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M.COM. SEMESTER - I (BUSINESS MANAGEMENT)

(REVISED SYLLABUS AS PER NEP 2020)

HUMAN RESOURCE MANAGEMENT

© UNIVERSITY OF MUMBAI

Prof. Ravindra Kulkarni

Vice-Chancellor, University of Mumbai,

Prin. Dr. Ajay Bhamare Prof. Shivaji Sargar

Pro Vice-Chancellor, Director,

University of Mumbai, CDOE, University of Mumbai,

Programme Co-ordinator: Rajashri Pandit (Ph.D)

Assistant Professor (Economics)

Head Faculty of Commerce & Management, CDOE,, University of Mumbai, Mumbai

Course Co-ordinator : Sambhaji Shivaji Shinde

Assistant Professor, CDOE,, University of Mumbai, Mumbai

Editor : Dr. Kiran Menghani

Vice Principal, Vedanta College

Course Writer : Dr. Vinod H. Kamble

Assistant Professor,

Bal Bharati's MJP College of Commerce

Kandivali (W), Mumbai

: Dr. Megha K. Juvekar

Assistant Professor

Nirmala Memorial Foundation College of

Commerce and Science Kandivali (E), Mumbai

: Ms. Ritu Kashyap

Assistant Professor

Bal Bharati's MJP College of Commerce

Kandivali (W), Mumbai

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Mandatory 2

Programme Name: M.Com (Business Management)
Course Name: Human Resource Management

TotalCredits:04 TotalMarks:100

Universityassessment:50 Collegeassessment:50

Prerequisite:

Learning Objectives

- 1. HRM Scope, Concepts, Principles, Strategies and role get broadly defined and students get wider knowledge of the subject. The subject learning is essential in today's competitive business world.
- Recruitment, selection, performance appraisal, Training and development are vital requirements every working personnel to know and HRM subjects gives holistic knowledge of the same

Course Outcomes

- C1) The students will be able to apply theory, concept of HRM in their job place
- C2) Jobs and Careers in HRM will encourage students to take up promising jobs in HRM field

Module 1

Unit 1Human Resource Management, Planning and Development

- a) Human Resource Management Meaning, Importance and Evolution, Recent trends in HRM, New HR strategies to deal with Challenges in HRM, Changing Role of HR Management, Jobs and Careers in HRM
- b) Human Resource Planning Meaning and importance, Determinants of HRP, Benefits and Barriers to HRP, Job Analysis and Design, Techniques of Job Design, Meaning of Recruitment, Recruitment Process, Factors governing recruitment, Meaning of Selection, Steps in Selection Process, Types of Tests

Unit 2 Training and Development, Performance Appraisal

- a) Introduction and Need for training, Methods and types of training, Process/steps in training programmer Evaluation of the effective training programme, Career Advancement, and Knowledge enrichment
- b) Performance Appraisal Meaning, Process, Methods, limitations and Challenges of Performance Appraisal , Legal issues associated with Performance appraisal

Module 2

Unit 3 Health and Safety, Labour Legislation & Industrial Disputes

 Safety Measures and Safety Programmes, Job Stress and its Impact on Job Performance, Role of organization in ensuring mental and physical health of employees, Need of Work life Balance b) Recent changes to Employees Acts like payment of, Gratuity Act, Provident Fund Act, Minimum Wages Act, Workmen Compensation Act, ESI Scheme. Prevention of Sexual harassment Act (POSH), Nature, Causes of Industrial Disputes, Prevention and Settlement of Industrial Disputes, Succession Planning- Culture, Problems and Issues of Succession Planning

Unit 4 Emerging Issues In H.R.M

- a. International Human Resource Management, HR Ethical Issues, CSR and HRM, Human Resource Audit, Revamping of HR strategies in managing Disasters like health pandemics, HR and Business Environment
- b. Professional Intelligence principles, Employee Engagement, Managing Gen Z, Talent Management Concept, Importance, Process, VUCA Environment(Volatility, Uncertainty, Complexity, Ambiguity), Work- Life Balance

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HUMAN RESOURCE MANAGEMENT

Unit Structure:

- 1.0 Objective
- 1.1 Introduction
- 1.2 Human Resource Management
- 1.3 Recent trends in HRM and New HR Strategies
- 1.4 Changing role of HRM
- 1.5 Jobs and Careers in HRM
- 1.6 Summary
- 1.7 Exercise
- 1.8 References

1.0 OBJECTIVES

After studying this unit, the student will be able to -

- 1. Human Resource Management Meaning, Importance and Evolution
- 2. Recenttrends in HRM, New HR strategies to deal with Challenges in HRM,
- 3. ChangingRole of HR Management, Jobs and Careers in HRM

1.1 INTRODUCTION

Human Resource Management (HRM) is evolved from the Personnel management which was former management system which used to manage employees. To know evolution of personnel management it is necessary to study the researches by great psychologists on human behaviour. One among them was Elton Mayo (Australian psychologists), did many experiments on human behaviour at different situations in 1924. He was of the opinion that work life balance is essential for improving productivity of workers. He emphasized on healthy human relations in the organization influences the productivity of workers. Due to his great contribution, he has been regarded as father of Human resources management.

Going back to roots of evolution Personnel management, Robert Owen was regarded as creator and originator for introducing reforms for workers in his own Lanark cotton mills. He coined the slogan: 8 hours'

day work, 8 hours recreation and 8 hours sleep. Owen identified the significance of better working conditions at workplace and its impact on the productivity and efficiency of the workers. Owen observed that after implementation of better working conditions at workplace, there was increase in the productivity and efficiency of his workers. He implemented many social and welfare practices for his workers which resulted into his workers got happy, motivated and worked better. Due to his such a great contribution he was referred as father of Personnel management.

Let us see the root difference between Human Resource Management and Personnel Management. Personnel management is the seed and root for Human resources management. HRM is evolved from the Personnel management. Personnel Management focused on to extract work from an employee for the remuneration paid to them. During the Personnel management era, employees were not involved in decision making process and were not much allowed to interact with management. Personnel management was more confined to the factories. The main focus of the Personnel manager was to see that everything was in compliance with the labour laws or not. There was not much emphasis made on the morale of employees. Employees were just treated as tools, obligation to the organization. They were not regarded as the asset of the organization. They were considered as cost & expenditure to the organization rather than capital and investment. Personnel officers mostly used be disciplinary oriented instead of flexible and interactive with employees. There was no nurturing of employees by the personnel managers. Employees perspective was ignored which means rather than understanding situation. the personnel manager used to be punitive if any error was committed by employee. On the other hand, HRM see employees from the perspective as a most valuable resource for the organisation and they consider their employees as assets and capital for their organisation.

1.2 HUMAN RESOURCE MANAGEMENT

1.2.1 Concept:

HRM is concerned with management of human beings in the organization. Human resource management is a very important as well as challenging job because of dynamic nature of employees. Every human being is different in their mental abilities, tacticians, sentiments, and behavior. They are subject to many varied influences. Human being is responsive, they feel, think and act. Therefore, they cannot be operated like machine or shifted and altered like template in a room layout. They need to be tactfully handled by management personnel.

HRM is the process of managing manpower of an organization with a human approach. Through this approach an organization utilizes its manpower for the benefit of organization as well as for the growth and development of human resources.

In order to achieve organizational goals, it is necessary to acquire services of manpower, develop their skills, and motivate them for high level of

performance and ensuring that they continue to maintain their commitment to the organization.

HRM involves activities, policies and practices relating to recruiting, developing, utilizing, evaluating, maintaining and retaining of employees to accomplish the organizational goals.

Human Resource Management is the process of recruiting, selecting, inducting employees, providing orientation, imparting training and development, appraising the performance of employees, deciding compensation and providing benefits, motivating employees, maintaining proper relations with employees and their trade unions, ensuring employees safety, welfare and health measures in compliance with labour laws of the land and finally following the Orders / Judgments of the concern High Court and Supreme Court, if any.

1.2.2 Definition of HRM:

According to **Edwin Flippo** "HRM is planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of human resource to the end that individual, organizational and social objectives are accomplished."

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

According to **Decenzo and Robbins**, "Human Resource Management is concerned with the people dimension" in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organizational objectives. This is true, regardless of the type of organization – government, business, education, health or social action".

The National Institute of Personal Management:

(NIPM) of India has defined human resources – personal management as "that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well – being of the individuals and of working groups, to enable them to make their best contribution to its success".

Importance of HRM

The focus of human resource management is development. It gives room for worker participation, productivity, and development and is a priority for managers at all levels. It is significant in a number of ways, which are covered below:

To maintain the Quality of work life

Employee impression of the relationship between working conditions and management is known as quality of work life. It is, in essence, the interaction between workers and the overall workplace.

The concept of quality of work life pertains to an employee's sense of physical and psychological well-being while they are employed. This can be achieved through various means such as preserving employment autonomy, independence, acknowledgment, rewards, and belongingness.

To improve Productivity and revenue

In addition to ensuring that the proper number and quality of workers are present in the workplace, human resource management also provides chances for employees to grow professionally as individuals and as a group. Motivated workers put forth a lot of effort to achieve their own professional goals, which has a direct impact on the organization's productivity. Productivity is all about minimizing expenses and maximizing profits.

To balance the supply and demand for human resources

Human resource management periodically assesses the company's current workforce to see whether it has an appropriate number of employees. When a corporation lacks sufficient human resources, human resource management fills the gap by carrying out tasks like hiring and choosing employees. Similarly, it fires ineffective workers when the company employs too many people.

To retain workers and inspire them to reach the company's objective

A key component of human resource management is making the most of human resources and keeping them employed by the business for an extended period of time. The responsibilities of HRM in this role include giving meritorious staff incentives, pay, and fringe benefits.

To acknowledge an employee's contribution and merit

Human resource management promptly evaluates employees' work to identify those who perform well and those who do not. The best employees are then compensated for their contributions.

In order to foster a sense of belonging and unity among employees

Human resource management structures jobs around collaboration. Since every team member must contribute to the success of the group, HRM focuses on instilling a sense of value in each individual employee to enable them to provide their best effort.

To produce employees that can quickly adjust to changes

One of the most important tasks that human resource management does is the training and development of its workforce. Employees are kept up to

date with the skills they need to adapt to changes in the organization's technology, structure, and environment through training and development programs.

Evolution of HRM

The Personnel Management system, which was once used to manage personnel, gave rise to HRM. The contributions of psychologists and management specialists like Elton Mayo, F.W. Taylor, and Robert Owen are crucial in understanding the early history of human management. In the 1920s, Elton Mayo founded the human relations movement. He assessed the connection between productivity and the workplace in the well-known Hawthorne research. He stressed how interpersonal relationships affect employees' efficiency. In a same vein, Robert Owen is credited with designing and launching the labor reforms. He popularized the idea of working eight hours a day. Owen understood the significance of enhancing working conditions at work and how they affect employees' efficiency and production. Frederick W. Taylor's contribution is also noteworthy. Taylor created a unique pay plan that is still in use by the business to reward workers who achieve greater performance levels. He employed four guiding ideas to advance scientific management:

- 1. Evaluate a task by dissecting its components;
- 2. Select employees that had appropriate skills for a task;
- 3. Provide workers with incentives and training to do a task; and
- 4. Use science to plan how workers perform their jobs.

Human Resources Approach: But somewhere in the early 1960s, human relationists' "pet milk principle," which held that contented employees are productive employees or that contented cows produce more milk, was largely disregarded. acknowledging the fact that each employee is an individual with specific needs and is distinctive in their own way. Each employee has remarkably distinct and particular needs. Every employee was thought to be a totally distinct, extremely complicated person with extraordinary goals and ideals. What inspires one employee won't inspire others, and contentment or feeling acceptable may also have minimal influence on the output of motivated staff members. The tendency toward considering employees more like assets or resources grew gradually but progressively. Instead of developing new tactics, behavioral science's contribution to management practice mainly takes the form of fresh insights. It has developed and expanded to provide a helpful perspective on the role.

Stages of Development of HRM

Modern concept of HRM has developed through the following stages.

a) The Commodity Concept: The guild system marked the beginning of people management prior to the industrial revolution. The guild was a close-knit organization tasked for hiring, developing, rewarding, and

- retaining employees. The idea that labor could be bought and sold emerged.
- **b)** The Factor of Production Concept: Workers were regarded as a factor of production on par with land, supplies, and equipment. In order to maximize efficiency, Taylor's scientific management placed a strong emphasis on hiring and training staff members appropriately.
- **c) The Paternalistic Concept:** In order to improve, workers banded together based on shared interests and established trade unions. Employers also started offering their employees plans. Employers promised to treat their staff with a fatherly and protective demeanor.
- d) The Humanitarian Concept: It is predicated on the idea that workers have certain human rights that are unalienable and that employers have an obligation to uphold. Happiness on a social and psychological level was more significant. in interpersonal workplace issues. The Douglas McGregor Hawthorne Experiments, as they are often called, sparked a lot of interest in the idea of human connections.
- e) The Behavioural Human Resource Concept: Its goal was to analyze and comprehend how people behave within organizations. Under this notion, motivation, group dynamics, organizational climate, organizational conflict, etc. gained popularity. Workers were becoming to be seen as an organization's most important asset. In order to fulfill both the objectives of the organization and the aspirations of the employees, efforts were made to integrate the employee with the organization. The emphasis switched to management techniques including quality circles, informal group roles, management by objectives, and two-way communication.
- **f) The Emerging Concept:** Now employers are considered as partners in industry. They are given share in company's stock membership. Slowly and steadily, HRM is emerging as a discipline.

1.3 Recent trends in HRM and New HR Strategies

1. Hybrid work system

Many businesses were compelled to close their physical locations and ask staff members to work from home as a result of the COVID-19 pandemic. Some businesses are switching to a hybrid model where workers work from both home and the office, while others have chosen to let their staff continue working from home even after the pandemic passes.

2. Flexi working hours

Technology has made it unnecessary for workers to be confined to their workstations from 10 to 7. These days, a lot of businesses provide flexible work schedules that let workers decide when to begin and stop their workdays.

3. Remote Onboarding and Recruitment:

As the amount of work being done from home has increased, HR departments have had to modify their onboarding and recruitment procedures to take place electronically. Digital onboarding programs, online tests, and virtual interviews were all part of this.

4. People analytics and HR analytics:

Using data analytics to inform HR decisions was becoming more and more popular. Data was being used by HR specialists to spot patterns, forecast future developments, and improve strategic personnel planning.

5. Artificial Intelligence in HR:

Chatbots for employee inquiries, talent management predictive analytics, and resume screening are just a few of the jobs where AI is being incorporated into HR procedures.

6. Employee Well-Being:

Employers were starting to realize how important worker well-being was. This included wellness initiatives, mental health campaigns, and workplace atmosphere creation projects.

7. Digital Transformation:

To improve employee satisfaction, expedite procedures, and use data analytics to inform decisions, HR departments made technological investments. This included utilizing data-driven insights, AI tools, and HR software

8. Diversity, Equity, and Inclusion (DEI):

Promoting diverse, equitable, and inclusive work environments has gained more attention. Businesses were creating plans and programs to close the gaps in diversity and inclusion and encourage a more diverse workforce.

1.3.1 New HR strategies to deal with Challenges in HRM

1. Managing a Multicultural and Diverse Workforce: HR managers may find it difficult to deal with employees who differ in terms of age, gender, race, ethnicity, educational background, location, income, parenting status, religious views, marital status, ancestry, and job experience. Managing individuals with diverse ideas, perspectives, lifestyles, and psychological makeup can therefore be exceedingly dangerous.

Strategy: Talent retention and workforce diversity can be achieved by HR managers through effective communication, agility, flexibility, and positivity.

2. Managing Change: One of the main issues facing HR managers is proposing, implementing, and overseeing changes to company processes and procedures.

Strategy: To get out of this predicament, the HR manager must Provide training and guidance to the staff; Foster a positive outlook on change; and ensure the employees' willing cooperation.

3. Retaining Talents: Working professionals now have the flexibility to work anywhere in the world because to globalization. Employing and keeping the top talent in the field is no joke, especially because they have an infinite supply of attractive job opportunities.

Strategy: HR Mangers may motivate and retain them by keeping good ties with employees, giving them better benefits and compensation than your rivals, and creating an outstanding work environment.

4. Conflict Management: HR managers need to be skilled in resolving problems between workers and employers without harming the parties involved

Strategy: HR managers can nevertheless effectively handle them by managing them politely. In order to prevent future disputes, they should be able to listen to each side, make a decision, and convince them of it

(Students can write more points from recent trends and challenges faced by HR)

1.4 CHANGING ROLE OF HR MANAGER

As the 21 century pose significant challenges, HR managers need to master new skills to address the emerging challenges. Successful HR managers will be those who can effectively manage more flexible working environments, motivate employees and team performance, balance stakeholder interests etc. The role of HRM manager is changing drastically. HR managers need to maintain their skills of the last decade and master the additional tools and techniques of the next.

1) Managing Workforce Diversity:

Workforce diversity refers to variety of difference among employees of the organization related to their age, gender, race, physical abilities, education, marital status, cultural background, religion, experience, skills and so on. So due to workforce diversity, the HR manager may have to face challenge of:

- Framing policies for the organization becomes difficult as different groups may have different expectations.
- Attitudes, goals, behaviour etc. of different employees may be different which may lead to conflicts.
- Many employees are not comfortable working with people of a different age, sex, or culture which affects team work.
- Workforce diversity may lead to absenteeism and higher turnover.

• The organization has to be culturally sensitive as a particular action, decision etc. may not be perceived in the same manner by different groups in the organization.

To overcome these challenges the HR manager needs to undertake:

- Forming groups of employees belonging to different age, gender, race, physical abilities, education, experience, skills
- Organizing informal get together
- Celebrating different festivals
- Design canteen menu having food items from different states/countries
- Fair personnel police of transfer, promotions, training etc.

2) Dealing with Employee Attrition:

Employee attrition refers to employees leave the organization due to job dissatisfaction or new opportunities in the market. Employee attrition of competent and loyal employees is a big problem for HR manager. Reasons of employee attrition may be:

- Inequality in compensation
- Limited career opportunities
- Mismatch of job profile
- Work overload and work-life imbalances
- Odd working hours / early morning night shifts.
- Monotony of job
- Organizational instability
- Raises and promotions frozen

Retention of competent and loyal employees is vital to enjoy competitive advantage in the market. Therefore, HR manager must come up with innovative practices and rewards to retain such employees. Retention practices and rewards include:

- Right placement
- Adopting stress management techniques
- Providing Employee Stock Option Plan (ESOP) plan
- Employee involvement in decision making
- Providing better working condition

3) Dealing with Employee Downsizing:

Many organizations undertake organizational restructuring to reduce their cost and improve efficiency. Downsizing is one of the ways of organizational restructuring where organization reduces its workforce due to:

- Saving cost
- Merger and acquisition
- Change in top management
- Economic crisis
- Surplus staff
- Automation and outsourcing

HR manager need to handle downsizing situation very carefully which may involve:

- Immediate payment of compensation package to layoff employees so that they do not face financial problems post retrenchment
- Clearly explain reasons for layoff
- Communicate with employees who are not likely to be downsized as downsizing may affect their morale
- Helping downsized employees in getting new job
- The retrenchment policy should be properly communicated to the employees
- Counseling sessions for those who are likely to be retrenched as such employees are likely to be under tremendous stress

4) Dealing with Employee absenteeism:

Absenteeism refers to when employee remain absent often without permission. The causes of absenteeism may be:

- Job dissatisfaction
- Lack of motivation at workplace
- Non-cooperative team members
- Workload
- Personal issues

The HR manager should tackle problem of employee absenteeism tactfully. Manager should identify the causes of absenteeism, keep track of absenteeism, give reward for best attendance and so on.

5) Maintain employee Work-Life Balance:

Work-Life balance refers to maintaining healthy balance between career and personal / family responsibilities. Imbalance in work and personal life of employees adversely affect their work as well as family life. So, the HR manager should maintain work-life balance of employees by way of:

- Offer flexible working hours to employees
- Encourage employees to use their annual leaves
- Implement wellness programs for employees

6) Dealing with cases of Sexual Harassment at workplace:

Sexual harassment at workplace has become one of the biggest challenges before HR managers. In April 2013, the Parliament passed the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, for prevention of sexual harassment of women at the workplace. This Act has stronger enforcement mechanism. The act imposes certain obligations on all employers, to ensure prevention sexual harassment at the workplace. As per this act:

- Every employer is required to constitute an Internal Complaints Committee at each office or branch with 10 or more employees. The District Officer is required to constitute a Local Complaints Committee at each district.
- The Committee is required to complete the inquiry within a time period of 90 days. On completion of inquiry, the report will be sent to the employer or the District Officer, as the case may be, they are mandated to take action on the report within 60 days.

The HR manager needs to undertake some measures to avoid sexual harassment at workplace such as:

- Lay down the procedure which can be followed for filing and investigating sexual harassment complaints. It should be explained in simple terms.
- Clearly orient the employees in the induction and other training programs about the company's policy on sexual harassment
- A counselor can be appointed to provide assistance pertaining to offering guidelines in knowing legal options available to the aggrieved employee
- The complaints should be handled with sensitivity. The organizations should ensure that the hearings are conducted fairly

7) Management of changes:

Business environment is dynamic in nature. All the factors around business keep on changing which includes change in organizational plans and policies, management philosophy, Government policies, Technology, competitor's strategy, consumer preferences and so on. The organization may also undertake corporate restructuring such as acquisition and merger. Sometimes employees resist to accept such changes. To overcome this situation the HR manager needs to:

- Train and counsel, the employees
- Develop positive attitude towards change
- Secure willing cooperation on the part of employees

7) Managing legal and compliance issues:

Increasing significance of corporate governance, consumerism, concern for high security and privacy compel the HR personnel well versed with local as well as international laws. New and better polices will be required for the work force of the future.

8) Managing Technology:

All organizations want to be technologically oriented. They want their employees to quickly adapt and learn the new technologies. HR manager have to attract the right people with required knowledge and train the employees, motivate them to learn, absorb and come out of their comfort zones.

1.5 JOBS AND CAREERS IN HRM

1. Recruiter:

Primary Responsibilities: Identify potential candidates, conduct interviews, oversee the hiring process.

Key Qualities for Success: Strong interpersonal and communication skills, excellent evaluation abilities.

2. Benefits Specialist:

Primary Responsibilities: Administer and coordinate employee benefits programs.

Key Qualities for Success: Organized, detail-oriented, good with numbers, strong communication skills.

3. Human Resources Manager:

Primary Responsibilities: Oversee all HR functions, policies, and procedures.

Key Qualities for Success: Leadership skills, good understanding of HR operations, effective people skills.

4. Labor Relations Manager:

Primary Responsibilities: Handle the organization's relationship with employees and unions.

Key Qualities for Success: Negotiation skills, understanding of labor laws, effective communication skills.

5. Compensation and Benefits Manager:

Primary Responsibilities: Plan, develop, and manage compensation and benefits programs.

Key Qualities for Success: Analytical skills, understanding of job market and compensation trends.

6. Training and Development Manager:

Primary Responsibilities: Coordinate and direct skill development programs for employees.

Key Qualities for Success: Interpersonal and teaching skills, knowledge of effective training techniques.

7. HR Consultant:

Primary Responsibilities: Advise organizations on HR strategies and practices.

Key Qualities for Success: Knowledge of HR policies and law, strong analytical skills.

8. Human Capital Manager:

Primary Responsibilities: Manage and develop an organization's workforce.

Key Qualities for Success: Leadership and strategic thinking skills, knowledge of human resources.

9. Employee Relations Manager:

Primary Responsibilities: Maintain and improve employer-employee relationships.

Key Qualities for Success: Good interpersonal and problem-solving skills.

10. Payroll Specialist:

Primary Responsibilities: Oversee employee paychecks and payroll processes.

Key Qualities for Success: Detail-oriented, good with numbers, understanding of payroll systems and regulations.

1.6 SUMMARY

Human Resource Management is a process of bringing people and organization together so that the goals of each are met. It is the part of the management process which is concerned with the management of human resources in an organization. It tries to secure best from the people by winning their whole hearted co-operation. In short, it may be defined as the art of procurement, developing and maintaining competent workforce to achieve the goals of an organization in an effective and efficient manner.

1.7. EXERCISE

Fill	in	the	h	lan	ks:

1)	is	responsible	to	Coordii	nate and	l direct	skill	developme	nt
	programs	for employe	es. (Trainin	g and D	evelopm	ient m	anagers, H	IR
	recruiter,	Compensatio	n m	anager)					
• /					0.77	_			

2)		is one of the	functions of	f Human Resou	ırce Managen	nent.
	(Financial	Management,	Inventory	Management,	Recruitment	and
	selection)					

3)	HR ma	anager faces		challen	ge. (Listing of shares on
	stock	exchange,Foreign	Exchange	rate	fluctuation, Workforce
	Divers	sity)			

4)	regarded as father of Human resources management.
	(Elton Mayo, Philip Kotler, Merry Parkar)

5)	involves activities, policies and practices relating to
	recruiting, developing, utilizing, evaluating, maintaining and retaining
	of employees to accomplish the organizational goals. (Placement,
	Selection, HRM)

True or False:

- 1) Personnel management was treated as HR management in olden days. **TRUE**
- 2) Recruitment refers to employees leave the organization due to job dissatisfaction or new opportunities in the market. **FALSE**
- 3) Employee relation department is responsible for investigating and resolving employee complaints, conflicts and concerns. **TRUE**
- 4) Chatbots for employee inquiries, talent management predictive analytics, and resume screening are examples of AI application in HR. TRUE
- 5) Career Planning an Development is a process of searching for prospective employees and stimulating them to apply for jobs in the organization. **FALSE**

Match the Pairs:

Group - A	Group – B		
1) Robert Owen	a) To make available competent manpower		
2) Training and Development Department	b) coined the slogan: 8 hours' day work, 8 hours recreation and 8 hours sleep		
3) Objective of HRM	c) Recruitment and Selection		
4) Functions of HRM	d) Employee Attrition		
5) Challenge for HR manager	e) Enhances knowledge, skills and work abilities of employees		

(1-b, 2-e, 3-a, 4-c, 5-d)

Answer in brief:

- 1) Explain recent trends in HRM
- 2) Explain the Importance of HRM.
- 3) Discuss the Jobs and careers in HR.
- 4) Explain the changing Role of H.R. Manager.

