

Difference between Recruitment and Selection

Basis	Recruitment	Selection
Meaning	It is an activity of establishing contact between employers and applicants.	It is a process of picking up more competent and suitable employees.
Objective	It encourages large number of Candidates for a job.	It attempts at rejecting unsuitable candidates.
Process	It is a simple process.	It is a complicated process.
Hurdles	The candidates have not to cross over many hurdles.	Many hurdles have to be crossed.
Approach	It is a positive approach.	It is a negative approach.
Sequence	It proceeds selection.	It follows recruitment.
Economy	It is an economical method.	It is an expensive method.
Time Consuming	Less time is required.	More time is required.

Important steps in the selection process

Step 1 - Preparation

- The need for the position was considered
- The possibility of job redesign was examined
- An up-to-date position description was available
- The position description adequately supported the selection process
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Step 2 - The Selection Committee

- At least one member was trained in Staff Selection
- The selection process gave a high priority to achieving a timely resolution
- All information relevant to the selection process was kept confidential
- Equal opportunity issues were drawn to the attention of members
- All members were involved at all stages of the selection process
- The committee was appropriately constructed in terms of membership
- Gender balance was achieved
- The same core questions were asked of each applicant
- Provision of feedback for unsuccessful applicants was arranged and carried out
- All information used in the selection process was returned to the convenor

- The principles of merit based selection were applied at all times
- A clear process for reaching a decision existed
- Each applicant was objectively and impartially assessed against the selection criteria
- The same panel members were retained throughout the selection process

Step 3 - Selection Criteria

The selection criteria:

- proved assessable/verifiable during the selection process
- were kept to an essential minimum
- had input from all members of the committee
- were clearly communicated to applicants
- were lawful
- were not altered once the process commenced
- were assessed in the context of written applications
- were assessed in the context of referee reports
- were assessed in the context of interview
- were not used to eliminate an "over qualified" applicant
- were derived from the position description
- were not structured to favour an "acting" appointment

Step 4 - Advertising

The advertisement:

- did not exceed 75 words
- contained a contact point for information
- discouraged unsuitable applicants
- attracted sufficient quality applicants
- specified a closing date
- was supported by additional information handouts

Step 5 - Shortlisting

- Shortlisting commenced after the closing date for applications
- The process involved all members of the selection committee
- The shortlist was developed against the selection criteria
- Concerns or conflicts of interest were dealt with
- The shortlist included applicants who satisfied all essential Selection criteria
- Unsuccessful applicants were notified once eliminated from consideration
- Interviews were granted on merit

Step 6 - Referees

- Referees were directed to comment against selection criteria
- Referees provided information that contributed to the selection decision
- Reports were read by all members of the selection committee
- Only information from nominated referees as opposed to "unofficial" referees was considered
- Reports were held in strictest confidence
- Applicants were advised if contact was to be initiated with referees

Step 7 - Structuring the Interview

- All committee members had input in structuring questions

- Each criterion was sufficiently covered by interview questions
- Example based questions were asked
- The interview had a structure
- A record of interview was kept
- The role of each committee member during the interview was agreed
- Interviews were held, as far as possible, on the same or successive days
- Applicants' convenience and comfort was a consideration

Step 8 - Conduct of the Interview

- The venue was fit for the purpose
- Committee members had read applicants' details
- Reception of applicants was arranged
- The committee convened 30 minutes before the first interview
- Note-taking practice was determined
- Qualifications were sighted
- Members were introduced and identifiable to applicants
- No interruptions occurred during an interview
- The convenor explained the interview structure to the applicants
- Questions of clarification were used
- Applicants were given time to ask questions

Step 9 - Reaching a Selection Decision

- A decision process was determined in advance of attempting to reach a decision
- First impressions were checked against a number of sources
- Possible "halo" effects were avoided
- Negative information was balanced against positive information
- The selection decision was not influenced by the sequence of interviews
- The selection decision was not a rushed decision
- The selection decision was not subject to pressure from the convenor

Step 10 - In Conclusion

- Applicants were given timely advice of the outcome of their application
- A committee member was delegated to offer feedback to applicants
- Committee members contributed input to feedback to be provided
- Working papers were returned to the convenor
- A good appointment resulted

Need and Importance of Training

Training of employees takes place after orientation takes place. Training is the process of enhancing the skills, capabilities and knowledge of employees for doing a particular job. Training process moulds the thinking of employees and leads to quality performance of employees. It is continuous and never ending in nature.

