Auditing Course Material

Part 33 of 61 (Chapters 3201-3300)

12. Flexi time

Flexi time is a work arrangement that allows employees to choose their start and end times, as long as they complete the required number of hours per day. They may also take time off during their work hours for personal business.

For example, an IT company allows its employees to choose their start and end times as long as they complete the required hours, such as working from 7 am to 3 pm or 10 am to 6 pm.

13. Job Sharing

Job sharing is a work option in which two part-time employees carry out the tasks associated with a single job. Such arrangements can enable an organization to attract or retain valued employees who want more time to attend school or to care for family members. The job requirements in such an arrangement include the ability to work cooperatively and coordinate the details of one's job with another person.

For example, a marketing agency offers job sharing for the position of a graphic designer. Two part-time employees work together to complete the tasks associated with the job, such as designing marketing materials and communicating with clients.

14. Compressed workweek

A **compressed workweek** is a schedule in which full-time workers complete their weekly hours in fewer than 5 days.

For example, instead of working 8 hours a day for 5 days, the employees could complete 40 hours of work in four 10-hour days.

15. Telework

Telework, also known as **telecommuting**, is a flexible work arrangement that allows employees to do their work from a remote location, rather than from a central office. Employers can benefit from telework arrangements by reducing the need for office space and providing greater flexibility to employees who have caregiving responsibilities or are unable to commute to a central location. For employees, telework can reduce the need for travel and may result in fewer absences from work.

For example, an employee who works from a home office, a co-working space, or another remote location, using technology like email, video conferencing, and other collaboration tools to communicate with their colleagues and complete their work tasks.

16. Dejobbing

Dejobbing pertains to broadening the responsibilities of individuals and departments in a company and encouraging employees not to limit themselves to their job descriptions.

An example of dejobbing is when an employee in a marketing department takes on some of the responsibilities of a sales department to help improve the company's overall performance.

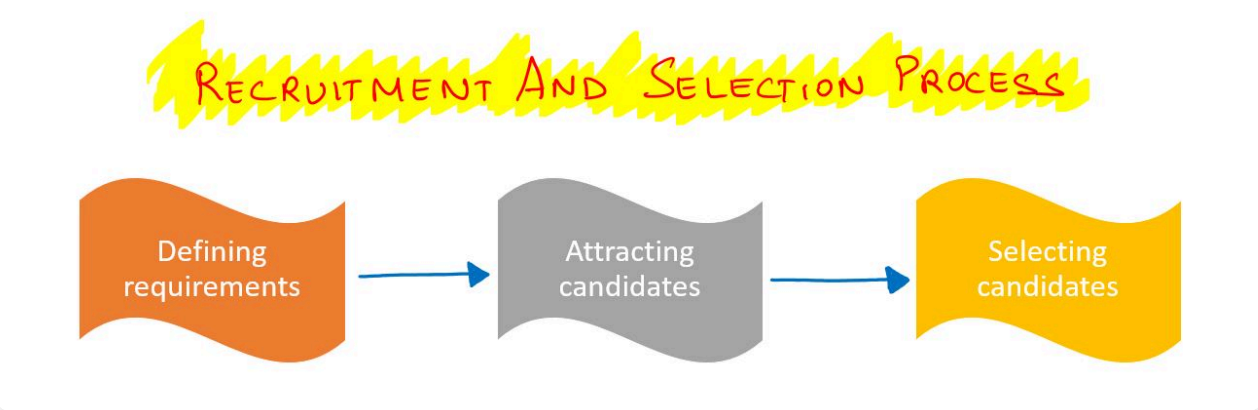
17. Ergonomics

Ergonomics, also known as human factors or human engineering, is a scientific discipline that focuses on designing and arranging the workplace, products, systems, and tasks to fit the capabilities and limitations of individuals. The goal of ergonomics is to optimize the interaction between people and their environments to enhance efficiency, comfort, safety, and overall well-being.

Ergonomics plays a critical role in job design by ensuring that the work environment and tasks are tailored to the abilities and needs of the individuals performing the work.

1. Recruitment

Once an organization identifies the necessary quantity and types of human resources, the next step is to locate where these required resources can be found and develop effective strategies to draw them into the organization.



The overall process of recruitment and selection can be delineated into 3 key stages:

1. Defining Requirements

This initial stage involves preparing comprehensive job descriptions and specifications, as well as deciding the terms and conditions of employment. Clear documentation helps set expectations for both the organization and potential candidates.

2. Attracting Candidates

The organization reviews and evaluates various sources of potential applicants, both internal and external. This stage may encompass advertising, utilizing recruitment agencies and consultants, and exploring alternative sources of talent.

3. Selecting Candidates

This stage involves sifting through applications, conducting interviews, testing candidates, assessing their suitability, and ultimately offering employment. It also includes obtaining references and preparing contracts of employment for successful candidates.

2. Key Terms

Recruitment

Recruitment is a systematic and proactive process undertaken to identify and attract the manpower needed to fulfill an organization's staffing requirements. It involves implementing various strategies to reach a wide pool of potential candidates, with the aim of encouraging suitable individuals to apply for job openings. Recruitment is considered a *positive process* because it expands opportunities, motivates job seekers to apply, and increases the chances of finding skilled and capable employees.

Often, recruitment is divided into two stages: Sourcing and Recruitment. **Sourcing** is the initial step that focuses on locating and building a pool of potential candidates. It involves identifying both active job seekers and passive candidates who may not be actively looking for a job but could be interested if approached. Sourcing techniques include internal job postings, employee referrals, career pages on company websites, job boards, social media platforms, professional forums, and industry-specific networks. Branding also plays a key role here—organizations often use their reputation and values to attract high-quality talent, especially those who are already employed.

After a suitable pool of candidates is identified, the **recruitment** stage begins. This involves inviting applications and guiding candidates through the early steps of the hiring process. The focus is to generate enough interest and engagement so that qualified individuals proceed to the selection phase.

Selection

Selection is the process of choosing the most suitable candidates from the pool generated during recruitment. It involves evaluating applicants through various tools such as resume screening, interviews, tests, and background checks. The purpose is to assess each candidate's qualifications, experience, attitude, and compatibility with the job and organizational culture.

This stage is considered *negative* in nature, as it primarily involves rejection—many applicants are screened out, and only a few are selected. However, this careful filtering ensures that the right individuals are hired, leading to better job performance, reduced turnover, and higher workplace efficiency. A well-structured selection process is vital for maintaining the quality and integrity of the workforce.

Placement

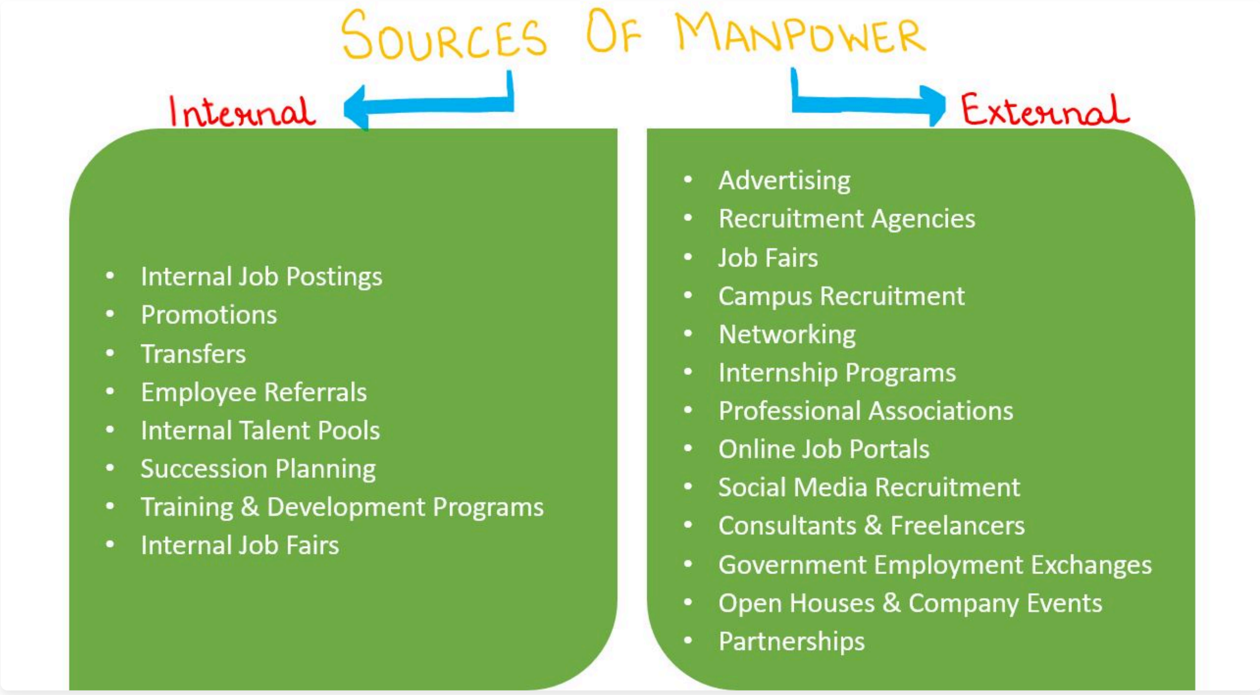
Placement is the final step in the hiring process, where the selected candidate is assigned to a specific job role within the organization. The objective is to match the individual's skills, knowledge, and interests with the requirements of the job. Effective placement ensures a strong alignment between the person and the position, which contributes to job satisfaction and organizational success.

Proper placement reduces the risk of employee dissatisfaction, absenteeism, and early turnover. It also positively influences morale, motivation, and overall work quality. When the right person is placed in the right job, the result is often higher productivity and a more engaged, committed workforce.

3. Sources of Manpower

There are 2 categories of sources of supply of manpower:

1. Internal Sources and
2. External Sources.



We will discuss them next.

3. Sources of Manpower

Internal sources of recruitment involve filling job vacancies within an organization by considering existing employees for new roles or promotions. This approach has several advantages, such as promoting employee development, retaining institutional knowledge, and boosting morale.

Here are common internal sources of recruitment:

Internal Job Postings

Organizations often post job vacancies internally before seeking external candidates. This allows existing employees to apply for positions that align with their skills and career goals.

Promotions

Identifying high-performing employees and promoting them to higher-level positions is a common internal recruitment method. Promotions recognize and reward employees for their contributions while filling leadership or managerial roles.

Transfers

Internal transfers involve moving employees from one department or location to another within the organization. This can help meet staffing needs in different areas while providing employees with new challenges.

Employee Referrals

Encouraging employees to refer candidates for job openings is another internal recruitment strategy. Employees often recommend individuals they believe would be a good fit for the organization based on their skills and cultural fit.

Internal Talent Pools

Organizations maintain talent pools or talent databases containing information about employees' skills, experiences, and career aspirations. When a job opening occurs, recruiters can refer to these pools to identify potential internal candidates.

Succession Planning

Succession planning involves identifying and developing employees who have the potential to fill key leadership positions in the future. This internal recruitment strategy ensures a smooth transition for critical roles.

Training and Development Programs

Investing in training and development programs helps employees acquire new skills and qualifications. Internal recruitment can then be based on the enhanced capabilities of employees who have participated in these programs.

Internal Job Fairs

Organizations may conduct internal job fairs or career expos to showcase job opportunities within the company. This provides employees with a platform to explore different roles and express their interest.

3. Sources of Manpower

External sources of recruitment involve attracting and hiring candidates from outside the organization to fill job vacancies. Organizations use various external methods to reach a broader talent pool and bring in fresh perspectives.

Here are common external sources of recruitment:

Advertising

Posting job advertisements on the organization's website, job boards, newspapers, industry publications, and social media platforms is a common way to attract external candidates.

Recruitment Agencies

Employing the services of recruitment agencies or headhunters can help organizations identify and attract candidates with specific skills or experiences. These agencies actively search for suitable candidates on behalf of the hiring organization.

Job Fairs

Participating in job fairs provides organizations with the opportunity to connect with a diverse range of potential candidates. These events are often industry-specific and attract job seekers looking for opportunities.

Campus Recruitment

Visiting educational institutions, such as colleges and universities, to recruit fresh graduates or individuals with specific qualifications is known as campus recruitment. This helps organizations tap into young talent.

Networking

Building a network of professional contacts can lead to potential candidate referrals. Organizations may attend industry events, conferences, and networking gatherings to connect with individuals who may be a good fit for open positions.

Internship Programs

Offering internship programs introduces students and recent graduates to the organization's culture and work environment. It serves as a talent pipeline for potential future hires.

Professional Associations

Engaging with professional associations related to the industry or field can help organizations reach qualified candidates. Many industries have specific associations where professionals gather.

Online Job Portals

Posting job openings on online job portals and career websites allows organizations to reach a vast audience of job seekers actively looking for opportunities.

Social Media Recruitment

Leveraging social media platforms, such as LinkedIn, Facebook, and Twitter, for recruitment purposes helps organizations connect with passive candidates and those seeking new opportunities.

Consultants and Freelancers

Hiring consultants or freelancers for specific projects can lead to the identification of individuals with valuable skills and expertise who may later become full-time employees.

Government Employment Exchanges

Registering job openings with government employment exchanges can attract candidates who are actively seeking employment opportunities.

Open Houses and Company Events

Hosting open houses or company events provides an opportunity for potential candidates to learn about the organization and its culture.

Partnerships with Educational Institutions

Establishing partnerships with educational institutions for recruitment initiatives, such as guest lectures, workshops, or collaborative programs, can expose the organization to a pool of qualified candidates.

Sons of the Soil

The theory of "sons of the soil" essentially suggests that locals should be provided with opportunities to work for a company established in their residential area or the state to which they belong.

The Government of India issued directives to public sector enterprises to recruit local candidates on primary basis. It recommended for providing employment to local persons. Thus, public sector enterprises and multinational corporations have started providing jobs to local persons on primary basis.

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4. Comparing Internal and External Sources

Let us discuss the comparison of internal and external recruiting sources, highlighting their advantages and disadvantages:

Internal Recruiting Sources
Filling job vacancies by selecting candidates from within the organization—through promotions, transfers, or internal job postings.

✅ Advantages:

- Cost-effective: Saves on advertising, onboarding, and recruitment agency costs.
- Faster Process: Internal candidates are already known, reducing time spent on background checks and training.
- Boosts Morale: Promoting internal talent motivates employees and improves loyalty.
- Cultural Fit: Internal hires are already familiar with company culture and processes.
- Lowers Risk: Performance history of candidates is already available.

❌ Disadvantages:

- Limited Talent Pool: May not bring in new ideas or skills from outside.
- Internal Politics: Can create dissatisfaction among those not selected.
- Role Gaps: Promoting someone may leave their current role vacant.
- Stagnation: Over-reliance on internal hiring may reduce innovation.

External Recruiting Sources
Hiring candidates from outside the organization through job portals, recruitment agencies, social media, campus placements, etc.

✅ Advantages:

- Wider Talent Pool: Access to fresh skills, new perspectives, and diverse experiences.
- Innovation & Change: External candidates can bring new ideas and challenge existing practices.
- Specific Expertise: Can help fill skill gaps that internal candidates may lack.
- Competitive Advantage: Hiring top talent from competitors may strengthen your team.

❌ Disadvantages:

- Higher Cost: Involves more spending on advertising, sourcing, and onboarding.
- Longer Time to Fill: Screening, interviews, and negotiations take more time.
- Adjustment Period: External hires need time to understand the organization’s culture and systems.
- Risk of Misfit: New hires may not align with the company’s values or may underperform despite good credentials.

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5. Outsourcing Recruitment

Outsourcing recruitment involves the delegation of at least the initial phases of the recruitment process to external agencies or consultants. Instead of handling the entire recruitment process in-house, organizations enlist the services of external experts to source suitable candidates or create a shortlist. While it incurs additional costs, outsourcing recruitment is adopted for its potential to save time, streamline the process, and alleviate the challenges associated with staffing.

Benefits of Outsourcing Recruitment are listed below:

Time Savings

External experts can expedite the recruitment process, reducing the time it takes to identify and engage suitable candidates.

Expertise Access

Leveraging the specialized knowledge and networks of external agencies allows organizations to tap into a broader talent pool.

Cost-Efficiency

While outsourcing incurs costs, it can be more cost-efficient in the long run, considering the time and resources saved.

Focus on Core Activities

By delegating recruitment tasks, organizations can concentrate on their core business functions without being bogged down by the intricacies of the hiring process.

Scalability

Outsourcing allows organizations to scale their recruitment efforts up or down based on fluctuating hiring needs.

6. Hiring Through Consultant Agencies

Hiring through consultant agencies (also called recruitment or staffing agencies) means outsourcing part or all of the recruitment process to an external firm that specializes in finding suitable candidates for job openings.

These agencies act as intermediaries between the employer and job seekers, helping companies fill roles efficiently—especially when internal teams lack the time, expertise, or reach.

Step-by-Step Process of Hiring via Consultant Agencies is given below:

1. Requirement Discussion

The company shares detailed job requirements with the agency, including:

- Job title, department, and location
- Roles and responsibilities
- Qualification, experience, and skill set
- Budgeted salary and joining timeline

2. Service Agreement

A formal agreement is signed specifying:

- Scope of hiring (volume, timeline)
- Fee structure (percentage of CTC, flat fee, etc.)
- Replacement clause (free replacement within X days if candidate quits)

3. Sourcing Candidates

The consultant uses its database, networks, job portals, and social media to source potential candidates.

They may also head-hunt passive candidates for senior or niche roles.

4. Initial Screening

The agency screens and shortlists candidates through:

- Resume review
- Preliminary interviews (telephonic or video)
- Skill assessments (if required)

5. Sharing Profiles with Client

A curated list of shortlisted candidates is shared with the company.

Typically includes CV, summary sheet, and salary expectations.

6. Client Interviews

The employer conducts further rounds of interviews.

The consultant coordinates scheduling, communication, and feedback.

7. Selection and Offer

Once a candidate is selected:

- The consultant may help with salary negotiation and offer rollout.
- Some also assist with background checks and document verification.

8. Joining and Replacement

The agency follows up with the candidate till joining.

If the candidate drops out or leaves early, a replacement guarantee clause may apply.

7. Leveraging Technology in Recruitment

Technology has transformed modern recruitment by making it faster, more efficient, and data-driven. Organizations now use a variety of digital tools to attract, assess, and hire the right talent while reducing cost and time-to-hire.

Key Ways Technology Supports Recruitment are:

Applicant Tracking Systems (ATS)
Automates the screening, shortlisting, and communication process, ensuring better organization and efficiency.

AI-Based Resume Screening
Uses artificial intelligence to scan resumes and match candidates to job requirements based on skills, keywords, and experience.

Online Job Portals & Social Media
Platforms like LinkedIn, Naukri, and Indeed help widen reach, attract diverse talent, and build an employer brand.

Video Interviewing Tools
Tools like Zoom, Microsoft Teams, and AI-powered interviews help assess candidates remotely and reduce scheduling delays.

Recruitment Marketing Tools
HR tech platforms allow employers to create engaging job ads, run targeted campaigns, and track candidate engagement.

Data Analytics in Recruitment
Helps in tracking metrics like time-to-fill, cost-per-hire, and quality-of-hire to improve decision-making and ROI.

Chatbots for Candidate Engagement
AI chatbots answer queries, schedule interviews, and keep candidates informed, enhancing their experience.

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8. Recruitment Effectiveness

Recruitment plays a critical role in shaping an organization's performance and profitability. The economic impact of talent acquisition is substantial, with multiple cost layers involved:

- Separation Costs: Direct expenses incurred due to the departure of an employee (e.g., exit processes, knowledge loss).
- Acquisition & Onboarding Costs: Costs related to sourcing, hiring, training, and integrating new hires.
- Lost Opportunity Costs: Revenue or productivity loss during the vacancy period.

To manage recruitment effectively, it must be measured. As the saying goes: “If you can’t measure it, you can’t manage it.” HR professionals must collect and report meaningful recruitment metrics that reflect both efficiency and strategic impact.

Let us discuss some of these metrices.

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8. Recruitment Effectiveness

Head count refers to the total number of employees on an organization's payroll at a specific point in time. It provides a snapshot of the workforce, such as "the head count on 01 June was 35,000." This metric helps track workforce size at any given moment and is commonly used in reporting, workforce planning, and HR analytics.

Calculating the average head count over a year gives a more stable picture of the workforce size needed to operate the organization. While minor increases or decreases in head count occur due to regular hiring and exits, major shifts usually result from strategic changes such as acquisitions, divestitures, or new project launches (greenfield operations).

Changes in head count can also be influenced by internal factors such as improved employee retention and productivity, which may reduce the need to hire more people.

As a foundational HR metric, head count serves as the basis for calculating several other important indicators like attrition rate, revenue per employee, and employee engagement coverage. Understanding head count trends is essential for workforce planning and aligning HR strategy with business goals.

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8. Recruitment Effectiveness

Cost per Hire (CPH) is a key recruitment metric that calculates the average expense incurred to hire a new employee.

It includes all internal and external costs associated with the hiring process and helps organizations assess the efficiency and cost-effectiveness of their talent acquisition strategy.

Cost per Hire = Total Recruitment Costs / Total Number of Hires

Internal Costs:

- Salaries of recruiters and HR staff involved in hiring
- Technology costs (ATS, career page maintenance)
- Employee referral bonuses
- Training and onboarding costs

External Costs:

- Job advertising fees
- Recruitment agency fees
- Background verification and medical test charges
- Campus recruitment expenses
- Travel and accommodation for interviews

1. Cost per Hire, Internal (CPHI)
CPHI is a recruitment cost metric designed for use within a single organization. It defines a comprehensive formula and methodology to calculate hiring costs based on all internal and external inputs relevant to that organization.

2. Cost per Hire, Comparable (CPHC)
CPHC follows a standardized methodology to calculate cost per hire using a subset of cost components that are commonly used across organizations. This ensures consistency in data and makes the metric suitable for external benchmarking.

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8. Recruitment Effectiveness

The Recruitment Cost Ratio (RCR) measures the efficiency of a company's recruitment process by comparing total recruitment costs to the compensation of the employees hired.

It reflects how much is spent on hiring in relation to the value (salary) of the talent brought in.

Recruitment Cost Ratio , RCR = (Total Recruitment Costs / Total Compensation of New Hires) × 100

Total Recruitment Costs include both internal and external costs.

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8. Recruitment Effectiveness

A Yield Ratio measures the percentage of candidates who move from one stage of the recruitment process to the next. It helps HR professionals assess the effectiveness of different sourcing methods and stages in the hiring funnel.

Yield Ratio = (Number of Candidates Moving to Next Stage / Number of Candidates at Current Stage) × 100

If 200 candidates applied for a job and 50 were shortlisted for interviews:

Yield Ratio = (50/200) × 100 = 25%

This means 25% of applicants progressed to the interview stage.

Types of Yield Ratios

- Application-to-Interview Ratio – Measures how many applicants are shortlisted.
- Interview-to-Offer Ratio – Indicates how many interviewed candidates receive job offers.
- Offer-to-Acceptance Ratio – Reflects how many offers are accepted.
- Source Yield Ratio – Compares effectiveness of sourcing channels (e.g., referrals vs. job portals).

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8. Recruitment Effectiveness

Time to Fill measures the number of days it takes to fill a job vacancy—from the date a job requisition is approved to the date a candidate accepts the offer. It reflects the efficiency of the hiring process and helps HR teams plan workforce needs more accurately.

It is also known as *Days to Fill.*

Time to Fill = Date of Offer Acceptance − Date of Job Requisition Approval

If a job requisition is approved on 1st June and the offer is accepted on 25th June:

Time to Fill = 25 − 1 = 24 days

While reducing time-to-fill can speed up hiring, focusing too much on speed may increase costs or compromise candidate quality. There is often a trade-off between *cost efficiency*, *speed,* and *hiring quality,* requiring a balanced recruitment strategy.

Several factors can significantly affect the time-to-fill metric. Common examples include:

- Type of employment: Hiring for full-time, part-time, or temporary roles impacts timelines differently.
- Level of position: Executive or managerial roles typically take longer to fill than entry-level ones.
- Specialization of role: Niche or highly skilled roles often require more sourcing time.
- Legal compliance requirements: Background checks or reservation policies can extend timelines.
- Labor market conditions: Availability of talent and unemployment rates influence speed.
- Compensation and benefits: Attractive total rewards can reduce time-to-fill by drawing more applicants.

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8. Recruitment Effectiveness

It is also called *New Hire Attrition Rate*. This metric measures the percentage of new employees who leave the organization within a short period—usually within the first 6 to 12 months. A high rate may indicate problems with onboarding, job-role fit, or unmet expectations.

New Hire Turnover Rate = (New Hires Who Left Within 6–12 Months / Total New Hires) × 100

If 80 employees were hired in a year and 16 left within the first 6 months:

Turnover Rate = (16/80) × 100 = 20%

A high early attrition rate raises concerns about recruitment accuracy, cultural alignment, and onboarding effectiveness. It signals the need to re-evaluate hiring, induction, or employee engagement practices.

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8. Recruitment Effectiveness

Some of other metrices, which are used in recruitment process, are:

Offer Acceptance Rate
Percentage of job offers accepted out of the total offers made.

Source of Hire
Identifies which channels (referrals, job portals, social media, etc.) contribute the most successful hires.

Candidate Experience Score
Gauges candidate satisfaction through feedback surveys during or after the hiring process.

Quality of Hire
Assesses the long-term performance and retention of new hires, usually tracked post-onboarding.

Hiring Manager Satisfaction
Measures hiring managers' feedback on the relevance, skills, and readiness of the selected candidates.

Time to Hire
Measures the number of days between a candidate's application and the offer acceptance—focusing on candidate-side speed.

Diversity of Hires
Tracks recruitment success in attracting candidates from varied demographic or socio-economic backgrounds—supports DEI goals.

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9. Workforce Analytics

Workforce Analytics refers to the use of data, statistical models, and HR metrics to gain insights into workforce performance, trends, and outcomes. When applied specifically to recruitment, it helps organizations make data-driven decisions to improve the efficiency, quality, and impact of hiring.

Role of Workforce Analytics in Recruitment is listed below:

Optimizing Sourcing Channels
Identify which platforms (e.g., LinkedIn, job portals, referrals) provide the best-quality hires at the lowest cost.

Improving Time to Fill
Analyze hiring timelines across departments or job roles to identify delays and streamline the recruitment cycle.

Enhancing Quality of Hire
Track performance and retention of new hires to refine job descriptions, assessments, and interview processes.

Forecasting Talent Needs
Use historical hiring data and business growth trends to predict future hiring requirements and prepare pipelines in advance.

Reducing Recruitment Costs
Analyze cost-per-hire by role, department, or region to manage budgets more effectively.

Identifying Bottlenecks in Hiring Funnel
Monitor yield ratios at each stage to spot where most candidates drop off and take corrective action.

Evaluating Recruiter Performance
Use metrics like time-to-fill, offer acceptance rate, and hiring manager satisfaction to measure recruiter effectiveness.

