



Engineering Management

HUMAN RESOURCES MANAGEMENT

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Human Resources Management

CONCEPT OF HUMAN RESOURCES DEVELOPMENT (HRD)

Human resource development in the organization context is a process by which the employees of an organization are helped, in a continuous and planned way, to :

- Acquire or sharpen capabilities required to perform various function associated with their present or expected future roles.
- Develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organizational development purposes.
- Develop an organizational culture in which supervisor-subordinate relationships, teamwork, and collaboration among sub-units are strong and contribute to the professional well being, motivation, and pride of employees.

HRD MECHANISMS

The HRD mechanisms or sub-systems are defined as follows :

Goals, Subsystems and Beliefs

The *Goal of HRD systems* is to develop :

- The capabilities of each employee as an individual.
- The capabilities of each individual in relation to his or her present role.
- The capabilities of each employee in relation to his or her expected future role(s)
- The dyadic relationship between each employee and his or her supervisor.
- The team spirit and functioning in every organizational unit (department, group, etc.)
- Collaboration among different units of the organization.
- The organization overall health and self-renewing capabilities which, in turn, increase the ending capabilities of individuals, dyads, teams, and the entire organization.

To achieve these objectives, HRD systems may include the following *process mechanism or subsystems* :

- Performance appraisal
- Potential appraisal and development
- Feedback and performance coaching
- Career planning
- Training
- Organization development (OD) or research and systems development
- Rewards
- Employee welfare and quality of work life
- Human resources information

All these process mechanism are linked with corporate plans, particularly with human resources planning. There mechanisms are designed on the basis of the following *beliefs* :

- Human resources are the most important assets in the organization.
- Unlike other resources, human resources can be developed and increased to an unlimited extent.
- A healthy climate, characterized by the values of openness, enthusiasm, trust, mutually, and collaboration, is essential for developing human resources.
- HRD can be planned and monitored in ways that are beneficial both to the individual and to the organization.
- Employees feel committed to their work and organization if the organization perpetuates a feeling of “belonging”.
- Employees are likely to have this feeling if the organization provides for their basic needs and for their higher needs through appropriate management styles and systems.
- Employee commitment is increased with the opportunity to discover and use one’s capabilities and potential in One’s work.
- It is every manager’s responsibility to ensure the development and utilization of the capabilities of subordinates, to create a healthy and motivating work climate, and to set examples for subordinates to follow.
- The higher the level of the manager, the more attention should be paid to the HRD function in order to ensure its effectiveness.
- The maintenance of a healthy working climate and the development of human resources are the responsibilities of every organization (especially the corporate management).

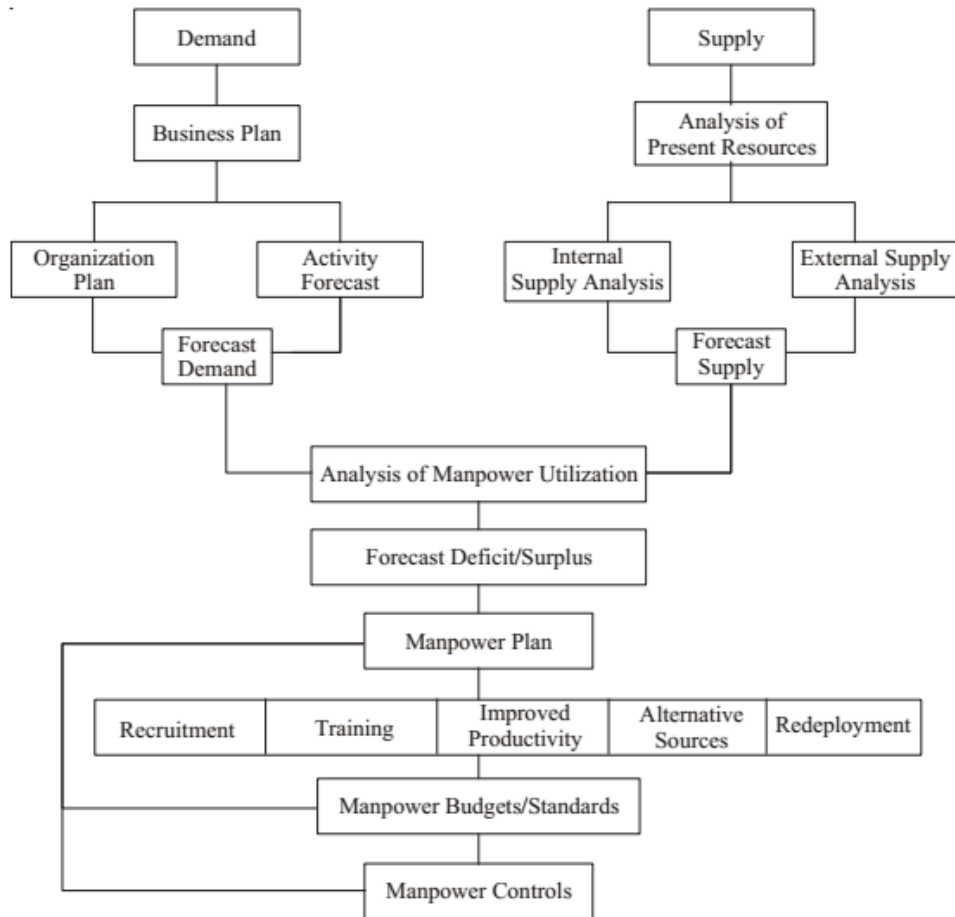
HUMAN RESOURCE PLANNING

Definition Human resource planning (HRP) is the comparison of an organization’s existing labour resources with forecast labour demand, and hence the scheduling of activities for acquiring, training, redeploying and possibly discarding labour. It seeks to ensure that an adequate supply of labour is available precisely when required.

Specific human resource planning duties include:

- Estimation of labour turnover for each grade of employee and the examination of the effects of high or low turnover rates on the organization’s performance.
- Analysis of the consequences of changes in working practices and hours. □ Predicting future labour shortages.
- Devising schemes for handling the human problems arising from labour deficits or surpluses.
- Introduction of early retirement and other natural wastage procedures.
- Analysis of the skills, educational backgrounds, experience, capacities and potentials of employees. Effective HRP should result in the right people doing the right things in the right place at precisely the right time.

The process of human resources planning is illustrated in following figure.



Process of human resource planning

MANPOWER PLANNING

Manpower planning may be defined as a strategy for the acquisition, utilization, improvement and preservation of the human resources of an enterprise. It is the activity of the management which is aimed at coordinating the requirements for and the availability of different types of employees. This involves ensuring that the firm has enough of the right kind of people at the right time and also adjusting the requirements to the available supply.

The major activities of manpower planning include :

- **Forecasting** future manpower requirements either in terms of mathematical projections of trends in the economy and developments in the industry or of judgmental estimates based upon specific future plans of the company.
- **Inventorying** present manpower resources and analyzing the degree to which these resources are employed optimally.

- **Anticipating** manpower problems by projecting present resources into the future and comparing them with the forecast of requirements to determine their adequacy, both quantitatively and qualitatively.
- **Planning** the necessary programs of recruitment, selection, training, development, motivation and compensation so that future manpower requirements will be met.

