



DEPARTMENT OF MANAGEMENT STUDIES

I YEAR/II SEMESTER

BA4203 HUMAN RESOURCE MANAGEMENT

COURSE MATERIAL



Anna University Chennai

Regulation 2021

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JEPPIAAR
ENGINEERING COLLEGE

Jeppiaar Nagar, OMR Salai, Semmencherry ,Chennai -600119

VISION

To build Jeppiaar Engineering College as an institution of academic excellence in technology and management education, leading to become a world class university.

MISSION

- To excel in teaching and learning, research and innovation by promoting the principles of scientific analysis and creative thinking.
- To participate in the production, development and dissemination of knowledge and interact with national and international communities.
- To equip students with values, ethics and life skills needed to enrich their lives and enable them to contribute for the progress of society.
- To prepare students for higher studies and lifelong learning, enrich them with the practical skills necessary to excel as future professionals and entrepreneurs for the benefit of Nation's economy.

DEPARTMENT OF MANAGEMENT STUDIES

VISION

To be a prominent management institution developing industry ready managers, entrepreneurs and socially responsible leaders by imparting extensive expertise and competencies.

MISSION

- To provide management education to all groups in the community.
- To practice management through scholarly research and education.
- To advance in the best practices of management which enable the students to meet the global industry demand.
- To promote higher studies, lifelong learning, entrepreneurial skills and develop socially responsible professionals for empowering nation's economy.

PROGRAMME EDUCATIONAL OBJECTIVES (PEOs):

MBA programme curriculum is designed to prepare the post graduate students

- To have a thorough understanding of the core aspects of the business.
- To provide the learners with the management tools to identify, analyze and create business opportunities as well as solve business problems.
- To prepare them to have a holistic approach towards management functions.
- To inspire and make them practice ethical standards in business.

PROGRAMME OUTCOMES (POs)

- On successful completion of the programme,
- Ability to apply the business acumen gained in practice.
- Ability to understand and solve managerial issues.
- Ability to communicate and negotiate effectively, to achieve organizational and individual goals.
- Ability to understand one's own ability to set achievable targets and complete them.
- Ability to fulfill social outreach
- Ability to take up challenging assignments

COURSE OBJECTIVE:

To provide knowledge about management issues related to staffing, training, performance, compensation, human factors consideration and compliance with human resource requirements.

COURSE OUTCOMES:

1. Students would have gained knowledge on the various aspects of HRM
2. Students will gain knowledge needed for success as a human resources professional.
3. Students will develop the skills needed for a successful HR manager
4. Students would be prepared to implement the concepts learned in the workplace.
5. Students would be aware of the emerging concepts in the field of HRM

BA4203 HUMAN RESOURCE MANAGEMENT

UNIT I PERSPECTIVES IN HUMAN RESOURCE MANAGEMENT 9

Evolution of human resource management – The importance of the human capital – Role of human resource manager –Challenges for human resource managers - trends in Human resource policies – Computer applications in human resource management – Human resource accounting and audit.

UNIT II HUMAN RESOURCE PLANNING AND RECRUITMENT 9 I

Importance of Human Resource Planning – Forecasting human resource requirement – matching supply and demand - Internal and External sources- Organizational Attraction-. Recruitment, Selection, Induction and Socialization- Theories, Methods and Process.

UNIT III TRAINING AND DEVELOPMENT 9

Types of training methods –purpose- benefits- resistance. Executive development programme – Common practices - Benefits – Self development – Knowledge management.

UNIT IV EMPLOYEE ENGAGEMENT 9

Compensation plan – Reward – Motivation – Application of theories of motivation – Career management – Mentoring - Development of mentor – Protégé relationships- Job Satisfaction, Employee Engagement, Organizational Citizenship Behavior: Theories, Models.

UNIT V PERFORMANCE EVALUATION AND CONTROL 9

Method of performance evaluation – Feedback – Industry practices. Promotion, Demotion, Transfer and Separation – Implication of job change. The control process – Importance – Methods – Requirement of effective control systems grievances – Causes – Implications – Redressal methods.

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UNIT I : PERSPECTIVES IN HUMAN MANAGEMENT

1.1 EVOLUTION OF HUMAN RESOURCE MANAGEMENT

Definition:

“Human Resource Management is concerned with the people who work in the organisation to achieve the objectives of the organisation. It concerns with acquisition of appropriate human resources, developing their skills and competencies, motivating them for best performance and ensuring their continued commitment to the organisation to achieve organisational objectives.”

“HRM refers to the activities and functions designed and implemented to maximize organisational as well as employees satisfaction”.

1.1.1. EVOLUTION:

The concept of HRM emerged in the mid 1980s against the background of the works of famous writer on management like **Pascale and Athos (1981)** and **Peters and Waterman (1982)**, who produced lists of the attributes that they claimed characterized successful companies.

The **American Society for Training & Development (ASTD)** has developed a Human Resource Wheel in **1983** highlighting different functions of HRM leading to quality of work life, productivity and readiness for change. They are:

- Training & Development
- Organisation Development Focus
- Organisation / Job Design Focus
- HRP Focus
- Selection & Staffing
- Personnel Research & Information Systems
- Compensation / Benefits Focus

- Employee Assistance Focus
- Union / Labour Relations Focus.

In **1984, Michigan School** developed a human resource cycle that consists of four generic processes or functions. They are:

- Selection
- Appraisal
- Rewards
- Development.

The **Harvard Framework** of HRM was developed by Beer in **1984**. It suggested that HRM has two characteristics features: a) Line managers accept more responsibility for ensuring the alignment of competitive strategy and personnel policies; b) The personnel function has the mission of setting policies that govern how personnel activities are developed and implemented in way that make them more mutually re-enforcing. The Harvard model has integrated the history and practice of HRM, particularly emphasizing HRM as a general management function rather than personnel function only. HRM policy should evolve taking into consideration stakeholder interest and situational factors, which will lead to HRM outcomes like commitment, congruence and cost effectiveness. This ultimately will lead to long-term consequences like individual well being, organisational effectiveness and societal well-being which in turn will impact the stakeholder interest and situational factors and also the HRM policy choices.

Walton (1985) has further expanded the concept of HRM stating that the new HRM model is composed of policies that promote mutuality – mutual goals, mutual influence, mutual respects, mutual rewards and mutual responsibility. The theory propounds that policies of mutuality will elicit commitment, which in turn will yield both economic performance and greater human development.

David Guest (1987-1991) has taken the Harvard model and developed it by defining four policy goals which can be used as testable propositions:

- Strategic Integration.
- High Commitment

- High Quality
- Flexibility.

Story (1989) has distinguished between hard and soft version of HRM. The hard approach to HRM emphasizes the quantitative, calculative and business strategic aspects of managing the head count resource in a rational way. Whereas the soft model of HRM traces its roots to the human relations school, emphasizing communication, motivation and leadership.

Karen Legge (1989) had defined the HRM theme that human resource policies should be integrated with strategic business planning and used to reinforce an appropriate organisational culture, that human resources are valuable and a source of competitive advantage that they may be tapped most effectively by mutually consistent policies that promote commitment.

Keith Sisson (1990) suggests that there are four main features increasingly associated with HRM. They are:

- Stress on the integration of personnel policies with one another.
- The focus of responsibility for personnel management no longer resides with HR specialists.
- Focus shifts from manager, trade union relations to management, employee relations and from collectivism to individualism.
- Stress on commitment and the exercise of initiative, with managers now donning the role of enabler, empowerer and facilitator.

The overall purpose of HRM is to ensure that the organisation is able to achieve success through people. HRM has been defined as a strategic and coherent approach to the management of an organisation's most valued assets – the people working there whom individually and collectively contribute to the achievement of its goals.

1.1.2. HRM IN INDIA:

In India, personnel management emerged because of the governmental interventions and compulsions. In the beginning of the 20th Century, various malpractices in the recruitment of workers and payment of wages were prevalent which caused a colossal loss in production due to industrial disputes. The Royal Commission of Labour in India (1931) under the Chairmanship of J. H. Whitley recommended the abolition of the 'Jobber System' and the appointment of labour officers in industrial enterprises to perform the recruitment function as well as to look after the welfare of the employees.

After Independence, a labour welfare officer was identified as personnel manager created by legislation under Factories Act, 1948. The role of a personnel manager was more of a custodian of personnel policy implementation and compliance to different acts of the Factories Act. Two professional bodies were formed namely, Indian Institute of Personnel Management (IIPM) at Kolkata and the National Institute of Labour Management (NILM) at Mumbai. In 1980s, these two professional bodies merged together and formed the National Institute of Personnel Management (NIPM), headquartered at Kolkata. In the year 1990, another milestone was achieved by renaming of American Society for Personnel Administration (ASPA) as Society for Human Resource Management (SHRM). Over the years, a new approach – the Human Resource Management – has emerged which focuses more on developmental aspects of human resource with a pragmatic and flexible approach.

1.2 THE IMPORTANCE OF HUMAN FACTOR

It is the human resource, which is of paramount importance in the success of any organisation, because most of the problems in organisational settings are human and social rather than physical, technical or economic. Failure to reorganize this fact causes immense loss to the nation, enterprise and the individual. In the words of Oliver Sheldon, "No industry can be rendered efficient so long as the basic fact remain unrecognized that it is principally human. It is not a mass of machines and technical processes, but a body of men. It is not a complex matter, but a complex of humanity. It fulfills its function not by virtue of some impersonal force, but a human energy. Its body is not an intricate maze of mechanical devices but a magnified nervous system".

'People at work' comprise a large number of individuals of different sex, age, socio-religious group and different educational or literacy standards. These individuals in the work place exhibit not only similar behaviour patterns and characteristics to a certain degree, but

they also show dissimilarity. Each individual who works has his own set of needs, drives, goals and experiences. Each has his own physical and psychological traits. Each human being is not only a product of his biological inheritance but also a result of interactions with his environment. Family relationships, religious influences, racial or caste backgrounds, educational accomplishment, the application of technological innovations, and many other environmental-experimental influences affect the individual as he works.

People come to work with certain specific motives to earn money, to get employment, to have better prospect in future, to be treated as a human being while at the place of work. They sell their labour for reasonable wage / salary and other benefits. It is these people who provide the knowledge and much of the energy through which organisational objectives are accomplished.

The management must, therefore, be aware not only of the organisational but also employee needs. None of these can be ignored.

The importance of human factor can be discussed as follows:

a) Social Significance:

Proper management of personnel, enhances their dignity by satisfying their social needs. This it does by i) maintaining a balance between the jobs available and the jobseekers, according to the qualifications and needs; ii) providing suitable and most productive employment, which might bring them psychological satisfaction; iii) making maximum utilization of the resource in an effective manner and paying the employee a reasonable compensation in proportion to the contribution made by him; iv) eliminating waste or improper use of human resource, through conservation of their normal energy and health; and v) by helping people make their own decisions, that are in their interests.

b) Professional Significance:

By providing a healthy working environment it promotes teamwork in the employees. This it does by i) maintaining the dignity of the employee as a 'human-being'; ii) providing maximum opportunities for personal development; iii) providing healthy relationship between different work groups so that work is effectively performed; iv) improving the employees' working skill and capacity; v) correcting the errors of wrong postings and proper reallocation work.

c) Significance for Individual Enterprise:

It can help the organisation in accomplishing its goals by: i) creating right attitude among the employees through effective motivation; ii) utilizing effectively the available human resources; and iii) securing willing co-operation of the employees for achieving goals of the enterprise and fulfilling their own social and other psychological needs of recognition, love, affection, belongingness, esteem and self-actualisation.

Dynamic and growth-oriented organisations do require effective management of people in a fast-changing environment. Organisations flourish only through the efforts and competencies of their human resources. Employee capabilities must continuously be acquired, sharpened and used. Any organisation will have proper human resource management i) to improve the capabilities of an individual; ii) to develop team spirit of an individual and the department; and iii) to obtain necessary cooperation from the employees to promote organisational effectiveness.

1.3 OBJECTIVES OF HUMAN RESOURCE MANAGEMENT

- To provide, create, utilize and motivate employees to accomplish organisational goals.
- To secure integration of individuals and groups in securing organisational effectiveness.
- To create opportunities, to provide facilities, necessary motivation to individuals and groups for their growth with the growth of the organisation by training and development compensation.
- To provide attractive, equitable, incentives, rewards, benefits, social security measures, to ensure retention of competent employees.
- To maintain high morale, encourage value system and create environment of trust, mutuality of interests.

- To provide opportunities for communication expression, participation, appreciation, recognition and provide fair efficient leadership.
- To create a sense and feeling of belongingness, team spirit and encourage suggestions from employees.
- To ensure that, there is no threat of unemployment, inequalities, adopting a policy recognizing merit and employee contribution, and conditions for stability of employment.

HRM Objectives	HRM Functions
Social Objectives	Legal Compliance Benefits Union Management Relations
Organisational Objectives	Human Resource Planning Selections, Training &
Development	Employee Relations
Assessment	Employee Evaluation &
Functional Objectives	Appraisal Placement
Personal Objectives	Training & Development Appraisal Assessment / Placement Compensation.

1.4 ROLE OF HUMAN RESOURCE MANAGER

a) Personnel Role:

- Advisory
- Manpower Planning
- Training & Development

- Measurement and Assessment of individual and group behaviour.

b) Welfare Role:

- Research in Personnel & Organisational Problems
- Managing services – canteens, transports, etc..
- Group Dynamics – Group counseling, leadership, motivation, etc..

c) Administrative Role:

- Time-keeping
- Salary & Wage Administration
- Maintenance of records.
- Human Engineering – Man-Machine Relationship

d) Fire-fighting Role:

- Grievance Handling
- Settlement of Disputes
- Handling disciplinary actions.
- Collective Bargaining
- Joint Consultation.

He performs many other **miscellaneous roles** in accordance with the needs of a situation, such as:

- The **conscience role** is that of a humanitarian who reminds the management of its moral and ethical obligations to its employees.
- He plays the role of a **counselor** to whom the employees frequently go for consultation.
- As a mediator, he plays the role of a **peacemaker**, offering to settle the disputes that may arise among individuals or groups.
- He acts as a **spokesman** for or representative of the company.
- He acts as a **problem-solver** with respect to the issues that involve human resources management
- He works as a **change-agent** within the organisation because he is best suited to introduce and implement major institutional changes.

1.4.1. Qualities of a HR Manager:

- He should be a specialist in organisation theory.
- He should have knowledge of relevant laws, procedures, techniques and of developments in theory.
- He should have adequate knowledge of behavioural science.
- He should have a mind with a capacity for creative thinking, for analyzing situations and reasoning objectively.
- He should know problem-solving techniques.
- He should have faith in humanity.
- He should have capacity for leadership.
- Personal Integrity.
- Capacity for persuasion, coupled with patience and tolerance.
- A friendly, approachable nature.
- Initiative and decision-making ability.
- Mobility of facial expression.
- An ability to generate trust among his colleagues.
- A readiness to cooperate with the subordinates in times of difficulty.

1.5. HUMAN RESOURCE POLICIES

“A **policy** is a man-made rule of pre-determined course of action that is established to guide the performance of work toward the organisation objectives. It is a type of standing plan that serves to guide subordinates in the execution of their tasks”.

HR Policies refer to principles and rules of conduct which “formulate, define, break into details and decide a number of actions” that govern the relationship with employees in the attainment of the organisation objectives.

HR Policies are:

- The *Key-Stone* in the arch of management and the life-blood for the successful functioning of the personnel management because, without these policies, there cannot be lasting improvement in labour management relations.
- The *statements of intention* indicating an agreement to a general course of action, indicating specifically what the organisation proposes to do and, thus, suggest the values and viewpoints which dominate the organisation’s actions and

➤ A *positive declaration* and a *command* to an organisation. They translate the goals of an organisation into selected routes and provide general guidelines that both prescribe and proscribe programmes which, in turn, dictate practices and procedures.

1.5.1. Aims and Objectives of HR Policies:

- To enable an organisation to fulfill or carry out the main objectives which has been laid down as the desirable minima of general employment policy.
- To establish the conditions for mutual confidence and avoid confusion and misunderstanding between the management and the workers.
 - To protect the common interests of all the parties.
 - To provide security of employment to workers.
 - To provide an opportunity for growth.
 - To provide for the payment of fair and adequate wages to the employees.
 - To recognize the work and accomplishments of employees.
 - To create a sense of responsibility, on the part of those in authority.

1.5.2. Principles of HR Policies:

- Put the right man in the right place.
- Train everyone for the job to be done.
- Make the organisation a co-ordinated team.
- Supply the right tools and the right conditions of work.
- Give security with opportunity, incentive, recognition.
- Look ahead, plan ahead for more and better things.