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HUMAN RESOURCE PLANNING

Unit Structure:

- 2.0 Objective
- 2.1 Introduction
- 2.2 Human Resource Planning
- 2.3 Recruitment and Selection
- 2.4 Summary
- 2.5 Exercise
- 2.6 Reference

2.0 OBJECTIVE

After studying this unit the student will be able to -

- Describe the about the Human Resource Planning (HRP)
- Explain about Recruitment and Selection of managerial personnel

2.1 INTRODUCTION

Human resource is the most important asset of an organisation. Human resources planning are the important managerial function. The enterprise will estimate its manpower requirements and then find out the sources from which the needs will be met. If required manpower is not available then the work will suffer. In order to cope human resource requirements, an enterprise will have to plan in advance its needs and the sources.

2.2 HUMAN RESOURCE PLANNING (HRP)

Human resource planning (HRP) is an important aspect of human resource management (HRM). HRM starts with HRP. From HRP the HR manager identifies how many people are available in the organization and how many people they will need in future. Based on this analysis, decisions related to human resources are taken in the organization such as whether to recruit a greater number of employees or remove excess employees (if any).

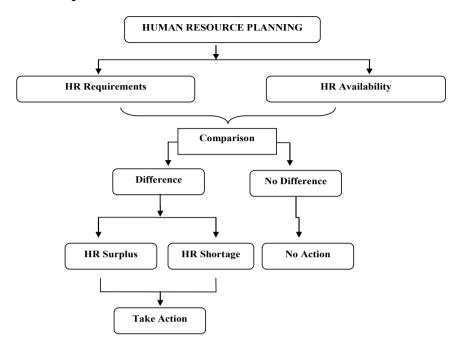
2.2.1 Definition:

According to William F. Glueck "Human resource planning is the process by which management attempts to provide adequate human resource to achieve organization objectives."

Human Resource Planning

HRP can be defined as "a process of predetermining future human resources needs and course of action needed to satisfy those needs to achieve organizational goals."

2.2.2. Steps Involved In HRP:



The above chart shows that:

- The HR manager finds out HR requirement and HR availability in the organization (in each department)
- The HR manager compares HR requirement and HR availability
- After comparison either there can be difference or no difference in HR requirement and HR availability
- If there is no difference between requirement and HR availability, no action is required to be taken.
- If there is difference (surplus or shortage), necessary action is taken such as if there is surplus of manpower, excess employees are removed and if there is shortage of manpower, new employees are recruited.

2.2.3. Determinants of HRP:

1) Company strategies: The companies may undertake growth strategy or retrenchment strategy. Eg. If company undertakes development strategy which includes expansion and diversification, merger, joint venture, takeover or acquisition. In such strategies a company may require a greater number of human resources. If the company undertakes retrenchment strategy which includes divestment strategy, liquidation, turnaround etc. In such strategies a company may downsize the number of human resources. So HRP depends upon company strategy.

- 2) Introduction of technology: Introduction of technology may affect HRP. Eg. Computerization of certain activities or automation will require a smaller number of human resources for manual work. At the same time, it may provide opportunities to qualified / skilled human resources.
- 3) Management Philosophy: Some organizations follow traditional management philosophy and some follow professional management philosophy. The organizations that follow traditional management philosophy may not place much emphasis on finding out human resource requirement and human resource availability in the organization. They may not bother for surplus or shortage of manpower. But the organization that follows professional management philosophy may periodically find out human resource requirement and human resource availability in the organization. Depending on surplus or shortage of manpower they take appropriate action to ensure that required number of manpower is available in the organization.
- **4) Outsourcing:** These days many organizations are outsourcing their activities to other specialized agencies in order to reduce their cost. Outsourcing reduces human resource requirement in the organization. So, depending on outsourcing of activities, an organization undertakes HRP.
- 5) Labour Laws: Government regulations relating labour laws may also impact the HRP process of an organization. Companies are required to adhere to certain labour laws relating recruitment, firing, compensation, work hours and health insurance. If companies fail to follow these labour laws can result into heavy fines.
- 6) Competitive Environment: There has been increasing competition in the all-business sectors. In order to face competition, the organization needs to be proactive and professional. To gain competitive advantage in the market, the organization needs to undertake systematic HRP. They need to find out availability of human resources (quality and quantity wise) in an organization. They also need to find out requirement of human resources (quality and quantity wise) in an organization. This enables firm to face the stiff competition and survive.
- 7) Corporate Image: The HR manager needs to consider image of the organizational while undertaking HRP. Positive corporate image is necessary to get support from stakeholders. The availability of manpower in the organization greatly contributes to the development of corporate image. Organization which enjoys a good corporate image will make efforts to select right candidate, train and motivate them. Therefore, HRP will include programmes and procedures relating to selection, training, motivation and compensation of employees.

Human Resource Planning

8) Availability of funds: The availability of funds greatly influences HRP decision in respect of selection, training, motivation and compensation of employees. An organization must make provision for funds especially to improve quality of manpower. Funds are required for systematic selection and training of employees and also for motivation and maintenance of workforce.

2.2.4 Benefits and Barriers to HRP

HRP is beneficial to organization in the following ways:

1. Human Resource Management

Planning for human resources aids in the management of an organization's talent and human capital. For instance, it enables you to recognize top performers and present them with chances for development. By doing this, the employee and the company will benefit more.

2. Training and Development

HR planning aids companies in identifying skill shortages within the workforce and provides employees with the necessary support and guidance for training. By doing this, you may increase employee engagement and corporate productivity at the same time.

3. Manage Expenses of Human Resources

Planning for human resources aids in minimizing an organization's expense associated with talent management. An effective plan provides information on the ideal worker size, enabling businesses to save wasteful spending.

4. Promotes Staff Retention

Organizations can foster a pleasant work environment and culture by implementing effective human resource planning. By doing this, you can improve job satisfaction and staff retention at the same time.

5. Reduce the Uncertainties and Risks

Organizations can reduce the risks involved in hiring and allocating human resources by using human resource planning. Organizations get prepared to deal with outside disruptions such as changes in labor laws, labor shortages, etc. Organizations that plan for the future with the aid of human resources are better equipped to meet difficulties head-on.

6. Gain a Competitive Advantage

Human resources are an organization's most valuable resource, as previously said. Effectively managing an organization's human capital helps cut expenses, which may then be reinvested in other business activities or passed along to clients and consumers as cost savings.

7. Strategic Workforce Planning

Organizations can create strategic succession plans with the use of human resource planning. Organizations can manage the internal disturbances

caused by employee retirement or departure by investing in effective preparation, especially when it comes to succession and promotion.

8. Align Business Objectives with Human Capital

Planning for human resources aids in coordinating human resources with the aims, vision, and goals of the company. The team typically reaches the goals more quickly when they put in a concentrated effort.

2.2.5 Barriers to HRP

The following are challenges of HRP

1. Finding a Skilled Workforce

A company's most valuable asset is its workforce. Finding and employing a trained labor force continues to be a major challenge for human resource planning. The increasingly competitive corporate environment is the cause of this issue. Hiring delays could affect how the human resource planning process turns out.

2. Uncertain Demand Forecasts

Forecasts of the need for labor are based on the objectives and demands of the business as well as the size of the current staff. Forecast quality may be impacted by inaccurate inputs. Results can also become skewed due to bias and judgments. Investing in high-quality HR software is necessary to improve demand prediction accuracy.

3. Developments in Technology

The world of technology is rapidly changing, and company operations are becoming more and more automated. Such technology shocks could affect how well human resource planning works out. When evaluating demand, take exogenous factors into account in addition to internal considerations to reduce uncertainty.

4. Time Horizon

As we move beyond the near future, the degree of uncertainty grows and the results of the human resources planning process become skewed with longer time horizons. It should be remembered that action plans need to be updated on a regular basis and that human resources planning is an ongoing activity.

5. Lack of Support:

Many believe that human resource planning is time-consuming and needless. Human resource planning is unnecessary since labor may be assembled whenever needed, with enticing rewards and incentives. They believe that controlling the workers within the company is a simple task.

2.2.6. Job Analysis:

Job analysis is a process of collecting information about a job. Job analysis is done after human resource planning (HRP) and prior to starting the process of recruitment and selection. Let us understand it with an example.

- The HR manager finds out human resource requirement and availability in the organization. He/she will compare human resource requirement with availability to find out whether there is surplus or shortage of human resources in the organization. Depending on surplus or shortage of human resource, HR manager takes necessary action. This is called HRP.
- If there is shortage of employees in a particular department then job details are collected of the jobs. Eg. If there is shortage of employees in the accounts department then job details are collected of the accounts job such as preparing cash vouchers, finalization of accounts, taxation etc. **This is called as Job Analysis**.
- After collecting details of the job, the HR manager publishes job vacancy on the company website or in the newspaper or in other source and job applications are invited. Interested candidates apply for the job after reading the advertisement regarding job vacancy. This is called Recruitment.
- After receiving job applications, the HR manager does screen of the applications. Eligible candidates are called for an interview. Their face-to-face interview is conducted and best candidate is selected for the job. This is called as Selection.

According to Edwin Flippo, "Job Analysis is the process of studying and collecting information relating to the operations and responsibility of a specific job."

There are two aspects of job analysis.

- Job Description
- Job Specification

Job Description	Job Specification
(Details of vacant job)	(Details of Candidate)
• Job Title	• Educational Qualifications
 Job Location 	• Experience
 Responsibilities and Duties 	Required Skills and Knowledge
 Salary and allowances 	
• Incentives	

A. Job Description:

A job description is the detailed information of the vacant job such as job title, job location, job responsibilities and duties, salary and incentives etc. Job description provides information to the candidate hunting for job if they would be a good fit for the job.

In other words, job description is a concise written statement, explaining about major requirements of a particular job. The preparation of job description is very important before a job vacancy is advertised.

Components of Job Description:

- 1) Job Title: It specifies designation. Eg. Account Executive, Receptionist, Chief Finance Officer etc.
- **2) Job Location:** It specifies location where selected candidate will be working.
- 3) Job Responsibilities and Duties: It specifies various job-related activities that candidate has to perform and is accountable for. Eg. For accounts department job vacancy job responsibilities and duties would be preparing cash vouchers, finalization of accounts, taxation etc.
- **4)** Salary and Allowances: It specifies salary offered by company for performing the job advertised. The salary may or may not be negotiable. Allowances include house rent allowance, dearness allowance, travelling allowance etc.
- 5) Incentives: It includes extra money paid to the employees upon completion of their target.

B. Job Specification:

A job specification is the information of candidate needed to perform a particular job. It includes educational qualification, skills, knowledge, experience, training (such as computer course) etc.

In other words, job specification is a statement in which the qualities required by candidates applying for job is explained.

Components of Job Specification:

- 1) Educational Qualification: It specifies academic knowledge required including graduation, post-graduation and such other qualification. Eg. For Account job position the educational qualification required is B.Com / M.Com. For finance job position the educational qualification required is MBA (Finance).
- 2) Experience: It specifies number of prior work experience required to apply for the job. Some jobs may allow fresher to apply. E.g. For job positions such as Chief Finance Officer (CFO), a company may ask for prior work experience. But for an account executive job, the company may not ask for any prior work experience i.e. even fresher (with no prior work experience) may apply.
- **3)** Required Skills and Knowledge: It specifies particular skills and knowledge that are required to accomplish the task. Eg. Computer basics, tally, English communication etc.

Example of job description and job specification in a newspaper advertisement

Position	Chief Financial Officer (CFO)
Qualification	Qualified Chartered Accountant
Experience	Minimum 5 (Five) years practical experience in a senior role
Job description/ Responsibilities	Overseas all company accounting practice, including accounting departments, preparing budgets, financial reports, Tax, VAT, AIT & Audit functions. iii. Directs financial strategy, planning and forecasts; confessing with Chairman, Member in-Charges and department heads. iiii. Supervises investment and raising of funds for organization. iv. Studies, analyzes and reports on trends, opportunities for expansion and projection of future company growth.
Job Specification / Requirements	i.Update knowledge of current financial and Accounting computer applications. ii. Excellent verbal, analytical, organizational and written skills. iii. Energetic, ability to work under stress. iv. Ability to work independently. v. Experience in Club or similer ground will be an added advantage.
Compensation	Negotiable
Other Benefits	As per Club Policy
before 20th Janu Limited, S.S. chittagongclub@gr	ates may apply with an updated resume on or lary, 2017 to the Secretary, Chittagong Club Khaled Road, Chittagong or email to mail.com. Only short listed candidates will be sterview. Any persuasions are highly discouraged.

Source: shorturl.at/elAP3

Techniques of Job Analysis

The methodical process of gathering, recording, and analyzing data regarding a job role inside an organization is called "job analysis." It entails looking at the obligations, tasks, duties, and knowledge as well as the skills, expertise, and abilities needed for a specific profession. Several methods are frequently employed in employment analysis:

Observation: This is seeing workers in action while they carry out their duties. Observers can capture the duties and behaviors associated with the work by taking notes, filming videos, or using other techniques.

Interviews: To learn more about the position, interviews are done with incumbent workers, managers, and subject matter experts (SMEs). It is common practice to employ structured interviews that include prearranged questions on job duties, responsibilities, skills, and qualifications.

Surveys and Questionnaires: To gather data regarding the job, surveys and questionnaires are given to stakeholders such as employees, managers, and others. These may contain a range of topics related to the profession, including duties carried out, tools utilized, working environment, and required credentials. They may be organized or unstructured.

Job Description Analysis: To get insight into the duties and responsibilities of a job, review previous job descriptions, performance reviews, and other pertinent documents.

Diary/ Log Method: Workers record their daily or weekly activities in a diary or log. This approach gives thorough details regarding the tasks completed, the amount of time spent on each activity, and any difficulties encountered.

Critical Incident Technique: Workers or managers pinpoint crucial occurrences or situations that are very significant or difficult to complete while carrying out their duties. Examining these situations can highlight important facets of the work and the competencies required to manage them successfully.

Functional Job Analysis (FJA): FJA is concerned with determining the goals of the work, the techniques employed to do it, the tools and equipment needed, and the ways in which it interacts with other people or organizational systems.

Task Inventory Analysis: Using surveys, interviews, or direct observation, a thorough list of all tasks related to the work is created. Details on each task, including its importance, difficulty, frequency, and criticality, are gathered.

The job is broken down into its component parts using the job element technique. These components include the knowledge, skills, abilities, and other characteristics (KSAOs) needed to conduct the job well. To ascertain each element's significance and applicability to the task, it is examined independently.

Job Analysis Workshops: In order to jointly assess and define the job needs and features, a group of subject matter experts—including incumbents, supervisors, HR specialists, and other stakeholders—are brought together for job analysis workshops.

By using these strategies, businesses can compile thorough data on a range of work positions held by employees. This data can then be utilized for a number of HR procedures, including hiring, selecting, training, reviewing performance, and designing jobs.

C. JOB DESIGN

Job Design refers to the process of organizing tasks, duties, and responsibilities into a specific job role to optimize employee satisfaction, performance, and productivity. Effective job design can enhance job satisfaction, reduce turnover, and improve overall organizational efficiency.

TECHNIQUES OF JOB DESIGN

1) Job Enlargement: Job enlargement involves increasing the variety of tasks within a job to make it more engaging and reduce monotony. By broadening the scope of duties, employees are less likely to feel bored and are more likely to find their work interesting. For example, a factory worker who initially only assembles parts might be given additional responsibilities such as inspecting finished products and

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packaging them. This broader set of tasks not only enhances the worker's experience but also helps improve overall productivity by diversifying their daily activities.

- 2) Job Enrichment: Job enrichment enhances the depth of a job by incorporating more meaningful tasks and increasing employee control over their work. This technique aims to improve intrinsic motivation and job satisfaction by providing employees with greater responsibility and decision-making power. For instance, a software developer might be given the opportunity to lead projects, make decisions on design aspects, and contribute to project direction. This increased sense of ownership and involvement in key decisions can significantly boost the developer's job satisfaction and engagement.
- 3) Job Rotation: Job rotation involves moving employees between different jobs or tasks at regular intervals to reduce boredom and increase skill variety. By exposing employees to various aspects of the organization, job rotation helps them gain a broader understanding of operations and keeps their workday varied. For example, an employee in a retail store might rotate between cashier duties, stocking shelves, and assisting customers. This variety not only prevents monotony but also helps employees develop a more comprehensive skill set and a deeper appreciation of the store's operations.
- 4) Job Crafting: Job crafting allows employees to modify their own jobs to better align with their skills, interests, and strengths. This technique encourages employees to take an active role in shaping their work, leading to increased job satisfaction and engagement. For example, a marketing specialist might adjust their role to include more creative tasks, such as developing new advertising strategies or leading marketing campaigns. This personalization of their job helps the specialist work in areas they are passionate about and leverage their unique strengths.
- 5) Task Identity: Task identity ensures that employees can see a project or task through from start to finish, which enhances their sense of accomplishment and job satisfaction. By handling a complete unit of work, employees gain a clearer understanding of their contributions and the impact of their efforts. For example, in an assembly line, an employee might be responsible for assembling an entire product rather than just one component. This responsibility allows the employee to take pride in completing a fully finished product, reinforcing their sense of achievement.
- 6) Autonomy: Autonomy involves giving employees the freedom to make decisions and control how they perform their tasks. By allowing employees to exercise their judgment and creativity, this technique can lead to increased job satisfaction and innovative solutions. For example, a project manager might be given the autonomy to decide on project methods, set deadlines, and choose team members. This level

- of control not only empowers the manager but also encourages a more dynamic and engaged approach to their role.
- 7) Work Scheduling: Work scheduling involves designing flexible work arrangements that help employees balance their work and personal lives. Flexible schedules can lead to improved job satisfaction and productivity by accommodating individual needs and preferences. For example, a company might offer flexible work hours or telecommuting options, allowing employees to work in a way that best suits their personal circumstances and enhances their work-life balance.
- **8)** Ergonomics: Ergonomics focuses on designing work environments that enhance comfort and reduce physical strain, preventing injuries and increasing job satisfaction. By creating workspaces that support good posture and minimize physical discomfort, organizations can improve employee well-being and productivity. For example, an office might invest in ergonomic chairs and adjustable desks, ensuring that employees have a comfortable workspace that reduces the risk of musculoskeletal issues and supports overall health.

2.3 RECRUITMENT AND SELECTION

Recruitment refers to searching candidate for the vacant job in the organization and stimulating them to apply for the job.

Here the HR manager publishes an advertisement related to job vacancy in the newspaper or website or any other source and job applications are invited from the eligible candidates. The interested eligible candidates apply for the job by referring the advertisement. The organization undertakes screening of the applications received and list is prepared of the eligible candidates whom they will call for face to face interview. This entire process is known as **recruitment**.

Selection refers to choosing right candidate for the right job from those who have applied for the job.

Here the HR manager undertakes screening of the job applications sent by candidates and interview letter is sent to the eligible candidates. Sometime employment tests are conducted if there are many applicants. Those who qualify employment tests are called for face to face interview. After extensive interview the best candidate is selected for the job. This process is called **Selection**

Recruitment Process

The process of locating and luring suitable candidates to occupy open positions within an organization is known as recruitment. It finds applicants who possess the skills and mindset needed to help an organization reach its goals.

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The steps involved in the recruitment process include finding the job opening, examining the job specifications, evaluating applications, screening, shortlisting, and choosing the best applicant.

The following are the steps in Recruitment process:

1. Recruitment Planning

The analysis and description of open positions take place during the initial stage of the recruitment process, known as recruitment planning. It covers the nature of the work, the qualifications and abilities needed for it, experience, and other details.

For the purpose of selecting qualified applicants from a pool of candidates, a systematic recruitment plan is required. The ideal applicants should be capable of taking on the tasks necessary to meet the organization's goals, as well as qualified and experienced.

2. Recruitment strategy development

Developing an appropriate recruiting strategy for the organization's candidates is the next stage in the process. The kind of recruiting strategy, the search region to be taken into consideration, the source of recruitment, and the order of recruitment-related operations are all examples of strategic considerations.

Knowing what tasks are essential and how to complete them is made easier with the aid of job analysis. Establishing and recording the employment-relatedness of processes including hiring, training, pay, and performance reviews is its main goal.

3. Searching

Selecting internal or external sources is a step in the search process.

4. Selecting

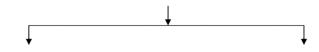
Both internal and external decisions may be made at times.

The next step is to screen. In this aspect, the job specification is quite helpful. The qualifications, knowledge, skills, abilities, interest, and experience listed in the job specification are taken into consideration while screening candidates.

5. Evaluation and Control

Evaluation and control in recruitment is needed as considerable cost is involved in the process. This includes a. Salary of the recruiters b. Cost of time spent for preparing job analysis, advertisement etc., c. Administrative expenses d. Cost of outsourcing or overtime while vacancies remain unfilled and e. Cost incurred in recruiting unsuitable candidates.

2.3.1. Factors Affecting Recruitment Process:



Internal Factors

- Size of organization
- Recruitment policy
- Salary offered
- Benefit package offered along with salary
- Cost of recruitment
- Growth and Expansion

External Factors

- Demand and supply of labour
- Image / Goodwill of the organization
- Unemployment rate
- Competitors
- Pressure Groups

A) Internal Factors:

- 1) Size of organization: The size of organization affects recruitment process. Large size organization may find recruitment process less problematic as well as they can attract more competent candidates. Eg. If organizations like Infosys, TCS or any other large organization when advertise for a job vacancy, they receive many applications from well qualified and competent candidates. This is because everyone wants to work with large organizations because of their excellent HR policy. On the other hand, small organizations may face problem in getting competent manpower. This is because as discussed above, most of the competent candidates are looking for better opportunities which they may get in larger organizations and may not get in small organizations.
- 2) Recruitment policy: The recruitment policy of the organization include recruitment from internal sources (from within the company) and from external sources (from outside the company) also affects recruitment process. Some organizations may prefer recruitment within the organizations because it consumes less time, candidate can well fit into organization's culture and candidate is familiar about organizational policies so no need of orientation training. On the other that, some organizations may prefer candidates from outside. This is because the organization can get more competent candidate who may not be available within the organization and outside candidates may also get opportunity.

Some organizations may follow government norms while undertaking recruitment. They may reserve certain job vacancies for reserved category, divyang and females. Some other organizations may recruit only experienced candidates so that they need not to invest in training of new candidates.

3) Salary offered: Salary offered is another important factor which affect to the recruitment. Some companies offer handsome amount of salary to their employees so they are able to attract more applicant for

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the job. Even competent candidates apply in those companies where they are paid well. While there are some other companies which are not offering good amount of salary to their employees so they are not able to attract more applicant for the job.

- 4) Benefit package offered along with salary: Benefit package includes insurance, paid leave, food allowance, tuition fees reimbursement, travelling allowance, house rent allowance and so on. So the organizations which are offering benefits package along with salary are able to attract more number of job applications and that too highly qualified candidates. On the other hand organization which offers only salary and does not offer benefits package, are able to attract few number of applicant for job.
- 5) Cost of recruitment: Cost of recruitment needs to be considered while undertaking recruitment process. Sometimes organization may allocate insufficient budget for recruitment process. In such a case HR manager has to put extra efforts to search qualified candidate and sometimes they won't be able to meet requirement of vacant position in the organization. Whereas in other situation if the budget is more enough for recruitment process, the organization can attract a qualified, competent and experienced candidate.
- 6) Growth and Expansion: The HR manager has to keep in mind about future growth and expansion of business and accordingly undertake recruitment process. If the company is going for expansion of its business in new areas or start new branches, accordingly they should undertake recruitment process.

B) External Factors:

- 1) **Demand and supply of labour:** If there is huge supply of applicant for a position vacant in any organization then organization will have an opportunity to fulfill the vacant position with their desire standard. But if there is huge demand but shortage of supply of applicant then the organization will not meet the requirement of the position. In such case the organization has to offer good salary and benefit package to attract the candidates.
- 2) Image / Goodwill of the organization: There are many organizations that enjoy good image / goodwill in the market. Such organizations offer better salary and benefits to their employees. They also take good care of their employees. Such organizations have good potential of long run survival and growth in the market. So, the employees can have better career development in such organizations. HR manager of such organizations have to put less efforts in recruitment process. On the other hand, there are some organizations which are new and yet they have not built its image / goodwill in the market. Such organizations have to put more efforts in recruitment process.

