average, it is estimated that establishing a new HRD department with a small staff of about five professionally trained employee's costs about two million rupees per year in salaries, another ten million in budget (e.g., training budget, travel budget, etc.) and probably five to ten times that amount in managerial time and opportunity costs. This is due to the fact that HR systems are people-intensive and necessitate a significant amount of managerial time. Despite these investments in a lot of companies, there is a general perception that HRD has fallen short of both top management and line managers' expectations. There are other examples of companies where HRD has taken over and provided a plethora of benefits

3.2 HUMAN RESOURCE DEVELOPMENT

HRD is a subset of HRM. It deals with an employee's overall development within an organisation, including his career development, training, counselling, and updating him with the latest technology, as well as assisting him in exploring his potential and developing his skills, all of which will benefit both the employee and the organisation in achieving the organization's goals. It also entails allocating resources for the employee's development.

Definition:

M.M. Khan: HRD is the process of increasing knowledge, capabilities and positive work attitudes of all people working at all levels in a business undertaking.

Prof. Len Nadler: 'HRD' is an organized learning experience within a given period of time with the objective of producing the possibility of performance change.

Schlem: HRD is matching the organizations need for human resource with the individual need for personal career growth and development

3.2.1 Functions:

- **Brings right talent:**

HRD's major role is to attract and hire the suitable people to carry out organizational tasks. Every business needs recruit and pick the correct type of people in order to meet its objectives. HRD's role is to match the right person with the right job in order to maximize output. Employees are assigned to distinct positions after their skills and capabilities are assessed in relation to the tasks and activities that they will be responsible for.

- **Education-oriented employee benefits:**

HRD develops and implements a variety of educational programmes to improve the workforce's knowledge and comprehension. Employees are given reward packages that include sponsorship from the corporation for their college and tuition payments. Employees can learn new concepts and technology with the help of their company, preparing them to face future difficulties.

- **Better employer-employee relationship:**

Every organization strives to establish positive relationships among all of its members who serve in various capacities. HRD attempts to improve the interaction between the employer and the employees at all levels of the company. It develops a proper communication network through which subordinates can readily communicate with leaders about their concerns. Leaders also pay close attention to their subordinates and invite them to participate in decision-making, which leads to the development of positive relationships between them.

- **Training and Development:**
HRD is useful in promoting the entire development of each individual who works for the company. It creates and implements a variety of training programmes targeted at transferring information to employees. They are taught how to perform effectively in the workplace utilizing various tools and strategies. HRD assists employees in improving their skills, capabilities, and comprehension of new concepts, allowing them to execute their jobs more effectively.
- **Performance measurement and management:**
The basic goal of HRD is to track employee performance on a regular basis. It aids businesses in detecting a variety of issues that lead to inefficiency. When you do a performance evaluation, you will be able to identify people that are underperforming. Bosses inform employees of their findings and offer advice on how to enhance their performance. HRD conducts frequent evaluations to ensure that all staff are performing their jobs successfully and efficiently with minimal waste.
- **Career planning**
Human resource development is in charge of determining and directing the career paths of employees. They are given advice on future opportunities and shown how to take advantage of them. Employees are counselled and shown how to link their personal aspirations with the company's long-term objectives. It allows human resources to remain connected with the company for longer periods of time, allowing them to work actively and with a sense of belonging, resulting in greater productivity.
- **Benefits and compensation:**
HRD is also responsible for determining the right level of benefits and compensation for employees who are satisfied. Individuals are compensated based on their qualifications and overall performance at work. Employers appreciate each employee's contributions and reward them with a variety of financial and non-financial incentives. Workers' morale and confidence are boosted as a result, and they work more vigorously and with greater zeal.

3.3 TRAINING

Training & Development is a continual process of enhancing employee productivity and performance by increasing skills, gaining knowledge, clarifying concepts, and changing attitudes through structured and planned instruction. Training and Development focuses on improving the performance of individuals and groups within an organisation through an appropriate system that focuses on the skills, methods, and content required to reach the goal. Employee training that is both effective and efficient aids in the development of skills and knowledge, which in turn helps a firm enhance its production, resulting in overall growth.

3.3.1 Process

Training and development is a continual process that requires regular progress in abilities, knowledge, and work quality. Because businesses change so quickly, it's vital for firms to focus on training their personnel after closely monitoring and developing their entire personalities.

The following are the steps in the training and development process:

1. Identify the need for individual or team training and growth.

First and foremost, the need for training and growth must be recognized. It must be in line with the company's aims and ambitions. If a corporation wants to create a new department or reinforce an existing sales staff with new items, it will need to invest in proper training.

2. Establish specific objectives and goals that must be met.

The training and development goals and objectives must be developed. Whether the goal is to raise awareness about new items or to learn how to install them, knowledge is essential.

3. Choose your training approaches.

Methods must then be defined. The training can be done in the following ways:

- a. Classroom Training
- b. Online Self-paced courses
- c. Course with certification
- d. Instructor led online training

4. Conduct and implement employee training programmes

After the plan and techniques are determined, training and development programmes must be implemented, in which workers, partners, or vendors are taught courses and instructions.

5. Evaluate the output and performance post the training and development sessions:

Without effective monitoring, training and development are incomplete. Monitoring can be done by evaluating both the instructor and the students. Attendees might be evaluated using internal or external certifications or scores, while instructors can be evaluated using feedback or ratings.

3.3.2 Methods of Training and Development:

Trainees are educated in a variety of ways. "On-the-job" and "off-the-job" training methods are the two most common methods for training operative and supervisory employees.

A. On the Job Training Methods

The worker learns to master the processes involved using these approaches in a real-world setting, under the supervision of his immediate manager, who is in charge of training. On-the-job training offers the advantage of providing hands-on experience and

information in real-world situations. Rather than learning how to do the job, the emphasis is on providing services in the most efficient way possible.

- **Job Rotation:**

This training approach includes the trainee moving from one job to the next, gaining information and expertise through several job assignments. This strategy aids the learner in understanding the issues faced by other employees.

- **Coaching:**

In this method, the trainee is assigned to a specific supervisor who acts as a coach in training and gives the learner feedback. The learner may not always be given the opportunity to share his thoughts.

- **Job instructions:**

Also known as step-by-step training, this is when the trainer explains how to perform the tasks to the learner and corrects any errors.

- **Committee assignments:**

A group of trainees is requested to debate and solve a specified organizational challenge. This aids in the improvement of teamwork.

- **Internship training:**

In this method, trainees are given lessons in both theoretical and practical aspects. This form of training is usually provided to students from engineering and commerce universities in exchange for a minor stipend.

B. Off the Job Training Methods

On-the-job training approaches have their own limitations, while off-the-job training can be used to help employees develop more holistically. Off-the-job approaches refer to training methods that are used to develop employees outside of their regular work environment.

- **Case study method:**

A case study usually deals with any problem that a company faces that can be solved by an employee. The learner is given the opportunity to analyse the situation and come up with as many answers as feasible. An employee's analytic and critical thinking skills can be improved using this strategy.

- **Incident method:**

Incidents are created based on real-life scenarios that have occurred in various organizations, and each employee in the training group is asked to make judgments as if they were in a real-life situation. Later, the entire group meets to discuss the incident and make decisions about it based on individual and group decisions.

- **Role play:**
A problem situation is likewise simulated in this case, with the employee playing the role of a specific person in the situation. The participant interacts with other people who are playing various roles. The entire play will be recorded, and the student will be able to review their own performance.
- **In-basket method:**
Employees are given information on a fictitious company, its activities and products, the HR personnel employed, and all other pertinent information. Within a certain amount of time, the trainee (employee in training) must take notes, allocate responsibilities, and develop timetables. Employees' situational judgments and quick decision-making skills may improve as a result of this.
- **Business games:**
In this strategy, the trainees are separated into groups and each group is responsible for discussing various tasks and functions of a fictional company. They will discuss and make decisions on a variety of topics, including production, promotion, and pricing. This leads to a collaborative decision-making process.
- **Grid training:**
This is a six-year continuous and phased training programme. Planning, development, implementation, and evaluation are all part of the process. Care for people and concern for people are among the characteristics taken into account by the grid.
- **Lectures:**
When there are a large number of trainees, this is a good strategy to use. Lectures can be really useful in clearly conveying concepts and principles, and face-to-face interaction is highly possible.
- **Simulation:**
In this technique, a fictitious setting is constructed and trainees are requested to act in it. Assuming the position of a marketing manager, for example, and fixing marketing challenges or developing a new strategy.
- **Conferences:**
A conference is a gathering of several people to discuss a specific topic. Each participant contributes to the discussion by examining and debating various aspects of the topic. Everyone is free to voice their own point of view.

3.4 EVALUATING TRAINING EFFECTIVENESS

Training is the process by which people gain the skills they need to do their jobs. Employees who have not been properly trained may perform poorly and make costly errors. Employees receive training to gain specific,

recognisable information and abilities that they may apply in their current jobs. Training and development are sometimes distinguished, with development having a broader scope and focused on persons learning new competencies beneficial for both current and future professions.

The following are some of the main goals of this evaluation in order to generate acceptable feedback:

- a. Determining whether a program's objectives or goals have been met.
- b. Determine the training process's strengths and weaknesses.
- c. Determine a program's cost-benefit ratio.
- d. Determine who benefited the most and why from a programme.
- e. Create a data base to help with future programme decisions.

3.5 PERFORMANCE APPRAISAL

Performance appraisal, also known as performance evaluation, is a way of assessing employee behaviour in the workplace, which often includes both quantitative and qualitative aspects of job performance. The degree of achievement of the duties that make up an individual's work is referred to as performance. It reveals how well a person meets the job requirements. Results are used to assess performance. As a result, performance appraisal is the process of evaluating an employee's or a group of employees' performance or progress on the job, as well as his potential for future development. As a result, performance appraisal encompasses all formal procedures used in organisations to evaluate individual employees' contributions, personalities, and potential.

- **According to Edwin Flippo**, "Performance appraisal is the systematic, periodic and an impartial rating of an employee's excellence in matters pertaining to his present job and his potential for a better job."
- **According to Cummings**, "The overall objective of performance appraisal is to improve the efficiency of an enterprise by attempting to mobilise the best possible efforts from individuals employed in it. Such appraisals achieve four objectives including the salary reviews the development and training of individuals, planning job rotation and assistance promotions.

3.5.1 Techniques of Performance Appraisal

- **Ranking Method:**
According to the ranking method, the rater must rank his subordinates based on their overall performance. Simply put, this entails placing a man in a rank order. In this method, an employee's ranking in a work group is determined by comparing it to that of another employee. Each employee's relative position is determined by his numerical rank. It can also be done by comparing a person's job performance to that of another competitor in the group.

- **Forced Distribution method:**

This is a rating method in which raters must assign a specified proportion of rates to specific categories (e.g. superior, above average, average) or percentiles (eg: top 10 percent, bottom 20 percent etc). The number of categories and the percentage of employees assigned to each are determined by the design and structure of the performance appraisal. Workers with exceptional quality may be assigned to the top 10% of the scale, while the others may be assigned to 20 percent good, 40 percent outstanding, 20 percent fair, and 10 percent fair.
- **Paired Comparison:**

When compared to the ranking approach, this method is much simpler. The evaluator ranks employees using this method by comparing one employee to all other employees in the group. The rater is given slips with a pair of names on them, and he places a tick mark next to the employee he thinks is the better of the two. To get the final ranking, this employee is compared a number of times.
- **Grading Method:**

In this method, employees are placed in specific groups based on their traits and characteristics, which are determined in advance. Outstanding, good, ordinary, poor, and extremely poor are examples of such categories, as are alphabetical categories such as A, B, C, D, and so on, with A signifying the best and D indicating the worst. This grading mechanism is used for examinations that follow the Semester schedule. One of the biggest drawbacks of this method is that the rater may overestimate the performance of many employees.
- **Forced-choice Method:**

The forced-choice rating method contains a sequence of question in a statement form with which the rater checks how effectively the statement describes each individual being evaluated in the organization. There may be various differences in the methods and statements utilised, but the most frequent forced choice approach uses two assertions, both of which might be positive or negative. Although both statements may reflect an employee's attributes, the rater is only allowed to tick one, the more relevant statement, which may be more descriptive of the employee.
- **Check-list Method:**

The main reason for using this method is to reduce the burden of evaluator. In this technique of evaluation, the evaluator is given an appraisal report that includes a number of questions about the appraisal. Such inquiries are written in a way that mirrors the behaviour of the appraisee in question.
- **Graphic Scale Method:**

It is one of the most basic and widely used methods for evaluating employee performance. It's sometimes referred to as a linear rating

scale. Each employee is appraised using a printed assessment form in a graphic rating system. These forms include a number of objectives as well as trait qualities and personalities to be evaluated, such as work quality and quantity, job dependability, initiative, attitude, leadership quality, and emotional stability.

- **Essay Method:**

The rater uses this method to write a detailed description of an employee's characteristics and behaviour, as well as their knowledge of organisational policies, procedures, and rules, their knowledge of the job, their training and development needs, their strengths, weaknesses, past performance, potential, and suggestions for improvement. It is supposed to be a motivating and straightforward strategy. It does not necessitate complicated forms or specialised skills to accomplish.

- **Field Review Method:**

In this method of appraisal, an employee is not reviewed by a direct supervisor, but rather by another individual, usually from the personnel department. In this situation, the rater evaluates the employee based on his previous production records as well as other information such as absenteeism, late coming, and so on. It is more appropriate in situations where an organisation want to promote an individual. It also contains data that can be used to compare personnel from various locations and units. Because personnel department staff are required to be trained in appraisal mechanisms, it eliminates prejudice to some level.

3.6 RECRUITMENT

Whenever a vacancy occurs in an organisation, it is usually filled. The selection process and placement of the candidate on a proper position falls under the scope of recruiting in order to make them available to fill those openings.

As soon as the available opportunities are identified, they are promoted in various media and applications are gathered for the open positions. Through recruiting, a group of individuals who are interested in doing the job and are qualified to do it is formed.

Recruitment is the first phase in the process, which continues with selection and ends with the candidate's placement. It is the second step in the procurement process, after personnel planning. Recruiting allows for the acquisition of the amount and types of individuals required to assure the organization's continuing operation. Recruiting is the process of identifying possible candidates for current or future organisational openings.

According to Lord, "Recruitment is a form of competition. Just as corporations compete to develop, manufacture, and market the best product or service, so they must also compete to identify, attract and hire the most qualified people. Recruitment is a business, and it is a big business."

“Recruitment as process of searching for prospective employees and stimulating them to apply for jobs in the organisation.” — **Edwin B. Flippo**

“Recruitment is the development and maintenance of adequate manpower resources. It involves the creation of a pool of available labour force upon whom the organisation can draw when it needs additional employees.” — **Dale S. Beach**

3.6.1 Benefits and Limitations of Recruitment:

The company's policy determines the recruiting source. The position might be filled by firm workers or by people from the outside. The term "internal source" refers to when a job is filled by current firm workers.

The term "external source" refers to when a job is filled from among the available candidates in the society.

A. Internal Sources:

When a position becomes available, it can be filled by promoting a current employee of the organisation. It is determined by the company's promotional policy. In other situations, the corporation assigns a member of the same cadre to the job. This is referred to as a transfer.

Benefits:

- It boosts business morale.
- Employees are happier when they are promoted.
- It attracts high-performing employees
- Training costs may be minimised to a certain extent.
- A person who has received a promotion motivates his or her colleagues to learn everything they can about his or her career.
- Internal promotions assist employees in achieving job satisfaction.
- A promoted employee might apply his previous experience to his current position.
- It ensures that the staff member's job is secure.
- Based on the contents of the Service Register, a new responsibility can be safely handed to promoted staff members.
- It ensures the staff members' job security and the organization's stability.
- It motivates employees to work hard in order to advance in their careers.
- There are no costs associated with advertising, recruitment, testing, or interviews.

Limitations:

- If a higher-ranking position is filled internally, the organisation will be unable to obtain new and innovative ideas and initiative from its employees.

- Outsiders are unable to demonstrate their abilities in the execution of the work.
- The higher position may be filled by someone who is underqualified.
- If internal staff employees are guaranteed a promotion once a certain period of time has passed, the employee in question is uninterested in working properly.

B. External Sources:

Benefits:

1. **Selection** - A corporation can select a candidate from a broad pool of candidates. For the purpose of recruiting, the plus and minus points of each candidate are taken into account. The organisation can then choose the finest candidate.
2. **New Outlook** - If the company hires a new employee, a new technique to solving the problem may be adopted to maximise the company's benefits.
3. **Wide Experience** - If the newly hired employee has experience in a variety of fields, the organisation can profit from that experience.