1.5.3. Essential Characteristics / Tests of a Sound HR Policy:

- The statement of any policy should be definite, clear and easily understood by everyone.
- It should be written in order to preserve it against loss.
- It must be reasonably stable but not rigid.
- It must be supplementary to the over-all policy of an organisation.
- It should recognize the desire of all interested parties.
- It must provide a two-way communication system between the management and employees.
- It should be progressive and enlightened.
- Before evolving such a policy, trade unions should be consulted in matters of industrial relations.

- It should make a measurable impact.

1.5.4. Origin and Sources of HR Policies:

- The goals of the organisation.
- The past practice of an organisation.
- The attitudes, ideals and philosophy of the Board of Directors.
- Employees' suggestions and complaints.
- State and national legislation
- Changes in the country's economy.

1.5.5. Types of HR Policies:

➤ **Functional Policies:** These are policies, which are grouped for different categories of personnel e.g., for the management dealing with personnel planning, organizing and controlling or for management concerned with functions of procuring developing and utilizing manpower.

➤ **Centralised Policies:** These policies are framed for companies with several locations. They are formulated at the head office and applied throughout the organisation.

➤ **Major Policies:** These policies pertain to the over-all objectives, procedures and controls that affect an organisation as a whole. They cover in a general way nearly every phase of an enterprise and its products and methods of financing, its organisational structure, plant location, its marketing and personnel.

➤ **Minor Policies:** These policies cover relationships in a segment of an organisation, with considerable emphasis on details and procedures. Such policies are the outgrowth of major policies and preserve their unity of purpose.

1.5.6. Coverage of the Policies:

- Policy on Recruitment or Hiring of Employees.
- Policy of Manpower Planning & Development.
- Policy on Terms and Conditions of Employment.
- Policy on Industrial Relations
- Policy on Communication with Employees on all levels.

1.6 NEW TRENDS IN HUMAN RESOURCE MANAGEMENT

- Attitude Surveys
- Better Communication Channels
- Change in the Work-Life
- Job Redesign
- Job Enlargement
- New approaches to compensation and rewards
- Career Planning
- Performance Appraisal
- Decentralisation
- Breaking down the hierarchical structure
- Facilitating Empowerment
- Initiating and facilitating process of change
- Enlarging the knowledge base
- Developing team spirit
- Facilitating the employees desires of self-actualisation.

UNIT – 2

RECRUITMENT

Objective:

1. To attract people with skills, experience required by the organization.
2. To infuse fresh blood at all levels in the organization.
3. To search for talent globally and not just within the company.

Evaluation of alternative sources:

[What are the criteria used to determine the choice between internal & external sources of recruitment?]

1. Time lag between requisition & placement
2. **Yield Ratios:** The ratios tell us about the no. of leads or contacts needed to generate a given no. of hires in a given time.
3. **Employee attitude studies:** These studies try to discover the reactions of present employees to both internal & External source of recruitment.
4. **Correlation studies:** Here correlation studies are conducted between the sources of selection & the success of the job which is performed by the employee selected.
5. Data on turnover, grievances & Disciplinary action.

6. **Gross cost per hire.** It can be calculated by dividing the total cost of recruitment by the no. of individuals hired.

SELECTION

Types of error:

a. Reject error:

It is the error where by the company is rejecting the candidates who will perform better in future.

b. Select error:

It is the error whereby the company selects the wrong candidates who will not perform better in the future.

STAGES IN SELECTION PROCESS:

I Application scrutiny:

The main purpose of this stage is to identify those candidates who fit the job specification. We can consider & classify the application forms as follows:

a. Structured application form:

Standard information can be got in the little space which is available in the application form.

b. Unstructured application form:

Here, the applicant can respond as he wishes.

c. Weighted application form:

Here, more weightage will be given to a particular criteria Ex. age, experience and marital status.

II SCREENING:

- (i) Screening the applicants
- (ii) Screening through interview

III Application blank:

The blank provides preliminary information as well as it will indicate the areas of interest.

- a. It is a means of collecting accurate basic historical data.
- b. Biographical data
- c. Educational attainment
- d. Work experience
- e. Salary
- f. Personal associations [NCC, NSS, MMA, AIMA]
- g. other items [Name, address of previous employees]

IV TEST

(i) Knowledge test:

This relates to the question such as the tax laws., audit regulations, accounting systems, current affairs etc.

- (ii) **Ability or proficiency test:** These are the test which measures the skills and abilities which is already present in the candidates at the time of testing.
- (iii) **Performance simulation test:** These tests are aimed to find out if the applicant can do the job successfully by asking him to do it.
 - a. **Work sampling:** Here standard trait test have been developed for electricians and other low level jobs.

- b. **Assessment centers:** Here, line executives will evaluate the candidates as they go through 3 to 4 days of exercises that stimulate the real problems that the candidates are likely to encounter on the job in future.

(iv) **Psychological test:**

- a. **Intelligence test:** Here, “Binet simon” test assumes that intelligence is a general trait or quality which is required to perform any task. [comprehension & reasoning]

- b. **Aptitude test:** This test measures whether an individual has the capacity or ability to learn a given job if given adequate training. Some of the tests under this category are as follows:

1. Matrix {Management Trial exercise} designed by Procter & Gamble.
2. CAT [Clerical aptitude test] This test is conducted to assess the vocabulary, spelling, arithmetical ability & checking.
3. PAT [Pilot aptitude test] This test is conducted in order to assess the coordination between the hand movement and feet movement.
4. Computer aptitude test: To assess the power of reasoning & analysis.

- c. **Interest test:** These tests are designed to find out the interest of an applicant in the job.

- (v) **Personality test:** It is the test which is given to see the emotional reaction of the candidates.

- (vi) Individual test

- (vii) Group test

- (viii) **Tailor-made test:** These are the test which are developed to suit their own requirements and it is developed only when there is a continuing demand for large no. of new employees for a single job.

V VALIDATION:

This means that the test should be able to measure what it wants to :-

- a. **Predictive validity:** This is the degree in which the test scope is capable of predicting the performance of the candidate actually on the job.
- b. **Content validity:** This test should be a representative of the candidates efficiency.
- c. **Construct validity:** It refers to the extent to which it measures the psychological attributes like “emotional stability & intelligence”
- d. **Criterion-related validity:** It is the ability of the test to successfully predict & applicants performance on a specific job at a particular index. Following is the procedure to judge the validity of this test.
 - (i) **Job analysis**
 - (ii) **Selection of a test**
 - (iii) **Selection of the criteria**
 - (iv) **Administering the test**
 - (v) **Finding out the relationship between the existing scores & the performance scores.**

VI INTERVIEW

Here, two types of interview will be conducted in general which are preliminary interview and final interview.

Types of interview:

- (i) **Direct planned interview:** It is a straight forward, face to face interview.
- (ii) **Indirect non-directive interview:** It refrains from asking direct and specific questions but creates an opportunity where the candidates are allowed to talk freely.
- (iii) **Patterned interview:** It is a series of questions which can illuminate the strategic path of the applicants background.
- (iv) **Stress interview:** Here, the interviews are conducted in order to test the emotional characteristics like anger, silence and emotional quotient.
- (v) **Systematic depth interview:** Here, the interviewer has a plan of areas which he wishes to cover.
- (vi) **Panel or board interview:** Here, the board or the panel consists of people who interviews the candidates in different aspects or areas.
- (vii) **Group interview:**

VII MEDICAL EXAMINATION:

The basic purpose is to check the candidates stamina, strength, physical weakness, & disease.

VIII INDUCTION:

It is the process of inducting or orienting a new employee into the social setting of his work.

Steps:

- i) Familiarising the new employee with his new surroundings and company rules & regulations.
- ii) Integrating his personal goals with the organization goals.

PROGRAMME:

Induction programme is conducted in any organization by group lecturers, company films, interviews with key people.

Socialisation:

It is the process of adaption. It is not confined to new recruits. It is needed like transfer, promotion. Induction is only a part of socialization. “Socialisation can be conceptualized as a process made up of 3 phases:

- prearrival
- Encounter
- Metamorphosis

Assumptions of socialization:

- i) It strongly influence employee performance and organizational stability.
- ii) New member suffer from anxiety [Stress]- induced stress.

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UNIT - 3

Training: - meaning:

It is a process of learning a sequence of programmed behaviour. It is the application of knowledge.

Purpose of training:

1. To prepare the employee, both new & old to meet the present as well as the changing requirements of the job & the organization.
2. To develop the potentialities of the people for the next level job.
3. To ensure smooth & efficient working of a department.
4. To ensure economical output of required quality.
5. To build up a second line of competent officers & prepare them to occupy more responsible position.
6. To prevent obsolence.

Benefits of training:

1. Increased productivity
2. Heightened morale
3. Reduced supervision
4. Reduced accidents
5. Increased organizational stability

Resistance to training:

Why do employees resist training?

- a. Normally people experience difficulties in learning new skills & knowledge. Hence, they resist training.
- b. The employees feel that management will entrust more work or new kinds of work which would require additional skills & knowledge. Hence, employees resist training.
- c. Training programme & sessions disturbs the employees from performing the routine duties & tasks.
- d. They are expected to learn more difficult activities & unlearn already practised skills.
- e. They loose their job authority & are expected to learn like students during their training programme.

Objectives of training:

1. To train the employee in the companies culture pattern.

2. To train the employee to increase his quantity & quality of output.
3. To train the employee to avoid mistakes.
4. To train the employee towards better job adjustment & high morale.

Determining the need for training:

a. Whether training is needed

Training may be necessary due to the following problems:

- *Standard of work not being met.
- *Accidents
- *Excessive scrap
- *Frequent need for equipment repair
- * High rate of turnover
- *Excessive fatigue, struggling with the job.
- *Bottlenecks & deadlines not being met.

Sources where information can be gathered:

- Informal observation
- Performance appraisal.
- Suggestion system
- Group discussion
- Morale surveys

- Interviews with union officials
- Employee counseling

b. Where training is needed:

- i) Knowledge – for the person who does not know
- ii) Skill – for the person who knows but cannot do
- iii) Attitude – for the person who does not care
- iv) Habits – for the person who knows, can do [cares but just has not made the desired behaviour part of his daily routine.]
- v) Understanding – for the person who is not properly motivated to accept what he is told.

c. Which training is needed:

Here, there are different types of training methods available for operatives, executives and management.

Steps in training program:

- i) Preparation of the instructor
- ii) How to instruct?

Step: -1 Prepare the worker:

- Put him at ease, state the job & find out what he already knows about it.
- Get him interested in learning the job.
- Place him in correct position.

Step – 2: Present the operation:

- Tell, show and illustrate one step at a time.
- Stress each key point
- Instruct clearly, completely and patiently.

Step – 3: Try out the performance:

- Make him to do the job-correct the errors.
- Continue until you know that he knows.

Step-4: Follow –up

- Put him on his own.
- Check frequently
- Encourage questions
- Tapper of extra coaching & close the follow up.

Methods of training:

1. On Job training:

- Job Rotation:*** Here the employees are sent to various jobs and given training in all the areas.
- Internship training:*** This is a joint program of training in which schools and business co-operate to enable the students to gain a good balance between theory and practice.

- c. ***Apprenticeship training:*** This training is used in those crafts, trades in which proficiency can be acquired after a relatively long period of time in direct association with the work and under the direct supervision of experts.
- d. ***Vestibule School:*** When the amount of on-job training that has to be done exceeds the capacity of the line supervisor, a portion of training is taken away from the line people and assigned to staff through a vestibule school.

2. Off-Job training:

- a. ***Central education programme:*** Here courses are conducted in the areas of arts, science, economics, social activities. These courses are voluntary and therefore it will help in changing the employees attitudes.
- b. ***Simulators & training aids:*** Simulators are used to provide trainees with physical equipment that resembles to some degree the equipment that is to be used on the job. This is done when the equipment is costly.
- c. ***Methods which aim at improving decision-making skills of executives:***

- i) Case study method---|---- Directed
----- Non-directed
- ii) Incident method
- iii) In-basket method
- iv) Management games

i) Case study method:

It is pioneered by Harvard Business School. It compels the student to think actively, to analyse and see beyond the restrictions. Thus he learns about himself or herself, the assumptions and limitations.

- a) **Directed case study:** Here the case study or the problems to be discussed is given and the questions are put forward to the students to answer
- b) **Non-directed case study:** Here the case study is presented with a material and he or she is expected to explore all the possible outcomes.

ii) Incident method:

It is developed at Massachusetts Institute of Technology, California. Here a brief incident is presented to provoke the discussion in the class. The group then puts the question to the instructor to draw out the salient facts or additional information which is needed to arrive at the solution.

iii) In-basket method:

Here, documents, reports are designed in such a way to simulate the job reality and their problems.

iv) Management games:

It is a dynamic exercise training program. Here, the participants are divided into various teams where they have to solve the problem and should arrive at the solution.

b) Methods which aim at improving interpersonal skills of executives:

- i) Sensitivity training (Laboratory training)
- ii) Role playing
- iii) Transactional Analysis

i) Sensitivity Training:

This involves 10 to 15 members of different roles from different departments. This is also known as 'T'-group. Since the persons are not aware to each other, it creates tension and anxiety. Through observation and analysis of experience, one can learn their own behaviour.

ii) Role playing:

In this method, the instructor assigns different parts which is taken from case study to different group members. It lasts for 20 to 30 minutes and the data are collected about the performance of different role players.

iii) Transactional analysis:

It is introduced by Berne. A transaction is a process whereby social intercourse between two or more people who encounter each other. In every social intercourse, there is a stimulus provided by one individual and the response to that stimulus given by other individual.

“This stimulus responds between two individuals is o transaction. Analysis of transaction can be done by analyzing the personality of an individual”

a) Parent: (Characteristics)

- i) Over protective
- ii) Distance maintenance
- iii) Verbs used
 - Always
 - Never
 - Should
- iv) Physical gestures
 - ✓ Raising eyebrows
 - ✓ Pointing an accused finger

b) Child: (Characteristics)

Curious, impulsive, fearful, affectionate, dependant

Verbal

- ❖ I wish, I guess, I don't care

Physical gestures

- ❖ Attention seekers

c) Adult

I see, I think, It's my opinion

TA gives an insight into the fundamentals of human psychology and helps to improve interpersonal skills.

d) The Johari window

- ❖ It is a conceptual model for increasing personal effectiveness
- ❖ It was developed by Joseph Luft and Harry Ingham (JOHARI)
- ❖ Here individual personality is divided into 4 parts:

	Known to self	Not known to self
Known to others	Arena	Blind
Not known to others	Closed	Dash

c) Methods which aim at improving the executives knowledge

1. Conferences:

Mutual problem – subject of the discussion

Attitude – joint exploration

2. Autonomy Training

- It aims in developing individual ability to manage his own training
- Improving oneself by his own
- He should select from the articles, management games, psychological test

Factors should be considered while selecting training & development methods

1. Training Objective
2. Level of trainees in the organizational hierarchy
3. Methods, ability to hold and arouse the interest on trainees during the training period
4. Availability of competent trainers
5. Availability of finance
6. Availability of time

Evaluation of Training & development

Dimension of evaluation:

1. Evaluation of contextual factors:

a. Pre-training work:

- Training Needs
- Criteria for selecting people for training
- How many people
- Sequence of selecting people

b. Post-training work

- Planning to use the trained workers
- Providing support in building linkages between training and other line departments.

2. Evaluation of training inputs

Curriculum, inputs

3. Evaluation of training process

- Climate
- Relationship between participants and trainees
- Attitude

4. Evaluation of training outcomes

Measuring the carry home value of a training programme in terms of what has been achieved and how much is the main task of evaluation.

5. How evaluation is done?

- i) Reaction evaluation
- ii) Outcome evaluation

i) Reaction Evaluation:

- a. Questionnaire is given to the participants at the end of the programme which asks him to rate about the training programme.
- b. Participants are required to give daily ratings for each segment of the programme.
- c. Informal observation
- d. Opinion sent by mail

ii) Outcome evaluation

a) Immediate:

- It measures improvement in learning skills, knowledge
- By giving performance tests (operating machine)

b) Ultimate:

It measures the changes in the ultimate results achieved by trainees (accidents, turnover, and grievances)

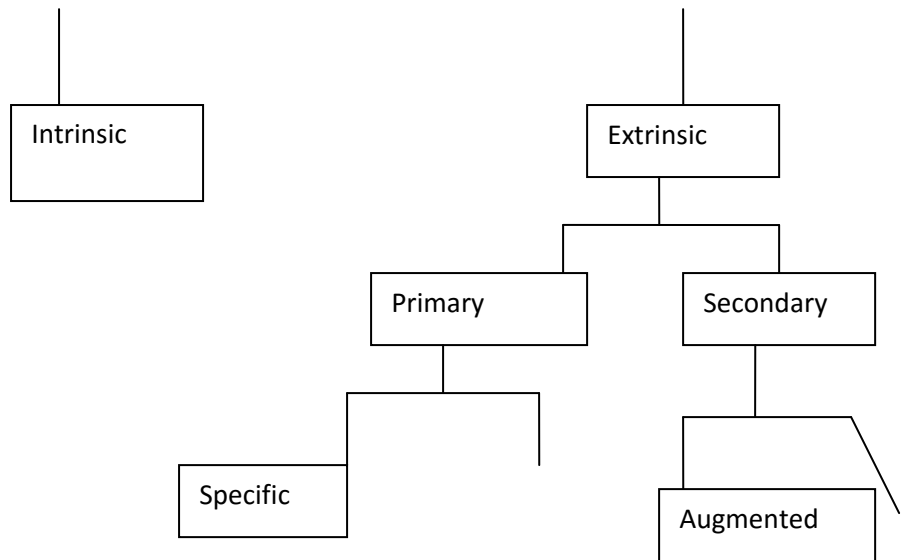
Principles of training:

I Knowledge results:

- *What is expected of him.
- * How well he is doing
- *Feedback

FEEDBACK





-
1. Motivation
 2. Reinforcement
 3. Supporting climate & practice
 4. Past Vs. Whole learning
 5. Transfer of learning

II **Intermediate:** It measures the changes in the behaviour of the trainees when they have returned to the jobs.