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10. Employer Branding

Employer branding is the process of promoting a company as the employer of choice to a desired target group, one which a company wants and needs to attract, recruit, and retain.

Purpose:

- To create a strong identity of the organization as a great place to work.
- To attract top talent and reduce recruitment costs.
- To enhance employee engagement and loyalty.

🎯 2. Why Employer Branding Matters

Benefit	Description
Talent Attraction	Strong employer brand helps attract high-quality applicants.
Employee Retention	Employees are more likely to stay with a company that has a positive reputation.
Cost Reduction	Less need for third-party recruitment, and lower turnover costs.
Stronger Culture	A clear brand reinforces organizational values and mission.
Competitive Advantage	Differentiates the company in the talent marketplace.

🏗 3. Components of Employer Branding

1. **Employee Value Proposition (EVP)**
   - What the organization offers to employees in return for their skills and experience
   - Includes compensation, career development, work-life balance, culture
2. **Company Culture & Values**
   - Beliefs, behaviors, and attitudes that shape the work environment
3. **Recruitment Marketing**
   - Messaging and channels used to promote the brand to potential candidates
4. **Employee Experience**
   - Every interaction an employee has with the organization, from recruitment to exit
5. **Online Presence & Reviews**
   - Glassdoor, LinkedIn, Indeed reviews and social media visibility

🛠 4. Building a Strong Employer Brand

Step-by-step process:

1. **Audit current brand** – Internal (employee surveys) + external (online reputation)
2. **Define EVP** – Understand what makes your workplace unique
3. **Align internal & external messaging** – Consistency across all touchpoints
4. **Empower employees as brand ambassadors** – Employee testimonials, social sharing
5. **Leverage social media & content marketing** – Share stories, company events, milestones
6. **Measure & refine** – Use KPIs like application rates, retention, and engagement

🌐 5. Channels for Employer Branding

- Company Website Careers Page
- Social Media (LinkedIn, Instagram, YouTube)
- Glassdoor & Review Platforms
- Job Portals
- Campus Recruitment Events
- Employee Advocacy Programs
- Internal Communication (Newsletters, Intranets)

📊 6. Measuring Employer Branding Effectiveness

Metric	Purpose
Employee Net Promoter Score (eNPS)	Measures likelihood employees will recommend employer
Application Conversion Rate	Tracks how many candidates apply after viewing job posts
Retention Rate	Indicates success in retaining talent
Time-to-Hire	Shorter times suggest brand strength
Offer Acceptance Rate	Higher acceptance shows brand appeal

📌 7. Real-World Examples

- **Google** – Known for culture of innovation, benefits, and campus-like offices
- **Unilever** – Promotes sustainability, purpose-driven careers
- **Salesforce** – Strong focus on equality, philanthropy, and inclusive culture

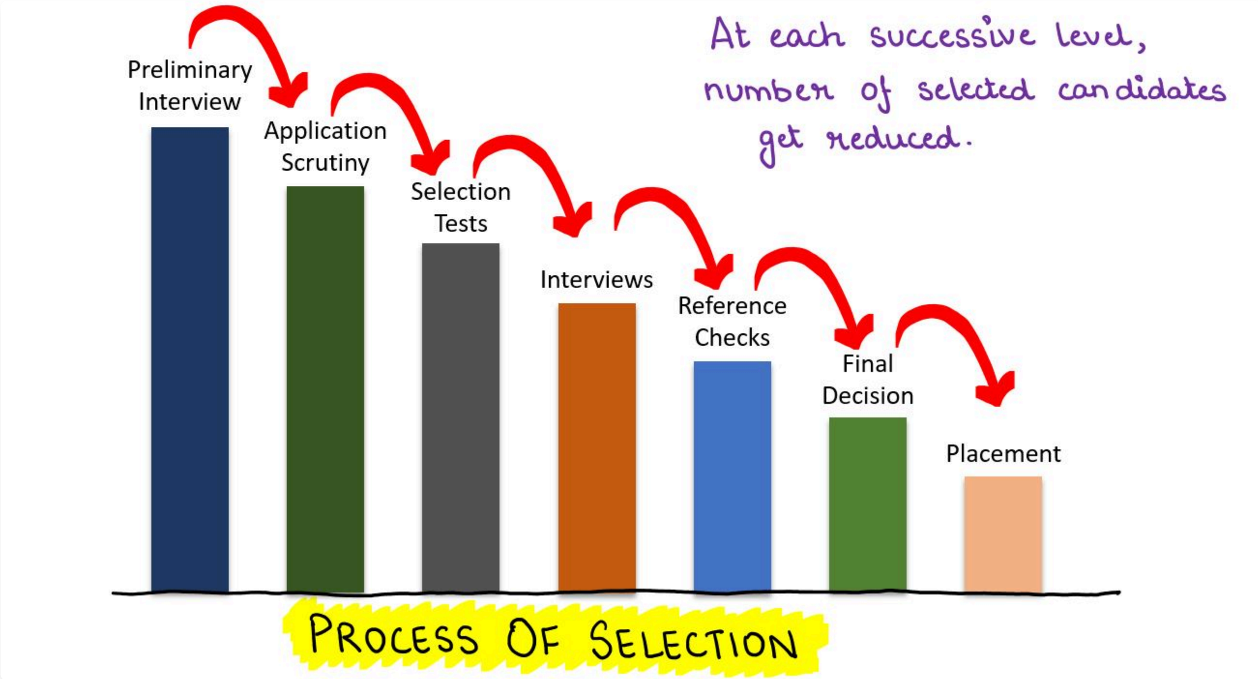
🧠 8. Common Employer Branding Mistakes

- Overpromising in employer branding vs. actual experience
- Ignoring internal branding (current employees)
- Inconsistent messaging across platfo

1. Introduction

Selection is the process of systematically choosing individuals with the required qualifications, skills, and attributes to fill specific job positions within an organization. It involves a series of steps to identify and assess candidates, ultimately leading to the final decision of hiring the most suitable individuals for the job.

2. Process of Selection



Major Steps in the Selection Process are listed below.:

1. Initial Screening or Preliminary Interview

The initial step involves sorting prospective applicants and providing them with essential information about the job. Simultaneously, it aims to gather details about their education, experience, skills, and salary expectations.

2. Application Scrutiny

Application scrutiny entails a thorough review of the information provided by applicants, including age, marital status, educational qualifications, work experience, and references. This step helps eliminate candidates who do not meet essential criteria.

3. Selection Tests

Various selection tests are employed to systematically compare the behavior of candidates. These tests fall into four categories: achievement or intelligence tests, aptitude or potential ability tests, personality tests, and interest tests.

4. Interviews

Interviews play a crucial role in the selection process, with personal interviews being the most widely used tool. Different types of interviews, such as informal, formal, planned, patterned, non-directive, depth, stress, and group interviews, are conducted to assess candidates comprehensively.

5. Reference Checks

Reference checks involve contacting individuals listed on an applicant's application form, such as previous employers, friends, or professional colleagues. This step aims to obtain opinions about the candidate's suitability based on specific points or general observations.

6. Physical Examinations

Physical examinations are conducted to ensure that selected applicants meet the necessary medical requirements for the job. This step contributes to creating a healthy and safe working environment.

7. Final Decision

The final decision involves considering all applicants who have successfully navigated the selection process. An appointment letter is then issued to the chosen candidate(s), finalizing their employment.

8. Placement

Placement entails assigning individual employees to specific supervisors, with approval from the latter. This strategic placement aims to reduce employee turnover, minimize absenteeism and accident rates, and enhance overall morale within the organization.

3. Approaches to Selection

The selection process, aimed at identifying the most suitable candidates for a job opening, employs different approaches to evaluate applicants. These approaches are designed to screen out unsuitable candidates at various stages of the process. Two notable techniques in selection are the Successive Hurdles Technique and the Compensatory Model.

Successive Hurdles Technique

The Successive Hurdles Technique involves setting up successive stages or hurdles that applicants must cross. At each stage, an evaluation is made, and only those who meet the criteria proceed to the next level. This approach acts as a series of screens to eliminate unqualified candidates, ensuring that only the most suitable individuals advance in the selection process.

Compensatory Model

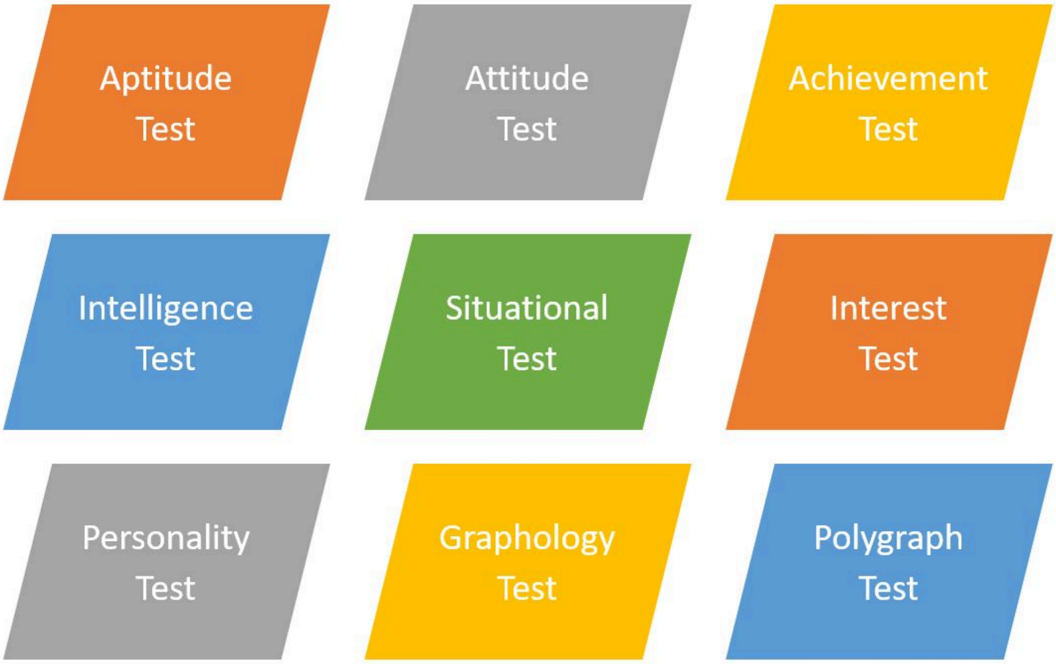
The Compensatory Model operates on the principle that a high score on one type of assessment can compensate for a low score on another. In this approach, candidates are evaluated across multiple dimensions, and a deficiency in one area may be balanced by excellence in another. For instance, a high score on a personality test might offset a lower score on an achievement test.

Yield Ratio

The yield ratio is a crucial metric used to express the percentage of applicants who successfully progress from one stage of the recruitment and selection process to the next. This ratio provides valuable insights for employers to evaluate the efficiency of their selection process and identify areas that may require improvement.

Understanding the yield ratio involves tracking the number of applicants at each stage of the selection process and calculating the percentage that advances to the subsequent stage. For example, if 100 applicants apply, and 50 successfully move to the next stage, the yield ratio for that stage is 50%.

4. Test Methods

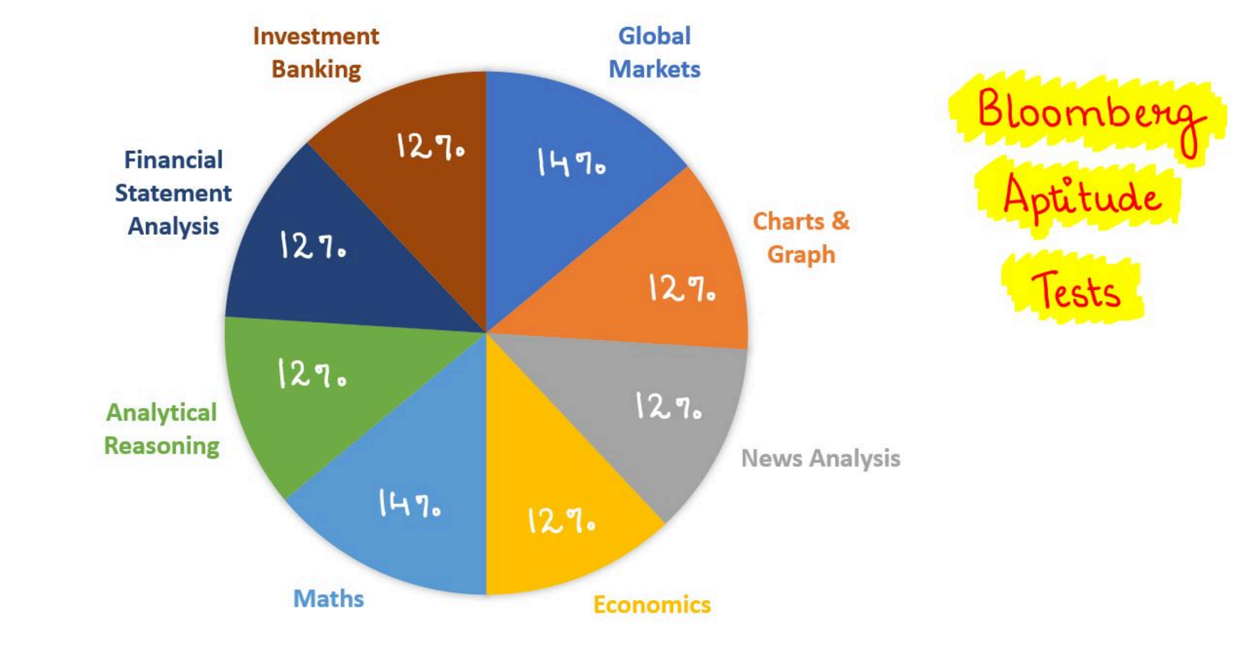


Let us discuss few important types of tests, which are used in selection process.

4. Test Methods

Aptitude tests are tailored assessments designed to gauge an individual's inherent potential to acquire new skills or knowledge given sufficient training. These tests aim to evaluate a person's general intelligence, mental capabilities, and specific aptitudes related to certain job functions. The results help employers identify candidates who possess the cognitive abilities and skills necessary for success in a particular role.

For example, Psychomotor Tests measure abilities like manual dexterity, motor ability and eye-hand coordination of candidates.



A few examples of Aptitude Tests are Bloomberg Aptitude Test (BAT) and Armed Services Vocational Aptitude Battery (ASVAB).

4. Test Methods

Attitude tests are tools employed to measure an individual's feelings, perceptions, and emotional responses toward specific events, places, people, or objects. These assessments aim to understand an individual's subjective viewpoints, preferences, and overall attitudes, providing valuable insights into how they may approach or react to various situations.

Key Components of Attitude Tests are:

Emotional Response

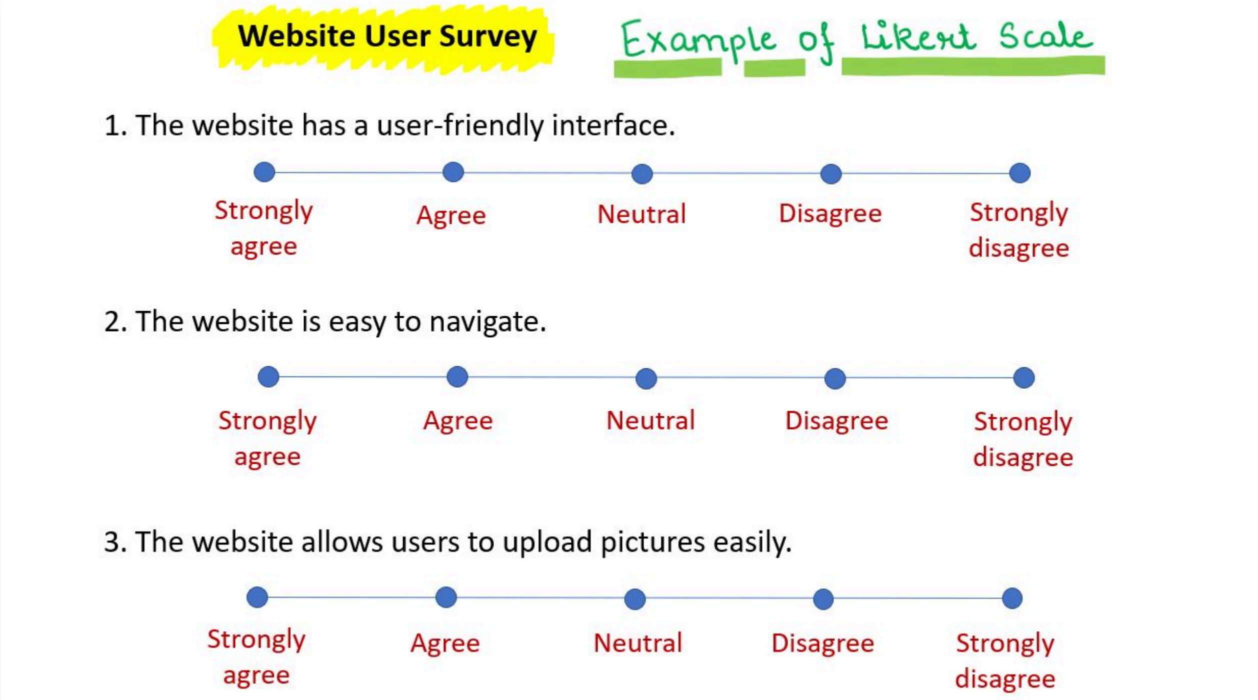
Attitude tests delve into an individual's emotional responses. They seek to understand how a person feels about a particular subject, whether it be a concept, an event, or a person.

Perceptions

These tests evaluate an individual's perceptions or interpretations of situations. This involves understanding how someone views and processes information, which can significantly influence their attitudes.

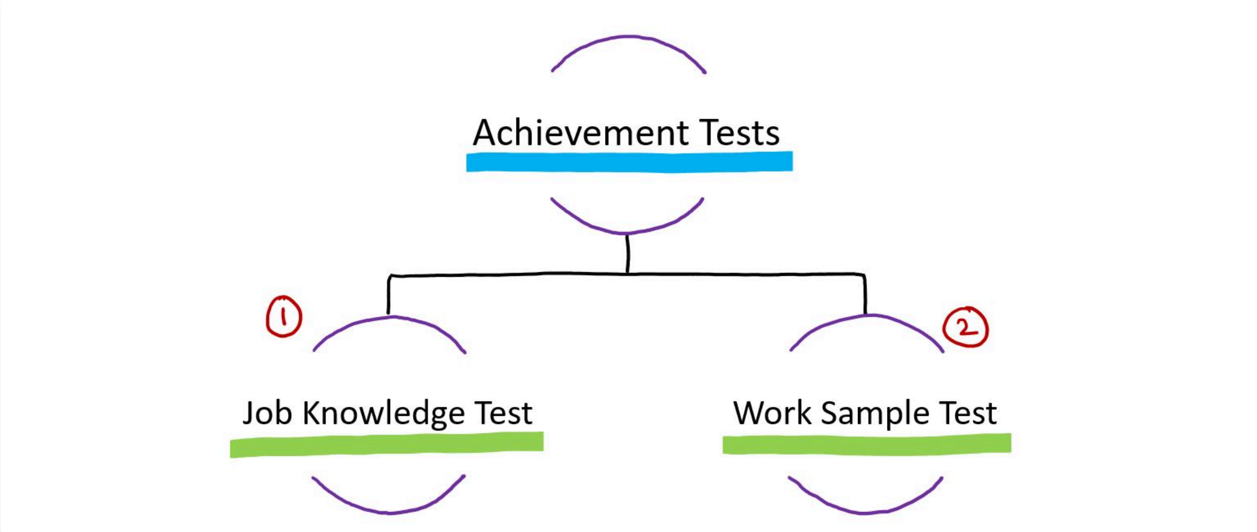
Personal Preferences

Attitude tests often explore personal preferences and inclinations. This could include assessing preferences for specific work environments, leadership styles, or even preferences for certain products or brands.



The Likert Scale and the Thurstone Scale are examples of Attitude Tests.

4. Test Methods



Achievement tests serve as evaluative tools to measure the skills or knowledge an individual has acquired through training and practical on-the-job experience. These tests are comprehensive, assessing both job knowledge and work samples, and are commonly referred to as Ability Tests.

Job Knowledge Tests

Also known as Knowledge Tests, these assessments are specifically designed to determine an individual's knowledge in various areas essential for the job. Examples include typing, shorthand, computer operations, or proficiency with simple mechanical equipment. Job Knowledge Tests aim to evaluate the depth of understanding a candidate possesses in these specific domains.

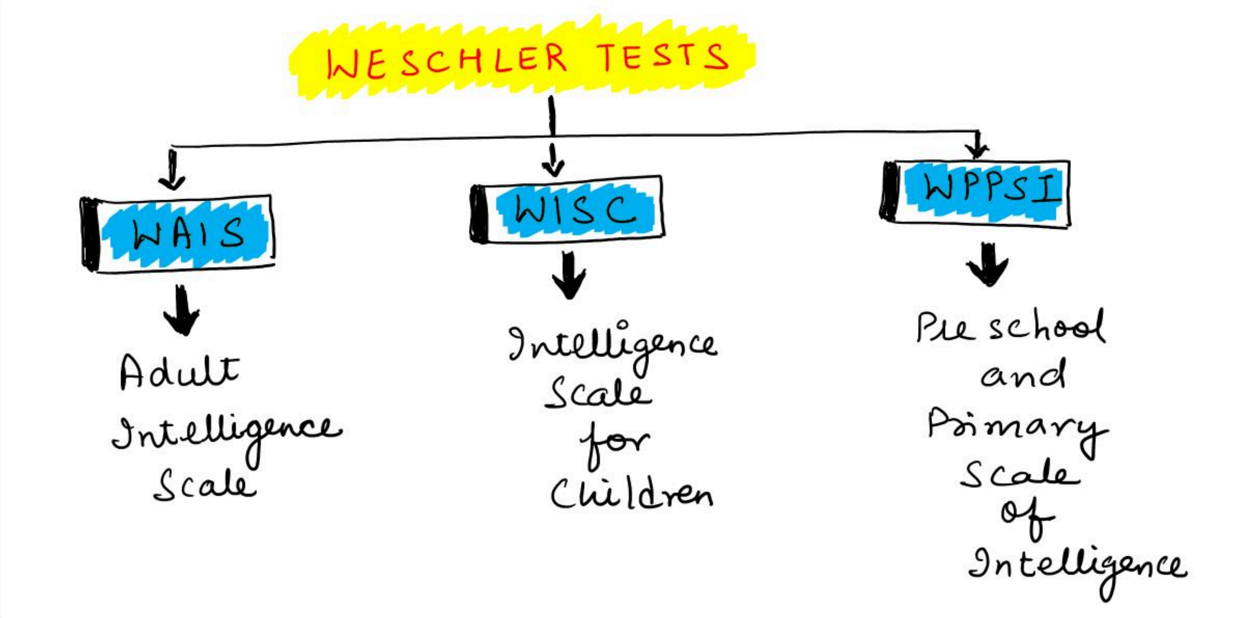
Work Sample Test

In a Work Sample Test, candidates are presented with an actual piece of work relevant to the job they are applying for. For instance, in a typing test, candidates receive material to be typed, and their performance is evaluated based on factors such as speed, accuracy, and efficiency. This method provides a practical demonstration of the candidate's ability to execute tasks directly related to the job requirements.

A few examples of Achievement Tests are Wechsler Individual Achievement Test (WIAT) and Peabody Individual Achievement Test (PIAT).

4. Test Methods

Intelligence tests are crafted to assess various facets of intelligence, encompassing traits like mental ability, alertness (presence of mind), numerical proficiency, memory, and other dimensions of cognitive prowess. These tests delve into an individual's capacity for reasoning, problem-solving, and understanding intricate concepts.



Wechsler Adult Intelligence Scale, Wechsler Intelligence Scale for Children, and Stanford-Binet Intelligence Scale are a few examples of Intelligence Tests.

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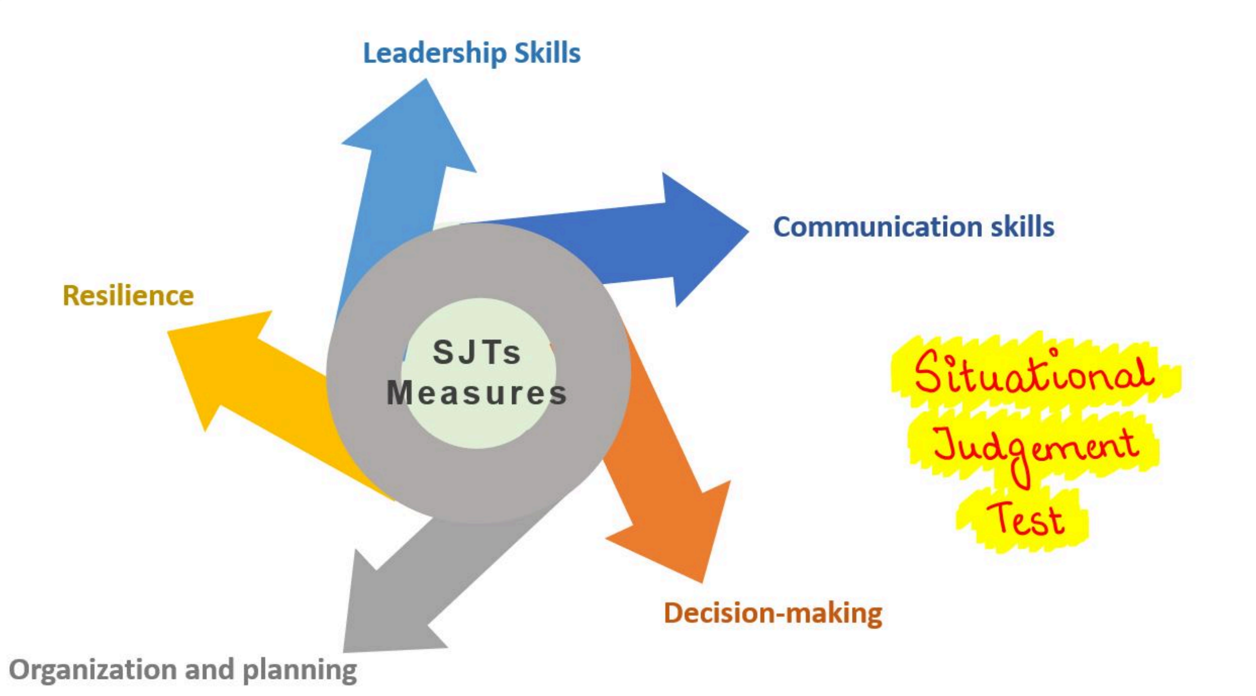
4. Test Methods

Situational tests are crafted to evaluate candidates in scenarios mirroring real-life situations relevant to the job. Candidates are tasked with managing or resolving critical situations, providing employers with insights into their problem-solving abilities in practical contexts.

Examples of Situational tests are given below:



1. **Customer Service Representative:** A situational test may present a scenario where a customer is dissatisfied, and the candidate must navigate the situation to address concerns and ensure customer satisfaction.