Limitations:

1. **Grudging of old employment** — If a candidate is hired from outside sources, previous employees may hold a grudge against him. Staff members become demoralised as a result of this.
2. **A lack of cooperation** — Existing staff members do not extend their cooperation to the person chosen from outside sources. Furthermore, existing staff members force the new recruit to face challenges and attempt to disorient him in connection to his employment.
3. **Expensive** — Recruiting someone from outside the firm requires a lot of paperwork. The formalities include publishing an advertisement, accepting applications, screening them, sending out interview letters, setting an interview date, time, and location, and forming an interview committee, among others. Completing all of the aforementioned procedures costs a lot of money.
4. **Trade union** – It is quite difficult to persuade a company's trade union to hire someone from outside the company if the company's trade union is particularly strong.

3.6.2 Methods

The sources of recruiting differ from the methods of recruitment. The venues where prospective personnel are available are referred to as sources. Methods, on the other hand, are a manner of forming connections with potential employees. The following categories can be used to categorise the many strategies used to recruit employees:

1. Direct Methods:

Recruiters are sent to educational and professional institutions, staff are hired, public contacts are made, and exhibits are manned. Sending recruiters to colleges and technical institutions is one of the most often used direct approaches. The majority of college recruiting is done in collaboration with a college's placement office. Typically, the placement office assists in attracting students, scheduling interviews, furnishing space, and distributing student resumes.

Campus recruiting is a large operation for managers, professionals, and salespeople. This is how those who are studying for an MBA or other technical diploma are identified. Before the interviewer arrives, carefully prepared brochures describing the organisation and the jobs it offers are distributed among students. Firms have been known to explicitly request information from concerned teachers about students who have a great academic record. Employee involvement with the public has shown to be a very beneficial technique for many businesses. Sending recruiters to conventions and seminars, building up exhibits at fairs, and deploying mobile offices to go to the desired centres are all examples of direct techniques.

2. Indirect Methods:

Advertisements in newspapers, journals, and on the radio and television are the most common indirect methods of recruitment. Candidates might assess their suitability through advertisements. It's appropriate when an organisation wishes to reach out to a large, dispersed target population across the country. When a company wants to keep its identity hidden, it might run a blind advertisement using simply a box number. In the adverts, there might be a lot of information about the jobs and qualifications. A notice-board placed at the company's entrance is another technique of advertising.

3. Third-Party Methods:

Public and private employment agencies are the most commonly employed third-party methods. Factory employees and clerical positions have been the focus of public employment exchanges. They also assist in the recruitment of professional staff. Private consulting firms demand a fee for their services. They are frequently specialised for various types of workers, such as office workers, salespeople, and 55 managerial and management personnel.

The use of trade unions is another third-party strategy. Historically, labour-management committees have proved the usefulness of trade unions as recruitment tools.

Several of the criteria described in the preceding section for evaluating applicant sources can also be used to recruiting strategies. It's important to figure out what drew the candidate to the organisation in the first place. To accomplish this, the application may include a section detailing how the applicant learned about the

opening. Then you should try to figure out what approach regularly draws good prospects.

As a result, the most effective strategy for improving the recruitment campaign should be used.

3.7 POTENTIAL APPRAISAL

Potential refers to the maximum amount of labour that a person can comfortably and successfully perform without becoming overburdened. As a result, potential evaluation can be defined as the process of identifying an employee's strengths and weaknesses with the goal of using them as a prediction of his future performance. Two sets of factors should be examined while making this judgement, and it is critical to understand the underlying distinction between the two groups of factors.

- a) **First Set:** The basic appraisal qualities determine the individual's underlying potential.
- b) **Second Set:** All other elements that strongly reflect, but do not determine, a person's underlying potential, such as character strength, capacity to work under pressure, personal drive, and emotional stability.

All of these elements are certainly beneficial in establishing a complete picture of a person. However, they are not reliable indications of potential when viewed as a group or in isolation.

Differences in age, sex, and work group level are must be ignored by the appraiser. Despite the difficulties inherent in the potential appraisal, experience has shown that an appraisal panel that has gone through the discipline of ranking the qualities of analytical power, creative imagination, sense of reality, holistic view from a detached position, and effective leadership can achieve good results in practise.

3.7.1 Importance:

- (1) **Rating by Superior** - A candidate's potential can be assessed by his immediate superior, who is in regular contact with him on the job. His supervisor can assess both his technical and behavioural qualities.
- (2) **Simulation games and exercises** - Managers can use simulation games and exercises to uncover employees' hidden potential.
- (3) **Performance records in previous job** – The current employer may review the employee's previous job evaluations to learn about his initiative, creativity, and risk-taking abilities, among other things. If these dimensions indicate very high ratings, the individual has a lot of room for advancement with his or her current job as well.
- (4) **Psychological testing** — Some firms are now using scientifically validated psychological tests to assess managerial and behavioural aspects.

3.8 SUMMARY

- HRD is a subset of HRM.
- Every business needs recruit and pick the correct type of people in order to meet its objectives.
- HRD attempts to improve the interaction between the employer and the employees at all levels of the company.
- Training & Development is a continual process of enhancing employee productivity and performance by increasing skills, gaining knowledge, clarifying concepts, and changing attitudes through structured and planned instruction.
- Without effective monitoring, training and development are incomplete.
- Training is the process by which people gain the skills they need to do their jobs.
- Performance appraisal, also known as performance evaluation, is a way of assessing employee behavior in the workplace, which often includes both quantitative and qualitative aspects of job performance.
- The forced-choice rating method contains a sequence of question in a statement form with which the rater checks how effectively the statement describes each individual being evaluated in the organization.

3.9 EXERCISE

A. Descriptive Questions:

Short Answers:

1. Write a note on Performance appraisal.
2. Explain the concept of HRD.
3. Explain the meaning of Training.
4. Describe the term Internal Sources Recruitment.
5. Definition of HRD.

Long Answers:

1. Advantages and disadvantage of Recruitment.
2. What are the process of Selection?
3. Explain the Techniques of E-Selection.
4. Write in detail of Selection
5. Different between Recruitment and Selection.

B. Multiple Choice Questions:

1. HRD's primary role is to attract and hire qualified individuals to carry out.....

- a) organisational tasks
 - b) organisational profit
 - c) organisational loss
 - d) organisational share
2. Every organization strives to establishrelationships among all of its members
- a) positive
 - b) good
 - c) negative
 - d) family
3. is in charge of planning and directing employees' career paths.
- A) HRM
 - b) HRD
 - c) SHRM
 - d) EHRM
4. is a continual process of enhancing employee productivity and performance by increasing skills, gaining knowledge, clarifying concepts
- a) Planning
 - b) Selection
 - c) Motivating
 - d) Training & Development
5. Which training approach includes the trainee moving from one job to the next, gaining information and expertise through several job assignments?
- a) Job instructions
 - b) Coaching
 - c) Job Rotation
 - d) Job enlargement

Answer: 1-a, 2-a , 3-b , 4-d , 5-c

C. Fill in the blanks:

- 1. In method, employees are placed in specific groups based on their traits and characteristics, which are determined in advance.
- 2. is one of the most basic and widely used methods for evaluating employee performance.
- 3. strategy aids the learner in understanding the issues faced by other employees.
- 4. is also known as step-by-step training.
- 5. There are methods of training and development.

Answers:

1-Grading Method, 2- GraphicScaleMethod, 3- Job Rotation , 4- Job instructions, 5-two

D. State whether the following sentence are True / False:

1. Training & Development is a continual process of enhancing employee productivity and performance by increasing skills
2. Job instructions aids in the improvement of teamwork
3. HRD is useful in promoting the entire development of each individual who works for the company
4. HRD is matching the organizations need for human resource with the individual need for personal career growth and development
5. Every organization strives to establish negative relationships among all of its members who serve in various capacities

Answer:

True: 1, 3 and 4

False: 2 and 5

3.10 REFERENCES

Textbooks:

- Michael Armstrong , Stephen Taylor, Armstrong's Handbook of Human Resource Management Practice, Kogan page
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CAREER PLANNING

Unit Structure

- 4.0 Objectives
- 4.1 Introduction
- 4.2 Career Planning
- 4.3 Succession Planning
- 4.4 Mentoring
- 4.5 Summary
- 4.6 Exercise
- 4.7 References

4.0 OBJECTIVES

- To understand the Career Planning
- Discuss the Need of Succession Planning
- Understand the Importance of Mentoring

4.1 INTRODUCTION

In today's competitive world, a company's "people" or employees can provide a significant competitive advantage. To get the most out of the HR function, the function's strategies, structure, system, and styles should be well aligned with the business (e.g., financial and customer parameters). It should be in line with both short-term and long-term objectives. If it is not aligned, the HR function can become a significant problem for businesses, forcing them to close their HR departments. Aside from this, the HR professionals, line managers, and senior management should all have talents and styles that correspond with the HR goals and strategies. HRD auditing is an attempt to analyse and assure that these alignments occur.

A succession of persons to occupy various vital tasks is required for an organization's survival, growth, and efficient continuing existence. The goal of succession planning is to discover, develop, and prepare people to fill higher-level positions when they become available. Jobs at higher levels become empty for a variety of reasons, including retirement, resignation, promotion, death, and the establishment of new positions and responsibilities

4.2 CAREER PLANNING

Individuals are encouraged to investigate and gather information as part of their career planning, which allows them to analyze, gain competences, make decisions, create goals, and take action. It is a critical stage of

human resource development that assists employees in developing work-life balance strategies.

Definition:

Career may be defined as ‘a sequence of jobs that constitute what a person does for a living’.

According to Schermerborn, Hunt, and Osborn, ‘Career planning is a process of systematically matching career goals and individual capabilities with opportunities for their fulfillment’.

4.2.1 Importance of Career Planning:

- A steady supply of promotable employees is ensured by career planning.
- It aids in the improvement of employee loyalty.
- Career planning promotes an employee's development and advancement.
- It dissuades bosses from adopting a negative attitude in order to stifle subordinates' development.
- It ensures that senior management is aware of the skills and capabilities of individuals who have the potential to advance.

4.3 SUCCESSION PLANNING

“Succession Planning is a process to ensure continued effective performance of an organization, division, department, or work group by making provision for the development, replacement, and strategic application of key people over time.”

The gap between what potential leaders are ready for now and what preparation they need to be ready for the position when it becomes available must be determined in order to prepare potential leaders.

The best match can be evaluated by looking at their previous volunteer performance, prior experience, fit with the organisational culture, and other members' acceptance of them as a future leader.

The term "succession planning" refers to a systematic process to:

- To ensure leadership continuity, develop a leadership pipeline/talent pool.
- Developing potential successors in methods that are most appropriate for their abilities.
- Choosing the most qualified people for various job categories.
- Focusing efforts on talent development yields a higher return on investment.

4.3.1 Need of Succession Planning:

Planning for succession is an important aspect of operating a company.

Because the future of any firm is uncertain, and everything in the business appears to be going well, deferring planning may be the wrong move in

this scenario. Now is the moment for the company to start thinking about succession. Here are a few reasons why succession planning is so important:

1. Succession planning is beneficial in the event of a disaster:

No one can genuinely plan for calamity, no matter how adept you and your team are at revenue projections or economic forecasting. The reasons for having a succession plan in place before it is needed are infinite, whether it is due to an unexpected illness, a natural disaster, or a CEO's untimely retirement. While you can't plan for disaster, you may put in place a set of contingencies that can assist your business stay viable if disaster occurs.

2. Succession planning aids in the development of effective leadership:

Just as business practises have evolved over time, succession planning has evolved as well. It's no longer a plan that can only be employed when the leadership changes; a succession plan can now be used before its "true" purpose is required.

It can be used to develop strong leadership, assist a company in surviving everyday market fluctuations, and compel executives to assess and examine the organization's existing objectives.

3. Succession planning provides your colleagues a voice:

Giving them a voice will also assist to foster a feeling of accountability across the firm, which is essential for successful succession planning. Avoid the temptation to take the full burden of generating and then maintaining a plan on your shoulders.

4. A succession plan can assist maintain income and support expenses:

Discussing finances should be a top focus. People don't want to labour for nothing, and things don't just pay for themselves. A succession plan can help you figure out how much money you'll need in the future and what expenses you'll have once you're no longer in charge. Examine your annual salary and other perks, such as health and dental insurance for you and your dependents, company-paid life insurance premiums, your automobile, professional affiliations, and other business-related expenses.

5. Succession planning provides a wide picture:

Some businesses make the mistake of focusing primarily on replacing senior executives. A solid succession plan, on the other hand, can go even farther and require you to look at all levels of personnel. The workers who carry out the day-to-day tasks are the ones who keep the company running.

Failure to include them in the succession planning process could have disastrous implications. Include all levels of management and their immediate reports as you build your strategy.

6. Succession planning helps to establish departmental relationships:

When departments communicate regularly, they are more likely to have synergy, which promotes a strong culture. Make sure your succession planning initiatives are linked to human resources. After all, human resources are all about people. You can incorporate features like the employee-evaluation process into succession planning, which can help you decide whether to fill vacancies with internal candidates.

7. Succession planning keeps everyone in a good attitude:

Change, which is an important part of a succession plan, is exciting and can offer unexpected benefits to a firm. Even still, change can be a source of great anxiety, especially when people's livelihoods are on the line. Consider the beneficial implications of your succession plan on the business as you put it together. Planning for the future is exciting, and if done well, it can motivate your employees to stay engaged and loyal to the firm. True, a plan is frequently put in place to avoid disaster, but it's also a company's way of embracing the future—a crucial business strategy for survival.

4.4 MENTORING

Mentoring is a method that involves using specially chosen and trained persons to provide direction, practical counsel, and ongoing support to those who are in the process of learning and developing. Mr. N. R. Narayan Murthy of Infosys is the best example of a mentor. Mentoring is a technique for assisting people in gaining skills and information from experienced managers who are well-versed in the organization's operations.

Definition:

According to David Clutterbuck, 'mentoring involves primarily listening with empathy, sharing experience, professional friendship, developing insight through reflection, being a sounding board, encouraging'.

According to Jacobi, 'mentoring is a one to one helping relationship or nurturing process'.

According to David Clutterbuck, 'mentoring involves primarily listening with empathy, sharing experience, professional friendship, developing insight through reflection, being a sounding board, encouraging'.

4.4.1 Importance of Mentoring:

1. Recruitment:

Mentoring assists a business in discovering appropriate individuals from both internal and external sources of recruiting.

2. Building relationships:

It aids in the formation of the organization's structure.

3. Motivation to employees:

It also aids employees in obtaining motivational trends from mentors.

4. Protecting intellectual capital:

Mentoring helps secure knowledge capital in addition to physical capital.

4.5 SUMMARY

- Career Planning is a critical stage of human resource development that assists employees in developing work-life balance strategies.
- Planning for succession is an important aspect of operating a company.
- Mentoring is a method that involves using specially chosen and trained persons to provide direction, practical counsel, and ongoing support to those who are in the process of learning and developing.
- Mentoring assists a business in discovering appropriate individuals from both internal and external sources of recruiting.

4.6 EXERCISE**A. Descriptive Questions:****Short Answers:**

1. Write a note on mentoring.
2. Definition of Career Planning.
3. Importance of Career Planning
4. Definition of Mentoring.
5. What are the features of Mentoring?

Long Answers:

1. Write in details of Mentoring
2. What are the advantages and disadvantages of Mentoring?
3. Write a Importance of Mentoring.
4. Write in details of succession Planning.
5. Describe the Need of Succession Planning.

B. Multiple Choice Questions:

1. A steady supply of promotable employees is ensured by
 - a) career path
 - b) career organizing
 - c) Mentoring
 - d) career planning

2. Succession Planning is a process to ensureeffective performance of an organization, division, department
 - a) continued
 - b) discontinued
 - c) alternate
 - d) weekly
3.can help a company find qualified candidates from both internal and external sources of recruitment.
 - a) Career planning
 - b) Staffing
 - c) Mentoring
 - d) Succession planning
4. Mentoring helps secure knowledge capital in addition to physical capital.
 - a) Protecting intellectual capital
 - b) Motivation to employees
 - c) Building relationships
 - d) Recruitment
5. It aids in the formation of the organization's structure.
 - a) Recruitment
 - b) Motivation to employees
 - c) Protecting intellectual capital
 - d) Building relationships

Answer: 1-d, 2-a, 3- c, 4- a, 5-d

C. Fill in the blanks:

1. promotes an employee's development and advancement.
2. Planning for is an important aspect of operating a company.
3. is a technique for assisting people in gaining skills and information from experienced managers who are well-versed in the organization's operations.
4. Mentoring helps secure knowledge capital in addition to capital.
5. aids in the improvement of employee loyalty.

Answer:

1- Career planning, 2- succession, 3- Mentoring, 4- physical, 5- Career planning

D. State whether the following sentence are True / False:

1. A steady supply of promotable customers is ensured by career planning.

2. Succession planning is a method that involves using specially chosen and trained persons to provide direction, practical counsel, and ongoing support.
3. Mentoring is a technique for assisting people in gaining skills and information from experienced customers who are well-versed in the organization's operations.
4. Team are encouraged to conduct research and gather data as part of their career planning.
5. Planning for succession is an important aspect of operating a company.