General

Summary

a. Physical fidelity:

Devices & facilities used in training are similar to the devices and facilities used on the job.

b. Psychological fidelity:

Human elements involved in training are similar to those on the job.

“If these both are same then, there will be positive transfer of learning or there will be negative transfer of learning.”

LEARNING

Learning can't be measured but the changes in the behaviour that occur as a result.

Principles of learning:

1. Every human being is capable of learning
2. It is easier for the trainer to understand when the contents are meaningful.
3. Any programme should be planned in a logical manner.
4. Learning objectives should be established for every task.
5. Learning is active and not passive
6. Environment should be relaxed and they should not be put under pressure.
7. It is clearly related to attention and concentration.

LEARNING CURVE:

- ❖ FIRST PHASE – Rapid, initial rise in learning
- ❖ SECOND PHASE – tendency of the curve to rise less and less rapidly and final it levels off.
- ❖ THIRD PHASE – There are daily ups and downs in the curve b'z of the changes in incentives, psychological condition.

EXECUTIVE DEVELOPMENT

Skills required by managers:

- i. **Technical skills:** These skills are developed through experience and education.
These skills are most important for operating managers b'z “how things work’
- ii. **Human skills:** It refers to the ability to work effective with others on a person-to person basis.
Ability to communicate, motivate, lead.

iii. Conceptual skills:

Top mgt. need these type of skills as they are framing the long range planning
Here the enterprise is considered as a whole rather than parts.

Characteristics of managers:

- He should be flexible
- He should be such person who is capable of handling critical situations rather than doing routing jobs.
- He engages in anticipatory socialization at each stage he copies the values of those who are a step above him.

Objectives of executive development:

- To improve in inter-departmental co-operation
- Highlight the individual weakness
- Ensuring that the qualification of key personnel role is better known.
- Creating reserves in management ranks
- Stimulating junior executives to do better work.

a. Top management:

1. To acquire knowledge about the problems of HR.

2. To think through problems this may confront the organization now and future.

b. Middle line management:

1. To develop the ability to analyze the problems and to take appropriate actions.
2. To develop familiarity with the managerial uses of financial accounting psychology, law.

c. Middle functional executives & specialists:

1. To increase knowledge of business functions & operations in specified field in marketing, production, finance and personnel.
2. To increase proficiency in management techniques [work study, inventory control, OR]

UNIT-4

MENTOR- PROTÉGÉ RELATIONSHIP

Developing Mentor-protégé relationship:

“The relationship between an experienced employer and a junior employee in which the experienced person helps the junior person with effective socialization by sharing information gained through experience with the organization.”

Requirements for effective mentor-protégé relationship:

1. The status & characteristics of the mentor:

Mentors should be seniors in status, experience, age, skills, knowledge.

2. Protégé: Junior employees should have the zeal to learn from their senior employees regarding their career, social and psychological aspect.

3. The relationship: It is based on mutual dependence & mutual trust.

4. The activities:

- ❖ Developing the potentials of the protégé.
- ❖ Improving protégés performance
- ❖ Interlinking formal learning & practices
- ❖ Guide, support, providing feedback

5. Developing higher skills:

It should encourage their juniors towards high task performance by reducing weakness & strength of the protégés.

6. Response of the protégé:

Proteges should learn carefully regarding career opportunities, personal goals.

CARRER MANAGEMENT

Definition: - Flippo

“As a sequence of separate but related work activities that provides continuity, order and meaning in a persons life.”

Objectives:

1. Empowerment
2. Reduction in frustration
3. Competitive advantage
4. Acquisition & retention
5. Equity & fairness

DIMENSIONS:

- a. **Internal:** Individual perceptions about their career. [personality, heredity, work environment, education.]
- b. **External:**
 - (i) **Factory workers:** It is the progress which he achieves in rise of pay & may not be upward promotion in a vertical hierarchy.
 - (ii) **Managers:** It is the upward promotion to higher posts which are clearly laid down in the succession plan and in the hierarchy of jobs. [higher pay, authority, responsibility]

STAGES OF CAREER DEVELOPMENT:

I EXPLORATION:

- Influence from parents, relatives, teachers.
- Financial resources
- Ends early 20's when one learns the studies goes for employment.

II ESTABLISHMENT STAGE:

- Searching job, getting first appointment.
- First time the candidates will be facing control, command through boss.
- By this they will make mistakes & try to learn lesson from it.

III MID CAREER STAGE:

Employees show continuous improvement performance –fly high.

IV LATE CAREER STAGE:

They are in a relaxed stage.

Higher status, recognition, more subordinates, to listen to your words.

V DECLINE STAGE:

This stage is inevitable and has to be faced by each & everyone of us.

Plateaued employees:

At the age of 40, upward mobility stops for many employees.

To reduce de-moralising effects:

- a. monitors should help in reducing the hurt feelings.
- b. Adding career ladder
- c. Giving them importance by assigning the task force.

MOTIVATION

Motives: They are the expressed needs & could be conscious or subconscious. These motives drive people to act.

MOTIVATIONAL THEORIES:

I CONTENT THEORY:

This theory is people-centered “what”

a. Abraham Maslow’s need hierarchial theory:

- **Physiological need:** water, food, pay
- **Security need:** shelter, clothing, pension, insurance
- **Social need:** affection, friends in work place
- **Esteem need:** Recognition, job title.
- **Self-actualisation needs:** achievements, challenging jobs

b. Herzberg’s two-factor theory:

(i) Maintenance or dissatisfier factor:

- These are the extrinsic factors
- They will remove discomfort dissatisfaction.

➤ They are not motivators.

Presence: will not motivate

Absence: demotivate

Ex: Company policy

(ii) Motivational factors or satisfiers:

These are the intrinsic factors to work [job content]

Presence: motivate

Absence: will not demotivate

Ex: recognition, responsibility

c) Douglas McGregor's theory : "X & Y"

Theory X:

- ✓ People dislike work and will avoid it as far as possible.
- ✓ They must be threatened, controlled with punishment to make them work towards objectives.
- ✓ No ambition, avoid responsibilities.
- ✓ They want security

Theory Y:

- They will consider the work as natural activity like play, sleep
- Self-directed, self-control, committed to the objectives
- Learn to accept & seek responsibility
- Creativity

d) David McClelland's 3 need theory

- (i) **Need for achievement** [n-ach]: People have the desire to achieve and advance up in the ladder of success.
- (ii) **Need for affiliation**: [n-aff]: Desire for friendly & close relationship
- (iii) **Need for power** [n-pow]: Desire to be influential to control people & change situations.

e) Alderfer's ERG Theory:

Alderfer's Needs	Concerned with	Maslow's needs
Existence	Basic material needs for existence	Physical & safety
Relatedness	Desire to maintain input skills	Social needs
Growth	Intrinsic desire for personal development & to be creative and to achieve full potential.	Esteem and self-actualization needs.

II PROCESS THEORIES:

These are work-centered [how] and explain how behaviour is energized, directed and maintained.

a. Vroom's expectancy theory:

Victor H. Vroom believed that motivation is the outcome of the values an individual seeks.

Motivation = valence * expectancy * instrumentality

Valence: It is the strength of a person's preference for an outcome or reward. Ex: Promotion.

Expectancy: It is the strength of belief that a particular action will lead to a particular outcome.

b) Adam's Equity theory: [1965]

J. Stay Adams propounded that people are tend to do the following:

- Comparing one's input to one's own output.
- Comparing others input to their output
- Surplus- happy
- Deficit – demotivated

III Drive theories:

Here, it is believed that the internal drive motivates an individual to work.

IV Incentive theories:

These theories state that there is sometimes the goal itself which motivates the behaviour. They are also called ad "Pull Theories".

REWARDS

Features:

1. Monetary & Non-monetary
2. Timing accuracy & frequency
3. Communication

Types of reward:

1. Direct compensation:

It consists of basic salary, overtime, holiday premium, bonus, based on performance and opportunities to purchase the stock options.

2. Indirect compensation:

It includes protection programs like insurance plan & pensions. Since it is offered to all employees irrespective of their performance they will remain in the organization.

3. Intrinsic reward:

These are the rewards which an individual receives for himself ex: participation in decision making, adding more responsibilities.

a. Performance based rewards:

It is purely based on the performance of the employees & they are rewarded proportionately to their performance.

b. Membership based rewards:

This is the reward which is paid to an employee for being a member of the organization which has no linkage to performance or productivity. Ex: DA, which is linked to cost of living index.

4. Extrinsic reward:

These are the rewards which can be classified into 3.

- i) **Direct compensation:** Basic wage & salary, performance bonus, profit-sharing, stock options.
- ii) **Indirect compensation:** Service facility, protection program.
- iii) **Non-financial compensation:** Duration of lunch hours, parking spaces, impressive job title.

Guidelines for effective incentive plan or reward plan:

1. Ensure that efforts & rewards are directly related.
2. The reward must be valuable to the employees.
3. It should be clearly identifiable.
4. It should be understandable.
5. It should be paid promptly
6. It must minimize the frictions between the workers.

Cafeteria compensation:

The assumption here is such that every employee needs are different. Therefore, he is permitted to select that combination of rewards which is most attractive to him. The philosophy here involved is the workers will be highly motivated if they can select those rewards that have the greatest pay off for them.

COMPENSATION

Compensation: “White collar workers”

It may be defined as money received in the performance of work, plus many kinds of benefits & services that organization provides their employees.

Money: Direct compensation

Benefits: Indirect compensation

Wage: It is the remuneration paid for the service of labour in production, periodically to an employee. It usually refers to the hourly rate paid to such groups as production – maintenance workers “blue collar” workers.

Earnings: It is the total amount of remuneration received by an employee during a given period. It includes

Salary : DA, HRA, CCA, OT

Nominal Wage:

It is the wage paid or received in monetary terms.

Real wage: It is the amount of wage arrived after discounting nominal wage by the living cost.

Take home salary:

It is the amount of salary left to the employee after making authorized deductions like E.S.I, PF IT.

Minimum wage:

It is the amount of remuneration which could meet the normal needs of the average employee regarded as a human being living in a civilized society.”

Objectives of wage & salary administration:

1. To acquire qualified competent person
2. To retain the present employee
3. To secure internal & external equity
4. To ensured desired behaviour
5. To keep labour & administration costs.

Principles of wage & salary administration:

1. There should be definite plan for different jobs.
2. The general level of wage should be in line with prevailing labour market.
3. Equal pay for equal work
4. An equitable practice should be adopted.
5. There should be a clearly established procedure for hearing & adjusting wage complaints.
6. The wage should be sufficient to ensure for the worker & his family reasonable std. of living.

THEORY OF WAGES

I SUBSISTENCE THEORY:

- Also known as “iron law of wages”
- David Ricardo [1772-1823]
- If workers are paid more than subsistence level – no. of employment will increase.
- If workers are paid less than subsistence level - no. of workers will decrease.

II WAGES FUND THEORY:

- Adam smith [1723-1790]
- Wages are paid out of surplus – savings from wealthy persons.
- When the funds are large, wage – high
- When the funds are small wage – reduced to subsistence level.

III THE SURPLUS VALUE THEORY OF WAGES:

- Karl marx [1818 -1823]
- Labour is considered as commodity which can be purchased on payment of subsistence price.
- Labour was not paid on the proportion of time he spends on work but much less on the time needed to do the job. So, whenever there is surplus it can be used for paying other expenses.

IV RESIDUAL CLAIMANT THEORY:

- Francis A. Walker [1840-1297]
- Factors of production land, labour, capital, entrepreneurship
- Wages are the amount of value created in the production process, after paying to the factors of production. [Residual claimant – labour]

V MARGINAL PRODUCTIVITY THEORY:

Philips Henry wicksteed [England] & john bates clark [USA]

Wages are paid depending on the demand & supply of labour.

If the worker contributes more to the total value than to the cost the employer continues hiring otherwise it will start to hire superior technology.

VI THE BARGAINING THEORY OF WAGES:

- John Davidson
- Wages are determined by the relative bargaining power of workers/ trade unions.

VII BEHAVIOURAL THEORIES:

1. The employees acceptance of wage level: size, prestige, power, wages, benefits.
2. The internal wage structure – Social norms, customs, prevalent in the organization & prestige attached to the jobs, demand for specialized Labour all affects the internal wage structure of an organization.

WAGE INCENTIVE PLAN: BLUE COLLAR WORKERS

1. HASLEY PREMIUM PLAN:

A standard output within a standard time is fixed as the basis of previous experience. The bonus is based on the amount of time saved by the worker [33.5%]

Wages is paid on the time rate basis. If he doesn't complete the standard output within the stipulated time, he is paid on the basis of a time wage.

Ex:20 hrs std time to do the job, 3.50 daily wage

Wage bonus = $\frac{1}{2} * \text{time saved} / \text{time taken} * \text{daily wage}$

$$= \frac{1}{2} * 6/14 * 3.50$$

$$= 0.75$$

$$= 3.50 * 0.75 = 4.25$$

2. Hasley weir premium plan:

Similar to the Hasley plan except that 50% of the time saved is given as premium to the worker.

Bonus = $\frac{1}{2} * \text{time saved} * \text{hrly wages}$

$$= \frac{1}{2} * 6 * 0.25$$

$$= 0.75$$

3. Rowan premium plan:

Here the time saved is expressed as a % of the time allowed & hourly rate of pay is increased by that % .

Total earnings of the worker = Total no. of hrs * increased hrly wages.

Ex. Std. hrs for doing job 8 hrs 4.00 Rs. /hr

Hrs	Premium	Total wages
5	1	$4 + 1 = 5$
4	2	?

Bonus = time saved/ time allowed * time taken * hourly rate

$$= \frac{3}{8} * 5 * 0.50$$

$$= 0.937 \text{ or } .094 \text{ or } 1.00$$

4. The 100% Premium plan:

Here task standards are set by time study. Rates are expressed in time rates rather than money.

Definite hourly rate is paid for each task hour of work performed.

Ex: A worker completes the task in 10 hrs than 8 hrs. hrly rate is 0.50

5. The Beadeaux point plan:

Here, the wage is paid on the basis of minutes which an employee is taking for completing a task.

Ex: A worker earns 600 B's in a day; rate per point is 0.01

1b = 60 secs

Therefore for 8 hrs $8 * 60 = 480$

$480 + 75\%(600-480) * 0.01$

$480 + 0.90 = 480.9$ or 5.00Rs

6. Taylor's Differential piece rate plan:

This system is designed to encourage the specially efficient workers with a higher rate of payment & to penalize the inefficient by a lower rate of payment.

7. Merrick's Multiple piece rate system:

Based on the principle of "low piece rate for slow worker, higher piece rate for higher production."

83% = + 10% time rate bonus

>83% = 100% = same piece rate + 20% of time rate

>100% = same piece rate but no bonus

8. The Gantt task & bonus plan:

- Devised by H.C. Gantt
- Fixed time rates are guaranteed.

- Both output standards, time standards are established.

3 stages of payment:

I STAGE: Below the standard performance, only the minimum guaranteed wage is paid.

II STAGE: Std. Performance wage + 20% of time rate will be paid as bonus

III STAGE: Std. is exceeded, higher piece rate is paid but there is no bonus

9. Emerson Efficiency plan:

Efficiency: Ratio between the standard time fixed / time actually taken by a worker.

10. Co-partnership system:

Worker shares not only profit but also control and responsibility:

11. Accelerating premium system:

Under this system, guaranteed minimum wage will be paid for the output when he is not meeting the standards which are given by the organization.