- 3) Unemployment rate: Unemployment rate plays crucial role in recruitment process. HR manager has to look after the unemployment rate in the area where organization is located. If the unemployment rate is high in that location, HR manager has more applications with high qualification and they don't have to negotiate the salary with the candidate. They may not offer benefit package to the employees. If the unemployment rate is low in that location, HR manager will not get many applicants and has to pay more than what deserve. HR manager has to compromise with the qualification, skill and experience of the candidate. They have to offer them benefit package.
- 4) Competitors: Competitors would always look forward to grow up and have competent employees so their profitability will increase. As competition intensifies in the market, the demand for competent manpower increases. So the organization should frame suitable recruitment policy to attract and retain loyal and competent manpower. They may have to modify the recruitment policy depending upon the HR policy of competitor.
- **5) Pressure Groups:** Recruitment process is also being governed by pressure groups, such as:
- Trade Union
- Politicians
- Internal employees

2.3.2. Online Process of Selection:

- 1) Receiving Applications: The candidate looking for a job refers to the advertisement in newspaper or company website regarding vacant positions in the organization. Potential candidates apply for a job via email / mail or they can fill up application form available on the website of the company. The application gives the interviewers information about the candidates like their educational qualification, skills, work experience, hobbies and interests.
- 2) **Screening Applications:** After receiving job applications, they are screened by a screening committee. If the application is found proper and complete, a list of eligible candidates is prepared whom online interview call letter is sent via email / mail. The screening committee select applicants on special criteria like qualifications, work experience etc.
- 3) Employment Tests: The organization conducts employment tests to gauge their talents and skills of the candidates. Various employment tests can be conducted such as intelligence tests, aptitude tests, proficiency tests, personality tests etc.
- 4) Online Employment Interview: The next step in the selection process is the online employee interview. Online employment interviews are done face to face to identify a candidate's skill set and

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ability to work in an organisation in detail. Purpose of an employment interview is to find out the suitability of the candidate and to give him an idea about the work profile as well as what is expected of the potential employee. An online employment interview is critical for the selection of the right people for the right jobs.

- 5) Checking References: When candidate applies for a vacant position in an organization, he/she has to give reference (contact details) of 2 persons who know candidate very well. The person who gives the reference of a potential employee is a very important source of information about candidate. The referee can provide info about the candidate's capabilities, experience in the previous companies, leadership and managerial skills. The information provided by the referee is meant to be kept confidential with the HR department.
- 6) Medical Examination: The medical exam is also a very important step in the selection process. Medical exams help the employers to know the potential candidates are physically and mentally fit to perform their duties in their jobs.
- 7) Final Selection and Appointment Letter: This is the final step in the selection process. After the candidate has successfully passed all written tests, interviews and medical examination, the employee is sent via mail or email an appointment letter, confirming his selection to the job. The appointment letter contains all the details of the job like working hours, salary, leave allowance etc.

Check your progress:

1) Write a note on selection.

Selection Tests

People vary in many areas, including their aptitude for certain jobs. To choose the best candidate for the position, individual variances in aptitude and expertise must be precisely measured and compared.

"A test is a systematic procedure for comparing the behavior of two or more persons," states Lee J. Groobach.

A test is "a sample of an aspect of an individual's behavior, performance, and attitude," according to Milton M. Blum.

A test is an organized process for selecting examples of human behavior.

Test may be used to assess psychological issues as well as particular competencies.

Types of tests

Broadly there are two types of tests viz., 1) Ability tests and 2) Personality tests.

Selection Tests

I. Ability Tests II. Personality Tests

1. Aptitude tests 1. Interest tests

2. Achievement tests 2. Personality inventory tests

3. Intelligence tests 3. Projective tests

4. Judgment tests 4. Attitude tests

Aptitude test

Tests of aptitude evaluate a candidate's aptitude and competencies. These assessments gauge and predict an individual's potential performance following training. Aptitude tests are therefore used to forecast future performance.

The aptitude tests have two main goals. One is to give young people or job seekers advise about the fields in which they are most likely to succeed. We refer to this as "vocational guidance." Finding the greatest candidates for positions where they have a chance to thrive is the second. We refer to this as "vocational selection." There are aptitude tests specifically designed for different fields, such as mechanical, clerical, management, etc.

Achievement test

An achievement test gauges a person's potential in a particular field or occupation. Stated differently, these assessments gauge an individual's abilities based on prior knowledge or skill.

Intelligence test

Tests of intelligence quantify a person's overall capacity for intellectual achievement. Mental age is the fundamental idea that underpins the intelligence test. It is assumed that IQ increases together with physical age. This regulation may have several exceptions. A child's mental age will be calculated based on whether they complete the exam at age five or older if they do so for six years or older.

Mental age is typically measured using the Intelligence Quotient (IQ) formula, which may be found here:

It means that IQ is a ratio of mental age to actual age multiplied by 100. IQ levels may vary because of culture and exposure. Intelligence testing in industry is based on the assumption that if organization can get bright, alert employees quick at learning, it can train them faster than those who are less endowed.

Judgment Test

These tests are designed to know the ability to apply knowledge in solving a problem.

Interest test

These assessments identify a person's field of interest and the type of job that would fulfill him. The Kuder Reference Record is the most popular interest test. There are three different forms. The initial shape measurements

career interests in areas including mechanics, computers, art, music, literature, and secretarial work. The second version gauges interests in a given profession through group activities, conflict avoidance, etc. The third type of interest gauges a person's inclination for specific professions, such as accounting, sales, management, etc.

Personality tests

Another name for these assessments is "personality inventories." These assessments are intended to gauge several aspects of personality, including attributes like ambition, self-assurance, extroversion versus introversion, dominance, submission, and interpersonal competence.

Projective assessments

These assessments rely on images or partially completed objects. The applicant is requested to explain or present his personal interpretation of these.

The candidate's response conveys a lot about his or her own beliefs, intentions, mindset, anxieties, and personality, among other things. Because they force the candidate to place himself in the examination scenario, these exams are known as "projective."

Attitude test

These assessments aim to determine the candidate's inclinations toward favoritism or lack thereof toward individuals, events, behaviors, and a variety of other items. Well-known examples of attitude exams include those measuring staff morale, authoritarianism, social responsibility, and study of values.

2.4 SUMMARY

The HR manager finds out human resource requirement and availability in the organization. He/she will compare human resource requirement with availability to find out whether there is surplus or shortage of human resources in the organization. Depending on surplus or shortage of human resource, HR manager takes necessary action. **This is called HRP**.

If there is shortage of employees in a particular department then job details are collected of the jobs. Eg. If there is shortage of employees in the accounts department then job details are collected of the accounts job such as preparing cash vouchers, finalization of accounts, taxation etc. **This is called as Job Analysis**.

After collecting details of the job, the HR manager publishes job vacancy on the company website or in the newspaper or in other source and job applications are invited. Interested candidates apply for the job after reading the advertisement regarding job vacancy. **This is called Recruitment**.

After receiving job applications, the HR manager does screen of the applications. Eligible candidates are called for an interview. Their face-to-face interview is conducted and best candidate is selected for the job. **This is called as Selection**

HRIS is an HR software package that is used to collect and store data of employees. It is a computerized system facilitates the organization to store information relating to employees, their abilities, qualifications, potentialities, creative instincts, age, pay scales. This information is loaded into the system and analysed. It helps HR manager in decision making relating to human resources such as promotions, training requirement, disciplinary action, increment, incentives and so on.

2.5 EXERCISE

Fill In the Blanks:

- 1) From _____ the HR manager identifies how many people are available in the organization and how many people they will need in future. (HRP, HRIS, HRA)
- 2) HRIS stands for Human Resource _____ (Integrated Software, **Information System**, International Standards)
- 3) _____ is one of the functions of HRIS. (Financial Management, Quality Control, **Timing and Attendance**)
- 4) ____ is the detailed information of the vacant job such as job title, job location, job responsibilities and duties, salary and incentives etc. (**Job Description**, Job Recruitment, Job Discrimination)
- 5) Recruitment agency performs _____ role for the organization. (Providing market information, **Providing Human Resource Information**, Providing Information about international trade)

True or False:

- 1) A job description is the information of candidate needed to perform a particular job. **FALSE**
- 2) The recruitment agency creates its database of the candidates searching for job. **TRUE**
- 3) HRP includes organizing training programme for employees. FALSE
- 4) Selection is followed by recruitment process. FALSE
- 5) Placement is a process of assigning a specific job to each of the selected candidates. **TRUE**

Group - A	Group – B
1) HRIS	a) Collecting information about a job
2) Recruitment Agency	b) Job Title
3) Job Specification	c) HR software package
4) Job Analysis	d) Candidate's educational qualification
5) Job Description	e) Creates its database of the candidates

(1-c, 2-e, 3-d, 4-a, 5-b)

Answer in brief:

- 1) What are the factors affecting HRP?
- 2) Write a note on HRIS.
- 3) Briefly discuss the concept of job description.
- 4) Explain the psychological and behavioural Issues in HRP.
- 5) Describe the various factors affecting recruitment process.
- 6) "Role of Recruitment agencies is essential in the recruitment and selection process" Discuss.
- 7) Write a note on Online process of selection.

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TRAINING AND DEVELOPMENT

Unit Structure:

- 3.0 Objective
- 3.1 Introduction
- 3.2 Training and Development
- 3.3 Career Advancement
- 3.4 Knowledge Enrichment
- 3.5 Summery
- 3.6 Exercise
- 3.7 References

3.0 OBJECTIVE

After studying this unit, the student will be able to -

- Understand the role of training and development in the career building of employees
- Discuss about Career Advancement and Knowledge enrichment

3.1 INTRODUCTION

The organizations which are dynamic and growth-oriented, it is essential for them to develop their human resources. Unlike other resources, human resources have unlimited potential / capabilities. The potential of human resources can be used only when it is continuously identified, given platform to exhibit it, nurture it.

Human Resource Development (HRD) is the part of human resource management. HRD concept was first introduced by **Leonard Nadler** in 1969 in a conference in US. "He defined HRD as those learning experience which are organized, for a specific time, and designed to bring about the possibility of behavioral change"

HRD is a framework for helping employees to develop their personal and organizational skills, knowledge, and abilities. HRD includes employee training, employee career development, performance development, coaching, mentoring, succession planning, key employee identification and organizational development. The focus of all aspects of Human Resources Development is on developing most superior workforce so that individual and organizational goal is achieved.

3.2 TRAINING AND DEVELOPMENT

Training and development are one of the vital Human Resource functions. In most of the organizations training and development is an integral part of the HRD (human resource development) activity.

Training and development are a program of updating employee's skills, knowledge, and competencies to ensure that they perform well on assigned tasks and contribute to the success of the organization. Effective training and development increases work efficiency of employees and increases productivity of the organization. It provides learning opportunities to the employees to increase their work capabilities and get them ready for future challenges. Training and development acts as a tool for success of organization because in the cut-throat competition in the corporate world skilled manpower is important aspect to get competitive advantage.

According to Armstrong "Training is the formal and systematic modification of behavior through learning which occurs as a result of education, instruction, development and planned experience. Development is improving individual performance in their present roles and preparing them for greater responsibilities in the future".

According to Kllatt, Murdick & Schuster "Training is a systematic way of altering behavior to prepare an employee for a job or to improve the employee's performance on the present job, and development is preparing an employee for improving the conceptual, decision-making, and interpersonal skills in complex, in structured situation."

According to Kleiman "Training and development are planned learning experiences that teach workers how to perform their current or future jobs effectively."

Training and development in HRM are two different activities which goes hand-in-hand for overall betterment of the employees. The basic difference between two is:

Training	Development
It is a short-term process	It is a long-term process
It is used for operational purpose	It is used for executive purpose
Its aim is to improve required skills in the employees	Its aim is to improve overall personality of the employees
	Development initiative is generally taken with the objective of future succession planning.

Need for training

- (i) Better Productivity: In order to compete in the market, it is imperative to raise productivity and lower production costs. Workers' productivity can rise with effective training since it imparts the necessary skills.
- (ii) Quality Improvement: Customers are now more aware of quality, and their needs are always evolving. Employee training must consistently increase product quality in order to please clients.
- (iii) Reduction of Learning time frame: To shorten the training duration, systematic instruction from qualified teachers is necessary. Workers who pick up new skills by trial and error will take longer to learn and might not even be able to learn the proper ways to conduct tasks.
- **(iv) Industrial Safety:** Skilled personnel can operate the machinery in a safe manner. They are also familiar with how to operate different manufacturing safety equipment. They are therefore less vulnerable to workplace mishaps.
- **(vi) Technology Upgradation:** Changes in technology are occurring quickly. To use modern technologies, laborers need to pick up new skills. As a result, training ought to be viewed as an ongoing process that updates staff members on new techniques and protocols.
- (vii) Effective Administration: One useful tool for planning and controlling is training. Employees gain new skills and get ready for jobs both now and in the future. It assists in lowering the price of industrial accidents, waste, and oversight. Additionally, it aids in boosting quality and productivity, two objectives that any contemporary organization values highly.

A. Methods and types of training

- 1. Classroom Lecture Method: This is the most widely utilized, straightforward, economical, and traditional approach. Because it covers the most, it saves time, number of individuals in a brief amount of time. It consists of an instructor speech with very little discussion and straightforward presentation techniques. The method's drawbacks are that the lecture lasts longer than the average fifteen minutes that people can pay attention to, and that the material is quickly forgotten. It is unclear how much of the training is done at home because the approach does not need the learners to actively participate. Furthermore, a lecture may only be beneficial if it is presented in an effective manner.
- 2. Group Discussion Method: This approach is used to help trainers improve their knowledge and attitudes. Using this approach, groups of individuals look at multiple empirical investigations to identify patterns that lead to the underlying general principles. Subsequently, they integrate their concepts and concentrate on a specific issue at hand, expressing various perspectives inside the collective. In this

Training and Development

system, a leader is required, but an instructor is not. One of the method's many benefits is that each session can produce more ideas. Additionally, each participant has the chance to share their own ideas and receive input from other group members.

- 3. Simulation: A collection of training tools with differing levels of complexity that simulate the real world are called simulators. They might be as basic as paper mock-ups of mechanical devices or as complex as computer-generated worlds. Indeed, there are others who contend that a variety of techniques, including role-playing and case studies, can be classified as simulations. The benefit of using simulation techniques is that they increase learning potential without endangering people's lives or property or exposing them to the many risks associated with live performance.
- **4. Role Playing Method:** A role is a set of standards related to a certain position that are established by the role partners. In pairs, roles like trainer-trainee, buyer-seller, interviewer-interviewee, and so forth are always reciprocal. Playing roles would involve real-world issues such as intra- and inter-role disputes, role overloads, and role underloads. Role confusion results from these obstacles. Role clarity is a prerequisite for training trainees to perform roles.

This could entail negotiating expectations and counter-expectations with one another between the role senders and role recipients. When using the role-playing method, participants must react to certain issues and expectations from others that they would genuinely run across at work.

- 5. Case Study: It is a narrative account in writing of an actual circumstance or event pertaining to an organization and its operations, illustrating any potential issues that participants may encounter at work. Trainee participants are expected to suggest as many workable options or solutions as possible that fit the case's variables. For the participants, a case study may be both an engaging procedure and an intellectually interesting program. It aids in the development of participants' analytical, thinking, and problem-solving abilities. The case study method enables a comprehensive comprehension of reality by highlighting and filling up knowledge gaps. Reiterating points made in lectures, group discussions, and other settings is also beneficial. One potential drawback of the approach could be its complexity.
- **6. Sensitivity Training or T Group Training or Laboratory training Method:** It is a series of encounters in unplanned, agenda-free groups intended to help participants gain awareness of their immediate circumstances, their own influence on others, and themselves (self-insight). T-groups, in contrast to many other programs, focus on the actual issues that the group is facing. Encouraging people to connect freely and actively helps them become more sensitive to the sensitivities of others and collaborate more responsibly and happily.

Members are able to identify issues with human relationships and group dynamics. It is recommended for the participants to express their views and feelings to one another in a more open, relaxed, sincere, and friendly way than is customary in the workplace or in social settings.

- 7. Management Games Method: Games are used as a training tool, than as mere pastimes or amusement. Trainees are divided into teams and are given common tasks on which they would be competing to arrive at decisions, and then jointly implementing and evaluating the decisions taken with regard to the games. For example, blocks of wood would be supplied to every team and one of the members would be blind-folded with a piece of cloth. The person would have to arrange the blocks one above the other, as per the instructions and guidance of the other members. As they set on to reach greater target heights, the rewards would also grow exponentially. This game is used to bring out the nuances of teamwork, leadership styles and communication patterns exhibited by the members while playing the game. The demerits of the method are that, at times, games might result 155 in lack of seriousness in some trainees and that the learning is indirect and slow. But it helps to convey messages in a non-threatening and funfilled manner.
- **8. In Basket Training:** Under the IBT technique, a trainee is expected to review a basket full of documents and files relevant to his field of work and offer comments regarding issues raised by the materials. This approach is designed to help managers-in-training enhance their decision-making and problem-solving skills. This type of simulation training is based on real-world business scenarios, making it applicable to real-world work environments.

Establishing priorities and managing various office materials, including emails, reports, phone messages, and memos that would normally go on a manager's desk, are typical tasks assigned to the participant.

9. Vestibule training: This type of training is conducted off-site using equipment that closely mimics the real tools used in the workplace. This is a kind of off-the-job training where workers receive training in an environment that is similar to their own workplace but separate from it. For instance, a training facility may have a number of lathes that the trainees will be taught how to use. The technique is widely applied in the training of bank tellers and typists, among other personnel.

Vestibule is the word for entry. Vestibule training therefore helps to enable full-fledged employment. Vestibule training's main benefit is that it relieves the worker of the burden of needing to produce while they are learning.

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- 10. Apprenticeship: It blends classroom education with practical experience gained on the job. This is a system where trainees, referred to as "apprentices," work under the supervision of a qualified instructor and are paid less than workers. The approach, which combines work and education, aims to equip the workforce with a specific degree of certification to fulfill the industry's expanding demands. Specialized talents like mechanical, electrical, tailoring, etc. are developed by this way. In the past, apprenticeship was mostly utilized for skilled positions like printer, carpenter, plumber, and machinist. Although the training is lengthy, its breadth ensures high-quality results. When new hires are brought on board through the apprenticeship program, it is expected of them to start working quickly and effectively.
- 11. Job Rotation: With this training approach, students are rotated between jobs to increase their exposure and provide them a basic grasp of the business as a whole. In addition to assisting them in overcoming boredom, job rotation allows them to interact directly with many different people inside the company, which promotes future collaboration. The technique should be applied with enough gaps to allow the learner to gain a solid level of proficiency in a designated role. The company needs to be careful to make sure that when a few trainees are moved into new positions where they would be needing more time to learn and perform, work productivity is not compromised.

3.2.1 Designing Effective Training Programme:

Training programs play a crucial role in enhancing employee's capabilities, upgrading their existing knowledge and help him acquire new skills and learning. Effective training programs help employees to cope up with changes, think out of the box, survive the cut throat competition with a smile and contribute effectively to the success of organization.

Training programs need to be designed, keeping in mind the needs and requirements of employees. Training modules ought to be precise, crisp and informative.

Example:

The IBM (short form of International Business Machines) Corporation is an American technology company that's been around since 1911, and today it operates in more than 150 countries worldwide. Needless to say that, due to its immense popularity and success, the sheer number of people employed in IBM is quite massive, nowadays coming quite close to 400,000.

With such a large number of workers, you can imagine how complicated it must be to put a training program into practice, both for new and existing employees. However, this didn't stop IBM from focusing quite extensively on the development of their workforce, even during periods of financial uncertainty, and in 2002 the company was ranked fourth on Training magazine's "The Training Top 100" list, based on their commitment towards employee training.

This placement was well deserved, as the company had reported spending close to \$1 billion on employee training in the mid-1990's alone. In order to attempt to cut costs, towards the end of the twentieth century the company decided to try and incorporate eLearning for further employee training. The system was initially intended to be used to train IBM's newly recruited managers.

In the year following the implementation of eLearning, the company had reported saving more than \$160 million dollars. This is a massive amount of money for such a company considering the time period, and it's all because of the unique way in which eLearning can help your training efforts. A year later, that same figure rose to \$350 million, and the director of IBM Mindspan Solutions Andrew Sandler had explained that not only had the implementation saved the company a large amount of money, but that it had also delivered a far more effective training, providing employees with "five times more content than before".

Following some of the steps in designing effective training programmes

- 1) Identify training needs: Before setting up training programme, it is necessary to find out what the company and employees expect out of the training programme. Because if the company or employees either of them is not going to get any benefit out of training programme then they won't get engaged. The HR manager should find out inefficiency in the organization and review organizational visions and accordingly design training programme.
- 2) Objectives of Training: The training programme should have well defined and specific objectives. The objective of training programme can be:
 - To orient new employees about company policy and work
 - To develop new skills
 - To develop positive attitude towards work and organization
 - To develop positive attitude towards changes in the organization
- 3) Selection of Trainers: The trainer develops competencies and skill sets among employees to perform effectively and efficiently in the workplace. For the training programme to be effective, the trainer should be qualified, specialized and competent enough. The trainer should communicate to the trainees what is expected from them after the training programme is over. The trainer should:
 - Make planning for training session
 - Design training tool / aid
 - Implement training programme
 - Evaluate effectiveness of training programme
- 4) Method of training: The training should be conducted using right method. Training can be on-the-job or off-the-job which depends upon nature of job. For example, initially training to the pilot is

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provided in an artificial aircraft (off-the-job). Training to the salesman can be provided on-the-job.

- 5) **Duration of Training:** The duration of training should not be too long or too short. Too long duration of training may result into monotony and too short duration of training does not give much chance to learn skills and enhance knowledge. The duration of training depends upon the nature of work. For example, pilot training may take long duration whereas training to the salesman may take short duration
- **6) Activities of Training:** There should be proper system followed for training programme to be effective. The system of training includes:
 - There should be balance between theory and practical sessions
 - Case studies, audio-visuals, films, presentations, management games etc. should be used to make training sessions interesting
 - Training tools / aid should be developed and it should be simple and meaningful
- 7) Active involvement by trainees: The trainee should be actively involved in training session rather than just listening to trainer. They should practice what they learnt in training session. Practical aspect may give trainees more insights and confidence.
- 8) Progress report: A trainer should conduct small tests and inform the trainees about their progress. Progress report gives concrete picture about performance of a trainee. Due to progress report the trainees come to know about their strengths and weaknesses. Accordingly, they can work over their weakness.
- **9) Reviewing training programme:** It is important to review training programme at regular interval to make sure that

3.2.3 Evaluation of The Effective Training Programme:

- 1) Satisfaction and trainee reaction: Evaluation of satisfaction is the most basic measure to assess the effectiveness of training programme. The trainer undertakes survey at the end of training session to test the reaction of trainees. If the trainees are satisfied with training session, they give positive reaction.
- 2) Knowledge acquisition: It involves checking how much the trainees have learned from the training session. In this method, trainees are supposed to take a test. The trainer evaluates and grades the response. It can help in determining if the participants have understood and learned the concept or not. Furthermore, it can highlight areas that might need additional coaching or further training.
- **3) Behavioral Application:** This method demonstrates the level to which the trainees apply their newly acquired knowledge in their real life and real-world problems. Eg. A company that initiates training

programme for improving the telephonic conversation. The company can conduct mystery calls before starting the training. This response can be recorded and graded. After the training, the company can again conduct mystery calls and can compare their results with those before the training and measure the effectiveness of training.

- 4) Measuring thebusiness improvement: The primary objective of arranging training programme is to improve business performance. After the training session is over, if there is improvement in the business performance, it is assumed that the training session has been effective. E.g. If we take above example that training programme has improved telephonic conversation of trainees due to which sales of the company has increased (improvement in business performance) which means training session has been effective.
- 5) Return on Investment (RoI): It deals with cost and return of training. Cost of training involves fees of trainer, rent for training venue (if any), training aid cost, other costs etc. Returns involve increase in sales, business improvement, increase in profitability etc. If cost of training is more than return, it indicates training has been ineffective. If cost of training is more than return, it indicates training has been effective.
- 6) Reduction in accidents and wastage: When the trainees are taught about operating system of machinery or equipments, the trainees handle machines and equipment carefully. It results into a smaller number of accidents taking place. Even in training session trainees are trained about handling of material. It results into less wastage of material.
- 7) Improve efficiency of employees: Efficiency refers to making best use of resources. Efficient firm maximizes output from given inputs, so minimizes their costs. Trained employees perform with greater speed and accuracy. Training not only enhances knowledge and skills of employees, but also develops their positive attitude towards job. This results into improvement in efficiency of employees.
- **8)** Reduction in supervision: Trained persons require less supervision because they know their job better and commit fewer mistakes. The supervisor can concentrate on more important activities such as planning and controlling.

Check your progress:

1) Discuss the training program.

3.3 CAREER ADVANCEMENT

Meaning and concept

Designing ways to promote employees' progress by matching their goals, interests, and talents with appropriate career paths inside the company is

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known as Career Advancement in HRM. By creating and putting into practice plans to foster employees' development, human resource management (HRM) significantly contributes to career advancement.

HRM specialists evaluate workers' goals, interests, and skill sets in order to match them with appropriate career pathways inside the company.

The process of actively shaping one's professional journey through lifelong learning, career advancement entails the following:

- 1. recognizing one's strengths, interests, and values;
- 2. setting long-term career goals and breaking them down into manageable milestones;
- continuously gaining new knowledge and skills relevant to one's desired career path through various means, such as training, education, and real-world experience;

and

4. creating a roadmap to reach your goals, which outlines steps like looking for professional development opportunities, networking, and possibly pursuing further education.