Answer:

True: 1, 2, 4 and 5

False: 3

4.7 REFERENCES

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- Michael Armstrong , Stephen Taylor, Armstrong's Handbook of Human Resource Management Practice, Kogan page
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- Gary Dessler, Fundamentals of Human Resource Management, Pearson

HUMAN RELATIONS

Unit Structure

- 5.0 Objectives
- 5.1 Introduction
- 5.2 Human Relations- Concept and Significance
- 5.3 Leadership
- 5.4 Motivation
- 5.5 Summary
- 5.6 Exercise
- 5.7 References

5.0 OBJECTIVES

- To understand Human Relations Concept and its significance
- Discuss Transactional & Transformational Leadership
- Explain the theories of motivation

5.1 INTRODUCTION

Participation of workers in management is a key component of industrial democracy. Workers' participation in management is founded on the Human Relations approach to management, which introduced a new set of values to both labour and management.

The keeping of detailed records about internal human resources (i.e., employees) helps managers make better decisions, particularly in areas such as direct recruitment vs. promotions, transfer vs. retention, retrenchment vs. retention, the utility of a cost-cutting programme in light of its potential impact on human relations, and the impact of budgetary control on human relations and organisational behaviour.

5.2 HUMAN RELATIONS - CONCEPT AND SIGNIFICANCE

Human relations is the study of how individuals interact with one another in groups, particularly at work, and how communication skills and sensitivity to other people's feelings can be enhanced.

According to Keith Davis 'human relations deals with motivating people in organizations to develop teamwork which effectively fulfils their objectives and achieves organizational objectives'.

In the words of Scott, ‘Human relations are a process of an effective motivation of individuals in a given situation in order to achieve a balance of objectives which will yield greater human satisfaction and help accomplish company goals’.

The human relations movement is a counterpoint to the scientific management perspective, which emphasizes optimizing the productivity and income of individual manual employees and separating mental and physical work between management and workers. Supporters of the human relations movement, on the other hand, say that workers want to feel like they're part of a team, with socially supportive ties, and that they want to grow and develop.

5.2.1 Significance:

1. Organization is a social system:

The organisation is a social structure with numerous interconnected components. Individual roles are established by the social system, which may differ from those of the formal organisation. Rather than attempting to meet the targets that management believes they can meet, workers follow social standards established by their colleagues, which define the appropriate quantity of effort.

2. Existence of informal groups:

Informal groups exist within the formal organization's framework, and they have an impact on the formal organisation.

3. Influence of group behavior:

At work, employees frequently act and react as members of groups rather than as individuals. Individual worker attitudes and performance are influenced significantly by the group.

4. The emergence of informal leadership:

In contrast to official leadership, there is an emerging of informal leadership that creates and enforces group standards. It enables workers to act as a social group, and it renders the official leader ineffectual unless they follow the standards of the group over which they are supposed to have authority.

5. Two-way communication:

Knowing the feelings of employees in the organisation necessitates two-way communication (both uphill and downward).

6. Impact of socio-psychological factors:

People are driven in a variety of ways, and socio-psychological factors (non-monetary incentives) are powerful motivators.

7. Integration of organizational and individual goals:

There will always be a conflict between organisational and individual goals. It is vital to achieve integration between the organization's aims and those of the person in order for the organisation to work smoothly.

8. Relate work and the organizational structure to the social needs:

The human relations school believes that work and organisational structure must be linked to the social requirements of employees. By making employees happy, the organisation will be able to gain their entire cooperation and effort, increasing its efficiency.

5.3 LEADERSHIP

A good manager delegated authority and relied on others to complete tasks. As a result, he must have leadership qualities that enable him to inspire them to do what the leader wants. Persuasion and vitality are very important so that the manager can provide guidance and leadership to his subordinates even when things are difficult.

A technique by which an executive can manage, guide, and influence the behaviour and work of others in order to achieve specified goals in a given scenario is known as leadership. A manager's capacity to inspire confidence and zeal in his or her colleagues is known as leadership.

Leadership is the ability to influence others' actions. It can also be defined as the ability to persuade a group to achieve a common purpose. Future visions must be developed by leaders, who must also drive organisational members to aspire to accomplish them.

According to Keith Davis, "Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals."

5.3.1 Transactional & Transformational Leadership

Transactional Leadership

Transactional Leadership is a leadership style in which the leader's objectives and goals are predetermined, and the leader motivates his followers through reward and punishment. It focuses on improving the organization's current status through framing and regulating organisational actions. The primary goal of this form of leadership is to improve present rules and procedures while also revamping the existing business culture.

Max Weber was the first to introduce the style in 1947, followed by Bernard Bass in 1981.

This leadership style takes a formal approach and exploits the leader's authority and duty as a source of power. The two basic methods used by the leader to motivate his subordinates are incentives and penalties. For example, if an employee meets the target within the allotted time, he is given initiative for his job, however if the assignment is not finished within the allotted time, he is penalised.

The leadership style in which the leader uses his influencing power and excitement to inspire his followers to work for the organization's benefit. In this case, the leader determines the need for a change in the existing organisational culture, provides his subordinates with a vision, incorporates the mission, and implements the change with the help of his followers.

The leader in transformational leadership serves as both a role model and a motivator, providing followers with vision, excitement, encouragement, morale, and fulfilment. The leader motivates his employees to improve their abilities and capabilities, boost their self-confidence, and foster creativity throughout the company.

In 1978, James MacGregor Burns was the first to suggest this leadership approach. The basic principle behind this leadership style is that both superiors and subordinates work together to boost each other's morale and motivation.

Transactional vs. Transformational Leadership:

1. Transactional leadership is a style of leadership in which followers are initiated through the use of rewards and punishment. Transformational leadership is a leadership style in which the leader influences his followers by his charisma and enthusiasm.
2. The focus of transactional leadership is on the leader's relationship with his followers. In transformational leadership, on the other hand, the leader emphasizes his followers' values, beliefs, and needs.
3. The difference between transactional and transformational leadership is that transactional leadership is reactive, whereas transformational leadership is proactive.
4. In a secure context, Transactional Leadership is preferable, whereas Transformation is best in a tumultuous setting.
5. Transactional Leadership strives to improve the organization's current state. Transformational leadership, on the other hand, strives to improve the current state of the organization.
6. Transformational Leadership is charismatic, whereas Transactional Leadership is bureaucratic.
7. In Transactional Leadership, each group has only one leader. In contrast to transformative leadership, where a group can have multiple leaders.
8. In contrast to transformational leadership, which emphasized innovation, transactional leadership focuses on preparation and execution.

5.4 MOTIVATION

Motivation is a psychological process in which a person acts or behaves in response to a certain task or activity from beginning to end. Motivation

pushes or urges a person to act in a certain way at a specific time. When a person is motivated positively, they are cheerful, energetic, enthusiastic, and self-driven to complete the task; when they are motivated negatively, they are demoralised, sad, lethargic, and pessimistic, resulting in a decrease in productivity and morale.

One of the forces that promotes to performance is motivation. The desire to achieve a goal or a given degree of performance, which leads to goal-directed behaviour, is characterised as motivation. When we say someone is motivated, we're referring to someone who is working hard to complete a task. If someone wants to perform successfully, they must be motivated; but, motivation alone is insufficient. Ability—having the necessary skills and knowledge to do the job—is equally vital, and is sometimes the most important determinant of effects.

5.4.1 Theories of Motivation

Maslow's Need Hierarchy Theory

Abraham H. Maslow, an American psychologist, developed Maslow's Needs Hierarchy Theory of motivation. A human being is a wanting creature. He has a variety of requirements. These requirements are ranked in order of significance. When a need is met, it loses its significance and so ceases to be a motivator. Maslow divided human needs into five categories.

1. Physiological Needs:

These are the most basic and lowest-order wants of human beings. These involve meeting basic biological needs including food, air, water, cloth, and shelter, which are commonly referred to as *roti, kapada, and makan*. These requirements have a huge impact on human behaviour. Entrepreneurs, like all humans, must meet their physiological needs in order to survive. As a result, he or she is motivated to work in the business in order to receive monetary compensation to meet his or her basic necessities.

2. Safety and Security Needs:

Once physiological requirements are met, the second level of Maslow's hierarchy arises. The need for a safe environment free of physical and psychological harm is referred to as a safety need. These demands express themselves in wants such as financial security and physical protection. Meeting these requirements necessitates more money, thus the entrepreneur is compelled to work harder in his or her business. When these, like bodily demands, are met, they become dormant.

3. Social Needs:

Man is a social creature. As a result, these needs refer to a sense of belonging or affiliation. Everyone wants to be noticed and accepted by others. Similarly, an entrepreneur is compelled to communicate with other business owners, employees, and others.

4. **Esteem Needs:**

Self-esteem and self-respect are two of these demands. These include desires for self-assurance, accomplishment, competence, knowledge, and independence. Entrepreneurs' esteem requirements are met by having ownership and control over their business, which provides them with status, respect, reputation, and independence.

5. **Self-Actualization:**

The need for self-actualization is the final phase in the need hierarchy model. This is a reference to self-satisfaction. Kurt Goldstein invented the phrase "self-actualization," which means "to become actualized in what one is potentially good at." Being a successful entrepreneur can help an entrepreneur reach self-actualization.

Human needs are arranged in a lowest to highest order according to Maslow's above need hierarchy theory. The second need does not take precedence until the first has been met, and the third need does not take precedence until the first two have been met. This process continues until the last requirement is met.

This is due to the fact that man is never content. When one need is met, a new one emerges. When a need is met, it no longer serves as a motivator. Entrepreneurs are primarily motivated by social, esteem, and self-actualization demands, which drive them to work harder and harder to meet them.

Vroom's Expectancy Theory

Victor Vroom of Yale School of Management proposed the expectation theory in 1964. Unlike Maslow and Herzberg, Vroom emphasises and focuses on outcomes rather than needs. According to the idea, the degree of a desire to act in a certain way is determined by the intensity of an expectation that the performance would be followed by a specific outcome and the appeal of the outcome to the individual.

Employee motivation, according to the **Expectancy theory**, is determined by how much an individual wants a reward (Valence), the likelihood that the effort will lead to expected performance (Expectancy), and the belief that the performance will lead to reward (Belief) (Instrumentality).

In a brief, **valence** is the importance a person attaches to an expected event. It is the expected, not the actual, level of satisfaction that an employee expects to feel after attaining their objectives.

Expectancy is the belief that putting in more effort will result in greater results. Expectancy is determined by elements such as having the necessary skills for the task, having the correct resources, having access to critical information, and having the necessary assistance to do the job.

Instrumentality is the belief that if you do your job well, you will get a valid result. Believe in the people who decide who gets what outcome, the

simplicity of the process deciding who gets what outcome, and the clarity of the relationship between performance and outcomes are all elements that influence instrumentality. As a result, the expectation theory focusses on three relationships:

- Relationship between effort and performance: How likely is it that the individual's effort will be recognised in his performance evaluation?
- The employee's belief that receiving a favourable performance appraisal leads to organisational rewards is discussed in the performance-reward relationship.
- Relationship between rewards and personal goals: It all comes down to the attractiveness or appeal of the possible reward to the individual.

Employees intentionally choose whether or not to perform at work, according to Vroom. This decision was completely based on the level of motivation of the employee, which is determined by three factors: expectation, valence, and instrumentality.

McGregor's Theory X and Theory Y:

Douglas McGregor, a management professor at the Massachusetts Institute of Technology in the 1950s and 1960s, was the first to claim that a manager's attitude affects staff motivation. McGregor developed two hypotheses for how managers perceive and address employee motivation in his 1960 book *The Human Side of Enterprise*. These contrasting motivational strategies were dubbed Theory X and Theory Y management by him. Each believes that the manager's job is to organise resources, including people, for the company's advantage. Beyond this similarity, however, the attitudes and assumptions they represent are vastly different.

Theory X

Theory X management, according to McGregor, assumes the following:

- Work is intrinsically unpleasant to most people, and they will try to avoid it at all costs.
- The majority of individuals are not ambitious, do not want to be responsible, and prefer to be directed.
- When it comes to fixing organisational challenges, most people lack inventiveness.
- In Maslow's hierarchy of requirements, motivation occurs exclusively at the physiological and security levels.
- The majority of people are self-centered. As a result, they must be continuously monitored and frequently pressured in order to meet organisational goals.
- The majority of people are resistant to change.
- The majority of people are illiterate.

Theory Y

The higher-level wants of esteem and self-actualization are never totally satisfied for the majority of people. As a result, it is through these higher-level demands that employees can be best motivated.

Theory Y management, in contrast to Theory X, makes the following assumptions:

If the conditions are right, work can feel as natural as play.

If people are devoted to their job and organisational goals, they will be self-directed and creative in achieving them.

If rewards are in place that satisfy higher demands such as self-fulfillment, people will be more dedicated to their quality and productivity goals.

The ability to be creative is shared across organisations.

Because creativity and inventiveness are common in the population, most people can bear responsibilities.

People will seek accountability in these circumstances.

Pink's Theory of Motivation

Daniel Pink's Motivation Theory is based on Daniel Pink's book *Drive: The Surprising Truth About What Motivates Us*. Soon after its release in 2009, the book on the importance and effectiveness of three intrinsic ingredients for motivation became a bestseller. Autonomy, mastery, and purpose are the three components of intrinsic motivation. The desire to live a life on one's own is referred to as autonomy. Mastery is the urge to better something important, whereas purpose is the desire to serve something bigger than man.

Money or any other external motivation is not the most effective, as mentioned in Herzberg's Two Factor Theory.

In the 1970s, Edward Deci conducted a study that found that persons who were promised money were less driven to complete puzzles than those who were not. The distinction between extrinsic and intrinsic motivation was found.

According to Pink's theory, organisations and their leaders should take a new self-determination approach to motivating. People's desire to be autonomous, self-determined, and connected should be prioritised by organisations. They can accomplish this by creating conditions in which people can direct their own lives, learn new skills, and contribute to the organisation and the world.

Intrinsic v/s Extrinsic motivation

Intrinsic motivation refers to a person's behaviour being driven by an inside desire to do something. This can be about a wide range of topics, such as a desire to go on vacation or learn a new talent, such as playing the piano. Exercising for stress reduction or cleaning to stay organised are two further instances of intrinsic motivation.

Extrinsic motivation refers to when a person's behaviour is influenced by an external factor that encourages them to do something in the hopes of earning a reward or avoiding a negative outcome. Here are several examples:

- Preparing for a test by reading a text book
- Weight-loss training
- Going above and above to earn the sales bonus

5.5 SUMMARY

- The human relations movement is a counterpoint to the scientific management perspective, which emphasizes optimizing the productivity and income of individual manual employees and separating mental and physical work between management and workers.
- The organisation is a social structure with numerous interconnected components.
- A good manager delegated authority and relied on others to complete tasks.
- The leadership style in which the leader uses his influencing power and excitement to inspire his followers to work for the organization's benefit.
- Motivation is a psychological process in which a person acts or behaves in response to a certain task or activity from beginning to end.
- Human needs are arranged in a lowest to highest order according to Maslow's above need hierarchy theory.
- Intrinsic motivation refers to a person's behaviour being driven by an inside desire to do something.

5.6 EXERCISE

A. Descriptive Questions:

Short Answers:

1. Explain the concept of Human relations.
2. Define the word Leadership.
3. Write a note on Transactional Leadership.
4. Describe the term Transformational Leadership.
5. Explain the word motivation.

Long Answers:

1. What are the significance of Human Relations?
2. Write a note on McGregor's Theory X and Theory Y.
3. What are the different between Transactional vs. Transformational Leadership?
4. Explain the Maslow's Need Hierarchy Theory.
5. Explain the term Pink's Theory of Motivation.

B. Multiple Choice Questions:

1. Which motivation refers to a person's behaviour being driven by an inside desire to do something?
 - a) Intrinsic
 - b) Extrinsic
 - c) Formal
 - d) Informal
2. Which are the most basic and lowest-order wants of human beings?
 - a) Physiological Needs
 - b) Social Needs
 - c) Esteem Needs
 - d) Safety and Security Needs
3. Which theory assume the majority of individuals are not ambitious, do not want to be responsible, and prefer to be directed?
 - a) Theory A
 - b) Theory Z
 - c) Theory Y
 - d) Theory X
4. Which motivation refers to when a person's behaviour is influenced by an external factor that encourages them to do something in the hopes of earning a reward?
 - a) Formal
 - b) Extrinsic
 - c) Intrinsic
 - d) Informal
5. Which Leadership is a leadership style in which the leader's objectives and goals are predetermined, and the leader motivates his followers through reward and punishment?
 - a) Transformational
 - b) Motivational
 - c) Transactional
 - d) Good manner

Answer: 1-a , 2-a , 3- d,4- b,5-a

C. Fill in the blanks:

1. The set of forces that stimulate, direct, and sustain behaviour is known as
2. developed Maslow's Needs Hierarchy Theory of motivation.
3. Man is a creature.
4. is the ability to influence others' actions.