LONG TERM WAGE INTENSIVE PLAN: [WHITE COLLAR WORKERS]

Under this, each member of the group receives a bonus based on the operation of the group as a whole. It applies to small work groups of 5 to 6 people. The incentives are

I STANDARD OUTPUT:

Here, man per hour is laid down when it exceeds, bonus will be paid.

II VALUE ADDED BY MANUFACTURING:

When the worker produces output with less cost compared to the standard cost then bonus will be paid appropriately.

III BONUS CALCULATED ON THE INCREASED VALUE OF SALES:

Here, bonus will be paid to the group when there is increased sales compared to the normal sales.

IV PROFIT SHARING:

a. Industry basis:

Here all industrial units are grouped together to determine the share of the labourers.

b. Locality basis:

Industrial units in a particular locality are grouped together to share their profits among them:

C Unit basis

D Department basis

E Individual basis

Minimum wage:

The wage which must provide not only for the bare sustenance of life, but for the preservation of efficiency of the workers.

Living wage:

Living wage is to provide for a standard of living that would ensure good health for the worker and his family as well as a measure of decency, comfort, education, for his children & protection against the misfortunes.

Fair wage:

It is the wage which is above the minimum wage but below the living wage:

Lower limit - minimum wage

Upper limit – Living wage [capacity of industries]

Need based minimum wage:

Indian Labour conference at its 15th session July 1957 suggested that minimum wage fixation should be need based & should meet the minimum needs.

- Std. working – family should be taken to consist of 3 consumption for the earner.
- The minimum food requirements should be calculated on the basis of net intake of 2700 calories for an organization Indian adult.
- The clothing requirements should be estimated at per capita consumption of 18 yards per annum. So, for a family of 4 it comes to 72 yards per annum.
- Housing norms should be the minimum rent charged by the govt. in any area for houses under the subsidized housing groups for low income groups.

Types of wages:

1. Time wage:

Here wages are paid according to the no. or hrs an employee spend in this organization.

2. Piece wage:

Here, wages are given according to the no. of pieces or no. or units produced by an employee.

3. Balance or debt method:

Under this method, wages are paid by taking both piece & time wage into consideration. If time wage is more than piece wage, then the wage will be paid according to the no. of hrs spent & vice versa.

GROUP INCENTIVE PLAN:

Scanlon plan:

It is the plan which was developed in 1937 by Joseph Scanlon lecturer, Massachusetts Institute of technology, California.

The plan has 2 features:

1. Financial incentive:

Here, the main aim is to ask the cost and thereby to increase the efficiency of the production.

2. A network of departmental & plant screening committees are set up to evaluate employee & management cost cutting suggestion.

This plan acts as a suggestion system and assumes that efficiency requires company wise co-operation. The main objective of this plan is to involve the workers in making suggestions for reducing the cost of operation and thereby to improve the work methods & share the gain of increased productivity. If the suggestion is successful, then 75% of the profit is shared among the employees & rest 25% will be kept aside as reserve for the months in which labour cost exceeds the standard cost.

UNIT – 5

PROMOTION

Promotion:

It is an advancement of an employee through a better job – better in terms of greater responsibility, authority, prestige and especially increased rate of pay or salary. – Paul Pigors and Charles A. Myers.

Types of promotion:

1. **Vertical promotion:** Employees move to the next higher level in the organizational hierarchy with greater responsibility, authority, salary and status.
2. **Upgradation:** The job is upgraded in the organizational hierarchy by the way of increased salary, authority and responsibility.
3. **Dry promotion:** Here the employees are moved to the next cadre in the organizational hierarchy without any increase in salary but with an increase in responsibility and authority.

Purpose of promotion

1. To develop competitive spirit.
2. To build loyalty
3. To increase the morale
4. To reward committed and loyal employees.

Basis of promotion:

Merit: It is taken to denote an individual employee skill, knowledge, ability and aptitude which is measured from past experience.

Pros:

1. It encourages the employee to acquire new skills and knowledge
2. Competent employees are motivated to exert all their resources and contribute to the organizational goals.

Cons:

1. The technique of merit measurement is highly subjective in nature.
2. Merit denotes mostly the past achievements but not the future success.

Seniority:

It refers to the relative length of service in the same job and in the same organization.

Pros:

1. It is easy to measure the length of the service and judge the seniority.
2. There will be no favouritism or discrimination.
3. It minimizes the scope for grievances and conflicts regarding promotion.

Cons:

1. The assumption that the employees learn more relatively with the length of service is not valid.
2. It demotivates the young and more competent employees and results in employee turnover.
3. Judging may be easy theoretically but practically it is very difficult b'z of the following basis:
 - a. Job seniority
 - b. Company seniority
 - c. Regional or zonal seniority.

Seniority cum Merit:

1. **Minimum length of service and merit:** Under this method, all employee who have completed minimum service are eligible for promotion. If this condition is satisfied, then merit will be taken as the sole criteria.
2. **Minimum Merit and seniority:** Those who are scoring minimum scores for their performance are eligible and thereof the seniority is considered.
3. Measurement of seniority and merit through a common factor.

Note: refer in book the following

- a. Problems of promotion
- b. Pros and cons of promotion

TRANSFER

Transfer:

It is defined as a lateral shift causing movement of individuals from one position to another usually without involving any marked change in duties, responsibilities and compensation.”

Types of transfer:

1. **Production transfer:** changes in production will cause the transfer
2. **Replacement transfer:** due to replacement of a long standing employee in the same job.
3. **Rotation transfer:** increase the versatility of employees.
4. Shift transfer
5. **Remedial transfer:** To correct the wrong placements
6. **Penal transfer:** disciplinary action.

Reasons for transfer:

1. **Employee initiated transfer:**
 - a. **Temporary:** ill-health, family problems.
 - b. **Permanent:** Permanent disablement, challenging, creative opportunities, relieving from monotony.
2. **Company initiated transfer:**
 - a. **Temporary:** absentism, fluctuations in quality production.
 - b. **Permanent:** Change in technology, to improve the versatility of the employees, to minimize the corruption.
3. **Public initiated transfer:**
 - a. If an employees behaviour in the society is against the norms, then the public may initiate the transfer.

Pros and cons of transfer:

Pros:

- a. Reduces monotony
- b. Improves employee skills and knowledge

Cons:

- a. It will affect the employees morale and commitment.
- b. Employees cannot adjust to the new place, environment and superiors.

DEMOTION

Demotion:

It is the reassignment of a lower level job to an employee with delegation of authority and responsibility required to perform in lower level job and normally with lower level pay and salary.

Reasons for demotion:

1. Unsuitability of the employee to higher level jobs.
2. Adverse business conditions.
3. Withdrawal of the production lines
4. Closure of certain departments or plants.
5. Junior employees will be retrenched and senior employees will be demoted.
6. New technology and new methods of operation, demand, new and higher level of skills.
7. Disciplinary grounds.

SEPARATION

Separation:

It means termination of employment. It can be done by the following ways:

1. Voluntary quitting or resignation.
2. Layoff – lack of power, machinery and materials.
3. Discharge – it involves separation of an employee from the payroll for the violation of company rules and regulations.
4. Dismissal – It is the termination of services of an employee by way of punishment or misconduct.
5. Retirement or death

6. Retrenchment – It is the termination of an employee from his services b'z of the organisaiton incapability to provide the required resources to him. It is permanent in nature.

Separation rate: (total separation per year / avg. no. of employees for the year) * 100

[Note: If any topic under separation is asked separately in part-b you should write it in detail. Ex: Explain in detail about retrenchment? Then you should write meaning, characteristics, reasons, pros,, cons etc.]

ACCESSION

Accession: These are the new additions of candidates to the existing employees. In short we can say either employment of new candidates or re-employment of former employees.

Accession Rate: (Total accessions per year / Avg. no.of employees for the year) * 100

[Refer the following for all the topics mentioned below:

Principles and policy of

- a. promotion
- b. transfer
- c. Separation
- d. Demotion.]

GRIEVANCE

Grievance:

A written complaint filed by an employee and claiming unfair treatment. Dale yoder.

Dissatisfaction:

It is any state or feeling of discontent which is unexpressed.

Complaint:

A dissatisfaction which is orally made by one employee to other is known as complaint.

Grievance:

A complaint becomes a grievance when this dissatisfaction which is mostly related to the work is brought to the notice of management.

Redressal Methods or 5 step grievance procedure for solving grievance:

Step -1 :

Here the aggrieved employee verbally explains his grievance to his immediate superior.

Step-2:

When the grievance is not solved by his superior it goes to higher level manager with a note of time, place, nature of action which he requires.

Step -3:

When the problems is not solved with the higher level manager then the grievance committee will try to solve.

Step-4:

If the decision of the grievance committee is not accepted by the grievant employee, then he may approach to top management.

Step-5:

Arbitrator award will be final and it will be binding on both the parties.

[Note: Refer diagram in Mamoria and mamoria]

PERFORMANCE APPRAISAL

Performance Appraisal:

It is a process of evaluating an employees performance of a job in terms of its requirements.

Methods of Performance appraisal:

It can be broadly classified into 2:

1. Traditional methods
2. Modern methods

Traditional methods:

1. Straight ranking method
2. Man-to-man comparison method
3. Grading
4. Graphic rating scale
5. Forced choice description method
6. Forced distribution method
7. check list
8. free form essay method
9. critical incident method
10. group appraisal method
11. Field review method.

Modern methods

1. Assessment centre
2. MBO
3. Human asset accounting method.
4. BARS

Feedback:

Before:

- a. Communicate frequently with subordinates about their performance.
- b. Encourage subordinates to prepare for performance appraisal feedback interviews.
- c. Plan to use a problem solving approach rather than tell and sell.

During:

- a. Encourage subordinates to participate in judging their performance.
- b. Judge only the performance and not the personality.
- c. Be specific, active listener.

After:

- a. Communicate frequently with your subordinates about their performance.
- b. Periodically assess progress towards your goals.

JOB CHANGE

IMPLICATIONS OF JOB CHANGE:

Job change means systematically moving the employees from one job to another. It can help the person to develop more realistic of what he is and thus the sort of future career will be the best.

Change:

It can be proactive or reactive.

Proactive: This is the change which is planned and an attempt is made to prepare for anticipated future challenges.

Reactive: A reactive change may be an automatic process or a planned response to change which is taking place in the environment.

Types of changes:

1. Work change:

It includes changes in working hours, methods or work, job enlargement and job enrichment.

2. **Organisational change:** It includes changes in employees due to transfers, promotions, layoff, introduction of new products and services.

Resistance to change:

1. Economic reason:

- a. Fear of reduction in employment.
- b. Fear of workload
- c. Fear of demotion.

2. Personal reason

- a. Need for training
- b. Boredom and monotony.
- c. No participation in change

3. Social reason.

- a. Need for new social adjustments.

-----XXXXXXXXXXXXX-----

Question Bank

PART – A

UNIT – 1

1. List the computer applications in human resource management. (Nov/Dec 2011, May/June 2013)

Ans: E-recruitment, E-Selection, E-training & development, E-Performance appraisal, E-Grievance handling.

2. Define Human Resource Audit. (Nov/Dec 2011)

Ans: The Human Resources (HR) Audit is a process of examining policies, procedures, documentation, systems, and practices with respect to an organization's HR functions.

3. Define HRM? (April/ May 2010)

Ans: Personnel management is the planning, organizing, directing and controlling of the procurement, development, compensation, integration and maintenance of people for the purpose of contributing to organizational, individual and societal goals.

4. Name two popular software's that can be used in HRM? (April/ May 2010)

Ans: Orange HRM, Smiles HRM.

5. Name the internal sources of Human Resources? (April/ May 2010)

Ans: Present Permanent employee, Present temporary employees, Promotion, transfers.

6. Specify the objectives of human resource management. (June 2010)

Ans: To achieve effective Utilization of Human Resource in the achievement of organizational goals.

- To secure the integration of the individuals and groups with an organization [loyalty, commitment] .
- To generate maximum individual or group development within an organization by offering opportunities for advancement to employees through training and job education.
- To recognize and satisfy individual needs and goals by offering an adequate and equitable remuneration

- To maintain a high morale and better HR inside an organisation.

7. Mention any two applications of computer in HR. (June 2010)

Ans: E-recruitment, E-Selection, E-training & development, E-Performance appraisal, E-Grievance handling.

8. Differentiate HRM & personnel management? (Nov/Dec2010)

Ans: PERSONNEL MGT	HRM
Management of people employed	Management of Knowledge SA,
Man is an economic resource/ service exchanged for wage / salary	Man is an economic, social & Psychological
Human Resources as a commodity that can be & used	Human Resources are treated as a resource
Employees are cost centers, management controls cost	Profit centre- invest capital for development & future use
Human Resources are used for the personal benefit	Used for organisation, individual & family benefit
Auxiliary function	Strategic mgmt function

9. State the role of HR manager in any organization? (Nov/Dec2010)

Ans: a) Personnel Role:

- Advisory
- Manpower Planning
- Training & Development
- Measurement and Assessment of individual and group behaviour.

b) Welfare Role:

- Research in Personnel & Organisational Problems
- Managing services – canteens, transports, etc..
- Group Dynamics – Group counseling, leadership, motivation, etc..

c) Administrative Role:

- Time-keeping
- Salary & Wage Administration
- Maintenance of records.
- Human Engineering – Man-Machine Relationship

d) Fire-fighting Role:

- Grievance Handling
- Settlement of Disputes
- Handling disciplinary actions.
- Collective Bargaining
- Joint Consultation.

10. Specify the significance of HRM? (Nov/Dec2009)

Ans:

- To provide, create, utilize and motivate employees to accomplish organisational goals.
- To secure integration of individuals and groups in securing organisational effectiveness.
- To create opportunities, to provide facilities, necessary motivation to individuals and groups for their growth with the growth of the organisation by training and development compensation.
- To provide attractive, equitable, incentives, rewards, benefits, social security measures, to ensure retention of competent employees.
- To maintain high morale, encourage value system and create environment of trust, mutuality of interests.

11. Mention any 4 applications of computer in HRM. (Nov/Dec2009)

(May/June 2013)

Ans: E-recruitment, E-Selection, E-training & development, E-Performance appraisal, E-Grievance handling.

12. Define Human Resource Management (May/June2008)

Ans: According to Edward Flippo “HRM is planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and

separation of human resources to the end that individual, organizational and social objectives are accomplished.”

13. What are Human resource function? (May/June2008)

Ans: This is the function which includes procurement, development, compensation, integration, maintenance and separation of human resources.

14. State the essential characteristics of sound human resource management policy.

(May/June2007)

Ans:

- a. Key stone in the arch of management
- b. Statements of intention indicating an agreement to a general course of action
- c. A Positive declaration and command to an organisation.

15. What is the significance of markov analysis? (May/June2007)

Ans: A method for tracking the pattern of employee movements through various jobs.

16. What are the basic objectives of human resources management? (Nov/dec2008)

Ans:

- To achieve effective Utilization of Human Resource in the achievement of organizational goals.
- To secure the integration of the individuals and groups with an organization [loyalty, commitment] .
- To generate maximum individual or group development within an organization by offering opportunities for advancement to employees through training and job education.
- To recognize and satisfy individual needs and goals by offering an adequate and equitable remuneration
- To maintain a high morale and better HR inside an organisation.

17. State the importance of human factor. (Nov/dec2007)

- Significance for an enterprise
- Professional significance
- Social significance
- National significance

18. Define HRM. (Nov/dec2007)

Ans: Personnel /Human resources management is “The process of attracting, holding & motivating people involving all managers – line & staff.

19. Mention the significance of Human Resource Management. (May/June 2009)

Ans:

- Significance for an enterprise
- Professional significance
- Social significance
- National significance

20. State any four concepts of Human Resource Management. (May/June 2009)

Ans:

- To help the organization reach its goals.
- To ensure effective utilization and maximum development of human resources.
- To ensure respect for human beings. To identify and satisfy the needs of individuals.
- To ensure reconciliation of individual goals with those of the organization.
- To achieve and maintain high morale among employees.

21. What are the benefits of HR policies? (May/June 2013)

- To enable an organisation to fulfill or carry out the main objectives which has been laid down as the desirable minima of general employment policy.
- To establish the conditions for mutual confidence and avoid confusion and misunderstanding between the management and the workers.
- To protect the common interests of all the parties.
- To provide security of employment to workers.
- To provide an opportunity for growth.

- To provide for the payment of fair and adequate wages to the employees.
- To recognize the work and accomplishments of employees.
- To create a sense of responsibility, on the part of those in authority.

22. Highlight the importance of human resources in business organizations

(Nov/Dec 2011)(May/June 2009) (Nov/Dec 2008) (June 2010) (April/May 2010)

Ans: Importance of Human Resource in business organizations.