Career advancement in Human Resource Management (HRM) encompasses a strategic and multifaceted approach to professional growth within the field, incorporating various elements such as skill development, networking, mentorship, and continuous education. As HR professionals navigate their careers, they often focus on enhancing competencies in areas like talent management, employee engagement, leadership development, and strategic planning. The dynamic nature of HRM, influenced by evolving workplace trends and technological advancements, necessitates a proactive approach to career development. Professionals must stay abreast of current HR practices, legal regulations, and emerging trends to effectively contribute to organizational success and achieve personal career milestones. Additionally, the ability to adapt to changes, exhibit strong interpersonal skills, and demonstrate a commitment to fostering a positive workplace culture are crucial for HR practitioners aspiring to advance their careers.

Need for Career Advancement in Human Resource Management (HRM)

Adapting to Rapid Business Changes:

The business environment is constantly evolving due to technological advancements, globalization, and shifting market demands. HR professionals need to advance their careers to keep up with these changes and effectively manage the workforce.

Strategic Contribution:

Modern HR roles go beyond administrative tasks and involve strategic decision-making. Career advancement enables HR professionals to contribute to organizational goals, align HR strategies with business objectives, and drive company success.

Enhancing Skill Sets:

Continuous learning and development are crucial for HR professionals to acquire new skills and stay updated with the latest trends in talent acquisition, employee engagement, diversity and inclusion, and HR technology.

Competitiveness:

To remain competitive in the job market, HR professionals must advance their careers by gaining certifications, pursuing advanced degrees, and staying current with industry best practices.

Improving Organizational Effectiveness:

Advanced HR professionals are better equipped to implement effective HR policies and practices, leading to improved organizational performance, higher employee satisfaction, and reduced turnover rates.

Personal and Professional Growth:

Career advancement provides HR professionals with opportunities for personal development, job satisfaction, and professional recognition. It allows them to take on leadership roles and influence organizational culture and policy.

Leveraging Technology:

The integration of HR technology, such as HRIS (Human Resource Information Systems) and AI-driven tools, requires HR professionals to be technologically savvy. Advancing in their careers helps them master these tools and utilize data analytics for informed decision-making.

Navigating Workplace Diversity and Inclusion:

As organizations become more diverse, HR professionals must be adept at managing diversity and fostering an inclusive workplace. Career advancement offers specialized training and knowledge to handle these aspects effectively.

Responding to Legal and Regulatory Changes:

The HR field is heavily influenced by labor laws and regulations. Career advancement ensures that HR professionals are knowledgeable about current legal requirements and can ensure compliance, reducing the risk of legal issues for the organization.

Talent Management and Retention:

Effective talent management is critical for retaining top talent. Advanced HR professionals can develop and implement comprehensive talent management strategies that enhance employee satisfaction and loyalty.

Managing Employee Well-being:

The focus on employee well-being has increased, especially post-pandemic. Career advancement equips HR professionals with the skills to design and implement wellness programs that support employees' physical and mental health.

Building Leadership and Management Skills:

Career advancement involves developing leadership and management capabilities, which are essential for HR professionals to guide their teams, manage conflicts, and drive organizational change effectively.

3.4 KNOWLEDGE ENRICHMENT

Knowledge Enrichment in Human Resource Management (HRM) Meaning:

Knowledge enrichment in HRM refers to the process of continually updating and expanding one's knowledge and skills in the field of human resource management. This involves staying current with the latest trends, practices, technologies, and regulatory changes. Knowledge enrichment is essential for HR professionals to perform their roles effectively, make informed decisions, and contribute strategically to their organizations.

Ways to Achieve Knowledge Enrichment in HRM:

Continuous Learning and Professional Development:

Online Courses and Certifications: Enroll in HR-specific courses and certifications offered by reputable institutions such as SHRM, HRCI, CIPD, and online platforms like Coursera, LinkedIn Learning, and edX.

Advanced Degrees:

Pursue higher education degrees, such as an MBA with a concentration in HRM or a Master's in Human Resource Management.

Attending Conferences and Seminars:

Participate in HR conferences, workshops, and seminars to learn from industry experts, gain insights into best practices, and network with other HR professionals.

Reading and Research:

Books and Journals: Read HR-related books, academic journals, and industry publications to stay informed about the latest research and developments in HRM.

Blogs and Articles:

Follow HR blogs, news websites, and articles from thought leaders in the field

Professional Memberships:

Join professional HR organizations such as the Society for Human Resource Management (SHRM), Chartered Institute of Personnel and Development (CIPD), and other relevant associations. These memberships often provide access to resources, networking opportunities, and professional development events.

Networking:

Engage with peers and mentors in the HR field through networking events, social media platforms like LinkedIn, and professional groups. Networking can provide valuable insights, share experiences, and open opportunities for collaboration.

Workshops and Training Programs:

Attend workshops and in-house training programs to gain practical skills and knowledge in specific areas such as talent management, employee relations, compliance, and HR technology.

Staying Updated with Legal and Regulatory Changes:

Regularly review updates on labor laws, employment regulations, and workplace policies to ensure compliance and avoid legal issues.

Implementing HR Technology:

Familiarize yourself with the latest HR technologies, such as Human Resource Information Systems (HRIS), applicant tracking systems (ATS), and AI-driven tools for recruitment and employee management.

Mentorship and Coaching:

Seek mentorship from experienced HR professionals and consider engaging in coaching programs to receive guidance and advice on career development and skill enhancement.

Participating in HR Projects and Initiatives:

Take part in cross-functional projects and initiatives within your organization that provide exposure to different aspects of HR and broaden your experience.

Feedback and Self-Assessment:

Regularly seek feedback from colleagues, supervisors, and employees to identify areas for improvement and opportunities for growth. Conduct self-assessments to evaluate your strengths and weaknesses and create a personal development plan.

Training and Development

By actively engaging in these activities, HR professionals can continuously enrich their knowledge, stay relevant in the field, and contribute effectively to their organizations' success

3.5 SUMMARY

In other words, training improves changes, molds the employees knowledge, skill, behavior aptitude, and attitude towards the requirements of the job and organization. Training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organization, to acquire and apply the knowledge, skills, abilities and attitudes needed for a particular job and organization. Thus, training bridges the differences between job requirements and employees, present specifications. Designing ways to promote employees' progress by matching their goals, interests, and talents with appropriate career paths inside the company is known as Career Advancement in HRM. By creating and putting into practice plans to foster employees' development, human resource management (HRM) significantly contributes to career advancement.

Knowledge enrichment in HRM refers to the process of continually updating and expanding one's knowledge and skills in the field of human resource management. This involves staying current with the latest trends, practices, technologies, and regulatory changes. Knowledge enrichment is essential for HR professionals to perform their roles effectively, make informed decisions, and contribute strategically to their organizations.

3.6 EXERCISE

Fill in the Blanks: 1) _____ is a framework for helping employees to develop their personal and organizational skills, knowledge, and abilities. (HRD, Prospectus, Articles of Association) 2) Training and development are a part of _____ (HRP, HRD, HRK) 3) _____ helps in designing effective training programme. (Very longer duration of training, Inappropriate method of training, Selection of competent trainer) 4) Mentorship and Coaching can be gained for ______ . (Knowledge enrichment, Health and safety, recruitment) 5) _____ is the systematic description of employee's job relevant strengths and weaknesses. (Compensation, Performance Appraisal, Promotion)

True or False:

- 1) HRD stands for Human Resource Diversity. FALSE
- 2) Advancement is a short-term process. FALSE
- 3) Reduction in accidents and wastage is one of the ways to evaluate the effective training programme. TRUE
- 4) Employee turnover is an attempt to improve managerial effectiveness through a planned and deliberate learning process. **FALSE**
- 5) Trainer faces challenges of engaging learners into training session.

 TRUE

Match the Pairs:

Group - A	Group – B
1) Training	a) Skills and Interest
2) Career Advancement	b) Competent evaluator
3) Technique of MDP	c) Long term process
4) Guidelines for conducting appraisal interviews	d) Improve required skills in the employees
5) Development	e) Case study

(1-d, 2-a, 3-e, 4-b, 5-c)

Answer in Brief:

- 1) Briefly discuss how to designing effective training programme?
- 2) How to evaluate the effectiveness of training programme?
- 3) Write a note on Career Advancement
- 4) What is knowledge enrichment?

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PERFORMANCE APPRAISAL

Unit Structure:

- 4.0 Objective
- 4.1 Introduction
- 4.2 Performance Appraisal
- 4.3 Summary
- 4.4 Exercise
- 4.5 References

4.0 OBJECTIVE

After studying this unit, the student will be able to -

- Discuss about performance appraisal
- Performance appraisal methods. Issues, limitations

4.1 INTRODUCTION

Performance appraisal is an exercise where managers evaluate the employees, in terms of their contribution towards organizational objectives. It evaluates their strengths and weaknesses in terms of attributes and behaviours to meet the organisational objectives. It appraises the performance of employees on continuous or intermittent basis and provides them feedback about their performance.

4.2 PERFORMANCE APPRAISAL

Performance Appraisal is the systematic evaluation of the performance of employees at the work place. It is a review of an employee's performance of assigned duties and responsibilities. It indicates how well an individual is fulfilling the job demands.

The performance is measured against factors such as job knowledge, quality and quantity of output, initiative, leadership abilities, supervision, dependability, co-operation, judgment, self-confidence, intelligence, versatility and health.

In the words of Wayne Cascio, "Performance appraisal is the systematic description of employee's job relevant strengths and weaknesses."

4.2.1 Process of Performance Appraisal:

- 1) Establishing performance standards / target: The first step in the process of performance appraisal is the setting up of the standards / target. It is used as the base to compare the actual performance of the employees with their target. This step requires setting the criteria to judge the performance of the employees as successful or unsuccessful and the degrees of their contribution to the organizational goals and objectives. The standards set should be clear, easily understandable and in measurable terms
- 2) Communicating the standards: Once the standards are set, it is the responsibility of the management to communicate the standards to all the employees of the organization. The employees should be informed about the standards. The standards should be clearly explained to the employees so that they understand their roles and to know what exactly is expected from them. The standards should also be communicated to the appraisers or the evaluators. The standards can be modified at this stage itself (if required) according to the feedback from the employees or the evaluators.
- 3) Measuring the actual performance: This step involves measuring the actual performance of the employees i.e. the work done by the employees during the specified period of time. It is a continuous process which involves monitoring the performance throughout the year. This stage requires the careful selection of the appropriate techniques to measure performance of employees. The personal bias should not affect the performance measurement. The evaluator should provide assistance rather than interfering in an employee's work.
- 4) Comparing actual performance with standard/ target performance: The actual performance is compared with the standard/ target performance. The comparison helps to find out deviations (if any) in the performance of the employees from the standards set. The result can show the actual performance being more than the standard performance i.e. there is no deviation in the performance of employees. On the other hand, the actual performance may be less than the standard performance i.e. there deviation in the performance of employees.
- 5) Discussing results [Feedback]: The result of the appraisal is communicated and discussed with the employees on one-to-one basis. The results, the problems and the possible solutions are discussed with the aim of problem solving and reaching consensus. The feedback should be given with a positive attitude as this can have an effect on the employees' future performance. Performance appraisal feedback by managers should be in such way helpful to correct mistakes done by the employees. The feedback should help employees to motivate for better performance but not to demotivate. Performance feedback task should be handled very carefully as it may leads to emotional outburst if it is not handling properly. Sometimes

employees should be prepared before giving them feedback as it may be received positively or negatively depending upon the nature and attitude of employees.

4.2.2 Guidelines for Conducting Appraisal Interviews:

Appraisal interview is a first stage of performance appraisal process. It is a formal face to face discussion between an employee and manager regarding performance and other aspects of job role. In appraisal interview, the manager and the employee discuss performance and the key areas of improvement of the employee. The performance appraisal interview provides the employee with a chance to defend himself / herself against poor evaluation by the manager. It also gives the manager a chance to explain what he / she thinks about the employee's performance.

Following are the guidelines for conducting appraisal interviews:

- 1) Competent evaluator: There should be experienced, qualified, matured and honest evaluator to conduct performance appraisal. The evaluator should be provided training. If possible, performance appraisal needs to be undertaken by more than one evaluator so that appraisal would be fair and justified.
- 2) **Proper timing:** Performance appraisal must be conducted periodically. It is advisable to conduct performance appraisal at least twice in a year. If possible, it should be conducted quarterly i.e. once in every three months.
- 3) Disclosure of appraisal report: The performance appraisal report should be made known to the employee whose performance is being appraised. This will enable him/her to know the strength and weakness related to his/her performance. Accordingly the employee can consolidate his/her strength and take corrective action to minimize weakness
- **4) Equal weightage to all criteria:** Equal weightage should be given to all performance criteria such as quality of work, quantity of work, speed, behavior, punctuality, co-operation etc. Performance appraisal should be done by considering all these factors. No factor should be ignored.
- 5) Provision for appeal: If any employee disagrees with appraisal report, then there should be provision for that employee to appeal against the appraisal report. The procedure to appeal against appraisal report should be made known to the employee.

Methods of Performance Appraisal

1) Graphic Rating Scale: This method uses a numerical scale to evaluate employees on various performance criteria, such as quality of work, punctuality, and teamwork. Supervisors rate employees on a scale, typically from 1 to 5, with 1 indicating poor performance and 5 indicating excellent performance. The scores for different criteria are averaged to determine the overall performance rating. For instance, an employee might be rated across several factors, and the final

Performance Appraisal

performance score is derived from these individual ratings, offering a straightforward summary of their performance.

- 2) 360-Degree Feedback: This method collects performance feedback from multiple sources, including supervisors, peers, subordinates, and sometimes customers. It aims to provide a well-rounded view of an employee's performance by integrating perspectives from different individuals who interact with the employee. For example, a project manager might receive feedback from team members, other managers, and clients, allowing for a comprehensive assessment of their leadership, communication, and project management skills, reflecting diverse viewpoints.
- 3) Self-Assessment: In this method, employees evaluate their own performance against predefined criteria. This approach encourages self-reflection and helps employees identify their strengths and areas for improvement. For example, an employee might fill out a self-assessment form where they rate their achievements, challenges, and personal development over the past year, fostering self-awareness and alignment with performance expectations.
- 4) Management by Objectives (MBO): This method involves setting specific, measurable objectives for employees to achieve within a defined timeframe. Performance is assessed based on how well these objectives are met. For example, a sales representative might be given targets for sales volume and customer acquisition, and their performance is judged by the extent to which they achieve these targets, focusing on goal-oriented evaluation.
- 5) Behaviorally Anchored Rating Scales (BARS): BARS combines elements of the graphic rating scale and the critical incidents method by using specific behaviours associated with various performance levels to evaluate employees. For example, a customer service representative might be assessed based on predefined behaviours such as responsiveness and empathy, with examples provided for each level of performance. This method offers a detailed and behaviour-specific assessment of performance.
- 6) Checklist Method: Supervisors use a checklist of traits and behaviours to evaluate employee performance, marking off each item that applies to the employee. For example, a supervisor might use a checklist that includes punctuality, teamwork, and problem-solving skills, ticking off items based on observed performance. The summary of checked items provides a broad overview of the employee's performance across various traits.
- 7) Critical Incidents Method: This method involves documenting specific instances of particularly effective or ineffective behaviour, which are then used to assess overall performance. For example, a supervisor might record incidents where an employee either exceeded

- expectations in resolving customer complaints or failed to meet project deadlines. These documented incidents provide concrete examples for evaluating the employee's performance.
- 8) Psychological Appraisal: This method evaluates employees based on psychological traits such as intelligence, emotional stability, and personality, often through tests and assessments conducted by psychologists. For example, an organization might use psychological assessments to determine an employee's potential for leadership roles and their suitability for complex tasks, providing insights into their psychological readiness and capabilities.
- 9) Assessment Centers: Employees participate in various exercises, simulations, and tests designed to evaluate their skills and competencies in different scenarios. For example, candidates for a managerial position might engage in group exercises, role-playing scenarios, and case studies, which assess their leadership, problem-solving, and communication skills in a controlled setting, providing a detailed analysis of their performance.
- 10) Peer Review: This method involves employees evaluating their colleagues' performance, offering feedback on teamwork, communication, and overall contributions. For example, a team member might be assessed by their peers on how well they collaborate and support the team, providing insights into their effectiveness as a team player and contributing to a comprehensive evaluation of their performance.

Check your progress:-

1) Write a critical note on appraisal.

4.2.3 Ethical Aspect in Performance Appraisal:

Integration of ethics is important while doing the evaluation of performance of employee as these appraisals can be highly subjective. Some of the ethical aspects in performance appraisal are as given below:

- 1) Rewards, punishments and threats: All these must be used in a positive way to improve the performance of the employees. If it is used in improper way it will definitely affect the performance of employees and demotivate them for future performance. Reward and punishment should not rely on the matter of favoritism and hatred.
- **2)** Reliability and validity of information: The most important task of manager is to provide reliable as well as proper valid information. This information can be documented and used for legal aspects if any problem arises in future.
- **3) Job relatedness:** The information provided in the appraisal should be related to the job performance only. It should not include personal conflict and grudges between the appraisers and appraise.

Performance Appraisal

- 4) Standard format of appraisal: It characterizes the standard format of appraisal system. This standardization provides equal opportunity to all the employees to perform in same system of measurement and rating.
- 5) Training: Training should be provided to the appraisers to make them familiar with the different rating errors and it also improves the rater performance. If appraisers are unaware then there is possibility for unethical errors during the appraisal.
- 6) Employee Access to results: It is important to provide feedback to the employees for their growth and development. Hiding any kind of information is unethical. In this way employees should know the rules of the performance appraisal. Employee themselves could not be able to improve their performance unless they do not have access to this information.
- 7) Open communication: The appraisal interview should be such that there should be open communication between appraiser and employee. The appraiser must clearly define the whole process of appraisal. In the same way if any confusion resides in employees mind, then it is supposed to be asked clearly in advance for better performance and results of appraisal.
- 8) Confidentiality: This means that the feedback provided to the employee must be confidential. Leaking the information to other employees is unethical.

4.2.4. Challenges and Limitations of Performance evaluation

Performance evaluation holds immense significance not just for organizations but also for individuals undergoing assessment. It's a critical exercise as employees recognize that their future rewards and career progression are closely linked to these evaluations. This awareness elevates the sensitivity surrounding the evaluation process significantly. The effectiveness of this process hinges on its quality, credibility, and consistent application. However, common performance evaluation methods, especially rating scale techniques, are frequently prone to issues such as subjectivity, halo effects, central tendency, leniency or strictness, biases, recency effects, and employee resistance. Let's delve into these challenges in detail.

1. Lack of objectivity

The term "objectivity" describes the ability to make decisions free from bias or emotion and based only on observable facts. The primary flaw with conventional assessment techniques, such as rating scales, is their lack of objectivity. For example, it is challenging to evaluate characteristics like inventiveness, quality, attitude, personality traits, and appearances objectively because they are abstract in nature. It is also challenging to defend their inclusion as elements connected to the job. Even if they are essential, including these criteria may make the evaluation less fair.

2. Halo effects

When a supervisor has positive feelings about an employee's looks, behavior, or skill, it can have a domino impact on how well the employee performs in all other areas. This phenomenon is known as halo effects. This could result in an excessively high rating due to the halo effect. Actually, halo effects are defined by Andrew Solomonson as the impact of a rator's overall perception on the evaluation of particular ratee attributes. However, a manager might apply his unfavorable assessment of one quality to every facet of the assessed worker's work. The term "horn effect" refers to this inverted phenomenon.

3. Central Tendency

To rate every employee as average is to apply central tendency. This issue arises when an assessor has a tendency to arbitrarily classify most employees as average or in the middle of the scale. This medium ground is what the assessor turns to, particularly when he has to write up an explanation for an exceptionally high or low assessment. It makes sense that this flaw typically reduces the assessment's value in determining an employee's advancement, compensation, and personal growth.

4. lenient Attitude

This issue arises when the assessor gives workers too high evaluations without cause.

The evaluator may act in this way if he wants to avoid sparking any debate about the assessment. For example, the process may occasionally call for the evaluator to notify the staff members of the evaluation results. Again, excessive attitudes like tolerance or strictness can also be caused by the evaluation's objective. For instance, a superior might be more lenient when assessing an employee's performance in order to promote employee development than when doing so for administrative purposes, such as salary increases. In rare instances, the manager may also be unduly critical of a worker's output. This may also have an impact on how fair the entire exercise is.

5. Prejudice

Bias in the evaluation is a definite possibility when the assessor is preoccupied with the personal traits of the employees rather than concentrating on their actual performance. Actually, this issue arises when supervisors permit personal characteristics like age, gender, or ethnicity to influence the grades they assign. Any biased behavior will undoubtedly have a negative impact on the evaluation's outcome and compromise the evaluation's impartiality and fairness. Research has demonstrated that the majority of the observed variance in performance ratings can be attributed to biases.

6. Effects of Recency

The term "recent" describes the instantaneous past of the present. When the events that transpired immediately prior to the evaluation cause

Performance Appraisal

distortions in the evaluation process, this is known as recency effects. The assessors may experience an uneven effect at the time of the evaluation due to this type of recent occurrence. This is like a black dot on a piece of otherwise white paper. Employees that are aware of when their performance reviews are due may exhibit their best behavior and increase in output right before the evaluation. To improve his otherwise average annual performance and sway the evaluator, a salesman might, for example, come up with a significant order right before the evaluation.

7. Resistance Among Employees

The employees experience the usual level of uncertainty that comes with any exercise that will affect their future development. Employees may be anxious about the evaluation process because the results could determine their chances of advancement, financial benefits, future responsibilities, and higher pay. Employees typically see the review as a chance for the manager to draw attention to their shortcomings. It goes without saying that this kind of dread can agitate staff members and eventually result in a complete rejection of the idea.

4.2.5. Legal aspects in Performance Appraisal

Legal issues in performance appraisal are crucial to navigate as they can have significant implications for both employees and organizations. Here are some common legal concerns associated with performance appraisal:

- 1. **Discrimination:** Appraisals must not discriminate against employees based on protected characteristics such as race, gender, age, religion, disability, or sexual orientation. Any biases in evaluation criteria or decisions can lead to discrimination claims.
- 2. Fair Employment Practices: Performance evaluations should align with fair employment practices and not unfairly disadvantage certain groups of employees. Ensuring fairness in appraisal processes helps mitigate legal risks related to employment discrimination.
- **3. Documentation and Record-Keeping:** Accurate and comprehensive documentation of performance appraisals is essential. This includes clear records of performance reviews, feedback, improvement plans, and any disciplinary actions taken based on performance evaluations. Inaccurate or incomplete records can lead to legal disputes.
- **4. Consistency and Standardization:** Consistency in applying performance standards and evaluation criteria across all employees is critical. Inconsistencies or favoritism in evaluations can raise legal concerns related to fairness and equal treatment.
- **5. Privacy and Confidentiality:** Confidentiality of performance appraisal information must be maintained. Sharing sensitive performance data without authorization can violate employee privacy rights and lead to legal repercussions.

- **6. Retaliation:** Employees should not face retaliation or adverse actions as a result of their performance appraisal feedback or complaints about the appraisal process. Retaliatory actions can result in legal claims for wrongful termination or discrimination.
- 7. Compliance with Employment Laws: Performance appraisal processes must comply with relevant employment laws and regulations, such as the Civil Rights Act, Age Discrimination in Employment Act (ADEA), Americans with Disabilities Act (ADA), and Equal Employment Opportunity (EEO) laws. Non-compliance can lead to legal penalties and liabilities.

To address these legal issues, organizations should establish clear performance evaluation policies and procedures, provide training to managers and evaluators on fair and unbiased assessment practices, maintain accurate records, ensure confidentiality, and promptly address any concerns or complaints related to performance appraisals in a legally compliant manner.

4.3 SUMMARY

Performance appraisal is an exercise where managers evaluate the employees, in terms of their contribution towards organizational objectives. It evaluates their strengths and weaknesses in terms of attributes and behaviours to meet the organisational objectives. It appraises the performance of employees on continuous or intermittent basis and provides them feedback about their performance.

4.4 EXERCISE

Fill in the Blanks: 1) _____ is the systematic description of employee's job relevant strengths and weaknesses. (a. Compensation, b. Performance Appraisal, c. Promotion, d. training) 2) The _____ step in the process of performance appraisal involves measuring the actual performance of employees. a. Establishing performance standards b. Communicating the standards

d. Comparing actual performance with standard/target performance

c. Measuring the actual performance

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- 3) The ______ aspect in performance appraisal focuses on the integration of ethics to ensure fairness and transparency.
- Performance Appraisal

- a. Ethical
- b. Legal
- c. Appraisal Interview
- d. Challenges and Limitations

True or False:

- 1. Performance appraisal is a one-time evaluation process conducted annually.
- 2. In the appraisal interview, the manager and employee discuss only the positive aspects of performance.

Match the following

Match the items in Column A with their corresponding descriptions in Column B.

Column A:

- 1. Halo effects
- 2. Central Tendency
- 3. Prejudice
- 4. Effects of Recency
- 5. Resistance Among Employees

Column B:

- A) Occurs when recent events disproportionately influence evaluations.
- B) Refers to giving every employee an average rating.
- C) Involves biased assessment based on personal traits rather than performance.
- D) Influences the evaluation due to the overall perception of the employee.
- E) Results from employees' anxiety about the evaluation process.