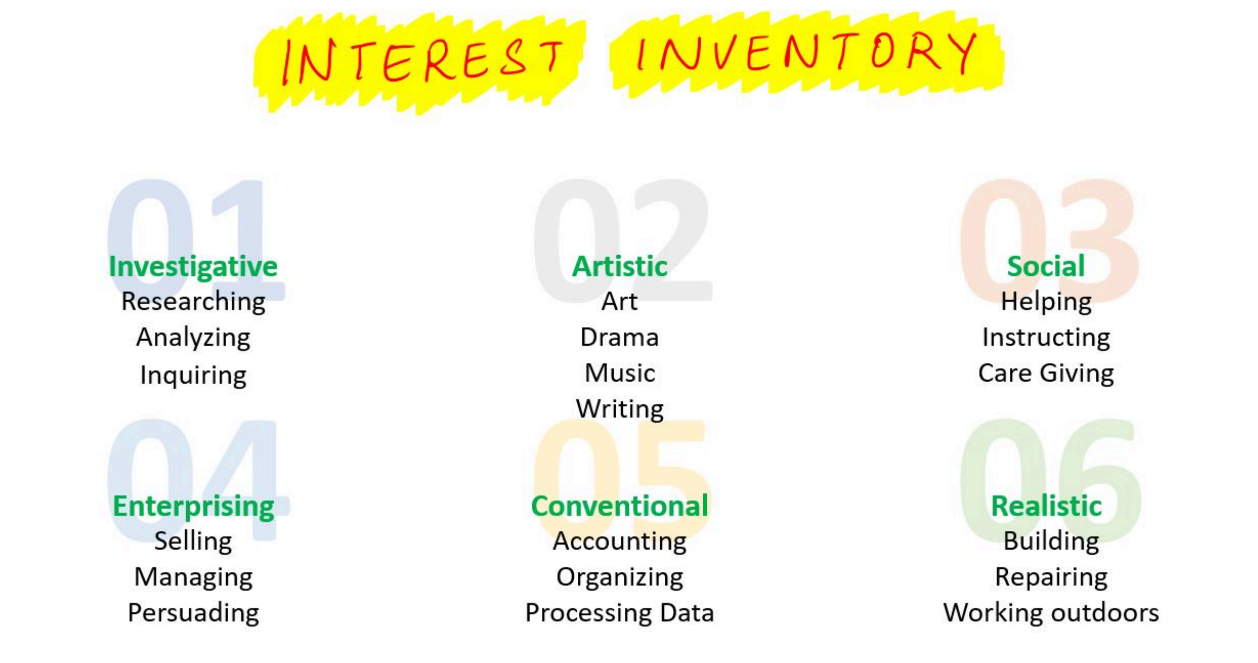
2. **Project Manager:** Candidates might face a situational test simulating a project setback, requiring them to devise a strategic plan to address the challenges and ensure successful project completion.

3. **Emergency Response Team Member:** In a situational test, individuals may be presented with a crisis scenario, assessing their ability to make swift decisions and effectively respond to emergencies.

The purpose of this test is to evaluate the candidate's decision-making ability and assess their problem-solving skills in a realistic environment.

4. Test Methods

Interest tests are tailored assessments designed to discern a candidate's degree of interest or disinterest in a particular job. They aim to pinpoint specific areas within the job or occupation that captivate the candidate's interest. These tests provide employers with valuable insights into the candidate's motivation and alignment with the job's requirements.



John Holland designed an Interest Inventory which is the most widely used interest inventory available for users to help identify pattern of their vocational interests. It helps to objectively identify a person's interests, provide a framework for organising his or her interests into general and specific categories within the world of work and help identify potentially relevant occupations that may not have been previously considered. This divides people and jobs into 6 categories – Realistic, Investigative, Artistic, Social, Enterprising, Conventional. In it, user responses are compared to a representative sample of occupations followed by people who enjoy their work, have worked in that area for at least certain years and who do typical work for the field.

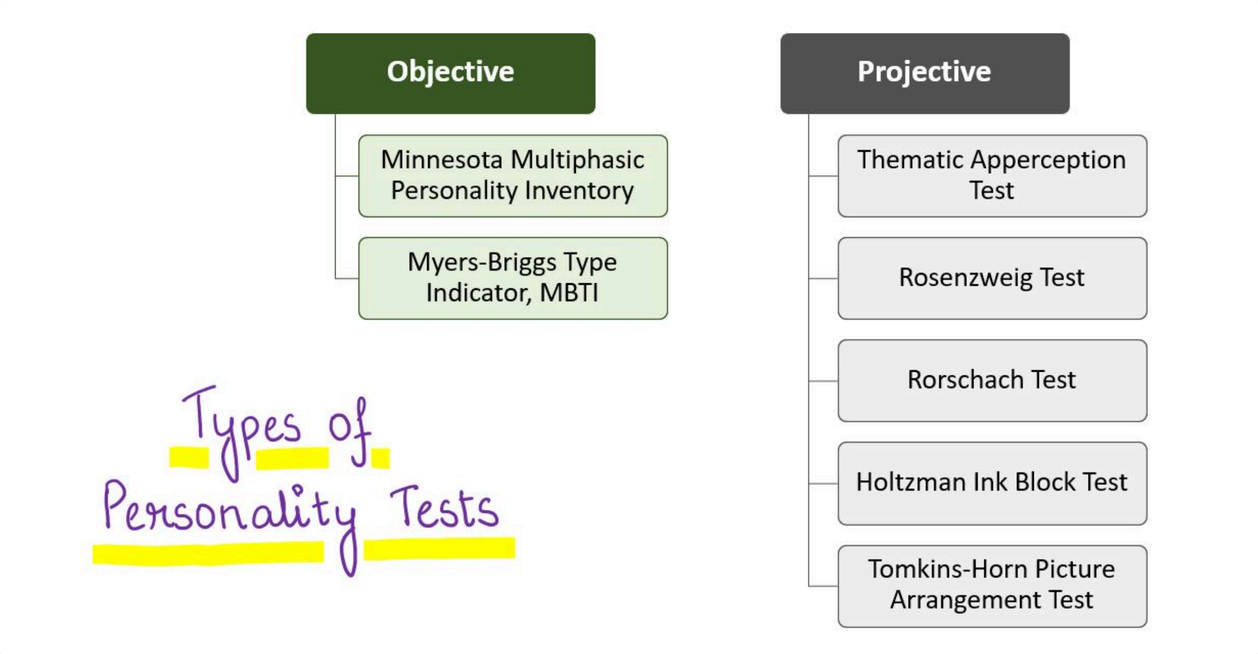
4. Test Methods

Personality tests are instrumental tools designed to gauge an individual's motivation, value system within a specific work environment, emotional reactions, and characteristic mood. Employed as a psychological assessment, these tests offer employers deeper insights into a candidate's personality traits, aiding in the evaluation of their compatibility with the organization.

Examples of such tests are Bell's Adjustment inventory, the California test of Personality scale, Minnesota multiphasic personality inventory thematic Apperception test, the Thurstone temperaments survey, and Guild ford-zimmerman temperament survey etc.

Types of Personality Tests

There are two main types of personality tests: Objective and Projective.



Objective tests

These tests measure specific traits, such as neurotic tendencies, self-sufficiency, dominance-submission, and self-confidence. These tests are often used for group testing and can be scored objectively.

Some important Objective Tests are Minnesota Multiphasic Personality Inventory and Myers-Briggs Type Indicator, MBTI.

Projective tests

Projective tests, on the other hand, ask candidates to interpret ambiguous stimuli, such as pictures or figures, to reveal their underlying values, motives, and personality traits.

Some important Projective Tests are given below.

- *Thematic Apperception Test (TAT)* is a projective psychological test. Proponents of the technique assert that subjects' responses, in the narratives they make up about ambiguous pictures of people, reveal their underlying motives, concerns. The TAT was developed during the 1930s by the American psychologist Henry A. Murray and psychoanalyst Christiana D. Morgan at the Harvard Clinic at Harvard University.
- *Rosenzweig Test* uses a cartoon format wherein we have series of cartoons with empty (no words inserted in) *'balloons'*. The respondents are asked to put their words in an empty balloon space.
- *Rorschach Test* consists of 10 cards having prints of inkblots, wherein the design happens to be symmetrical but meaningless. Respondents are asked to describe what they perceive in them.
- *Holtzman Ink Block Test* is a modification of Rorschach Test and consists of 45 cards, which are based on colour, movement, shading and other factors. One response per card is interpreted at three levels of appropriateness.
- *Tomkins-Horn Picture* arrangement test is designed for group administrations with five plates, each containing three sketches that may be arranged in different ways to portray sequences, which participants consider reasonable.

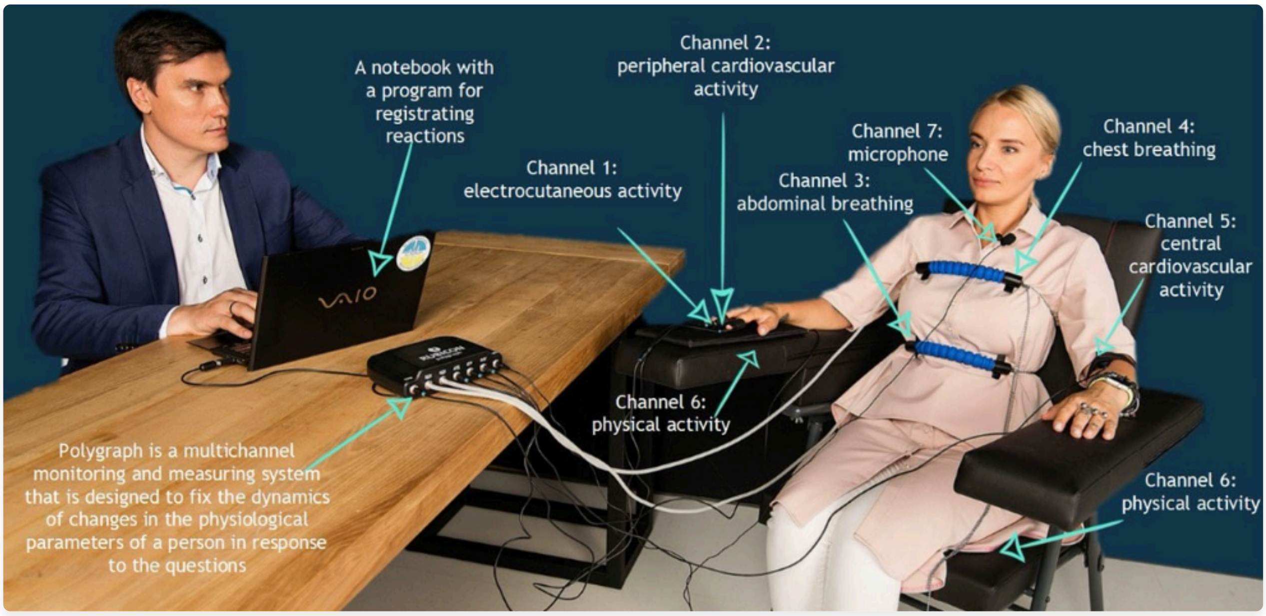
4. Test Methods

Graphology Test is designed to analyze the handwriting of an individual. It is used to identify personality traits of the individual.

This test is based on the principle that an individual's handwriting reflects their personality, and hence, can provide insights into their character, tendencies, and emotional state.

4. Test Methods

Polygraph Tests are designed to ensure the accuracy of the information given in the application. These tests record on paper physiological changes in blood pressure, pulse, skin, and sensitivity caused by stress. The test is based on the principle that when a person tells a lie, they experience a physiological response that can be detected by measuring changes in their body.



These tests are commonly used in the criminal justice system to help determine the truthfulness of a suspect or witness. However, the validity of the polygraph test is often disputed, and it is not admissible as evidence in many jurisdictions.

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5. Psychometric Tools

Psychometric tools are standardized instruments used to measure candidates' mental capabilities, personality traits, and behavioral style as part of the recruitment and selection process.

Purpose
To objectively assess how well candidates fit a role based on psychological criteria beyond just education and experience.

Types of Psychometric Tests

Type	Description	Example Tools	Purpose
Aptitude Tests	Assess logical reasoning, verbal ability, numerical ability, etc.	SHL, Talent Q	Evaluate cognitive abilities
Personality Tests	Measure traits like extroversion, emotional stability, conscientiousness	MBTI, Big Five (OCEAN), Hogan	Assess cultural and team fit
Situational Judgment Tests (SJTs)	Present work-related scenarios with multiple responses	Aon, Korn Ferry	Assess decision-making & soft skills
Emotional Intelligence (EQ) Tests	Evaluate awareness of emotions and interpersonal skills	EQ-i 2.0, MSCEIT	Predict leadership and social behavior
Interest Inventories	Identify career preferences and motivations	Strong Interest Inventory	Align interests with role or culture

Benefits of Using Psychometric Tools

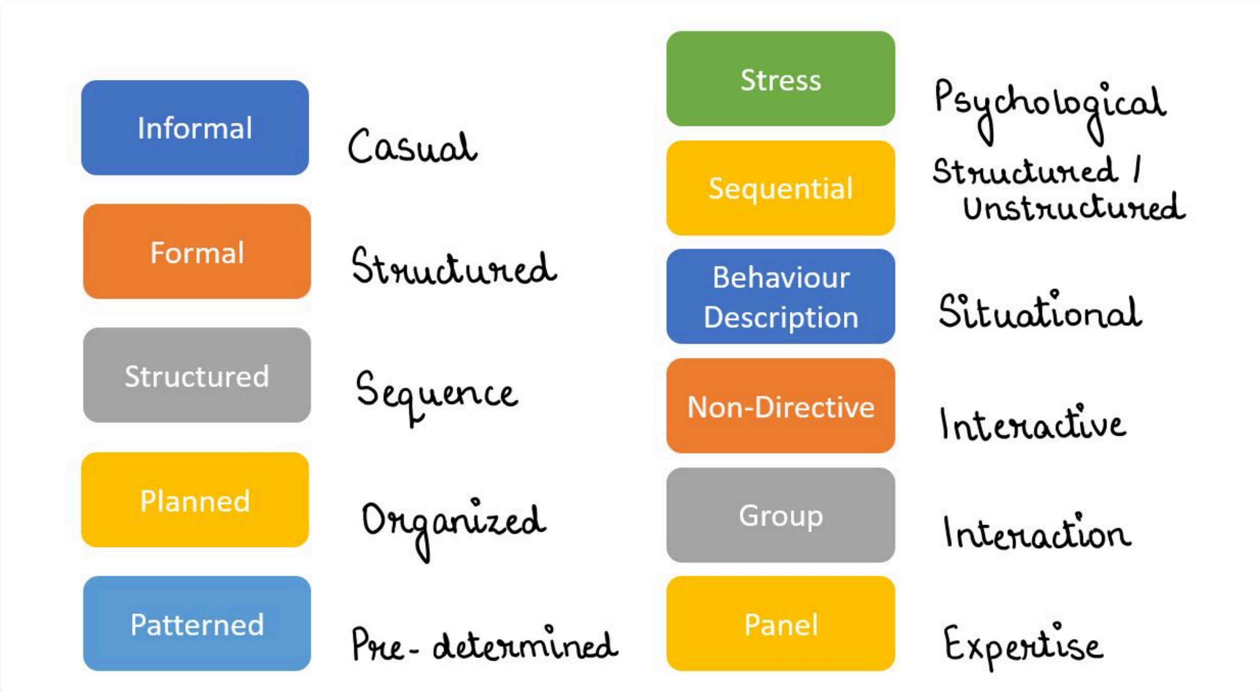
- Objective and standardized assessments
- Better prediction of job performance and cultural fit
- Reduces unconscious bias in hiring
- Supports high-volume recruitment (e.g., graduate programs)
- Enhances legal defensibility in selection decisions

Limitations and Ethical Considerations

- May cause anxiety or discomfort in candidates
- Risk of misinterpretation if not administered or interpreted properly
- Cultural and language bias in some tests
- Should **never** be used in isolation — combine with interviews, CVs, references, etc.
- Legal compliance: Ensure tools are **valid, reliable, and non-discriminatory**

6. Interview Methods

Employment interviews are an essential part of the hiring process as they help employers in assessing the candidate's suitability for the position. A good interview should serve three purposes - obtaining information, giving information, and motivation. To achieve this, different types of interviews can be conducted depending on the company's needs and the position's requirements, which are discussed below.



Informal and Formal Interviews

The informal interview is conducted at any place by any person. It is an interaction between the candidate and the manager to examine about the vacancies or additional particulars in connection to employment advertisement. On the other hand, formal interviews are held in a more formal environment by the employment officer. Formal interviews are structured, and the interviewer follows a pre-determined set of questions.

Structured (or Directive) Interviews

Structured interviews are another type of interview in which the interviewer follows a set sequence of pre-determined questions.

Planned Interviews

A planned interview is a type of structured interview where the interview has a plan of action worked out in relation to the time to be devoted to each candidate, the type of information to be sought, and the information to be given, etc.

Patterned Interviews

Patterned interviews are the most common method of interview. In this type of interview, every pertinent detail bearing on what is to be accomplished, what kind of information to be sought or given, how the interview is to be conducted, and how much time is to be allotted to it, must be worked out in advance.

Non-Directive Interviews

A non-directive interview is designed to let the candidate speak his mind freely. It is an 'unstructured interview' and is relatively non-planned. It is an unstructured conversational-style interview in which the interviewer pursues points of interest as they come up in response to questions.

Behaviour Description Interviews (BDI)

Behaviour description interviews (BDI) are situational interviews in which the interviewer asks the candidate to describe how he or she handled a type of situation in the past. The interviewer then evaluates the candidate's response to see how he or she would handle a similar situation in the future.

Sequential Interviews

Sequential interviews can be either structured or unstructured. Unstructured sequential interviews are interviews in which each interviewer forms an independent opinion after asking different questions. On the other hand, structured sequential interviews are interviews in which the applicant is interviewed sequentially by several persons, and each rates the applicant on a standard form.

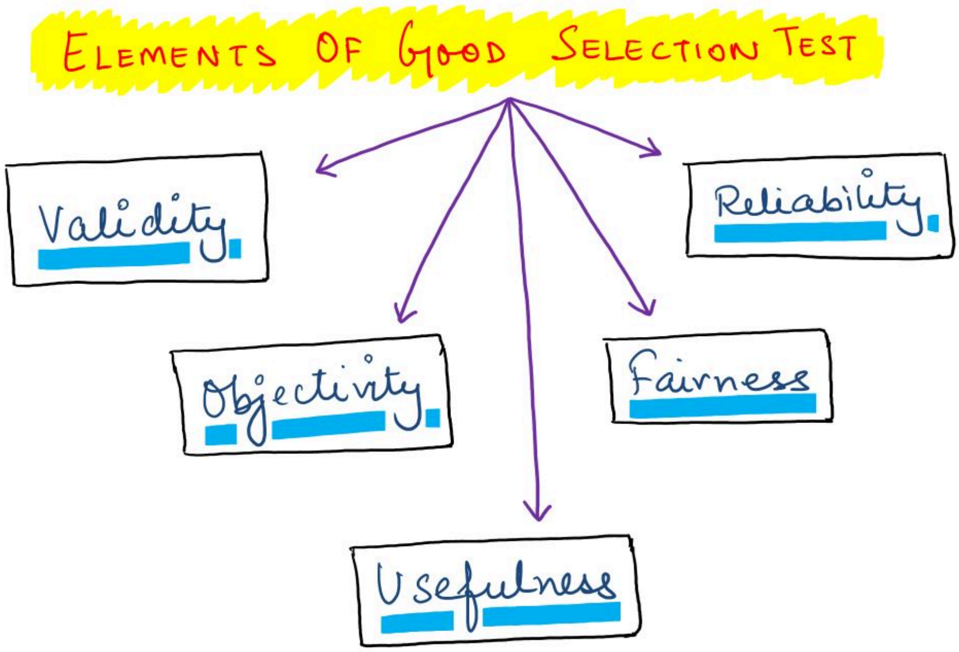
Stress Interviews

Stress interviews are designed to test the candidate's conduct and behavior by putting him under conditions of stress and strain. In the stress interview, the interviewer puts the candidate on the defensive by trying to annoy him. The interviewer may interrupt the applicant from answering, criticize his opinions, ask questions pertaining to unrelated areas, keep silent for long periods, and put him in an awkward situation by dropping something on the floor and asking him to pick it up, accusing him that he is lying, and so on.

Group Interviews and Panel Interviews

Group interviews are designed to see how candidates react to and against each other. All the candidates are brought into one room, and one topic is given for discussion to the candidate, and they are asked to discuss the topic in detail. A panel interview is done by members of the interview board or selection committee. A panel of experts interview each candidate, judges his performance individually, and prepares a consolidated judgment based on each expert's judgment. Panel interviews are usually done for managerial positions.

7. Elements of a Good Test



A good selection test should meet several criteria to provide valid data that enable reliable predictions of behavior to be made and to assist in the process of making objective and reasoned decisions when selecting people for jobs.

Elements of Good Selection Test

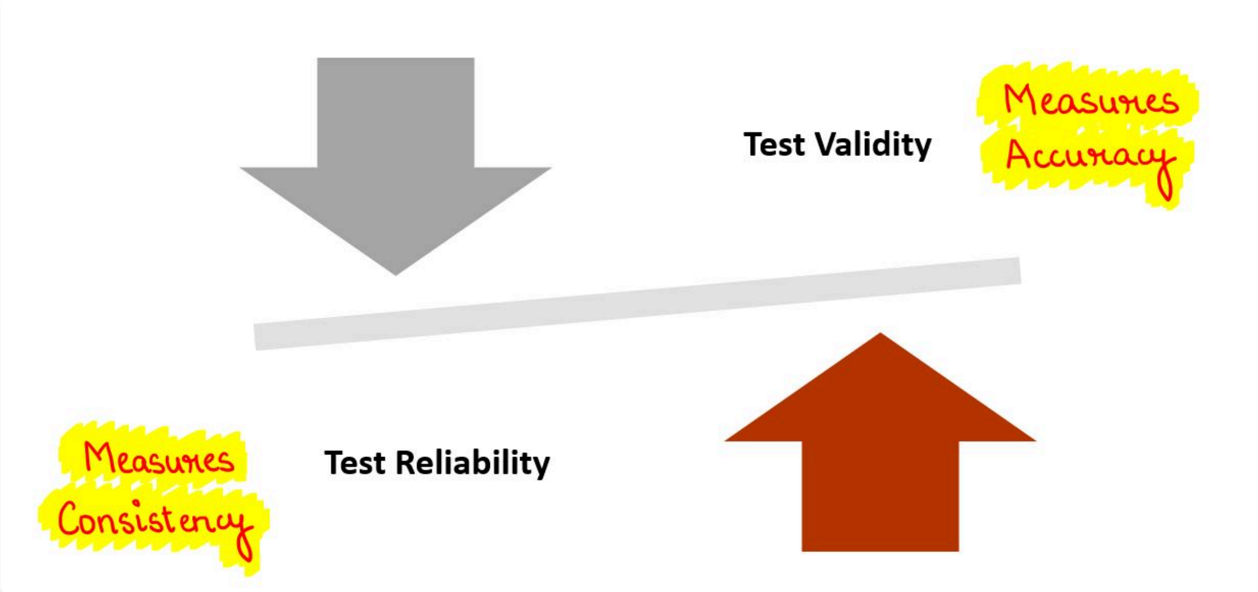
Following are the elements of Good Selection Test:

- First, it should be **based on thorough research** that has produced standardized criteria. The norms should be derived by using the same measure to test a number of representative people. For example, a personality test should be standardized on a representative and sizeable sample of the population for which it is intended so that any individual's score can be interpreted in relation to that of others.
- Second, a good selection test should be capable of being **objectively scored** by reference to the normal or average performance of the group. This means that the test should be a sensitive measuring instrument that discriminates well between subjects.
- Third, a good selection test should be **reliable**, meaning that it always measures the same thing. For instance, a test aimed at measuring a particular characteristic, such as cognitive ability, should measure the same characteristic when applied to different people at the same or at different times, or to the same person at different times.
- Finally, a good selection test should be **valid** in the sense that it measures the characteristic that the test is intended to measure. For example, a cognitive ability test should measure cognitive ability and not simply verbal facility. A test meant to predict success in a job or in passing examinations should produce reasonably convincing predictions that statistically significant.

Tests are widely used to evaluate the abilities and potential of individuals applying for jobs, promotions or admissions in educational institutions.

The types of tests that are used to measure specific traits, abilities, or aptitudes of candidates are discussed next.

8. Reliability and Validity



Reliability and validity are important concepts in selection tests.

Test reliability refers to the consistency of scores obtained by the same person when tested multiple times under similar conditions. A test is considered reliable if a person obtains similar scores when tested in different times or with equivalent forms of the test. For instance, if a candidate takes an online assessment test and obtains similar scores in a later attempt, the test is considered reliable. A reliability coefficient of 0.85 to 1.00 is recommended by experts like Beach. Written tests generally have higher reliability compared to other tests.

Validity, on the other hand, refers to how accurately a measure or test assesses what it claims to measure. In other words, validity asks whether a measurement tool truly captures the concept or phenomenon it's supposed to measure.

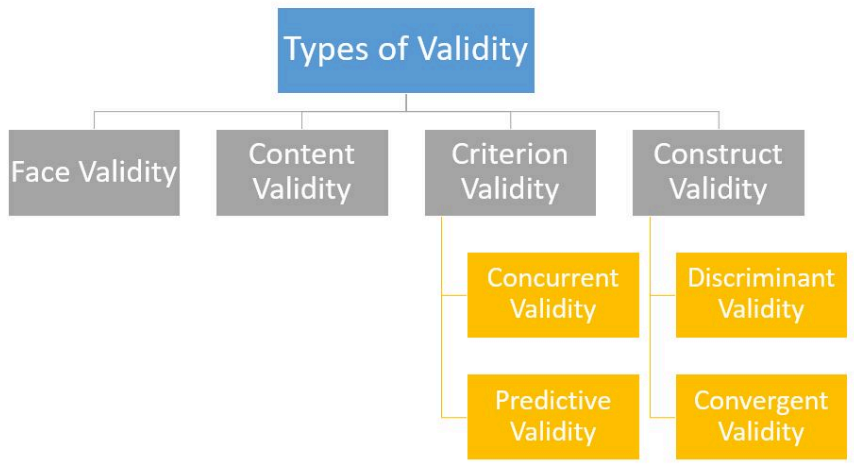
Selection tests use certain tools to predict a potential employee's job performance at the time of selection. These tools, also known as predictors, include information points obtained from application forms, online assessments, psychometric tests, and other methods. The validity of a test is the degree to which these predictors accurately measure job performance.

Validation is the process used to verify the degree of accuracy of the predictors. It shows a significant statistical relationship between the predictor being used and the criterion measure the employer wants to use as a yardstick. The criterion measures for job success have different meanings for different employers and must be aligned with the talent management philosophy of the organization. These measures include the potential employee's core competencies mapping to the job description, ability to adjust to the work culture, job products, and job outcomes.

