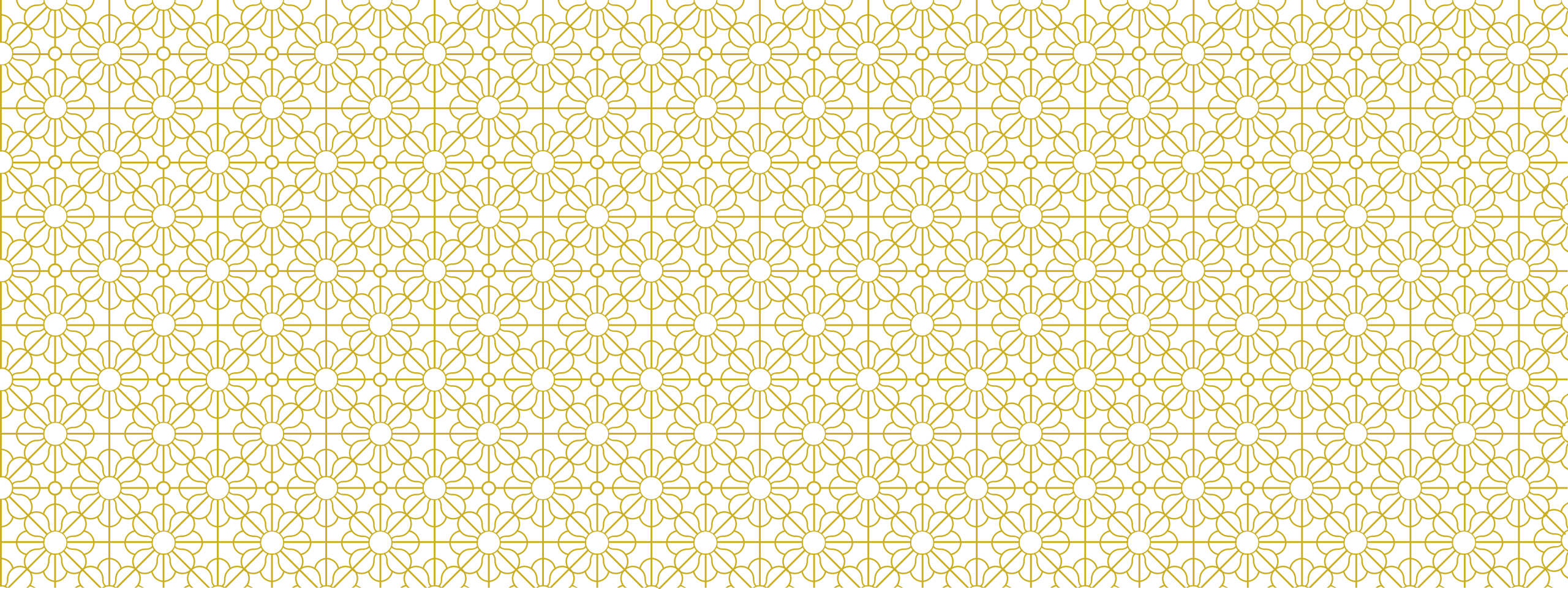


FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

Dr Vibhav Singh



FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

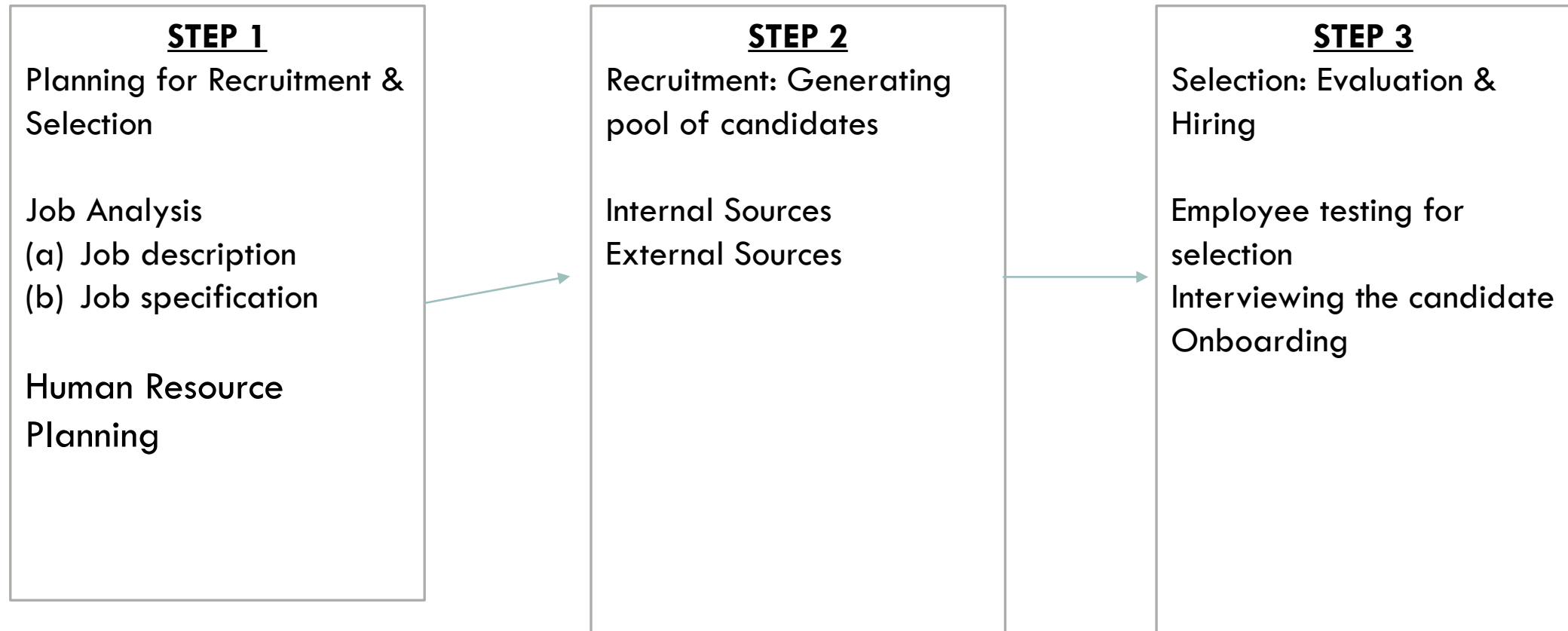
RECRUITMENT AND STAFFING

WORKFORCE/ HR PLANNING AND FORECASTING

The process of deciding **what positions** the firm will have to fill and **how** to fill them



PLANNING, RECRUITMENT & SELECTION PROCESS



INTERNAL SOURCE OF CANDIDATES

Internal Recruiting is POPULAR

Essar has in-house initiative 'Next-moves'

Advantages-

- You know strengths and weakness of candidate
- Candidate more committed to company
- Moral rise
- Requires less orientation

Disadvantages-

- Rejected applicant may become disconnected
- Waste of time
- Immediate supervisor may not be behavior
- Inbreeding (nepotism)

Internal recruiting resources

Succession management

Talent Inventory

Employee development

Internal Job Postings

Rehiring

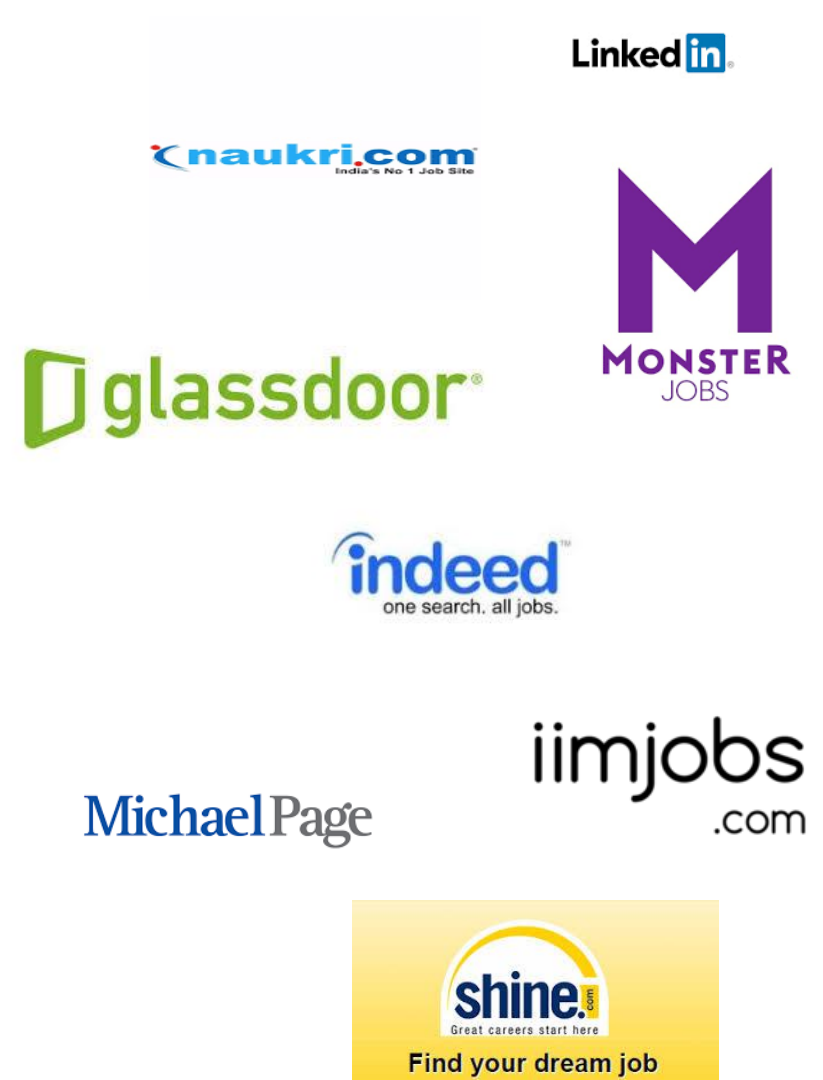
OUTSIDE SOURCES OF CANDIDATES

Recruiting via Internet & Social Media

- Most employers find that the **Internet is their best choice** for recruitment efforts.
- Application filled through company's website
- Virtual office tour
- Intelligent automated resume screening

Advantages- The Web is **cost efficient**, generating **more responses** more quickly and providing exposure for a longer time at **less cost**.

Disadvantages – Gathering applications online may **exclude** more **mature applicants** and certain minorities.



OUTSIDE SOURCES OF CANDIDATES

Advertising

- The Media – The best medium should be selected based on the positions for which you are recruiting.
- Times of India, EPW advertise
- Local newspaper good source for local blue collar help, clerical roles
- EA (Electronic Arts) includes information about internship program on backside of video game manual
- Constructing (Writing) the Ad – Many experienced advertisers use a four-point guide called **AIDA** (**attention, interest, desire, action**) to construct their ads.