It is the human resource, which is of paramount importance in the success of any organisation, because most of the problems in organisational settings are human and social rather than physical, technical or economic. Failure to reorganize this fact causes immense loss to the nation, enterprise and the individual. In the words of Oliver Sheldon, “No industry can be rendered efficient so long as the basic fact remain unrecognized that it is principally human. It is not a mass of machines and technical processes, but a body of men. It is not a complex matter, but a complex of humanity. It fulfills its function not by virtue of some impersonal force, but a human energy. Its body is not an intricate maze of mechanical devices but a magnified nervous system”.

‘People at work’ comprise a large number of individuals of different sex, age, socio-religious group and different educational or literacy standards. These individuals in the work place exhibit not only similar behavior patterns and characteristics to a certain degree, but they also show dissimilarity. Each individual who works has his own set of needs, drives, goals and experiences. Each has his own physical and psychological traits. Each human being is not only a product of his biological inheritance but also a result of interactions with his environment. Family relationships, religious influences, racial or caste backgrounds, educational accomplishment, the application of technological innovations, and many other environmental-experimental influences affect the individual as he works.

23. What are the various objectives of human resource management function.

(Nov/Dec 2011) (May/June 2009) (June 2010) (April/May 2010) (May/June 2013)

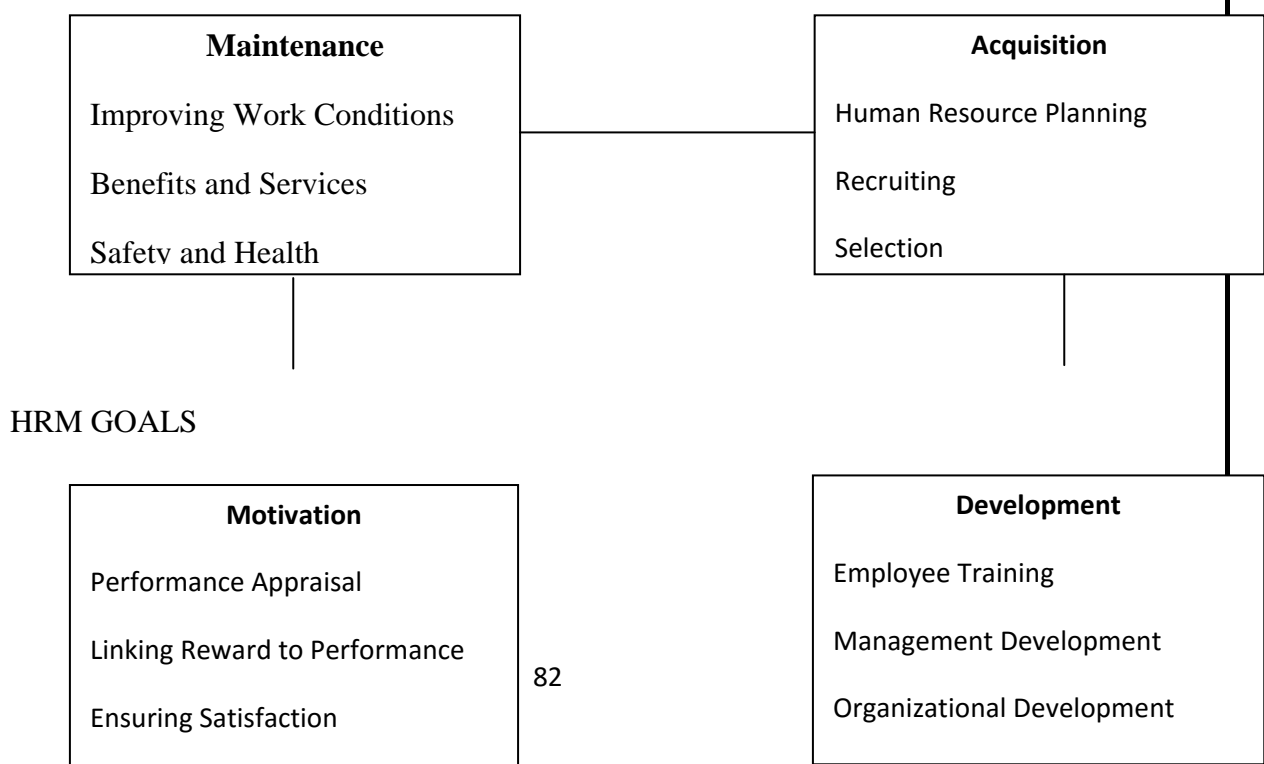
Objectives Of Human Resource Management

- To provide, create, utilize and motivate employees to accomplish organisational goals.

- To secure integration of individuals and groups in securing organisational effectiveness.
- To create opportunities, to provide facilities, necessary motivation to individuals and groups for their growth with the growth of the organisation by training and development compensation.
- To provide attractive, equitable, incentives, rewards, benefits, social security measures, to ensure retention of competent employees.
- To maintain high morale, encourage value system and create environment of trust, mutuality of interests.
- To provide opportunities for communication expression, participation, appreciation, recognition and provide fair efficient leadership.
- To create a sense and feeling of belongingness, team spirit and encourage suggestions from employees.
- To ensure that, there is no threat of unemployment, inequalities, adopting a policy recognizing merit and employee contribution, and conditions for stability of employment.

24. Write the role of HR manager?

Role of Human Resource Managers



25. Write the scope of HRM in any organizations.

The scope of Human Resource Management refers to all the activities that come under the banner of Human Resource Management. These activities are as follows.

- **Human resources planning**
- **Job analysis design**
- **Recruitment and selection**
- **Orientation and induction :-**
- **Training and development.**
- **Performance appraisal :-**
- **Compensation planning and remuneration :- .**
- **Motivation, welfare, health and safety**

26. What are the various functions of HRM? (Nov/Dec 2010) (May/June 2009)

FUNCTIONS OF HRM

A. Managerial Functions:

Planning, Organizing, Directing , Controlling

B. Operative Functions:

Procurement functions, Development functions, Motivation & compensation, Maintenance, Integration, & Separation.

27. State the purpose of personnel policies (Nov/Dec 2009) (Nov/Dec 2008) (April/May 2010)

➤ The Key-Stone in the arch of management and the life-blood for the successful functioning of the personnel management because, without these policies, there cannot be lasting improvement in labour management relations.

➤ The statements of intention indicating an agreement to a general course of action, indicating specifically what the organisation proposes to do and, thus, suggest the values and viewpoints which dominate the organisation's actions and

➤ A positive declaration and a command to an organisation. They translate the goals of an organisation into selected routes and provide general guidelines that both prescribe and proscribe programmes which, in turn, dictate practices and procedures.

28. Discuss various applications of computer in HRM. (May/ June2007)

Applications of HRIS

- Personnel Administration: Here personal information like employee id, name, address, dept, designation, D.O.B,.D.OJ, will be maintained.
- Salary Administration: Here salary details like current salary, deductions to be made, proposed salary hike etc. will be maintained.
- Leave / absence recording: Here employee's leave details like no. of leave eligible, no. of leave availed, loss of pay will be maintained.
- Skill Inventory: Here employee current skills, future potentials will be maintained.
- Medical History: Here, the employee's medical history like Fever, T.B, cancer will be maintained.
- Accident Monitoring: Here, no. of accidents met by the employees within the organization, outside the organization will be maintained.
- Performance Appraisal: Here, employees performance appraisal based on targets achieved, cooperation extended to peers, expected promotion will be maintained.
- Training and Development: Here, no. of training, types of training, duration of the training given to employees will be maintained.
- HRP: Here, Forecasting human resource requirements, forecasting human resource supply will be done for each financial year.
- Recruitment: Here, types of recruitment, employees to be recruited will be maintained for each department.
- Career Planning: Here, career planning, succession planning for all the employees will be done.
- Collective Bargaining: Here, employees/labour

29. What are the objectives of HR policies?

- To establish the conditions for mutual confidence and avoid confusion and misunderstanding between the management and the workers.
- To protect the common interests of all the parties.
- To provide security of employment to workers.
- To provide an opportunity for growth.
- To provide for the payment of fair and adequate wages to the employees.
- To recognize the work and accomplishments of employees.
- To create a sense of responsibility, on the part of those in authority.

30. Define HR polices.

HR Policies refer to principles and rules of conduct which “formulate, define, break into details and decide a number of actions” that govern the relationship with employees in the attainment of the organisation objectives.

PART -B

1. Trace the evolution of Human Resources Management in India. Write the scope of Human Resources Management in any organization.
2. Write in detail the various Functions of HRM in any organization.
3. Discuss the importance and Role of HR Manager.
4. State various types of personnel policies
5. Explain the steps in policy formulation. Also mention the characteristics of a sound policy.
6. Discuss application and implementation of HRIS.

UNIT – 2

1. What is employee selection? (Nov/Dec 2011)

Ans: Selection is the process of picking individuals (out of pool of job applicants) with requisite qualifications and competence to fill the jobs in the organizations. It is the system of functions and devices adopted in a company to ascertain whether the candidates specifications are matched with the job specifications and requirements.

2. List any two sources of recruitment. (Nov/Dec 2011)

Ans: Internal sources : Promotion, Demotion.

External sources: Employment exchange, walk-in-interview, educational institutions.

3. List the benefits of socialization? (April/ May 2010)

Ans:

Helps in understanding organizational culture

Contribute to employees longterm success.

Helps in adjustments

Helps in employee engagement

Provides job satisfaction.

4. Define H.R.P (June

2010)

Ans: Coleman has defined human resource or manpower planning as “the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organization.”

5. Explain reliability of tests. (June

2010)

Ans: The reliability of a test means the test's ability to give consistent results. Test reliability is the consistency of scores obtained by the same person when re-tested with the identical test or with an equivalent from the test.”

6. What is human resource inventory? (Nov/Dec2010)

Ans: Human Resources Inventory is an inventory of skills of human resources currently employed in the organization. It tells management what individual employees can do. The profile of the human resource inventory can provide information for identifying current or future threats to the organization's ability to perform .It is necessary for a firm to identify the current capability and skills of their employees.

7. What is e – recruitment (Nov/Dec2010)

Ans: Online recruitment is also resorted to these days. Organizations post their job openings on their website. Interested candidates fill in their applications and mail them online. Through the support of the HRIS, the applications are screened and short listed candidates are called for subsequent evaluation. Successful candidates are then offered the job.

8. State the advantages of HRP (Nov/Dec2009)

Ans:

- It helps to satisfy the individual needs of the employees for the promotions transfers, salary enhancement, better benefits etc.
- It helps in anticipating the cost of salary, benefits and all the cost of human resources facilitating the formulation of budgets in a society.

- It helps to foresee the need for redundancy and plans to check of human resources and to change the techniques of management.
- It helps in planning for physical facilities, working conditions, the volume of fringe benefits like canteen, schools, hospitals, conveyance, child care centers, quarters, company stores etc.
- It causes the development of various sources of human resources to meet the organizational needs.
- It helps to take steps to improve human resource contributions in the form of increased productivity, sales, turnover etc.

9. Define recruitment (Nov/Dec2009)

Ans: Recruitment may be defined as the process of discovering potential candidates for actual and anticipated organizational vacancies.

10. What are the merits of internal source of recruitment? (May/June2008)

Improves employees morale
Promotes loyalty among employees
Requires little training
Less costly

11. What do you mean by Thematic Appreciation Test(TAT)? (May/June2008)

Ans: It is a projective measure intended to evaluate a person's patterns of thought, attitudes, observational capacity, and emotional responses to ambiguous test materials. In the case of the TAT, the ambiguous materials consist of a set of cards that portray human figures in a variety of settings and situations. The subject is asked to tell the examiner a story about each card that includes the following elements: the event shown in the picture; what has led up to it; what the characters in the picture are feeling and thinking; and the outcome of the event.

12. Define selection. State the pseudo scientific selection methods. (May/June2007)

Ans: It is the process of discovering the qualification and characteristics of the job applicant in order to establish their likely suitability for the job position.

13. What are the skills to be possessed by the interviewer for effective way of interviewing others? (May/June 2007)

He should be an elderly person, more mature, slightly egotistical and not too much extrovert.

He must be socially detached which makes it possible for him to make more accurate judgement of others.

He should have slightly more than average intelligence, emotional maturity, interest in human beings and their behavior.

He should be a man with a genuine feeling of warmth and affection.

13. While considering human resources planning what external factors are to be kept in mind? Nov 2008 Ans: The external factors of HRP are

Government policies, Level of economic development, Business environment, Level of technology, International technology, International factors.

14. What are the barriers for the effective selection of the candidates for the organization? (NOV 2008)

Ans: Perception, Fairness, Validity, Reliability, Pressure

15. What do you mean by human resources planning? (Nov/dec 2007)

Ans: It is the process of estimating the present & future manpower requirements of the organization. Preparing inventory of present manpower & formulating action programmes to bridge the gaps in manpower.

16. What are the advantages of Man Power Planning? (May/June 2009)

Ans:

- It helps to foresee the need for redundancy and plans to check of human resources and to change the techniques of management.

- It helps in planning for physical facilities, working conditions, the volume of fringe benefits like canteen, schools, hospitals, conveyance, child care centers, quarters, company stores etc.
- It causes the development of various sources of human resources to meet the organizational needs.
- It helps to take steps to improve human resource contributions in the form of increased productivity, sales, turnover etc.
- It facilitates the control of all functions, operations, contribution and cost of human resources.

17. Define Stress Interview. (May/June 2009)

Ans: A stress interview takes place when a job applicant is placed in a stressful situation to see how they react. The candidate may be asked repeated difficult or inappropriate interview questions, there may be multiple interviewers at once or sequential interviews, or the candidate may be kept waiting, treated rudely, or otherwise put in an intimidating position.

18. What are the external sources for recruitment? (May/June 2013)

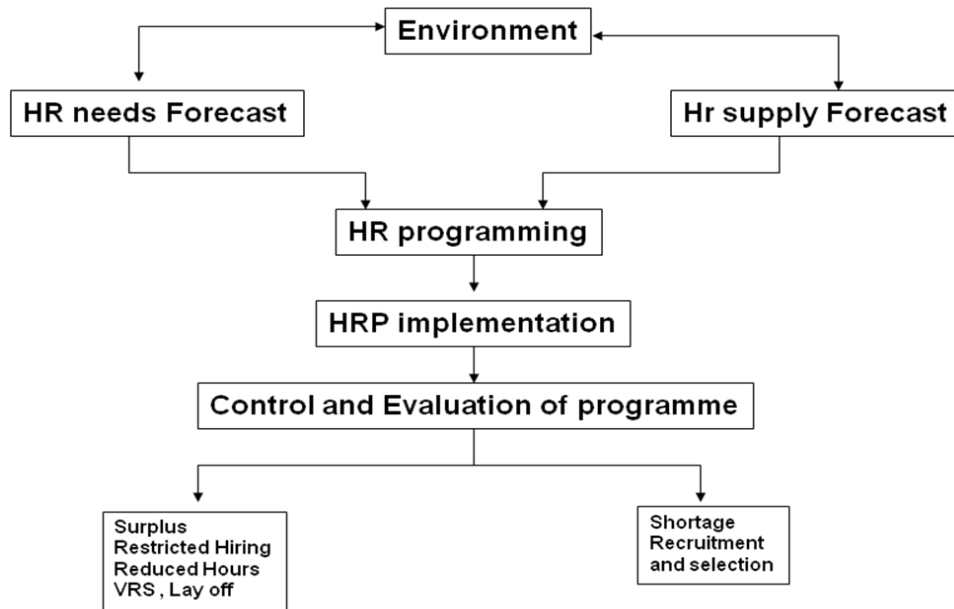
Ans: External sources: Employment exchange, walk-in-interview, educational institutions.

19. Describe the relevance of employee induction. (Nov/Dec 2011)

Ans: It is critical for organizations to provide the correct induction for any new employee as that will be beneficial to them and the organization. The induction lays the foundation of the relationship between the employees and the employer, this allows organizations to get the most out of the employees as quickly as possible and influences the long term success of the organization. It is important that all new employees receive induction training at the commencement of their employment and that they are provided with all the equipment and information necessary to carry out their jobs effectively. This can be provided in a myriad of ways such as training or mentoring. Depending on the nature of the induction, an induction may last for weeks or even months. During this time, the employee gains valuable information regarding the organization and how well they will expect to integrate in it.

20. Draw the process of human resource planning. (Nov/Dec 2009) (May/ June2008)
(May/ June2013)

HRP Process



21. What is the importance of HR selection process.

(April/May 2010) (May/June 2009) (May/ June2007) (Nov/Dec 2008)

Selection is the process that an organization uses to determine which job applicant will be the most successful in meeting the demands of the job or will fit well with the existing work groups and the culture of the organization. Poor selection procedures and processes lead to various unnecessary costs in the organization. In the recruitment process, an organization hires the most suitable and qualified candidate -- whether he is internal or external to the organization - - to fill a job vacancy. Orientation deals with new employees assimilating into the organization.