9. Types of Validity

According to Dale S. Beach, there can be 4 different kinds of validity.

1. Face validity
2. Content Validity
3. Criterion Related Validity
4. Construct Validity



Let us discuss these types one by one.

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9. Types of Validity

Face Validity refers to the superficial appearance of a test and the extent to which it seems to measure what it is intended to measure. It is based on the subjective opinion of the person evaluating the test. It is like judging the book by its cover. It is superficial, first level of validity.

Thus Face Validity provides an initial impression of whether the test items or questions seem to align with the intended concept. However, it should be noted that relying solely on face validity does not ensure that a measurement is scientifically rigorous or accurate. Deeper validation methods are typically needed to establish the true validity of a measurement tool.

For example, a quiz designed to assess the level of expertise in physics will have good face validity if it includes questions related to topics in physics. If the questions are not related to physics, the quiz would have poor face validity. However, having good face validity does not guarantee that a test is a valid measure of the construct it is supposed to measure.

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9. Types of Validity

Content Validity refers to the degree to which a test or measurement tool accurately assesses the specific content or domain it is intended to measure. It involves examining whether the questions, items, or tasks included in the test comprehensively cover the full range of the topic or concept being measured. In essence, content validity ensures that the test items are relevant, representative, and comprehensive enough to effectively measure the targeted construct or content area.

For instance, suppose a company is looking to hire a customer service representative. In the selection test, the questions are designed to measure the candidate's communication, problem-solving, and customer service skills. These skills are all relevant to the job and, therefore, the selection test has good content validity. However, if the test only measures the candidate's writing skills and does not cover the other essential skills, then the test lacks content validity.

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9. Types of Validity

Criterion validity checks if a measurement correlates well with other measures of the same concept or known standards. It refers to the degree of correlation between the test results and some criterion.

There are two sub-types: Concurrent validity and Predictive validity. The two measures differ only on the basis of a time dimension—that is, the criterion measure is separated in time from the predictor measure.

Concurrent validity: This checks if a new measure gives similar results to an established measure when both are taken at the same time. If the new measure is taken at the same time as the criterion measure and is shown to be valid, then it has concurrent validity.

For example, if researchers develop a new anxiety scale and find that it correlates strongly with an existing anxiety questionnaire administered at the same time to the same group of people, the new scale shows concurrent validity.

Predictive validity: This checks if a measure can predict future outcomes. Predictive validity is established when a new measure predicts a future event.

For instance, a car safety test might measure how well crash test dummies perform in simulations. If these tests reliably predict real-world crash results when cars with those features are actually in accidents, the crash tests demonstrate predictive validity.

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9. Types of Validity

Construct validity refers to the extent to which a test or assessment accurately measures the theoretical construct or concept it was designed to measure. It goes beyond simply showing a correlation or demonstrating that a test includes some level of construct validity. Instead, construct validity is established through a systematic research approach that gathers evidence from multiple sources to support a theory and its network of related constructs, hypotheses, and operational definitions.

In other words, construct validity serves as the cohesive glue that integrates various types of validity into a unified framework. It ensures that a measurement tool truly captures the underlying theoretical construct it claims to measure, thus providing a solid foundation for drawing meaningful conclusions and interpretations in research and assessment.

For example, a test designed to assess verbal ability should correlate with other measures of verbal ability and should be unrelated to other constructs such as physical strength.

To determine construct validity in HR, a strong statistical correlation should exist between the job measure and the selection procedure, as well as examining six aspects that measure the quality of the test's construct validity. These aspects include consequential, content, substantive, structural, external, and generalizability (as per psychologist Messick’s Unified Theory of Construct Validity).

Convergent validity refers to how closely related two measures of the same construct are supposed to be. It shows that different tests measuring the same concept should give similar results. When two tests that are meant to measure the same thing are highly correlated, they demonstrate strong convergent validity. In essence, it measures how well different tests agree when they're used to measure the same idea or concept.

For example, in a study on anxiety, researchers use two different questionnaires to measure anxiety levels in participants. They find that both questionnaires show high correlations in their scores, indicating strong convergent validity. This suggests that both tests effectively measure the same underlying construct of anxiety.

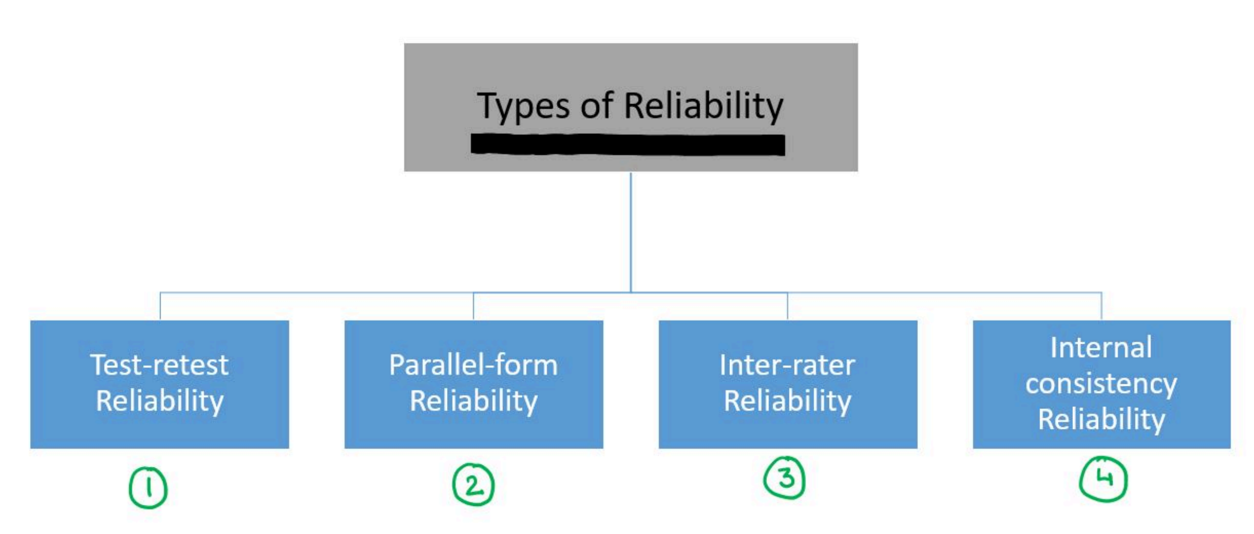
Discriminant validity checks if a measurement tool does not correlate too much with measures of different things. For example, a test measuring depression should not strongly correlate with a test measuring anxiety if these are meant to be distinct concepts. It ensures that each measurement tool accurately captures its intended concept without overlapping too much with unrelated ones.

It is the extent to which your measure *does not relate* to other measures in an expected manner.

For instance, to assess the construct validity of a leadership test, one could examine whether the test is related to other measures of leadership, such as a supervisor's performance evaluation. The test should also not be related to constructs that are unrelated to leadership, such as physical fitness or emotional intelligence.

10. Types of Reliability

Four common methods to assess test reliability are as follows.



1. Test-retest Reliability
2. Parallel-form Reliability
3. Inter-rater Reliability
4. Internal consistency Reliability.

These are discussed next.

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10. Types of Reliability

Internal consistency in research refers to how much the questions in a test or survey measure the same thing.

For example, if we're measuring *trust*, we might ask different questions that are related but not exactly the same. The group of questions is called a 'scale.' To check internal consistency, we look at how well the answers to these questions correlate with each other.

In a test measuring *anxiety,* researchers might ask questions like 'I often feel nervous' and 'I worry about things a lot.' If people who agree with one statement tend to agree with the other, the test shows strong internal consistency. This means the questions are effectively measuring the same underlying concept of anxiety.

The **split-half method** of checking reliability is performed by taking half the items from a scale (for example, odd-numbered items) and checking them against the results from the other half (even-numbered items). The two scale halves should correlate highly. They should also produce similar scores. However, multiple techniques exist for estimating scale reliability.

Coefficient alpha (α) is the most commonly applied estimate of a composite scale's reliability. Coefficient α estimates internal consistency by computing the average of all possible split-half reliabilities for a multiple-item scale. The coefficient α demonstrates whether or not the different items converge. Although coefficient α does not address validity, many researchers use α as the sole indicator of a scale's quality largely because it is simply and readily computed by statistical programs like SPSS. Coefficient α can only take on values ranging from 0, meaning no consistency among items (they are all statistically independent), to 1, meaning complete consistency (all items yield perfect correlation with each other).

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10. Types of Reliability

The test-retest method of determining reliability involves administering the same scale or measure to the same respondents at two separate times to test for stability. If the measure is stable over time, the test, administered under the same conditions each time, should obtain similar results. Testretest reliability represents a measure's repeatability.

For example, if a study finds that 12% of people want to buy a product, and the same study repeated a few weeks later also finds 12%, the measure shows reliability. This means it's consistent and can be trusted to give similar results under the same conditions.

Imagine a researcher is studying people's sleep patterns using a questionnaire. They ask participants about their sleep quality on two occasions, one month apart. If the results show that most participants report similar levels of sleep quality both times, the questionnaire demonstrates good test-retest reliability. This means the questions reliably measure how people perceive their sleep over time.

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10. Types of Reliability

This refers to using two equivalent tests with similar content, objectives, difficulty, etc., and comparing the scores of the same group.

For example, two different but equivalent math tests, one measuring addition skills and the other subtraction skills, are administered to the same group of students, and their scores on both tests are compared to assess the parallel-form reliability of the tests.

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10. Types of Reliability

It measures the extent to which data collectors (raters) assign the same score to the same variable.

For example, when evaluating the inter-rater reliability of a scoring rubric for an essay, multiple raters independently assess the same essay, and the measurement is used to determine if different raters assign similar scores to the same essay.

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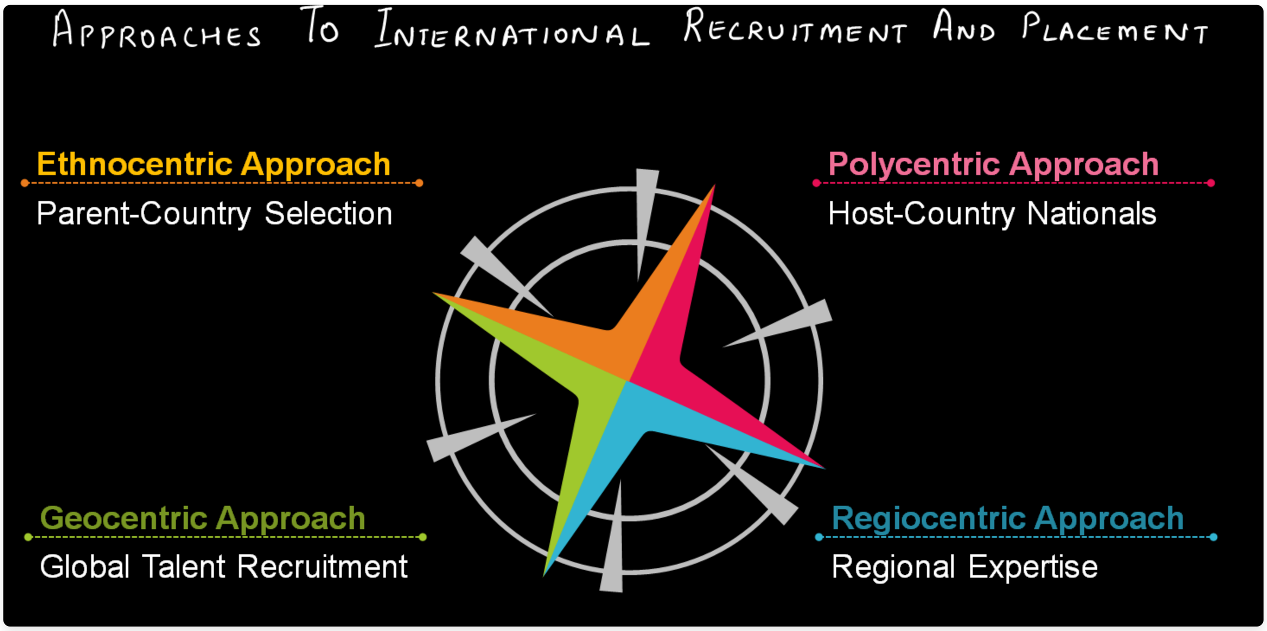
11. International Recruitment and Placement

While recruiting people for international operations, the international HR managers must identify the global competitiveness of the potential applicants at the time of the recruiting process. It is essential that the workforce of an international organization is aware of the nuances of international business. Understandably, the company must keep international knowledge and experience as criteria in the recruitment and selection process. Besides, the international HR department must have a fairly good idea about the skills and availability of human resources in different labour markets in the world.



There are 4 approaches to international hiring, given below.

1. Ethnocentric approach

This approach involves selecting employees from the parent country to work in host nations. For example, a Japanese company operating in the US may send Japanese managers to work in their US branch. The recruitment process involves self-selection, creating a candidate pool, technical skills assessment, and making a mutual decision.

2. Polycentric approach

This approach involves limiting recruitment to the nationals of the host country (local people). For example, a US company operating in Japan may hire Japanese executives to manage their Japanese branch. The primary purpose of this approach is to ensure the company understands the local market conditions, political scenario, cultural and legal requirements better.

3. Geocentric approach

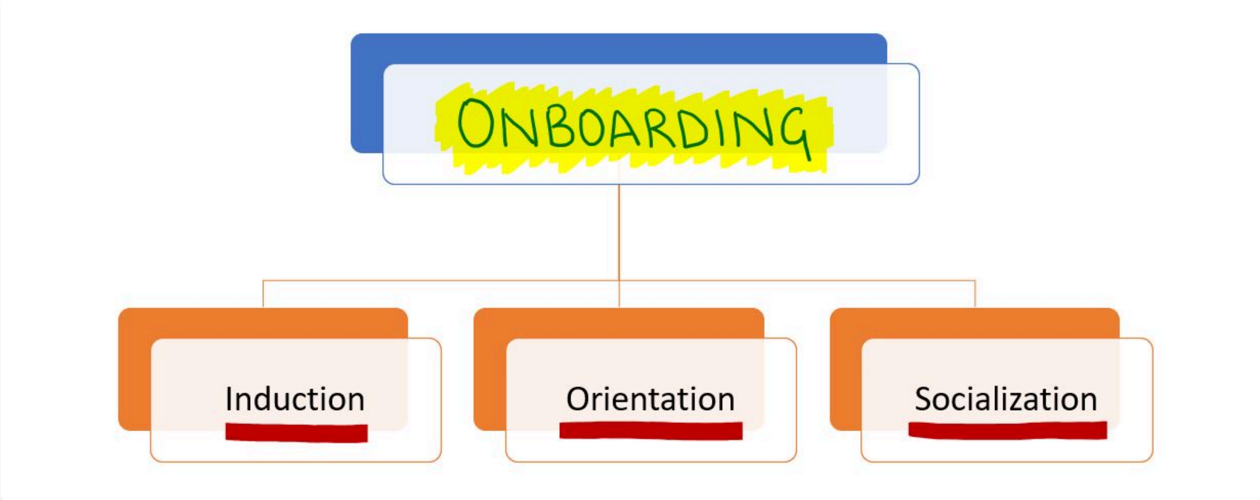
This approach involves recruiting the most suitable persons for the positions available, irrespective of their nationalities. For example, a multinational corporation may hire a Canadian executive to manage their Brazilian branch. Since the HR operations are constrained by several factors like political and ethnical factors and government laws, it is difficult to adopt this approach. However, large international companies generally adopt the geocentric strategy with considerable success.

4. Regiocentric Approach

Company's international business is divided into international geographic regions. The regiocentric approach uses managers from various countries within the geographic regions of business. Although the managers operate relatively independently in the region, they are not normally moved to the company headquarters. The regiocentric approach is adaptable to the company and product strategies. When regional expertise is needed, natives of the region are hired. If product knowledge is crucial, then parent-country nationals, who have ready access to corporate sources of information, can be brought in.

1. Onboarding

Onboarding consists of induction, orientation and socialization of employees. As a management function, onboarding refers to the process by which "new employees are introduced to the social and performance aspects of their new job, with the goal of getting new hires adjusted quickly, increasing productivity and job satisfaction and reducing turnover".



In other words, the objectives of onboarding are to assilimate new employees into organization's culture and to minimize their time-to competency and their risk of attrition by providing them with the knowledge and tools they need to become productive.

When onboarding is done well, it can establish favourable employee attitudes toward the organization, unit, and department; provide the necessary information and education for success in the position; and instill a feeling of belonging and acceptance. Effective onboarding also results in higher productivity, fewer rule violations, reduced attrition, and greater employee satisfaction.

Onboarding begins as soon as a person has been selected for a position and continues until the employee has been socialized to the norms and values of the work group. Effective onboarding programs assist employees to have successful employment tenure.

Socialization

Socialization in the workplace is the process of introducing and integrating new employees into the organizational culture. It helps new employees understand the company's values, norms, and expectations. This process includes induction and orientation of new employees, which help them get familiar with the company's practices, policies, and procedures.

For example, a new employee may learn that the company has a culture of teamwork and collaboration, which may encourage them to work closely with their colleagues to achieve their goals. Additionally, they may learn that the company has a dress code, which may require them to dress professionally in the workplace. These early socialization experiences help the new employee understand the company's culture and what is expected of them as a member of the organization.

Induction

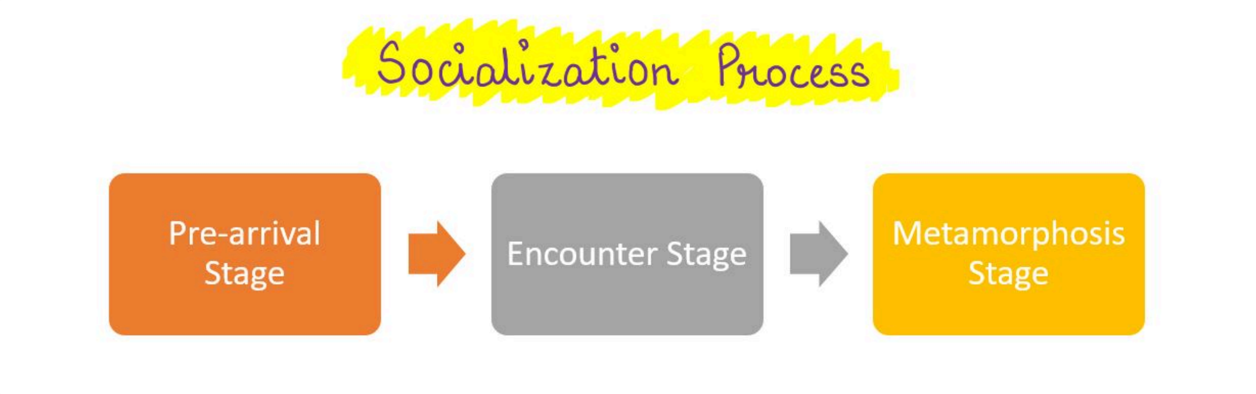
Induction, the first phase of onboarding, takes place after the employee has been selected but before performing the job role. The process includes all activities that educate the new employee about the organization and employment and personnel policies and procedures.

Orientation

Induction provides the employee with general information about the organization, whereas orientation activities are more specific for the position. A well-prepared and executed orientation program educates the new employee about the desired behaviours and expected goals of the organization and actively involves the new employee's immediate supervisor.

2. Process of Socialization

The process of Socialization can be conceptualized as a series of 3 stages: pre-arrival, encounter, and metamorphosis.



Stage 1: Pre-arrival Stage

The pre-arrival stage is the first stage of the socialization process. At this stage, individuals arrive with a set of values, attitudes, and expectations that have been shaped by previous experiences. For instance, individuals who have undergone prior socialization through education or training will arrive with a certain set of skills and knowledge. Organizations often use the selection process to inform potential employees about the organization and its culture. Interviews and other selection methods also help determine which individuals will fit in well with the organization. Successful pre-arrival socialization depends on the degree to which aspiring members have correctly anticipated the expectations and desires of those in the organization in charge of selection. It is also called anticipatory socialization.

For example, a person applying for a job at a nonprofit organization that focuses on social justice may be drawn to the organization's mission and values. The organization may emphasize these values during the selection process to attract individuals who share them.

Stage 2: Encounter Stage

The encounter stage begins when the new member enters the organization. Here, individuals confront the possible differences between their expectations and the reality of the organization. If the individual's expectations are met, the encounter stage serves as a reaffirmation of the perceptions generated earlier. However, this is often not the case. New employees may need to undergo socialization to detach themselves from their previous assumptions and replace them with the organization's values and norms. While socialization cannot solve all differences, it is hoped that proper selection would reduce the occurrence of totally disillusioned new members.

For example, a new employee may expect to have more independence in their role but find that they are closely supervised. Socialization can help them understand the reasons for this level of supervision and how it fits into the organization's values and goals.

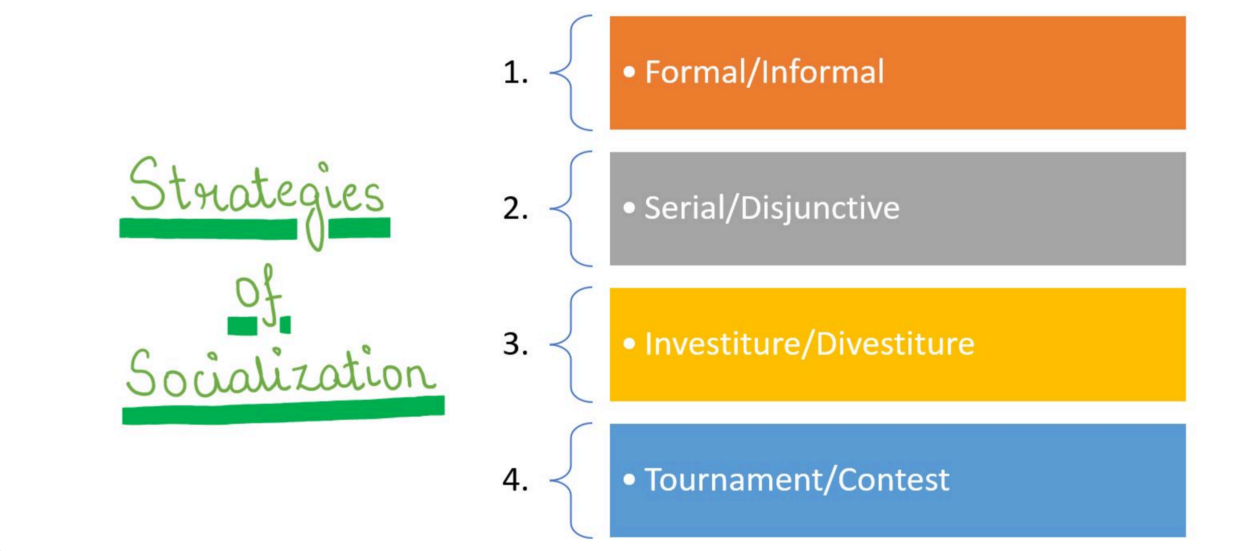
Stage 3: Metamorphosis Stage

The metamorphosis stage is the final stage of the socialization process. At this stage, the new member works out any problems discovered during the encounter stage. This may require going through changes, and once the new member is comfortable with the organization and their work teams, metamorphosis is complete. New members will have internalized the norms of the organization and their coworkers, and they will understand and accept these norms. They will have gained an understanding of the organizational system, including their tasks, the rules, procedures, and informally accepted practices. Finally, they will know how they are going to be evaluated and what is expected of them. This stage is also known as Role Management socialization or Change Management socialization.

For example, a new employee may initially struggle to understand the organization's culture and work style. Through socialization, they come to understand the norms and expectations of their role, and they develop relationships with their coworkers.

3. Strategies of Socialization

Socialization is an essential process that every newcomer goes through when joining an organization. It is a process of learning the norms, values, and attitudes of the organization. This process can be formal or informal, serial or disjunctive, investiture or divestiture, and tournament or contest socialization. Each of these strategies has a different approach and purpose.



Let us discuss these, one by one.

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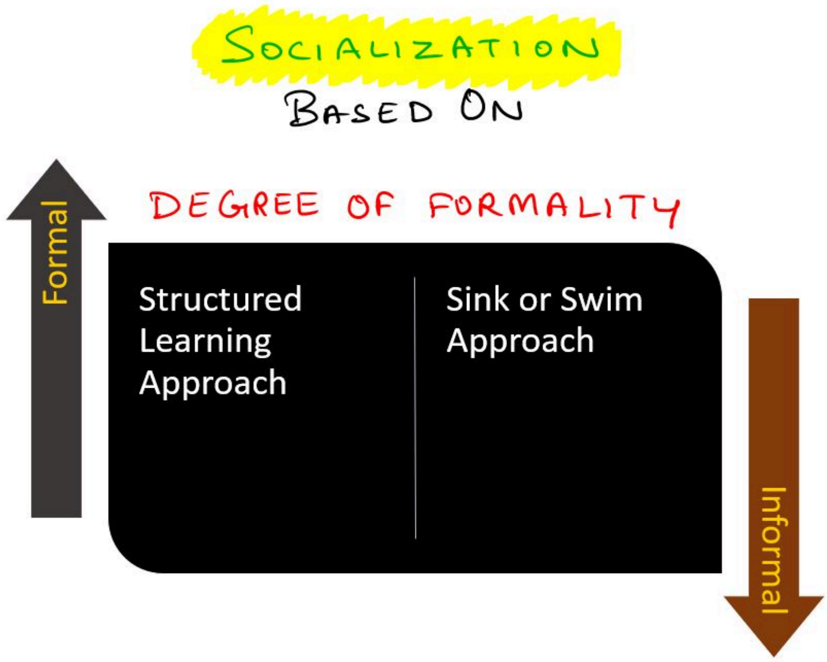
3. Strategies of Socialization

The degree of formality in the learning of new roles is what distinguishes formal and informal socialization. In the **informal socialiation strategy**, new employees are left to their own devices to learn their roles. This approach can be compared to a "sink or swim" method, emphasizing the development of actions appropriate to the new role. Newcomers learn through loosely defined "on-the-job-training" assignments.