OUTSIDE SOURCES OF CANDIDATES

Employment Agencies

Public Agencies-

- 1) In India, every state has a public, state run employment agency
- 2) At the national level, employment exchange run by DG of employment and training, Govt
- 3) Employment Exchange act (1959) government companies and eligible private firm need to notify vacancies to the exchange
- 4) employment exchange also provide helpline for job search

Mixed experience with employment exchange:

- 1) People who are not interested to work are also registered and sometimes get hired causing problem to employers
- 2) Employment exchange struggle to find suitable jobs & have lost credibility

OUTSIDE SOURCES OF CANDIDATES

Temporary worker & Alternate Staffing

1. Trend to hire them- weak economic confidence among employers, Short-term project, they provide flexibility
2. India, lack legal flexibility with regular employees so companies prefer contractual labor
3. It can be done through (a) direct hiring (USA) (b) Temp Agency (India)

Offshoring/Outsourcing Jobs

Special Challenges- (a) cultural misunderstanding (b) Security and information privacy concern (c) Liability and legal system (d) bringing 'jobs back'

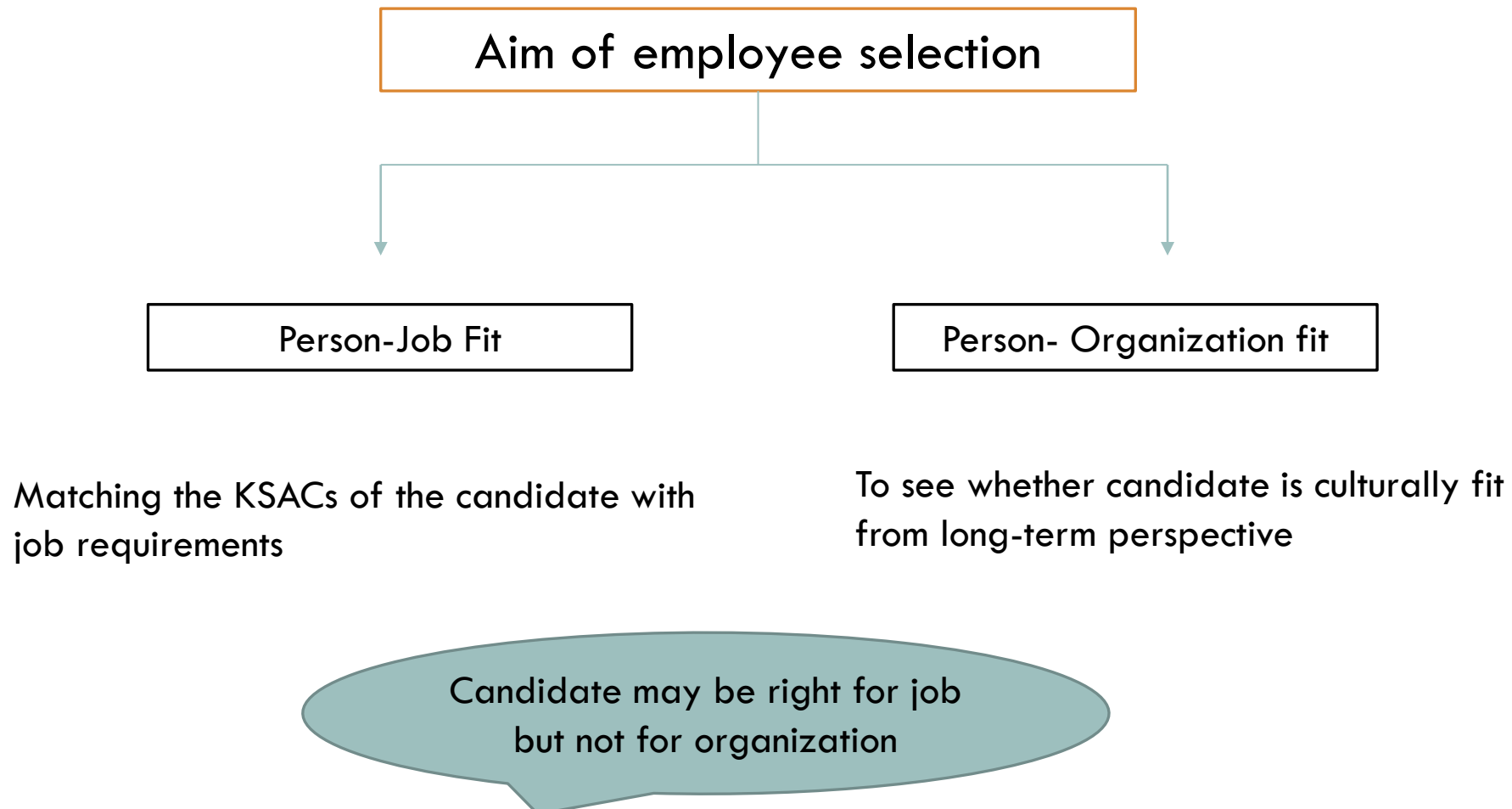
Executive Recruiters

Executive recruiters, also called **headhunters**, are special employment agencies **retained by employers** to seek out **top-management talent** for their clients.

