

HUMAN RESOURCE MANAGEMENT

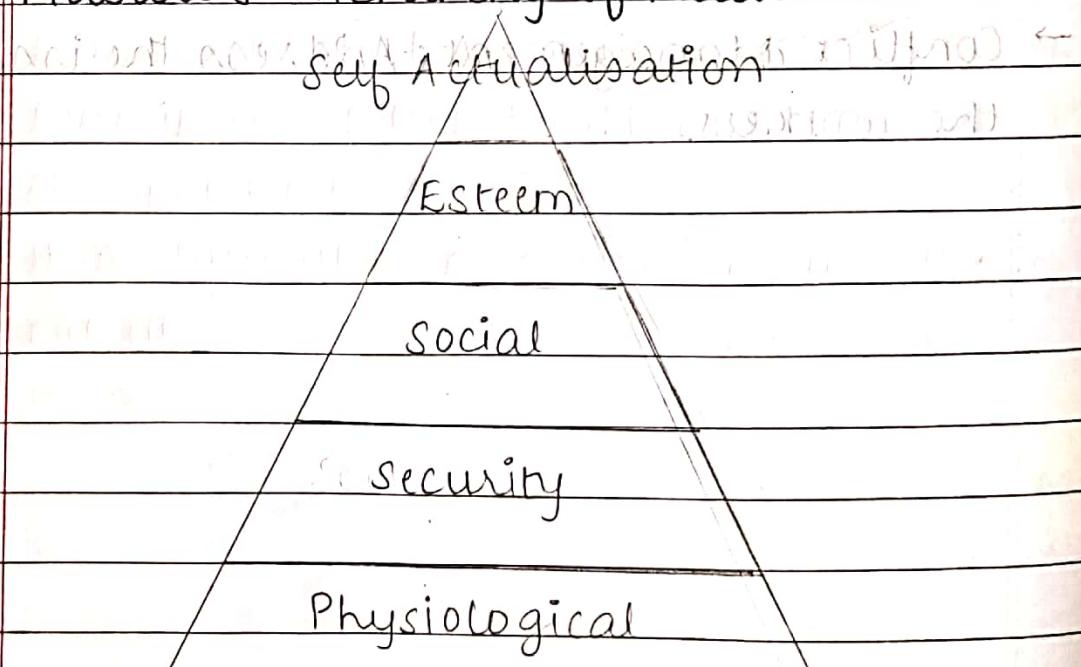
- Roles of the Human Resource Management Department:
1. Recruitment and Selection
2. Training and Development
3. Motivation
4. Appraisal / Feedback
5. Selection / Recruitment
6. Training Programmes
7. Conflict Management

- MOTIVATION
- Identifying what every single individual wants & trying to fulfill it.
- Difficult role to play because you would be judged depending upon/on the basis of the workers' improvement
- Sometimes the wants of the worker may be unrealistic

Thought 1) Eg: Worker says that he would happy & would be able to perform well only if he gets a car. Here the work of the department doubles. First, the worker needs to be explained that his wants are unrealistic & then some more realistic need needs to be fulfilled

⇒ MOTIVATION THEORIES:

⇒ Maslow's Hierarchy of Needs :



- It is a tool to identify the needs of the workers
- It helps to categorize employees on the basis of their needs, thus making the management task easier.

→ **Physiological Needs:** The basic requirements for survival - food, clothing, shelter & a means of earning.

→ **Security Needs:** Need for job security & having stability.

→ **Social Needs:** Need to have good relationships with co-workers. The need for interaction & support at work.
Eg: Business which are away from cities create townships & celebrate festivals so that people who come from different parts of the countries can interact.

→ **Esteem Needs:** The need for self-respect & to be respected by others. Being given recognition for a job well done.

→ **Self Actualisation:** The need to reach your full potential & be promoted. Having a feeling of satisfaction.

of having done a good job. Being happy personally. Given more responsibility & accepting challenges will also help in achieving better performance.

→ Taylor's Theory:

→ Started around industrial revolution.

→ The basis of this theory is that people work only for money. Money is the main motivator.

→ His theory is also called the scientific theory. It suggests that every aspect of manufacture should be looked at scientifically.

→ Work is broken down into simple processes, & more money is paid which will increase the level of productivity an employee will achieve.

→ The extra pay is less than increased productivity.

→ Drawbacks:

- Even if you pay more, there is no guarantee of a productivity rise.

- It is difficult to measure an employee's output.

CONTINUATION PAGE

3. Defining the term 'Motivation' & its importance in organization

→ Mayo's Theory:

→ He identified that providing the right working conditions & helping build social relationships within the organisation makes people perform better.

Eg: having canteen for workers

celebrating festivals together

→ The theory was introduced when there were more jobs but lesser number of people to work. Businesses were trying to notice & recognize what beyond money should they provide to attract people to work.