Importance of Training

Training is crucial for organizational development and success. It is fruitful to both employers and employees of an organization. An employee will become more efficient and productive if he is trained well.

Training is given on four basic grounds:

1. **New candidates** who join an organization are given training. This training familiarize them with the organizational mission, vision, rules and regulations and the working conditions.
2. The **existing employees** are trained to refresh and enhance their knowledge.
3. If any updations and amendments take place in technology, training is given to cope up with those changes. For instance, purchasing a new equipment, changes in technique of production, computer implantment. The employees are trained about use of new equipments and work methods.
4. When promotion and career growth becomes important. Training is given so that employees are prepared to share the responsibilities of the higher level job.

The benefits of training can be summed up as:

1. **Improves morale of employees-** Training helps the employee to get job security and job satisfaction. The more satisfied the employee is and the greater is his morale, the more he will contribute to organizational success and the lesser will be employee absenteeism and turnover.
2. **Less supervision-** A well trained employee will be well acquainted with the job and will need less of supervision. Thus, there will be less wastage of time and efforts.
3. **Fewer accidents-** Errors are likely to occur if the employees lack knowledge and skills required for doing a particular job. The more trained an employee is, the less are the chances of committing accidents in job and the more proficient the employee becomes.
4. **Chances of promotion-** Employees acquire skills and efficiency during training. They become more eligible for promotion. They become an asset for the organization.
5. **Increased productivity-** Training improves efficiency and productivity of employees. Well trained employees show both quantity and quality performance. There is less wastage of time, money and resources if employees are properly trained.

Performance Appraisal

What is Performance Appraisal?

Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. A performance appraisal is a review and discussion of an employee's performance of assigned duties and responsibilities. The appraisal is based on results obtained by the employee in his/her job, not on the employee's personality characteristics. The appraisal measures skills and accomplishments with reasonable accuracy and uniformity. It provides a way to help identify areas for performance enhancement and to help promote professional growth. It should not, however, be considered the supervisor's only communication tool. Open lines of communication throughout the year help to make effective working relationships.

Each employee is entitled to a thoughtful and careful appraisal. The success of the process depends on the supervisor's willingness to complete a constructive and objective appraisal and on the employee's willingness to respond to constructive suggestions and to work with the supervisor to reach future goals.

Performance appraisal is generally done in systematic ways which are as follows:

1. The supervisors measure the pay of employees and compare it with targets and plans.
2. The supervisor analyses the factors behind work performances of employees.
3. The employers are in position to guide the employees for a better performance.

Objectives of Performance Appraisal

Performance Appraisal can be done with following objectives in mind:

1. To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
2. To identify the strengths and weaknesses of employees to place right men on right job.
3. To maintain and assess the potential present in a person for further growth and development.
4. To provide a feedback to employees regarding their performance and related status.
5. To provide a feedback to employees regarding their performance and related status.
6. It serves as a basis for influencing working habits of the employees.
7. To review and retain the promotional and other training programmes.