PERFORMANCE APPRAISAL

Performance Appraisal (AP) is the process through which an individual employee's behavior and accomplishments for a fixed time period are measured and evaluated. The major purpose of measuring and evaluating is to assess the worth or value.

Performance appraisal is systematic and objective way of judging the relative the worth or ability of an employee in performing his task. Performance appraisal helps to identify those who are performing their assigned tasks well and those who are not and the reasons for such performance. Performance appraisal is thus the process of reviewing an individual's performance and progress in a job and assessing his potential for future improvement. It is a systematic method of obtaining, analyzing and recording information about a person that is needed :

- For the efficient management of business/organization
- By the manager to help him to improve the job holder's performance and plan his career.
- By the job holder to assist him to evaluate his own performance and develop himself.

The Role of Line Manager in HRD

Line manager have an important role to play in ensuring the realization of HRD objectives. While the top management should make available the resources required for investment of human resources, and the HRD department should provide instruments and systems that can be used by the organization to develop its human resources, it is ultimately the line managers who translate these into action. This involves first of all realization on the part of the line managers that they have the responsibility to develop and utilize their employees.

HRD department and line managers play complimentary roles. Each supplements (and supports) what the other does in relation development of employees. The responsibilities of line management for HRD system are summarized below.

The responsibilities of line managers can be viewed under two roles : as appraisers and as appraisees.

As appraisers the line managers have the following responsibilities :

- Identify and clarify key performance areas of each employee.
- Help the employees set challenging goals.
- Identify support needed by employees and make the same available.
- Help the employees experience success.

- Help the employees recognize their strengths and weaknesses through periodical feedback.
- Have regular appraisal and performance counselling discussions.
- Understand the difficulties experienced by each employee in performing his functions and providing necessary support.
- Generate a climate of mutuality, openness and trust to encourage identification and use of competencies by the employees.
- Conduct timely appraisals.
- Invest time on performance appraisal and review discussions.

As appraises they have the following responsibilities:

- Set challenging goals for oneself.
- Reflect periodically about one's own strength, weaknesses and performance.
- Identify problems hindering performance and communicating them to the supervisor.
- Prepare for performance review sessions.

TASK ANALYSIS

The traditional approach to task analysis-formerly known as "job analysis" - is characterized by two models: the British model and the American model. The British model has emphasized analysis in terms of specific activities for which the job holder is held responsible whereas the American model has included an emphasis on the competencies needed for the job. With both models the analysis is usually carried out by management with the help of experts, and in other respects as well the two models are quite similar. Both have been found to be useful in analyzing semi-skilled and skilled work.

Task analysis can be defined as the process of identifying the tasks of a particular job in a particular organizational context by analyzing activities, establishing performance criteria, determining required competencies, and analyzing any discrepancies uncovered by this process.

The type of Task Analysis suggested here may be useful to the organization and the individual employees in several ways.

Selection and placement. Better recruitment and selection devices can be prepared on the basis of a task analysis (especially competency analysis). Competency analysis can also help an organization to place people in jobs in which they can be more effective (matching the role/job with people).

Work planning, including the following:

- Setting individual tasks for a specific period.
- Helping a job incumbent to decide priorities of task.
- Minimizing overlap between jobs

- Identifying neglected tasks in a work unit
- Planning delegation
- Job enrichment

Performance appraisal, including

- Negotiated tasks and activities to be performed
- Evaluation (by self and the supervisor) of the quality/quantity standards of task performance (both process and outcome effectiveness)

Potential appraisal, including preparation of a system on the basis of the competency analysis, and actual potential appraisal work.

Employee development , including

- feedback on strengths and weaknesses
- Performance counseling
- Training

Team building, especially

- Better understanding of each other
- Locating areas of task conflicts and dealing with them
- Building linkages an mutuality between jobs

TEAM BUILDING

A **team** is two or more employees who are organizationally empowered to establish their objectives, to make decisions about how to achieve those objectives, to undertake the tasks required to meet them, and to be individually and mutually accountable for their results.

Empowerment is the delegation of authority to an individual or team and includes autonomy, trust and encouragement to make the decisions necessary to accomplish the job.

Teambuilding is a method designed to help teams operate more effectively by improving internal communication and problem-solving skills.

Team Development

It is the manager's job to build and maintain an effective team. Successful supervisors realize that all groups go through development phases, but the most productive teams go through the phases quickly to reach the peak performance. Supervisors, as team leaders, share information, trust others, surrender authority, and understand when to intervene. They participate in setting objectives, defining roles, and managing processes, such as time, disagreements, and change.

A group can achieve synergy (results greater than the sum of its parts) if its members become a team. A team begins as nothing more than a collection of individuals who have been brought together in a work situation.

Supervisors(managers) in all types of organizations are responsible for the human resources in their departments. Selecting competent, high-performing employees capable of sustaining their performance over the long run is a competitive advantage. The selection process consists of forecasting employment needs, recruiting candidates, interviewing applicants, and hiring employees.

External environmental forces affect the selection process. These external forces include labor unions, governmental laws. Labor unions represent workers and seek to protect members' interests through collective bargaining. Good labor-management relations is an important ingredient in contract negotiations. The government influences numerous decisions regarding hiring. Employers must ensure that equal opportunity exists for all job applicants and current employees. Many organizations have affirmative action programs to ensure upgrading and retention of protected groups such as women, minorities, and people with disabilities.

Forecasting Employment Needs

Planning assists in implementing strategy by translating the organization's goals into the workers needed to achieve them. The organization forecasts its human resource requirements in order to determine the number of employees to hire and the types of skills they will need. Forecasting employment needs includes current and future assessment.

The supervisor wants to make sure that the number of employees matches the workload. In the current assessment, supervisors take a human resource inventory to assess what talents and skills are currently resident in the organization, and conduct a job analysis to define the tasks and the behaviors necessary to perform them. This helps determine whether there is a fit between who currently works for the firm and what it needs for its work to be performed successfully. Job analysis provides the information for a job description -- a written description of job content, environment and conditions of employment, and job specification - knowledge, skills and abilities needed to do the job effectively. Future assessment determines the firm's future human resource requirements by looking at the overall organizational goals derived from strategic planning. Assessing current capabilities and future needs reveal areas where the organization is overstaffed and estimates of human resource shortages. A program is developed to match these estimates with forecasts of future labor supply.

Recruiting Candidates

The organization develops a pool of job candidates from which to select qualified employees. Information gathered through job analysis can guide recruitment to fill skill and personnel gaps. The local labor market, the type or level of position and the size of the organization determine which source is used to find potential job candidates. **Recruitment** efforts include running newspaper ads, contacting employment agencies, and visiting colleges. To create a more diverse workforce, supervisors can recruit from sources such as women's job networks,

ethnic newspapers and urban job banks. Many organizations are turning the Internet to recruit a workforce. Benefits of online recruiting include reduced cost-per-hire, less time-to-fill, and a larger pool of quality candidates. **Decruitment** is a reduction in the organization's labor force through firing, layoffs, attrition, and early retirement, or maintaining employees through transfers, reduced workweeks or job sharing.