22. Discuss suitable sources for recruiting software professionals. (June 2010)

(June2007) (Nov/Dec 2008)

According to Yoder “ Recruitment is a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force.”

The sources of recruitment are broadly classified into two categories and they are: -

I Internal source: - It consists of :

1. Transfer
2. Promotion
3. Employee referrals

4. Former employee
5. Dependents and relatives of deceased and disabled employee.

II External source : - It consists of :

1. Advertisements
2. Educational institute
3. Placement agencies
4. Employment exchange
5. Labor contractors
6. M&A's
7. Recruitment at factory gate
8. Job portals

23. What is the Significance of HRP (Nov/Dec 2010)

An organization needs inputs like financial resources (money and credit), physical resources (buildings and machinery), and intellectual resources (people) to achieve the goals. Often, managers underestimate the importance of people for the success of an organization. The people in the organization are the most important resources. Physical resources and money cannot plan and work for success, people can. Organizations are made up of people. People need to be recognized as the organization's most valuable assets. Organizations do not own people, as it does other resources. Hence, this resource is not given enough attention. Most failures in business however, are because managers have not realized this. In the recent past, across the globe, however, there is a growing interest in people issues. It is understood that the competitive edge of an organization is in its intellectual capital.

To prevent such a situation, the organization must undertake manpower planning as a continuous process. It will also facilitate planning for future development of the organization. Through human resource planning, it is possible to assess the current status, the future requirement, forecast demand and supply, and match demand and supply of human resources. All of these will facilitate the growth and development of the organization.

24. Explain the recruitment process in the organization. (Nov/Dec 2010)
(May/June 2009) (Nov/Dec 2008)

The recruitment process consists of following steps:-

- * Recruitment process generally starts when the personnel department receives requisition for recruitment from any department the company.
- * Locating and developing the sources for recruitment.
- * Identifying the perspective candidate.
- * Communicating the information about the organization and job.
- * Encouraging the identified candidate to apply for the position offered.
- * Evaluating the effectiveness of the recruitment process.



25. Elaborate the various tests used in selection process(Nov 2009)(Nov/Dec 2008)(June 2010) June2013)

(i) **Knowledge test:** This relates to the question such as the tax laws., audit regulations, accounting systems, current affairs etc.

(ix) **Ability or proficiency test:** These are the test which measures the skills and abilities which is already present in the candidates at the time of testing.

(x) **Performance simulation test:** These tests are aimed to find out if the applicant can do the job successfully by asking him to do it.

c. **Work sampling:** Here standard trait test have been developed for electricians and other low level jobs.

d. Assessment centers: Here, line executives will evaluate the candidates as they go through 3 to 4 days of exercises that stimulate the real problems that the candidates are likely to encounter on the job in future.

(xi) Psychological test:

d. Intelligence test: Here, “Binet simon” test assumes that intelligence is a general trait or quality which is required to perform any task. [comprehension & reasoning]

e. Aptitude test: This test measures whether an individual has the capacity or ability to learn a given job if given adequate training. Some of the tests under this category are as follows:

Matrix {Management Trial exercise} designed by Procter & Gamble.

CAT [Clerical aptitude test] This test is conducted to assess the vocabulary, spelling, arithmetical ability & checking.

PAT [Pilot aptitude test] This test is conducted in order to assess the co-ordination between the hand movement and feet movement.

Computer aptitude test: To assess the power of reasoning & analysis.

f. Interest test: These tests are designed to find out the interest of an applicant in the job.

(xii) Personality test: It is the test which is given to see the emotional reaction of the candidates.

(xiii) Individual test

(xiv) Group test

(xv) Tailor-made test: These are the test which are developed to suit their own requirements and it is developed only when there is a continuing demand for large no. of new employees for a single job.

26. What are the types Of Employment Tests.

Individuals differ in characteristics related to job performance. These differences, which are measurable,

relate to cognitive abilities, psychomotor abilities, job knowledge, work samples, vocational interests, and

personality. Various tests measure these differences.

a. Cognitive Aptitude Tests

It measures an individual's ability to learn, as well as to perform a job. Job-related abilities may be classified

as verbal, numerical, perceptual speed, spatial, and reasoning.

b. Psychomotor Abilities Tests

This type of test is used to measure strength, coordination, and dexterity. It is feasible to measure many

abilities that are involved in many routine production jobs and some office jobs.

c. Job Knowledge Tests

This sort of test is designed to measure a candidate's knowledge of the duties of the position for which he

or she is applying.

d. Work-Sample Tests (Simulations)

It identifies a task or set of tasks that are representative of the job. The evidence concerning these tests, to

date, is that they produce high predictive validity, reduce adverse impact, and are more acceptable to

applicants.

e. Vocational Interest Tests

It indicates the occupation in which a person is most interested and is most likely to receive satisfaction.

f. Personality Tests

It is a selection tools, personality tests have not been as useful as other types of tests. They are often

characterized by low reliability and low validity. Because some personality tests emphasize subjective

interpretation, the services of a qualified psychologist are required.

g. Drug and Alcohol Testing

Basic purpose of the drug-testing programs contends that it is necessary to ensure workplace safety,

security, and productivity.

h. Genetic Testing

As genetic research progresses, confirmed links between specific gene mutations and diseases are emerging.

Genetic testing can now determine whether a person carries the gene mutation for certain diseases,

including heart disease, colon cancer, breast cancer, and Huntington’s disease.

i. Honest Test/Polygraph Tests

These tests contain questions regarding such situations as whether a person who has taken company merchandise should be trusted in another job that involves handling company money. An individual’s response to the test statements indicates the individual’s attitudes towards theft, embezzlement, and dishonest practices.

j. Internet Testing

The Internet is increasingly being used to test various skills required by applicants.

27. What is HR Forecasting?

HR Forecasting attempts to determine the supply and demand for various types of human resources, and to predict areas within the organization where there will be labor shortages or surpluses.

28. What is HRP?

Ans: HRP is the process of analyzing an organization’s human resource needs and developing plans, policies, and systems to satisfy those needs

29. List the goals of recruitment.

Attract the qualified applicants.

Encourage unqualified applicants to self-select themselves out.

30. List the sources of recruitment.

Internal sources

Job posting & bidding

Promotions and transfers

Employee referrals

Internal recruiting data base.

External sources

School college & universities, labor unions, employment agencies.

PART- B

1. Human Resources planning is a prerequisite for effective management of human resources of an organization. In the light of this statement analyze in detail the significance of Human Resource Planning.
2. Explain the Recruitment Process in the organization. Add a note the various challenges in recruitment. Describe the sources of recruiting people.
3. Discuss various techniques used in MPP.
4. How HR Forecasting is is done? Explain the process.
5. Explain the process of HRP?
6. Elaborate the various tests used in selection process.

UNIT – 3

1. What is meant by vestibule training? (Nov/Dec 2011)

Ans: It is a classroom training which is often imparted with the help of the equipment and machines which are identical with those in use in the place of work.

2. List any two ways of self-development. (Nov/Dec 2011)

Ans: Attending conference, publishing articles.

3. Give two disadvantages of In-House training programmes? (April/ May 2010)

Ans: Learners are often distracted by the noise at the workplace. Instructions may not be properly comprehended at times in this types of writing.

4. Define Knowledge Management? (April/ May 2010) (May/ June 2013)

Ans: According to E.Zest, Knowledge management is a process by which information is used to create something actionable.

5. Write a note on vestibule training. (June 2010)

Ans: It is a classroom training which is often imparted with the help of the equipment and machines which are identical with those in use in the place of work.

6. Specify the limitations of off-the job training (June 2010)

Ans:

1. Depending on the course, the overall cost could prove quite expensive for example; many courses may require an overnight stay at a hotel if the course is outside the area or the course itself may prove to be expensive due to the level of expertise or equipment need to deliver the course.

2. As there is no real way to know the abilities both as a trainer and their subject knowledge of the people delivering the external training courses, there is no guarantee that sufficient skills of knowledge will be transfers or valuable.

3. The different learning speeds of individuals who are usually forced to progress at a compromise rate.

4. Not all the learners will be starting at the same knowledge or skill level and there is a risk that those starting at the lowest levels, if account is not taken of this, will be lost from the start.

7. What is off the job training? (Nov/Dec2010)

Ans: In this method, the training is done away from the workplace. There are a number of techniques used in this method of training. While some are very easy and use simple equipment some others are complex and require sophisticated equipments.

Four popular off -the -job- training techniques are:

- Lectures
- Films
- Simulation
- Programmed Instruction

8. Explain the term career briefly? (Nov/Dec2010)

Ans: The term large can be defined as "the pattern of work- related experiences (eg. Job positions, job duties, decisions, and subjective interpretations about work- related event's) and activities over the span of the person's work life.

Stages in career

1. Exploration stage.
2. Establishment stage.
3. Mid- career (or advancement) stage
4. Late - career (or maintains) stage, and
5. Decline (or disengagement) stage.

9. Give the meaning of executive development (Nov/Dec2009)

Ans: Executive management may be defined as a systematic process of training growth by which managerial personnel gain and apply skills, knowledge, attitude and insight into managing the work in their organization effectively and efficiently.

10. Briefly explain behavior modeling (Nov/Dec2009)

Ans: A behavioral model reproduces the required behavior of the original analyzed system, such as there is a one-to-one correspondence between the behavior of the original system and the simulated system.

11. Mention the major behavior that influences the training strategy. (May/June2008)

Ans: Training and development objectives

Basic of Training and development

Cost of training

Resource personnel

Training methods.

12. Define chaining. (May/June2008)

Ans: It is a continuous connectivity of each and every activities of the organization. It is compared with the each and every function of HRM.

13. Who can be used as the trainers in the corporate training programme?

(Nov/dec2008)

Ans: The trainers, entrepreneurs, corporate experts, higher level executives, highly experienced corporate persons can be used as trainers in the corporate training programme.

14. What are fringe benefits? Give some examples. (Nov/dec2008)

Ans: Fringe benefits refer to various extra benefits provided to employees in addition to the compensation paid in the form of wage or salary.

Examples: Fringe benefits commonly include health insurance, group term life coverage, education reimbursement, childcare and assistance reimbursement, cafeteria plans, employee discounts, personal use of a company owned vehicle and other similar benefits.

15. Define Training. (Nov/dec2007)

Ans: It is the process by which employees learn knowledge skills & attributes to further organizational & personal goals.

16. State the purpose of training. (Nov/dec2007)

Ans:

- Changing technology
- Quality conscious customers
- Greater productivity
- Stable work force
- Increased safety
- Better management

17. What do you mean by Self Development? (May/June 2009)

Ans: Personal development includes activities that improve awareness and identity, develop talents and potential, build human capital and facilitates employability, enhance quality of life and contribute to the realization of dreams and aspirations. The concept is not limited to self-help but includes formal and informal activities for developing others, in roles such as teacher, guide, counsellor, manager, coach, or mentor. Finally, as personal development takes place in the context of institutions, it refers to the methods, programs, tools, techniques, and assessment systems that support human development at the individual level in organizations.

18. State some of the advantages of training. (May/June 2009)

Ans:

- 1) Improves cardiovascular endurance 2) Improves health related fitness 3) Reduces amounts of body fat
4) Maintains fitness in the off season

19. What are the types of training? (May/June 2013)

I On Job training:

- a. Job Rotation
- b. Internship training
- c. Apprenticeship training
- d. Vestibule School

II Off-Job training:

- a) Special Courses.
- (b) Role Playing.
- (c) Case Study.
- (d) Conference.
- (e) Multiple Management
- (f) Managements Games.
- (g) Syndicate Method
- (h) Sensitivity Training Or T-Group.

20. What are the benefits of socialization?

(Nov/Dec 2011)

Ans.: **Knowledge Sharing**

When a small business sends several communications during the day, it's easy for the reader to overlook an important memo or detail. During socialization, employees often share updates on projects that may otherwise be missed. Social activity also gives workers exposure to different perspectives on changes in policies or projects. These exchanges also allow small business owners and leaders to mentor and train employees. Offering pointers in a more casual setting, such as the break room, may put trainees more at ease. Sharing knowledge like success and failures with the company, provides insight into others.

Socializing New Employees

New employees who enter a busy work environment may feel a bit like Alice in Wonderland. Socializing with the new employee is a proven method that acclimates the new worker to her new office, work team and duties. Leading the new employee through the departments and introducing her to each person is how small businesses use socializing at work. For example, the manager may lead the introductions by saying, "This is Barbara. She's our new accountant. She'll be working with Bob." Employees welcome Barbara and give her encouragement and pointers for her new task.

21. List the **various dimensions to evaluate training** (Nov/Dec 2009) (May/June 2008)

Donald Kirkpatrick's Four Level Evaluation Model

Reaction - How well did the learners like the learning process?

Learning - What did they learn? (the extent to which the learners gain knowledge and skills)

Behavior - (What changes in job performance resulted from the learning process? (capability to perform the newly learned skills while on the job)

Results - What are the tangible results of the learning process in terms of reduced cost, improved quality, increased production, efficiency, etc.?

22. **State the purpose of training?** (Nov/Dec 2009)

Purpose of training:

1. To prepare the employee, both new & old to meet the present as well as the changing requirements of the job & the organization.

2. To develop the potentialities of the people for the next level job.

3. To ensure smooth & efficient working of a department.

4. To ensure economical output of required quality.

5. To build up a second line of competent officers & prepare them to occupy more responsible position.

6. To prevent obsolescence.

23. **What are the objectives of Executive Development?.** (May/June 2007)

Objectives of executive development:

- To improve in inter-departmental co-operation
- Highlight the individual weakness
- Ensuring that the qualification of key personnel role is better known.
- Creating reserves in management ranks
- Stimulating junior executives to do better work.
- a. Top management:
 1. To acquire knowledge about the problems of HR.
 2. To think through problems this may confront the organization now and future.
- b. Middle line management:
 1. To develop the ability to analyze the problems and to take appropriate actions.
 2. To develop familiarity with the managerial uses of financial accounting psychology, law.

24. What is training?

The process of teaching new employees the basic skills they need to perform their jobs.

25. What is the aim of training?

The aim of training is to develop the knowledge, skills and attitude necessary for effective performance of the work.

26. List the benefits of training.

Increase in profit, increase customer satisfaction, reduction in work place accident, staff turnover and absenteeism, increased morale.

27. Why employees resist training?

Loss of control, autonomy, laziness, unlearn old things and learning new things.

28. What is the need for training?

- i. The ever widening gap between planning, implementation and completion of projects.
- ii. Increasing qualitative demands for managers and workmen.

- iii. Need for both individuals and organisation to grow at rapid pace.
- iv. To meet challenges posed by the global competition.
- v. To enable employees to move from one job to another .

29. List the methods ON-THE-JOB EDP ?

Coaching, job rotation, understudy assignment, committee assignment.

30. List the off the methods of training?

Lecture, case studies, group discussion, transactional games, sensitivity training, in-basket training.

PART - B

1. What do you mean by training? Distinguish training, development and education. Explain the various methods of training, steps in conducting training programme.
2. Discuss the importance and the different methods of Executive Development. Which one you consider the most suitable for developing middle level managers and why?
3. What are the challenges in executive development? How are these programmes designed and executed?
4. How do you identify the need for training / training need assessment?
5. Explain various approaches to Management Development and how do you select right approach.
6. Discuss various dimensions to evaluate training programme.

UNIT – 4

1. Elucidate ERG theory.

(Nov/Dec 2011)

Ans: Clayton Alderfer redefined it in his own terms. His rework is called as ERG theory of motivation.

- Existence needs- These include need for basic material necessities. In short, it includes an individual's physiological and physical safety needs.

- Relatedness needs- These include the aspiration individual's have for maintaining significant interpersonal relationships (be it with family, peers or superiors), getting public fame and recognition. Maslow's social needs and external component of esteem needs fall under this class of need.

- Growth needs- These include need for self-development and personal growth and advancement. Maslow's self-actualization needs and intrinsic component of esteem needs fall under this category of need.

2. Highlight the need for rewards.

(Nov/Dec 2011)

Ans: Reward helps organizations to motivate the employees in the right direction to achieve organizational goals.

3. What is Fringe Benefits. Give Examples. (April/ May 2010)

Ans: Fringe benefits refer to various extra benefits provided to employees in addition to the compensation paid in the form of wage or salary. Fringe benefits commonly include health insurance, group term life coverage, education reimbursement, childcare and assistance reimbursement, cafeteria plans, employee discounts, personal use of a company owned vehicle and other similar benefits.

4. Who is a mentor? (April/ May 2010)

Ans: A mentor is a senior employee who takes an active part role in guiding another individual.

5. What is compensation (June 2010)

Ans: Compensation is the total reward received by an employee in exchange for services performed for an organization. It can include both direct pay (salary and wages) and indirect pay (benefits programs).