1-D, 2-B, 3-C, 4-A, 5-E

Answer in Brief:

- 1) What is Performance Appraisal? Explain its process.
- 2) Discuss the various guidelines for conducting appraisal Interviews.
- 3) Write a note on Ethical aspects in performance appraisal.

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HEALTH AND SAFETY MEASURES

Unit Structure:

- 5.0 Objectives
- 5.1 Introduction
- 5.2 Health and safety
- 5.3 Work life Balance
- 5.4 Summary
- 5.5 Exercise
- 5.6 Reference

5.0 OBJECTIVES

- 1. To understand health and safety programmes to be conducted in the organisation.
- 2. To know the causes and impact of stress among employees.
- 3. To identify measures for stress management.
- 4. To know the challenges faced by employees to maintain work life balance
- 5. To understand measures taken to maintain work life balance from employees and organisation.
- 6. To understand the role of organisation in ensuring physical and mental health of employees.

5.1 INTRODUCTION

This unit consists of health and safety measures to be implemented in the organisation. The HR department needs to plan and provide the facilities for the safety of employees. Stress has become of the common factor and thus its cause and effects are been highlighted. The necessary measures can also be taken to reduce the impact of stress on employees. Finally, the concept of work life balance is covered as maintaining balance between professional and personal life has become a need of an hour. However, to maintain this balance equal effort need to put by an individual and also the organisation. The same is been covered in the unit.

5.2 HEALTH AND SAFETY

Health includes physical, mental and emotional state of an individual. Today, many organisations have started showing concern about having physically and mentally healthy staff. According to the Joint Committee on Organisational Health of International Labour Organisation, and World Health Organisation, industrial health is:

- The promotion and maintenance of physical, mental and social well-being of all workers in all occupation.
- Prevention among workers of ill health caused by the working conditions.
- Protection of workers in their employment from risk resulting form factors adverse to health
- Placing and maintenance of worker in an occupational environment adapted to his physical and psychological equipment.

5.2.1 Safety Measures:

Organisations are legally responsible for establishing and maintaining a working environment where employees are able to work safely, without risk to their physical and psychological health and welfare.

Likewise, employees are obliged to: comply with any legislative requirements and organisational policies and procedures; work in accordance with agreed safe work practices; and use all means provided to protect their health and safety.

Employer and employee health and safety responsibilities are often prescribed in legislation and supported by regulations, codes of practice and standards. These provide a foundation for guidelines on workplace safety, compensation and rehabilitation.

- 1. Awareness about workplace hazards: Organisations need to spread awareness among employees about various hazards that are likely to face while working in the organisation at different levels. Awareness can be made by conducting meetings and placing instructions and caution messages in the danger zone areas.
- 2. Safety training to employees: Safety education for all levels of management personnel and employees is needed as it is vital for any successful safety program. The goal of safety education is twofold, one to develop safety consciousness amongst the employees and build up a favourable attitude on their part towards safety measures and precautions and secondly to ensure safe work performance on the part of each employee by developing his skill in the use and operation of safety equipment. Some organizations encourage safety contests and competitions amongst their departments with a view that the numbers of accidents are reduced and employees are also motivated. To enforce plant rules governing safety, employees are reprimanded, fined and laid off if they are found guilty of any violations

Health and Safety Measures

- **3.** Usage of protective safety equipment: The organisation must provide employees with safety equipment while working. It is mainly adopted at industries, factories and laboratories. The safety equipment includes following devices:
 - Face masks, goggles, dust masks, respirators, hearing protection, proper gloves for employees working with machines in manufacturing department.
 - Safety glasses or plastic eye-shields to protect the eyes from the hazards of fire, glare, dust and fumes.
 - Using labels and signs wherever required to guide employees the usage of equipment.
 - PPE (Personal Protection Equipment) to employees working at construction sites.
- 4. Avoiding unsafe working conditions: To avoid accidents on regular intervals the machinery and equipment must be maintained and checked. The organisation must provide clean working space for the employees. Wherever required instructions must be placed about restricted zone, danger zone etc. The safe and clean environment will make employees feel happy while working and thus they will give their best to the organisation.
- 5. Appointment of safety committee: A safety committee in the organisation can take care of safety measures to be followed for the safety of employees. Although, it is not mandatory but it is advisable to have safety committee in the organisation. The committee includes Chairperson, Vice chairperson, Secretary and general members. The committee must consist combination of workers and management. The prime objective of this committee is to ensure that the employees are working in safe environment and all the safety measures are followed.
- **6. Safe working conditions:** The HR department of the organisation must work on providing safe and healthy working conditions to the employees. This will generate job satisfaction among employees. The good and safe working condition includes:
 - Good working conditions (Proper lighting and ventilations)
 - Clean sanitation facilities
 - Protection from noise and dust pollution
 - Installing fire extinguisher on every floor and also the set of instructions stating the usage of the same.
- 7. Safety engineering: The adoption of proper engineering procedures to minimize the work hazards is very crucial for any safety program. New products, processes and machines are designed, and full attention is paid to safety engineering in design, layout and installation. The most important function of safety engineering is to

eliminate the risks posed by the operation of machines, by the processes of the manufacture of products and by the structure and layout of plants and equipment. The machinery which poses danger to the employee working on it is generally covered or fenced carefully when it is in operation.

- **8. Safety audit:** A safety audit checks safety programs and practices followed within an organization. Employers conducting an audit should check on the information about safety programs and its impact on employees. The audit can be conducted on yearly basis to evaluate whether a safety program meets the company's stated goals or not.
- **9. Appreciation for adopting safety measures:** The organisation must appreciate those employees following safety measures on regular basis. The appreciation can be in the form of incentives or appreciation certificate given to the employee. This will encourage other employees also to follow the safety measures and thus the number of accidents will be reduced.

5.2.2 Safety Programme:

The HR department plays a very crucial role in maintaining and keeping the working space safe and clean for the employees. If necessary, precautions are taken before hand employees can be kept away from occupational stress and accidents can be reduced upto greater extent. Whenever possible HR department should spread awareness about safety practises to be followed in the organisation. Following activities can be undertaken by HR department for safety of employees in the organisation.

- 1. Providing safe and hygienic working conditions: Employees are highly motivated and tend to work extra when safe and pleasant working environment is provided to them. Safe environment includes workplace free from pollution, dust, etc. A proper sanitation facility must be also expected from the organisation's end. There is an organisation that provides insurance and Mediclaim facilities for employees.
- **2. Conducting safety training:** Employees working at ground or field level must provide with safety training about dealing with machinery and other equipment in industry. There are chances that any mishaps may take place at any point of time and thus employees must be trained with last minute rescue process.
- **3. Hazard analysis and control:** It is the responsibility of HR department to monitor and conduct safety audit on regular basis. It also gives assurance to the employees that they are working in safe environment.
- **4. Regular communication with employees:** Regular notices must be sent to employees communicating the safety rules. Wherever required HR department can make arrangement to put instructions like be alert, wear mask or protective kit must be mentioned.
- **5.** Appointing safety committee and safety policy: Although it is not mandatory to have safety committee yet it's advisable to have safety

Health and Safety Measures

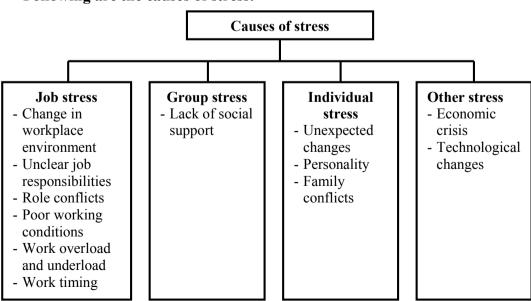
committee. The committee may consist of members from top level management, HR department, one representative from workers and other one or two employees. The committee can also appoint one member from outside organisation to give his/her insights.

- **6. Implementing work safety programs/Creating safety consciousness:** HR department must take proactive measures to provide safety programs to employees. A workshop can be conducted to create safety awareness among employees.
- **7. Suggestions to top management:** HR department acts as an intermediary between top level management and employees. Thus, employees must be given freedom to suggest the changes in the working of the organisation if required. The policy of open door and transparency in work will make employees feel more comfortable while working.
- **8. Giving incentives:** If employees are encouraged to do a particular activity they will be doing it cautiously. Thus, if any of the employee is following the safety rules and suing safety devices must be appreciated by giving a gift or appreciation certificate. The habit of using the safety kit needs to be inculcated among employees by giving them token of appreciation.

5.2.3 Stress and causes of stress:

Stress can be defined as any type of change that causes physical, emotional, or psychological strain. Stress is your body's response to anything that requires attention or action. Everyone experiences stress at some point of time. Mainly, stress can be divided into two parts i.e. eustress and distress. Eustress refers to positive stress and distress refers to negative stress. When an employee is been promoted and he feels burdened leads to eustress and when an employee is been overloaded or unfairly treated it leads distress.

Following are the causes of stress:



A) Job stress:

- 1. Change in workplace environment: Every employee has adjusted and got used to a particular setup of work place and hence, the change in workplace environment may lead to stress like situation among employees. It may include change in location, ambience, flow of work etc.
- 2. Unclear job responsibilities: When the candidate is appointed but there is no clarity in their job responsibilities, it may lead to stress situation among employees. It leads to ambiguity in the role that they need to perform in the organisation. This may lead to confusion and employees may be in stressful situation.
- **3.** Role conflicts: When an individual needs to perform a multiple roles at a same time he gets into the problem of role conflict. It is also termed as "Catch 22". An individual may also have fear of not fulfilling their responsibilities and not able to give justice to their roles.
- **4. Poor working conditions:** If the working conditions are blissful it motivates employee to give their best whereas, poor working conditions may lead to stress. Many organisations do not give importance to ambience, ventilation facilities, lighting etc. This may cause stress like situation among employees.
- 5. Work overload and under load: If employees are given lot of responsibilities to perform in limited time and with limited resourcesthey may feel burdened which can lead to stress. At times employees are given monotonous job which leads to stress. There are times when employees are given less work than their capacity, leading to stress.
- **6. Work timing:**Nowadays, many organisations have office timing as 24 X 7 and employees are asked to work in shifts. Thus, working in rotating shifts disturbs the daily routine of an individual. It may also disconnect them from their family members and hence, it can lead to stress situation

B) Group Stress:

1. Lack of social support: Lack of social support indicates the share of people who report having no friends or relatives whom they can count on in times of trouble. The cases of isolation and depression are increasing day by day. The conversion of joint family into nuclear family has increased the gap among family members. Also, the technology has played major role to keep people occupied. This leads to Stress among people.

Check your progress:

Discuss the causes of stress in detail.

C) Individual stress:

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1. Unexpected changes: Life is uncertain and thus many a times, individuals are not able to take the unexpected change. Many individuals cannot cope up with these uncertain personal losses and thus leads to stress situation. Eg: Sudden death of loved one, marriage, etc. Such changes are external in nature and hence cannot reduce it; as a result, one has to bear the stress.

- Personality: Every individual is different and hence they are to be dealt differently. Majorly there are 2 types of personality i.e.
 - Traits of Personality A Competitive, Aggressive
 - Traits of Personality B Relaxed, patient, easy going,

The person with Personality A will be more stressful as compared to person with Personality B. Even if all the things are prepared person with Personality A will be impatient or aggressive before executing it. On the contrary, People with personality B are light in nature. They take the things sportingly and thus they are able to deal with the situation.

3. Family conflicts: Although, many of them have adopted nuclear family concept yet, the conflicts among family members is increasing. There are cases when family members are not able to fulfil the responsibilities and somewhere, they are not able to maintain work life balance. However, all this situation leads to stress.

D) Other stress:

- 1. Economic crisis: There are lot of instances in day-to-day life that can lead to stress. The phase like recession and pandemic situation leads to financial crunch to many of salaried people. When expenses are increasing and there is no growth in level of income may lead to stress. Even inflation may give a rise to stress like situation for employees.
- 2. Technological changes: While technology has made the work easy and quick yet, for those people who are not technocracy may come under stress as they have to learn and work with new system. Even after providing training not many of the employees are comfortable and that can lead to stress. In fact, such situation can also create a threat for their jobs.

5.2.5 Role of organisation in ensuring mental health of employee:

Although, stress has become a common phenomenon yet, some corrective measures are to be taken to reduce its impact on individual. Employees are not only facing physical stress but also leads to mental stress. Organisations must take initiative to reduce the mental stress among employees. Following measures can be taken to ensure mental fitness of employees.

- 1. Creating happy workplace: Every employer needs to work for creating healthy work place for employees. Healthy workplace consists of free flow of ideas, social environment, informal gatherings once in a while etc. Pleasant working environment helps employees to reduce mental stress.
- **2. Connect with people:** Spending time with colleagues and other employees informally gives them a way out to release their stress. Also, informal gatherings make the organisation's environment light. When employees are connected with people in person, their body releases a hormone that stops your fight-or-flight response and you feel relaxed.
- **3. Appointment of a counsellor:** Appointment of counsellor is very much required as it facilitates employees to have Stress-management counselling is offered by various types of mental-health professionals. Stress counselling and group-discussion therapy has proven benefits in reduction of stress symptoms and improvement in overall health and attitude. Counselling doesn't have to be a long-term commitment, but some people will benefit from a series of stress-counselling sessions from a qualified therapist.
- **4. Relaxation sessions:** Relaxation is useful in eliminating the stressful situation or managing a prolonged stressful situation more effectively. Relaxation increases the immune system of your body and thus boost up your energy during stressed situation. Meditation can also help at large to heal your body.
- **5. Mentoring:** Mentoring in the workplace is an established partnership between colleagues for the purposes of learning and growth. When the relationship between superior and subordinate is of mentor and mentee, employees feel comfortable when they have supportive superiors.
- **6. Modify policies and practices:** To reduce stress on everyone, be as generous and flexible as possible in updating policies and practices in reaction to the pandemic and civil unrest. Try to reframe performance reviews as opportunities for compassionate feedback and learning instead of evaluations against strict targets.
- 7. Training: Host seminars or workshops that address depression and stress management techniques, like mindfulness, breathing exercises, and meditation, to help employees reduce anxiety and stress and improve focus and motivation. Such training will help employees to have good mental health and happy in their personal and professional life.
- **8.** Autonomy to work: It refers to giving freedom to employees to work in their own way. This motivates them to work more effectively and put in their efforts. Considering them for decision making process will also make them feel valued which will boost up their mental health and productivity will also be high.

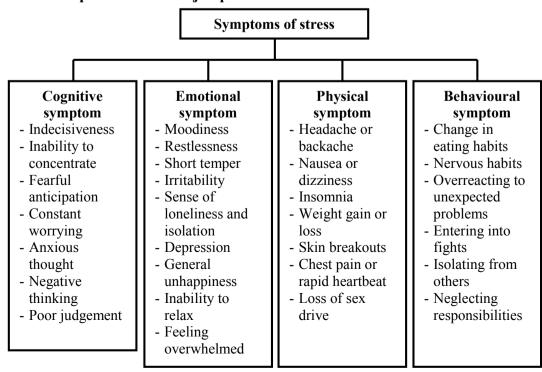
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9. Regular check-up: Free check-up camps can be organised for employees and their family members to analyse their physical and mental health. Organisation can offer free or subsidized clinical screenings for depression from a qualified mental health professional, followed by directed feedback and clinical referral when appropriate. If required, health insurance with no or low out-of-pocket costs for depression medications and mental health counselling.

5.2.6 Role of organisation in ensuring physical health of employee:

- 1. A good welfare facility can boost up the morale and create good working environment in the organisation. Hence good welfare facilities must be provided to the employees.
- 2. Regular feedback must be taken from employees to know whether they are happy working in the organisation. If any grievances are raised that must be sorted out immediately.
- 3. Organisations must take a lead in providing training to employees if they find it difficult to cope up with any changes. Induction training must be provided to new joiners so that they get acquainted with the organisational policies.
- 4. As employees also have their personal responsibilities to fulfil and hence every organisation must keep the provision of sabbatical leaves. This will help them to manage their personal and professional responsibilities upto larger extent and which in turn will reduce stress.
- 5. The monotonous work must be reduced in the organisation. However, job rotation and job evaluation must be adopted to give new and different experience to employees. Thus, employees will be satisfied working with the organisation.

5.2.4 Impact of stress on job performance:



5.3 WORK LIFE BALANCE

The term "work life balance" was coined in the year 1986, although its usage in everyday language has been sporadic for a number of years (Lockwood, 2003). Work Life Balance (WLB) is about creating and maintaining supportive and healthy work environments, which will enable employees to have the balance to fulfil responsibilities between professional and non-professional roles, and thus strengthen employee loyalty and productivity. Nowadays, WLB has become a growing concern for most of the employees.

Work life balance is a concept that supports the efforts of employees to split their time and energy between paid and unpaid work in their lives. In short, WLB refers to maintaining equilibrium while performing their personal and professional responsibilities. WLB is a broad concept including proper prioritising between career and ambition on one hand, compared to pleasure, leisure, family and spiritual development on the other.

5.3.1 Importance of work life balance:

Although, many issues are faced by employees to maintain balance between their personal and professional responsibilities, it is essential to maintain the balance as that will give lead to higher productivity and job satisfaction among employees. Following are the importance of maintaining work life balance.

- 1. Reduces employee turnover: One of the major reason of employees leaving the organisation is that they are not able to maintain the balance between their personal and professional responsibilities. Growing demand from organisation and higher commitments at personal level leads to problem of imbalance. Thus, there arises a situation where an individual needs to select only one i.e. either personal or professional. Hence, many people quit their job to fulfil their personal responsibilities. Thus, the turnover can be reduced in the organisation.
- **2. Retention of the talent:** When flexible working hours are introduced in the organisation and friendly employee welfare facilities are used, employees can be retained for longer period. When employees are retained, the turnover can be reduced and thus creates the goodwill for the organisation.
- **3. Good physical health and wellbeing:** When employees are able to maintain balance between their personal and professional responsibilities, they are tending to be happy. This leading to good physical health and mental wellbeing. Fixed timing for work and quality time with family can also make people feel happy.
- **4. Reduces stress:** Nowadays, work life imbalance has become a one of the prominent factors leading to stress. Hence, every organisation has started putting their efforts to give some space to employees to maintain balance between their personal and professional commitment.

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It leads to reduction in stress also increases the productivity level from all the employees.

- **5. Increases employee job satisfaction:** Employees work happily when they are given freedom to work and also to manage their personal responsibilities. Therefore, they are tending to contribute more towards the growth of organisation and also fulfils the demand of family members.
- **6. Reduces absenteeism and boredom:** Employees tend to escape from the work when they have some of their personal commitment to be fulfilled. However, when balance between professional and personal responsibilities are maintained automatically, the absenteeism is reduced.
- **7. Increases productivity:** Productivity refers to increase in output at a same or reduced input. Employees work with dedication and strong commitment when their personal goals are met. Especially when organisation takes efforts to maintain this balance.
- **8. Corporate image:** When employees are able to strike a balance between work life balance the overall performance of employees is high. Improved performance enables the firm to get higher returns. Thus, the image of the organisation is positive among stakeholders.
- **9. Motivation:** Work life balance motivates the employees to perform better. Employees having work life balance work with application and dedication. Thus, it also leads to higher efficiency in the organisation.

5.3.2 Need of work life balance:

- 1. Employees must be ever performing and ever learning to adapt themselves to the dynamic market conditions. Adding to this is the constantpressure from the superiors to meet the targets. Thus, employees have no otherchoice but to sacrifice their personal space. The entire process is creating stresson the employees which are the root cause for many other problems.
- 2. The numbers of employees suffering from physical ailments like hypertension, diabetes, heart attacks have grown considerably in the past. Women employees are the worst affected due to the long and stressful working hours and are facing severe gynaecological problems like cancer and abortions, etc.
- 3. Employees are spending more time at work rather than at home, spouses, parents, children are no longer given the time theydeserve. Employees many a times are not able to get their personal space.
- 4. The working for longer hours at the office, increases employeeinteraction. The employees tend to stay in their professional world (mentally)though they are at home. The effect of professional anger is carried to home.

- 5. Employees in the organization are never at peace. When they are at work place issues at home are a concern and vice-versa. Unknowingly, the employees get into a frustration and cannot give their best totheir profession.
- 6. The concept of nuclear families has also increased the responsibilities at personal level and thus individual may find it difficult to cater the demands of every family member.
- 7. Today to meet up the requirements of client's employees are expected to work round the clock in shift system. Thus, working in shifts disturbs the cycle of individual and gets distanced from their loved ones.

5.4 SUMMARY

The unit consist of health and safety measures to be adopted for employees. The HR department plays a crucial role to maintain healthy and safe environment for employees to work. The number of employees experiencing stress is increasing hence, the causes of stress are identified. Also, the corrective measures to be taken is specified. The challenge to maintain both professional and personal responsibilities is increasing thus efforts need to be made by organisational and personal. The flexible working facilities are important at the same side the strategies taken by individual is also helpful.

5.5 EXERCISE

Fill in the blanks: can be defined as any type of change that 1. causes physical, emotional, or psychological strain. 2. In ______ technique employees work for long hours during peak periods and bank these extra hours and use them during the quiet periods. 3. In technique employees are given the liberty to decide their start and end time, while ensuring that they remain present during the crucial hours of a day. 4. When an individual needs to perform multiple roles at a same time he gets into the problem of . includes physical, mental and emotional state of 5. an individual. (Stress, banking of hours, flexible working hours, role conflict, Health)

Match the column:

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1.	Relaxation	A	Role conflict
2.	Work life balance	В	Eliminating the stressful situation
3.	Compressed work week	С	Personal life
4.	Job stress	D	Maintaining professional & personal responsibilities
5.	Individual stress	Е	Reducing working days and having long weekends

(1-B, 2-D, 3-E, 4-A, 5-C)

True or False:

- 1. Health includes physical, mental and emotional state of an individual.
- 2. Meditation and yoga can lead to stress.
- 3. Work life balance is the problem faced only by men.
- 4. The adoption of proper engineering procedures to minimize the work hazards is very crucial for any safety program.
- 5. A safety committee in the organisation can take care of safety measures to be followed for the safety of employees.

(True - 1,4,5 False - 2,3)

Long questions:

- 1. Explain the role of HR department to improve health and safety measures in the organisation.
- 2. Write down the importance of work life balance.
- 3. What are the causes leading to stress to employees in the organisation?
- 4. Discuss the different ways in which stress can be managed.
- 5. Elucidate different techniques undertaken by organisation to maintain work life balance of employees.

Short notes:

- 1. Different types of flexible working hours
- 2. Causes of stress
- 3. Ways to create work safety environment
- 4. Individual ways to reduce stress Health and safety environment

5.6 REFERENCES

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LABOUR LEGISLATION

Unit Structure:

- 6.0 Objective
- 6.1 Introduction
- 6.2 Child & Women Labour Act
- 6.3 Social Security Act
- 6.4 Prevention of Sexual harassment Act
- 6.5 Payment of Gratuity Act
- 6.6 Provident Fund Act
- 6.7 Minimum Wages Act
- 6.8 Payment of Wages Act
- 6.9 Workmen Compensation Act / ESI Schemes
- 6.10 Summary
- 6.11 Exercise

6.0 OBJECTIVE

After studying this unit, the student will be able to -

- Understand the concept Industrial Relation Act
- Knowledge about changes in trade Union Act & Factories Act
- Know about the changes in Child & Women Labour Act
- Know about the changes Social Security.
- Understand changes in Employees Act

6.1 INTRODUCTION

Labour Legislation is the term that is used to describe all the relevant laws related to labour / workmen. With Industrial growth, it was important to have some legislative body or arrangement that can mediate between labour and management. The purpose is to provide safety and security to labour class and there by ensure avoidance of exploitation.

Various Labour laws, workmen compensation act, women exploitation act and grievances act are covered in Labour legislation.

6.2 CHILD & WOMEN LABOUR ACT

The Government of India had formulated the legislation of The Child Labour Act 1986 in order to regulate and control child Labour practice. Soon in 2016 Government of India made substantial changes in the Act and a complete prohibition has been imposed in terms of employment of children. As per the prohibition no child below the age of 14 years can be indulged in any kind of employment. The Act also clarified provisions relating to the employment relating to children who are of the age 14 years or above.

The prohibited occupation for children under Act is: -

- Occupations that are related to the transport of passengers, goods or mails by railway;
- Cinder picking, clearing of an ash pit or building operation in the railway premises;
- Working in a catering establishment that is situated at a railway station and if it involves moving from one platform to another or from one train to another or going into or out of a moving train;
- The occupation, which involves work, related to the construction of a railway station or any other work where such work is done in close proximity to or between the railway lines;
- Any occupation within the limits of any port;
- Work, which involves the selling of crackers and fireworks in shops having a temporary license;
- Working in Slaughterhouses.

Apart from the occupations the Act also provides guidelines pertaining to certain prohibitions of processes where children above the age of 14 years cannot be employed. They are: -

- Occupations related to the transport of passengers, goods or mails by railway;
- Cinder picking, clearing of an ash pit or building operation in the railway premises;
- Working in a catering establishment which is situated at a railway station and if it involves moving from one platform to another or from one train to another or going into or out of a moving train;
- The occupation, which involves work, related to the construction of a railway station or any other work where such work is done in close proximity to or between the railway lines;

The Central Government has the power to do any amendments in the list of prohibited occupation or processes, by notification in the Official

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Gazette. The proposed amendments need to be given at least 3 months advance.