5. deals with motivating people in organizations to develop teamwork which effectively fulfils their objectives and achieves organizational objectives

Answer:

1-Motivation, 2- Abraham H. Maslow, 3- social, 4- Leadership, 5- Human relations

D. State whether the following sentence are True / False:

1. Leadership is the ability to influence others' actions.
2. Transactional leadership style takes a formal approach and exploits the leader's authority and duty as a source of power
3. Motivation is a psychological process in which a person acts or behaves in response to a certain task or activity from beginning to end
4. Transactional leadership style in which the leader uses his influencing power and excitement to inspire his followers to work for the organization's benefit.
5. Expectancy is the belief that putting in more effort will result in smaller results.

Answer:

True: 1 and 3.

False: 2, 4 and 5.

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EMPLOYEES MORALE

Unit Structure

- 6.0 Objectives
- 6.1 Introduction
- 6.2 Employees Morale
- 6.3 Measurement of Employees Morale, Emotional Quotient and Spiritual Quotient
- 6.4 Employee Grievance
- 6.5 Employee welfare measures and Health & Safety Measures
- 6.7 Summary
- 6.8 Exercise
- 6.9 References

6.0 OBJECTIVES

- Discuss Employees Morale
- To understand the Measurement of Employees Morale, Emotional Quotient and Spiritual Quotient
- Explain about Employee Grievances
- To understand Potential Appraisal
- To discuss employee welfare measures and Health & Safety Measures

6.1 INTRODUCTION

The keeping of detailed records about internal human resources (i.e., employees) helps managers make better decisions, particularly in areas such as direct recruitment vs. promotions, transfer vs. retention, retrenchment vs. retention, the utility of a cost-cutting programme in light of its potential impact on human relations, and the impact of budgetary control on human relations and organisational performance.

6.2 EMPLOYEES MORALE

Employee morale is a qualitative metric that influences productivity significantly. Productivity rises with a high level of morale. Of course, there are other elements that might influence productivity, but a high level of staff morale inside a company can help it achieve greater outcomes. Companies quantify this in a variety of ways, but surveys and performance assessments are commonly used to ascertain the present level of satisfaction.

Each manager in the organisation should strive to improve team morale, and the firm's top leadership should also strive to boost employee morale in order to boost productivity. When low morale arises, an effort should be made to determine the source of the problem and establish ways to address it. Compensation, work environment healthiness, workplace safety, career development opportunities, manager's attitude, and training and knowledge-development opportunities, among other factors, can all have an impact on morale.

Definition: Flippo has described morale “as a mental condition or attitude of individuals and groups which determines their willingness to co-operate. Good morale is evidenced by employee enthusiasm, voluntary confirmation with regulations and orders, and a willingness to co-operate with others in the accomplishment of an organization’s objectives. Poor morale is evidenced by surliness, insubordination, a feeling of discouragement and dislike of the job, company and associates.”

In the words of Yoder, “morale is a feeling, somewhat related to esprit de corps, enthusiasm or zeal. For group of workers, morale, according to a popular usage of the word, refers to the over-all tone, climate or atmosphere of work, perhaps vaguely sensed by the members.’

6.2.1 Factors affecting Morale:

Employee morale is a complicated phenomenon that is influenced by a variety of circumstances. McFarland is a well-known author. Bradshaw and Krugman are two of the most well-known economists in the United States. Different standards for determining morale have been assigned to Roach and Apple white.

The following are the main factors in determining levels of morale based on all of these classifications:

- **The Organization:**
The organisation itself is the primary element determining employee morale. Workers' views toward their jobs are influenced by the organisation. Their sentiments toward a company can shape its public reputation, for better or ill.
- **The Nature of Work:**
The nature of the task that the employee is expected to do has an impact on his attitude toward the job and his morale. The employee will feel bored and alienated if he is expected to execute routine or specialised tasks. Employees' working conditions are worse by the repetition of the same task over and over. Another problem is the organization's huge, impersonal structure. When an employee feels like he is just a gear in the machine rather than a person, his morale can plummet. Morale can also be affected by a lack of understanding of corporate goals. Another aspect that contributes to low morale is the constant speed of assembly line operations.
- **The Level of Satisfaction:**
Another factor of morale is a worker's level of contentment with his or her employment. Employee morale will tend to be higher if the

employment elements and the satisfaction they bring are seen to be favourable than if the factors appear to be unfavourable. Job aspects include things like opportunities for advancement, job security, job stability, opportunities to learn the job and apply his own ideas, compensation, working conditions, recognition, coworker cooperation, group relationships, and so on.

- **The Level of Supervision:**

An employer's morale is greatly influenced by the level of supervision he or she receives. Employee turnover at an alarmingly high rate shows inadequate leadership. Employee morale, on the other hand, will be strong if they are granted autonomy in their work.

- **Concept of Self:**

What is the employee's self-perception? Employee views toward the organisational environment are influenced by the answer to this question. The way an employee sees himself is a crucial one. When compared to individuals who lack self-confidence or suffer from bad physical or mental health, the morale of people who have a lot of self-confidence or enjoy good mental and physical health is often high.

- **Worker's Perception of Rewards System:**

The employee's view of past rewards and future chances for rewards has a significant impact on their morale. Employee morale will be higher if they perceive the awards to be fair and satisfied than if the perception is the contrary. Furthermore, if the future rewards and opportunities are grim, morale will be low, as opposed to a situation in which the worker recognises opportunities for fulfilment and attainment in the rewards that lie ahead.

- **The Employee's Age:**

According to studies, age and morale are inextricably linked. When all other factors are equal, older employees appear to have higher morale. This is because younger workers are more likely than their elders to be dissatisfied with increasing expectations. Employees that are older have more steadiness, which comes with maturity and a serious approach to their work. More consistency, less absenteeism, proven consistent work habits, a sense of duty and commitment, and a reduced tendency to be sidetracked by outside influences.

- **The Employee's Educational Level:**

According to studies, an employee's educational degree and morale have an adverse relationship. Job satisfaction decreases as one's educational degree rises, and vice versa. He will be more unsatisfied the higher he feels he should be.

- **The Employee's Occupational Level:**

The employee's level of morale is also influenced by his occupation. The higher an employee's position in the organisational structure, the

higher his morale. People at the bottom of the hierarchy's morale are often depressed because they compare their own accomplishments to those of others.

- **The Off the Job Activities of the Employee:**

An employer's relationship with his family and coworkers has an impact on his behaviour and attitude while on the job. His extracurricular activities, such as whether or not he has a nice family life, whether or not he drinks excessively, and so on. The expectations and impacts of a formal and informal group have a considerable impact on employee morale.

6.3 MEASUREMENT OF EMPLOYEES MORALE, EMOTIONAL QUOTIENT AND SPIRITUAL QUOTIENT

Employee morale refers to an employee's level of contentment with his or her employment and present working conditions. It is a tool that assesses an employee's motivation at work.

Employee morale is a qualitative metric that influences productivity significantly. Productivity rises with a high level of morale. Of course, there are other elements that might influence productivity, but a high level of staff morale inside a company can help it achieve greater outcomes. Companies quantify this in a variety of ways, but surveys and performance assessments are commonly used to ascertain the present level of satisfaction.

Emotional intelligence (EQ) is the ability to recognise, use, and control one's own emotions in a constructive way in order to reduce stress, communicate effectively, sympathise with others, overcome obstacles, and diffuse conflict. Emotional intelligence aids in the development of stronger relationships, academic and professional success, and the attainment of career and personal objectives. It can also assist you in connecting with your emotions, putting your intentions into action, and making educated decisions about what is most important to you.

Emotional Quotient:

In recent years, the term "emotional quotient" has become popular. It is frequently argued that in order to be successful, a manager should have a high cognitive quotient as well as emotional intelligence. It has been proven that the efficacy of an organisation is determined by the managers' efficiency.

Love, hatred, anger, and happiness are examples of human emotions. The manager must be able to control these emotions to some extent in order to handle any scenario calmly. Emotional quotient is a metric that assesses a person's capacity to control their emotions.

According to Dr Goleman, 'emotional intelligence is defined as a set of skills or competencies, which provide human resource professionals, managers, and anyone in the world of work, with a comprehensive tool to define, measure and develop emotional skills'.

Emotional intelligence is also defined as the ability to understand our own and others' feelings in order to motivate ourselves and effectively manage emotions in our social relationships.

Factors affecting Emotional Intelligence:

Daniel Goleman established a set of emotional competences that distinguish people based on their emotional intelligence.

1. Self-awareness:

The ability to comprehend one's feelings, strengths, flaws, and self-assurance.

2. Self-management:

Self-control, flexibility, achievement, orientation, and initiative are all qualities that can be used to effectively manage one's motives and regulate one's behaviour.

3. Social awareness:

The ability to comprehend what other people are saying and feeling. And why they act and feel the way they do.

4. Social abilities

The ability to act in such a way that one can acquire desired results from others and achieve personal goals, as well as the ability to develop others, lead, handle conflict, and work in a team.

Spiritual quotient

The sum of our Intellectual Quotient (IQ) and Emotional Quotient (EQ) is our Spiritual Quotient (SQ) (EQ). And can be defined mathematically as follows: $\text{Spiritual Quotient (SQ)} = \text{Intellectual Quotient (IQ)} + \text{Emotional Quotient (EQ)}$ (EQ). In essence, all human beings are spiritual beings.

Factors affecting Spiritual quotient

1. Develop a sense of stillness:

Your Spirit resides in a more delicate level of existence. To connect with your Spirit, you must allow yourself room to quiet your mind, away from all the commotion and movement of the outside world.

2. Increase Your Self-Awareness: This entails connecting with your true self, learning about your inner world, and leading a life that is in line with your soul's mission.

3. Live Your Purpose with Intention: Intention is the why behind everything you do. It's your personal navigation system. Knowing

what you want to accomplish and why it's important to you will motivate you and direct your thoughts.

4. **Recognize that everything is interconnected:** Everything in creation is entwined at the molecular level, and everything we think, do, and say has an impact on our surrounds.

6.4 EMPLOYEE GRIEVANCE

Every employee has certain expectations that he believes must be met by the company for which he works. When an organisation fails to do this, the employee develops a sense of discontent or dissatisfaction, and when an employee believes that something is unfair in the organisation, he is said to have a grievance. This causes employee unrest, which reduces worker efficiency and ultimately hinders the organization's growth. As a result, HR has developed a number of strategies for identifying and resolving employee problems.

6.4.1 Causes of Employee Grievances:

A variety of circumstances can cause an employee to be unhappy and unsatisfied at work. They become a source of concern, leading to a demotivated workforce. Below are some of the causes of grievance:

1. **Insufficient Wages and Bonuses**

A grievance may emerge when workers are not paid an acceptable quantity of wages and bonuses for their hard work, or when equal wages are not paid for the same effort.

2. **Impossible and irrational goals and standards**

Managerial goals are often so unrealistic that they are impossible to achieve. In order to meet the targets, workers are subjected to a great deal of stress and pressure, which leads to employee dissatisfaction.

3. **Difficult Working Conditions**

Working conditions have a significant impact on an employee's level of satisfaction. Employee dissatisfaction is caused by poor working conditions, a lack of tools and adequate machinery, and other factors.

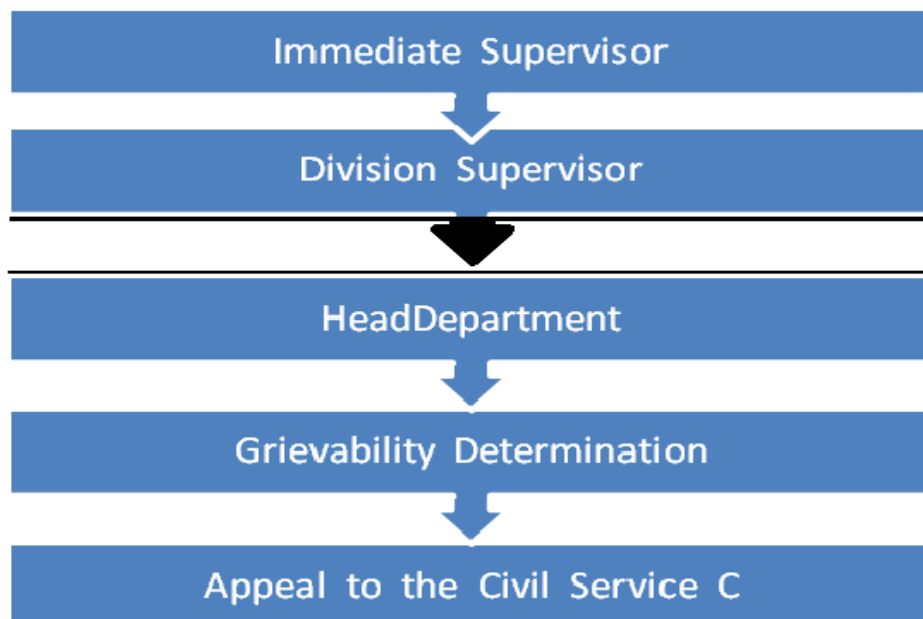
4. **Inadequate Health and Safety Services**

Companies that are focused on increasing profits end up jeopardising their employees' health and safety. An unsanitary workplace, inadequate safety conditions, and other factors demotivate employees to come to work.

6.4.2 Procedure for Grievance Redressal:

A grievance procedure is a formal dialogue between an employee and management for the purpose of resolving a disagreement. The processes for filing a complaint change from one organisation to the next. In a

unionised workplace, the grievance procedure typically involves the following steps:



In general, the grievance handling procedure is divided into six stages, as follows:

1. Resolving by Immediate superior –

The dissatisfied employee takes his or her complaint to his or her immediate boss. If his authority allows it, the superior may take appropriate measures. If the superior lacks the authority to act, he may seek authorization from higher authorities to take necessary action to resolve the issue.

In most cases, the grievance will be resolved within 24 hours (2 days) following its introduction. The grievance is over when the employee is happy with the superior's actions. If he isn't content with the first stage, he can move on to the second.

2. Submit to department head –

If the nominated person does not respond within the specified time or if the aggrieved person is unhappy with the decision, he can contact the departmental head, who is expected to respond within three days.

3. Grievance Committee -

If the departmental head's response is unsatisfactory, the offended person can go to the grievance committee, which has three days to make a recommendation.

4. Appeal for Revision –

If the management decision is not conveyed to the aggrieved employee within 3 days, or if the management decision is unsatisfactory, the employee has the right to request a revision from the management. Within 7 days after receiving the employee's

request for revision, management may examine its decisions and disclose its decision to the employee.

5. Voluntary Arbitrator –

If the aggrieved party is not satisfied with the management's decision, the grievance may be brought to a voluntary arbitrator. The arbitrator is chosen after mutual dialogue between management and the labour union. Both parties, i.e. management and employee, may agree that the arbitrator's ruling will be binding on both sides.

6. Final decision -

The arbitrator examines the grievance as well as the preceding decisions. He'll meet with management and the employees' union to discuss the situation. Finally, the arbitrator issues a decision that is usually final and binding on both parties.

Many grievances can be promptly resolved by correcting a misconception or by simple dialogue. The grievance procedure saves time, money, and the parties' relationship in this scenario. Having the matter handled by those who are directly involved is also advantageous, as they are more knowledgeable about the situation than others at higher levels.

6.5 EMPLOYEE WELFARE MEASURES AND HEALTH & SAFETY MEASURES

Because many individuals spend so much of their time at work, their working environment is not always conducive to a healthy lifestyle. Their health is harmed by stress, strains, mental and psychological issues, poor working circumstances, long hours of work, poor ventilation, sanitary conditions, malnutrition, and other factors. On the one hand, efficiency in the workplace is only feasible when a person is healthy; on the other hand, industry exposes people to certain hazards that have a negative impact on their health. High absenteeism and turnover, industrial discontent and indiscipline, poor performance, and low productivity are all signs of ill health. Complex mechanics, intricate job requirements, and fast-moving manufacturing lines characterise modern industry. One of the most significant effects of all of this is an increase in the risk of human death as a result of accidents. To avoid this, safety programmes such as industrial health programmes have been created, which benefit both businesses and employees.

The W.H.O has defined health as “a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”

As defined by the World Health Organization (WHO) "occupational health deals with all aspects of health and safety in the workplace and has a strong focus on primary prevention of hazards."

The term "industrial health" refers to a public health and preventive medicine system that applies to businesses.