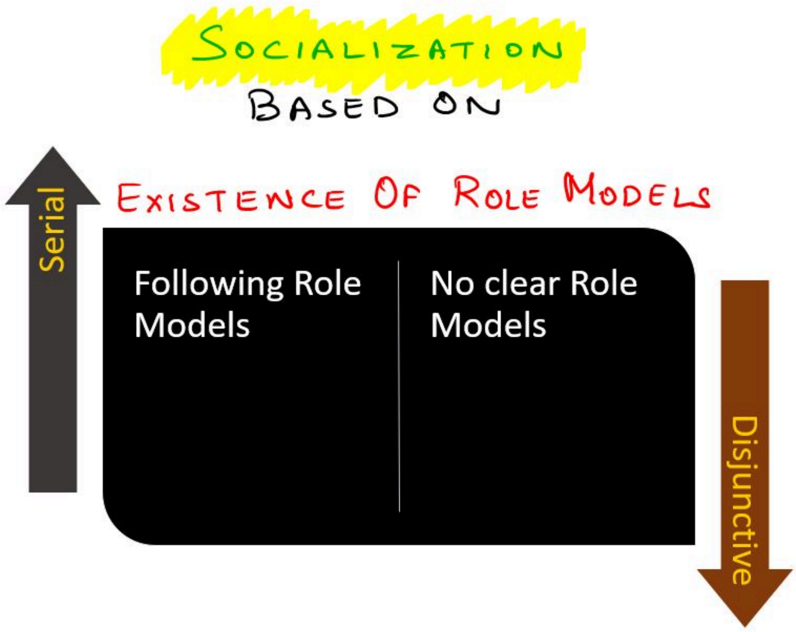


On the other hand, a **formal socialization strategy** isolates newcomers from the regular members of the organization, providing them with a specific and common set of experiences. The emphasis is on developing appropriate attitudes and learning what is acceptable or not in the new role.

For instance, a new employee working as a software developer in a company may be introduced to the informal socialization approach. The employee can be given on-the-job tasks and training to develop their role as a developer. On the other hand, a new employee working in a hospital may be introduced to the formal socialization approach, where they will have a more structured orientation and training program that provides them with a common set of experiences.

3. Strategies of Socialization

The existence of role models is the key difference between serial and disjunctive socialization. In a **serial socialization strategy**, role models exist, and the newcomer learns the role by following the footsteps of their predecessors. This allows an individual to predict and plan their future in the role.

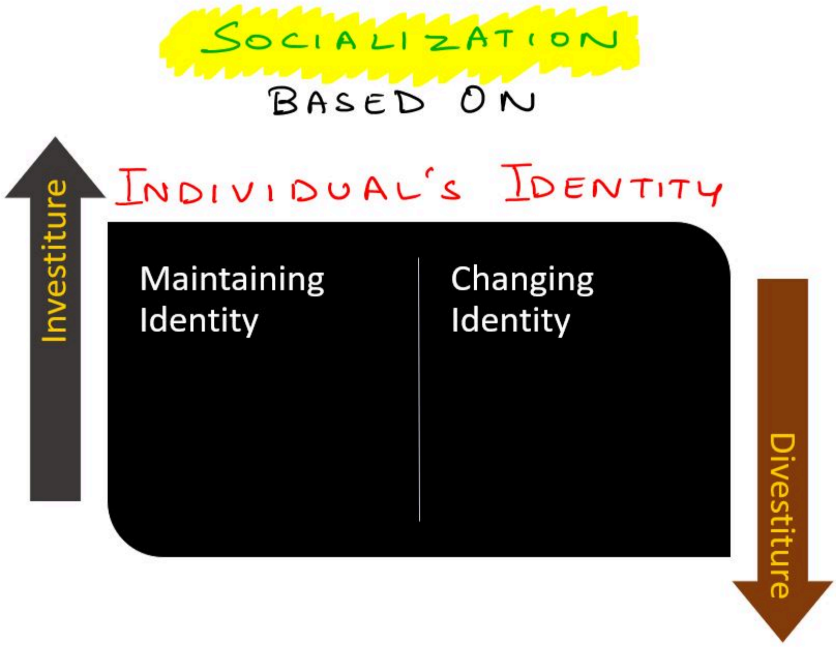


In a **disjunctive socialization strategy**, either no clear role models exist to introduce the newcomer to the new role or no clear role exists.

For example, a new marketing employee in a company with a serial socialization strategy will be introduced to a mentor who will guide and teach them the job's ins and outs. However, a new employee in a startup company may not have any role models to guide them in the disjunctive socialization strategy. The employee will have to learn by being exposed to the work's reality and tested to develop their skills.

3. Strategies of Socialization

Investiture or Divestiture socialization focuses on accepting or changing an individual's identity. An **investiture strategy** allows the newcomer to maintain their identity. The organization provides time for the newcomer to adjust to the new role, and there is a concern with the fit or match of an individual with the organization.

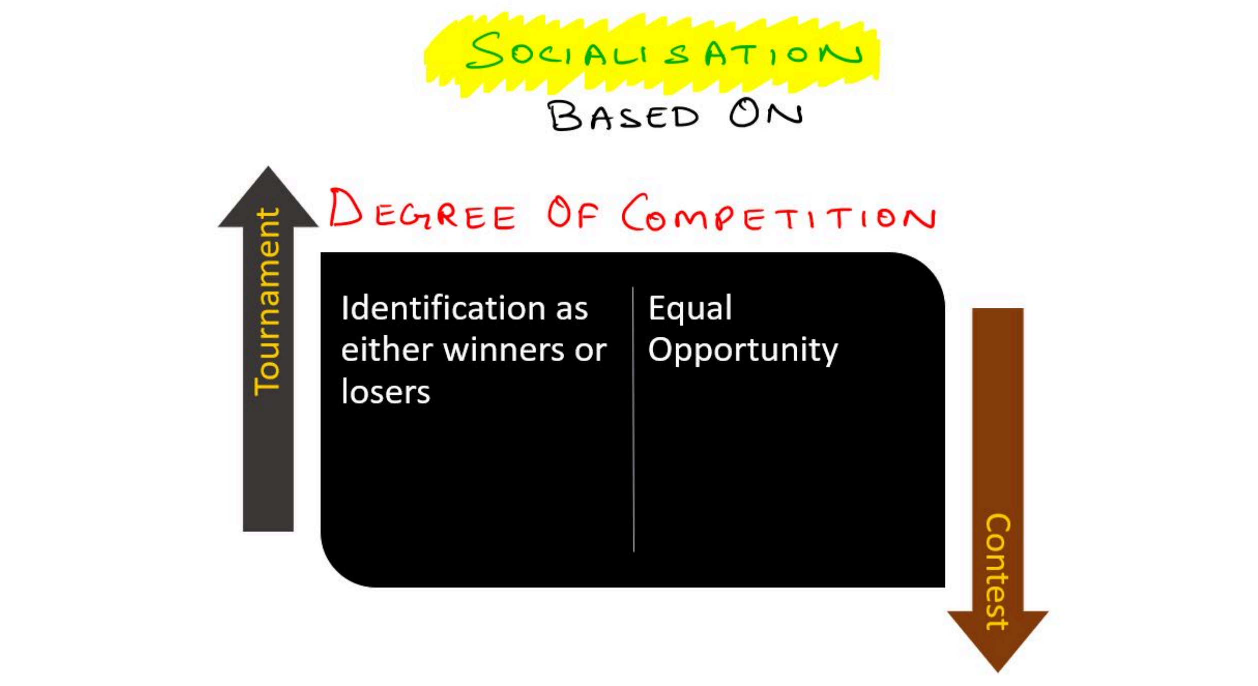


In contrast, a **divestiture strategy** changes an individual's identity to develop similarities among employees. This approach will lead to strong ties among colleagues.

For example, a new employee in a company that emphasizes the investiture strategy will have time to adjust and will have a honeymoon period with no unreasonable demands. They will feel welcomed and part of the team. On the other hand, a new employee in a company that emphasizes the divestiture strategy may feel uprooted due to a change in their identity. They will be expected to conform to the company's norms and values, which may be uncomfortable for them.

3. Strategies of Socialization

The tournament or contest socialization dimension views a career as a series of competitions. In a **tournament strategy**, individuals are tracked as either winners or losers on the basis of presumed differences. This tracking typically occurs quite early in the individual's tenure with the organization.

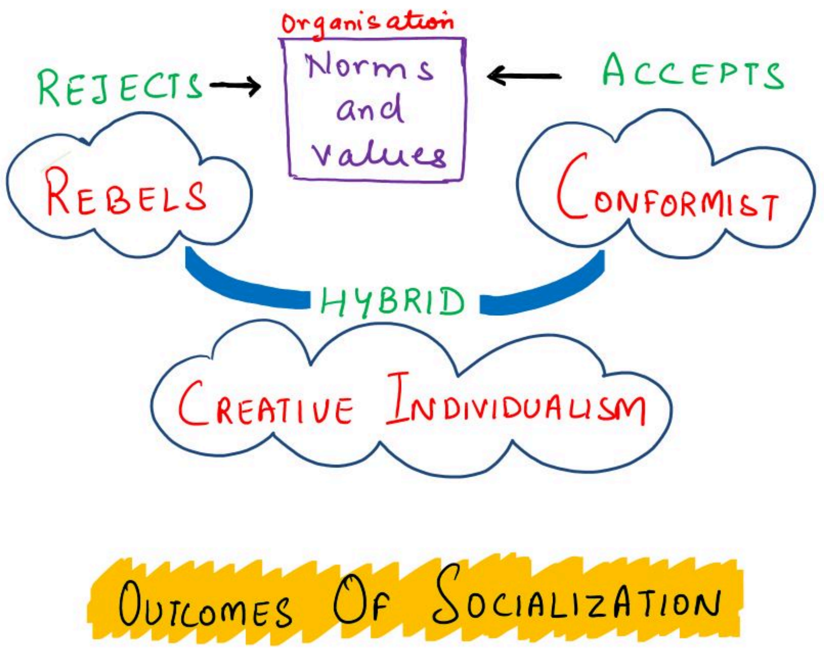


The **contest socialization strategy** is the opposite of the tournament strategy. Rather than having winners and losers, everyone is given equal opportunities to compete and advance based on performance. This approach is more accommodating and encourages risk-taking, individuality, and innovative thinking. Individuals are not expected to conform, but rather to perform and contribute to the organization in unique ways. This can result in high levels of participation and cooperation among members of the organization.

For example, a sales organization that follows a tournament socialization strategy may rank its sales representatives based on their performance. The top performers are given more leads and opportunities for promotion, while the lower-performing representatives receive fewer leads and less opportunity for advancement. On the other hand, a technology company that follows a contest socialization strategy may encourage its employees to work on projects that allow them to showcase their unique skills and abilities. The company may also offer training programs to help employees develop new skills and advance their careers.

4. Outcomes of Socialization

Schein (1964) describes 3 possible outcomes of socialization: rebellion, creative individualism, and conformity.



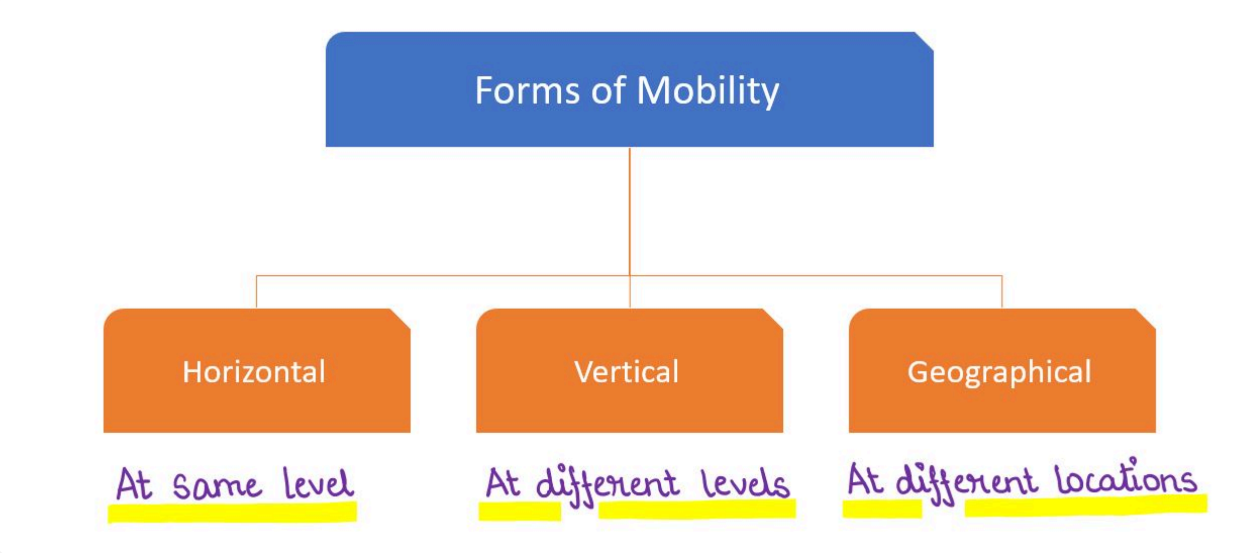
Each reflects the degree of acceptance by the newcomer of an organization's norms and values.

1. One who **rebels** is totally rejecting the organizations norms and values.
2. At the other extreme is the **conformist** who accepts all the norms and values of the organization.
3. In between is the response of **creative individualism** which implies an acceptance only of the organization's pivotal norms and values—those norms and values that are absolutely necessary to the organization. Thus the response of creative individualism allows the newcomer to maintain some of his or her own values and norms and still function in the organization.

1. Mobility

In HRM, **mobility** refers to the ability of employees to move within an organization, both horizontally and vertically. It is a concept that involves the transfer of employees from one job or department to another, or from one location to another, to meet the organization's needs, as well as the employee's career aspirations.

Forms of Mobility



Mobility can take different forms.

Horizontal mobility involves moving an employee from one job to another at the same level or grade within the same department or function. This allows employees to gain new skills and experiences, as well as broaden their knowledge of the organization.

Vertical mobility, on the other hand, involves moving employees to higher or lower positions within the organizational hierarchy. This may occur through promotion or demotion, and can be influenced by factors such as performance, potential, and seniority.

Geographic mobility involves transferring employees from one location to another, whether within the same city or to a different region or country. This can be a way to meet business needs, such as opening a new office, or to provide career development opportunities for employees who are interested in experiencing different cultures and work environments.

Mobility is an important aspect of HRM as it provides opportunities for employees to develop their skills, gain new experiences, and advance their careers within the organization. It can also help organizations to retain their talent by providing opportunities for growth and development, as well as meeting business needs by deploying employees to where they are needed most.

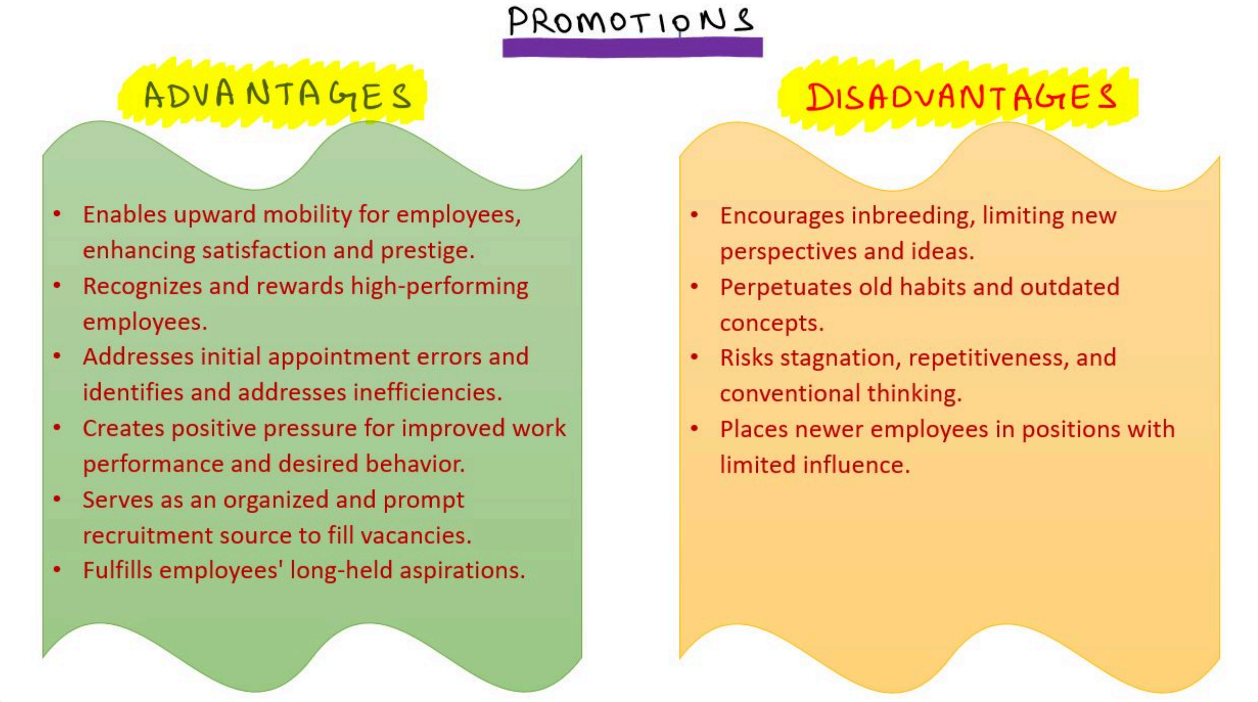
2. Promotion

Promotion is a process where an employee is moved to a higher position in the organization's hierarchy, resulting in a change in salary, status, responsibility, and job designation. This process is seen as an internal mobility method in organizations, as employees are promoted to fill vacancies worth more than their present position. If the employee's salary is increased without a corresponding change in job grade, it is called '**upgrading**'. When promotion does not result in a pay increase, it is called a '**dry promotion**'.

The HR manager is responsible for developing a sound promotional policy and ensuring its implementation. It is essential to determine whether to fill higher positions through internal promotions or external recruitment. Usually, top positions in an organization are filled through external recruitment, while lower positions are filled through internal promotions.

Advantages and disadvantages of promotions

The HR manager must consider the advantages and disadvantages of promotions to create an effective promotional policy.



When promoting employees against vacancies or non-vacancies, a decision must be made by HRM. Some organizations do promotions on a non-vacancy basis after a minimum period of service. Such promotions are time-bound and not based on vacancies or merit. The other practice is to link promotions to vacancies, sometimes created to avoid frustration among aspirants for promotion.

Before promotion, a job analysis and performance appraisal should be conducted to know what the job demands from the employee and whether the employee in question can match the job's requirements. Finally, the promotion policy should be discussed with labor unions, and their acceptance must be obtained in the form of an agreement. When promotions are made based on competence, openings for promotion should be displayed in several places to enable interested people to apply.

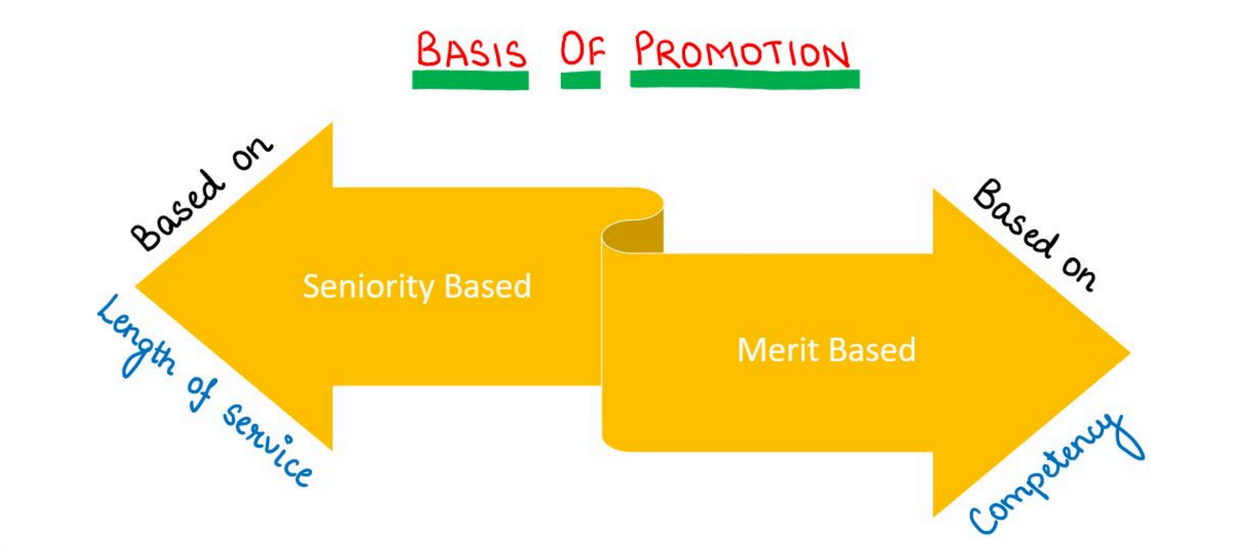
Promotability Forecast

Promotability Forecast is a valuable tool used by organizations to predict and identify individuals who have the potential to excel in higher or diverse job roles. It enables the organization to take early action and provide development opportunities to these individuals, such as training, conferences, seminars, and other relevant developmental experiences.

Once individuals with high potential are identified, they may also be given developmental assignments that challenge and test their abilities, preparing them for higher positions. By investing in these employees and providing them with opportunities for growth, organizations can cultivate a skilled and diverse workforce that is prepared to take on new challenges and contribute to the organization's success.

2. Promotion

Organizations use various criteria for promotions, depending on their size, nature, and managerial policy. The most commonly used criteria for promotions are seniority and merit. However, a combination of both is usually adopted in real business scenarios.



Seniority-based promotion

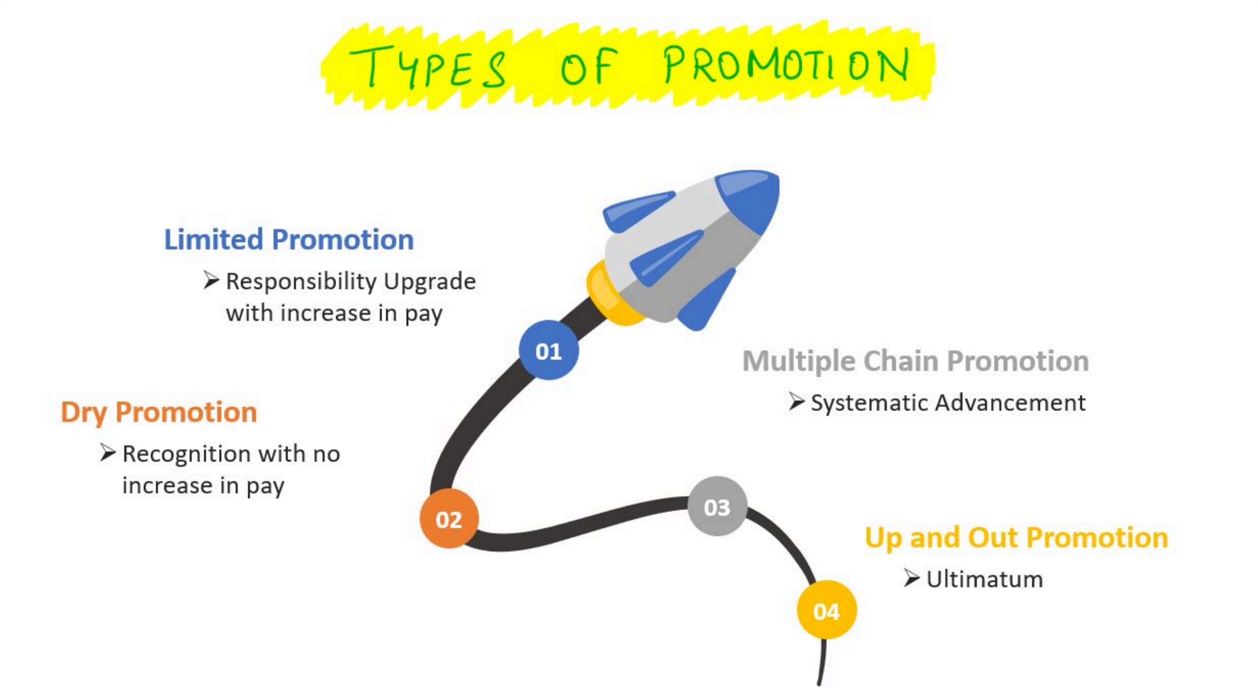
Seniority-based promotion relies on an employee's length of service in the company to determine their eligibility for promotion. This approach has several advantages, such as being easy to administer and measure, preventing favoritism, and ensuring that everyone has the opportunity to be promoted. Additionally, subordinates may be more willing to work under a more experienced boss. However, there are some drawbacks to this approach, such as older employees' diminishing learning capabilities, demotivating younger and more competent employees, and depriving the organization of external talent.

Merit-based (Competence based) promotion

Merit-based (Competence based) promotion, on the other hand, is based on an employee's superior performance in their current job. This approach offers several advantages, including encouraging and rewarding employees who make an effort to improve their knowledge and skills, recognizing and retaining talented employees, and inspiring other employees to improve their performance. However, there are also some disadvantages, such as the difficulty of measuring merit, the potential for personal biases and union pressures to influence promotions, creating frustration among senior employees when younger ones get promoted ahead of. them, and not properly rewarding loyalty and length of service.

2. Promotion

The different types of promotions are given below.



1. Limited Promotion

Also known as upgrading, this type of promotion involves moving an employee to a more responsible job within the same occupational unit. It comes with a corresponding increase in pay, meaning that the employee receives a higher salary for the same job or moves to a higher pay scale without changing the job itself. For example, if a company has a team of software developers, a limited promotion could involve promoting a senior developer to the position of team lead, with a corresponding increase in pay.

2. Dry Promotion

A dry promotion is a promotion that does not result in an increase in an employee's pay. Instead, it is given in lieu of a pay raise and typically involves giving the employee a new and longer job title as a form of recognition. For example, a receptionist may be given the new job title of "Director of First Impressions" without a pay raise.

3. Multiple Chain Promotion

This type of promotion provides a clear and systematic linking of each position to several other positions within the organization. It identifies multiple promotional opportunities through clearly defined avenues of approach and exit from each position. For example, an entry-level marketing coordinator could move up to the positions of marketing specialist, marketing manager, and eventually marketing director through multiple chain promotions.

4. Up and Out Promotion

An up and out promotion is a type of promotion that often leads to termination of services. It requires an employee to earn a promotion or seek employment elsewhere. Essentially, this promotion model presents employees with a "promotion or leave" ultimatum. For example, a salesperson who is struggling to meet their targets may be given an up and out promotion. They could be given a timeframe to improve their sales performance and earn a promotion to a more senior sales role. If they are unable to meet the targets, they may be asked to leave the company.

3. Demotion

Demotion is the opposite of promotion and refers to the downward movement of an employee in the hierarchy, resulting in a lower status, salary, and decreased responsibilities. It is often used as a punitive measure for incompetence or as a preliminary step to dismissal and can be emotionally and financially damaging to employees.

Some reasons for demotion may include the inability to meet the challenges of a new job, low administrative skills, poor business conditions and continuous losses, and disciplinary action against offending employees.

Glass Ceiling

The term **glass ceiling** describes the circumstances that create an invisible barrier, which prevents most women and minorities from attaining top jobs in organizations. This barrier can result from various factors such as discrimination, cultural and social biases, and lack of access to necessary resources or networks. It can limit opportunities for career advancement and hinder progress towards achieving gender and racial equity in the workplace.

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4. Transfer

A **transfer** implies a lateral movement of an employee in the hierarchy of positions with the same pay and status. Transfers may be either company initiated, or employee initiated. In fact, a transfer is a change in job assignment. It may involve a promotion, demotion or no change at all in status and responsibility.