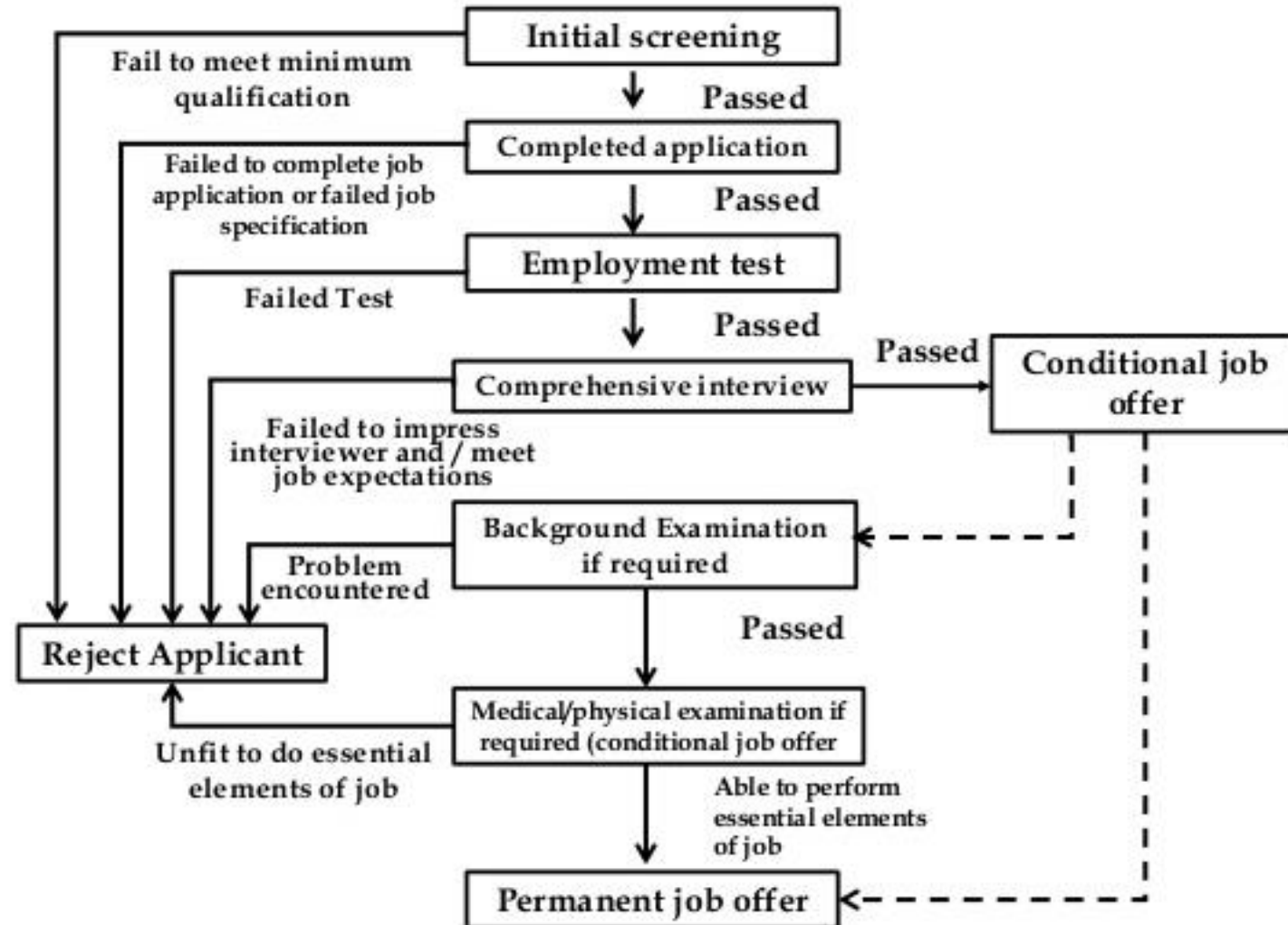
Pros and Cons – Recruiters can be **useful and save a manager's time**, but they may be more interested in **persuading managers to hire a candidate** than in finding one who will really do the job.

Guidelines – Make sure the recruiting firm is capable, meet the individual who will handle the assignment, and ask how much the firm charges. Never rely on the recruiter to do all the reference