→ Herzberg's 2 Factor Theory:

→ Herzberg suggested that everything that a business does for his employees can be categorized as a hygiene factor or a motivational factor.

→ Hygiene Factors:

- Status
- Security
- Working Conditions
- Company policies & administration
- Relationship with subordinates.
- Salary.

→ Motivational Factors:

- Achievement
- Recognition
- Personal growth / career development
- Advancement / promotion
- Job satisfaction

⇒ McGregor's Theory (X & Y Theory):

→ X Theory:

The assumption that people don't want to work & so need to be dealt with strictness. They need more supervisions, tougher consequences & should be lesser involved in decision making.

→ Y Theory:

The assumption that people like to work if provided with right conditions for performing. They need lesser supervision, more freedom to work & good office spaces. They should be involved in decision making.

→ FINANCIAL MOTIVATORS

→ Wages & Salaries: Wages are paid every week so that the employee doesn't have to wait long for money. Workers get extra pay for the overtime they do.

Ways/Methods to calculate wages:

Time rate: It is also known as straight time rate.

- Payment according to how much time has the employee worked. It is used in businesses where it is difficult to measure the output of the worker.
- Both ^{good} & bad workers get paid the same. Therefore more supervision is required.

+ Piece rate:

- Payment according to the output (no. of units produced). It is found in businesses where it is possible to measure worker's productivity.
- It encourages workers to work hard & produce more goods.

→ Bonus:

Extra money that is given on festivals to help the workers celebrate / enjoy them better.

→ Profit Sharing:

- Profit sharing is to share a percentage of profit with your employees.
- However, they will get nothing if the business doesn't make a profit.

→ Commissions:

- Commission is different from brokerage.
- It is a percentage paid usually to sales staff, depending upon the value of goods they have sold.
- Types:

(1) where only commission is paid. There is no salary.

(2) where there is a fixed salary & you are given a sales target. For any sales beyond the target, commission is given

(3) There is a fixed salary & a commission is given on every thing you sell.

→ ESOPs (Employee's share ownership programme)

- All employees own some share of the business depending upon their position.
- Eg: owners of Flipkart (they will become millionaires if Flipkart becomes public limited).

→ Fringe Benefits/Perks:

- These are additional facilities given to employees that are in a non monetary form but have cost implication for the business.
- Eg: Car, house, insurance, sponsoring holidays.

⇒ NON FINANCIAL MOTIVATORS:

→ Job Rotation:

- When the job/work is changed over a period of time because it tends to be monotonous & boring & can affect the efficiency of the employee.
- Sometimes, job rotation can be in critical jobs.
- Eg: A security person standing at the gate clerks in a bank.
→ Air traffic controller

(Increase in responsibility is horizontal in nature)

→ Job Enrichment: (horizontal in nature)

• Improving working conditions for the employees to work.

• Sometimes it may involve a cost to the business but there is no financial benefit given to the employee.

Ex: providing air conditioned office

providing new gadgets.

• Elsewhere cost is not involved; responsibility of training at new employee

→ Job Enrichment vertical in nature)

• Increasing the scope & extent of work

• Eg: Increasing the number of regions a sales person needs to handle

• Only sometimes, the salary is increased

• what is motivating is that more challenges & responsibility is given to the person.

→ Praising the Employee periodically!

in front of his team mates is motivating as well.

→ TRAINING: ~~Qualification~~ ~~data in it are~~

→ Training is motivating as it enhances ones qualification & skills.

→ Induction Training:

- The training that is given to the new employees, which may include things such as -

Making the person/employee familiar with their work place.

Showing where the different departments are located.

Introduction to all systems & procedures.

Introduction with all team members & important people in the organization

→ The people whom the employee would have to work with or need help of.

Training related to the actual work.

Administrative work

Marketing management

and privides

- On the Job Training:
- The training which is given at the work place, usually for technical areas such as operating machines, using computers & gadgets, working in teams etc.
 - The training would be much costly & time consuming, it would be provided off campus.
 - Induction training of most of the manufacturing businesses is on the job.
 - More people are involved in on the job training
- Off the Job Training:

The training that is provided outside the work place, usually for higher level skills & soft skills.

- The training would be much costly & time consuming if provided on campus
 - Induction training for most of the service industries would be off the job
 - Less people are involved in this type of training
- * Soft skills are the skills which could not actually be seen or measured or judged.

Eg → Leadership qualities
Communication & convincing skills

Hard skills are the skills which could be seen, measured or judged

Eg → Driving skills.

→ RECRUITMENT:

→ Job Description:

- Description about the job which could include:
 - Title of the job
 - Reporting relationships (your seniors & juniors)
 - What is the work going to be.
 - Expected salary.
 - No. of days of work
 - Targets.