Transfers may be either temporary or permanent. **Temporary transfers** are due to absences, changes in workload or vacations. **Permanent transfers** occur when an employee has special skills required for another job or is ill.

An employee himself, his boss or the head of another department may request a transfer. Sometimes changes in trading activities require transfers. Employees may request transfers if they don't like their work, colleagues or workplace.

Companies should consider transfer requests, especially when employees are not satisfied with their current job. Ignoring requests can make unhappy employees a liability. However, it may not be possible to grant all transfer requests.

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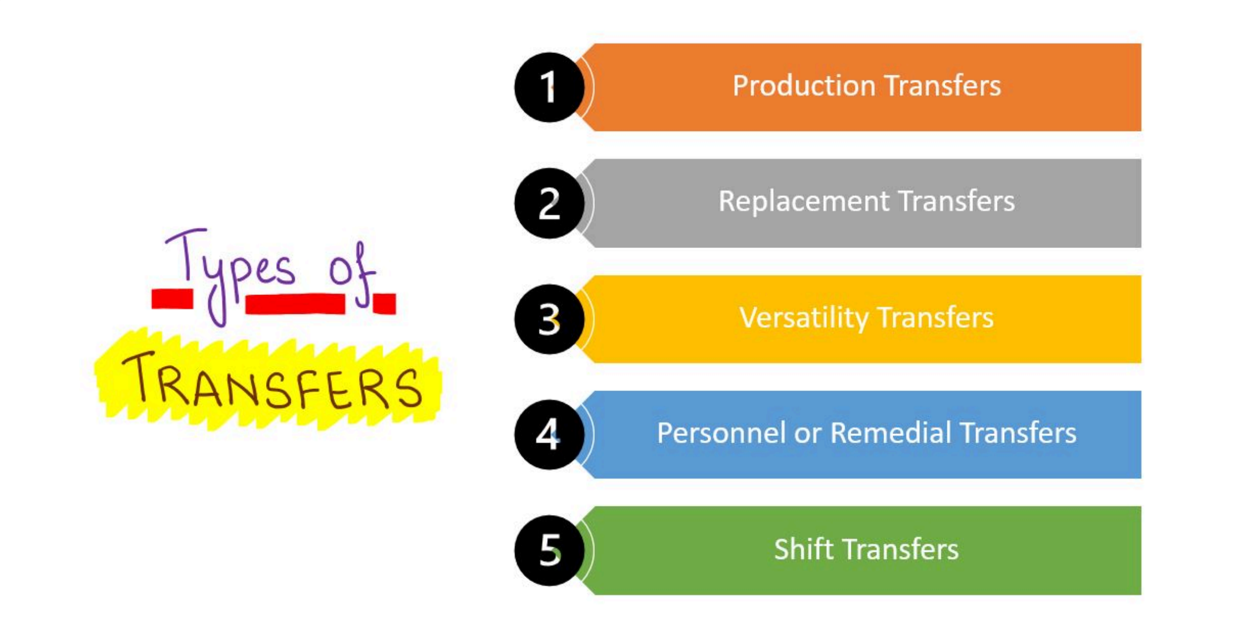
4. Transfer



There are different types of employee transfers which are explained below.

Production Transfers

Sometimes there may be surplus employees in one department, but there is a requirement for additional staff in another department. In such cases, the company may transfer some employees from one department to another to stabilize employment.

Replacement Transfers

This type of transfer is made when the company is facing declining operations, but management wants to retain long-serving employees for as long as possible. The long-serving employees are transferred to similar jobs and replace or "bump" employees with shorter service.

Versatility Transfers

The purpose of versatility transfers, also called 'job rotation', is to provide management with a more versatile group of employees. In this type of transfer, an employee is shifted from one job to another to increase their versatility and provide them with an opportunity for varied job experience. This helps the employee through job enlargement.

Personnel or Remedial Transfers

Remedial transfers are made to correct an unsatisfactory placement. Sometimes the initial placement of an employee might be faulty, or the type of job might not suit their health. In such cases, the worker would benefit from a transfer to a different kind of work.

Shift Transfers

Shift transfers are common when there is more than one shift, and there is regular rotation. In such cases, employees might be transferred from one shift to another shift to maintain balance and avoid overloading of work in a particular shift.

4. Transfer

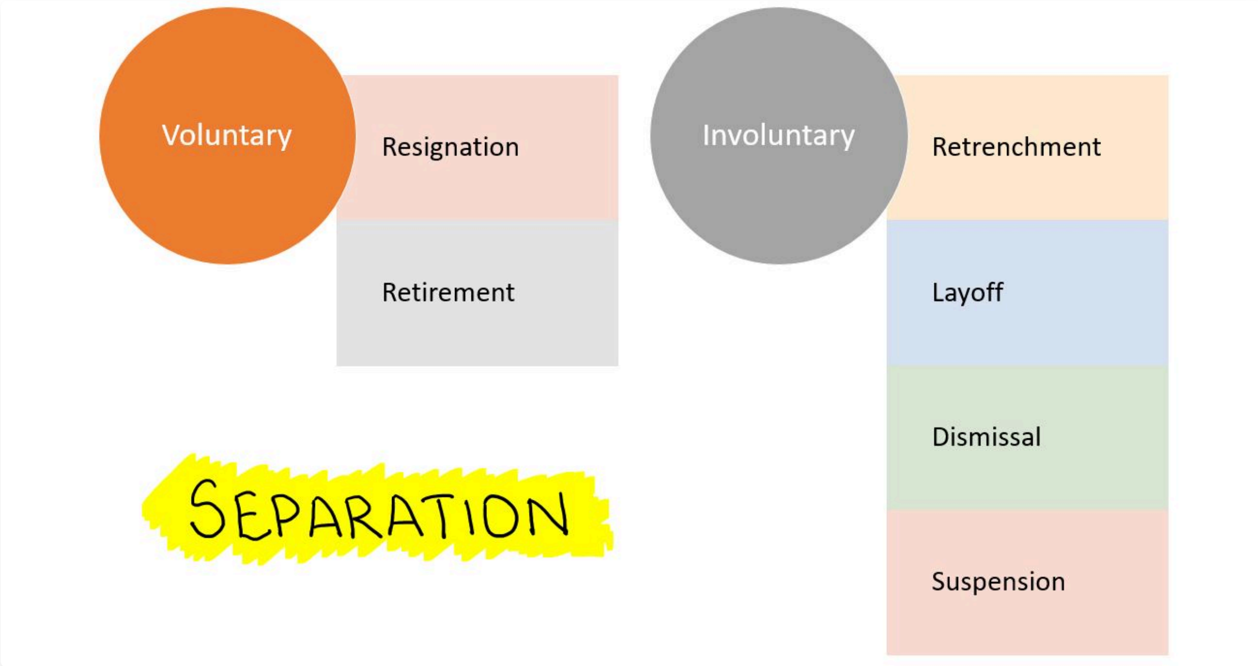
Sometimes, employers may want their employees to learn new skills from other organizations. They may ask the employee to work temporarily at another organization in a full-time position called an **externship**. This type of work is helpful for employees who do analytical work and need to learn new techniques and ideas.

Another type of temporary assignment is called a **sabbatical**. This is when an employee takes time off from work to renew or develop their skills. During a sabbatical, employees may receive full pay and benefits, or they may not. Sabbaticals give employees a break from their normal work routine and help them learn new things. Sabbaticals also give employees more time to focus on personal projects, like writing a book or spending more time with their family.

5. Separation

Separation means cessation of service with the organization for one or other reason. It may occur due to resignation, retirement, dismissal, suspension, layoff or death.

Reasons for employee separations are **voluntary** or **involuntary**. In the former, initiation for separation is taken by employee himself or herself (Quits, Retires). Where the employer initiates to separate an employee, it becomes involuntary separation (Layoff, Discharge, Retrenchment, VRS).

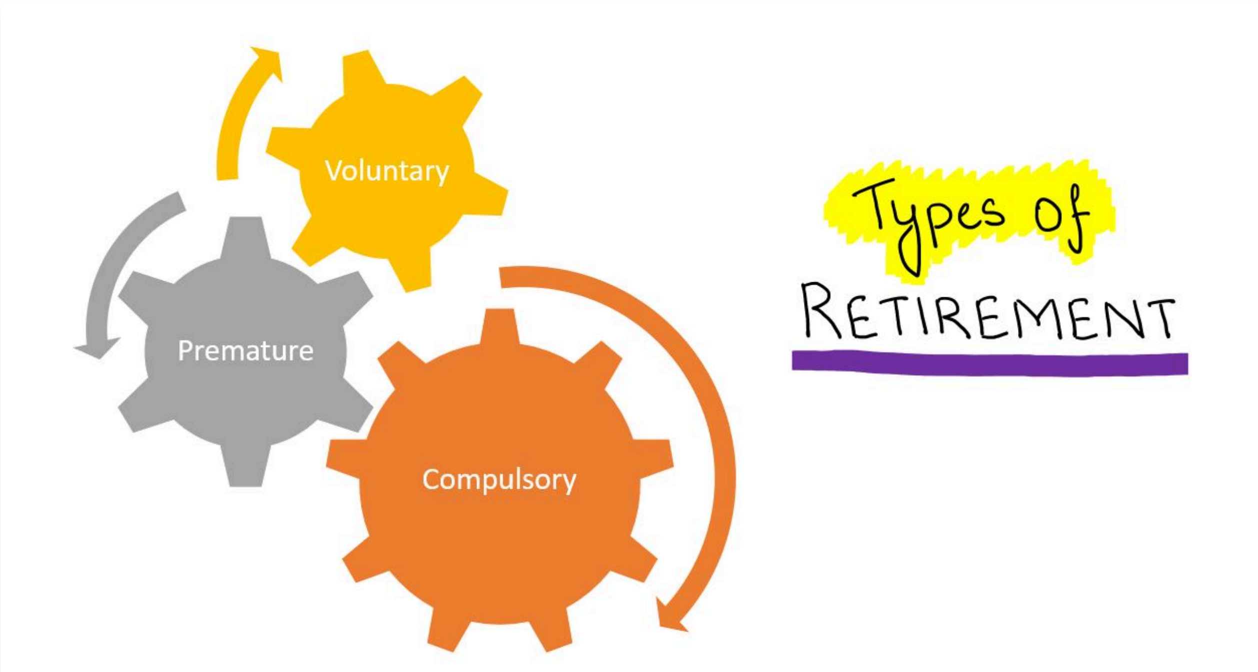


Resignation

Resignation or quitting is a voluntary separation initiated by the employee. It may be on grounds of health, marriage, better opportunities elsewhere or may be compulsory when an employee is asked to resign to avoid termination.

Retirement

Retirement means leaving a job permanently after working for a certain period.



There are 3 types of retirement.

1. Compulsory Retirement

An employee has to retire after reaching a certain age, as mentioned by the employer. For example, if an organization sets the retirement age at 60 years, an employee has to retire on reaching this age.

2. Premature Retirement

Sometimes, an employee might have to retire before reaching the retirement age due to reasons like bad health, physical disability, or family problems. In such cases, the employee gets retirement benefits, provided the management allows premature retirement.

3. Voluntary Retirement

An organization might offer its employees an option to retire voluntarily to reduce the workforce. If employees who have completed a certain minimum period of service opt for voluntary retirement, they get a lump sum payment as an incentive. This type of retirement is known as **Golden Handshake.** It is a humane way of downsizing the workforce. The Voluntary Retirement Scheme (VRS) is an example of this type of retirement.

Retrenchment

The term 'Retrenchment' has been defined in Section 2 of the 'Industrial Relations Code, 2020'. As per this code, retrenchment means the termination by the employer of the service of a worker for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but DOES NOT include:

(i) voluntary retirement of the worker; or
(ii) retirement of the worker on reaching the age of superannuation; or
(iii) termination of the service of the worker as a result of the non-renewal of the contract of employment on its expiry; or
(iv) termination of service of the worker on completion of tenure of fixed term employment; or
(v) termination of the service of a worker on the ground of continued ill-health.

Layoff

The Industrial Relations Code 2020, defines the term 'Layoff' as the failure, refusal or inability of an employer to give employment to a worker whose name is borne on the muster rolls of his industrial establishment and who has not been retrenched, on account of following reasons:

(i) shortage of coal, power or raw materials or
(ii) the accumulation of stocks or
(iii) the break-down of machinery or natural calamity or
(iv) for any other connected reason.

Dismissal

Dismissal is the termination of services of an employee by way of punishment for misconduct or unsatisfactory performance. It is a drastic step taken by employer.

Suspension

Suspension is a serious punishment and is generally awarded only after a proper enquiry has been conducted. For reasons of discipline, a workman may be suspended without prejudice during the course of an enquiry. During suspension, the employee receives a subsistence allowance.

5. Separation

Exit interviews are typically conducted with employees who are leaving the company. These interviews are intended to provide valuable insight to the employer regarding the reasons for the employee's departure, as well as feedback on ways that the organization can improve.

Additionally, exit interviews provide an opportunity for the departing employee to transfer their knowledge and experience to a successor or replacement, or to brief their team on ongoing projects, issues, and contacts.

As a way to provide additional support to departing employees, some employers may choose to offer **severance pay** in certain situations, such as when a position is eliminated or when an employee and employer mutually agree to part ways. The amount of severance pay typically corresponds to the employee's level within the organization and years of service.

Some employers may also choose to provide continued health insurance coverage or **outplacement assistance**, which can include resume writing instruction, interviewing skills workshops, and career counseling. These benefits can help ease the transition for departing employees and provide them with the resources they need to move forward in their careers.

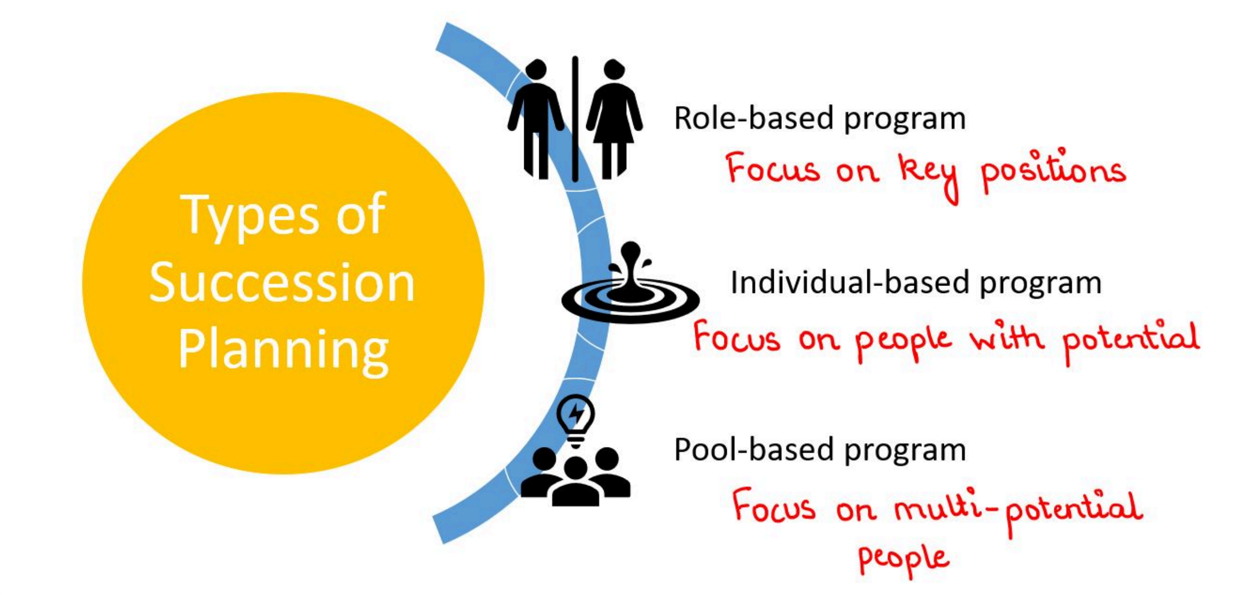
1. Definition

Succession planning is a strategic process vital for organizational sustainability. It involves identifying and developing internal talent to fill key leadership roles, ensuring a seamless transition in the face of leadership changes.

Beyond immediate replacements, succession planning focuses on cultivating a pipeline of skilled individuals, fostering a culture of continuous talent development. This proactive approach not only mitigates disruptions but also contributes to knowledge retention, reduced recruitment costs, and enhanced employee engagement.

Organizations with effective succession planning are better positioned to adapt to change, align with long-term strategies, and maintain a resilient and capable leadership team. Overall, it plays a crucial role in shaping the future success and continuity of an organization.

2. Types of Succession Planning



There are 3 types of succession planning programmes. Each type of succession planning program serves a specific purpose in aligning talent development with organizational goals.

1. Role-Based Program

In a role-based succession planning program, the emphasis is on identifying and grooming individuals for specific key positions that are challenging to fill or are crucial for the success of the business. This approach involves a targeted and strategic focus on key roles within the organization. The program aims to ensure that there is a well-prepared and capable successor ready to step into these critical positions, minimizing any potential disruptions that could arise from vacancies in these roles.

2. Individual-Based Program

An individual-based succession planning program centers around specific individuals within the organization who exhibit significant potential for career advancement. Rather than focusing on predefined roles, this approach identifies high-potential individuals and tailors developmental plans to their unique strengths, skills, and career aspirations. The program aims to nurture and advance these individuals, preparing them for leadership roles based on their distinct capabilities and contributions to the organization.

3. Pool-Based Program

A pool-based succession planning program takes a broader approach by identifying and developing a group or pool of high-potential individuals within the organization. These individuals are considered capable of assuming various leadership positions across different departments or functions. The program aims to create a versatile talent pool, ensuring that the organization has a cadre of skilled professionals ready to step into leadership roles as needed. This approach enhances organizational agility, allowing for flexible placement of leaders based on evolving business needs.

3. Critical Success Factors

Efficient succession planning comprises the following key steps:

Firstly, a comprehensive management staffing plan is formulated, anticipating and addressing the organization's needs across different time frames.

The **second step** involves staffing and development activities, encompassing recruitment, selection, and placement. This process may involve external hiring or internal promotions and transfers. Additionally, the development of managerial personnel is facilitated through various means such as training, job rotation, special assignments, and the creation of 'Assistant-to' positions.

The **third step** focuses on fostering a congenial organizational environment to encourage the retention of valuable managerial talent.

Next, the **fourth step** emphasizes the establishment of a robust performance appraisal system. This system serves to provide feedback on managerial performance, facilitating regular reviews to assess progress and identify areas for improvement.

The **fifth and final step** revolves around the creation of a management resource inventory. This inventory entails compiling detailed information on personal data, performance records, skills, potential, career goals, and career paths of managerial personnel. This comprehensive database becomes a valuable resource for effective succession planning within the organization.

4. Replacement charts

Replacement charts serve as a predictive tool in succession planning, aiding organizations in visualizing crucial job roles, current workforce, and anticipated vacancies. These charts depict positions alongside essential details like potential replacements, gender distribution, and the likelihood of promotion for a comprehensive overview of workforce planning and talent development.

1. Career and Related Concepts

As people progress through their working lives, their career needs and interests tend to evolve. This can be due to a variety of factors such as gaining more experience or reaching new stages of life. For example, as an individual advances in age, they may develop new career goals and interests.

People's career needs and interests tend to change as they progress through their working life. As individuals gain more experience and reach new stages of life, such as advancing age, they often develop new career goals and interests. It's important for both employees and employers to understand these changing needs to ensure continued job satisfaction and productivity.

Career

Career, in general, can be defined as the course of action that an individual chooses to pursue throughout their working life.

Career Planning

Career planning is the process by which individuals evaluate their own abilities and interests, consider alternative career opportunities, set career goals, and plan practical developmental activities. Through career planning, individuals can create a roadmap for their professional growth and advancement, helping them to make informed decisions about their career trajectory.

Career Development

Career development is a formal approach that organizations use to ensure that they have qualified and experienced individuals when needed. Job security and career security are two different concepts. Job security provides security in one job, often with one company, while career security requires developing marketable skills and expertise that help ensure employment within a range of careers. This helps individuals stay employable and have more career opportunities.

Career Management

Career management is the process that helps employees understand and develop their career skills and interests. This process enables individuals to use their skills and interests most effectively both within and outside the company.

Protean Career

Protean career is a concept introduced by American scholar Douglas T. Hall in the 1970s. In this type of career, individuals are self-directed and flexible, shaping their career according to their interests, values, and abilities. Protean career emphasizes personal fulfillment, growth, and development over traditional career goals such as job security, promotions, or high salaries.

Career Plateau

Career plateau is the point in an individual's career where the possibility of a vertical promotion becomes less. This occurs when the employee's position becomes stagnant, with the same and repetitive work and responsibilities. The hierarchy of organizations often reduces the possibility of employees growing vertically after a certain point in time.

2. Career Anchors

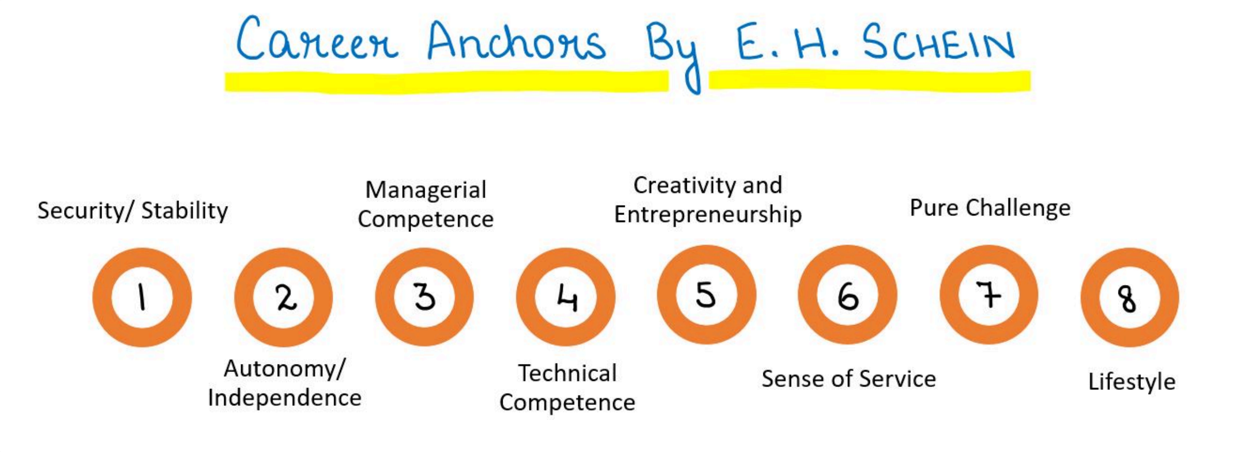
The concept of career anchors is an essential topic in career development, first introduced by E. H. Schein.

Career anchors refer to the dominant motives that underlie people's career choices and long-term goals. According to Schein, career planning is a continuous process of self-discovery, where a person gradually develops a clearer occupational self-concept in terms of their talents, abilities, motives, needs, attitudes, and values. Schein believed that people develop certain career anchors at an early stage in their career, which will guide their individual career paths.

Career anchors are those elements in a person's self-concept that they would not give up even in the face of difficult choices. They represent self-perceived talents, basic values, and the evolved sense of motives and needs related to one's career. Career anchors guide people's career decisions and clarify some of the individual approaches to careers. However, individuals can only discover their career anchor through actual work experience, where their self-perceived talents, motives, and values are tested and verified.

Career anchors/orientations are developed in the initial 8 to 10 years of working life, based on the varied experiences that one faces in the workplace.

8 Career Anchors by Schein



Schein identified 8 career anchors that guide the career decisions of employees.

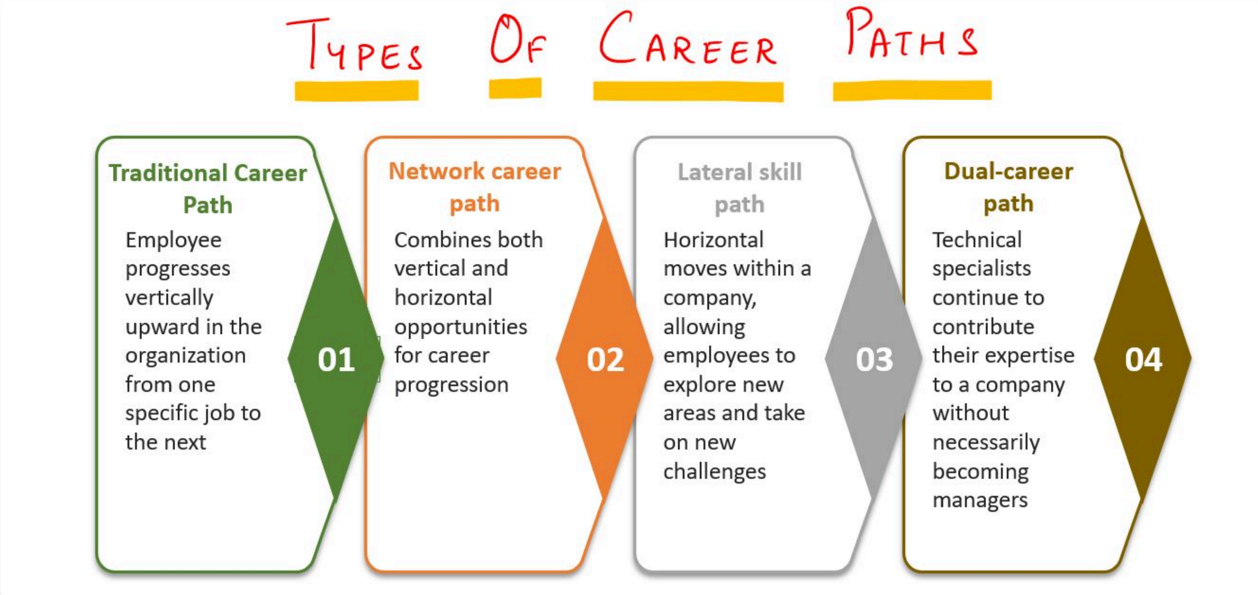
1. The first is **Security/Stability**, where individuals seek job security and long-term attachment to one organization.
2. The second is **Autonomy/Independence**, where individuals seek work situations in which they will be maximally free of organizational constraints and restrictions to pursue their professional competence.
3. The third is **Managerial Competence**, where managerially oriented employees seek promotions to general manager positions as a vehicle to achieve feelings of success.
4. The fourth is **Technical Competence**, where employees with strong technical orientations focus primarily on the intrinsic technical content of the work and the functional area represented by the work.
5. The fifth is **Creativity and Entrepreneurship**, where individuals need to create something on their own by developing a new product or service, by building a new business enterprise through financial manipulation, or by starting and building a business of their own.
6. The sixth is **Sense of Service**, where employees who have a service orientation are dedicated to serving other people and making the world a better place to live and work.
7. The seventh is **Pure Challenge**, where individuals have a preference for overcoming impossible obstacles, solving unsolvable problems, and winning against extremely capable opponents.
8. The eighth is **Lifestyle**, where individuals have a high desire to develop a lifestyle that integrates family and career concerns, with concerns for self-development.