The Central Government may, constitute The Child Advisory Committee as advisory committee by giving notification in the Official Gazette Committee can advise the Central Government to add occupations or processes to the Schedule. The Central Government appoints the members of the Committee but the Committee should not exceed more than 10 members. The Committee shall also consist of a Chairman. Committee shall meet whenever it is necessary. The Committee can appoint two or more sub committees if required,

Regulations: -

The Child Labour Act lays certain regulations that an employer supposed to follow while employing a child in the establishment: -

Working Hours and period of working: -

- Number of hours for which a child can work in the establishment is not more than 3 hours, followed with 1 hour break.
- The total number of hours of work for a child employee shall not exceed six hours, with a break of 1 hour interval.
- The employer cannot make a child employee work between 7 p.m. and 8 a.m.
- No employer must permit the child employee to work overtime.
- If a child has already worked in an establishment in a day, and then such a child must not be permitted to work in another establishment on the same day.
- Every child employee is allowed to have one day complete off every week

If an employer employs a child or permits a child to work in contravention of the provisions of, the employer shall be liable for punishment with imprisonment for a term which may extend to 1 year or with fine not less than rupees 10,000 and which may extend to Rs 20,000 or with both.

6.2.1. Recent Changes/Amendments:

Minors 14 to 15 years of age:

- may work up to 3 hours on a school day,
- 8 hours on a non-school day, and
- 18 hours in a week, between 7 a.m. and 7 p.m. when school is in session, until 9 p.m. from June 1st through Labor Day, and as many as 40 hours per week when school is out.

6.2.2 Women Labour Law:

Large segment of women in various establishments was growing rapidly and legislation was required to provide protection to male dominated society. Hence for the safety and security of women certain provisions have been made in the form of Women Labour protection Act. The Act was passed in order to provide guidelines for employer to follow while employing women.

Rights of Working Women in Factories:

- Women must have separate toilets and washrooms with doors.
- If a factory has more than 30 women workers the employer must provide a creche for the workers children.
- Women cannot be made to lift more than the prescribed weight.
- Women cannot be made to clean or oil any moving machine.
- Women cannot be made to work more than 48 hours in a week.
- Women must get one day off in a week.
- Women cannot be made to work for more than 5 hours at a stretch.
- Women cannot be made to work only between 6 in the morning and 7 in the evening.
- State government can grant exemption to nay factory or group or class of factories, but no woman can be permitted to work during 10 PM to 5 AM.
- Shift can change only after weekly or another holiday and not in between.

6.2.3. Recent Changes / Amendments:

- An amendment has later been introduced related to night shifts. As per this amendment, women can be kept for a job between 7pm to 6 am.
- Crèche arrangements need to be maintained for children below the age of 5 years inside the establishment.

6.3 SOCIAL SECURITY ACT

The first major Social Security program in Southeast Asia came into operation in India on February 24, 1952. The Social Security Act and other related laws were passed for the material needs of individuals and families, and give protection to aged and disabled. The various programs under Social Welfare are established under Employee State Insurance Programthat includes: -

- Retirement Insurance
- Survivor Insurance

- Disability Insurance
- Hospital and Medical Insurance
- Medicine
- Medicine / Drug Cost

Retirement Insurance: Retirement Plans are life/annuity plans that are specially designed to meet post-retirement needs such as medical and living expenses and to provide financial independence.

Survivor Insurance: Survivor insurance is life insurance scheme that is being provided to the dependent person of the deceased person, inorder to grant financial assistance in his absence.

Disability Insurance: This is the insurance that is being given when an individual suffer some disability, may be in accident or some ailment.

Hospital and Medical Insurance: Under this program the individual can avail medical and hospital facility during his tenure as well as after his/her retirement

Medicine / **Drug Cost:**under this scheme all expenses pertaining to bills of medicine is reimbursed for an individual during the tenure as well as after retirement.

6.4 PREVENTION OF SEXUAL HARASSEMENT ACT

The sexual harassment of women at workplace is a legislative Act in India forproviding protection to women against sexual harassment at workplace. The Act came into force on 9th December 2013.

Features:

- The Act defines sexual harassment at workplace and also provides mechanism for redressedagainst it.
- The definition of "aggrieved woman", who will get protection under the Act is extremely wide to cover all women, irrespective of her age or employment status, whether in the organized or unorganized sectors, public or private and covers clients, customers and domestic workers as well
- An employer has been defined as any person who is responsible for management, supervision, and control of the workplace and includes persons who formulate and administer policies of such an organization
- While the "workplace" is confined to the traditional office set-up where there is a clear employer-employee relationship,

- The Committee is required to complete the inquiry within a time period of 90 days and on completion of the inquiry, the report will be sent to the employer or the District Officer,
- Every employer is required to constitute an Internal Complaints Committee at each office or branch with 10 or more employees. The District Officer is required to constitute a Local Complaints Committee at each district, and if required at the block level
- The Complaints Committees are required to provide for conciliation before initiating an inquiry, if requested by the complainant.
- The inquiry process under the Act should be confidential and the Act lays down a penalty of Rs 5000 on the person who has breached confidentiality.
- The Act requires employers to conduct education and sensitization programs and develop policies against sexual harassment,
- Penalties have been prescribed for employers. Non-compliance with the provisions of the Act shall be punishable with a fine of up to 50,000. Repeated violations may lead to higher penalties and cancellation of license or deregistration to conduct business.

6.5 PAYMENT OF GRATUITY ACT

The Payment of Gratuity Act, 1972 is an Indian law that makes certain industries pays a one-time gratuity to retired employees. It is a retirement benefit given to employee, in order to providefinancial security. The gratuity is 15 days' wages for every year of employee service, or partial year over six months The Act is applicable to all factories, mines, oilfields, plantations, ports and railway companies, where 10 or more persons are employed on any day preceding 12 months. Gratuity amount is payable after retirement to the employee by the employer. An employee needs to have worked continuously in an organization for 5 years The clause of "continuous 5 years" service is not applicable if the termination has happened due to death or disablement, hence mandatory gratuity is payable.

Gratuity is paid at a rate of 15 days wages for every completed year of service or part thereof in excess of six months. The wages here mean wages last drawn by the employee. The maximum amount of gratuity that can be paid to an employee is Rs 20 lakh.

Gratuity amount is payable in cash to employee or if desired in demand draft or by cheque. Further in case of gratuity amount to be paid to nominee who is minor, then the controlling authority will deposit it as term deposit in State Bank of India or any subsidiaries or any Nationalized Bank.

6.5.1 Recent Amendments/ Changes:

In 2010 the maximum capping of gratuity amount payable to employee has been increased from 10 to 20 lakhs.

Anotheramendment is with respect to change in the days of maternity leave granted to females. The amendment has increased the number of maternity day's period from 12 weeks to 26 weeks.

6.6 PROVIDENT FUND ACT

Provident Fund Act is created to provide financial security and security to elderly people. It involves helping employees with savings a fraction of salary every month. EPFO (Employee Provident Fund Organization) is one of the statutory bodies.

- It is one of the statutory deductions done by the employer at the time of payment of salary.
- The Act made provisions for the security that can be provided after retirement, or to the dependent in case of death of an individual.
- It is the compulsory contributory fund for the future of an employee after retirement
- The Act is applicable to whole of India except Jammu and Kashmir
- Eligibility for the Act to applied is, any industry employing more than 20 employees as notified by Central govt.

6.6.1 Eligibility and Entitlement:

Any employee employed directly or through contractor and is receipt of wages is eligible to become member of Provident Fund

Irrespective of any employee being permanent or on probation, they are eligible of joining the PF scheme

Minimum 10% of basic pay for establishment employing less than 20 person and maximum of 12% of basic pay is deposited In PF.

6.6.2 Contribution:

12% of employees' basic pay is transferred onwards PF

12% per employee is employer's contribution towards PF

6.6.3 Recent Changes in PF Act:

 An amendment has been introduced in PF Act in order to provide relief to the employers and also to increase the monthly take-home pay of employees and reduced the EPF contribution from 12% to 10% for both employers and employees

- In an employee's monthly basic salary is up to Rs 1.75 lakh, and then monthly contribution to the PF would be a maximum of Rs 20,833 or Rs 2.5 lakh in a year. Till this limit, the entire balance in employee's PF account remains tax-exempt.
- As per EPFO directives, seeding KYC's (Adhar) is mandatory for all employees. Otherwise, the contribution of monthly benefits and subsequent interest will not take place.
- As per EPF guidelines, members (employees) who have an EPF account must update their nominee(s) in the EPF portal.
- As per a 2019 ruling from the Apex court, employees whose salary remains below the threshold limit of PF membership, i.e., INR 15,000/-, shall also include other allowances paid to the employee(s) as regular income in calculating PF and contributing accordingly.

6.7 MINIMUM WAGES ACT

A minimum wages bill was passed in Central legislative assembly in April 1946 and came into force with effect from March 1948, extending to whole of India. Minimum wages Act came in to force in order to secure welfare of unorganized workers in certain industries by fixing minimum rates of wages so as to avoid any exploitation of workers by employer.

6.7.1 Objective:

- To provide minimum wages for workers employed in an organized sector
- To avoid exploitation of workers
- To empower the Government to take steps for fixing minimum wages and revising it in a timely manner.

6.7.2. Fixation Of Minimum Wages:

Minimum rates of wages will be revised and reviewed for 5 years by appropriate Government.

Different minimum rates of wages may be fixed for different scheduled employments, different classes of work or different localities.

6.7.3. Boards:

Advisory Board:

- Appointed by appropriate Government
- Coordinate the work of committees and sub-committees

Central Advisory Board:

- To advise Central and State Government in fixation and revision of minimum wages
- To coordinate the work of Advisory Board

Each of The Committee, Sub – Committee and The Advisory Board:

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Persons to be nominated by the appropriate Government

Independent person not exceeding 1/3rd of its members, one of such independent person shall be appointed as Chairman by the Appropriate Government

Representing employer and employee in scheduled employment in equal numbers

6.7.4 Wages:

- Minimum wages need to be paid in cash.
- The Appropriate Government may authorize, if required, payment of minimum wages partly in cash and partly in kind
- The Appropriate Government may authorize supply of essential commodities at concessional rates.
- Minimum wages have to be paid without any deductions more than the statutory deductions
- Payment of wages less than the minimum wages on the ground of less performance or output is illegal.
- If the workers have worked for more than 48 hours in a week then the excess hours will be treated as overtime
- Overtime wage rates is twice the normal wage rates
- Full wages need to be paid to employee if employer is unable to provide sufficient work, but if employee has not worked by himself then the deduction in wages will be done.

Complaints:

A Labour Commissioner or any other appointed authority is appointed for redressal for any claims with reference to nonpayment of minimum wages.

An aggrieved person can apply for any complaints with regard to payment of minimum wages, with in a period of 6 months

Payment of wages, less than the minimum wages is offence by employer and is subject to imprisonment, which may extend to 6 months or fine which may extend to Rs 500, or both.

Check your progress:

Discuss minimum wages.

6.8 PAYMENT OF WAGES ACT

The Payment Pf Wages Act has been formulated in 1936, with the motive of regulating the payments that need to be paid to any individual employed in any establishment. It is applicable to whole of India. The act is intended

to be a remedy against unauthorized deductions made by employer and/or unjustified delay in payment of wages.

6.8.1 Objectives:

Regulate payment of wages to specific class of workers employed in industry without any wrongful deductions apart from what is mentioned in the Act. Define regulations around fixing of wage period, time and mode of payment of wages. Regulates the rights of the workers covered under this Act.

6.8.2 Provisions/ Features:

Regular Pay:

Payment should be made before the 7th day of a month where the number of workers is less than 1000 and 10th day otherwise. The wage-period shall not exceed 1 month. The Act is applicable only to employees drawing wages not exceeding Rs. 6500 a month.

Mode of Payment:

Under the act, payment has to be made in currency notes or coins. Cheque payment or crediting to bank account is allowed with consent in writing by the employee

Deduction from Wages:

Employer is allowed to effect only authorized deductions, as specified in the Act. This includes fines, absence from duty, Damages or loss on, deduction for services given to employer recovery of advances and loans and payment to cooperative society and insurance.

6.8.3. Recent Changes/Amendmentsin Payment of Wages Act:

- This Act may be called the Payment of Wages (Amendment) Act, 2017.
- For section 6 of the Payment of Wages Act, 1936, the following section shall be substituted, namely:—
- a) All wages shall be paid in current coin or currency notes or by cheque or by crediting the wages in the bank account of the employee:
- b) Permit the employer to pay an employee's wages: (i) in coin or currency notes; or (ii) by cheque; or (iii) by crediting them into his bank account. The Bill removes the requirement of obtaining written authorisation for payment of wages by cheque or through a bank account.
- c) Salary must be paid with in the 7th day of the month when there are less than 1000 employees. In other cases, it must be 10th of the month.

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- d) The employer has to maintain registers like the register of wages, register of fines, register of advances and register of wage deductions in case of damage or loss.
- e) The total salary deduction will not exceed more than 75% of the total wage of the employee.
- f) The ceiling of minimum wages has been increased from the caping of Rs18000 to Rs 24000, thereby making compulsory for payment of minimum Rs 24000 as monthly basis

6.9 WORKMEN COMPENSATION ACT

The workmen's compensation act, 1923, is a type of social security legislation and deals with the compensation paid to an individual or his dependent, in event of an accident or injury including some occupational disease that arises out of or during the employment and those results in total or partial disablement or demise of the worker.

6.9.1 Objective:

The Workmen's Compensation Act aims at providing some relief to the worker or his dependent in case of an accident, or injury causing disablement or death of workmen.

Scope:

The Act is applicable to whole of India. It covers workmen whose occupation is hazardous and factories, mines, construction works transport, railways, ships etc.

The Act is not applicable to workmen of Armed Forces of Union

Some Important Definition:

a. Commissioner:

Refers to an authority appointed by the appropriate government for workmen's compensation

b. Dependent:

Any person, who is directly related to the deceased worker, like wife kids, or parents.

c. Employer:

Anybody of person whether incorporated or not, or any managing agent or legal representative of deceased employer

d. Workmen:

A railway servant, a master, seaman, captain, driver, helper, mechanic, cleaner are all workmen on a contractual basis and is working for employer and has relationship of master and servant.

e. Disablement:

Means reduction in earning capacity. Disablement can be partial, or total.Conditions For Compensation:

- He must be workmen within the meaning of Act.
- Personal injury has been caused by an accident
- An injury must have be arisen out of the hand in course of employment
- The injury caused by an accident has resulted in death or permanent disability of workmen.

6.9.2 Conditions Not Applicable For Compensation:

- The injury does not result in disability for a period exceeding 3 days
- If the injury results in disability or death where workmen is under the influence of drink/drug, or worker has willfully not obeyed any order or instructions for safety

6.9.3 Calculation of Compensation:

- Incase of death: 50% of monthly wages drawn * relevant factors, or 80000, whichever is more.
- Permanent Total Disability 60% of monthly wages * relevant factor, or 90000 whichever is more
- Permanent Partial Disability 60% of monthly wages * relevant factor
- Temporary Disablement 25% of monthly wages

6.9.4 Recent Changes/AmendementsIn Workmen's Compensation Act:

- As per the changes & amendments carried in 2009, wherever "workman" or "workmen" is mentioned in the entire Act the same needs to be replaced as "Employee"
- The compensation payable on death from the injury, is (i) minimum of Rs.80000 is increased to Rs.120000 or (ii) 50% of the monthly wages of deceased multiplied by the relevant factor.
- The compensation payable on Permanent Total Disablement from the injury, is (i) minimum of Rs.90000 is increased to Rs.140000 or (ii) 60% of the monthly wages of deceased multiplied by the relevant factor.
- For the purpose of claims settlement actual monthly wages have to be calculated without ceiling of Rs.4000/- which will lead to multifold increase in claim outgo.

6.9.5 ESI Scheme Labour Legislation

EMPLOYEE STATE INSURANCE (ESI) SCHEME

The Employee State Insurance (ESI) Scheme is a social security and health insurance scheme for employees in India. It is governed by the Employees' State Insurance Act, 1948. The scheme provides various benefits to employees:

- **Provide Medical Care**: Ensure access to medical care and treatment for employees and their families.
- **Sickness Benefits**: Offer financial support during periods of illness or incapacity.
- **Maternity Benefits**: Provide financial assistance to female employees during maternity leave.
- **Disability Benefits**: Support employees who are unable to work due to disability.
- **Death Benefits**: Provide financial aid to the families of deceased employees.

Coverage

- **Eligibility:** The scheme is applicable to establishments with 10 or more employees (20 or more in some states) and where the employees earn below a certain threshold limit.
- **Employees Covered:** It covers employees earning up to 21,000 per month (25,000 for disabled employees).

Benefits

- **Medical Benefit:** Comprehensive medical care, including hospitalization, surgical treatment, and medicines.
- **Sickness Benefit:** Cash allowance of 70% of wages for up to 91 days in case of illness.
- **Maternity Benefit:** Financial support during maternity leave, generally for 26 weeks.
- **Disablement Benefit:** Pension or lump-sum compensation for permanent disability, varying based on the extent of disability.
- **Dependants' Benefit:** Financial support to dependents in case of the employee's death due to employment injury.
- **Rehabilitation Benefit:** Assistance for rehabilitation to help employees return to work after a disability.

Contributions

- **Employee Contribution:** 0.75% of monthly wages.
- **Employer Contribution:** 3.25% of monthly wages.

• Administrative Charges: Employers are also required to pay an administrative charge of 0.85% of wages.

Administration

- **ESI Corporation:** The scheme is administered by the Employees' State Insurance Corporation (ESIC), which is a statutory body under the Ministry of Labour and Employment.
- **Regional Offices:** ESIC operates through regional offices and local branches across India.

Compliance

- **Registration:** Employers must register their establishments with ESIC and contribute regularly.
- **Returns:** Employers are required to file monthly and annual returns with ESIC.

Documentation: Maintain records of employees, wages, and contributions.

6.9.6 Industrial Dispute

Industrial disputes refer to conflicts between employers and employees or among employees themselves regarding workplace conditions, terms of employment, or related issues, and can manifest as strikes, lockouts, or other forms of labour unrest.

These disputes often stem from disagreements over wages, working hours, job security, and working conditions, with the primary parties involved being employers (or management) and employees (or their representatives, such as trade unions). Resolution typically involves negotiation, mediation, arbitration, or legal intervention.

For example, if factory workers demand higher wages and improved safety measures but management refuses, the workers might strike, halting production. Alternatively, a lockout might occur where the employer closes the workplace to force employees to accept specific terms. Such disputes can impact not only the directly involved parties but also the broader community and economy, depending on their scale and the industry affected.

6.9.7 Causes of Industrial Disputes

- 1) Wages and Salary Issues: Disputes over wages and salary issues often arise when employees feel that their pay does not reflect their contributions or meet their financial needs. Such conflicts can include disagreements about base pay, bonuses, or salary increases.
- 2) Working Conditions: Industrial disputes frequently stem from poor working conditions, which may include unsafe environments or

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inadequate facilities. Employees may protest or strike when they believe their working conditions are hazardous or substandard.

- 3) Working Hours: Conflicts related to working hours often involve issues such as overtime, shift patterns, or the total number of hours worked. Disputes can arise when employees feel that their working hours are excessive or poorly managed.
- **4) Job Security**: Concerns about job security can lead to disputes when employees face threats of layoffs, redundancies, or contract terminations. Employees may strike or protest in an effort to protect their positions and ensure stability.
- 5) Management Policies: Disagreements over management policies or decisions can trigger disputes, particularly when employees perceive changes as unfair or discriminatory. Such conflicts can involve issues like new workplace rules, disciplinary actions, or management practices.
- 6) Union Recognition: Disputes over union recognition occur when there is disagreement about whether a union should be acknowledged or have the right to negotiate on behalf of employees. These conflicts can lead to strikes or other forms of protest.
- 7) Benefits and Perks: Disagreements over employee benefits and perks, such as healthcare, retirement plans, or other incentives, can lead to disputes. Employees may strike or protest if they believe changes to their benefits are unfair.
- **8) Workplace Discrimination**: Claims of workplace discrimination, based on factors such as race, gender, or age, can lead to industrial disputes. Employees may engage in protests or legal actions if they believe they are being treated unfairly.
- **9) Performance Appraisal**: Disputes related to performance appraisals often involve disagreements over evaluations, promotions, or disciplinary actions linked to performance metrics. Employees may protest if they feel the appraisal system is biased or lacks transparency.
- **10) Economic Downturns**: Economic downturns, such as recessions, can lead to disputes over job security, wage freezes, or reductions in benefits. Employees may strike or protest in response to these challenges, seeking protection against the negative impacts of economic instability.

6.9.8 Prevention and Settlement of Industrial Disputes

1) Effective Communication: Maintaining open and transparent communication channels between management and employees is crucial in preventing industrial disputes. When there is regular dialogue and feedback, misunderstandings and grievances can be

addressed early before they escalate into major conflicts. For instance, scheduling regular team meetings and feedback sessions allows employees to express concerns and receive timely updates, helping to pre-emptively resolve issues and maintain a harmonious work environment

- 2) Fair Employment Practices: Implementing fair and consistent employment practices is essential for reducing the likelihood of disputes. This involves establishing clear policies and procedures for hiring, promotions, and disciplinary actions. When employees perceive that decisions are made based on merit and fairness, it minimizes feelings of bias and dissatisfaction. For example, having a transparent performance appraisal system ensures that all employees understand the criteria for promotions and are judged equitably, which helps in preventing disputes over perceived unfairness.
- 3) Strong Grievance Mechanism: A robust grievance redressal mechanism allows employees to voice their concerns and seek resolution in a structured manner, thereby preventing disputes from escalating. Establishing an internal grievance committee or ombudsman to handle employee complaints provides a formal channel for addressing issues. This mechanism ensures that grievances are heard and addressed promptly, reducing the likelihood of conflicts escalating into more serious disputes.
- 4) Regular Training and Development: Providing training to both management and employees on conflict resolution, negotiation skills, and labour laws is a proactive approach to preventing disputes. Regular workshops and training sessions equip both parties with the skills needed to handle conflicts constructively. For example, training programs on effective communication and negotiation can help managers and employees resolve disagreements amicably, thereby reducing the incidence of industrial disputes.
- 5) Clear Employment Contracts: Drafting clear and detailed employment contracts that outline terms of employment, duties, rights, and obligations helps prevent disputes related to misunderstandings or ambiguous terms. Detailed contracts that specify wages, working hours, and job responsibilities reduce the chances of conflicts arising from unclear or misinterpreted job expectations. For instance, a well-defined contract that includes clear terms on overtime pay and job roles can prevent disputes over these issues.
- 6) Promoting Worker Participation: Involving employees in decision-making processes and giving them a voice in matters affecting their work fosters a sense of ownership and commitment, which helps prevent disputes. Establishing worker committees or councils that discuss and address workplace issues encourages collaboration and mutual understanding. For example, setting up a worker's council to

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provide input on new workplace policies can enhance employee buy-in and reduce the likelihood of opposition or conflict.

- 7) Adherence to Labour Laws: Ensuring compliance with relevant labour laws and regulations is crucial in preventing disputes related to legal violations. Regular audits and updates on compliance with laws such as the Industrial Disputes Act help maintain legal standards and avoid conflicts arising from non-compliance. For instance, periodic reviews of wage payments and working conditions against legal requirements ensure that employees' rights are protected and disputes over legal issues are minimized.
- 8) Collective Bargaining: Engaging in collective bargaining between employers and employee representatives, such as unions, is an effective way to resolve disputes through negotiation and mutual agreement. Collective bargaining allows both parties to discuss and agree on terms related to wages, benefits, and working conditions. For example, negotiating wage increases or improved benefits through union representation can lead to mutually acceptable solutions and prevent prolonged conflicts.
- 9) Mediation and Conciliation: Utilizing mediation and conciliation services facilitates negotiations between conflicting parties and helps reach a settlement without resorting to strikes or lockouts. In India, labour commissioners and conciliators play a key role in mediating disputes between employers and employees. For instance, a labour commissioner may assist in resolving a conflict over working conditions by helping both sides reach a compromise that avoids a work stoppage.
- 10) Arbitration: Resorting to arbitration, where an independent third party makes a binding decision, provides a resolution to disputes when negotiations fail. Arbitration is often used when other methods, such as collective bargaining or mediation, do not achieve a satisfactory outcome. For example, if a dispute over wage adjustments cannot be resolved through negotiation, the parties may agree to arbitration, where an arbitrator will issue a binding decision to settle the matter.

6.9.9 Succession Planning

Succession Planning is a strategy that prepares a company for future leadership changes by identifying and developing employees who can fill important roles. This helps the company stay stable and efficient, even when key leaders leave or retire.

For example, consider a multinational technology company like Infosys. As part of its succession planning, Infosys regularly identifies high-potential employees who are groomed for senior leadership roles through mentorship programs, specialized training, and rotational assignments. When a senior executive such as the Chief Technology Officer (CTO) prepares for retirement, the company already has a well-prepared

successor ready to step into the role, ensuring a smooth transition and minimizing disruption to ongoing projects and strategic initiatives. This proactive approach not only secures the company's future leadership but also reinforces its strategic vision and operational stability.