→ Person specification:

- A person specification can have -
 - Qualification
 - Age
 - Years of Experience
 - Pleasing Personality
 - Leadership skills
 - Communication skills

→ Creating an Ad:

Areas to look upon while creating an ad:

- Media
- Newspaper/Magazines (for specific kind of jobs).
- Internet

provides wider excess than newspaper
& makes comparison of jobs easier for the
people who are looking for one; easy &

beneficial for both the sides; more preferred

- TV

no reference can be kept by the people.

- Placement agencies/consultants

They have information about the employees & the employers; hence they can help in making a better choice.

They are more useful for higher level jobs.

- Campus Interviews/Selections

where the companies go to colleges for choosing their employees. It is a big medium these days.

- Insurance Companies & Private Banks

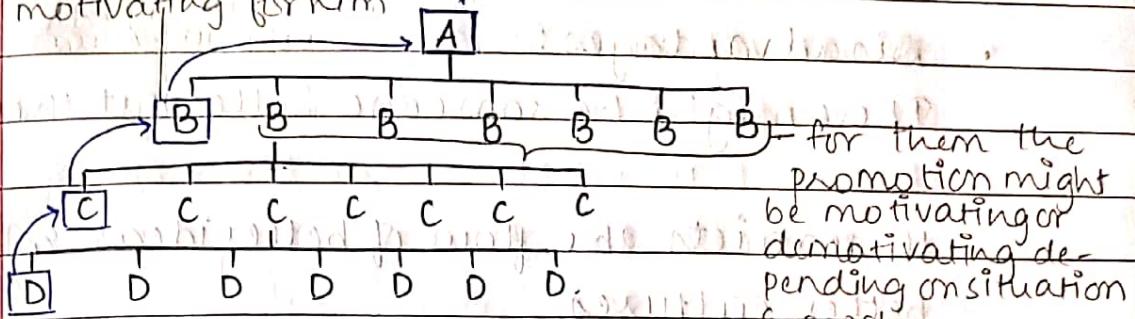
never give ads. They ask people within the bank/company for references because of the risk of leaking of private information of people accounts. Only Government companies & banks give ads.

- Internal Recruitment:

Internal Recruitment is the one when someone is promoted from the organisation.

the promotion is motivating for him

leaves.



Vacancy is created here.

for them the promotion might be motivating or demotivating depending on situation & people.

- Business tries to bring the vacancy or gap at as lower level as possible.
- If everything is working with the same efficiency even after the vacancy is created, then it could be said that the planning of the business is weak. After all, why did they pay that person (who has created the vacancy) till now if he didn't affect the efficiency of the business. Ideal scenario thus is that the work efficiency should decrease after the creation of vacancy even though the same efficiency seems better at first.
- Advantages:
 - The business knows the person well & is aware of ^{his} abilities & working style

The employee/person understands the business & its culture.

Internal recruitment saves money & time.

- Disadvantages:

There might be someone better out there.

it restricts the flow of better ideas & better cultures.

→ External Recruitment is exactly the opposite of Internal Recruitment.

- getting Applications:

Screening is just looking at the applications for basic requirements & removing them who don't fit the basic measurable requirements. This process is carried out by the HR Department. No skills are required for screening.

- Interviews

In interviews, skills of the applicants are looked upon, hence an equally skilled person should conduct the interview.

Either interview is conducted in different stages or in panels.

• Panel interview includes the people who are related to the work of the applicant.

The panel can include - a teammember

a HR member

a Technical person

a Senior

Panel interviews are considered quick & better.

• stage interviews are better ~~for~~ in case where large number of people are to be interviewed.

Eg. SSB interview

→ Redundancy

Redundancy is when the employees are asked to leave, not because it was their fault, but because there is no work left for them.

⇒ Dismissal

→ Dismissal is when employees are asked to leave because of genuine reasons, even though there is work for them.

→ The reasons could be:

- Consistant non / low performance.

- An act of indiscipline.

- Spreading ill feeling about the organisation.

→ Ways of Dismissal which are considered unfair:

- Refusal to work on weekly holidays or national holidays.
- Removal on the basis of caste, religion, colour, race, gender etc.
- As a way of not giving maternity or paternity leave.
- If the person is suffering from HIV.
- If the person has a background & has been to jail for a crime that is unrelated to the current job.
- Removal because the employee joins a trade union.

Ques 2) Explain the various forms of labour barriars :-

- (i) Employment barriars:-
- (ii) Organisational barriars:-
- (iii) Social barriars:-

→ TRADE UNIONS:

- Trade union is an association of workers that have come together for a common interest.
- Unions may be national, industry wide or specific to a business.