Advantages of Performance Appraisal

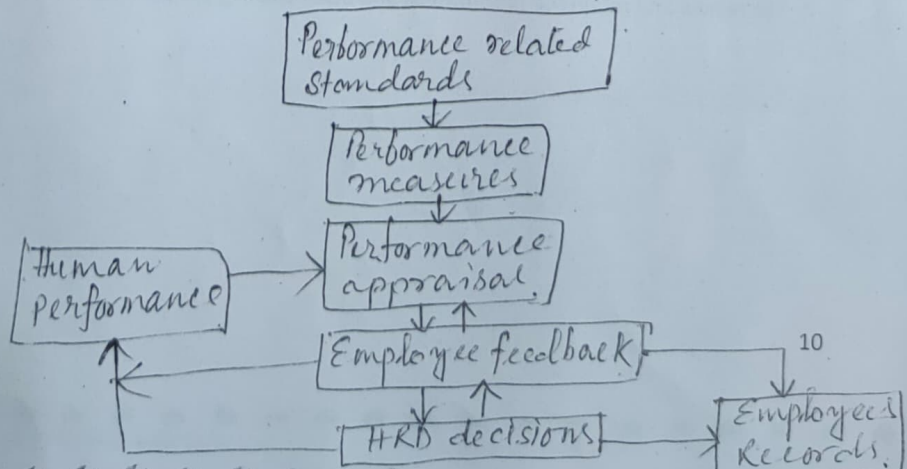
It is said that performance appraisal is an investment for the company which can be justified by following advantages:

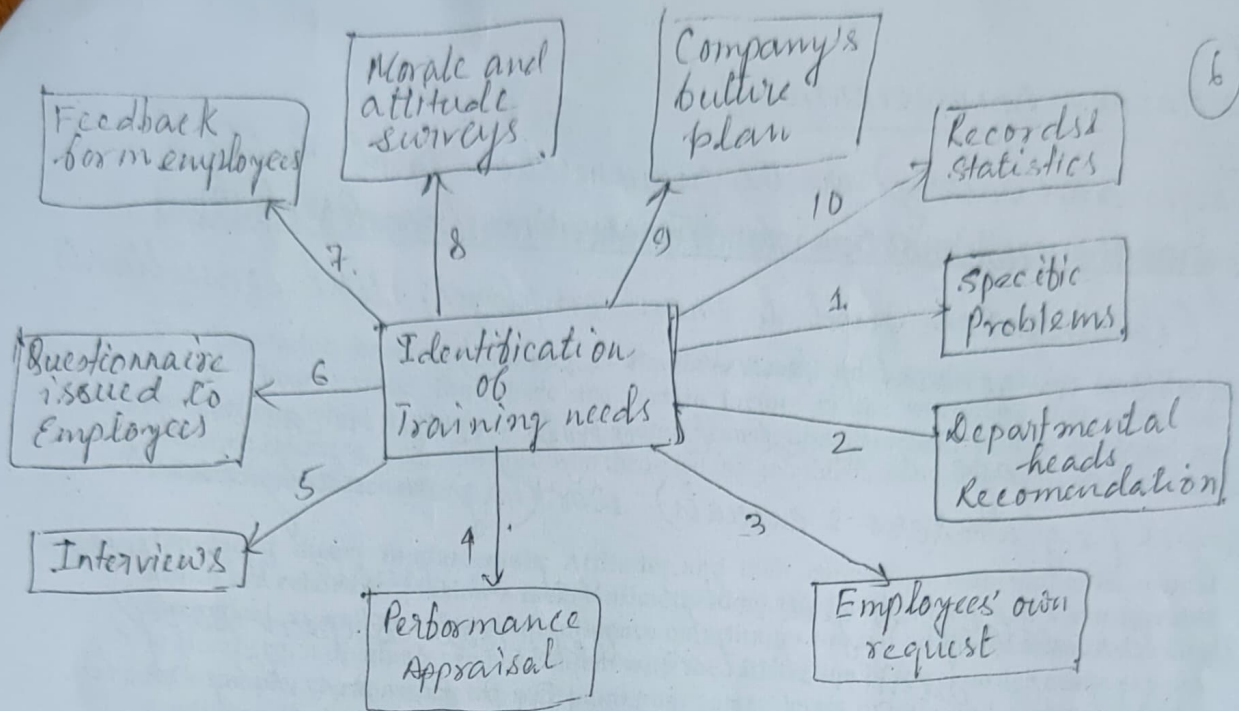
1. **Promotion:** Performance Appraisal helps the supervisors to chalk out the promotion programmes for efficient employees. In this regards, inefficient workers can be dismissed or demoted in case.
2. **Compensation:** Performance Appraisal helps in chalking out compensation packages for employees. Merit rating is possible through performance appraisal. Performance Appraisal tries to give worth to a performance. Compensation packages which includes bonus, high salary rates, extra benefits, allowances and pre-requisites are dependent on performance appraisal. The criteria should be merit rather than seniority.
3. **Employees Development:** The systematic procedure of performance appraisal helps the supervisors to frame training policies and programmes. It helps to analyse strengths and weaknesses of employees so that new jobs can be designed for efficient employees. It also helps in framing future development programmes.
4. **Selection Validation:** Performance Appraisal helps the supervisors to understand the validity and importance of the selection procedure. The supervisors come to know the validity and thereby the strengths and weaknesses of selection procedure. Future changes in selection methods can be made in this regard.
5. **Communication:** For an organization, effective communication between employees and employers is very important. Through performance appraisal, communication can be sought for in the following ways:
 - a. Through performance appraisal, the employers can understand and accept skills of subordinates.
 - b. The subordinates can also understand and create a trust and confidence in superiors.
 - c. It also helps in maintaining cordial and congenial labour management relationship.
 - d. It develops the spirit of work and boosts the morale of employees.