WHY EMPLOYEE SELECTION IS IMPORTANT



SELECTION PROCESS



SELECTION METHODS

INTERVIEW

PERSONALITY PROFILING

ONLINE SCREENING

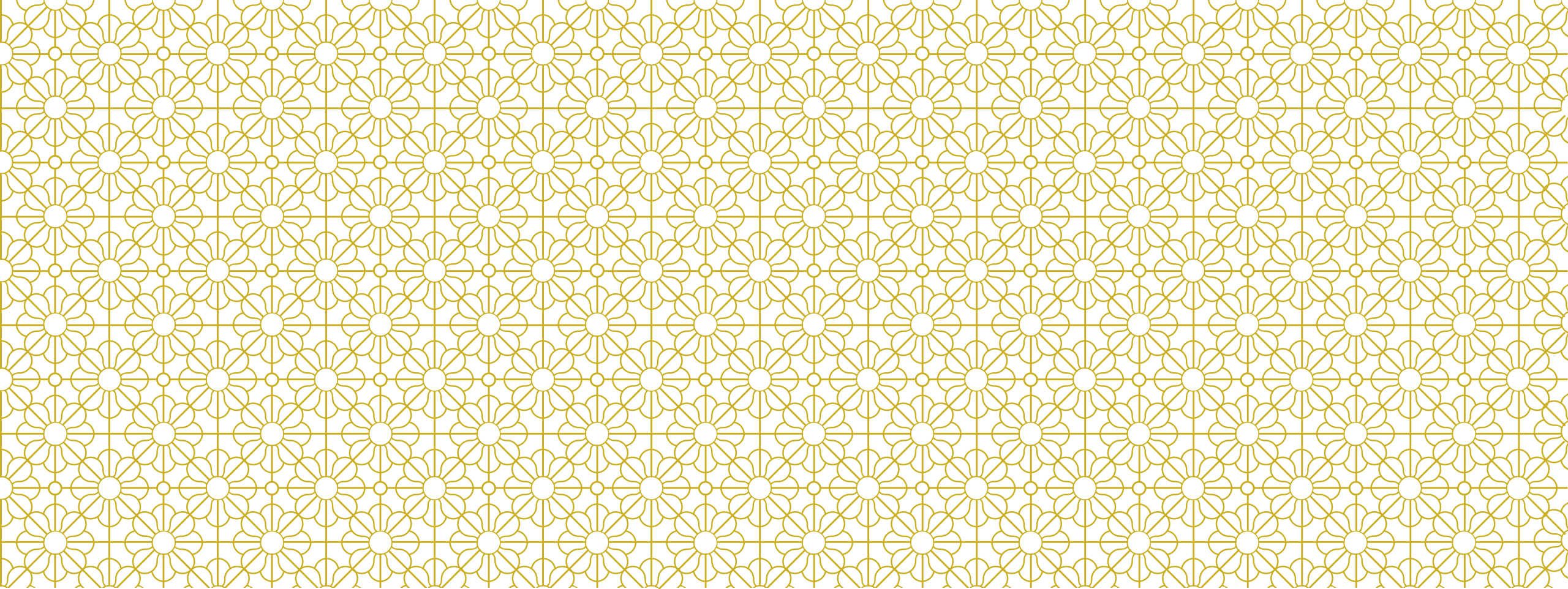
PSYCHOMETRIC TESTING

APTITUDE TEST

SCREENING METHODS

Screening Methods

- Resumes and cover letters
- weighted application blanks
- Biographical information
- Telephone screens

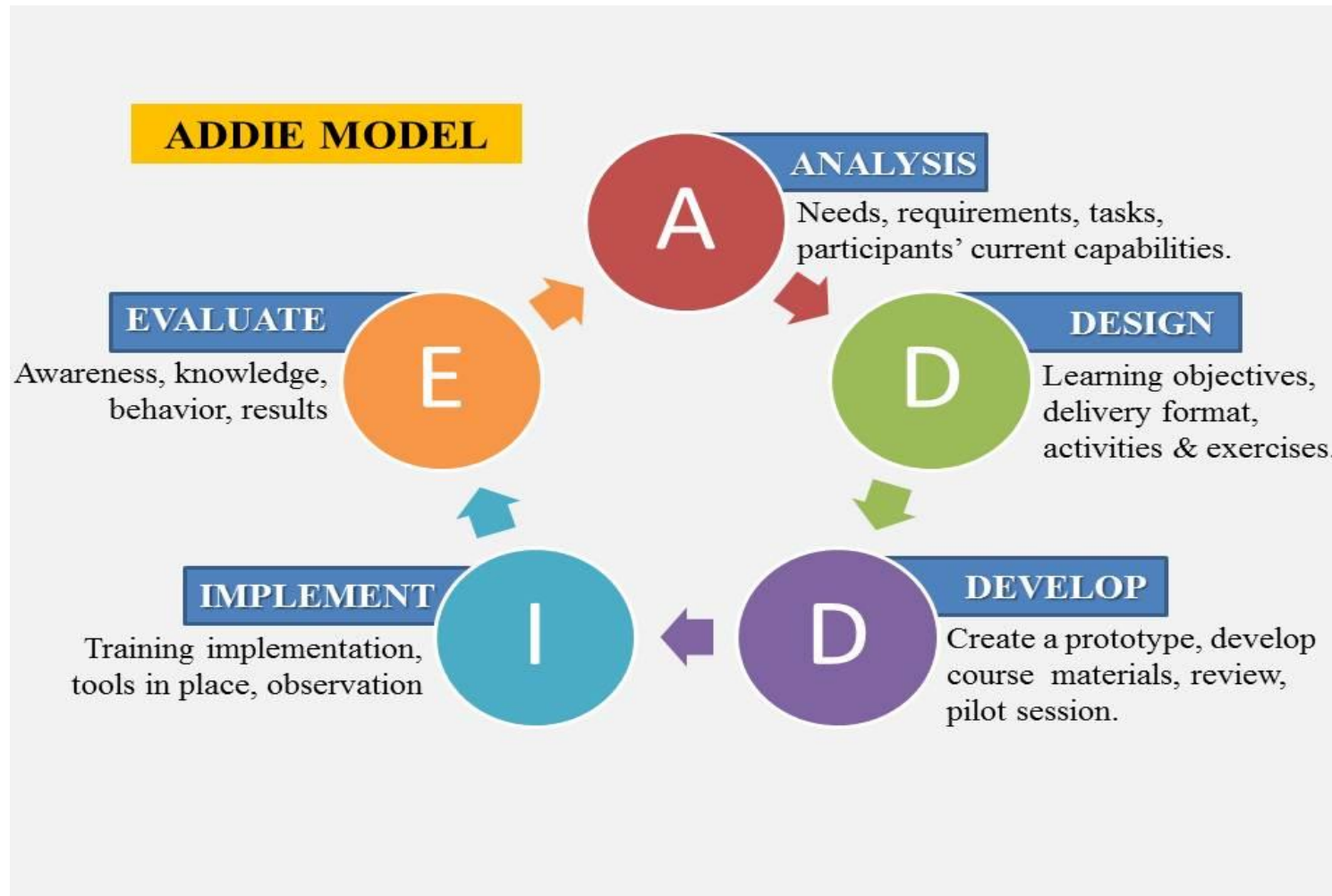


FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

TRAINING AND DEVELOPMENT

TRAINING AND DEVELOPMENT

TRAINING PROCESS



CONDUCTING THE TRAINING NEED ANALYSIS

Current training need analysis

Most of the training aims at improving current performance- specially new employees & those whose performance is deficient.