Physical health refers to disease prevention, health preservation, and occupational disease prevention. The interplay between the individual and his environment determines his health. Health is influenced not just by the employee, but also by the surrounding environment. When a worker is physically and mentally well, he or she can perform more efficiently.

Although it may be hard to completely eradicate stress from the workplace, an organisation can become a more productive and healthful place to work by controlling or reducing stress:

A. STRATEGIES FOR ORGANIZATION

Organizations are also increasingly recognising the importance of being active in stress management for their employees. This viewpoint is supported by two different arguments. One is that, because the organisation is at least somewhat to blame for the stress, it should assist in its alleviation. The other is that employees who are under less hazardous stress will be more productive. Institutional programmes and collateral programmes are two main organisational tactics for assisting employees in managing stress.

1. **Preventive management:** Surveys and employee/group interviews can be used to undertake preventive management. Managers can spot potential issues with major pressures and take efforts to alleviate them.
2. **Maintaining a productive culture:** Keeping a nice organisational atmosphere and happy staff is a good start. Organizations are implementing stress management programmes, health promotion programmes, and other types of initiatives to relieve stress. A growing number of businesses are creating their own programmes or adopting existing ones. Employee fitness programmes are now commonplace in many businesses. These programmes target stress in a roundabout way by encouraging employees to exercise, which is thought to lower stress levels.
3. **Management by objectives:** A management by objectives or similar performance appraisal technique that identifies employee goals, roles, and duties while also strengthening communication can minimise stress by removing uncertainty in essential elements of an employee's employment.
4. **Managing the physical environment:** To reduce stress in the physical environment, management must employ one or both of the following measures. First, by lowering noise and improving temperature management, and second, by better safeguarding employees through improved safety equipment. To lessen the impact of stress, appropriate working environments should be given, such as adequate lighting, ventilation facilities, suitable safety and security measures, and facilities for relaxation and recreation.
5. **Organizational Structure Change:** The culture of a company can also be used to help manage stress. In some organisations,

for example, taking time off or going on vacation is frowned upon. Such expectations might lead to a lot of stress in the long run. As a result, the company should seek to create a culture that promotes a healthy balance of work and non-work activities. Stress can be reduced by using effective communication and establishing flexible guidelines.

6. **Decentralization of Authority:** Another approach employed is decentralisation of authority, which entails increasing the active participation of subordinates in decision-making while decreasing senior involvement.
7. **Modifying Job Nature:** Well-designed jobs and work schedules can help reduce stress. Shift work, in particular, can present considerable issues for employees because they must modify their sleep and relaxation patterns on a regular basis. As a result, a priority of organisational efforts to reduce stress should be the design of work and work schedules. Redesigning the nature of particular jobs can aid in the resolution of the stress problem, i.e.
 - Increasing employee motivation and boosting employee morale
 - Workload overload and underload are minimised.
 - Removing unfavourable and potentially dangerous aspects from organisations.
 - Improving the job's quality attributes.

B. PERSONAL STRATEGIES

1. **Meditation:** Transcendental meditation is a type of meditation that promotes mental and physical calm. Meditation helps to reduce anxiety, boost work performance, and increase job happiness.
2. **Exercise:** Jogging, sports, fitness courses, cycling, swimming, and other forms of exercise are inexpensive and efficient ways to relieve stress. This is beneficial to both mental and physical wellness. According to more studies, those who exercise consistently have less tension and stress, are more self-assured, and are more optimistic. People who do not exercise on a regular basis are more likely to be stressed, sad, and suffer from other bad repercussions.
3. **Entertainment:** Relax by watching a favourite movie or listening to music.
4. **Removing the source of stress:** the source of tension can sometimes be easily identified, such as a combative supervisor, tough support staff, little opportunity for progress, and so on. As a result, the aim is to diminish or eliminate the cause.

5. **Consultation:** Stress is a prevalent psychological issue. Counselors can provide valuable insights and stress-reduction techniques that may help to resolve the issue.
6. **Relaxation:** This is a stress-reduction technique. Relaxation is a powerful tool for dealing with stress. Relaxation can come in a variety of forms. Taking regular trips is one way to unwind. People can also unwind while at work. It has been suggested, for example, that people take regular rest breaks during their usual workweek. Every day, many people sit peacefully with their eyes closed for ten minutes.
7. **Behavioral Self-Control:** This method requires the person to exert control over the stressful circumstance rather than allowing the situation to control him.
8. **Bio-feedback:** This is a technique in which a stress victim learns to control stress symptoms such as headaches under medical supervision.
9. **Time Management:** When it comes to stress management, time management is frequently recommended.

The concept is that if a person manages their time effectively, many daily stressors can be reduced or removed. Making a list of what has to be done that day every morning is a popular method of time management. Then you divide the items on the list into three categories: essential tasks that must be completed, significant tasks that should be completed, and optional or trivial tasks that can be assigned or postponed. Then, of course, you complete the tasks on the list in the order that they appear on the list. This method aids people in accomplishing more vital tasks on a daily basis. It also encourages people to delegate less important tasks to others.

Workplace stress is difficult to manage at the best of times, but when unemployment is high, redundancies are prevalent, and promotion rivalry is severe, workplace stress levels skyrocket. The difficulty with job stress is that it's frequently difficult to pinpoint beyond a vague sense of 'being anxious.' You can take actions to dry and deal with the tension if you can identify the source of it.

6.6 SUMMARY

- Employee morale is a qualitative metric that influences productivity significantly. Productivity rises with a high level of morale.
- Employee morale is a complicated phenomenon that is influenced by a variety of circumstances.
- An employer's morale is greatly influenced by the level of supervision he or she receives.
- Job satisfaction decreases as one's educational degree rises, and vice versa. He will be more unsatisfied the higher he feels he should be.
- Emotional intelligence (EQ) is the ability to recognise, use, and control one's own emotions in a constructive way in order to reduce

stress, communicate effectively, sympathise with others, overcome obstacles, and diffuse conflict.

- A grievance procedure is a formal dialogue between an employee and management for the purpose of resolving a disagreement.

6.7 EXERCISE

A. Descriptive Questions:

Short Answers:

1. Define Employee Morale.
2. Write a note on Emotional Quotient.
3. Explain Spiritual quotient.
4. What do you mean by Employee Grievance?
5. Explain the word motivation.

Long Answers:

1. What are the various factors affecting Morale?
2. Explain the factors affecting Emotional Intelligence.
3. What are the difference between Emotional Intelligence and Spiritual quotient?
4. Discuss the causes of Employee Grievances.
5. Explain the Procedure for Grievance Redressal.

B. Multiple Choice Questions:

1. Most formal grievances raised in the workplace are related to –
 - a. Low pay
 - b. Harassment and bullying by managers
 - c. Dislike of individual managers
 - d. Employees attempting to resist being managed
2. Advantages of grievances handling procedure –
 - a. Management can know employees' feelings
 - b. Employee gets grievances ventilated
 - c. Keeps a check on supervisor's attitude
 - d. All of these
3. How the conflicts within employers and employees can be settled or prevented?
 - a. Voluntary method
 - b. Government Machinery
 - c. Statutory Measures
 - d. All of these

4. established a set of emotional competences that distinguish people based on their emotional intelligence.
 - a. Daniel Goleman
 - b. Charles Babbage
 - c. Philip Kotler
 - d. Henry Fayol
5. Grievance handling procedure is divided into stages.
 - a. Four
 - b. Five
 - c. Six
 - d. One

Answer: 1-b , 2-d , 3- d,4- a,5-c

C. Fill in the blanks:

1. The term refers to a public health and preventive medicine system that applies to businesses.
2. The of a company can also be used to help manage stress.
3. meditation is a type of meditation that promotes mental and physical calm.
4. Each manager in the organisation should strive to improve morale.
5. The employee's level of morale is also influenced by his

Answer:

1. industrial health, 2- culture 3- Transcendental, 4- team, 5- occupation

D. State whether the following sentence are True / False:

1. Job satisfaction increases as one's educational degree rises, and vice versa.
2. Emotional intelligence aids in the development of stronger relationships, academic and professional success, and the attainment of career and personal objectives.
3. A grievance may emerge when workers are paid an acceptable quantity of wages and bonuses for their hard work, or when equal wages are not paid for the same effort.
4. The processes for filing a complaint change from one organisation to the next.
5. The arbitrator is chosen after mutual dialogue between management and the labour union.

Answer:

True: 2, 4, 5

False: 1 and 3

6.8 REFERENCES

Textbooks:

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HR IN CHANGING ENVIRONMENT

Unit Structure

- 7.0 Objectives
- 7.1 Introduction
- 7.2 Competencies
- 7.3 Learning Organization
- 7.4 Innovation Culture
- 7.5 Summary
- 7.6 Exercise
- 7.7 References

7.0 OBJECTIVES

After studying this unit, you will be able to

- Understand the significance of competency
- Outline the need of Innovation Organization
- Comprehend the significance of Innovation Culture

7.1 INTRODUCTION:

The workplace is changing at a rapid pace. As part of an organisation, Human Resource Management (HRM) must be prepared to deal with the effects of a changing work environment. Understanding the implications of globalisation, workforce diversity, changing skill requirements, corporate downsizing, continuous improvement initiatives, re-engineering, contingent labour, decentralised work sites, and employee involvement is critical for HR professionals.

Continuous improvement programmes are intended to improve the long-term health of the organisation. It is a process in which a company focuses on quality and builds a stronger foundation in order to better serve its customers. This is frequently accompanied by a company-wide effort to improve quality and productivity. The company modifies its operations in order to focus on the customer and involve employees in issues that affect them. Companies strive to improve every aspect of their operations, from hiring qualified employees to processing administrative paperwork and meeting customer demands.

7.2 COMPETENCIES

7.2.1 CONCEPT

Competence has long been defined as the ability or capacity of a person to perform a task. It was developed in the 1970s by McBer, a US company,

to identify the specific personal characteristics that resulted in effective and/or superior performance.

So, what exactly is a competency concept?

1. To be efficient, each job requires a specific set of competencies, and the individuals who will perform the job must be laced with those competencies. One intriguing and notable aspect of this term is that it emphasises what a person can learn rather than what a person can do. This forward-thinking approach has made it very popular among training providers and recruitment specialists.
2. Competencies in their respective fields Behavioral indicators aid in the demonstration of appropriate skills and behaviours; they are not a set of tasks performed like a robot, nor are they an underlying capacity that is never demonstrated.
3. Competency also includes motivation and self-awareness, as well as a desire and willingness to perform effectively.

So, armed with this knowledge, we can move on to defining Competency.

1. A set of individual performance behaviours that are observable, measurable, and essential to successful individual and organisational performance.
2. Personal characteristics of a person that lead to effective and superior performance in a job

Competency includes the following elements:

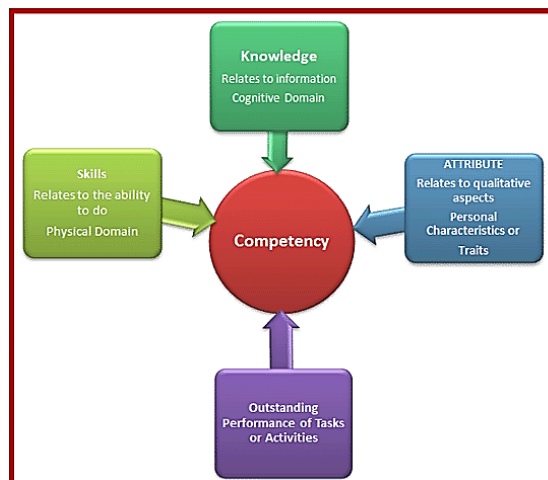


Fig 7.2.1 Elements of Competency

The development of a skill is a lengthy process that involves several steps. It would be interesting to examine the basic structure of competence development as provided by the UK Employment Department's Training Enterprise and Education Directorate.

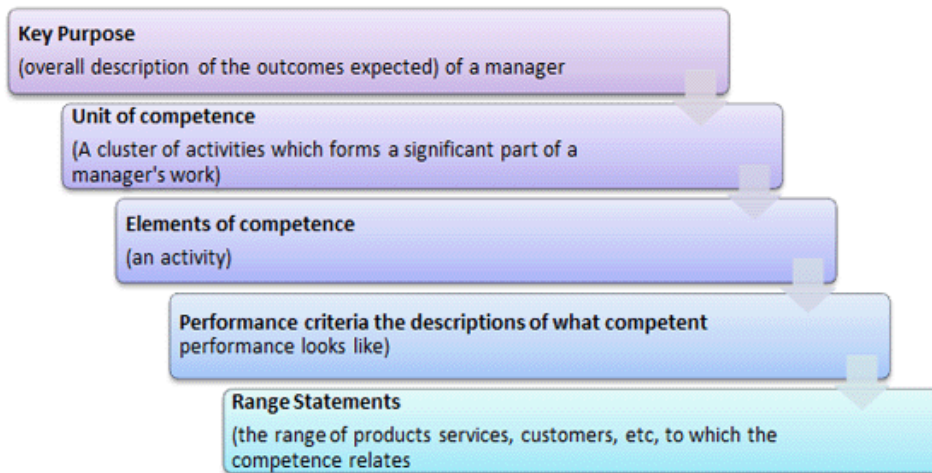


Fig 7.2.2 Structure of Development of Competency

As a result of competencies becoming an integral part of Human Resource Management, HR practitioners have been able to create and share an understanding of the factors that lead to superior performance at work. It provides job incumbents with a better understanding of their own roles and desired performance, allowing them to plan their own learning and growth.

7.2.2 CLASSIFICATION

Many organisations believe that there are three types of competencies that are essential for their employees. Core competencies, cross functional competencies, and functional competencies are the three types. Let us look at each of these competency types in this article and see how they can contribute to an organization's success.

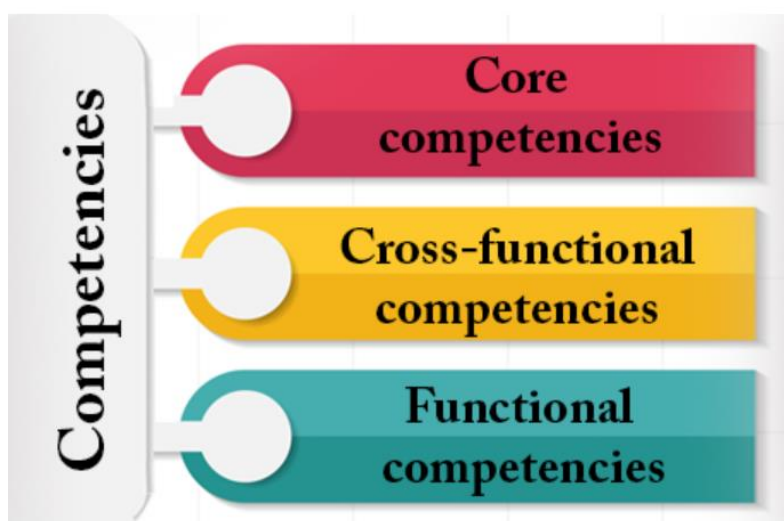


Fig 7.3.1: Classification of Competency

1. Core competencies

It is common to see a direct relationship between core competencies and strategic organisational capabilities. Decision making, teamwork, work standards, dependability, motivation, adaptability,

problem-solving, integrity, communication, planning and organisation, stress tolerance, and initiative are some of the important core competencies.

- Individuals will gain the ability to make sound judgments through decision making, allowing them to make decisions after gathering and analysing information. Individuals can interact with others more effectively when they work together as a team. The individual will support the group's decisions and prioritise the group's goals over his or her own. Individuals are able to set and maintain high-performance standards thanks to work standards. Furthermore, having a reliable factor in him/her means that the individual will take personal responsibility for his/her performance.
- An employee who is motivated is able to approach tasks with enthusiasm and energy.
- Adaptability refers to an employee's ability to adjust to changing work environments, organisational needs, and work priorities.
- Individuals with problem-solving skills can analyse a problem and gather relevant information to come up with appropriate solutions.
- When an employee follows an organization's procedures and policies, it indicates that he or she is a person of integrity.
- Employees with communication skills can express their thoughts and ideas freely, clearly, and concisely.
- The individual is able to plan and organise work responsibilities and tasks in order to achieve objectives through planning and organisation.

2. Cross functional competencies

These competencies are those that are not directly selected for core competencies. However, these skills are still required for a variety of jobs in a variety of functions and departments. Examples include computer skills, budgeting, and so on.

Some of these advantages include increased employee proficiency, teamwork promotion, time and cost savings, and increased employee loyalty.

3. Functional competencies

These abilities are also known as technical abilities. These are the abilities that professionals must possess on a daily or regular basis. Employee training, software programming, risk analysis, data analysis, and tax accounting are just a few examples of what this competency entails.

Having these three types of competencies is critical for employees who want to make a name for themselves in the corporate world.