6. Define living wage. (June 2010)

Ans: living wage is the wage which has to provide for a standard of living that would ensure good health for the worker, and his family as well as a measure of decency, comfort, education for his children and protection against misfortunes.

7. Write a short note on MBO? (Nov/Dec2010)

Ans: MBO can be described as "a process whereby the supervisor and subordinates of an organization jointly identified its common goals, define each individuals major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the conditions of each of its members.

8. List the different types of rewards? (Nov/Dec2010)

Ans: Rewards may be classified into:

- Intrinsic or Extrinsic rewards
- Financial or Non-financial rewards, and
- Performance based or Membership-based rewards

9. List any 4 objectives of compensation plan (Nov/Dec2009)

Ans:

- a. To acquire qualified competent person
- b. To retain the present employee
- c. To secure internal & external equity
- d. To ensure desired behaviour
- e. To keep labour & administration costs.

10. What is career planning? (Nov/Dec2009)

Ans: Career planning can be described as "the process by which employees obtain knowledge about themselves (their values, personality, preferences, interest, abilities, etc) and info about the working environment and then making an effort to achieve a proper match".

11. What do you mean by behavior modification? (May/June2008)

Ans: The dissatisfaction with traditional judgmental techniques used for performance appraisal has led an increasing number of organizations to move towards behaviourally based techniques which were replaced by the more refined scales known as behavior modification.

12. What are the conclusions of Hawthorne studies? (May/June2008)

Ans: Four general conclusions were drawn from the Hawthorne studies:

- The aptitudes of individuals are imperfect predictors of job performance. Although they give some indication of the physical and mental potential of the individual, the amount produced is strongly influenced by social factors.

- Informal organization affects productivity. The Hawthorne researchers discovered a group life among the workers. The studies also showed that the relations that supervisors develop with workers tend to influence the manner in which the workers carry out directives.

- Work-group norms affect productivity. The Hawthorne researchers were not the first to recognize that work groups tend to arrive at norms of what is a fair day's work; however, they provided the best systematic description and interpretation of this phenomenon.

- The workplace is a social system. The Hawthorne researchers came to view the workplace as a social system made up of interdependent parts.

13. How mentor will help the protégé. (May/June 2007)

Ans: A mentor is a skilled and experienced person who is interested in and committed to helping develop a lesser-skilled and experienced person.

- Value the development of others.
- Be willing to commit the time and energy needed to establish and maintain a productive mentoring relationship.
- Be willing to share the knowledge and experience they have gained during their career.
- Actively observe, coach and guide the protégé.
- Exhibit skills in active listening, coaching, and the ability to establish rapport with others.

14. What are the advantages in a group incentive plan? (Nov/dec 2008)

Ans:

- Better co-operation among workers.
- Less supervision
- Reduce incidence of absenteeism

15. What is fair wage? (Nov/dec 2008)

Ans: Fair wage is the wage which is equal to the rate prevailing in some trade and in the neighborhood for similar work. It is also the predominant rate for similar work throughout the country and for traders in general.

16. Mention the components of salary. (Nov/dec 2007)

Ans: To calculate salary, the following components are present. They are.

1) Basic pay

In-additions

- a) HRA- House rent allowance
- b) DA – Dearness allowance
- c) PF – provident fund
- d) Gratuity

In – Reduction

- a) Personal loan
- b) LIC
- c) Taxes

$$\text{Net Pay} = \text{Basic pay} + \text{BRA} + \text{DA} + \text{PF} - (\text{Loan} + \text{LIC} + \text{Taxes})$$

17. List the merits of reward system. (Nov/dec2007)

Ans:

- a) Motivates employees to perform better
- b) Builds tremendous self – esteem among employees
- c) Makes employees more loyal to the company
- d) Creates an atmosphere where change is not essential

18. Briefly explain Compensation. (May/June 2009)

Ans: Compensation is a systematic approach to providing monetary value to employees in exchange for work performed. Compensation may achieve several purposes assisting in recruitment, job performance, & job satisfaction.

19. What are the stages specified in Maslow's hierarchy of need? (May/June 2009)

Ans:

- Physiological needs
- Security needs
- Belongingness needs
- Esteem needs
- Self actualization needs

20. What is motivation?

The word motivation was derived from the Latin word *movere* (meaning 'to move'). It is the ability to change behavior. It is a drive that compels one to act because human behavior is directed toward some goal.

21. List the theories of motivation.

MOTIVATIONAL THEORIES:

I CONTENT THEORY:

This theory is people-centered “what”

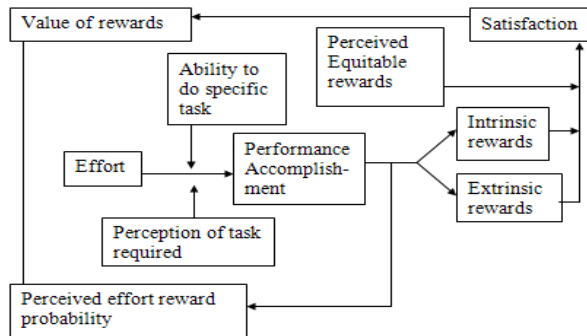
- c. Abraham Maslow's need hierarchical theory:**
- d. Herzberg's two-factor theory**
- e. Douglas McGregor's theory : “X & Y”**
- f. David McClelland's 3 need theory**
- g. Alderfer's ERG Theory**

22. What is mentoring?

Employees who aspire higher management levels in organization often need the assistance and advocacy of someone high up in the organization. When a senior employee takes an active part role in guiding another individual we refer to this activity as mentoring and coaching.

23. Draw Porters & Lawler's model of motivation?

Lyman W. Porter and Edward E. Lawler developed a more complete version of motivation depending upon expectancy theory. This theory as a model of behavioral choice, that is, as an explanation of why individuals choose one behavioral option over others. In doing so, it explains the behavioral direction process. It does not attempt to explain *what motivates* individuals, but rather how they make decisions to achieve the end they value.

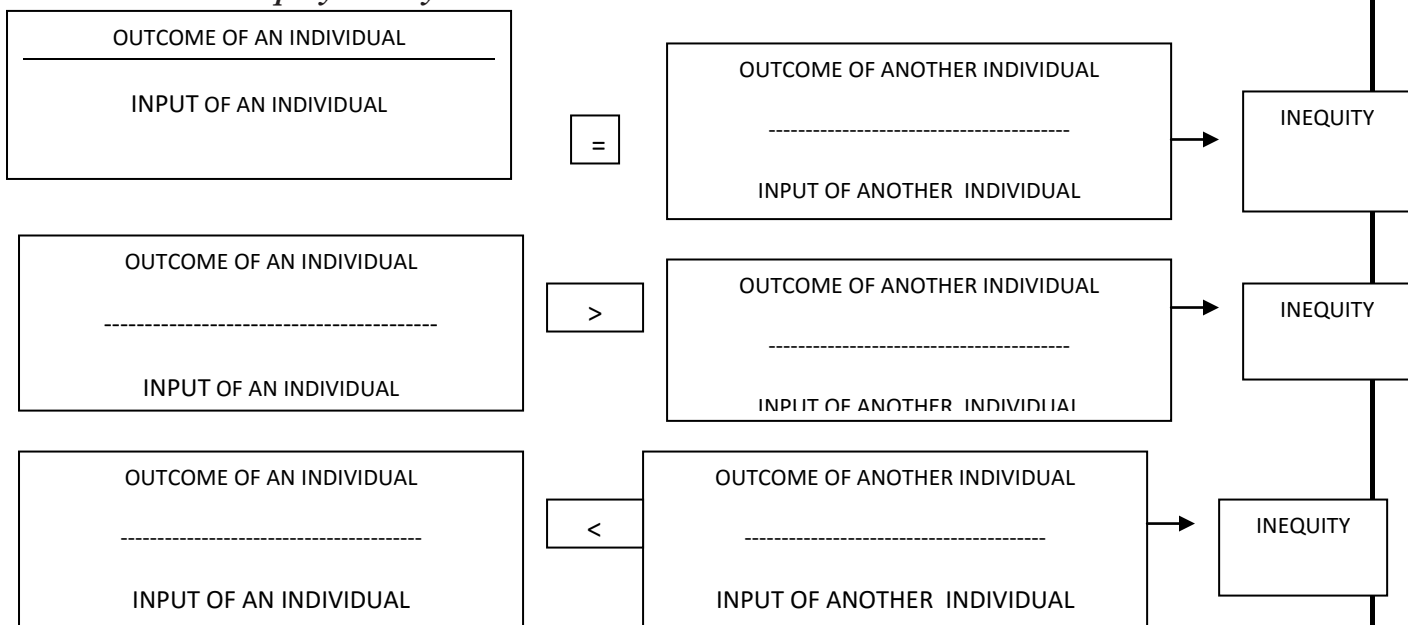


24. What is Adam Equity Theory?

Adams Equity Theory:

According to the equity theory proposed by Stacey Adams, individuals are motivated by their beliefs about the reward structure. Rewards may be considered to be fair or unfair, relative to the inputs the individual puts in. Individuals use subjective judgment to compare the outcomes and inputs. Comparisons are made between the individuals inputs and outputs.

Adam's Equity Theory



25. List the types of rewards?

Ans: TYPES OF REWARDS

Rewards may be classified into:

- Intrinsic or Extrinsic rewards
- Financial or Non-financial rewards, and
- Performance based or Membership-based rewards

This classification is however not mutually exclusive.

26. Explain the tools used for organizational career development? (Nov/Dec 2009)

Career planning is the process by which one selects career goals and the path to those goals. Career goals are the future positions one strives to reach as part of a career. A career path is the sequential pattern of jobs that forms one's career. Career planning is the process by which employees obtain knowledge about themselves (their values, personality, preferences, interests, abilities, etc.) and information about the working environment and then making an effort to achieve a proper match.

- ❖ Alternative Career Paths
- ❖ Career Pathing
- ❖ Dual Career Tracks
- ❖ Career Coaching/Counseling
- ❖ Cross-Training
- ❖ Flexitime
- ❖ Job Rotation
- ❖ Job Enlargement
- ❖ Job Enrichment
- ❖ Job Sharing
- ❖ Phased Retirement

27. What do you mean by career management. (May/ June 2007)

Career Management is the combination of structured planning and the active management choice of one's own professional career. The outcome of successful career management should include personal fulfillment, work/life balance, goal achievement and financial assurance.

28. What is Cafeteria compensation?

The assumption here is such that every employee needs are different. Therefore, he is permitted to select that combination of rewards which is most attractive to him. The philosophy here involved is the workers will be highly motivated if they can select those rewards that have the greatest pay off for them.

29. List the types of reward.

5. Direct compensation
6. Indirect compensation Intrinsic reward
7. Performance based rewards
8. Membership based rewards Extrinsic reward

30. What is Motives?

They are the expressed needs & could be conscious or subconscious. These motives drive people to act.

PART- B

1. How Rewards linked to performance & Incentive compensation plan for an organization.
2. Why are the theories of motivation important in deciding the compensation of employees?
3. Discuss. 2 factor theory, process theory, porter and lawyer's model of motivation.
4. Write a detailed note on the importance of mentoring and the steps involved in adopting such a programme.
5. Discuss the principles of wage fixation and also enumerate factors influencing compensation level. Factors to be considered before fixing the compensation level, wage survey.
6. Explain the tools used for organizational career development & career management policies.

UNIT – 5

1. Why do the organizations need an effective control system for grievances?
(Nov/Dec 2011)

Ans: Most grievances disturbs the employees. This may affect their morale, productivity and their willingness to cooperative with the organization. If an explosive situation develops, this can be promptly attended to if a grievance handling procedure is already in existence.

2. How can feedback be used to the benefit of employees? (Nov/Dec 2011)

Ans: Employee feedback is very essential for an organization's success. It will tell and keep the managers updated about the organization's strengths and weaknesses. Thus they can work upon them and try to eliminate those weaknesses. It will help them in carrying SWOT (Strength, Weaknesses, Opportunities, Threats) analysis in an organization, thus, contributing to organization's growth. Employee feedback should be encouraged by the managers as it tells them how motivated and satisfied the employees are in an organization. It tells the managers the reactions of employees to the company's policies. The employees should be honest enough in giving their views about a particular manager. They should be assured that their suggestions would be taken into consideration. They shouldn't be hesitant in giving their feedback.

3. Under what condition is Demotion Practised? (April/ May 2010)

Ans: Unsuitability of the employee to higher level jobs.

- Adverse business conditions.
- Withdrawal of the production lines
- Closure of certain departments or plants.
- Junior employees will be retrenched and senior employees will be demoted.
- New technology and new methods of operation, demand, new and higher level of skills.
- Disciplinary grounds.

4. List the methods of control in practice? (April/ May 2010)

Ans: Strategic control

Operational control

5. Name some separation technique. (June 2010)

Ans: Retrenchment, Layoff, Resignations, Discharge/Dismissal

6. What is Promotion? (June 2010)

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

7.What is the importance of performance evaluation in any organization?

(Nov/Dec2010)

Ans: The organization must achieve its goals. This depends on whether the individual employees are able to achieve their individual goals. Therefore, it is important to make a periodic evaluation of how successful each individual employee is in achieving his individual goals. Performance appraisals help to assess individual accomplishments. It is a very important role of the human resource manager.

1. Goal setting
2. Action planning
3. Self-control and
4. Periodic reviews

8.Define self awareness?

(Nov/Dec2010)

Ans:Self awareness basically describes a situation where the light of awareness is turned onto ourselves. While awareness is our ability to take note; self-awareness is our ability to take note of ourselves.Self-awareness is the ultimate enabler. Without living knowledge of ourselves there would be no hope for conscious, positive change.

9. Write the meaning of performance appraisal

(Nov/Dec2009)

(May/June 2013)

Ans: Performance appraisal may be defined as a formal and systematic process by means of which the job relevant strengths and weakness of employees and identified, observed, measured and developed.

10.Define grievances

(Nov/Dec2009) (May/June 2013)

Ans: An employee or employer that alleges that some aspect of a collective agreement has been violated may define a grievance as a complaint.

11.Define promotion.

(May/June2008)

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

12.What is human resource concept behind the “transfer process”. (May/June2008)

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

13.What are the benefits of promotion? (May/June2007)

Ans:

- It increases the employee’s organizational effectiveness.
- It builds up morals, loyalty and sense of belonging on the part of the employees.
- It recognizes an individuals performance and reward him for his work.
- It attracts suitable and competent workers for the organization.
- It reduce discontent and unrest.

14.Explain briefly the prerequisites of a grievance procedure. (May/June2007)

Ans:

1. Strong trade union: Existence of a strong representative trade union in the industry that believes in constitutional means for settling the disputes.
2. Enlightened management: Existence of a strong and enlightened management which may integrate the different parties i.e. employees, owners, consumer and society or government.
3. Agreement on objectives: agreement on basic objectives of the organization between the employees, and the employees and on mutual rights and liabilities.
4. Configurative method of negotiation: existence of a fail-finding approach and willingness to use new methods and roles for the solution of industrial problems.
5. Proper records: Proper records for the problem should be maintained.

6. Starting at plant level: Grievance should be best at plant level. If there are more than one plant of the firm, the local management should be delegated proper authority to negotiate with the local trade union.

15.What are the basic objectives of performance appraisal? (Nov/dec2008)

Ans:

- To effect promotions based on competence and performance.
- To assess the training and development needs of employees.
- To decide upon a pay raise where regular pay scales have not been fixed.
- To let the employees know where they stand as their performance criticism and guidance for the purpose of their development.

16.What are the disadvantages of granting promotion based on competencies? (Nov/dec2008)

Ans:

- Discontentment among senior employees.
- Scope for favoritism
- Loyalty and length of service are not rewarded.
- Opposition from union leaders.

17.Specify the purpose of performance evaluation(Nov/dec2007)

Ans:

- To serve as a basic for job change or promotion
- To guide training & development programme
- To serve as a feedback to the employee
- To serve as incentive
- To increase observation
- To provide rational foundation for wages
- To evaluate effectiveness of selection devices
- To help planning.

18.Define promotions

(Nov/dec2007)

Ans: Promotion refers to advancement of an employee to a higher post carrying greater responsibility, higher status & better salary. It is the upward movement of an employee in the organization hierarchy.

19.What is human resource concept behind the “Transfer process” (Nov/dec2007)

Ans: Transfer process is another form of interval mobility of human resources which involves movement of an employee from one section to another section of the same department, one department to another department, one unit to another unit, one place to another place, or one function to another function in the form of job rotation without any change in the employee’s status responsibility & pay.

20.What do you mean by separation? (May/June 2009)

Ans: Separation means cessation of services with the organization for one or other reasons. Employees may leave the organization involuntarily, through layoff dismissal, or voluntarily, through resignation or retirement.