Interviewing Applicants

Once supervisors identify a pool of candidates, they screen the applicants to ensure that the most appropriate candidate is hired. Any selection device used by a supervisor must be valid and reliable. **Validity** means that there is a proven relationship between the selection device and some relevant criteria to differentiate among applicants' job performance. **Reliability** means that the device(s) consistently measure the same thing over time.

A variety of valid and reliable selection devices are available for supervisors to make successful acceptance and rejection decisions. **Job applications** request personal biographical or historical information reflecting activities, skills and accomplishments. **Cognitive ability tests** measure intelligence, aptitude, ability and interest. **Performance simulation tests** are made up of actual work behaviors. For routine jobs, work sampling is appropriate. Applicants demonstrate that they have the necessary skills and abilities by actually doing tasks that model the job for which they are applying. Interviews are valid and reliable devices when they are structured, well organized, and ask candidates valid questions. Background investigations involve verification of application data and reference checks.

Employment Interviewing

Selection interviews are used to obtain information and to elicit attitudes and feelings from an applicant. In a **structured interview**, the supervisor controls the course the interview follows as each question is asked.

Step 1. Determine how applicants will be screened. The interview is based exclusively on job duties and requirements that are critical to job performance. Use the job description to create a screening grid.

Step 2. Determine questions and sample answers. Make a written list of job-related questions to ask applicants. Again, use the job description to tailor the questions to the specific duties and qualifications of the job. Determine sample answers to your questions.

Step 3. Develop a guide for the interview itself. The interview guide or agenda should include four parts: the opening, questions and answers, job and company explanation, and closing.

Step 4. Evaluate the Applicant. Assess match between the technical qualifications and job requirements. Judge personal qualities such as leadership and team orientation. Make a recommendation.

Factors to be considered while making recruitment

To make better hiring decisions, here are five important factors to consider when making a hiring decision.

- **Experience.** Experience is an important factor to consider when you're hiring engineers. If candidates have shown success in similar jobs, they'll probably be able to replicate that success at your company. They have a proven track record of success.
- **Potential.** When you're interviewing candidates, you may encounter some people who seem promising, but don't have much of a track record. They may be recent university graduates or people with only a few years of on-the-job experience.
- **Hard Skills.** Hard skills are measurable, easy-to-define skills that applicants have learned at school or in past jobs. When you're hiring engineers, you can't ignore hard skills. If candidates don't have the right skills, it won't be possible for them to do the job without training.
- **Soft Skills.** While hard skills are essential, you can't afford to forget about soft skills. Soft skills are harder to measure, and they're often thought of as personality traits. For example, communication skills, work ethic, and being a team player are soft skills.
- **Cultural Fit.** Company culture refers to a company's personality. Every company has its own culture. For example, some companies have a culture of working late to make sure everything gets done. Other companies have a culture of leaving at 5 p.m. on the dot. Some companies have a culture of teamwork and socializing with coworkers. At other companies, employees work individually most of the time.

TRAINING

After employees are selected, they enter an orientation program to be formally introduced to their jobs. A job is a specific position an employee holds in an organization. The orientation program expands on information received by the employee during the selection process. Orientation is a program that introduces new employees to the organization as a whole, their work unit and co-workers, and their job duties. It helps to reduce initial anxiety over starting a new job by facilitating the outsider-insider transition. Orientation sets a tone for new employees' work by describing job-related expectations and reporting relationships. Employees are informed about benefits, policies, and procedures. Specific duties and responsibilities and performance evaluation are clarified. During orientation, the supervisor has the opportunity to resolve any unrealistic expectations held by the employee.

Formal orientation programs can include tours of facilities, discussions about the history of the organization, vision and mission, meeting with human resource representatives to discuss policy and compensation, and/or being assigned a mentor to introduce employees to processes and people. A successful orientation result is an employee transition where the new member feels comfortable and capable of performing well on the job.

A mentorship is a formal relationship between a newly hired employee and a veteran employee role model that provides support and encouragement to the new employee. Mentors serve as resources to new employees, helping them resolve personal problems and work-related issues and conflicts. A mentor helps employees become accustomed to the rules, norms, and expectations of the workplace and provides career insight and guidance based on personal career experience.

Training refers to improving an employee's knowledge, skills, and attitudes so that he or she can do the job. All new employees (or current employees in new jobs) should be trained. Cross training prepares an employee for a job normally handled by someone else. Also, training is advisable when new processes, equipment or procedures are introduced into the workplace. If an employee has been off work for more than 30 days, training may be needed.

Determinants of Performance

Organizations invest in training programs to improve employees' performance. Training can either be for general awareness (for example, safety or sexual harassment) or for the specific job or task. Supervisors must understand the determinants of task performance in order to design job-related training.

$$\text{Performance} = \text{Ability} \times \text{Motivation (Effort)}$$

$$\text{Ability} = \text{Aptitude} \times \text{Training} \times \text{Resources}$$

$$\text{Motivation} = \text{Desire} \times \text{Commitment}$$

The multiplication sign in these models signifies that all of the components are essential. **Performance** is the product of ability multiplied by motivation. **Ability** is the product of aptitude multiplied by training and resources. **Aptitude** refers to the skills and abilities an employee brings to the job. Training can enhance most inherent abilities and can improve employee performance. An assessment of ability should be made during the job-matching process by screening applicants against the skill requirements of the job. Low ability is generally associated with very difficult tasks, overall low individual ability, evidence of strong effort, and lack of improvement over time. Employees must be given the technical and personnel resources to effectively perform assigned tasks. **Motivation** is represented by an employee's desire and commitment and is manifested as effort.

Training Program

Training programs should align with organizational values, goals, and objectives in order to be successful. Supervisors develop an effective training program by assessing training needs and designing training programs to meet those needs. If a gap is found in what is needed and what employees can do, training fills in the gap.

Determine Training Needs. Identify what the employee is expected to do. The primary source for this information will be the job analysis. Decide who needs training by asking the employees themselves. Identify what the employee already knows. The needs assessment helps to determine training content and objectives.