Schein claims that each individual has only one true career anchor, which emerges after the person has accumulated a meaningful amount of life and work experience. When individuals achieve congruence between their career anchor and their work, they are more likely to attain positive career outcomes, such as job effectiveness, satisfaction, and stability. Therefore, understanding one's career anchor is critical for career development and making informed career decisions.

3. Career Path

A **career path** refers to the various opportunities for professional growth and advancement that an employee can pursue within a company. Historically, career paths have been focused on upward mobility within a specific occupation.

Types of Career Paths



There are now 4 main types of career paths that individuals can consider, according to Monday, Noe and Premeanx.

1. Traditional career path

The first type of career path is the traditional career path, where an employee progresses vertically upward in the organization from one specific job to the next. An example of a traditional career path could be a lawyer who progresses vertically within a law firm from an associate to a partner, gaining more responsibilities and authority with each promotion.

2. Network career path

The second type is the network career path, which combines both vertical and horizontal opportunities for career progression. An example of a network career path could be a software developer who moves vertically within the organization, from a junior developer to a senior developer, but also has the opportunity to move horizontally across different departments, such as product management, quality assurance, or user experience design, in order to gain a broader perspective of the company and expand their skillset.

3. Lateral skill path

The third type is the lateral skill path, which provides options for horizontal moves within a company, allowing employees to explore new areas and take on new challenges. For example, a marketing specialist who moves laterally to a business development role within the same company, to gain new experiences and broaden their skillset while still remaining at a similar level in the organization.

4. Dual-career path

Finally, the dual-career path recognizes that technical specialists can continue to contribute their expertise to a company without necessarily becoming managers. For example, a software engineer in a technology company may be offered a dual career path, where they can choose to progress in their technical career while still being rewarded for their contributions to the company. They may receive promotions and salary increases based on their technical achievements, rather than having to move into a management role. This approach allows employees to continue to focus on their technical skills and expertise, while still advancing in their careers within the company.

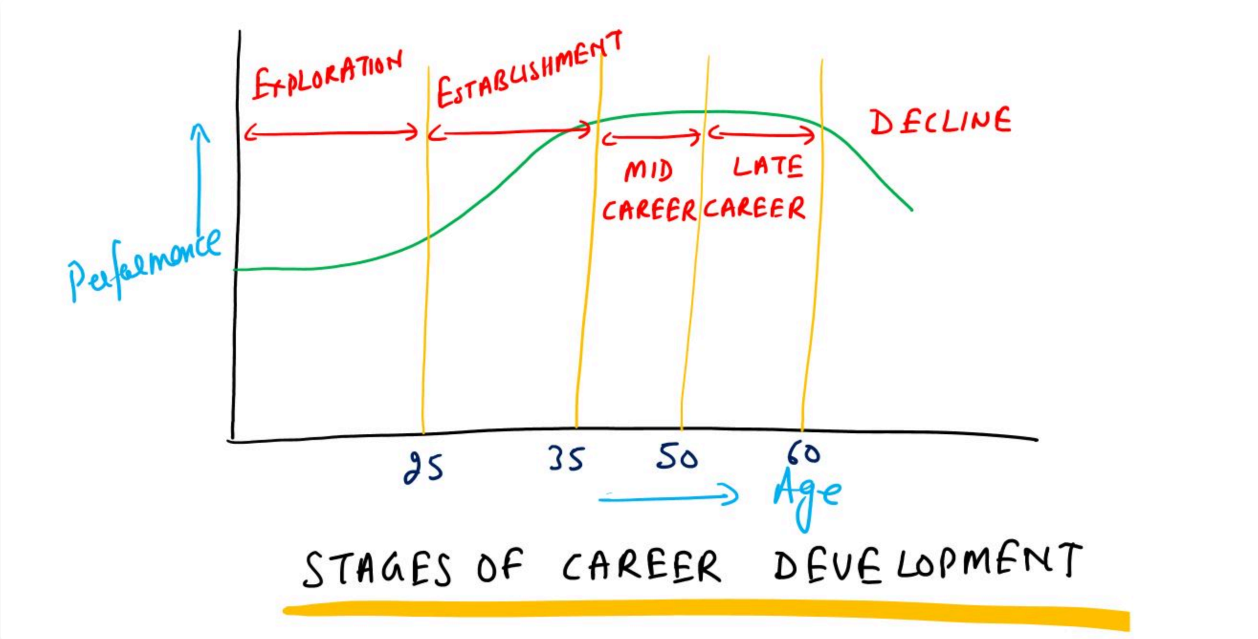
Regardless of the chosen career path, workers today need to focus on continually adding value to their organization. They should anticipate the tools and skills that will be needed for future success and seek out opportunities to develop these skills, even if it means looking beyond their current company to other organizations. In essence, workers need to take charge of their careers more than ever before.

4. Career Development

According to the book "Career Development: Exploration and Planning" by D.E. Super and D.T. Hall, employees go through different phases or stages in their careers. These career stages highlight the beginning of the job, growth in the organization, middle stages of the career and the last and decline stages of the career.

Stages of Career Development

There are 5 stages of Career Development Model. These stages can be described as below.



1. Exploration

A career stage that generally ends in the mid-twenties when one makes transition from formal education to job. Different career opportunities are explored. The decision for career gets influenced by parents, peers and the financial resources. It is a time when a number of expectations about one's career are developed, many of which are unrealistic.

2. Establishment

This period begins when we start searching for work and also includes accepting the first job, acceptance by peers, learning about the job and gaining the first taste of success or failure in the real world. Problems in exploration period are:

- *Finding a niche:* Individuals often face difficulty in identifying a specific area or field in which they want to specialize.
- *Making your mark:* Establishing oneself and making a distinct impression in the chosen field can be daunting.
- *Making mistakes:* The exploration period is inherently a learning phase, and individuals are likely to make mistakes as they navigate the complexities of the real-world work environment.

3. Mid-Career

This is a stage marked by: (a) Continuous improvement in the performance, (b) Levelling off in the performance, (c) Beginning of deterioration process.

The possible outcomes of mid-career stage are:

- Some employees reach their early goals and go on to even greater heights.
- Others may suffer from plateaued mid-career.

4. Late Career

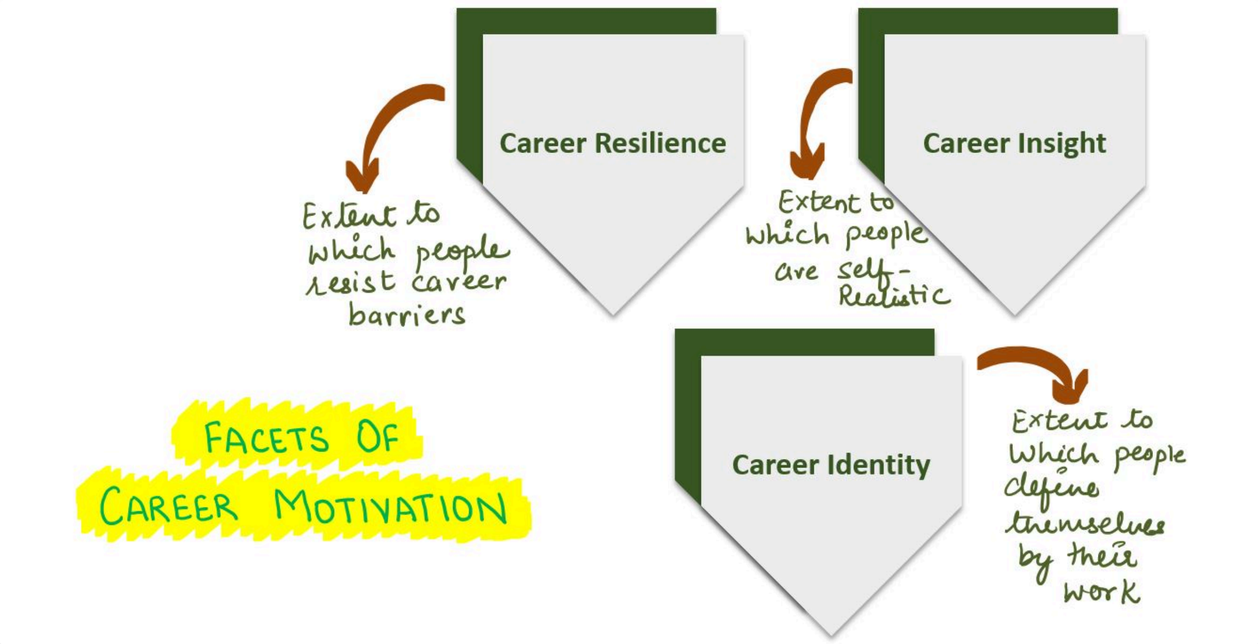
A career stage in which neither the person is learning about their jobs, nor they are expected to outdo their level of performance from previous years.

5. Decline (Late Stage)

This the final stage in one's career which is usually marked by retirement. This is the difficult stage for everyone but hardest for those who have had continuous success in the earlier stages and then comes the time for retirement.

5. Career Motivation

Developing career motivation is a significant goal of Career Management. According to Manuel London, career motivation affects how people choose their careers, how they view their career, how hard they work and how long they stay in that.



London sees career motivation as a set of characteristics grouped into 3 facets:

1. Career Resilience

The extent to which people resist career barriers or disruptions affecting their work. This consists of self-confidence, need for achievement, the willingness to take risks, and the ability to act independently and cooperatively as appropriate.

2. Career Insight

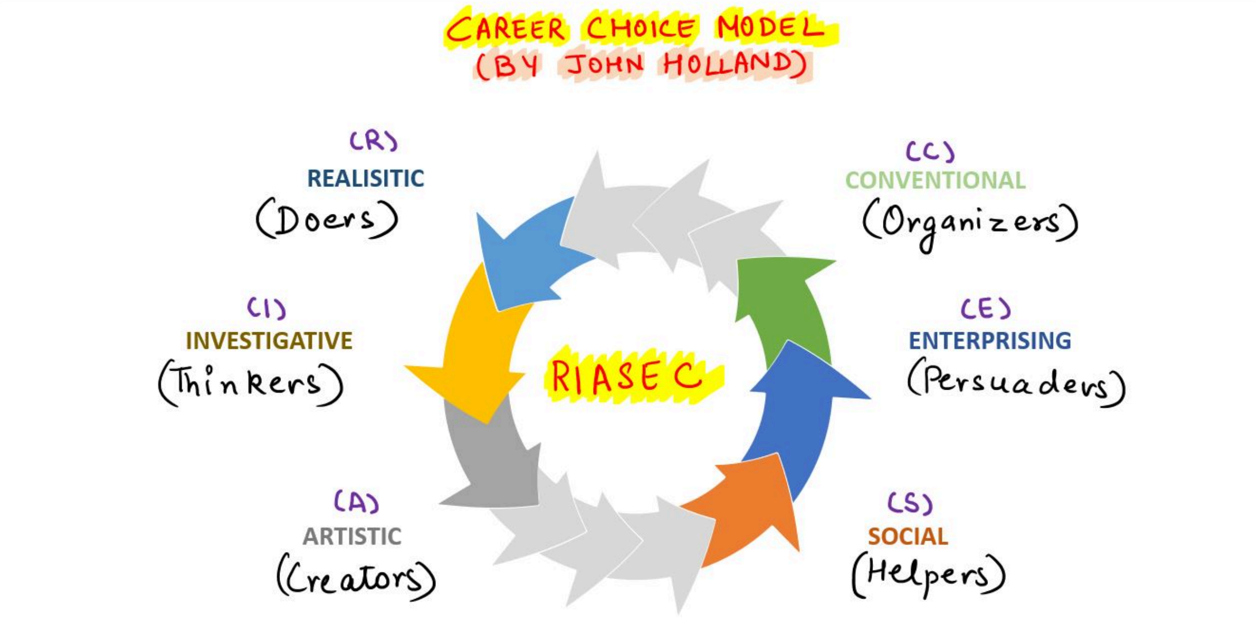
The extent to which people are realistic about themselves and their careers and how these perceptions are related to career goals. This includes developing goals and gaining knowledge of the self and the environment.

3. Career Identity

The extent to which people define themselves by their work. This includes involvement in job, organization, and profession and the direction of career goals (e.g., towards advancement in an organization).

6. Career Choice Model

According to John Holland's theory, most people are one of the following 6 personality types: Realistic, Investigative, Artistic, Social, Enterprising, and Conventional (RIASEC). People make their career choices, based on type of one of six personality types which are explained below.



Each type has certain characteristics and tendencies that can influence an individual's career choices.

A person who identifies as **Realistic** may prefer working with tools, machines, or animals and have good mechanical or electrical skills, while someone who identifies as **Investigative** may enjoy solving science or math problems and have strong analytical abilities.

Likewise, an **Artistic** person may be drawn to creative activities such as art, music, or writing, while a **Social** person may enjoy helping others through teaching, nursing, or counseling. Those who identify as **Enterprising** may be good at leading and persuading others and may be drawn to careers in politics or business, while those who identify as **Conventional** may excel in roles that require working with numbers or records in an orderly fashion.

By understanding their personality type and tendencies, individuals can make more informed career choices that align with their strengths and preferences.

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7. Talent Management

Talent Management refers to an organization's ability to attract, retain, and develop the most skilled employees available in the job market. The concept emerged in the 2000s as a response to the challenge of attracting and retaining talented employees, known as the 'war for talent'. To achieve this, organizations use various approaches such as attracting and retaining talent, motivating and engaging employees, providing development opportunities, and succession planning. The ultimate goal is to create a workplace that is considered the 'best place to work'.

Talent management has a significant impact on several business areas, including revenue, customer satisfaction, quality, productivity, cost, cycle time, and market capitalization. When evaluating employees, talent management considers their performance and potential, with potential referring to the employee's future performance with the appropriate skill development and increased responsibility.

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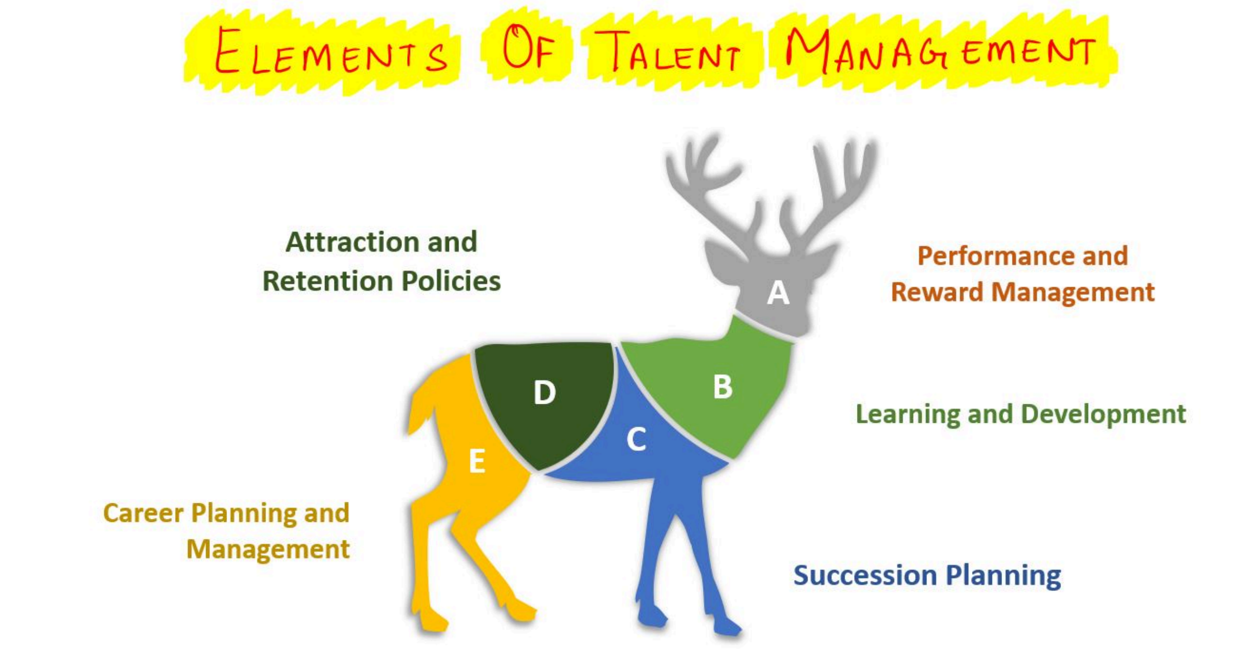
7. Talent Management



The elements of talent management encompass a comprehensive set of strategies and practices aimed at maximizing an organization's workforce capabilities. These elements include:

Resourcing Strategy
Developing a strategic plan for acquiring the right talent that aligns with organizational goals and objectives.

Attraction and Retention Policies
Implementing policies and practices to attract top talent to the organization while concurrently fostering an environment that encourages employee retention.

Career Planning and Development
Providing employees with opportunities for career advancement and growth through structured career planning and development programs.

Role Development
Ensuring that employees' roles evolve in line with their skills, interests, and organizational needs.

Creating a Great Place to Work
Fostering a positive workplace culture that attracts and retains talent by focusing on employee satisfaction, well-being, and work-life balance.

Performance Management
Implementing systems to assess and enhance individual and team performance, linking performance metrics to organizational objectives.

Rewards Management
Developing and managing reward systems that recognize and incentivize high performance, aligning with overall compensation and benefits strategies.

Learning and Development
Providing ongoing learning opportunities and training programs to enhance employee skills and competencies, ensuring continuous improvement.

Career Management
Assisting employees in planning and managing their careers within the organization, aligning personal goals with organizational needs.

Succession Planning
Identifying and preparing potential leaders within the organization to ensure a seamless transition in key roles, mitigating the

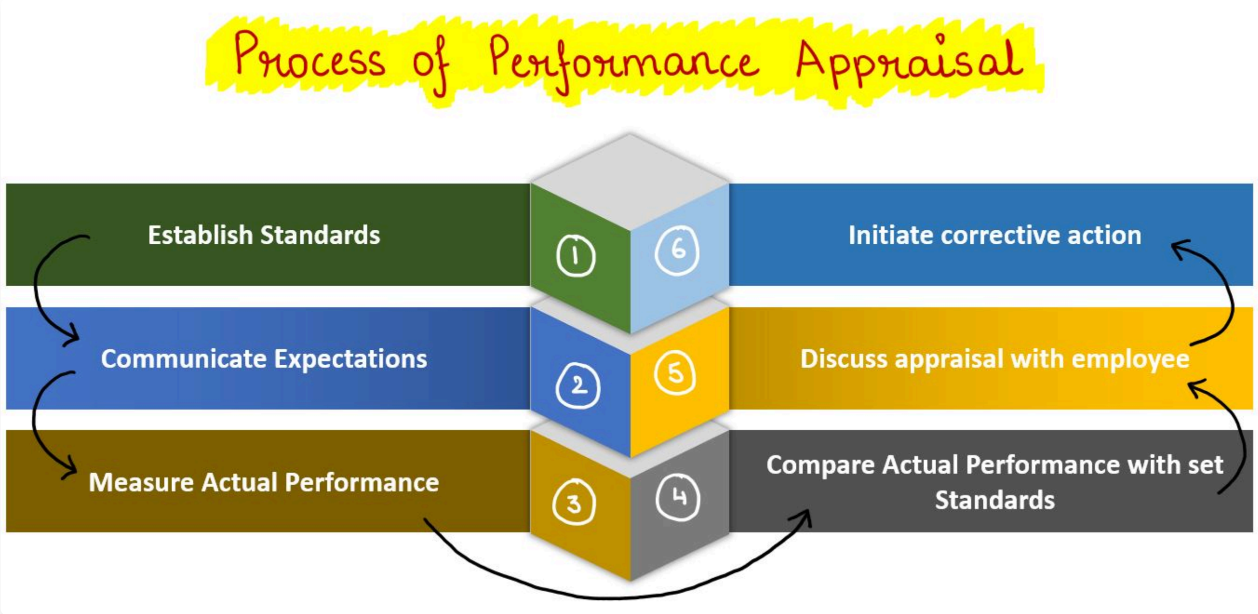
impact of talent gaps.

1. Performance management

Performance management refers to the systematic process of planning, monitoring, developing, evaluating, and rewarding employee performance to enhance organizational effectiveness. It involves aligning individual and team objectives with the overall goals of the organization, fostering continuous improvement, and ensuring that employees contribute effectively to the achievement of strategic objectives.

Effective performance management helps organizations to improve productivity, enhance employee engagement and job satisfaction, and support career development for employees. It also enables managers to identify top performers, provide recognition and rewards for their contributions, and identify opportunities for improvement and development for employees who may be struggling. Overall, performance management is a critical component of effective organizational management and can help organizations to achieve their strategic goals and objectives.

2. Process of Performance Appraisal



The process of Performance Appraisal is given below.

1. Establish performance standards

The first step in the performance appraisal process is to establish clear and specific performance standards. These standards should be based on the job responsibilities, goals, and objectives of the position. For example, if an organization has established performance standards for a sales representative, it might include a requirement to achieve a certain number of sales per month.

2. Communicate expectations

Once the performance standards have been established, the next step is to communicate these expectations to the employee. This can be done through a job description, performance goals, or other forms of communication. It is important to ensure that the employee understands what is expected of them in terms of their job responsibilities and performance.

3. Measure actual performance

After the expectations have been communicated, the employee's actual performance is measured. This can be done through a variety of methods such as observation, self-evaluation, and feedback from peers or supervisors. For example, if an employee is a customer service representative, their performance may be measured by tracking customer satisfaction ratings.

4. Compare actual performance with set standards

Once the actual performance has been measured, it is compared with the established performance standards. This helps to determine whether the employee has met or exceeded expectations. For example, if an employee was expected to achieve 10 sales per month and they only achieved 8, they would be considered to have not met the performance standard.

5. Discuss the appraisal with the employee

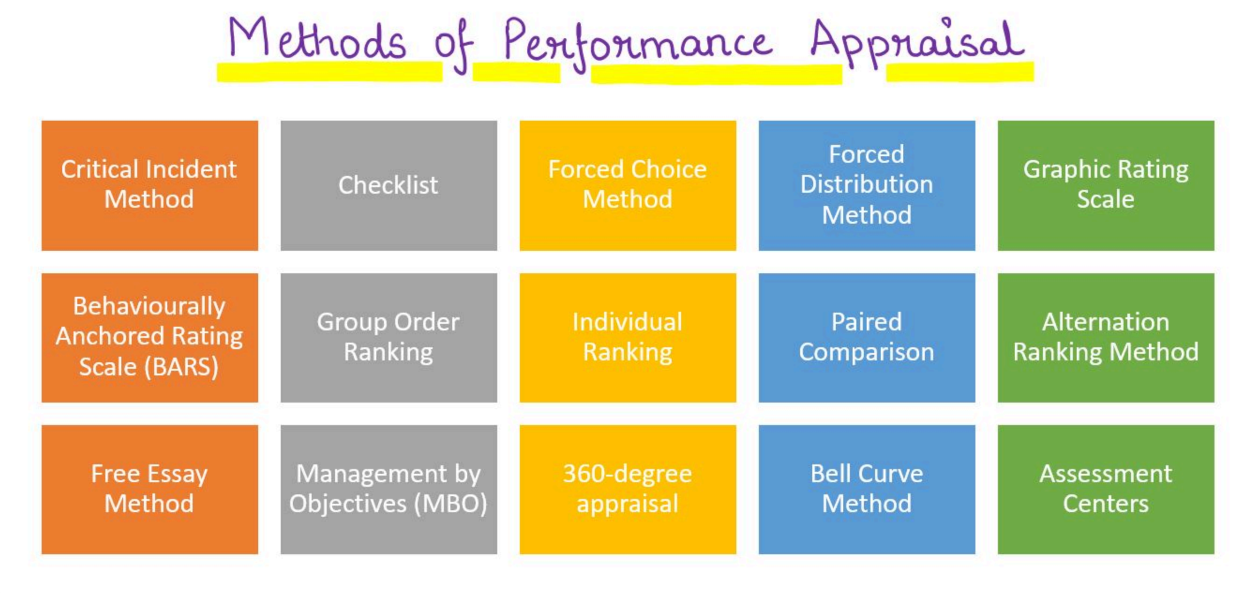
The employee is then given feedback on their performance, including areas where they have performed well and areas where they need improvement. This discussion can also be used to set goals and objectives for future performance. For example, if an employee has demonstrated exceptional customer service skills, this would be noted and acknowledged during the appraisal discussion.

6. Initiate corrective action

Finally, if the employee's performance has not met the established standards, corrective action may be initiated. This could include additional training or coaching to improve performance, or it could lead to disciplinary action if the employee continues to underperform. For example, if an employee consistently fails to meet their sales targets, they may be given additional training or coaching to improve their sales skills. If they continue to underperform, they may ultimately be terminated.

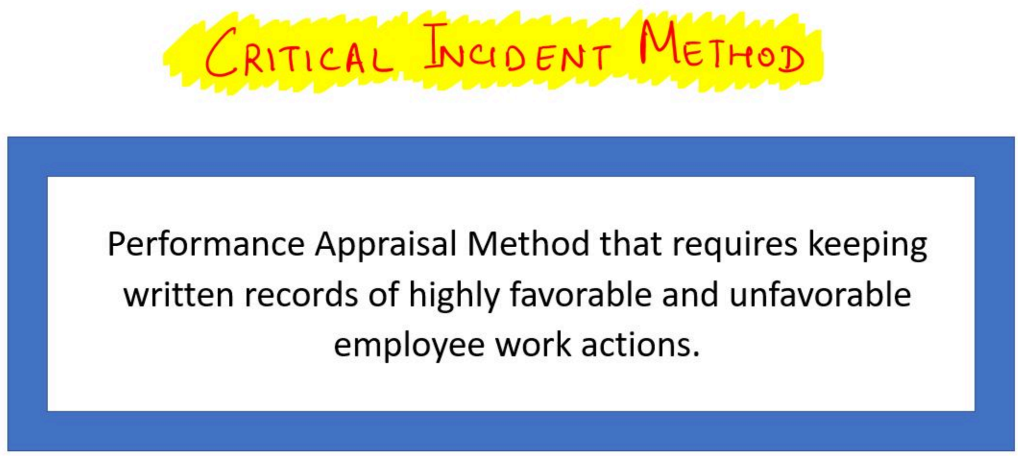
3. Methods of Performance Appraisal

Performance Appraisal is a key component of performance management. **Performance Appraisal** is a systematic and objective way of judging the relative worth of 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.



A number of methods are now available to assess the performance of the employees. Let us discuss them one by one.

3. Methods of Performance Appraisal



The Critical Incident Method emphasizes specific behaviors, both positive and negative, to assess an employee's job performance. Instead of relying on general ratings, this method involves documenting specific incidents that showcase noteworthy actions or behaviors, providing a more detailed and concrete evaluation.