* During Industrial Revolution, people were moving from rural to central parts of the cities. Jobs available to people were less & employers were in power (they had many choices as there as people who wanted jobs was larger compared to the jobs available) Workers / employees felt exploited, & so started forming unions. They thought of themselves as the ones who should oppose the employers by strikes etc. There was a great conflict between unions & management. Later people realised that this is beneficial to no one (none of the parties) & decided to collaborate.

→ Formation of the Trade unions:

- Stage 1: Managements dictating the terms & the workers feeling more exploited by them

- Stage 2: Formation of unions by workers leading to conflicts between managements & workers
- Stage 3: Collaborative approach taken by the unions & the managements for the overall benefits of the businesses.

→ Types:

- National union is a union of workers irrespective of their occupations/jobs.
- Industry based Union is a union of workers of worker with similar kind of occupation or job.
- Business specific union is a union of workers of a particular business.
- Single Union Deal which means that a worker can join any union of his/her choice but the management would negotiate/ deal with only one union.
This is permitted by the government so that because ^{they} don't want employers/businesses/ managements to be at a disadvantage aren't

→ Functions of A union:

- Negotiating on behalf of one or all workers with the management.

Eg: A union should negotiate with the management about compensation if a worker meets an accident.

- → Represent the workers in industrial court which is a court where disputes related to industries are resolved. It is also known as Industrial Tribunal.

- → Advising the workers on issues such as health & safety, insurance, financial planning, children's education etc.

This is the most important role in case of a country like India where number of illiterate people is high.

- → Organizing Industrial Actions. which means pressurizing the management by using tougher methods such as Working Rule.

(Not working beyond basic requirements.)

This leads to waste of time but doesn't stop production. Neither it allows making of profit.

• strikes.

→ to businesses.

→ Advantages of having a trade union:

• Communication with workers becomes easier as the union leaders work as a channel between the management & the workers.

• The union is more closer to the ground realities & hence can contribute to the long term plans & success of a business.

Eg: The workers know better about the machines (as they work with them) than the managing director which helps in taking reviews.

• With the trade union leader's opinion & confidence in most decisions, it becomes easier to convince the workers for the same.

• It reduces chances of conflicts between the management & the workers.

Eg: If there are no profits made by a business ^{in some year} & if the manager tries to explain the workers why no bonus could be given, the workers won't agree ^{to} take it because of lack of trust. Instead, if

the union leader (who is usually well educated & qualified) explains them the problem, they would agree because they trust him.

→ Disadvantages of business if having a trade union:

- There are times where workers & union leaders come up with unacceptable demands which could lead to conflicts.

- Workers of IT companies don't want to form a trade union they don't want to commit for a long time to the union. Secondly, they are well educated & qualified, so they don't need to worry about their rights not being fulfilled or they being exploited.

→ Employer's Associations:

- These are associations or organisations of employers from same or different kinds of businesses.

- The main purpose to form the association is to negotiate with the workers & government or authorities.

Ex. communicating the demands of this industry to the financial ^{ance} minister before the budget.

* Gujarat Chamber of Commerce & Industry is an association of all industries of gujarat.

⇒ **COMMUNICATION:** transferring information

→ Communication is passing of messages of information between one or many individuals.

→ Effective Communication - For a communication to be effective, it is crucial to have the desired feedback.

→ Every communication has a response.

→ Parts of an Effective Communication:

- A Sender who starts or passes the messages

Eg: Instruction booklet of a Lego kit.

• A receiver in organization or society

Eg: The customer in organization or society

- A message in organization or society

Eg: The instructions.

• A feedback or response in organization or society

Eg: The construction we build.

→ A communication may be:

- Oral
- Written
- Electronic or
- Visual.

→ Disadvantages of Visual Communication:

- Different cultures & at times different individuals may have different interpretations for a particular visual.
- One particular visual may be limited to a small audience.
- It's difficult to verify if the message got communicated.

→ Disadvantages of Electronic Communication:

- The lack of presence of an electronic medium in various areas can be a disadvantage.
- You could have problems such as technical issues.
- Issuable security on electronic media is a risk.

→ Disadvantages of written communication:

- There is no clarification that is possible.
- It needs to be precise & clear otherwise it may make the reader disinterested.

- As compared to oral, it is more time consuming when the communication needs to be communicated to a larger audience.

→ Disadvantages of Oral Communication:

- There is no document evidence.
- Lot of individuals might hesitate to question the person in presence of the card, crowd.

→ Barriers in Communication:

- Language which means certain terms & words that are associated with a person's profession, hobby or background.
If a person uses them frequently, it can lead to communication gaps.

Physical Barriers or distractions such as noise, technology failures such as disturbance on mobile or breakdown of telephone.

- Perceptions of the people involved in communication about each other.