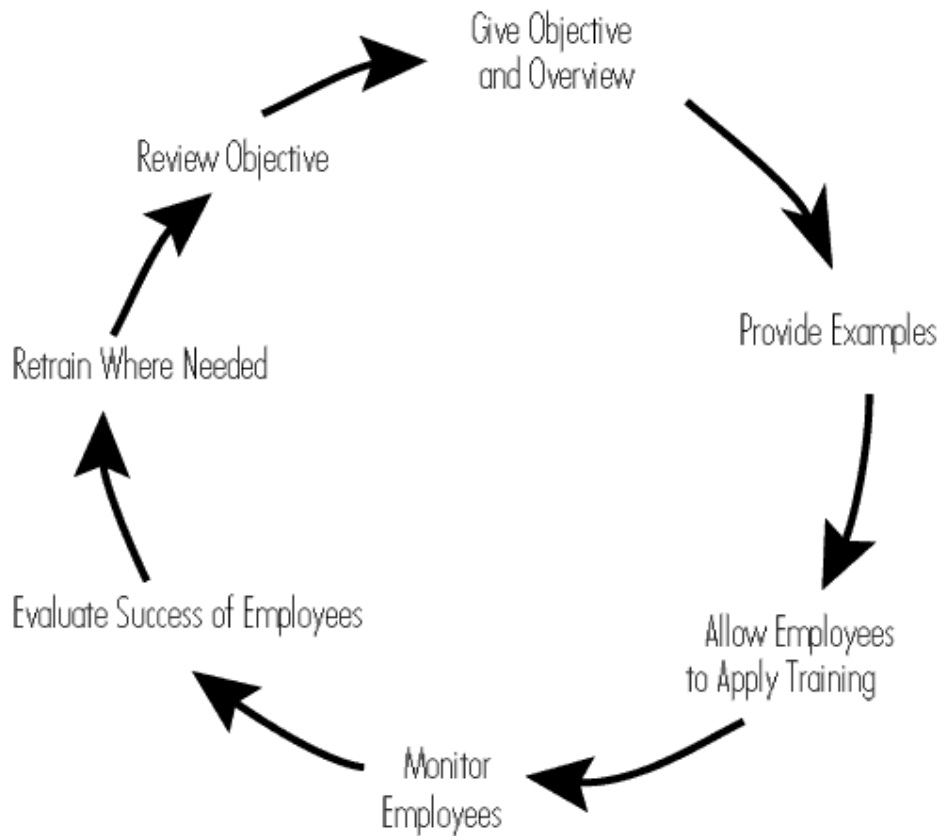
Identify Objectives. Once the employees' training needs have been identified, supervisors can prepare objectives for the training. Through planning, the supervisor determines an acceptable level of overall performance and specifies objectives. Employees must understand what is necessary in order to satisfy the supervisor's expectations. Objectives and expectations should be formulated collaboratively.

Choose Training Options, Methods, and Materials. Training options include training on the job site, at a corporate training center, a college classroom, a hotel meeting room, or in various workshops, seminars, and professional conferences. When choosing training options, methods, and materials, consider the type of job, the learning capacity of the employee, and the duration of the task or job. Training methods include on-the-job training (OJT), job rotation, machine-based training (computer programmed instruction, videotape, simulation), vestibule training that simulates the work environment and uses the actual equipment and tools in a laboratory setting, role-playing, lecture, and demonstration. Materials include handouts, posters, operations manuals, magazine articles, slides and photographs, film, instructional manuals, books, outlines and diagrams.

Ensure Effective Training. For training to be effective, employees should be convinced that it is important to them. Explain the goals of the training. Give training that is relevant to the workplace. Keep the training simple yet thorough. Summarize the main points and objectives of the training. Employee involvement is essential in any training program.

Conduct the Training Cycle. The supervisor or delegated trainer must know the training subject matter in order to complete the training cycle. The steps in the training cycle are found below.

Training Cycle



Give an oral and written overview of the training objective. Provide examples of the task. Allow employees to apply the training. Monitor employees. Assess employees' success rate. Retrain where improvement is desired. Review training objective.

Evaluate Training. For a training program to be successful, periodic evaluation of the training is necessary. Training should be re-evaluated whenever new equipment, tools or techniques are introduced into the workplace and whenever new employees join the company or employees are assigned to different jobs. Supervisors should evaluate the training to see if problem areas are developing, to determine what type of further training is needed, and when training should be given. Evaluations should consider the complexity of the job for which the training is conducted. For example, a highly complex job may require more frequent training. Also, the time that has elapsed since the last evaluation should be considered. Evaluation of training effectiveness should be conducted at least annually.

CONCEPTS OF HUMAN RESOURCES PLANNING

Planning is a process of preparing a set of decision for action in the future. Human Resources planning any then be interpreted as a process of preparing a set of decision on human resources are exogenous to human resources planning and they are primarily of two types:

1. Availing the employment opportunities generated by the technologies in vogue in the process of economic development, and
2. evolving new technologies to aid the process of economic development.

Given the pattern of growth in population, labour force and hence the human resources; there are three types of investments which have the potential to contribute to human resources development.

They are investments in :

- health and nutrition,
- social and economic equity, and
- education

The first two types of investment can only contribute to the accumulation of human beings in terms of health, physical capacity to work and socio-economic status. As an economic asset-human capital a mature human being is similar to unimproved land that has been protected from destruction by fire and erosion. It is education and training, directed toward development of skills in human beings, that at once increases the future asset value, productivity and earning power of human beings. This is the human capital approach to human resources planning which attaches prime importance to investment in education as a means of human resources development. In a broader sense, thus, human resources planning and educational planning are almost synonymous.

Like many other modern management techniques, job evaluation has, over a period of time, acquired a considerable amount of linguistic mystique created by the jargons employed liberally by the management teachers and preachers, trainers, even practitioners, and compounded by the differential meanings attached to its terminologies by the various users. Yet, stripped of all its sophisticated trappings, it remains a technique designed basically to define job relatives on a systematic basis with a view to developing rational remuneration structure. Job evaluation is the process of analyzing and appraising the content of jobs, set in the family of other jobs, so as to put them in a suitably evolved rank-order which can then be utilized for installation of an acceptable wage structure in an organization. In short, job evaluation concerns itself with pricing a job in relation to other jobs on the basis of concern consistent, fair, logical and equitable criteria and not on the basis of arbitrary, variable judgments dictated by short-term expediency or arrived at through rule of thumb methods. While one may get the impression that as a technique, job evaluation is invariable and inviolate and it also possesses first-degree precision of scientific variety, it is not so in practice; for, in the ultimate analysis, it is essentially a way of applying judgment, and since no evaluatory process can eliminate the need for exercising judgment, howsoever systematic it is or may be, it will always remain captive to human traffics; additionally so because the technique is to be administered by people and for people in the live-organization world of work.

When workers are selected for vocations or jobs in an industrial concern after a careful weighing of the requirements of the jobs on the one hand and assessment and evaluation of the abilities and aptitudes of men on the other, it is referred to as "vocational selection". Vocational selection involves two things: (a) knowledge regarding the qualities which a person in order to do a given job properly and (b) the measurement of qualities possessed by a candidate for the job. The first task requires the drawing up of "job specification" i.e., "job analysis" and "job grading".

VOCATIONAL GUIDANCE

A vocation is a career or calling and the word is derived from the Latin vocare, which means "to call." Vocational guidance means helping someone find his or her calling or at least a suitable career choice. Vocations or careers can be loosely categorized into areas such as service, technical, mechanical, creative, health and business.

General Objectives of Guidance

- To guide trainees in various psychological, moral, social, educational and occupational aspects in order to become active members in the nation building process.
- To discuss the personal, social or educational problems encountered by the trainees during their study and work towards finding appropriate solutions which enable them to progress in their study.
- To work towards discovering the skills, capabilities and tendencies of distinct or ordinary trainees and help them invest their skills.
- To encourage trainees to learn and give them an insight into the training unit system and help them utilize available programmes.
- To help trainees select the specialization and occupation which meet the society requirements.
- To guide trainees in cooperation with the students tutor and solve their problems and participate in various councils and committees.