All the above factors ensure effective communication.

6. **Motivation:** Performance appraisal serves as a motivation tool. Through evaluating performance of employees, a person's efficiency can be determined if the targets are achieved. This very well motivates a person for better job and helps him to improve his performance in the future.

ELEMENTS OF THE PERFORMANCE APPRAISAL SYSTEM

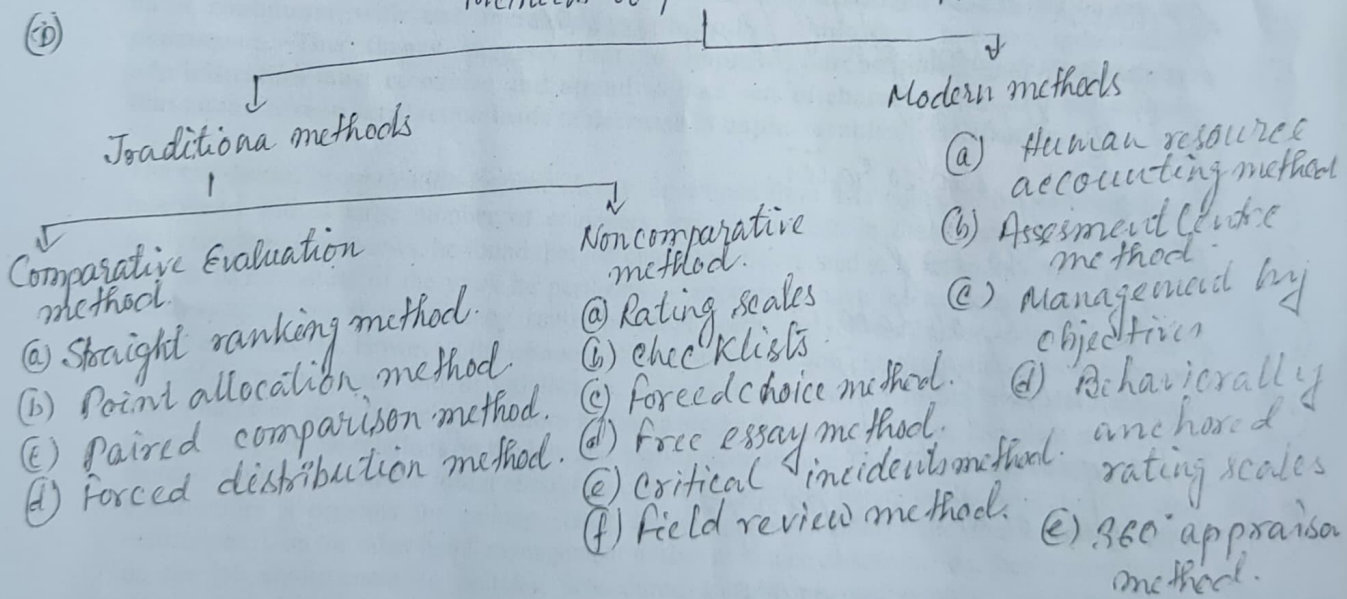




Source of information for identification of training needs.

METHODS OF PERFORMANCE APPRAISAL.

Methods of performance appraisal



WAGE & SALARY ADMINISTRATION

Wages and salary are the remuneration paid to the employees as compensation for the services rendered by them. (Remuneration paid to non employees like consultants & advisors is generally known as fees.)

The term wage is used to denote remuneration paid employees (e.g. workers & casuals) working on daily basis.

The term salary is generally used to denote remuneration paid to administrative, technical, supervisory, managerial staff and others working on monthly basis.

FACTORS INFLUENCING WAGE & SALARY STRUCTURE

- (i) Demand and supply position.
- (ii) Bargaining strength of the union.
- (iii) Cost of living.
- (iv) Prevailing wages rates.
- (v) Ability to pay.
- (vi) Productivity of labour.
- (vii) Government policy.
- (viii) Job requirements.
- (ix) Goodwill of the company.

COMPONENTS OF WAGE STRUCTURE

- (i) Basic wage
- (ii) Dearness allowance
- (iii) Overtime
- (iv) Bonus.
- (v) Fringe benefits.

Herzberg's motivation-hygiene theory and Dual-Factor Theory

The Two-factor theory (also known as Herzberg's motivation-hygiene theory and Dual-Factor Theory) states that there are certain factors in the workplace that cause job satisfaction, while a separate set of factors cause dissatisfaction. It was developed by Frederick Herzberg, a psychologist, who theorized that job satisfaction and job dissatisfaction act independently of each other.

Two-factor theory fundamentals: Attitudes and their connection with industrial mental health are related to Maslow's theory of motivation. His findings have had a considerable theoretical, as well as a practical, influence on attitudes toward administration. According to Herzberg, individuals are not content with the satisfaction of lower-order needs at work, for example, those associated with minimum salary