6.9.10 Succession Planning and Organization Culture

- 1) Aligning Leadership with Culture: Succession planning ensures future leaders match the company's culture and values. For example, a company known for teamwork will select candidates who excel in collaboration to maintain this cultural strength.
- 2) Cultivating Future Leaders: Good succession planning helps create a growth-focused culture by offering clear career paths and development opportunities. For instance, a company might provide mentorship and training to prepare employees for future leadership roles.
- 3) Cultural Fit in Candidate Selection: Choosing candidates who fit well with the company culture ensures new leaders will support and enhance the organization's values. For example, a company that values innovation will seek creative and adaptable leaders.
- 4) Communicating Culture and Expectations: Clearly communicating the company's culture and expectations helps potential leaders understand what's valued and align their development with organizational goals. Regular discussions during training can clarify these expectations.
- 5) Transition Management and Culture: Smooth transitions in leadership are crucial for preserving the company's culture. Implementing plans that include cultural briefings helps new leaders adapt and maintain existing cultural norms.
- 6) Reinforcing Values Through Leadership: Succession planning reinforces company values by choosing leaders who embody these values. For example, a company that focuses on customer service will select leaders who excel in this area to maintain its commitment to customer satisfaction.
- 7) Employee Engagement and Culture: Effective succession planning boosts employee engagement by showing that the company values career growth. Providing clear advancement opportunities helps employees feel valued and committed to the organization.

6.9.11 Problems and Issues of Succession Planning

1) Lack of Clear Criteria for Selection: Without clear criteria, identifying the right candidates for future leadership roles becomes challenging. Clear guidelines and performance benchmarks are essential for effective succession planning. For instance, a company might struggle to select a suitable successor if there are no defined

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skills or performance metrics for leadership positions. This lack of direction can lead to uncertainty and inefficiency in the selection process, making it difficult to find candidates who truly fit the role.

- 2) Inadequate Talent Pool: If the internal talent pool lacks the necessary skills or experience, succession planning can be ineffective. An organization may face difficulties in finding a suitable successor if current employees do not have the required qualifications or experience. For example, a company might find it challenging to fill a senior leadership position if its current employees have not been developed or groomed to meet the future needs of the organization.
- 3) Resistance to Change: Employees and current leaders might resist changes in leadership or the succession planning process, which can hinder effective implementation. Resistance can arise when long-term employees are opposed to a new leader's management style or strategic direction. For example, an organization might experience pushback from employees who are accustomed to a certain way of operating and are uncomfortable with changes brought about by new leadership.
- 4) Insufficient Development Opportunities: Limited opportunities for employees to develop leadership skills can undermine succession planning efforts. Without adequate training programs, mentorship, and professional development, potential leaders may not acquire the skills necessary for future roles. For instance, a lack of structured development initiatives can prevent employees from gaining the experience and knowledge required to step into leadership positions effectively.
- 5) Poor Communication: Ineffective communication about succession plans can lead to confusion and a lack of commitment from employees. If the process, criteria, and objectives of succession planning are not clearly communicated, employees may feel uncertain about their career paths and the future direction of the organization. For example, if employees are not informed about how succession decisions are made, they may feel disengaged or overlooked, affecting overall morale.
- 6) Bias in Decision-Making: Succession planning can be compromised by biases or favouritism, leading to unfair selection processes. When personal relationships or subjective preferences influence decisions rather than merit and performance, the credibility of the succession plan is undermined. For example, favouritism towards certain employees based on personal connections rather than objective criteria can lead to resentment and a lack of trust in the succession process.
- 7) Short-Term Focus: Organizations that focus too much on immediate needs rather than long-term planning may find their succession efforts ineffective. Prioritizing the filling of immediate vacancies can detract from developing a robust pipeline of future leaders. For instance, if a company is only concerned with addressing current gaps without

- considering future leadership needs, it may lack adequately prepared successors for future challenges.
- 8) Failure to Monitor and Update Plans: Outdated succession plans that are not regularly reviewed can become irrelevant as organizational needs and employee profiles change. Regular monitoring and updates are essential to keep succession plans aligned with current and future needs. For instance, if a company does not update its succession plans to reflect changes in organizational structure or business strategy, the plans may fail to address new requirements or emerging leadership gaps effectively.

6.10 SUMMARY

Child Labour Act: The act was passed in order to protect children from working who are under the age of 14 and also in terms of where on which kind of jobs a child above the age of 14 years can work.

Women Labour Act: The act was passed to regulate the employment and working conditions for women in factories. It also defines the safety and security of women, working hours, and jobs on which they can work on.

Social Security Act:Act deals with social security and welfare of unorganized sector

Payment Of Gratuity Act: Payment of gratuity act of India deals with the payment of one-time gratuity amount to retired employee. Any organization with workforce of 10 employees on a single day.

Employees Provident Fond: A provident fund is a compulsory government managed retirement saving schemes. The employee and the employer contribute in equal proportion.

Minimum Wages Act: Minimum wages act is formulated for regulating minimum wages for workmen.

Workmen Compensation Act: Workmen compensation act has been formulated to provide compensation to workers as against any injury, disability or death of workmen to him or his dependent, as the case may be

6.11 EXERCISE

Fill In the Blanks:

- 1. The _____ Act deals with the provisions relating to employment relating to children who are of the age 14 years and above.
- 2. Occupations related to Cinder picking, ash pit, construction etc are under Child Labour Act for Children
- 3. As per Women's right towork in a factory, no women can be made to work for more than at a stretch

4.	are	life/annuity	plans	that	are	designed	to	meet	post	Labour Legislation
	retirement nee	eds.								S
_	Tl		· · · · · · · · · · · · · · · · · · ·	:1	4	1	:_			

5. The maximum amount of Gratuity paid to an employee is _____.

6. If the worker has worked for more than 48 hours, the excess hour will be treated as as per Minimum wages act.

Answer :- 1.Child Labour, 2. prohibited, 3. 5 hours, 4. Retirement Insurance, 5. Rs 20 lakhs, 6. overtime

Match The Following:

I	Ш
i) EPFO	a) 2013
ii) Workmen's Compensation Act	b) Regulate and Control Child Labour Act
iii) Prevention of sexual Harassment	c) 1972
iv) Gratuity Act	d) 1923
v) Child Labour Act	e) Statutory Body

Answer: i) e, ii) d, iii) a, iv) c, v) b

Answer In Brief:

- 1. Explain Child Labour Act
- 2. Whatare different welfare program included in Social security program?
- 3. Explain Minimum wages Act.
- 4. What all is covered under workmen's compensation act?

5. Write short note:

- 1. Employee Provident Fund Act
- 2. Sexual Harassment Act
- 3. Payment of wages Act

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EMERGING ISSUES IN H.R.M - I

Unit Structure:

- 7.0 Objectives
- 7.1 Introduction
- 7.2 HR Ethical Issues
- 7.3 CSR and HRM
- 7.4 Human Resource Audit
- 7.5 Revamping of HR strategies in managing disasters
- 7.6 HR and Business Environment
- 7.7 Summary
- 7.8 Exercise

7.0 OBJECTIVES

- 1. Understand the key principles and challenges of International Human Resource Management (IHRM).
- 2. Identify common ethical dilemmas faced by HR professionals and strategies to address them.
- 3. Explore the relationship between Corporate Social Responsibility (CSR) and Human Resource Management (HRM).
- 4. Learn about the objectives and components of a Human Resource Audit.
- 5. Examine HR strategies for managing disasters like health pandemics.
- 6. Understand the role of HR in adapting to and influencing the business environment.

7.1 INTRODUCTION

This chapter delves into critical facets of Human Resource Management (HRM) in a contemporary, globalized context. It explores the nuances of International Human Resource Management (IHRM), addressing the complexities of managing a diverse workforce across multiple countries. The chapter also discusses HR ethical issues, emphasizing the importance of upholding ethical standards in HR practices. Additionally, it examines the intersection of Corporate Social Responsibility (CSR) and HRM, highlighting how CSR initiatives can enhance employee engagement and

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organizational culture. The chapter further outlines the objectives and components of Human Resource Audits, strategies for revamping HR practices in response to health pandemics, and the dynamic relationship between HR and the business environment.

7.1.1 International Human Resource Management:

The process of acquiring, developing, assigning, and using human resources in a worldwide firm to accomplish organizational goals regardless of geographic boundaries is known as international human resource management, or IHRM. Human resource managers in multinational corporations need to accomplish two apparently contradictory strategic goals, namely,

- i. In order to accomplish overall business objectives, they need to integrate human resource policies and procedures across multiple subsidiaries located in various regions.
- ii. The HRM strategy needs to be adaptable enough to account for notable variations in business environments and cultural norms.

According to P.V. Morgan, "International Human Resource Management (IHRM) is the interplay among three dimensions – human resource activities, types of employees and countries of operations."

According to Micheal Armstrong, "International human resource management is the process of employing and developing people in international organisations which operate globally. It means working across national boundaries to formulate and implement resourcing, development, career management and remuneration strategies, policies and practices applicable to international workforce."

7.1.2 Features of IHRM

- 1. IHRM is about hiring the right people for the appropriate jobs, wherever they may be in the world.
- 2. To ensure that HR initiatives are effectively aligned with corporate objectives, a long-term HR plan must be developed.
- 3. It necessitates that workers acquire a wide variety of skills, particularly for those who must operate internationally.
- 4. It requires that compensation for nationals of host, home, and third countries be determined based on considerations relevant to their respective countries.
- 5. Effective integration of the many components of global company necessitates the use of both formal and informal procedures.
- 6. To evaluate employee performance across locations and countries, a well-organized evaluation system must be developed.

- 7. The cultural aspects of the host countries that affect HR operations must be understood.
- 8. Maintaining effective communication between all the components and members of the organization on a worldwide scale is crucial.
- 9. International organizations tend to have varied perceptions of the value of their HR initiatives depending on where they are located.

7.1.3 Factors contributed to the growth of IHRM

- 1. The emergence of globalization has led to a rise in multinational corporations and cross-border economic ventures, hence facilitating the worldwide movement of human capital.
- 2. The companies' worldwide readiness for human resource management is impacted by the growing scarcity of human resources having exposure to and expertise in other countries. Due to this, multinational corporations are now compelled to provide global human resource management initiatives a bigger place inside their organizations.
- 3. The performance of employees working abroad, including expatriates, is often the determining factor in the success of a company's international operations. Because of this, organizations now place a higher value on IHRM initiatives.
- 4. Businesses take extra precautions in training and compensating their human personnel because failing overseas operations can be expensive for the organization. This calls for the creation of a fully functional international HR department.
- 5. Companies are forced to engage in a number of intricate HR tasks, such as tax planning, orientation, training, and compensation fixation, because to differences in people, processes, tax computation, organizational structure, and cultures across different countries.

7.2 HR ETHICAL ISSUES

The focus on business ethics has shifted towards being primarily an internal concern for organizations, with human resource management (HRM) playing a pivotal role in fostering an ethical environment. Approximately 37% of ethics-related inquiries within organizations involve HR issues, necessitating HR professionals to interpret rules, resolve conflicts, and uphold ethical standards rigorously.

While employees are expected to adhere to ethics, HR managers are equally responsible for establishing ethical standards. Every action taken by HR professionals must align strictly with the organization's ethical norms to maintain a conducive ethical atmosphere. Any perceived breaches of ethical norms by HR can contaminate the entire ethical fabric of the organization. For example, decisions regarding promotions,

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recruitment, grievance handling, and other HR functions must be perceived as fair and just by employees to avoid accusations of ethical lapses.

The specific role of HRM is to address ethical issues inherent in the employer-employee relationship, focusing on the rights and duties of both parties. Fairness plays a crucial role in HR decision-making, especially in situations where conflicts arise concerning employment contracts, power dynamics, labor laws, privacy rights, and other related issues.

Ethics in organizations primarily revolves around coordinating and resolving conflicting interests in a just manner. HR managers bear the responsibility of ensuring that all organizational actions adhere to ethical standards, and they must rectify any deviations promptly. Acting as intermediaries between management and employees, HR managers are uniquely positioned to uphold and reinforce ethical standards within the organization, thus preventing ethical lapses.

HR departments often encounter a variety of ethical challenges that demand careful handling.

Here are some typical ethical dilemmas faced by HR:

- 1. Confidentiality: HR deals with sensitive employee information, especially in cases like grievances, disciplinary actions, and personal data, making confidentiality crucial.
- **2.** Fairness and Bias: Ensuring fairness in recruitment, promotions, and performance evaluations is vital, necessitating vigilance against biases based on factors like race, gender, age, or disability.
- **3.** Conflict of Interest: HR staff may encounter situations where personal interests conflict with professional duties, requiring transparent and ethical management of such conflicts.
- **4. Whistleblowing:** Cultivating a whistleblowing culture is challenging yet crucial for addressing unethical behavior, demanding impartial handling of cases while safeguarding the rights of whistleblowers and accused individuals.
- **5. Employee Privacy:** With technology's increased use, respecting employee privacy rights, especially in activities like monitoring or data analytics, becomes paramount.
- **6. Diversity and Inclusion:** Promoting diversity and inclusion necessitates addressing biases and ensuring fair treatment for employees from diverse backgrounds.
- 7. Layoffs and Downsizing: Ethical challenges arise during downsizing, requiring fairness, transparency, and minimizing the impact on affected employees.

8. Training and Development: Ensuring fair access to training opportunities and career development resources poses ethical considerations for HR.

To tackle these ethical challenges effectively, HR professionals must uphold ethical standards, foster transparency, prioritize employee wellbeing and rights, and align with the organization's values and objectives.

7.3 CSR AND HRM

CSR and HRM

In every organization, human resources professionals and those in charge of HR operations play a crucial role in assisting with the implementation, upkeep, and promotion of CSR. They can guarantee that workers are engaged in and committed to corporate social responsibility (CSR) and assist businesses in treating their staff fairly and responsibly. Individuals in charge of human resources and, by extension, all managers are also accountable for upholding and advancing the company's basic principles and fostering an ethical culture.

From an HR standpoint, your company can gain a lot from CSR.

- 1. Enhance worker attitudes, reduce absenteeism, and lessen the likelihood that people will leave an organization.
- 2. Raise staff morale, dedication, involvement, and sense of belonging to the company.
- 3. Boost productivity, sense of belonging to the company, and job satisfaction among employees.
- 4. Enhance employee morale and productivity to increase retention, cut expenses associated with hiring and training new employees, attract top talent, save money, and increase revenue.
- 5. Motivate staff members who contribute creativity and prospects for advancement, enhance relationships between suppliers and clients.

Relationship between CSR and HRM

Employee Engagement: CSR efforts have a favorable effect on employee engagement. Employers who actively support social and environmental causes tend to inspire pride and pleasure in their workforce.

Talent Attraction and Retention: By improving the company's employer brand, a robust CSR program can draw in more candidates. Additionally, since people are more likely to stick with a company that shares their beliefs, it may help with employee retention.

Ethical Workplace Culture: Ethical workplace cultures are frequently a result of CSR initiatives. HRM is essential in creating this culture since it encourages moral conduct, diversity and inclusion, and a dedication to social responsibility among staff members.

Training and development:

CSR concepts can be included by HRM into programs for staff development and training. This guarantees that staff members are aware of the organization's commitment to social responsibility and are prepared to assist with CSR projects.

Conformity to Organizational Objectives:

HRM specialists strive to match the organization's values and overarching goals, including its CSR targets, with its HR rules and procedures. This alignment guarantees a unified strategy for the success of the organization.

7.4 HUMAN RESOURCE AUDIT

Human Resource Audit

In order to provide control, HR audits are used to verify, examine, and assess the organization's personnel management program for a specific historical period. Facts like a high absenteeism rate, staff turnover, grievance issues in hiring, selection procedures, communication protocols, etc. are revealed by personnel audits.

7.4.1 Objectives of HRM

It conducts a methodical investigation on the efficacy of programs related to personnel policies.

It examines metrics related to the standard of management and staff development as well as the effectiveness of supervision, communication, motivation, and leadership.

to confirm if the organization's HRM department's aims and mission have produced the anticipated outcomes.

To assess the degree to which line managers have applied HRM guidelines

The necessary input is provided by the HR audit. In an organization that is diverse and decentralized, it is even more important.

Growing labour expenses and more potential for competitive advantage in HR management make HR audits essential.

Trade unions are now more influential and actively involved in HR management. They frequently cast doubt on management's ability to handle labor relations. Management can use HR auditing to address this issue.

Areas of HR Audit

1. HR policy audits: Are HR policies up to date with modern ideas? These should be reviewed.

- 2. Outcomes from the audit: Current management's accomplishments may cause job definitions to become outdated over time. So it can compare and revise wage structures through it.
- 3. HR practice and process auditing: To find ongoing implementation issues.
- 4. A manpower utilization audit. Finding underutilized and excess human resources is made possible through an activity. It might also address studies on punishment, grievances, production, motivation, and attitude.

7.5 REVAMPING OF HR STRATEGIES IN MANAGING DISASTERS

Organizations are reassessing their human resource (HR) strategies to guarantee resilience, employee well-being, and business continuity in the face of unprecedented difficulties presented by health pandemics. Events like the COVID-19 pandemic, which spread quickly, have brought to light how important it is for HR frameworks to have flexible work schedules, strong health and safety procedures, open lines of communication, and thorough contingency planning. This highlights the value of flexibility, staff assistance, and preventative crisis management techniques.

Several important factors need to be taken into account when updating HR policies to handle crises like health pandemics:

- **a.** Flexible Work Arrangements: A pandemic can be managed while guaranteeing employee safety by putting in place flexible work rules including remote work, staggered shifts, and alternative work schedules.
- **b. Procedures for Health and Safety:** Strengthen workplace health and safety protocols, such as frequent sanitization, the provision of personal protective equipment (PPE), and the enforcement of social distancing rules.
- **c. Openness and Communication:** Create unambiguous channels of communication to give staff members regular updates, direction, and assistance. It is essential to be open and honest about company policies, backup plans, and health precautions.
- **d. Workers' Welfare Support:** To assist staff members' emotional health during trying times, provide flexible leave policies, counseling programs, and mental health resources.
- **e.** Training and Skill Development: Give staff members the information and abilities they need to adjust to changing conditions by offering training on crisis management, remote work tools, and health protocols.

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- **f. Emergency Response Team:** Establish an emergency response team under HR to oversee compliance with health requirements, monitor employee health, and coordinate pandemic response activities.
- **g. Disaster Preparedness:** Create thorough backup plans that specify what needs to be done in case of supply chain interruptions, workforce continuity, and business continuity tactics, among other things.
- **h. Adaptation and Resilience:** Encourage employees to be flexible, creative, and sensitive to changing circumstances by cultivating an organizational culture of adaptation and resilience.

Through the integration of these techniques, HR can serve as a critical player in the effective management of disasters such as pandemics, while also ensuring the safety of employees and business continuity.

Check your progress:

Comment on disaster.

7.6 HR AND BUSINESS ENVIRONMENT

HR and BE

For an organization to succeed and last, there must be a relationship between human resources (HR) and the business environment. Aspects of the corporate environment that HR services touch on include market trends, competitive landscapes, technical breakthroughs, economic conditions, and regulatory changes. HR is critical to a dynamic corporate environment because it helps to manage talent effectively, develop a positive workplace culture, adjust to external circumstances, and drive innovation and growth by aligning workforce strategies with company goals. Organizations must comprehend how HR practices interact with the business environment in order to prosper in the face of changing possibilities and challenges.

The following is the relationship between HR and the business environment:

a. Talent Acquisition and Retention: To draw in, select, and keep top people, HR strategies need to be in line with the business environment. To craft compelling employee value propositions, this entails comprehending market demands, rival practices, and industry developments.

HR is responsible for personnel analysis and planning, which is informed by corporate forecasts, prevailing economic conditions, and technological breakthroughs. This covers workforce optimization techniques, succession planning, and the identification of skill gaps.

b. Adaptation to Technological Developments: Automation, digitization, and artificial intelligence are just a few examples of how technology is affecting corporate environments, and HR must keep up

with these developments. This entails giving workers new skills, introducing new HR technology, and using data analytics to inform choices.

Regulatory management and compliance: HR departments make sure that industry rules, labor laws, and moral principles are followed in the ever-changing regulatory environment. This include reducing legal risks, educating staff members on compliance-related matters, and revising procedures.

- **Productivity and Employee Engagement:** HR promotes a healthy work atmosphere that supports productivity, well-being, and employee engagement. This entails recognizing the preferences of the workforce, resolving issues at work, and fostering an innovative and collaborative culture.
- **d.** Change Management: As a result of changes in the business environment, HR is essential to the management of organizational change and transformation projects. This covers methods for communication, evaluations of preparedness for change, and helping staff members move smoothly through changes.
- **Performance management:** HR coordinates performance management procedures with corporate goals by establishing precise objectives, giving constructive criticism, and recognizing exceptional work. This guarantees that workers' efforts, in the ever-changing business environment, directly contribute to the success of the organization.
- f. Diversity, Equity, and Inclusion (DEI): To reflect shifting consumer expectations and society norms, HR supports efforts related to diversity, equity, and inclusion. This covers inclusive workplace policy, training on unconscious bias, and diversity hiring practices. Long-term strategic plans are created by HR to prepare for and address changes in the business environment, such as downturns in the economy, disruptions to the industry, or movements in the worldwide market. Organizations may effectively navigate uncertainty and capture opportunities with the support of this proactive approach.
- **g. Partnership with Business Leaders:** In a dynamic business environment, HR works closely with business leaders to support informed decision-making and drive organizational success. HR provides strategic direction, data-driven insights, and HR knowledge.

7.7 SUMMARY

This unit provides a comprehensive overview of various advanced topics in HRM. It starts with International Human Resource Management, emphasizing the need for integrating HR policies globally while respecting local variations. The discussion on HR ethical issues underscores the critical role HR plays in maintaining ethical standards within organizations. The chapter then explores the relationship between CSR and HRM, illustrating how CSR efforts can positively influence

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employee engagement and organizational culture. Human Resource Audits are covered in detail, outlining their objectives and the areas they encompass. The chapter also addresses the need for adaptable HR strategies to manage crises like health pandemics, and concludes with an analysis of how HR practices must evolve in response to changes in the business environment.

7.8 EXERCISE

- 1. What is the primary focus of International Human Resource Management (IHRM)?
 - A) Local workforce management
 - B) Global workforce management
 - C) Regional workforce management
 - D) National workforce management
- 2. Which of the following is an ethical dilemma commonly faced by HR professionals?
 - A) Implementing performance management systems
 - B) Promoting diversity and inclusion
 - C) Handling confidential employee information
 - D) Providing training and development programs
- 3. What is the role of HR in Corporate Social Responsibility (CSR)?
 - A) Implementing marketing strategies
 - B) Ensuring compliance with legal regulations
 - C) Promoting ethical business practices
 - D) Managing financial audits
- 4. What is the purpose of a Human Resource Audit?
 - A) Assessing employee performance
 - B) Evaluating HR policies and practices
 - C) Conducting market research
 - D) Reviewing financial statements
- 5. In the context of HR and the business environment, what does talent acquisition and retention focus on?
 - A) Workplace safety
 - B) Employee engagement
 - C) Regulatory compliance
 - D) Financial planning

Answers: B, C, C, B, B

True/False Statements:

- 1. HR professionals are not responsible for establishing ethical standards in organizations. (False)
- 2. Corporate Social Responsibility (CSR) initiatives do not impact employee morale. (False)

- 3. A Human Resource Audit primarily assesses financial performance. (False)
- 4. Talent acquisition is not a concern for HR in the business environment. (False)
- 5. Whistleblowing policies are not relevant to HR ethical considerations. (False)

Match-Ups:

Match the following HR tasks with their descriptions:

A		В	
1.	Change Management	a.	Promoting fairness and equal opportunities in the workplace.
2.	Diversity, Equity, and Inclusion (DEI)	b.	Managing organizational transitions and transformations.
3.	Whistleblowing Policies	c.	Providing channels for reporting unethical behavior.

Match: 1 - b 2 - a 3 - c

Questions:

- 1. What are features of IHRM?
- 2. Explain the factors contributed to growth of IHRM/
- 3. Write a note on HR ethical issues
- 4. Explain relationship between HR and CRM
- 5. Explain Revamping of HR strategies in managing disasters like health pandemics,

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EMERGING ISSUES IN H.R.M – II

Unit Structure:

- 8.0 Objectives
- 8.1 Introduction
- 8.2 Employee Engagement
- 8.3 Managing Gen Z
- 8.4 Talent Management
- 8.5 Work- Life Balance
- 8.6 Summary
- 8.7 Exercise

8.0 OBJECTIVES

- 1. Understand the principles of Professional Intelligence and their impact on career success and organizational performance.
- 2. Explore the levels and drivers of Employee Engagement, and learn strategies to enhance engagement levels in organizations.
- 3. Gain insights into Gen Z characteristics and values, develop communication and management strategies tailored to Gen Z, and create a positive work environment for Gen Z employees.
- 4. Understand Talent Management concepts, its importance in a VUCA environment, and the processes involved in attracting, developing, and retaining top talent.
- 5. Explore strategies for implementing Work-Life Balance initiatives, assess their impact on employee well-being and productivity, and develop policies that support Work-Life Balance in organizations.