Vocational Guidance Programs

Vocational guidance usually covers six areas:

- studying or surveying the various kinds of occupations;
- determining aptitudes;
- choosing a vocation;
- preparing for work in the chosen vocation;
- finding a job;
- adjusting to and gaining competence in the job.

VOCATIONAL EDUCATION (TRAINING)

Vocational Education, the training of persons for specific occupations. In a broad sense, vocational education includes the learning of any kind of profitable and useful work

In a complex and technologically advanced society, it is essential that training be offered in many different types of work. **Retraining** is also important, as new methods and tools are introduced. New occupations are being created by discoveries and inventions. The introduction of automation and computers into industry and commerce has eliminated many unskilled and semiskilled jobs, and has created the need for persons with the ability to build, sell, install, and service the new equipment.

Vocational education trains youths and unemployed persons for jobs and helps workers update or extend their job skills. Besides teaching job skills, vocational education aims to establish sound attitudes and work habits and to help persons understand and appreciate their jobs.

Types of Vocational Education

The main areas of vocational education include the following:

- **Vocational Agriculture.** training for jobs on farms and for occupations in such fields as processing food, marketing farm products, and repairing farm equipment.
- **Home Economics Education.** training for homemaking and for occupations in such fields as child care, food service, and interior decoration.
- **Business Education.** training for distributive and office occupations. Distributive education covers such subjects as merchandising, warehousing, and exportimport trade. Office education includes such subjects as typewriting, bookkeeping, use of business machines, and shorthand.
- **Trade and Industrial Education.** training for such occupations as carpenter, automobile mechanic, printer, tool and die maker, electrician, plumber, barber, beautician, or sheet-metal worker.
- **Technical Education.** training for technical or semiprofessional occupations. Technical training normally covers one to three years of study beyond high school. It is generally more theoretical than other vocational training, but less theoretical and more specific than professional training. Technical and semiprofessional occupations include such jobs as data processor, X-ray technician, electronic technician, draftsman, practical nurse, dental assistant, food service manager, cartographer, production control supervisor, illustrator, and construction estimator.

JOB ENLARGEMENT AND JOB ENRICHMENT

The concept of job enlargement was developed as a result of the investigations targeted on the improvement of group efficiency and motivation in the early 1960s. The major reason for the investigation was the need for companies to improve the productivity of their employees.

The basic concept had to do with the fact that people who deal with boring and simple kinds of job are not motivated enough to perform their jobs well. The decision therefore was to increase the amount of operations the person performed in order to make the job more attractive to the employee.

The concept proved to be unsuccessful because it tried to simply replace a short boring job with a long boring job without trying to change the content of the job. The further development of this concept led to the second theory of job enrichment, which turned out to be quite successful and has been accepted by many organizations as the correct approach to increasing group productivity. This concept fits very well with the usual project environment and is therefore regarded by project managers as a useful approach to project team development.

The job enrichment concept was developed based on the experiment carried out by the Swedish Volvo company in the 1960s. The management of Volvo decided to try discontinuing one of its assembly lines and instead putting all the people with needed skills in one room with all the tools and equipment needed to carry out the operations. The cost for the process and the length of the process as the result of this organizational change increased; however, the overall life cycle cost of the product, including all the needed repair work, guarantee work, clients' dissatisfaction factors, etc., decreased significantly.

Based on the results of the experiment, it was decided that the increased opportunities for creative work increased the level of responsibility and ownership. The ability to see the final product made the members of the group more motivated and therefore increased their ability to perform good results and check for quality. It was decided that, in order to increase people's productivity, it is critical to give them more opportunities for independent and creative work.

This approach is strongly reflected in modern project management methodology, where the systems of delegation and increased involvement of the team members in all phases of the project are considered to be critical for project success. It is also largely used in other modern management methodologies, such as total quality management. The basic idea is to decrease the cost for quality by decreasing the inspection time and increasing the self-sufficiency of the producers of the products.

MOTIVATION

Motivation refers to inciting employees by arising emotions and providing incentives to come in action. Motivation is the main tool by which personnel productivity can be maximized. Good supervision must also promote better motivation. A supervisor may have considerable control over his work and he can usually see what he is accomplishing. But these circumstances must also pass on to the junior level because that gives one a sense of participation in the business that employs him. Therefore, the supervisor has to see how he can build same feelings in people further down below the ladder. They should be given a better view, a big picture of the business in which they are employed and for which they are working.

Many methods of employee motivation have been developed. The study of work motivation has focused on the motivator (supervisor) as well as the motivatee (employee). Motivation theories are important to supervisors attempting to be effective leaders. Two primary approaches to motivation are content and process.

The content approach to motivation focuses on the assumption that individuals are motivated by the desire to fulfill inner needs. Content theories focus on the needs that motivate people.

Maslow's Theory of Motivation. Maslow says that man has five basic categories of needs; physiological, social, ego and self actualization needs. He says these needs form a hierarchy or ladder and that each need becomes active only when the next lower level need is reasonably satisfied.

- **Physiological needs :** The lowest level in Maslow's hierarchy contains the physiological needs. These are the most basic need everyone has for example, the need for food, drink, shelter, and rest.
- **Safety needs:** When the physiological needs are reasonably satisfied-when one is no longer thirsty, has had enough to eat, has a roof overhead, and so forth-then the safety needs become activated. They become the needs which the person tries to satisfy, the needs that motivate him. These are the needs for protection against danger or the need for security in job.
- **Social needs:** Once a person's physiological and safety needs are satisfied, according to Maslow, they no longer motivate behaviour. Now the social needs become the active motivators of behaviour-needs such as for affiliation, for giving and receiving affection, and for friendship.
- **Ego needs:** Next in the hierarchy are ego needs which are:
 - Those needs that relate to one's self esteem- needs for self confidence, for independence, for achievement, for confidence, for knowledge' and
 - Those needs that relate to one's reputation—needs for status, for recognition, for appreciation etc.
- **Self actualization needs:** Finally, there is an ultimate need, a need that only begins to dominate a person's behaviour once all lower level needs are reasonably satisfied. This is the need for self actualization, the need we all have to become the person we feel we have the potential for becoming.

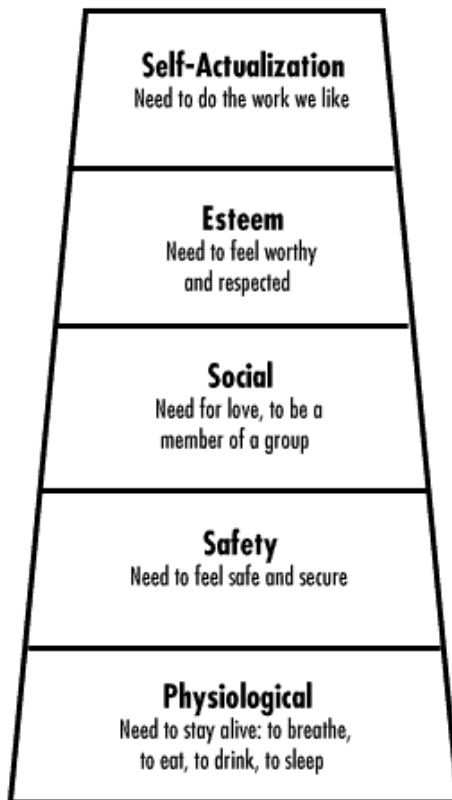
Herzberg's Two-Factor Theory. This theory describes needs in terms of satisfaction and dissatisfaction. Frederick Herzberg examined motivation in the light of job content and context. Motivating employees is a two-step process. First provide hygiene and then motivators. One continuum ranges from no satisfaction to satisfaction. The other continuum ranges from dissatisfaction to no dissatisfaction.