7.3.1 CONCEPT:

Learning organisations are those in which people are constantly expanding their capacity to produce the results they truly desire, where new and expansive patterns of thought are fostered, collective aspiration is unleashed, and people are constantly learning how to learn together. It is critical for a learning organisation to develop new and improved methods of learning and performance.

Peter Senge has defined the learning organization as the organization “in which you cannot not learn because learning is so insinuated into the fabric of life.” According to him the learning organizations are “...organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together”.

The five main characteristics (Fig 1) that Peter Senge had identified are said to be converging to innovate a learning organization. These are (i) Systems thinking, (ii) Personal mastery, (iii) Mental models, (iv) Building shared vision, and (v) Team learning.

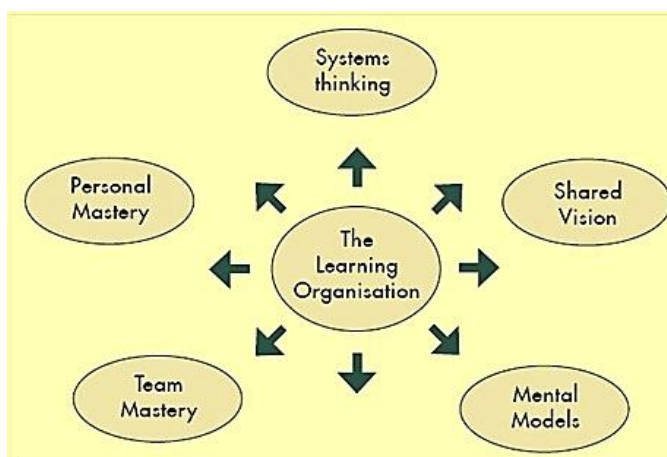


Fig 7.4.1 Five characteristics of a learning organization

Systems thinking

This is a conceptual framework for studying businesses as bounded objects. When assessing the organisation, the learning organisation employs this way of thinking and has information systems that measure the performance of the organisation as a whole and of its various components. It is the discipline that unites all of the organization's employees, fusing them into a unified body of theory and practise. The ability of systems thinking to comprehend and address the whole, as well as examine the interrelationships between the parts, provides both an incentive and a means to integrate various disciplines in the organisation.

Personal mastery

Personal mastery is the practise of constantly clarifying and deepening an employee's personal vision, focusing their energies, developing patience,

and seeing reality objectively. It goes beyond competence and skills, though they are involved.

Personal mastery refers to an individual's dedication to the process of learning. If the organization's employees can learn more quickly, the organisation will have a competitive advantage over other competing organisations. Individual learning is acquired through employee training, development, and continuous self-improvement; however, learning cannot be forced on someone who is not receptive to learning. A learning organisation has been defined as the sum of individual learning; however, mechanisms must exist for individual learning to be transferred into organisational learning.

Mental models

Mental models are defined as "deeply ingrained assumptions, generalisations, or even pictures and images that influence how we understand the world and act."

Mental models are the assumptions that individuals and organisations hold. These models must be challenged in order for an organisation to become a learning organisation. Individuals tend to advocate theories, which they intend to follow, and theories-in-use, which they actually do. Similarly, organisations have 'memories' that preserve specific behaviours, norms, and values. It is critical to replace confrontational attitudes with an open culture that promotes inquiry and trust when creating a learning environment.

In order to accomplish this, the learning organisation requires mechanisms for locating and evaluating organisational theories of action. Unwanted values must be discarded through a process known as 'unlearning.'

The discipline of mental models begins with looking inward; learning to unearth our internal pictures of the world, bring them to the surface, and rigorously scrutinise them. It also includes the ability to engage in 'learningful' conversations that balance inquiry and advocacy, in which people effectively expose their own thinking and open that thinking to the influence of others.

Building shared vision

If there is one leadership idea that has inspired organisations for thousands of years, it is the ability to hold a shared vision of the future that the organisations seek to create. Such a vision has the potential to be uplifting – as well as to inspire experimentation and innovation.

The creation of a shared vision is critical in motivating employees to learn because it creates a common identity that provides focus and energy for learning. The most successful visions are usually built on the personal visions of employees at all levels of the organisation. Traditional structures that impose the organisational vision from on high can stymie the development of a shared vision. As a result, a learning organisation has a flat, decentralised organisational structure. The shared vision is frequently to succeed against a competitor, for which there may be

temporary goals. However, there should be long-term goals that are built into the organisation.

When there is a genuine vision (rather than the common 'vision statement,' employees excel and learn because they want to, not because they are told to. However, many leaders have personal visions that never become shared visions that galvanise the organisation.

The practise of shared vision entails the ability to discover shared "pictures of the future" that foster genuine commitment and enrolment rather than compliance.

Team learning

Team learning is defined as "the process of aligning and developing a team's capacities to produce the outcomes that its members truly desire." It is based on personal mastery and a shared vision, but these are insufficient. Employees must be able to work together. When teams learn together, not only do the organization's results improve, but the team members also grow more quickly, which would not have happened otherwise.

Team learning is the accumulation of individual learning. The advantage of team or shared learning is that employees grow faster and the organization's problem-solving capacity improves due to better access to knowledge and expertise. Structures in a learning organisation facilitate team learning through features such as boundary crossing and openness. Individuals must engage in dialogue and discussion as part of team learning. As a result, team members must cultivate open communication, shared meaning, and shared comprehension..

7.3.2 CREATING AN INNOVATION ORGANIZATION

An innovative organisation involves everyone in the organisation in the process of developing and implementing new ways to achieve the organization's goals. And everyone includes everyone from the CEO to the frontline workers.

The following are the eight key elements that make up a truly innovative organisation:

1. **Create a vision.** The first step is to create a vision that is desirable, challenging, and credible. Innovative leaders must ensure that everyone is working toward a common goal and embarking on a journey together. Being together makes it easier for them to accept the changes, challenges, and difficulties that arise along the way. Innovative leaders should delegate more responsibility and give their employees more control over their work.
2. **Foster an open and inquisitive culture.** Because the painted picture quickly fades from view, great leaders should take the time to meet with their employees and demonstrate the goals to be met as well as the challenges to be overcome. Leaders motivate employees to become entrepreneurs who seek out new ways to succeed.

3. **Empowering.** The goal of empowering your employees is to transform them into entrepreneurs on the lookout for new opportunities. By empowering them, leaders enable them to develop the necessary skills for the task and effect change through their own efforts to create radical innovations.
4. **Go over, filter, and choose ideas.** Many ideas are generated during the innovation process in response to a given issue or challenge. Finally, the most promising idea is chosen.
5. **Prototype the promising ideas.** Following the selection of an idea, the next step is to rapidly prototype it.
6. **Analyze the results and the successful projects.** The feasibility, attractiveness, and payback of a new product are evaluated. Those who meet these criteria receive more funding.

7.4 INNOVATION CULTURE

7.4.1 CONCEPT:

The work environment that leaders cultivate in order to foster unconventional thinking and its application is referred to as the innovation culture. Workplaces that foster an innovative culture generally believe that innovation is not the exclusive domain of top management but can come from anyone in the organisation. Organizations that compete in markets defined by rapid change prize innovation cultures; maintaining the status quo is insufficient to compete effectively, making an innovation culture essential for success.

7.4.2 NEED:

A culture of innovation assists businesses in moving through the innovation cycle. It is easier to consistently ideate and move ideas with potential to the next step of the innovation process when multiple people, teams, and departments are working toward creative solutions. Rather than focusing all of your organization's resources on a single project in development, an innovative workplace encourages a continuous flow of ideas that can be strategically brought to market.

In addition to providing a competitive advantage, encouraging innovation throughout the business provides a competitive advantage. When you innovate as part of a strategic framework, you can direct research and development toward competitive white space. Meeting your customers' needs with innovative solutions gives them reasons to return to your company and share their positive experiences with like-minded potential customers.

7.4.3 MANAGERIAL ROLE

Management in organisations serves not only as an innovator promoter, but also as a strategic function. The management of innovation activities is the responsibility of a carefully selected management group comprised of representatives from all of the most important functions such as production, sales, marketing, and many others.

The innovation manager is used by the innovative team to manage operations, develop and design innovation structures, and moderate innovation processes.

As a coordinator, the innovation project manager: He is accountable in his role for meeting material, time, and cost targets and has operational responsibility for planning, execution, and control. The project manager is not the person who performs the tasks in an innovation project, but rather serves as the coordinator. Because of the high degree of interdisciplinaryism, high uncertainties, and uncertainties, an innovation project places high management demands on the project manager.

Owner of an Innovation Project as an Enabler: He oversees the project manager and manages the innovation project on a strategic level. In his role, he represents the company's and thus the customers' interests. He should also understand how the company operates and what the customer and the company require. As a result, board members and managers from the sales environment are destined to take on project ownership.

The innovation project leader, like the innovation manager, may face opposition or a lack of support. The project manager leads his team without disciplinary authority and is reliant on services from other functional areas. It is an enabler of innovation when combined with technical and authoritarian support.

The innovation project team as a driver of innovation

A well-thought-out team comprised of the most important stakeholders in terms of participants and affected parties, experts and employees who represent the interests of customers and perfectly understand market needs can pave the way for innovation success.

7.5 SUMMARY

- Competency - A set of individual performance behaviours that are observable, measurable, and critical to successful individual and company performance.
- Competency elements include skills, knowledge, attributes, and exceptional performance.
- Competency Types:
- Competency types include:
 - Core competencies,
 - Cross functional competencies, and
 - Functional competencies.
- Learning organisations are those in which people are constantly expanding their capacity to produce the results they truly desire, where new and expansive patterns of thought are fostered, collective aspiration is unleashed, and people are constantly learning how to learn together.

- The five main characteristics of a Learning Organization are (i) Systems thinking, (ii) Personal mastery, (iii) Mental models, (iv) Building shared vision, and (v) Team learning.
- An innovative organisation involves everyone throughout the organisation in the task of developing and implementing new ways to achieve the organization's goals.

7.6 EXERCISE

A. Descriptive Questions:

Short Answers:

1. What is Competency?
2. What do you understand by Learning Organization?
3. Write a note on Team Learning.
4. Explain the concept of Innovation Culture
5. How to build shared vision?

Long Answers:

1. Explain the types of Competencies.
2. Describe the characteristics of a learning organization
3. Discuss the elements that create a truly innovative organization.
4. Explain the role of Manager in Innovation Culture.
5. Enumerate the significance of Innovation Culture for International Organization.

B. Multiple Choice Questions:

1. Competencies are not _____
 - a. Task performed
 - b. motivation and self-knowledge,
 - c. Behavioural indicators
 - d. Effective characteristics of individual
2. Which term is used for the commitment by an individual to the process of learning ?
 - a. Leadership
 - b. Personal mastery
 - c. Shared Learning
 - d. Team Learning
3. Ability to carry on 'learningful' conversations balances _____
 - a. Emotions
 - b. Personal and professional Life
 - c. inquiry and advocacy
 - d. Mental health

4. What provides for both the incentive and the means to integrate various disciplines in the organization?
 - a. System Thinking
 - b. Mental Model
 - c. Team Mastery
 - d. Shared Vision
5. Who has to juggle with a high degree of interdisciplinarity, high uncertainties and uncertainties?
 - a. Top Management
 - b. HR Manager
 - c. Marketing Manager
 - d. Project Manager

Answers: 1 – a; 2 – b; 3 – c; 4 – a; 5 – d;

C. Fill in the blanks:

1. _____ are the skills that professionals are required to use on a daily or regular basis
2. Learning organization means organizations where people continually _____ their capacity to create the results
3. _____ are ‘deeply ingrained assumptions, generalizations, or even pictures and images that influence how we understand the world and how we take action.
4. The practice of _____ involves the skills of unearthing shared ‘pictures of the future’ that foster genuine commitment and enrolment rather than compliance.
5. The _____ is utilized by innovative team for the operative management, development and design of innovation structures and the moderation of innovation processes.

Answers: 1 – Functional Competencies; 2 – expand; 3 - Mental models; 4 – Shared vision; 5 - innovation manager

D. State whether the following sentence are Trues / False:

1. Skills indicates personal characteristics or traits.
2. Systems thinking - a conceptual framework that allows people to study businesses as bounded objects.
3. Leaders are not responsible for empowerment of teams.
4. Team Mastery is the discipline that integrates all the employees of the organization, fusing them into a coherent body of theory and practice.
5. A learning organization has been described as the sum of individual learning, but there must be mechanisms for individual learning to be transferred into organizational learning

Answers: 1 – F; 2- T; 3 – F; 4 – F; 5 – T;

7.7 REFERENCES

Textbooks:

- Michael Armstrong , Stephen Taylor, Armstrong's Handbook of Human Resource Management Practice, Kogan page
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- Radha R. Sharma, Human Resource Management for Organizational Sustainability, Business Expert Press.
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TRENDS IN HUMAN RESOURCE MANAGEMENT

Unit Structure

- 8.0 Objectives
- 8.1 Introduction
- 8.2 Employee Engagement
- 8.3 Human Resource Information System
- 8.4 Changing Patterns of Employment
- 8.5 Summary
- 8.6 Exercise
- 8.7 References

8.0 OBJECTIVES

After studying this unit, you will be able to

- Understand the significance of Employee Engagement
- Outline the need of HRIS
- Analyze the changing patterns of Employment

8.1 INTRODUCTION:

The last decade saw an avalanche of change in the human resources industry. Artificial intelligence is on the rise.

With millennials and Generation Z making up the majority of the business workforce, employers around the world are looking for tech-enabled ways to manage, recruit, and engage their employees. Artificial intelligence, diversity, the gig economy, cloud-based HR technology, and productivity skills will drive HR management in 2021 to formulate, implement, and improve employee engagement to boost a business.

And, most recently, a global pandemic that has altered millions of people's lives and redefined where and how work is done.

8.2 EMPLOYEE ENGAGEMENT:

8.2.1 CONCEPT:

Employee engagement is a human resources (HR) concept that describes a worker's enthusiasm and dedication to their job. Employees who are

engaged care about their work and the company's performance, and they believe that their efforts make a difference. An engaged employee is motivated by more than a paycheck and may consider their well-being to be linked to their performance and thus instrumental to the success of their company.

Employee engagement refers to a worker's level of enthusiasm and dedication to their job.

Given the links between job satisfaction and employee morale, employee engagement can be critical to a company's success.

Employees who are engaged are more likely to be productive and perform better.

Employers can increase employee engagement by communicating effectively, providing rewards, and discussing career advancement.

8.2.2 TYPES

1. Actively Engaged

Employees who are Actively Engaged are enthusiastic about their jobs and fully committed to the company's mission. These are the people who bring a positive attitude to the workplace, which can spread to other departments.

They bring new ideas and creativity to problem solving and thrive in collaborative environments with teammates. These engaged employees will share knowledge, collaborate more, and even become your top brand advocates.

This segment of the workforce is proactive in their approach to tasks and frequently goes above and beyond what manager's request.

These employees are optimistic about the company's future direction and take pride in moving the organisation forward.

Having strong bonds with co-workers is another component of high levels of engagement.

Employees who are Actively Engaged have meaningful relationships and interactions with their co-workers and feel like they are part of a supportive and close-knit team.

2. Not Engaged

When it comes to levels of engagement, most employees fall somewhere in the middle. They put in their time and do their jobs well, but they are less enthusiastic about the company.

Work may be just a paycheck to them, and they must see a reason to become more involved and go above and beyond the job description.

Perhaps they are dissatisfied with how executives communicate business decisions, or they want to know more about how their work fits into the larger picture.

This group may only need a reason to be inspired, and with a little extra push from managers and leaders, they may become actively engaged.

3. Actively Disengaged

While Actively Disengaged employees are usually the exception, they can have a significant impact on team dynamics. These employees are often underperformers because they are negative and resentful of the company.

They are unlikely to devote time to team-building activities or professional development opportunities that could help them advance in their careers at the company. And if these employees are vocal about their grievances and negativity, there is a risk that disengagement will spread throughout the organisation.

Employees who are actively disengaged are more likely to look for work elsewhere, which can have an impact on a company's retention rates. Furthermore, negative energy can have a negative impact on team morale, reduce productivity, and cost your company a lot of money.

The employee's expectations for their job and responsibilities need to be realigned with their managers to see any improvements to the situation.

The most important types of employee engagement are as follows:

- 1) **Cognitive Engagement:** This refers to how much employees concentrate on their work tasks. Small interruptions at work rarely distract an actively engaged employee.
- 2) **Emotional Engagement:** This refers to the in-the-moment experience that employees have while at work. This includes their own perception of their level of involvement in the job.
- 3) **Physical Engagement:** The extent to which an employee takes responsibility for his or her own development. One method of identifying physical engagement is through a voluntary nomination for a training programme.