➤ **New employees**

To determine what the job entails and to break it down into subtasks, and then assess

➤ **Current employees**

Training needs are more complex – is training the real solution

CONDUCTING THE TRAINING NEED ANALYSIS

Task analysis: analyzing new employees' training needs

- At the lower level, you hire inexperienced and train them in comparison to higher level.
- Task analysis is a detailed study of job to determine what specific skills-Java (web developer).
- For task analysis, job description and job specification is required

CONDUCTING THE TRAINING NEED ANALYSIS

Performance analysis: analyzing current employees' training needs

- Performance analysis is the process of verifying that there is a performance deficiency and determining whether the employer should correct such deficiencies through training or some other means.
- Performance appraisal.

Can't do/ won't do

The biggest issue is to figure out what is causing the lower performance. If the problem is employee motivation then training is unlikely to fix this.

DESIGNING TRAINING PROGRAM

1. Setting learning objectives

2. Creating a motivational learning environment

3. Make the Learning Meaningful

- Bird's-eye view to participants
- Familiar examples/terms
- Organize the content
- Perceived need

4. Making Skills Transfer Obvious and Easy

- Similarity
- Practice
- Attention to important aspect of the job
- “Heads-up”
- Trainee's learn at their own pace

5. Reinforce The Learning

- Reinforce correct responses
- Partial day training
- Follow-up assignments
- Incentivize

DESIGNING TRAINING PROGRAM

Ensure transfer of learning to the job

Prior to training- get **trainee and supervisor input** in designing the program, institute a training **attendance policy**, and **encourage** employees to **participate**

During training- provide trainees with training **experiences** and conditions (surroundings, equipment) that **resemble the actual work environment**

After training -**reinforce** what trainees learned

IMPLEMENT TRAINING PROGRAM

On-the-job training (OJT)

Having a person learn a job by actually doing it.

Types of OJT

- Coaching or understudy method- experienced supervisor trains the employee
- Job rotation- employee moves from one job to another at planned intervals
- Peer training – radio program, experienced employees answer queries of other employees

IMPLEMENT TRAINING PROGRAM

Apprenticeship Training

Apprenticeship training is a process by which people become skilled workers, usually through a combination of formal learning and long-term on-the-job training

involves having the learner/apprentice study under the tutelage of a master craftsman.

Informal Learning

As much as 80% of what employees learn is through informal means

Cheesecake Factory, the restaurant chain allows employees to create, upload and share video clips on job-related topics through a portal called Video Cafe.

Job Instruction Training

Listing each job's basic tasks, along with key points, in order to provide step-by-step training for employees

IMPLEMENT TRAINING PROGRAM

Lectures

Lecturing is a quick and simple way to present knowledge to large group of trainees

Programmed Learning

1. Systematic method for teaching job skills, involving presenting questions or facts
2. Allowing the person to responds
3. Giving the learner immediate feedback on the accuracy of his or her answers.

IMPLEMENT TRAINING PROGRAM

Behavior Modeling

Bobo doll (video)

Behavior modeling involves

- (1) showing trainees the right (or “model”) way of doing something,
- (2) letting trainees practice that way, and then
- (3) giving feedback on the trainees’ performance.



Sales skills
Interviewer
skills

IMPLEMENT TRAINING PROGRAM

Audiovisual-based Training

Audio- videotapes used to train. The **ford Motor company** uses videos in its **dealer training session** to simulate problems and reactions to various customer complaints.

Vestibule Training

When it is **too costly or dangerous to train employees on the job**. Indian Banks train new entrant through **dummy banks**

Videoconferencing (Video)

Videoconferencing is popular for training **geographically dispersed employees**. It involves delivering programs via compressed audio and video signals over cable broadband lines, the Internet, or satellite. **CISCO** offers training through videoconference on Webex, telepresence

Simulated Learning (Video)

virtual reality-type games with a step-by-step animated guide, and online role-play with photos and videos. In general, interactive and simulated technologies reduce learning time by an average of 50%.