Satisfaction comes from motivators that are intrinsic or job content, such as achievement, recognition, advancement, responsibility, the work itself, and growth possibilities. Herzberg uses the term motivators for job satisfiers since they involve job content and the satisfaction that results from them. Motivators are considered job turn-ons. They are necessary for substantial improvements in work performance and move the employee beyond satisfaction to superior performance. Motivators correspond to Maslow's higher-level needs of esteem and self-actualization.

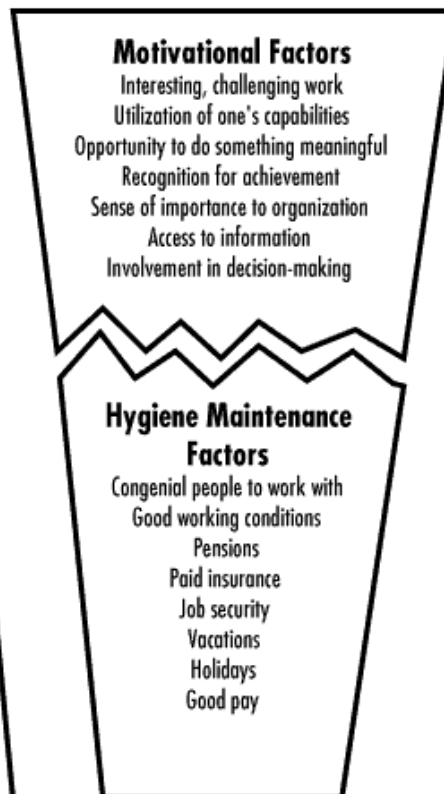
Dissatisfaction occurs when the following hygiene factors, extrinsic or job context, are not present on the job: pay, status, job security, working conditions, company policy, peer relations, and supervision. Herzberg uses the term hygiene for these factors because they are preventive in nature. They will not produce motivation, but they can prevent motivation from occurring. Hygiene factors can be considered job stay-ons because they encourage an employee to stay on a job. Once these factors are provided, they do not necessarily promote motivation; but their absence can create employee dissatisfaction. Hygiene factors correspond to Maslow's physiological, safety, and social needs in that they are extrinsic, or peripheral, to the job. They are present in the work environment of job context.

Motivation comes from the employee's feelings of accomplishment or job content rather than from the environmental factors or job context. Motivators encourage an employee to strive to do his or her best. Job enrichment can be used to meet higher-level needs. To enrich a job, a supervisor can introduce new or more difficult tasks, assign individuals specialized tasks that enable them to become experts, or grant additional authority to employees.

Maslow's Hierarchy of Needs



Herzberg's Motivation Hygiene Theory



VARIOUS THEORIES OF HR MANAGEMENT

X Theory

Theory is based on traditional view. In this theory management or authority do not trust the labour and use restraining policy so that labour will be unable to act against him. Management is of the opinion that work could be extracted from labour through fear, strict discipline and rebukes, their cooperation should not be taken in management. Here authority or power is thought to be superior. Management acts right or wrong, labour can not say anything and thus mentally he is dependent on management. This theory has been discussed in detail in chapter one - *Management Concepts & Functions*.

Y Theory

This theory is quite opposite to "X" theory in this, labour is assumed to be partner in the management and all working with the cooperation of labour. This theory is based on democratic principles, where everybody has equal chances. This theory established coordination between basic personal objectives and the collative objectives of the organization. This theory has been discussed in detail in chapter one - *Management Concepts & Functions*.

In modern times, labour unions have become sufficiently strong. Government have made sufficient provisions in labour acts for the security of workers. The employers have also realized that workers are human beings and they should be treated on humanitarian grounds. This theory explains “Z theory .

ROLE OF PERSONNEL MANAGER

In today's market scenario and looking at the current corporate world.....there does not exist any Personnel Department.

Personnel Department existed a decade ago.....but due to rapid change in the corporate world....personnel management got merged into HR department and it came to known as HRD.

One will usually find the Personnel Manager in the Manufacturing Companies where they have their manufacturing factories.

The roles of the Personnel Manager are:

- Liaison activities with the Government authorities
- Solving Employee or workers related problems
- Handling Payroll and PF related matters.
- Handling contract labors and renewing their license.
- Training & Development
- Performance Appraisal
- Recruitment & Induction

TRADE UNION

According to Indian Trade Union Act of 1926, a trade union is “Any combination whether temporary or permanent, formed primarily for the purpose of regulating the relations, between workmen and employers or between workmen and workmen, between employers and employees or for imposing restrictive conditions on the conduct of any trade or business and include any federation of two or more Trade Unions.”

Trade Unions fight for the rights of the working people and in order to get adequate wages, better working conditions, holidays with pay, bonus etc., they organize strikes etc. Last but not least is the fraternal function of the trade union which comprise promotion of fraternal and friendly relations among the workers who are its members. Mutual help and cooperation is the basic principle on which these trade unions work. Special funds are created through subscription from members and out of those funds, members are given financial help in times of need Facilities for education and recreation besides other welfare measures are also provided.

Advantages And Disadvantages Of Trade Unions

Trade unionism like every other activity has certain advantages and disadvantages. Its main advantages are that it helps in maintaining industrial peace and in times of dispute employees have a channel for negotiations. As for the workers, trade unions obtain better working conditions and promote collective bargaining capacity of the workers. Trade unions also help in raising technical efficiency. By bringing about better living conditions of the workers, trade unions help in the increase of production. Trade unions also foster a sense of brotherhood in the workers and thereby contribute to a very healthy relationship with the management.

But the disadvantages are also not few. Many trade unions have been found to have developed a sense of indiscipline among the workers who begin to feel that every problem can be solved only through an agitational approach. Action on points of agreement between the employers and employees are always very limited. So, therefore, under trade unionism workers do not put heart and soul in the work and it has been observed that there is more of production loss than gain under trade unionism. Many political parties with whom these trade unions are affiliated make the workers as their tools and exploit them for their own ends, with the result that industrial production suffers. The trade unions have been normally found to make the workers more conscious of their rights than duties. Therefore, the workers always go on putting forward one demand after another and remain perpetually dissatisfied because of close consciousness, aroused in them. Those who control the trade unions often suffer from pride and prejudice and are interested in perpetually keeping alive a strife with the management so that their leadership is held high.