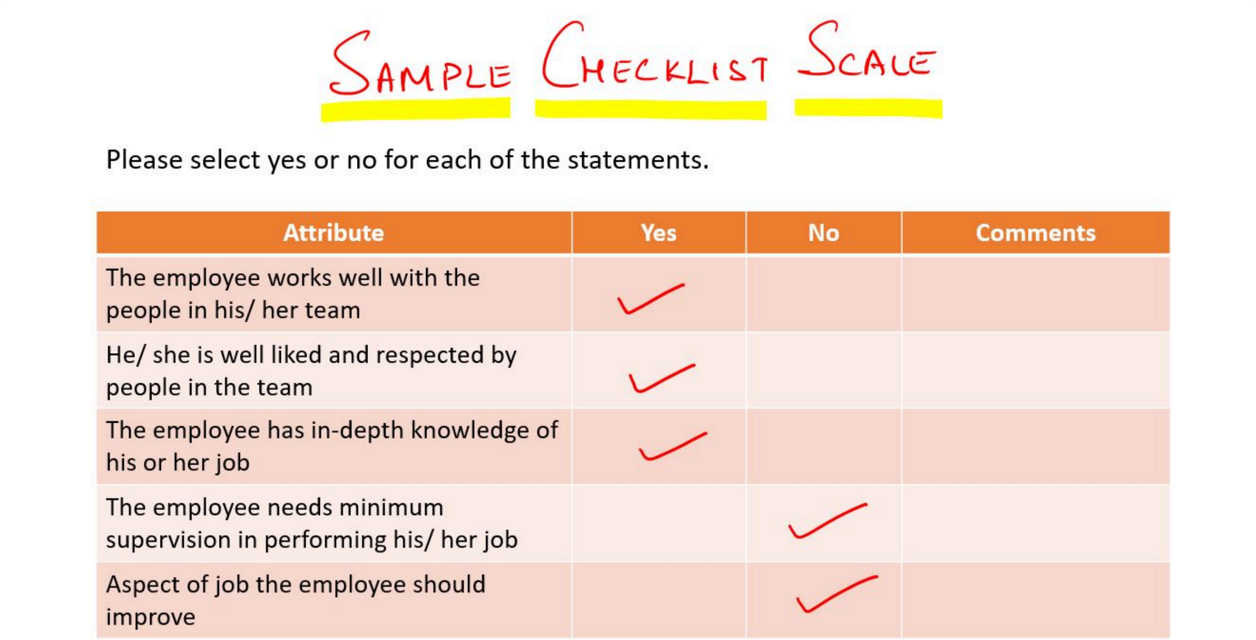
In practice, supervisors or managers collect and record incidents that stand out, illustrating the employee's effectiveness or areas needing improvement.

For instance, in a sales role, a positive critical incident could involve the employee securing a challenging deal through strategic negotiation skills. This method offers a more nuanced understanding of an employee's performance by focusing on real-life examples.

3. Methods of Performance Appraisal

The checklist method is a straightforward approach where the evaluator uses a predefined list of behavioral descriptions and checks off the behaviors that apply to the employee being assessed. The checklist typically contains specific criteria or attributes related to job performance. The evaluator goes through the list and marks each applicable behavior with a "yes" or "no" response. This method simplifies the assessment process, making it easy to record and analyze an employee's performance.

For example, in a checklist for evaluating an employee's punctuality, the criteria might include arriving on time for work, adhering to scheduled breaks, and meeting deadlines consistently. The evaluator would mark "yes" for each behavior demonstrated by the employee, and the checklist would serve as a quantitative record of the individual's performance in the specified areas.



SAMPLE CHECKLIST SCALE

Please select yes or no for each of the statements.

Attribute	Yes	No	Comments
The employee works well with the people in his/ her team	✓		
He/ she is well liked and respected by people in the team	✓		
The employee has in-depth knowledge of his or her job	✓		
The employee needs minimum supervision in performing his/ her job		✓	
Aspect of job the employee should improve		✓	

3. Methods of Performance Appraisal

In forced choice method, the evaluator must choose between two or more statements that may be either favorable or unfavorable. In this method, the rater is presented with pairs of contrasting statements, and their task is to identify which statement is most or least descriptive of the individual being assessed. This method aims to reduce bias by not disclosing the correct answers to the raters, and the scoring is typically done by someone in the personnel department based on a predetermined key.

For instance, in a forced choice evaluation regarding teamwork, the rater might encounter paired statements like "Works collaboratively with the team" and "Prefers individual tasks over team collaboration." The evaluator would need to choose the statement that aligns more closely with the observed behavior of the employee. This method provides a structured way to assess specific traits or behaviors while minimizing potential rating biases.

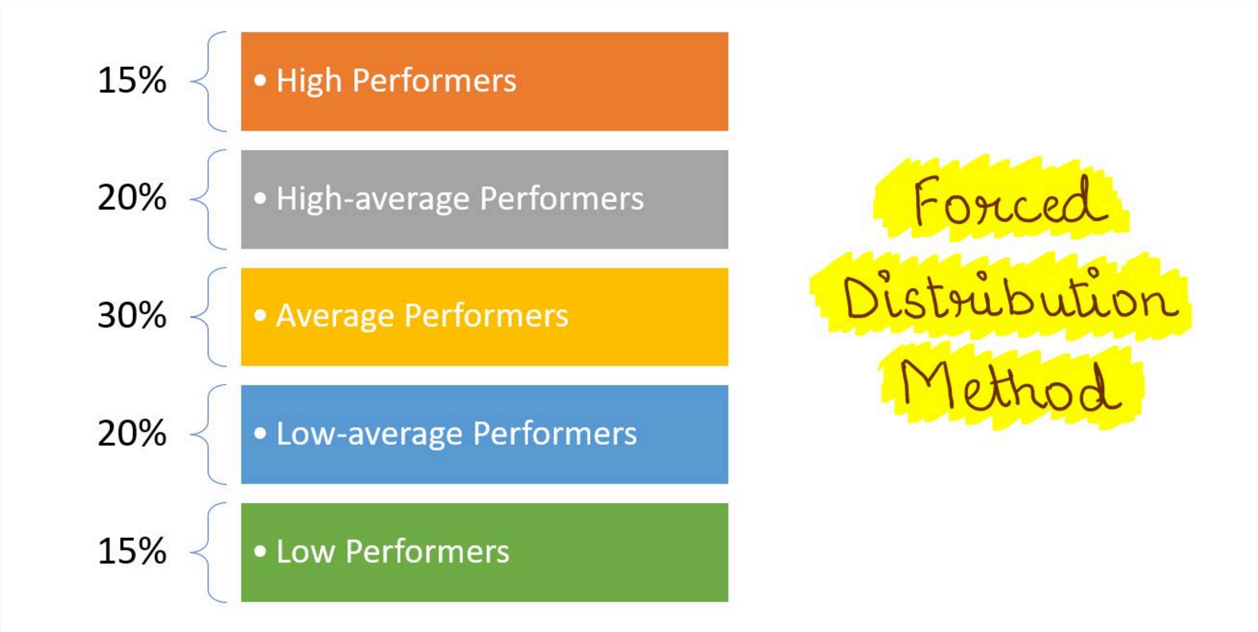
Sample Forced Choice Block

Regularity on the job	Most	Least
1. Always regular	✓	
2. Informs in advance for delays	✓	
3. Never Regular		✓
4. Remains absent		✓
5. Neither regular nor irregular		

3. Methods of Performance Appraisal

The Forced Distribution Method is a technique where employees are evaluated and placed into predetermined performance categories based on a statistical distribution curve. This method, often associated with a **bell curve**, requires managers to allocate a certain percentage of employees into different performance levels, such as high, medium, and low performers. This approach assumes that employee performance follows a normal distribution.

This method was given by Jack Welch, who was CEO at General Electric.

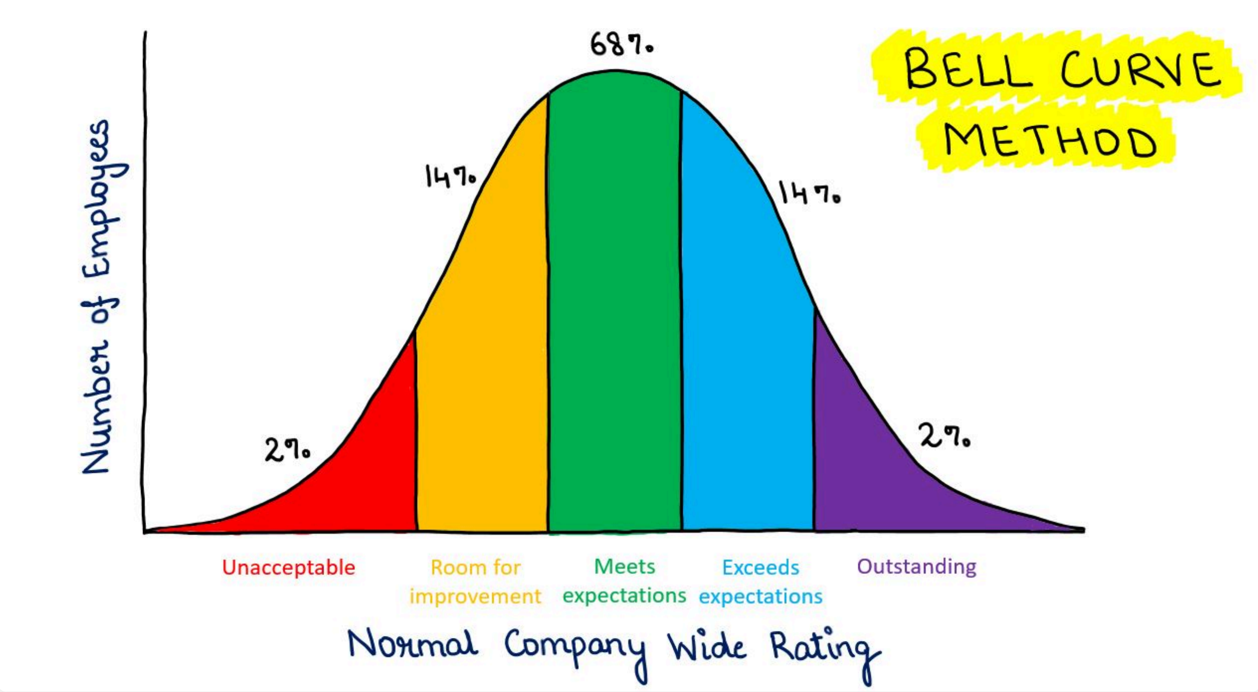


For example:
— 15% high performers
— 20% high-average performers
— 30% average performers
— 20% low-average performers
— 15% low performers

The evaluator assesses individual performances and assigns employees to these predetermined categories based on their relative standing. This method can foster differentiation in performance ratings and guide talent development and reward decisions within the organization.

3. Methods of Performance Appraisal

The Forced Distribution Method and the Bell Curve Method are related concepts often used interchangeably, but there are subtle differences in their application.



In forced distribution, managers are required to categorize employees into specific performance levels based on predetermined percentages. This method assumes that employee performance follows a particular distribution, but the focus is on the forced allocation of individuals into predefined categories (e.g., high, medium, low performers).

The bell curve method, also known as grading on a curve, involves the application of a normal distribution curve to employee performance ratings. The goal is to create a distribution of ratings that mirrors a bell-shaped curve, with most employees falling in the middle (average) and fewer at the extremes (high and low performers).

In summary, while forced distribution often involves assigning employees to specific categories based on predetermined percentages, the bell curve method places more emphasis on achieving a distribution of ratings that follows a traditional bell-shaped curve.

3. Methods of Performance Appraisal

A Graphic Rating Scale is used to evaluate employee performance based on a series of traits or behaviors. This type of scale typically involves a list of performance factors and a continuum of points ranging from low to high performance, often represented graphically.

The scale includes various performance factors or traits relevant to the job, such as communication skills, teamwork, reliability, and job knowledge.

GRAPHIC RATING SCALE

Worker's Name (Sudha Dogra)	Unsatisfactory	Marginal	Satisfactory	Good	Outstanding
Quality of work performed	1	2	3	4	5
Quantity of work	1	2	3	4	5
Timeliness of work	1	2	3	4	5
Cooperation with others	1	2	3	4	5
Innovation and creativity	1	2	3	4	5

Each performance factor is rated on a continuum, which might range from "Unsatisfactory" to "Outstanding" or "Poor" to "Excellent." The continuum is usually represented graphically, often as a horizontal line or a series of boxes.

Ratings can be numerical (e.g., 1 to 5) or descriptive (e.g., Poor, Fair, Good, Very Good, Excellent).

Graphic Rating Scales are straightforward and easy to use, making them popular for many organizations.

Advantages of Graphic Rating Scales:

- Simplicity: Easy to understand and use, making it accessible for both raters and employees.
- Quick Administration: Can be completed quickly, allowing for the evaluation of multiple employees in a short period.
- Broad Applicability: Can be used for a wide range of jobs and performance dimensions.

Disadvantages of Graphic Rating Scales:

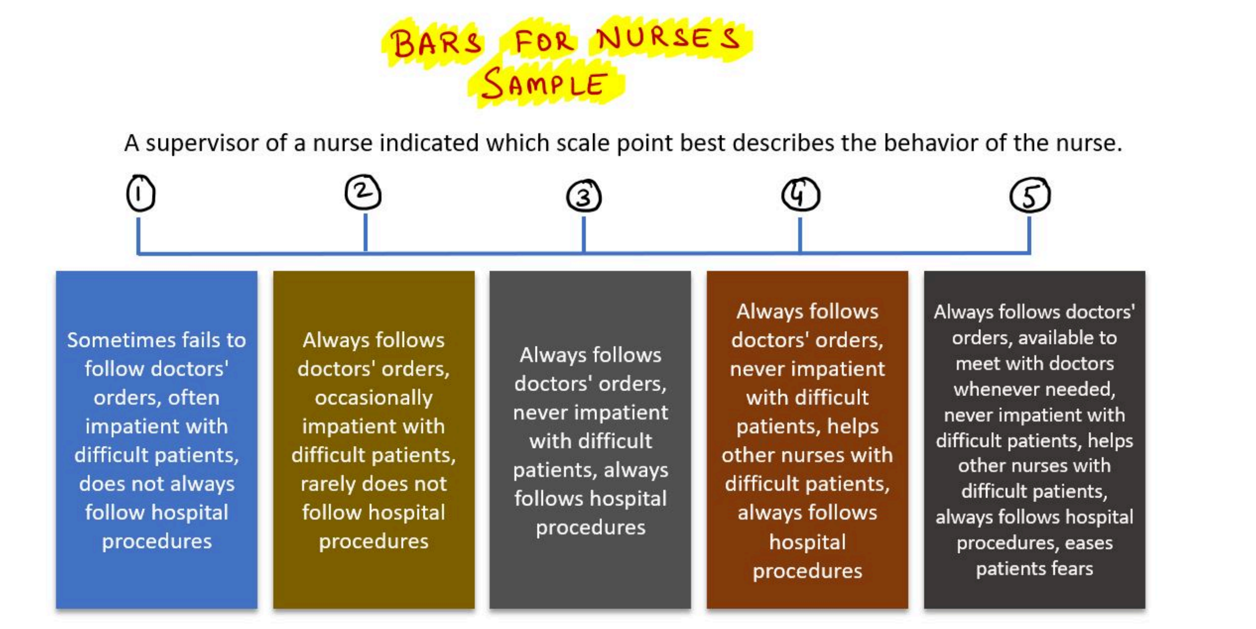
- Subjectivity: Can be subject to rater biases and inconsistencies, as different raters might interpret rating levels differently.
- Lack of Specificity: Does not provide detailed feedback on specific behaviors, which can make it harder for employees to understand how to improve.
- Central Tendency: Raters might avoid using the extremes of the scale, resulting in a concentration of ratings in the middle range.

3. Methods of Performance Appraisal

Behaviorally Anchored Rating Scales (BARS) is a method that combines elements of traditional rating scales (Graphic rating scale) and critical incident techniques. The primary goal of BARS is to provide a more accurate and objective evaluation of employee performance by anchoring numerical ratings to specific behaviors associated with various levels of performance.

Each point on the rating scale is anchored with specific behaviors that exemplify different levels of performance. These behaviors are detailed descriptions that are easy to observe and measure.

BARS was proposed by Charles L Hulin and Milton R Blood.



Development of BARS:
1. Identifying Performance Dimensions: The first step involves identifying the key aspects of performance relevant to the job.
2. Collecting Critical Incidents: Examples of effective and ineffective behaviors are collected from subject matter experts, typically through interviews or surveys.
3. Developing Behavioral Anchors: These critical incidents are then used to create behavioral statements that describe varying levels of performance for each dimension.
4. Creating the Scale: These behavioral statements are placed on a rating scale, usually ranging from poor to excellent performance.

BARS reduce subjectivity by providing concrete examples of behavior for each rating. This helps ensure that different raters interpret and apply the rating scale consistently.

Imagine evaluating employees on their "Customer Satisfaction" skills. A BARS for this dimension might look like this:

Dimension: Customer Satisfaction

1 - Poor
Behavioral Anchor: Receives frequent customer complaints; rarely resolves customer issues satisfactorily; displays a negative attitude towards customers.

2 - Needs Improvement
Behavioral Anchor: Occasionally receives customer complaints; resolves issues with minimal effort; sometimes displays a lack of concern for customer satisfaction.

3 - Satisfactory
Behavioral Anchor: Generally satisfies customers; resolves most issues effectively; maintains a positive attitude towards customers.

4 - Good
Behavioral Anchor: Receives positive feedback from customers; resolves issues promptly and effectively; goes the extra mile to

ensure customer satisfaction.

5 - Excellent
Behavioral Anchor: Consistently receives outstanding feedback; anticipates customer needs and resolves issues proactively; builds strong relationships with customers.

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3. Methods of Performance Appraisal

A Behavior Observation Scale (BOS) is a method that focuses on the frequency of specific, job-related behaviors exhibited by employees. Unlike other rating scales that might evaluate general traits or competencies, BOS aims to measure how often certain behaviors, which are crucial for job performance, are observed over a given period.

BOS lists specific behaviors that are directly related to successful job performance. These behaviors are clearly defined and observable.

The scale measures how frequently each behavior is observed, typically using a numerical scale (e.g., from "Never" to "Always").

BOS often requires ongoing observation and documentation of behaviors over time, rather than a single, retrospective evaluation.

Behavior	Never (1)	Rarely (2)	Sometimes (3)	Often (4)	Always (5)
Greets customers promptly and politely					
Listens actively to customer concerns					
Provides accurate and relevant information to customers					
Resolves customer issues efficiently					
Thanks customers for their business					

Development of BOS:
1. Identify Key Behaviors: Identify the key behaviors that are essential for successful performance in a particular job role. These behaviors are often derived from job analysis and input from subject matter experts.
2. Define Behaviors: Clearly define each behavior so that it is easily observable and measurable.
3. Create Frequency Scale: Develop a scale to measure the frequency of each behavior. This scale might range from "Never" to "Always" or use numerical values.
4. Train Observers: Train managers or supervisors to accurately observe and record the frequency of these behaviors over a specific period.

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3. Methods of Performance Appraisal

The Individual Ranking method involves listing all employees in order of performance from highest to lowest. Only one can be the “best.” For example, if a supervisor is required to appraise 30 employees, they would rank each employee individually based on their performance over a given period. The employee at the top of the ranking would be considered the best performer, and so on down the list.

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3. Methods of Performance Appraisal

The group order ranking method involves categorizing employees into specific classifications such as "top one-fifth" or "second one-fifth". Evaluators are tasked with ranking employees in various percentile groups, such as the top 5%, next 5%, and next 15%. For example, if a rater has 20 subordinates, only four employees can be ranked in the top fifth and an equal number must be ranked in the bottom fifth.

This method has the advantage of preventing evaluators from overinflating evaluations to make everyone look good, or from homogenizing evaluations to make everyone look average. By requiring a specific distribution of rankings, this method ensures that evaluations are more accurate and reflective of actual employee performance.

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3. Methods of Performance Appraisal

Under this Method, rather than ranking the employees in the ascending order of their performance, the raters first pick up the best and give him rank 1, then pick up the worst and rank him 20 (say in a group of 20 employees). After that, they pick up workers to be ranked as 2 and 19 and continue to proceed this way until all the employees have been ranked.

A sample of this Method is given below.

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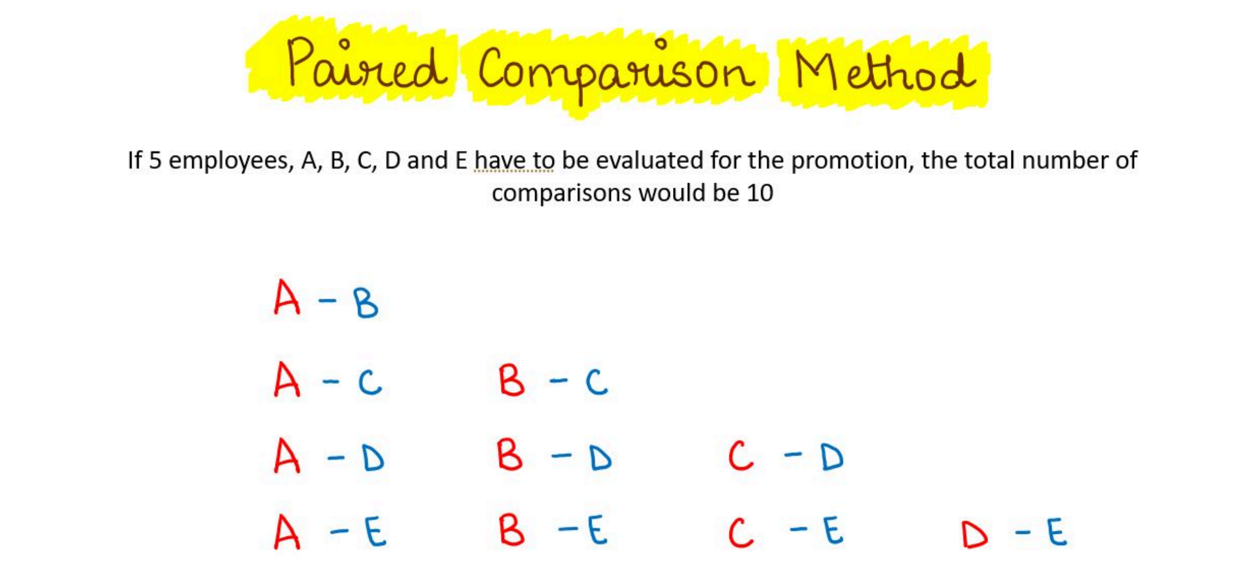
3. Methods of Performance Appraisal

The Paired Comparison method involves comparing each employee with every other employee in pairs, based on different traits, such as quality of work, communication skills, and productivity. This method helps to make ranking more precise, and it allows managers to determine the relative ranking of each employee more accurately.



For example, suppose a supervisor has to evaluate 5 employees based on their teamwork skills. The supervisor would compare each employee in pairs, evaluating their teamwork skills and indicating which employee was the better of the two. This process would continue until all employees had been compared to each other. The employee who wins the most comparisons would be ranked as the top performer in teamwork skills, and so on down the list.

3. Methods of Performance Appraisal

The Free Essay Method is an approach where the supervisor provides a narrative, open-ended appraisal of an employee using their own words. Instead of relying on a structured or predetermined set of criteria, the evaluator has the flexibility to express their impressions, observations, and overall assessment of the employee in a free-form essay.

For example, in a free essay performance appraisal, a supervisor might write a narrative that delves into various aspects of the employee's performance, including strengths, weaknesses, notable achievements, and areas for improvement. For instance, the supervisor may describe the employee as demonstrating exceptional problem-solving skills during a challenging project, but also suggest areas where further development or training could enhance overall performance.

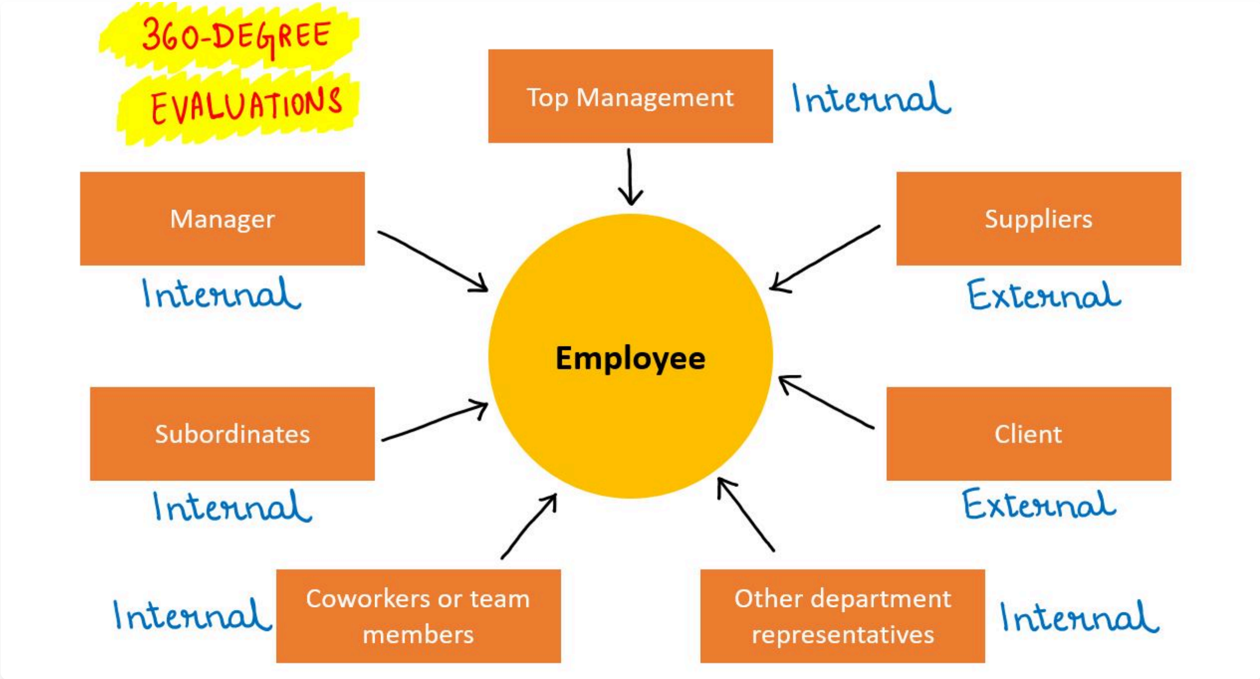
SAMPLE ESSAY RATING

Please write comments about the employee's performance in the space below.

Attribute	Comments
What does this Employee do well?	
What aspects of his/ her job performance should be improved upon	
Describe performance challenges	
Aspects of job to continue doing	

3. Methods of Performance Appraisal

360-degree feedback is a comprehensive performance management method that involves collecting evaluations of an individual's behavior and impact from a diverse range of sources, including superiors, colleagues, subordinates, customers, suppliers, and project team members.



This multi-faceted approach provides a well-rounded and holistic view of an individual's performance, fostering a more complete understanding of their strengths and areas for development.

It is also known as multisource feedback, multi-rater feedback, full-circle appraisal, and group performance review.