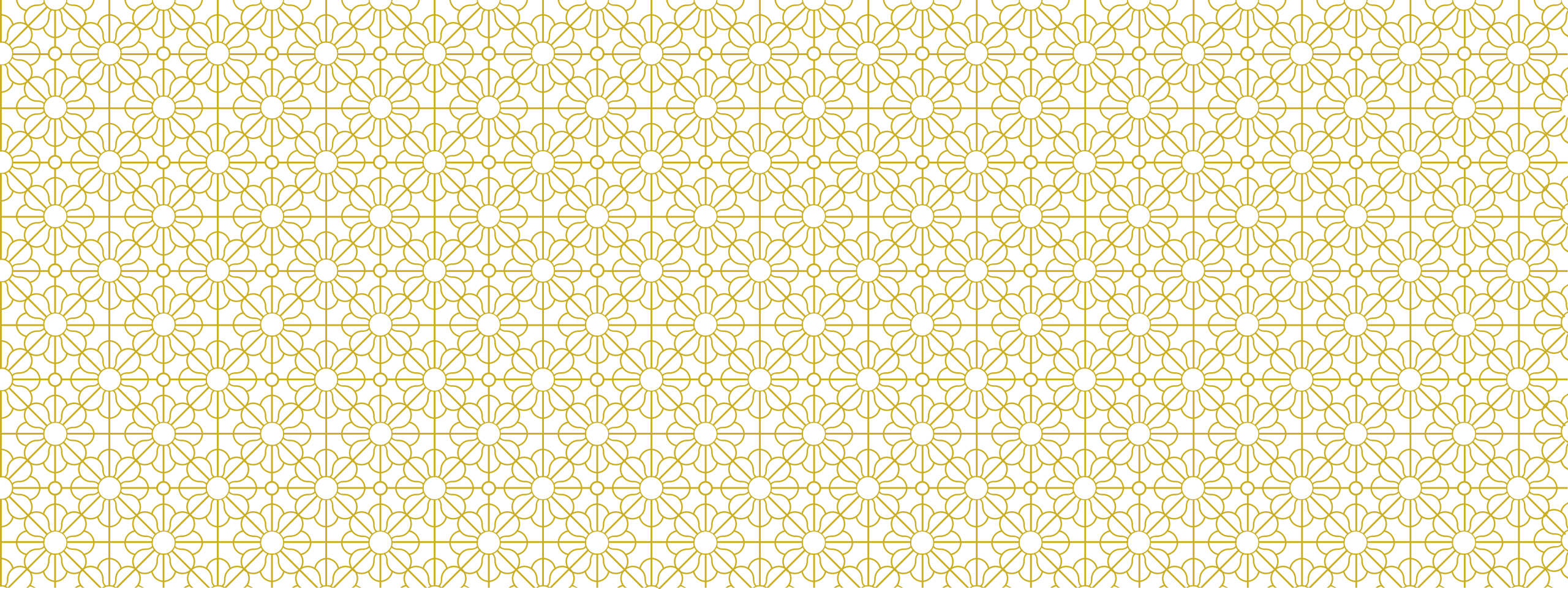
THE KIRKPATRICK MODEL

Level 4: Results

Level 3: Behavior

Level 2: Learning

Level 1: Reaction



FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

COMPENSATION

COMPENSATION

Direct Financial Payments

Pay in the form of wages, salaries, incentives, commissions, and bonuses.

Indirect Financial Payments

Pay in the form of financial benefits such as insurance.



BASIC FACTORS IN DETERMINING PAY RATES

Aligning total rewards with strategy

The basic thrust in pay plans today is to produce an **aligned reward strategy**

To create compensation plans that **guide employee behaviors** in the desired, **strategic direction**

Total rewards include traditional pay, incentives, and benefits. It also includes challenging jobs, career development, and recognition programs.



Establishing Strategic Pay Plan-

- Job evaluation
- Market-based Pay Plan
- Executive Compensation
- Competency Pay Plan

Pay for Performance-

- Individual employee incentive and recognition programs
- Incentives for Sales People
- Team and Organization wide incentives

Benefits and Services-

ESTABLISHING PAY RATES

Employers use two basic approaches
to setting pay rates



Market Based approaches
Job evaluation methods

THE BENEFITS PICTURE

Benefits are indirect financial and nonfinancial payments

Policy Issues- The list of policy issues includes what benefits to offer.

1. **who receives** coverage,
2. whether to **include retirees** in the plan,
3. whether to **deny** benefits to employees during initial “**probationary**” periods
4. how to finance benefits, cost-containment procedures, and how to communicate benefits options to employees.