Trade Unionism In India

It was soon after the first world war that the Indian working class realized the effectiveness of strike as a mean of obtaining concession, higher wages and improved working conditions, and the success of most of these strikes lay to the organization of many trade unions. In 1920, came the All India Trade Union Congress and in 1926, the Trade Unionist Act was passed. This act gave a legal status to register trade unions and confer on them and their member special right and privilege. However, towards the end of 1920's, there was a split in the trade union movement and another organization known as All India Trade Union Federation came into being. The Communists controlled the A.I.T.U.C. while the moderates were in charge of the AITUF.

In 1947, when India became independent, Indian Trade Union Congress was controlled by the Congress Party. In 1948, the Praja Socialist Party started the Hind Mazdoor Sabha and some radicals formed the Union Trade Union Congress (U.T.U.C.) in 1949.

INDUSTRIAL SETTLEMENT

In any industrialized society there are 3 agencies which may shape industrial relations. They are :

1. The employers in their individual capacities or through their associations.

2. The labour unions.
3. The Government through legislation.

The approach of Shri V.V. Giri to industrial relations has been a very great contribution in this field. He has suggested mutual negotiations between the employers and workers for the settlement of industrial disputes. The basic philosophy of this approach is that internal settlement must be preferred to compulsion from outside. Voluntary arbitration and collective bargaining are much better than the compulsory arbitration.

LABOUR PARTICIPATION IN MANAGEMENT

In order that labour does not feel that it is being exploited by the employers and the employers do not feel that they are being compelled to give certain facilities to the labour, there has been a recent movement for labour participation in management. This movement gained great momentum in the latter part of 50's and according to this joint councils have to function at every industry. These councils of management are to consist of an equal number of representatives of management are to consist of an equal number of representatives of management and of employees, not exceeding 12 in each case. This council has to be consulted by the management on such matters as administration of standing orders and their amendment when needed, retrenchment of labour, rationalization and closure, reduction in or cessation of operations. The council has the right to receive information on the general economic situation of the concern, the state of the market production and sales programmes. Gradually it has matured into a closer association of employees with management through a three-tier structure of joint councils. On top is the joint council of consultative management, then there are the joint workers council and the joint town council. The last tier consists of joint departmental councils.

WORKERS' GRIEVANCES

In spite of the best efforts and the best possible organization, individual employees may still have complaints of various kinds relating to working conditions, action of the supervisors, the calculation of wages, pay or bonus or over time etc. These complaints are called grievances. The workers' grievances generally fall into the following categories:

1. an avenue through or a form on which the concerned employee may present his grievances.
2. a fair procedure which assures that every grievance would be handled systematically, immediately it has reached the employers.
3. a method through which the concerned employees can let off his steam and ventilate his feelings.
4. prompt means of handling the grievances.

Then the whole system of looking into the grievances of workers should be so simple that it is usually understood by the workers and as far as possible grievances should be settled by the lowest level.

Industrial disputes are the conflicts and disputes between the employers and the workers. As a result of these disputes, workers go on strike or adopt go-slow tactics while the employers impose lock-outs. All these measures lead to unpleasantness irrespective of the fact whether they are successful or not.

Reasons Of Industrial Disputes

- Demand for more wages.
- Demand for bonus or for increase in the bonus.
- Demand for improved working conditions like less working hours, more safety measures, canteen facilities, holidays, leave etc.
- Failure of the employers to recognise trade unions.
- Conflicts between rival unions with regard to representation
- Alleged insult of the trade union leaders by the employers.
- Introduction of rationalization methods and the fear of retrenchment as a result thereof.
- Protests of a political nature on matters of national interest.

Settlement of industrial disputes is a very great necessity because otherwise production is stopped and national income is badly effected. Therefore the first Industrial Disputes Act was passed by the Government of India in 1929. In 1947 immediately after independence, the Government of India passed another Industrial Disputes Act under which machinery for the prevention and settlement of disputes was outlined. This was further amended in 1956. As a result of this, the following offices or units have been created to settle industrial disputes and establish industrial peace :

- Joint Works Committee in industrial establishments with 100 or more workers. With the sole purpose of promoting good relations between the employers and employees.
- Conciliation officers.
- Board of Conciliation.
- Courts of Inquiry in order to investigate the whole dispute.
- labour courts which look into the disputed orders of the employers with regard to dismissals and suspension of employees and the legality of strike and lock-outs.
- Industrial Tribunals both at the State and the Central level.

Collective Bargaining

Collective bargaining is a method of settling industrial disputes between workers and employer. In this method group of workers represented by a trade union and employer meet and mutually come to an agreement about wages, hours of work etc. It is a democratic

method. Settlement through collective bargaining is more permanent. Process of collective bargaining varies from country to country.

For the success of collective bargaining a strong trade union and a rational thinking employer are necessary, without which collective bargaining is not possible.

Typically, the employees are represented by a union. Collective bargaining actually begins with joining a union, agreeing to abide by the rules of the union, and electing union representatives. In general, experienced people from the union will assist the employees with putting together a draft of a contract, and will help them present their desires to the company. Numerous meetings between representatives of employer and employees will be held until the two can agree on a contract.

As the contract is being negotiated, general employees also have input on it, through their union officers. Thus, the agreement reflects the combined desires of all the employees, along with limitations that the employer wishes to see put in place. The result is a powerful document which usually reflects cooperative effort. In some cases, however, the union or the employer may resort to antagonistic tactics such as striking or creating a lockout, in order to push the agreement through.

For workers, collective bargaining is an excellent tool. Many workplaces benefit from unionization, which allows workers to speak together as a body to assert their rights. Employers also benefit from collective bargaining agreements, which set out clear expectations for both sides. The experience of collective bargaining can also be a learning experience for both sides of the discussion, as it encourages employers and employees alike to consider each other's positions.

Characteristics of Collective Bargaining

The following are the four characteristics of collective bargaining:

- It is a 'give and take' relation. When either party is weak, it may turn out to be 'giving in' or 'giving away'.
- Generally, workers want to get the maximum but employers want to give minimum. If the parties wish to reach an agreement, they will have to first retreat from the position taken by them.
- It is a process of persuasion and reasoning which may enable parties to arrive at some amicable settlement.
- It is a power relationship in which the management tries to retain its right to manage and unions to safeguard their interests so as to strengthen their hold over the workers.

Collective Bargaining Process

The collective bargaining process consists of three stages:

- Negotiation,

- Implementation, and
- Renewal and revision of an agreement.

An important feature of collective bargaining in the past has been the negotiated agreement entered into between the employer and the trade union. This negotiated agreement reflects a sense of compromise in a give-and-take-spirit and also manipulation of a power equilibrium between the parties. The signed agreement becomes a contract between the parties. The negotiated (collective) agreement may specify the modus operandi to resolve disputes or problems arising out of, or in the course of, the agreement. The collective agreement is for a specific period of operation after which the agreement can be terminated, renewed or revised. Sometimes, there is a provision in the agreement for revision during its period of operation to meet the contingencies arising from changes in economic and other conditions.