levels or safe and pleasant working conditions. Rather, individuals look for the gratification of higher-level psychological needs having to do with achievement, recognition, responsibility, advancement, and the nature of the work itself. So far, this appears to parallel Maslow's theory of a need hierarchy. However, Herzberg added a new dimension to this theory by proposing a two-factor model of motivation, based on the notion that the presence of one set of job characteristics or incentives lead to worker *satisfaction* at work, while another and separate set of job characteristics lead to *dissatisfaction* at work. Thus, satisfaction and dissatisfaction are not on a continuum with one increasing as the other diminishes, but are independent phenomena. This theory suggests that to improve job attitudes and productivity, administrators must recognize and attend to both sets of characteristics and not assume that an increase in satisfaction leads to decrease in unpleasurable dissatisfaction.

The two-factor, or *motivation-hygiene theory*, developed from data collected by Herzberg from interviews with a large number of engineers and accountants in the Pittsburgh area. From analyzing these interviews, he found that job characteristics related to what an individual *does* — that is, to the nature of the work he performs — apparently have the capacity to gratify such needs as achievement, competency, status, personal worth, and self-realization, thus making him happy and satisfied. However, the *absence* of such gratifying job characteristics does not appear to lead to unhappiness and dissatisfaction. Instead, dissatisfaction results from unfavorable assessments of such job-related factors as company policies, supervision, technical problems, salary, interpersonal relations on the job, and working conditions. Thus, if management wishes to increase satisfaction on the job, it should be concerned with the nature of the work itself — the opportunities it presents for gaining status, assuming responsibility, and for achieving self-realization. If, on the other hand, management wishes to reduce dissatisfaction, then it must focus on the job environment — policies, procedures, supervision, and working conditions.^[1] If management is equally concerned with (as is usually the case), then managers must give attention to both sets of job factors.