21.Unions have a crucial role to play in industrial relations. What are they?
(Nov/dec2008)

Ans:

- Achieving higher wages and better working and living conditions for the members.
- Rising the status of the workers as partners of the industry and citizens of society by demanding increasing share for the workers.
- To protect the right to be consulted on all the matters affecting the worker’s interest.

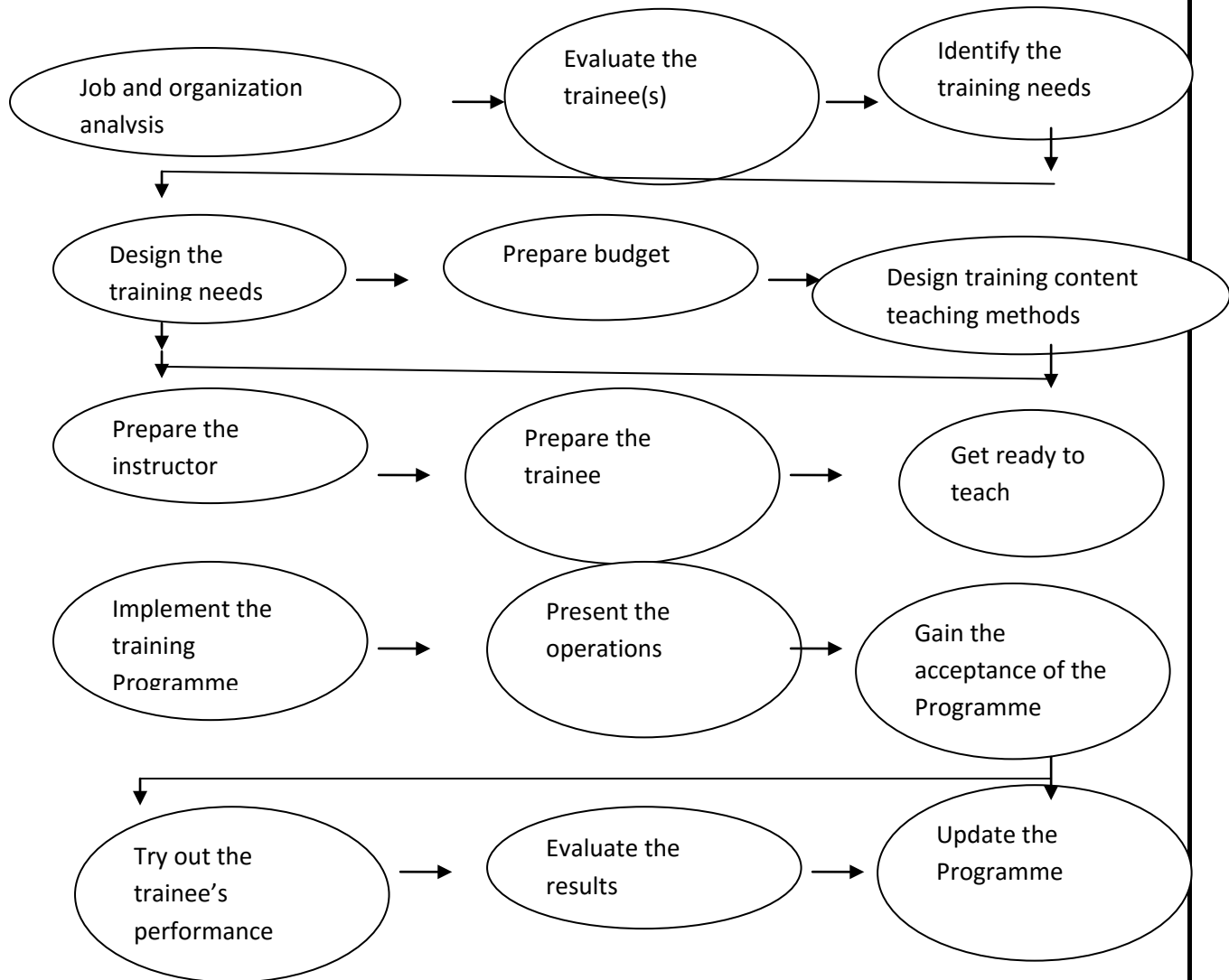
22.Name some of the controlling techniques in HR. (May/June 2009)

Ans: Strategic Control, Operational Control.

23.Bring out the training plan flow chart and point out the objectives of training.

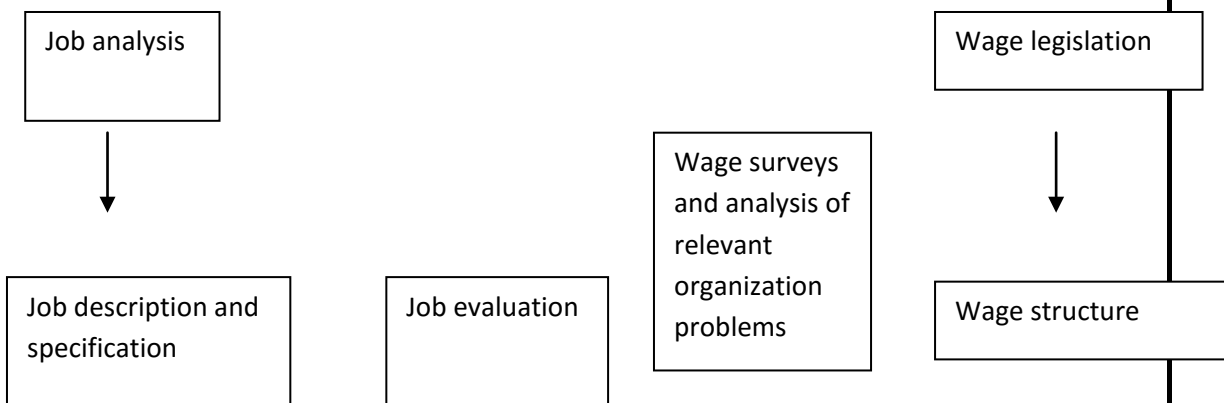
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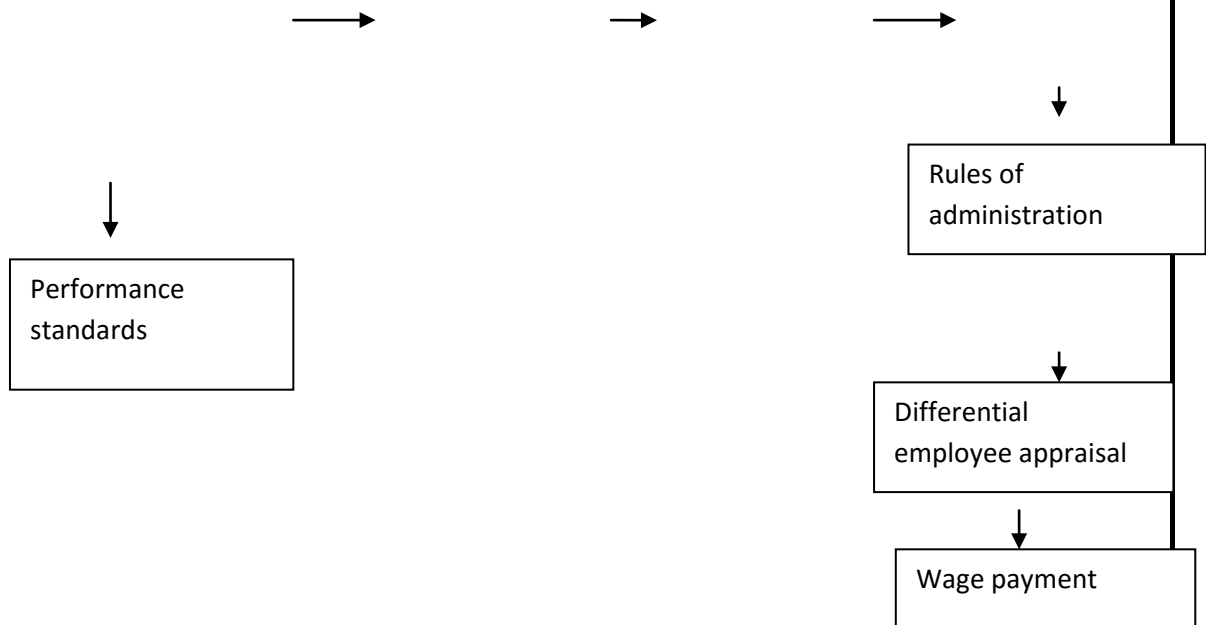
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24. Draw the steps involved in determining pay rate in view of equity?

(May/June 2007)





25. List the methods of performance evaluation. (Nov/Dec 2011) (May/June 2009) (May/ June2007) (Nov/Dec 2008) (April/May 2010)

Ans: There are 2 methods of performance evaluation. They are traditional methods and modern methods.

I Traditional Methods:

II Modern Methods:

26. What are the pitfalls in performance evaluation. (April/May 2010) (May/June 2009) (May/ June2007)

1. Halo Effect

A manager or supervisor allows a general favorable impression of an employee to bias his or her judgment on each separate factor in the performance appraisal process.

2. Recency Effect

A staff member's recent outstanding contribution or untimely mistake just prior to a performance review colors the manager's perception of the employee's performance for the entire

period. (A similar pitfall, the **Unforgettable Effect**, occurs when an employee does so extraordinary, either positively or negatively, that its impressions last for a long time, to the advantage or disadvantage of the employee.)

3. **Manager Preference**

Personal friends of managers get better ratings than their performance justifies. Usually, managers rate employees lower than they deserve when conflicts of manner, style and personality exist.

4. **Effect of Past Record**

The employee who has performed well in the distant past is assumed to be acceptable in the present also. Previous good work tends to carry over into the new period being appraised.

5. **Leniency Effect**

A manager tends to rate everyone high. This error is usually committed when managers are uncomfortable about communicating negative feedback or do not want to hurt the employee's feelings. A related problem, the **Central Tendency**, occurs when a manager rates all employees as average, choosing the middle rating. The Central Tendency is perhaps the most serious error of all; it closes the door to an employee's growth and improvement on a job, because no strengths or weaknesses are identified.)

6. **Carelessness**

Managers make quick guesses based on first impressions of an employee's performance.

7. **Irrelevant (and Illegal) Standards**

Evaluations are dependent on the rater's personal preferences, prejudices and biases. The rater who has a biased or prejudiced attitude toward certain groups of people looks for behavior in employees that confirms his or her prejudices.

27. What are the common causes of employee grievances?

Causes of grievances:

Grievances may arise because of dissatisfaction with the work, work conditions, work safety, occupational health, and work relations.

28..List any 4 modern technique to evaluate employee performance appraisal process.(June 2010) (May/ June2007) (Nov/Dec 2008) (June 2010)

- a. Appraisal By Results or Management By Objectives (MBO):
- b. Assessment Centre Method
- c. 360
- d. Human Asset Accounting Method

29. List the types of Promotions.

Multiple Chain Promotions
Up or Out Promotions
Dry promotion

30. List the causes of Demotion.

- When departments are combined and jobs eliminated, employees are often required to accept lower-level position until normalcy is restored.
- Inadequacy on the part of the employees in terms of job performance, attitude and capability.
- When an employee is not able to do his job properly because of changes in technology, methods and practices, ill health or personal reasons.
- Demotion is also used as a disciplinary measure.

PART- B

1. What do you mean by performance appraisal? Discuss the various steps involved in performance appraisal process.
2. Define Grievance. Identify and analyze the different causes of grievances.
3. Essentials of sound Grievances Redressal Procedure. Discuss.
4. Discuss the modern techniques to evaluate employees performance appraisal.
5. What are the Pitfalls in performance evaluation? Suggest remedies.
6. Explain 360-degree appraisal system.

M.B.A. DEGREE EXAMINATION, APRIL/MAY 2015.

Second Semester

BA 7204 — HUMAN RESOURCE MANAGEMENT

(Regulation 2013)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

What do you mean by Human Resource Accounting?

What is HRM?

Define Human Resource Planning.

What do you mean by Induction?

What is recruitment?

Define Knowledge Management.

Define Motivation.

What do you mean by Career Management?

Define Feedback.

0. What do you mean by separation?

PART B — (5 × 16 = 80 marks)

1. (a) "Human Resource Management is a proactive approach and personnel management is a relative approach to perform the same set of function related to managing Human Resource" – Do you agree with this statement.

Or

(b) What do you mean by profession? What is the status of professionalization of Human Resource Management in India?

12. (a) Discuss the role of recruitment in the acquisition process of Human Resource.

Or

- (b) How will you develop a test programme? What precaution will you take while using tests in a selection process?
13. (a) Define Self-development. Explain the methods of self-development.

Or

- (b) As a Human Resource manager, you have been asked by your organization to organize a management development programme. What steps will you take to make it successful?
14. (a) "Theory X and Theory Y are concerned with the nature of people". How does the job situation affect the application of this theory? What are its implications?

Or

- (b) Discuss the difference between theories of Herzberg and Maslow. Which of these theories do you prefer in Indian context? Give reasons.
15. (a) Discuss the pros and cons of promotion policy based on merit, seniority and merit cum seniority.

Or

- (b) Explain the methods of performance evaluation.
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M.B.A. DEGREE EXAMINATION, APRIL/MAY 2017.

Second Semester

BA 7204 — HUMAN RESOURCE MANAGEMENT

(Regulations 2013)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. What are the concepts of HRM?
2. What are the benefits of HR audit?
3. Distinguish between induction and socialization.
4. What are the objectives of the HR planning?
5. What is mentoring method?
6. What is the role of the HR manager in knowledge management?
7. What are the aims of career management?
8. How do developing a Behaviorally Anchored Rating Scale (BARS)?
9. What is termination benefits?
10. Define performance appraisal.

PART B — (5 × 13 = 65 marks)

11. (a) Critically examine the evolution of human resource management in India.

Or

- (b) Define Human Resource Accounting. Explain the issues and concept of human resource accounting.

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12. (a) Define Selection test. Explain different selection tests.
Or
(b) Discuss the different techniques for forecasting HR needs.
13. (a) Discuss the various levels of evaluation of the effectiveness of training.
Or
(b) Distinguish between training and development. Explain the importance of on-the-job training.
14. (a) Define motivation. Explain how process theories are useful to motivate employees.
Or
(b) What is Compensation? Discuss the various incentive compensation plans.
15. (a) How can a grievance be resolved empathically? – Explain.
Or
(b) What is promotion? Explain the relative merits and demerits of seniority and merit as the basis of promoting employees in organization.

PART C – (1 × 15 = 15 marks)

16. Case Study :
- (a) "There it is finished", thought Sanjiv Choudhary as he laid aside the last of 12 Performance forms. It had been a busy week for Sanjiv, who supervises a road maintenance crew for Department of Highways, Indian Police.
- In passing through the Sanjiv's districts a few days earlier, the governor had complained to the area Superintendent that the repairs were needed on several of high ways. Because of this, the Superintendent assigned Sanjiv crew an unusually heavy work load. In addition, Sanjiv received a call from the personnel office that week telling him that the performance appraisals were late. Sanjiv explained that his predicament, but the personnel specialist insisted that the forms be completed right way.
- Looking over the appraisal again, Sanjiv thought about the several of the workers. The performance appraisal form had places for marking quantity of work, quality of work, and cooperativeness. For each characteristic, the worker could be graded as outstanding, good, average, below average or unsatisfactory. As Sanjiv's crew had completed all the extra work assigned for that week, he marked the every worker outstanding in quantity of work. He marks David average in cooperativeness because David had questioned one of is decisions that week. Sanjiv had decided to patch a pothole in one of the roads, and David thought the small section of the road surface ought to be broken out and replaced. Sanjiv did not include this in the remarks section of the form, though. As a matter of fact, he wrote no remarks on any of the forms.

Sanjiv felt a twinge of guilt as he thought about Robert. He knew that Robert had been sloughing off, and the other workers had been carrying him for quite some time. He also knew that Robert would be upset if he found that he had been marked lower than the other workers. Consequently, he marked Robert the same to avoid a confrontation. "Anyway", Sanjiv thought, "these things are a pain, and I really should not have to bother with them. As Sanjiv folded up the performance appraisal and put them in the envelope for mailing, he smiled. He was glad he would not have to think about the performance appraisals for another six months.

Questions :

- (i) What weaknesses do you see in Sanjiv's potential and performance?
- (ii) Take a look at your performance assessment. How do you feel about it?

Or

- (b) X company limited has five branches at TamilNadu with corporate office at Chennai. The structure is product based and each branch produce one product and all are automobile related. There was a post vacant for the position of vice-president at head office. The production Engineer of Coimbatore is the most suitable person by all areas like seniority, qualification and ability. But, the problem is that if he is disturbed from Coimbatore no one can take his responsibility and the president felt a very big gap. What is the problem and how will you sort it?