Prerequisites for Collective Bargaining

- Freedom of association between employees and employers.
- Mutual trust and confidence.
- A semblance of parity in the strength.
- Right of employees and employers to strike and lock out subject to national interest.
- Authorized representatives for negotiating the agreement.
- Encouragement by the Government for collective bargaining.

INCENTIVE

It is something that encourages a worker to put in more productive efforts voluntarily. Mostly workers are not willing to exert themselves to produce to their full capacities unless their interest in work is created by some kind of reward.

The incentive is a kind of monetary reward which is closely related to the performance of a worker, and results in increase in wages corresponding to an increase in output.

Advantages of Financial incentive

- Workers are encouraged to increase production to earn more.
- This promotes relations between employers and employees.
- Worker's day wages are guaranteed, even if they are not able to complete the job in standard time. In case, the job is completed in less than the specified time, incentive is earned.
- There is direct reduction in labour cost as well as indirect saving due to reduction of shop and machine charges as the time is saved.
- An able worker is in a position to earn sufficient amount of money to raise his standard of living.
- It provides a recognition to a worker for his good contribution.

- It aids for improvement in the utilization of equipment, materials and services.
- It helps in reducing labour turnover and absentee rate.

Disadvantages

- It involves extra cost of
 - Standard method, allowed time, materials, product design, etc.,
 - Installing and maintaining the incentive plan,
 - keeping the records of worker's performance.
- An improperly structured and planned incentive scheme can be a root of all troubles and disputes between the labour and management.
- The success of the incentive system depends on efficient and sufficient machines, tools, avoidance of delay and interruptions.
- If the rate of incentive is too high, it will result in loss to employer and if it is too low, it will fail to induce workers.

Incentive Schemes

There are various schemes for financial incentives.

Three of them are as follow:

1. Emerson efficiency plan
2. Gantt's task and bonus system
3. Taylor's differential piece-rate system

Emerson Efficiency Plan. In this scheme, premium is given to those workers who attain more than 2/3 of the standard output. In this scheme, output for the day is so decided that the average worker can complete at least 2/3 of the standard output.

The standards are set and the worker gets at least his minimum day wage.

Following are the rates at different efficiencies:

- If a worker performs upto 60% of the standard output, he gets no incentive .
- If a worker performs upto 80% of the standard output, he gets 10% incentive .
- If a worker performs upto 100% of the standard output, he gets 20% incentive .
- If a worker performs upto 120% of the standard output, he gets 30% of the wages as incentive, and so on.

Promotion

- Promotion is recognition of a job well done by an employee.
- It is a device to retain and reward an employee for his years of service to the company.

- Promotion helps increase individual and organizational effectiveness.
- Promotion promotes a sense of job satisfaction in the employee.
- It builds loyalty, morale and a sense of belongingness in the employee.
- Promotion conveys a clear message to others that opportunities are also open to them in the organization, if they perform well.

There are other more important elements of a sound promotion policy which should be spelled out by managements:

- A clear statement of policy that all higher jobs, as far as possible, shall be filled in by promotions from within the organization. This would motivate existing employees to work better and aspire for a promotion;
- Establishment of 'lines of progression or ladders of promotion' within the organization. It may be called career planning and should be chalked out by the personnel department or by the top management;
- Job analysis and other techniques can be resorted to as aids, and the competence and experience of existing employees together with their educational background and training may be considered, as far as possible, while plotting a career graph for each employee;
- The line managers should also be made responsible for planning careers of people working under them and managers should be encouraged to transfer their subordinates to better openings in other departments, in the overall interest of organizational efficiency; and
- Adequate provision should be made by managements for training as a means of preparation for promotion to higher posts; special on-the-job training, special institutional training or other avenues should be made available to deserving employees.

- Q.1. (AMIE W09, 12 marks):** What do you mean by Human Resources Development? Identify important activities of human resources development function of an organization.
- Q.2. (AMIE W08, 8 marks):** Discuss why human resource management is important today in every organization. Briefly describe the role of recruitment and selection in this context.
- Q.3. (AMIE W16, 8 marks):** Explain the need of human resources planning and management in an organization with suitable example.
- Q.4. (AMIE W15, S16, 7 marks):** Which are the factors considered while making recruitment in an organization? Explain.
- Q.5. (AMIE S17, 10 marks):** Corroborate the following proposition with suitable example "Human Resource Planning and Management" is the backbone of any organization.
- Q.6. (AMIE S17, 10 marks):** Explain through examples how management of physical resource are followed and practical in industries.
- Q.7. (AMIE W17, 10 marks):** Explain the functions and responsibilities of human resource management with the help of line diagram.
- Q.8. (AMIE W06, S15, 10 marks):** Explain the role of a personnel manager.
- Q.9. (AMIE W07, 6 marks):** Describe the purpose of staffing. Discuss the factors to be incorporated in the staffing system.
- Q.10. (AMIE S09, 10 marks):** What are some selection processes/techniques that a manufacturing organization should adopt? Discuss.
- Q.11. (AMIE S12, 5 marks):** How is recruitment process of an IT company different from the same of a manufacturing company? Explain.
- Q.12. (AMIE W10, 12 marks):** Distinguish between (i) vocational selection (ii) vocational guidance (iii) vocational training. Explain how they help in recruiting efficient personnel for a business concern.
- Q.13. (AMIE W06, 15, S15, 10 marks):** Discuss the principle/characteristics of incentive methods of wage payment in modern industry. List various types of incentives plans. Explain any one of the gain sharing plans.
- Q.14. (AMIE W09, 4 marks):** Write a short note on trade union and industrial relations.
- Q.15. (AMIE W10, 8 marks):** Give the aim of trade unions. Discuss the objects, advantages and disadvantages of trade unions in industrial environment.
- Q.16. (AMIE W08, 09, S12, 16, 6 marks):** What is collective bargaining? What is its role in human resource management?
- Q.17. (AMIE W05, 6 marks):** Describe salient features of collective bargaining. Discuss the prerequisites for the success of collective bargaining. Why is it referred to as a two way process?
- Q.18. (AMIE W15, 5 marks):** Describe the process of collective bargaining.
- Q.19. (AMIE S09, 10 marks):** Define and differentiate between industrial disputes, lockout and picketing.
- Q.20. (AMIE S05):** Put yourself in the position of a training director, who must justify his work to top management. How would you go about projecting that you are an asset to the firm?
- Q.21. (AMIE W08, 6 marks):** Bring out the difference between "training" and "retraining".
- Q.22. (AMIE W11, 4 marks):** Discuss Maslow's need hierarchy with an example.
- Q.23. (AMIE S07, 10 marks):** Define leadership and motivation. Explain Herzberg's two factor model of motivation.
- Q.24. (AMIE S06, 10 marks):** Explain how the four C's model can be used to evaluate an organization's human resource management programme?
- Q.25. (AMIE S10, 13, 7 marks):** Distinguish between job enlargement and job enrichment.
- Q.26. (AMIE S15, 5 marks):** List and explain motivational techniques.
- Q.27. (AMIE W16, 20 marks):** Write short notes on (i) selection and recruitment (ii) training and retraining (iii) skill development and competence development (iv) promotion and career development.

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