8.1 INTRODUCTION

Professional intelligence encompasses a combination of skills, knowledge, and attributes essential for success in various professions, including emotional intelligence, critical thinking, adaptability, and ethical decision-making. In today's dynamic work environment, possessing high levels of professional intelligence is crucial for career growth and organizational contributions. Employee engagement, reflecting the level of enthusiasm and dedication employees feel towards their jobs, significantly impacts organizational performance. Managing Gen Z, the tech-savvy and diverse generation born between 1997 and 2012, requires strategies that promote communication, flexibility, and recognition. Talent management involves recruiting, developing, and retaining skilled individuals to meet

organizational goals, particularly in the volatile, uncertain, complex, and ambiguous (VUCA) business environment. Lastly, work-life balance is vital for employee productivity, well-being, and job satisfaction, achieved through flexible work arrangements, clearly defined policies, and supportive organizational culture.

8.1.1 Professional Intelligence Principle

Professional intelligence refers to the combination of skills, knowledge, and attributes that individuals develop and apply in their professional endeavors. It encompasses a range of competencies and qualities that contribute to success in various professions and industries. Professional intelligence goes beyond technical expertise and includes aspects such as emotional intelligence, critical thinking, problem-solving abilities, communication skills, adaptability, and ethical decision-making.

In today's dynamic and competitive work environment, possessing high levels of professional intelligence is essential for achieving career growth, building meaningful relationships, and making valuable contributions to organizations. Professionals with strong professional intelligence can navigate complex challenges, collaborate effectively with diverse teams, and demonstrate leadership qualities that inspire trust and confidence. Following are professional principles:

Self-Awareness:

Professionals should possess self-awareness, understanding their strengths, weaknesses, values, and personal and professional goals.

Emotional Intelligence:

Emotional intelligence involves recognizing and managing one's own emotions and understanding and influencing the emotions of others, which is crucial in professional interactions.

Continuous Learning:

A commitment to continuous learning and professional development is essential for staying relevant in a rapidly changing work environment.

Networking:

Building and maintaining professional networks is a principle that can contribute to career advancement, knowledge sharing, and access to opportunities.

Adaptability:

Being adaptable and open to change is a key principle in professional intelligence, allowing individuals to navigate evolving work environments successfully.

Ethical Conduct:

Upholding high ethical standards in professional activities is crucial for building trust and maintaining a positive reputation.

Strategic Thinking:

Professionals should be able to think strategically, understanding the broader context of their work and aligning their actions with organizational goals.

Effective Communication:

Effective communication skills, including active listening and clear expression of ideas, are fundamental for professional success.

Critical Thinking:

Professionals should be skilled in critical thinking, enabling them to analyze situations, solve problems, and make informed decisions.

Leadership and Collaboration:

Whether in a formal leadership role or as part of a team, professionals should understand effective leadership principles and collaborate with others to achieve common goals.

Tech Savvy:

In the modern professional landscape, having proficiency in relevant technologies is often considered a key principle for success.

Resilience:

Resilience involves the ability to bounce back from setbacks, adapt to challenges, and maintain a positive and forward-looking mindset.

8.2 EMPLOYEE ENGAGEMENT

Employee engagement is a concept that describes the level of enthusiasm and dedication a worker feels toward their job. Engaged employees care about their work and about the performance of the company, and feel that their efforts make a difference. An engaged employee is in it for more than a pay check and may consider their well-being linked to their performance, and thus instrumental to their company's success.

Hewitt Associates defines employee engagement as the state in which individuals are emotionally and intellectually committed to the organisation or group.

Gary Desslerrefers employee engagement as being psychologically involved in, connected to and committed to getting one's job done.

Check your progress:

1) Discuss employee engagement.

8.2.1 Levels of employee engagement:

1. Highly engaged employees

These employees hold very favourable opinions of their work place. When employees feel connected to their teams, love their jobs, and have positive feelings about their organization. They are bound to stay and put in extra effort to help the organization succeed. These "brand advocates" speak highly of their company to family and friends. They encourage other employees around them to do their best.

2. Moderately engaged employees

Such employees see their organization in a moderately favorable light. They like their company but see opportunities for self-growth. These employees are less likely to ask for more responsibilities and may underperform. There is something about the organization or their job that holds them back from full engagement.

3. Barely engaged employees

Barely engaged employees feel uninterested toward their place of employment. They usually lack motivation for their position and will only do as much as they can to get by—sometimes less. They are reluctant to put any extra efforts for the benefit of the organisation. Barely engaged employees may be researching other jobs and are a high turnover risk.

4. Disengaged employees

Disengaged employees have a negative opinion of their place of work. They are disconnected from the mission, goals, and future of the organization. They lack commitment to their position and responsibilities. It's important to understand how to handle disengaged employees so that their negative perceptions don't impact the productivity of employees around them.

8.2.2 Drivers of employee engagement:

It's not a day's job to make employee engaged to the organisation. However, it takes good time to make employees committed to the organisation. Following are the drivers or factors leading to employee engagement.

- 1. Positive working culture: A positive work culture always enhances the energy of employees and generates job satisfaction among employees. A positive work culture includes flexible working hours, welfare facilities, peaceful environment etc. Employees also feel self-belonging towards organisation and they can be positively engaged. Positive working culture includes:
 - Comfortable workplaces
 - Absence of politics
 - Transparency in work
- **2. Professional development:** Every employee joints an organisation with an intention to have personal and professional growth. However, when monotonous or underrated work is given to employees, they

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may start detaching themselves from the organisation. Hence, along with the organisational growth the personal growth of an employee must also be taken care of.

- **3. Recognition:** Employees are highly motivated when their work is recognised by superiors or top-level management. Recognition not always be in terms of money but a small verbal appreciation in the meeting can also encourage employees. In fact, all those employees who are highly engaged are highly motivated by their superiors for their work and behaviour in the organisation.
- **4. Sense of Autonomy:** Today, every employee looks for the freedom to work. They want their own space to work and thus when superiors keep on delegating task, it is not always accepted by employees. Therefore, higher the freedom to work higher will be the commitment and engagement of employee.
- 5. Equal opportunities: In an organisation all the employees must be treated at par. Even while giving promotion and increments a proper justice must be done. Thus, all the employees will give their best to climb the ladder of success and also give their inputs for the better output. It shows that employees are highly engaged when they are given opportunities to prove them.
- 6. Communication: A transparent communication is always appreciated in the organisation. When employees' idea is given an air, they feel their thoughts are been valued and it makes them work for organisation for long term period. Many organisations have started following "Open door policy".
- 7. Compensation package: Employees work in the organisation to get suitable compensation. Hence, they must be paid well for their work thus it will boost up employees. Moreover, the compensation must be paid on time, delay in payment may lead to disengagement among employees.
- **8.** Participation in decision making process: When employees are allowed to participate in crucial decision-makingprocess, they feel privileged and when their ideas are executed, they feel all the more valued. Hence their commitment level towards the organisation is high and they work dedicatedly.
- **9.** Leadership styles: Nowadays, autocratic style of leadership will not be accepted by employees as they wish to work in their own style. This may also lead to high employee turnover and lack of job satisfaction to the employees in the organisation. Thus, consultative or supportive leadership style is more suitable for today's modern organisation.
- **10.** Employee friendly policies: When top level manager prepares employee friendly policies it makes them feel happy and encourage them to work more dedicatedly. While framing policies the benefits

for the family members must also been considered. Employee friendly policies includes:

- Making arrangements for EPFs, Insurance schemes etc
- Leave facilities
- Regular workshops for the better working of employees

8.3 MANAGING GEN Z

People who were born between 1997 and 2012 are referred to as Gen Z. Their relationship with technology, however, may be much more significant than their age. These people are among the first "digital natives" in history because they were born after the internet was developed and experienced the emergence of social media and cellphones as a child. However, Gen Z is much more than just a tech-savvy, smart bunch. Their composition is actually the most varied generation yet, encompassing people from various socioeconomic, racial, and ethnic backgrounds. This implies that it's critical to regard each and every person as an individual and refrain from basing management decisions or recruiting decisions on generalizations about a particular generational group.

As a group, Gen Zers embrace a variety of identities, place a high importance on inclusivity and equality, and are frequently involved in the social and political movements of the day.

In general, Gen Zers prioritize mental health and self-care more than earlier generations did. They also appreciate flexibility in their working lives, are ecologically sensitive, like to work independently and on their own terms, and prioritize mental health.

Some ways to Manage Gen Z at work place are:

1. Promote communication

The Gen Z workforce values social interaction despite being proficient in digital communication technologies; 51% of them prefer face-to-face communication. Encouraging these in-person contacts will help to maintain Gen Z's engagement in the workplace by fostering a culture that values communication and teamwork.

Selecting video calls over phone conversations, organizing frequent team gatherings and social events, and pushing managers to often check in and provide feedback and performance assessments are a few simple methods to accomplish this.

2. Assure independence and ownership

Gen Z employees are role-hoppers who don't want to stay in one position for a long time. Giving your Gen Z workers plenty of opportunities to learn and develop outside of their current function is crucial because of this.

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Gen Z is independent and self-motivated; managers should use this by offering them opportunities to express their thoughts and assigning them extra duties. To promote both personal and professional growth, provide them with the resources they need for independent study and foster their interests.

3. Provide flexibility

When Gen Z entered the workforce, remote and hybrid work arrangements were already commonplace. Gen Z employees now anticipate flexibility in the workplace as a result of this. Given that over 33% of Gen Z grads are specifically seeking flexible work arrangements, employers ought to make every effort to offer their employees as much freedom as possible.

4. Establish a positive workplace environment

Gen Z workers expect their professional lives to feel as good as their personal lives since the boundaries between work and home are hazier than ever. Workers of Generation Z want their relationships with bosses and coworkers to seem as intimate as possible and they want to feel appreciated at work.

Creating a healthy business culture is essential to inspiring Gen Z employees. This can be accomplished by combining effective communication, openness in business dealings, and comprehension of expectations for job advancement, pay, and perks.

5. Provide benefits for wellness and financial security.

Financially astute, Gen Z is looking for stability and will detect if their benefits and pay are below average. In fact, 70% of Gen Z workers cite pay as their primary source of motivation. Additionally, Gen Z workers are considerably more likely to place a higher value on wellness programs and health insurance than they do on free food.

Pay Gen Z workers competitive wages and provide them with benefits customized to their requirements. Businesses need to be willing to compromise and flexible when it comes to adding or removing benefits in order to accommodate employees' evolving needs.

6. Promote creativity and a healthy work-life balance.

As members of Generation Z begin to enter the workforce, global innovation should continue to rise. Compared to earlier generations, Generation-Z is more individualistic, varied, entrepreneurial, and techsavvy. Gen-Z employees value work-life balance and take good care of their mental health, just like the Millennials did before them.

7. Offer Opportunities for Growth

The majority of Gen-Z workers see their jobs as opportunities to learn, grow, and develop; they are not restricted to any one role or business. Leaders must first comprehend this way of thinking before giving their talent the chance to grow and be exposed to novel situations. Leaders

might benefit from reverse mentoring as Gen-Z workers bring fresh insights to the workplace that they can learn from.

8. Pay Attention to The Individual

Although it is simple to generalize about different generations, the best course of action is to concentrate on the person and what inspires and motivates them. Given that Gen-Z employees are driven by a sense of worth, a chance to make a difference, and a sense of validation, leaders can link their work to outcomes, express gratitude, and think about tiny investments in team building to keep the group going forward.

9. Embrace Modern Technology

Being the first generation to join the workforce without any recollection of a world without social media or Wi-Fi, Gen Z and technology go hand in hand. As a result, businesses that want to draw in and keep Gen Z workers will need to be tech aware. By introducing technologies that assist Gen Z employees in managing their workload, managers may enhance the output and performance of their workforce. Video conferencing services, collaboration tools, and productivity and project management apps will all be essential.

Business owners need to make sure that their technology stack is continuously updated and improved if they want to retain Gen Z workers.

10. Recognize Mental Health Needs

For employees of Generation Z, empathy is crucial. 82% of respondents believe it's critical that their supervisors provide "mental health days" for them to take when they're feeling overwhelmed or worried. Employees of Generation Z want to know that their company's executives are dedicated to their well-being. Sector business executives will need to find methods to demonstrate their empathy. Implementing a wellness strategy in the workplace that focuses on teaching team members how to manage stress and prevent burnout, for example, might be beneficial. It'll be beneficial to recruit and retain staff by providing benefits like access to counseling, increased vacation time for times when workers feel overworked, and competitive pay to ease financial concerns.

8.4 TALENT MANAGEMENT

Talent management is an integral part of human resource management. Talentmanagement can be defined as a deliberate approach implemented to recruit or hire, develop and retain people with required aptitude or skills to meet the present and future goals or needs of the organization. Talent management has become almost an inevitable management process in modern days. Due to tough competition in every sphere of business world today, organizations are struggling for the best people from the job market.

8.4.1 Importance of talent management:

- 1. **Higher Productivity:** Productivity is calculated in terms of input and output. Talented employees perform better by using smart method of work. Talented employees tend to contribute more in terms of output either with same input or less input.
- 2. Cost reduction: When talented employees are retained, they make more economical use of materials and machinery. Reduction in wastage and spoilage together with increase in productivity help to minimize cost of operations. All the available resources are put to the best use.
- **3. Team spirit**: Employee working for long term period helps in inculcating the sense of team work, team spirit, and inter-team collaborations. It helps in inculcating the passion to learn within the employees. When all the employees in different department work in team it helps to build cordial employee relationship so that individual goals get aligned with organizational goal.
- **4. Optimum Utilization of Human Resources**: Optimum use of resources includes best utilisation of material, money and human resources. Talented staff helps in optimizing the utilization of human resource that further helps organisation to make best use of physical and financial resources of the organisation.
- **5. Reduced supervision**: Talented employees tend to be self reliant and motivated. They need less guidance and control. Therefore, supervisory burden is reduced and the span of supervision can be enlarged. Since they are well trained and motivated employees work efficiently and effectively without supervision.
- **6. Organisational climate**: A talented employee helps to improve the climate of an organisation and keep the same for long time. Thus the relation among the employees and top level management can be cordial.
- 7. Strong workforce: The success of every organisation lies on their employees. However, getting the talented staff and retaining them for long time is a task. Thus, HR department needs to work hard to retain the talented workforce so that the organisation has strong and intellectual workforce to maintain high productivity in the organisation.
- **8. Reduces employee turnover:** When intellectuals are hired and when they are satisfied working with the organisation, they are retained in the organisation for long time. Thus, organisation creates goodwill in the market and reduces employee turnover.
- **9. Consumer satisfaction:** A systematic approach to talent management means that there is an organizational integration and a consistent approach to management. When systems are more integrated, client

satisfaction rates are usually higher, since they are dealing with fewer people and their needs are met more rapidly.

8.4.2 Process of Talent Management:



Following are the steps followed in talent management:

- 1. Workforce planning: An adequate planning of workforce in the organisation will help to manage employees and retain talented employees for longer period of time. The comparison of how many employees required and how many employees exist in the organisation is made to analyse the gap. However, the gap can be fulfilled by either recruiting if there is lack of human resources and employees can be laid offif there is surplus of employees in the organisation.
- **2. Recruitment:** In case of requirement of additional staff a proper recruitment process must be scheduled. The process may consist of several stages like aptitude test, group discussion, and expertpanel members to conduct interview process. An open approach towards recruiting employees from internal and external sources will help organisation to get talented employees.
- 3. On boarding: Through the process of on boarding, organisation will help new talent find their place in the company, both in terms of job responsibilities as well as within organizational culture. During this process, the employee should begin to investigate and assess whether the company is a workable match for employees need.
- **4. Performance management and support:** On regular basis, the performance of the employees must be monitored and based on which a planning can be done to retain talented employees in the organisation for the long period of time. It will also help us to identify strength and weakness of employees. HR department can work to reinforce their strengths and overcome the weaknesses.
- 5. Succession planning: It refers to filling up the vacancies which fall vacant at the higher post. Hence, HR department needs to identify the talent of current employees and try to absorb them at the higher post.

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This created good image of the company in the mind of employees and help them to sustain for long term.

- **6.** Compensation and benefits: Apart from job satisfaction employees look forward to have good compensation and employee welfare facilities. Thus, appropriate compensation must be given to employees and that too on time. Employees will be highly motivated and give their best to the organisation if they are given certain monetary incentives.
- 7. Critical skill gap analysis: Based on performance appraisal the strength and weakness of the employee is been identified and thus the gap can be analysed as which areas need to be looked upon for improvement. Employees can be provided with training to sharpen their skills and develop their abilities.

Check your progress;

1) Comment on Gen Z.

8.4.3 Talent Management and VUCA:

The Term was introduced by US Army War College, describing the dynamic nature of our world today, and consequently this term has got attention of many organizations to explain a businessenvironment that are characterized by:

Volatility: The nature, speed, volume, magnitude, and dynamics of change

Uncertainty: The lack of predictability of issues and events

Complexity: The confounding of issues and the chaos that surrounds any organization

Ambiguity: The haziness of reality and the mixed meanings of conditions!

Talent management leaders must prepare for disruptive problems and opportunities that cannot be predicted. Some of the action steps that you should take to prepare for complete surprises and the VUCA environment include:

- 1. **Agile employees**: Develop as a primary goal a focus on the hiring, training, and retaining of employees and managers who are agile, who thrive in a VUCA environment, and those who have the capability of acting effectively in unforeseen and unpredicted situations.
- **2. Agile processes:** Require agility, flexibility, and a rapid change capability as an essential component in all current and new talent management processes and programs.
- **3. Self-obsolescence of processes:** It requires all talent management programs and processes to include a component that continually "self-

- obsoletes" its own current practices and replaces them with updated ones.
- **4. Training to solve unanticipated problems:** Training and development must create the capability to prepare employees and managers to identify and effectively handle previously unknown problems. A high volume of scenario training and simulations can make an employee more comfortable and confident when they encounter a completely new situation. With repetition, employees can eventually develop skills and their own processes for handling "brandnew" volatile and complex situations that are full of uncertainty and ambiguity.
- **5. Focus on innovation:** Prioritize talent management so that it focuses on innovators, game-changers, and pioneers who are essential for success in a VUCA environment. Also, to sustain in the market every organisation needs to be innovative.
- **6. Rapid learning:** Develop systems to increase the speed of individual and organizational learning. It also develops process to proactively speed up the movement of employees internally to where they can have a greater impact.
- 7. Contingent labour: Use contingent labour as a significant percentage of the workforce, in order to increase your capability to meet sudden upturns, downturns, and new skill needs.
- **8. Rapid increase in talent:** Develop the capability for rapid hiring for sudden needs through poaching, with pre-identifying talent pools and by building professional communities. It also generates the capability for rapidly releasing the talent among employees.
- **9. Outsourcing for flexibility:** Use outsourcing to fill sudden needs and overflow work. It develops talent management processes and programs that provide a continual competitive advantage over other talent competitors.

8.5 WORK LIFE BALANCE

The ability of a worker to manage their personal and professional obligations while yet finding time for leisure and relaxation is known as work-life balance. Everybody may define the perfect work-life balance differently.

For each of us, a healthy work-life balance will entail something different. Ensuring your happiness and fulfillment in both work and leisure domains is more important than splitting your time equally between them. Since work-life balance has a direct impact on employees' productivity, well-being, and job satisfaction, it is an essential component of human resource management (HRM). In order to encourage work-life balance within a business, HR experts may concentrate on the following factors and tactics:

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- 1. Flexible Work Arrangements: To meet a range of needs and assist staff in juggling their personal and professional obligations, provide flexible work schedules, remote work choices, or shortened workweeks.
- **2.** Clearly Defined Policies and Expectations: Set up explicit guidelines for working hours, overtime, and the amount of time expected to respond to emails or other correspondence. Setting limits and organizing tasks are made easier by this clarity.
- **3. Promotion of Leave Benefits:** Motivate staff members to use their personal days, vacation days, and other leave entitlements. A culture that values and encourages taking time off for relaxation and renewal is something HR can actively support.
- **4. Technology Boundaries:** Establish rules for communicating after work and using technology after regular business hours. Encourage the development of a culture that values privacy and disapproves of the notion that one must always be available.
- **5. Employee Assistance Programs (EAPs):** Set up EAPs to help staff members who are experiencing stress at work or in their personal lives. Counseling services, wellness campaigns, and tools for managing mental health are a few examples of these programs.
- **6. Education and Training:** Provide instruction on stress management, time management, and work-life balance techniques. Give staff members the tools they need to efficiently handle their responsibilities.
- **7. Encourage a Positive Work Environment:** Create an environment where people respect work-life balance and recognize the significance of their own well-being. Acknowledge and thank staff members who make a positive and encouraging work atmosphere.
- **8. Regular Check-Ins:** To support a healthy work-life balance, encourage managers to meet with team members on a regular basis to talk about issues, workload, and possible changes.
- **9. Job Allocation and Management:** The principles of job design should be that guarantees workers a manageable burden. To avoid burnout, this can entail evaluating the distribution of the effort and making modifications.
- **10. Openness and Communication:** Talk honestly with one another on how important work-life balance is to the company. Make sure staff members are at ease sharing their requirements and worries with management and HR.
- 11. Employee Feedback and Surveys: Survey employees on a regular basis to learn about their work-life balance. Utilize this data to pinpoint problem areas and put focused improvement plans into action.
- **12. Setting a Good Example:** Leaders in organizations, especially those in HR, should set an example. Setting a good example for colleagues and

fostering a nice work environment both come from exhibiting a healthy work-life balance.

8.6 SUMMARY

Professional intelligence, a blend of skills and attributes crucial for professional success, includes emotional intelligence, critical thinking, adaptability, and ethical decision-making. Employee engagement, reflecting employees' enthusiasm and dedication, is key to organizational performance. Managing Gen Z requires strategies that foster communication, independence, and recognition, as they value flexibility and inclusivity. Talent management, essential in a VUCA environment, involves attracting, developing, and retaining skilled individuals to meet organizational goals. Finally, work-life balance is critical for employee well-being and productivity, achieved through flexible work arrangements, clear policies, and a supportive culture.

8.7 EXERCISE

Multiple-Choice Questions (MCQs):

- 1. Which of the following is a key difference between domestic HRM and IHRM?
 - A) Focus on local laws and regulations
 - B) Limited to one country
 - C) Manages global workforce
 - D) No cultural considerations
- Answer: C) Manages global workforce
- 2. What is a common challenge in International HRM?
 - A) Uniform HR practices worldwide
 - B) Language barriers
 - C) Homogeneous workforce
 - D) Single cultural approach
- Answer: B) Language barriers
- 3. What is an ethical dilemma in HR?
 - A) Following legal requirements
 - B) Balancing employee privacy and monitoring
 - C) Maximizing profits at any cost
 - D) Ignoring employee complaints

• Answer: B) Balancing employee privacy and monitoring

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- 4. Which ethical framework emphasizes consequences for decision-making?
 - A) Virtue ethics
 - B) Utilitarianism
 - C) Deontological ethics
 - D) Rights-based ethics
- Answer: B) Utilitarianism
- 5. What is the goal of CSR in HRM?
 - A) Maximizing profits
 - B) Enhancing employee well-being
 - C) Reducing environmental impact
 - D) Ignoring social responsibilities
- Answer: B) Enhancing employee well-being
- 6. How does CSR benefit employees?
 - A) Increases workload
 - B) Improves work-life balance
 - C) Decreases job security
 - D) Ignores employee needs
- Answer: B) Improves work-life balance
- 7. What is an HR audit?
 - A) Annual employee survey
 - B) Financial audit
 - C) Review of HR practices
 - D) Recruitment process
- Answer: C) Review of HR practices
- 8. Which area is not typically audited in HR?
 - A) Employee benefits
 - B) Training programs
 - C) Marketing strategies
 - D) Legal compliance
- Answer: C) Marketing strategies

- 9. What is a key challenge in HR management during health pandemics?
 - A) Increased employee engagement
 - B) Maintaining business continuity
 - C) Minimal impact on operations
 - D) No need for remote work

• Answer: B) Maintaining business continuity

- 10. What is a strategy for remote work during pandemics?
 - A) Limiting communication channels
 - B) Providing flexible work arrangements
 - C) Ignoring employee well-being
 - D) Reducing technology use
- Answer: B) Providing flexible work arrangements

True or False Statements:

- 1. IHRM deals only with expatriate employees. (False)
- 2. Cultural diversity has no impact on HR practices in multinational companies. (False)
- 3. IHRM focuses solely on domestic workforce management. (False)
- 4. Ethical HR practices have no impact on employee morale. (False)
- 5. HR ethics should consider only legal requirements. (False)
- 6. Utilitarianism prioritizes outcomes over processes in ethical decisions. (True)
- 7. CSR has no impact on employee engagement. (False)
- 8. CSR initiatives focus only on external stakeholders. (False)
- 9. HR audits focus only on financial aspects. (False)
- 10. HR strategies during pandemics have no long-term impact. (False)

Answer in brief:

- 1. What are the key components of Professional Intelligence?
- 2. What are the different levels of Employee Engagement?
- 3. What are the key drivers of Employee Engagement?
- 4. What are the characteristics and values of Gen Z employees?
- 5. What communication and management strategies are effective for managing Gen Z?

6. How can organizations create a positive work environment for Gen Z employees?

Emerging Issues in H.R.M - II

- 7. Why is Talent Management important in a VUCA environment?
- 8. What are the key components of Talent Management processes?
- 9. What are some strategies for implementing Work-Life Balance initiatives?
- 10. How can organizations assess the impact of Work-Life Balance on employee well-being and productivity?