8.3 HUMAN RESOURCE INFORMATION SYSTEM:

8.3.1 CONCEPT:

HRIS is an abbreviation for Human Resources Information System. The HRIS is a system that collects and stores data on the employees of a company.

In most cases, an HRIS includes the fundamental functions required for end-to-end Human Resources Management (HRM). It is a system for recruitment, performance management, learning and development, and other functions.

HRIS software is another name for an HRIS. This is a little perplexing because it implies that different systems can run different software. This, however, is not the case. The HRIS is essentially a piece of HR software.

The HRIS can run on the company's own technical infrastructure or, as is more common nowadays, on the cloud. This means that the HR software is running outside of the company's walls, making updates much easier.

HRIS system and HRMS, or Human Resources Management system, are two other terms that are commonly used. All of these are different words for the same thing. These systems are also known as Human Capital Management systems, or HCM.

HRIS functions:

There are various types of HRIS systems and software. Because an HRIS includes all HR functionalities, all separate functionalities are included in the system. Among these features are:

Applicant Tracking Software (ATS). This software takes care of all of the company's recruiting needs. It keeps track of candidate information and resumes, enables recruiters to match job openings to qualified candidates from the company's application pool, and aids in the hiring process.

Payroll. Payroll automates the process of paying employees. Contractual data and information on new hires are frequently entered into this system – sometimes in conjunction with time and attendance data – and payments orders are generated at the end of the month.

Administration of benefits. Benefits management is another feature of the HRIS. Employee benefits are a significant component of compensation and are also managed in this system. For employee benefits, more advanced systems provide an employee self-service model. In this case, employees can pick and choose which benefits they want. One may desire more paternity leave, while the other may desire a more expensive company car. A cafeteria model is another term for this self-service approach to benefits.

Attendance & Time. This module collects employee time and attendance data. These are especially important for shift workers who clock in and out. Employees used to write down their working hours on a piece of paper back in the day. The data would then be manually entered into a time tracking system by the manager. Payment orders were generated and distributed to all employees based on this information. Nowadays, employees frequently check in using their fingerprints or a card that is synced with an HRIS. This provides an exact arrival and departure time. Any lateness issues are easily identified.

Training. When it comes to employee management, learning and development are critical components. This module enables HR to track employees' qualifications, certification, and skills, as well as an outline of available courses for company employees. When used independently, this module is referred to as an LMS, or Learning Management System. An LMS typically includes e-learning and other courses that employees must complete.

Management of performance. Performance management is an important aspect of people management. Performance ratings are generated once or more times a year by the employee's direct manager or peers.

Planning for succession. Another critical component of an HRIS is the development of a talent pipeline and the availability of replacements for key roles within the organisation.

Employee self-service is available. The concept of employee self-service has already been mentioned. Organizations are increasingly emphasising the importance of empowering employees and direct supervisors to manage their own data. Requests for holidays, for example, can be made by the employee himself/herself. Following approval, these are immediately saved into the system (and registered to track for payroll and benefits purposes).

Analytics and Reporting: Reporting and analytics are a much rarer module in HRIS systems. Modern systems allow for the automated creation of HR reports on a variety of topics such as employee turnover, absence, performance, and more. Analytics entails analysing these insights in order to make more informed decisions.

8.3.2 IMPORTANCE OF HRIS:

Record-keeping. An HRIS is a record-keeping system that keeps track of any changes to employee-related information. When it comes to personnel data, the HRIS can be viewed as the single source of truth.

Compliance. For compliance purposes, some data is collected and stored. This includes material for identifying employees in the event of theft, fraud, or other misbehaviors, first contact information in the event of an accident, citizens identification information for the tax office, and mandatory certification expiration dates. All of this data can be saved in the HRIS. Data must be stored safely and securely in accordance with GDPR regulations.

Efficiency: Having all of this information in one location not only improves accuracy but also saves time. Some businesses still keep a lot of information about their employees on paper. Finding the right folder and the right sheet can consume a significant amount of staff time.

Human resource strategy: The HRIS allows for the tracking of data needed to advance HR and business strategy. Depending on the organization's priorities, different data will be required to be tracked. This is where the HRIS comes into its own.

HR self-service. Another advantage is the ability to provide self-service HR to employees and managers. Employees are able to manage their own affairs as a result of this. When done correctly, the HRIS can provide a positive employee experience.

8.4 CHANGING PATTERNS OF EMPLOYMENT:

Promote Diversity and Inclusion

The company culture is critical in providing a positive experience for its employees. With employees of various races, ages, genders, sexual orientations, and cultures, industries must make their employees feel like they are part of a community.

HR professionals must sow the seeds of inclusion and affiliation in order for employees to feel confident in expressing their ideas with equity. According to research, a cohesive work culture improves employee

performance by 56% and reduces turnover risk by 50%. Motivate them to be fully involved in the company's vision.

The Trend of Work from Home (WFH)

The Coronavirus pandemic has shifted business paradigms all over the world. This worldwide overnight shift to remote work places a premium on flexible work arrangements. Four out of five human resource managers believe that the shift to remote work has resulted in lower employee absenteeism, with employees available online when needed.

Many corporations will offer remote work as a full-time opportunity by 2021. As a result, HR departments must adapt to new workplace settings in order to keep employees engaged and on track.

Cultivate Critical Thinking, Soft Skills, Digital Skills

Education and job skills are no longer the only factors considered when hiring new employees. The workforce of the twenty-first century requires HR professionals to look for a combination of power skills. Look for candidates who have digital skills such as data analytics and digital literacy.

Assess critical thinking abilities such as strategic thinking and conflict resolution. Businesses now prioritise soft skills such as emotional intelligence and creativity for the humanistic work environment. Choose candidates with the ability to learn and the aptitude to work in a tech-human blended work mode.

Employee Wellness Programs

Employee stress levels have been rising as a result of the fast-paced work culture and competitive race. HR practitioners should advance workplace wellness programmes to strengthen employees' wellbeing in order to achieve a work-life balance in order to maintain their mental health. Create employees who are motivated, engaged, and loyal, and who are cared for and nurtured.

Healthy lunches, team building activities, on-site fitness classes, counselling sessions, festive celebrations, and weekly interactive video calls are examples of activities to consider. Educate your employees on mental health issues such as depression, anxiety, and stress, as well as how to deal with them.

Artificial Intelligence (AI) and Machine Learning

AI-based algorithms, such as applicant tracking software, combined with an increase in cloud computing, can help HR professionals with candidate recruitment and workflow. AI tools encourage merit-based selection, which eliminates conscious and unconscious bias.

AI assists HR in managing employee on boarding, integration, training, performance, reporting, payroll, and data administration. To access the data, integrate robotic process automation (RPA) to include skills such as chatbots, natural language processing (NLP), and machine learning.

Creativity in Recruitment and Learning Management System (LMS) for Training

HR professionals frequently lament the difficulty of finding talented employees. They must be creative in order to select qualified applicants or fill open positions. Aside from artificial intelligence, talent acquisition teams can use headhunting firms or recruitment marketing agencies to find potential candidates.

Incorporate a learning management system or tools to help with training and workshops. To develop future talent through the internet. Bridge, Go Skills, Absorb, and Moodle are examples of LMS. Incorporate mentoring programmes as well to increase employee retention rates.

Train the Workforce with Virtual Reality (VR) and Augmented Reality (AR)

With the advent of digital integration, every department, including HR, is armed with the most cutting-edge novel technologies, such as VR and AR, for employee development and hands-on experience. They have become the preferred training method for a wide range of industries, including insurance, customer service, retail, construction, and safety training, to name a few.

They have been seen in some training programmes to effectively bring about behavioural changes in trainees in order for them to develop new skills needed for their new job. They also help with front-end processes such as recruiting and onboarding.

Fluid Task Management with Gig Economy

HR professionals should be aware that younger generations prefer work-life balance, flexible schedules, and telecommuting. The gig economy, in which people prefer to work independently, is experiencing a surge as people increasingly seek to work on their own terms and conditions.

Employees are opting out of the 9-5 work schedule in order to pursue side hustles in addition to their day jobs. Others, such as freelancers and consultants, prefer to work entirely for themselves. With this changing trend, HR practitioners and team leaders must look for new ways to keep their workforces efficient and agile.

A company's workforce is what keeps it running. As a result, it is critical for HR professionals to not only seek out the best talent, but also to create a work environment that will keep them loyal to your organisation. Improve employee experience, offer continuous learning and skill development programmes, and make your company more appealing to young job seekers.

8.5 SUMMARY

- Employee engagement is a human resources (HR) concept that describes a worker's level of enthusiasm and dedication to their job.
- TYPES o Actively Involved
Employees who are actively engaged are enthusiastic about their jobs and fully committed to the company's mission.
- Not Married
They put in their time and do their jobs well, but they are less enthusiastic about the company.
- Disengaged Actively
While Actively Disengaged employees are usually the exception, they can have a significant impact on team dynamics.
The HRIS is a system that collects and stores data on the employees of a company.
HRIS's Importance:
 - Record-keeping.
 - Compliance.
 - Efficiency.
 - Human resource strategy
 - HR Self-Service.

Changing Employment Patterns:

- Promote Diversity and Inclusion
- Work from Home (WFH) Trend
- Cultivate Critical Thinking, Soft Skills, and Digital Skills
- Employee Wellness Programs
- Artificial Intelligence (AI) and Machine Learning
- Recruitment Creativity and Learning Management System (LMS) for Training
- Train the Workforce with Virtual Reality (VR) and Augmented Reality (AR)
- Gig Economy Fluid Task Management

8.6 EXERCISE:

A. Descriptive Questions

Short Answers:

1. What is Employee Engagement?
2. Outline the importance of HRIS.
3. What are the benefits associated with train the Workforce with Virtual Reality (VR) and Augmented Reality (AR)?
4. Why Employee Wellness Programs are emphasized by the organization?
5. What is HRIS?

Long Answers:

1. Discuss the types of Employee Engagement.
2. Explain the functions of HRIS.
3. Write a note on Changing Patterns of HRM.
4. Compare the Actively Engaged and Actively Disengaged Employees.
5. Illustrate the importance of the digital skills

B. Multiple Choice Questions:

1. What is considered as a pay check?
 - a. Trained Employee
 - b. Engaged Employee
 - c. Disciplined Employee
 - d. Structured Employee
2. Who put in their time and fulfil their job responsibilities, but they are more neutral about the company?
 - a. Not Engaged
 - b. Actively Engaged
 - c. Managers
 - d. Actively Disengaged
3. Which of the following indicates can be one of the means of identifying physical engagement?
 - a. A voluntary nomination for Blood Donation
 - b. A voluntary nomination for Social Service
 - c. A voluntary nomination for Meal Services
 - d. A voluntary nomination for a training program
4. Select the software that handles all the company's recruiting needs.
 - a. Employee Self Services
 - b. Succession Planning
 - c. ATS
 - d. Payrolls
5. What promotes promote merit-based selection eliminating conscious or unconscious bias?
 - a. Employee Wellness Programs
 - b. AI tools
 - c. Psychometric Test
 - d. Physical Test

ANSWERS: 1 – b ; 2 – a ; 3 – d ; 4 – c ; 5 – b ;

C. Fill in the blanks

1. _____ part of the workforce is proactive about tasks.
2. _____ involves the extent to which employees focus on their work tasks
3. In _____ model, employees can select the benefits they are looking for themselves.
4. Soft skills like emotional intelligence and creativity are considered a priority by businesses these days for the _____ work environment.
5. _____ need to plant a seed of inclusion and affiliation where the employees feel confident to express their ideas with equity.

ANSWERS: 1 – Actively engaged ; 2 - Cognitive Engagement; 3- Cafeteria ; 4 - humanistic ; 5 - HR professionals ;

D. State whether the following sentences are True(T)/ False (F):

1. Strong levels of engagement also reflected in having strong bonds with co-workers.
2. Actively Disengaged are likely to invest time in team-building activities.
3. The HRIS is a system that is used to collect and store data on an organization's employees.
4. In 2021, many corporations are offering remote-work as a full-time opportunity
5. It is not an essential that data is stored safely and securely, in line with GDPR regulations.

ANSWERS: 1 – T ; 2 - F; 3- T ; 4 - T ; 5 - F;

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CHALLENGES IN HUMAN RESOURCE MANAGEMENT

Unit Structure

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Challenges in Human Resource Management
- 9.3 Domestic and International HR Practices
- 9.4 Millennial (Gen Y) Competency Mapping:
- 9.5 Summary
- 9.6 Exercise
- 9.7 References

9.0 OBJECTIVES

After studying this unit, you will be able to

- Analyze the challenges in HRM
- Outline the difference between Domestic and International HRM
- Explain the Competency Mapping of Millennials.

9.1 INTRODUCTION

Managing people (Human Resources) in today's environment is a difficult task fraught with difficulties. Globalization, technology, managing change, retaining human capital, responding to market forces, and cost containment are among the competitive challenges. Concerns for employees are exacerbated by diversity, age, gender issues, job security, educational levels, employee rights, privacy issues, work attitudes, and family problems.

9.2 CHALLENGES IN HUMAN RESOURCE MANAGEMENT

9.2.1 EMPLOYEE EMPOWERMENT:

Empowerment is the process of granting employees in an organisation the authority, power, responsibility, resources, and freedom to make decisions and solve work-related problems. They are given sufficient authority and resources to take such initiatives and decisions.

This authority distribution is not based on the concept of a "delegation" relationship. It is a "trust-based relationship" that is established between management and employees in empowerment. It is an ongoing process.

Employees who are empowered become "self-directed" and "self-controlled."

Types of Employee Empowerment:

1. **Suggestion Involvement:** It represents a minor departure from the traditional control model. Through formal suggestion programmes or quality circles, employees are encouraged to contribute ideas. They can only make suggestions; the authority to accept and implement those suggestions rests with management.
2. **Job Involvement:** In this type of empowerment, jobs are redesigned so that employees can use a wide range of skills. Employees believe their tasks are important, they have a lot of leeway in deciding how to do the work, they get enough feedback on their performance, and they each handle a specific piece of work.

However, despite the increased level of empowerment it provides, the job involvement approach does not cover strategic decisions concerning organisational structure, authority distribution, and reward allocation.

3. **High Involvement:** High involvement organisations provide their lowest level employees with a sense of involvement not only in how they do their jobs or how effectively their group performs, but also in the overall performance of the organisation. Information on all aspects of business performance is shared horizontally as well as up and down the organisational structure.

Employees gain extensive skills in teamwork, problem-solving, and management decision-making. Profit-sharing and employee stock option plans (ESOP) are frequently used by high-involvement organisations to motivate their workforce.

9.2.2 WORKFORCE DIVERSITY

Workforce diversity refers to the heterogeneous composition of an organization's employees in terms of age, gender, language, ethnic origin, education, marital status, and so on. Managing such diversity is a significant challenge for HR professionals.

Workforce diversity has far-reaching implications for management. Managers will be required to shift their approach from treating each group of workers the same to recognising differences among them and implementing policies to encourage creativity, improve productivity, reduce labour turnover, and avoid discrimination.

When workforce diversity is properly managed, there is better communication, better human relations, and a more pleasant work culture in the organisation.

For businesses, workforce diversity represents both a challenge and an opportunity. A growing number of progressive organisations recognise the

importance of valuing diversity in the workforce in order to ensure strategic human resource utilisation for the achievement of strategic goals.

Businesses that manage diversity benefit from a strategic advantage in the following ways:

- i. A well-managed diversity in an organisation or company will resolve conflicts resulting from opposing viewpoints into more complete and inventive solutions.
- ii. An organisation that promotes equal employment opportunities for diverse groups will do better in general at attracting and retaining talent from all backgrounds, thereby increasing a pool of skilled employees. People's differences include a wide range of talents and perspectives. The greater the diversity of talents and perspectives among employees, the greater the likelihood of the company's success.
- iii. Businesses that employ people from diverse backgrounds can better serve their diverse customers. Such employees can interact effectively with local customers and pay close attention to their customers' sensitivities and expectations.
- iv. Companies with diverse workforces can present their products and services more effectively.
- v. Companies with effective diversity programmes can avoid damaging their corporate reputation or costly lawsuits as a result of allegations of discrimination or cultural insensitivity.
- vi. To be successful in today's global market, a workforce with language skills, cultural sensitivity, and awareness of national and other differences across the market is required. Multinational corporations, for example, operate in various countries with vastly different cultural practises. It is essential to have a workforce that understands the culture of the country in which the multinational operates.

Workforce Diversity – Challenges:

The following are some of the challenges posed by workforce diversity:

- i. **Difficult Gender Relations** – Women frequently face a variety of issues at work. Gender differences are used to exploit them and, in some cases, lead to sexual harassment.
- ii. **Cultural Conflicts** – Cultural differences can make an employee feel alienated. Other cultural groups may reject him as a member of theirs. Such events have a negative impact on the organization's performance.
- iii. **Discriminatory Treatment** – Top officials frequently discriminate against diverse workforces.