Two-factor theory distinguishes between:

- **Motivators** (e.g. challenging work, recognition, responsibility) that give positive satisfaction, arising from intrinsic conditions of the job itself, such as recognition, achievement, or personal growth,^[4] and
- **Hygiene factors** (e.g. status, job security, salary, fringe benefits, work conditions) that do not give positive satisfaction, though dissatisfaction results from their absence. These are extrinsic to the work itself, and include aspects such as company policies, supervisory practices, or wages/salary.

Workers' Participation in Management

Workers' participation in management is an essential ingredient of Industrial democracy. The concept of workers' participation in management is based on Human Relations approach to Management which brought about a new set of values to labour and management.

Definition: According to Keith Davis, Participation refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share the responsibility of achievement.

According to Walpole, Participation in Management gives the worker a sense of importance, pride and accomplishment; it gives him the freedom of opportunity for self-expression; a feeling of belongingness with the place of work and a sense of workmanship and creativity.

Features of WPM:

1. Participation means mental and emotional involvement rather than mere physical presence.
2. Workers participate in management not as individuals but collectively as a group through their representatives.
3. Workers' participation in management may be formal or informal. In both the cases it is a system of communication and consultation whereby employees express their opinions and contribute to managerial decisions.
4. There can be 5 levels of Management Participation or WPM:
 - a. **Information participation:** It ensures that employees are able to receive information and express their views pertaining to the matter of general economic importance.
 - b. **Consultative importance:** Here workers are consulted on the matters of employee welfare such as work, safety and health. However, final decision always rests with the top-level management, as employees' views are only advisory in nature.

- c. **Associative participation:** It is an extension of consultative participation as management here is under the moral obligation to accept and implement the unanimous decisions of the employees. Under this method the managers and workers jointly take decisions.
- d. **Administrative participation:** It ensures greater share of workers' participation in discharge of managerial functions. Here, decisions already taken by the management come to employees, preferably with alternatives for administration and employees have to select the best from those for implementation.
- e. **Decisive participation:** Highest level of participation where decisions are jointly taken on the matters relating to production, welfare etc.

Objectives of WPM:

- 1. To establish Industrial Democracy.
- 2. To build the most dynamic Human Resources.
- 3. To satisfy the workers' social and esteem needs.
- 4. To strengthen labour-management co-operation and thus maintain Industrial peace and harmony.
- 5. To promote increased productivity for the advantage of the organization, workers and the society at large.
- 6. Its psychological objective is to secure full recognition of the workers.

Collective Bargaining

Collective bargaining is process of joint decision making and basically represents a democratic way of life in industry. It is the process of negotiation between firm's and workers' representatives for the purpose of establishing mutually agreeable conditions of employment. It is a technique adopted by two parties to reach an understanding acceptable to both through the process of discussion and negotiation.

ILO has defined collective bargaining as, negotiation about working conditions and terms of employment between an employer and a group of employees or one or more employee, organization with a view to reaching an agreement wherein the terms serve as a code of defining the rights and obligations of each party in their employment/industrial relations with one another.

Collective bargaining involves discussions and negotiations between two groups as to the terms and conditions of employment. It is called 'collective' because both the employer and the employee act as a group rather than as individuals. It is known as 'bargaining' because the method of reaching an agreement involves proposals and counter proposals, offers and counter offers and other negotiations.

Thus collective bargaining:

- is a collective process in which representatives of both the management and employees participate.
- is a continuous process which aims at establishing stable relationships between the parties involved.

- not only involves the bargaining agreement, but also involves the implementation of such an agreement.
- attempts in achieving discipline in the industry
- Is a flexible approach, as the parties involved have to adopt a flexible attitude towards negotiations.