- iv. For example, in many companies in the United States, whites are generally given a preference over blacks in terms of power, facilities, and promotions; in Japanese companies, Indians are not treated on equal footing with Japanese even if they hold a similar job profile; and many companies do not pay women employees the same wages as men for the same work. Employee morale suffers as a result of such discriminatory practises.
- v. **Resistance to Change** – Due to diversity, some groups of workers may resist management-proposed change.
- vi. Religious/racial differences are also a major source of disagreements over minor issues, which, if not resolved in a timely manner, can escalate into a bitter feud.
- vii. There is always employee resistance to change. When there is a diverse workforce, the opposition can be fierce at times.
- viii. When employees are parochial, there is a risk that they will form close and powerful groups that share the same Carte, community, or religion.

9.2.3 ATTRITION:

Employee attrition occurs when a worker leaves a company for any reason, including voluntary resignations, layoffs, failure to return from a leave of absence, or even illness or death. Employee attrition occurs when someone leaves a company for any reason and is not replaced for an extended period of time (if ever).

There are two main types of employee attrition:

Voluntary attrition: Voluntary attrition occurs when an employee chooses to leave the company. This can include any reason an employee leaves on their own volition, whether or not it is truly voluntary. True voluntary terminations, such as resignations for a new job or to relocate across the country, are probably the most common. However, an employee who leaves for health reasons or simply because the work environment is toxic can also be classified as voluntary attrition. The company retains the option of not replacing the employee—though there are times when the company would like to replace someone but is unable to do so.

Involuntary attrition: Involuntary attrition occurs when a company decides to part ways with an employee. This can occur as a result of reorganisation or layoffs, for cause (such as stealing or fighting), poor performance, or termination when someone quits their job. (You could argue that the last one is a voluntary termination, but the company makes the final decision.) The position is then either not filled or eliminated by the company.

The most common type of attrition is involuntary attrition through position elimination, in which the company decides to eliminate a position

proactively. In the case of other types of termination, the company usually decides to leave the job vacant after the termination.



Fig 9.1 Reason for Employee Attrition

9.2.4 DOWNSIZING:

Downsizing literally means shrinking the size of an organisation in order to save money, sever unprofitable operations, and improve operational efficiency. In fact, it is a restructuring process to meet environmental challenges. Downsizing in the context of human resource management entails the elimination of specific jobs in order to reduce pay bills and improve work efficiency.

A business may reduce staff that is in excess of its current needs by instituting a voluntary retirement scheme (VRS).

Downsizing entails organisational restructuring that results in a reduction in the size of the organisation, resulting in a flat organisational structure that can respond more quickly to the pace of environmental changes. Downsizing frequently entails reducing the size of the organisation through pruning of workforce.

Organizations may go for downsizing for a variety of reasons; some of the major ones include the following:

To Address the Issue of Initial Over-Staffing:

- **To Address the Negative Consequences of Economic Recession:**
- **To Take Advantage of Technological Advancements:**
- **Concentrating on Core Activities**
- **While Outsourcing Non-Core Activities:**

An HR manager can take the following steps/measures to give effect to downsizing with minimum negative consequences –

- i. Proper Communication with Employees:
- ii. Convincing Employees' Unions and Winning their Support:
- iii. Providing Outplacement Services:
- iv. Working out Alternatives to Termination:

9.2.5 ABSENTEEISM:

Absenteeism is a condition in which an employee is absent from work without notice. In our country, statistical data on absenteeism are compiled and submitted based on the definition of absenteeism as defined in the Indian Factories Act of 1948. "Absence" is defined in this Act as "the failure of an employee to report for work on duty when he is scheduled to work on his duty." When the employer has work available for him and the employee is aware of it, the employee is considered to be scheduled to work.

1. **Authorised Absenteeism:** When an employee misses work by obtaining permission from his superior and applying for leave, this is referred to as authorised absenteeism.
2. **Unauthorized Absenteeism:** Unauthorized absenteeism occurs when an employee misses work without informing or obtaining permission, and without applying for leave.
3. **Wilful Absenteeism:** When an employee intentionally misses work, this is referred to as wilful absenteeism.
4. **Absenteeism Caused by Circumstances Beyond One's Control:** Absenteeism caused by circumstances beyond one's control occurs when an employee misses work due to circumstances beyond one's control, such as involvement in an accident or sudden illness.

Common causes of employee absenteeism

- Disrespectful or limited communication between management and employees
- Lack of support and acknowledgement for employee wellbeing
- Dismissive or discriminatory behaviour
- Strict micro-management regimes
- Not enforcing standards
- A lack of positive and constructive feedback

Measures to reduce the rate of absenteeism:

1. Provision of Healthful and Hygienic Working Conditions: Drinking water, canteens, lavatories, rest rooms, lighting, and ventilation facilities all need to be improved.
2. Wage and Allowance Provision, as well as Job Security for Workers: Management should pay reasonable wages and allowances, taking into account the industry's capacity to pay, the level of wages prevailing in different units of the same industry in the same area in neighbouring areas, labour productivity, and the overall effect of rising wages in neighbouring industries.
3. Adoption of a Well-Defined Recruitment Procedure: Employee selection should be discouraged or avoided based on communal, linguistic, and familial considerations.
4. Worker Motivation – Welfare and Social Measures: Management should recognise workers' needs and provide them with adequate and affordable housing, free or subsidised food, free medical aid and transportation to and from their residence, free educational facilities for their children, and other monetary and nonmonetary benefits.
5. Workplace Safety and Accident Prevention: Workplace safety can be maintained and accidents avoided if management strives to eliminate personal factors such as negligence, over-confidence, carelessness, vanity, and so on, as well as material factors such as unguarded machinery and explosives, defective equipment, and hand tools.
6. Liberal Grant vs. Leave
7. Improved Communication and Prompt Resolution of Complaints
8. Friendly Relationships Between Supervisors and Employees
9. Worker Education Development: The worker education system should be designed to take into account their educational needs as individuals for personal evaluation; as operatives for efficiency and advancement.

9.2.6 WORK LIFE BALANCE

Work life balance is a technique that assists employees in balancing their personal and professional lives. Work life balance encourages employees to prioritise their time and maintain a balance by devoting time to family, health, vacations, and so on, in addition to making a career, business travel, and so on.

Importance of work life balance

Working for a company and establishing a career can be a time-consuming task for any employee. Employees are busy at their workplaces all day, and sometimes even on weekends. They have very little time to interact with their family as a result of this. Family members are frequently neglected as a result of the high demands of work. Employees' health also suffers as a result of stressful jobs. This is where work-life balance comes into play. The concept of work-life balance enables an employee to strike

a fine balance between the time he or she devotes to work and personal matters. People can have a good work life by striking a good balance.

Because the employee is less concerned about his personal commitments, he is more productive at work. It also allows the employee to spend quality time with his or her family during vacations, leisure time, working on his or her health, and so on. As a result, work-life balance is critical for employees and increases their motivation to work for the company.

Work-life balance has several advantages. Some of them are as follows:

1. Work-life balance boosts employee motivation and helps them perform better at work.
2. It relieves stress by allowing people to spend leisure time with their loved ones.
3. Companies can gain more productivity from a rejuvenated and refreshed employee than from an overworked employee.
4. A work-life balance can help you maintain a healthy lifestyle. This includes a healthy diet, regular exercise, and so on.
5. Highly motivated employees can help the business grow because they are more committed to their jobs and careers.

9.2.7 SEXUAL HARASSMENT AT WORKPLACE

In its guidelines, the EEOC defines sexual harassment as: Unwelcome sexual advances, requests for sexual favours, and other verbal or physical sexual conduct when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, or
- Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or

Sexual harassment includes many things:

Actual or attempted rape or sexual assault.	Unwanted pressure for dates.
Unwanted pressure for sexual favours.	Unwanted sexual teasing, jokes, remarks, or questions.
Unwanted deliberate touching, leaning over, cornering, or pinching.	Referring to an adult as a girl, hunk, doll, babe, or honey.
Unwanted sexual looks or gestures.	Whistling at someone
Unwanted letters, telephone calls, or materials of a sexual nature.	Cat calls, Sexual comments, Turning work discussions to sexual topics, etc.

Strategies for Preventing Sexual Harassment at Work:

- Organizations' harassment policies should be reviewed on a regular basis. And they should communicate about these policies and the principles they represent on a regular basis, not just during onboarding or annual training cycles, but throughout the year in all-staff and smaller team meetings, internal company communications, and other venues.
- It is also critical to educate executives, managers, and employees about more subtle forms of sexual harassment. These low-stakes behaviours or comments not only harm working relationships and team culture, but they can also escalate into more egregious harassment if left unchecked.
- **Maintain Positive Sexual Harassment Prevention Training:** HR leaders, managers, and supervisors cannot be on the lookout for harassment 24 hours a day, seven days a week. Companies, on the other hand, can increase the likelihood that incidents or warning signs of harassment will be seen, reported, and acted upon—and even prevented—by enlisting the help of their own employees.

9.3 DOMESTIC AND INTERNATIONAL HR PRACTICES

1. ***More and Diversified HR Activities:*** When compared to domestic HRM, international HRM has more and diverse HR activities. Because these activities must be performed in a different context, the volume of the same HR activities that are relevant for domestic HRM increases in international HRM.
2. ***The Need for a Broader Perspective:*** When compared to domestic HRM, international HRM necessitates a much broader perspective in almost all HR activities. It implies that when making decisions on any aspect of international HRM, HR managers must consider a number of factors. Many of these factors are unimportant in the context of domestic HRM.
3. ***More Involvement in Employees' Personal Lives:***
In international HRM, HR managers are expected to be more involved in employees' personal lives than in domestic HRM. This increased involvement is required to ensure that employees are appropriately placed in an international location with which they are unfamiliar. This lack of familiarity could be due to a variety of factors such as housing, health care practises, meeting host country legal requirements, and so on.
4. ***Emphasis on Change in Employee Mix:*** In international HRM, a strong emphasis is placed on change in employee mix, particularly in terms of employee nationality. When an organisation establishes a business in a foreign country, it frequently recruits a larger number of employees from the country of its origin.

5. High Risk Exposure:

When compared to domestic HRM, international HRM has a higher risk exposure. In an international business, the risk can be of various types (political, regulatory, etc.). HR-related risk, on the other hand, may take the form of a lack of suitable HR practises that meet local requirements, social-cultural risk in the form of non-acceptance of parent country nationals as employees, and so on.

6. More External Influences: A business management maxim is that the further a company travels, the more external influences it must deal with. This is also true for international human resource management. International HRM activities are influenced by a variety of external factors, as opposed to domestic HRM activities. HR managers must deal with a new set of socio-cultural milieu, political and legal system, and so on.

9.4 MILLENNIAL (GEN Y) COMPETENCY MAPPING:

Millennials are flooding the labour force, which means that businesses will have more young employees with diverse perspectives and ideas. Managers and business owners must understand the benefits of integrating Millennials into the workforce. In several ways, a competency-based approach to talent management can aid in the development of a more Millennial-friendly culture:

Core Competencies: One of the key characteristics of Millennials is their desire to find meaning in their work and to be a part of something bigger than themselves. Today, the majority of the workforce is motivated by a stronger sense of mission, where core competencies can be transformative. The key values and strengths shared by the entire organisation are reflected in core competencies, which eventually become a part of every employee's job profile. Organizational strengths are translated into job-level success metrics by core competencies. As a result, by demonstrating how jobs at various levels within the organisation contribute to the achievement of the organization's primary goals and missions, core competencies help Millennials feel connected to the bigger picture.

Job-specific Competencies Job-specific competencies are critical for engaging and retaining Millennials because they articulate the skills, knowledge, abilities, motivations, distinguishing traits, and appropriate behaviours required for specific jobs within the organisation. Competency-based career development programmes allow organisations to align job competencies with learning opportunities, enabling Millennials to identify areas for improvement and the quickest path to career advancement. Competency-based career development identifies the training path required to achieve different competency levels and defines the competencies and proficiency levels for each job role within the organisation. This approach assists Millennials in visualising their career options and makes career advancement transparent, accessible, and self-directed. To better align career development with the needs of Millennials, organisations must create learning resources that are compatible with their

technological preferences. Millennials prefer tech-driven engagement and options such as self-paced e-learning, which reflect their preference for flexible, unstructured participation.

Leadership Competencies: The majority of Millennials prefer transformational leaders who prioritise people and purpose over profit. As a result, in order to attract this idealistic generation, organisations must assess whether their current leadership competencies complement the Millennials and their expectations.

When compared to previous generations, millennials are a mix of youthful and distinct generational traits who are focused on finding work that constantly offers new challenges. Instead of a fancy title, prestige, and perks, they want to be involved in meaningful work and be a part of something bigger than themselves.

9.5 SUMMARY:

Empowerment is the process of giving employees in an organisation the power, authority, responsibility, resources, and freedom to make decisions and solve work-related problems.

Employee Empowerment Comes in a Variety of Forms:

- Suggestion Involvement:
- Job Involvement:
- High Involvement:
 - Workforce diversity refers to the heterogeneous composition of an organization's employees in terms of age, gender, language, ethnic origin, education, marital status, and so on.
 - Employee attrition occurs when a worker leaves a company for any reason, including voluntary resignations, layoffs, failure to return from a leave of absence, or even illness or death.
 - When an employee chooses to leave a company, this is referred to as voluntary attrition.
 - Involuntary attrition: When a company decides to let go of an employee, this is referred to as involuntary attrition.
 - Downsizing literally means shrinking the size of an organisation in order to reduce costs, sever unprofitable operations, and improve operational efficiency.

Absenteeism Types –

- Authorised Absenteeism:
- Unauthorized Absenteeism:
- Willful Absenteeism:
- Absenteeism Caused by Circumstances Beyond One's Control: Work life balance is a method that assists employees in balancing their personal and professional lives.

- Expanded and Diversified HR Activities:
- Requirement for a Broader Perspective:
- Greater Involvement in Employees' Personal Lives: Greater Emphasis on Change in Employee Mix: Greater Risk Exposure: Greater External Influences:

9.6 EXERCISE:

A. Descriptive Questions

Short Answers:

1. State the concept and types of Employee Empowerment.
2. Explain Attrition
3. What is Downsizing?
4. Why Work Life Balance is important for Employer and Employee?
5. State and explain International HRM

Long Answers:

1. What is Workforce Diversity? Explain the strategic advantages enjoyed by the organization that manages workforce diversity.
2. What is absenteeism? State the types and measures to reduce the absenteeism.
3. Write a note on Sexual Harassment.
4. Explain the difference between Domestic and International HRM Practices.
5. Discuss Millennial (Gen Y) Competency Mapping.

B. Multiple Choice Questions:

1. Employees are encouraged to contribute ideas through

 - a. formal suggestion programs or quality circles
 - b. Job involvement
 - c. High involvement
 - d. Voluntary Programs
2. When an employee chooses to leave the company is termed as
 - a. Involuntary Attrition
 - b. Voluntary Attrition
 - c. Standard Attrition
 - d. Routine Attrition

3. If an employee absents himself from work without informing or taking permission and without applying for leave, such absenteeism is called _____
 - a. Absenteeism Caused by Circumstances
 - b. Authorised Absenteeism
 - c. unauthorised absenteeism.
 - d. Wilful Absenteeism
4. Who is required to have more involvement in employees' personal lives in the case international HRM?
 - a. HR Manager
 - b. Line Manager
 - c. Immediate Boss
 - d. Top Management
5. What translate organizational strengths into job-level success metrics?
 - a. Educational Qualifications
 - b. Personal Skills
 - c. Technical Training
 - d. Core competencies

ANSWERS: 1 – a ; 2 – b ; 3 -c ; 4 - a ; 5 -d ;

C. Fill in the blanks

1. In this type of _____empowerment, the jobs are redesigned so that employees use a variety of skills.
2. _____ represents both a challenge and an opportunity for business.
3. _____literally means reducing the size of the organisation in order to cut costs, hive off unprofitable operations and improve operational efficiency.
4. _____ means a condition where an employee keeps himself away from the work without any notice
5. _____encourages employees to divide their time on the basis on priorities.

ANSWERS: 1 – Job involvement; 2 - Workforce diversity; 3 - Downsizing; 4 - Absenteeism; 5 - Work life balance

D. State whether the sentences are True (T) or False (F)

1. An organisation or a company with well-managed diversity will solve the conflicts resulting from opposing viewpoints, into a more complete and inventive solutions.
2. Job-specific competencies play an essential role in engaging and retaining Millennials.
3. International HRM does not requires much wider perspective in respect of almost all HR activities

4. There is low risk exposure in international HRM as compared to domestic HRM.
5. Work life balance increases the motivation of employees

ANSWERS: 1 – T ; 2 - T; 3 - F ; 4 - F ; 5 -T ;

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