Vacations and Holidays

Sick Leave

Cost-Reduction Tactics

Leaves and the Family, and medical Leave Legislation

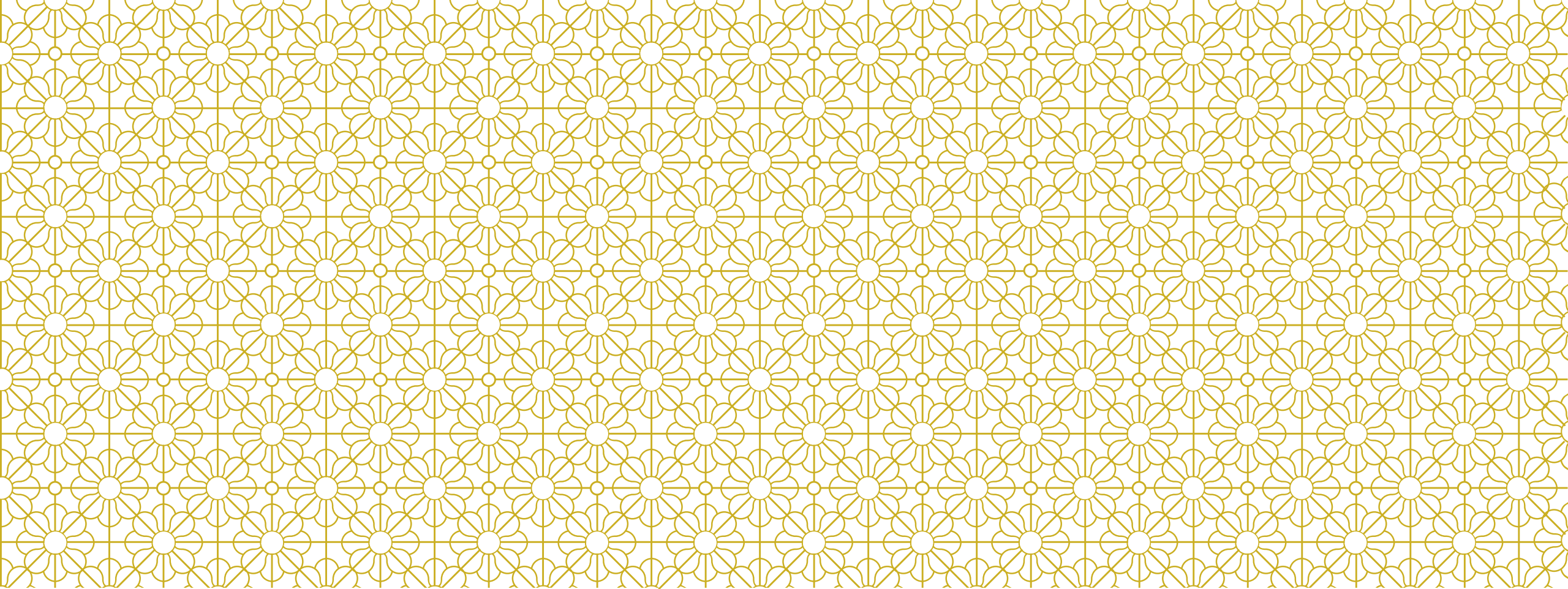
Severance Pay

Hospitalization, health, and disability insurance benefits are aimed at

Pension Plans

Family-friendly (work–life) benefits

The cafeteria approach



FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

EMPLOYEE RELATIONS

Managing Employee Relations

- **What Is Employee Relations?**
 - **Positive employee–employer relationships contribute to productivity**
- **Improving and assessing employee relations through better communications**
 - **Organizational climate surveys**
 - **Distributive justice and Procedural Justice**

Managing Employee Relations

- **Developing Employee Recognition/Relations Programs**
- **Creating Employee Involvement Strategies**
 - **Teams to gain employees' involvement**
 - **Employee suggestions**

TRADE UNIONS

Why do people unionize?

1. It's majorly about pay or working conditions.
2. In India, unionized workers in the formal sector earn more than their counterparts in the informal sector

Bottom Line

1. The urge to unionize due to the **belief** on the part of workers that it is only **through unity** that they can get their fair share of the pie.
2. It is sometimes the result of workers trying to **protect themselves from management's whims**.
3. Union workers tend to receive significantly more pay, holidays, sick leave, unpaid leave, insurance plan benefits, long-term disability benefits, and various other benefits than do nonunion workers.
4. Unions seem to have **reduced the impact of downsizings and wage cuts** in most industries, in part because union employees are not entirely "at will."

INDIA'S UNION MOVEMENT

1. India's labour movement is more than 150 years old
2. It gained its momentum in 1918 when Madras labour union was formed with mill workers as members
3. The focus of the unions was to end exploitations of workers in factories
4. Trade unions participated in freedom struggle
5. Trade unions in India are often influenced by political parties and elected governments
6. Emergency in 1975 led to suspensions of Trade unions
7. At the first wave of partial economic liberalization 1984 led to change in orientation, linking productivity with agreements.

INDIA'S UNION MOVEMENT

The next phase of economic reforms introduced in 1992- VRS, National renewal fund (to adjust economic realities)

IT sector approach unionization.

THE COLLECTIVE BARGAINING PROCESS

To **bargain collectively** is a **mutual obligation** to meet at reasonable times and confer in good faith with respect to **wages, hours, terms and conditions of employment**, the negotiation of an agreement, and other related matters.

Good faith bargaining means that **both parties communicate and negotiate**, that **they match proposals with counterproposals**, and that both make every **reasonable effort** to arrive at an **agreement**. A **violation** of the requirement for good faith bargaining may include the following: surface bargaining, **inadequate concessions**, and **inadequate proposals** and demands.

DEALING WITH DISPUTES AND GRIEVANCES

Employees may use just about any factor involving wages, hours, or conditions of employment as the basis of a grievance. The grievance procedure is specified in most collective bargaining contracts. It specifies the various steps in the procedure, time limits, and specific rules.

Examples of guidelines for handling grievances include investigating and handling each and every one of the grievances filed, talk with the employee and require the union to identify specific contractual provisions allegedly violated. Don't discuss the case with the union steward alone – the grievant should be there. Don't make arrangements with individual employees. Don't hold back the remedy if the company is wrong and don't admit the binding effect of a past practice.

SAFETY AND THE MANAGER

- **Why safety is important**
 - **The hidden story**
- **Management's role in safety**
- **What top management can do**
- **The supervisor's role in safety**

Occupational Health and Safety in India

- **List of important Indian legislations covering Safety and Health, and the administrative mechanisms –**
- **The Factories Act of 1948**
- **The Mines Act, 1952**
- **The Dock Workers (Safety, Health and Welfare) Act, 1986**

OCCUPATIONAL SAFETY LAW - INDIA

- **The Contract Labour (Regulation and Abolition) Act, 1970**
- **The Workmen's Compensation Act, 1923**
- **Employees State Insurance Act (ESI Act) 1948**
- **Firm level Safety Management: Safety Officers and Committees**

WHAT CAUSES ACCIDENTS?

There are three basic causes of workplace accidents: chance occurrences, unsafe conditions, and employees' unsafe acts. Unsafe conditions are a main cause of accidents. They include:

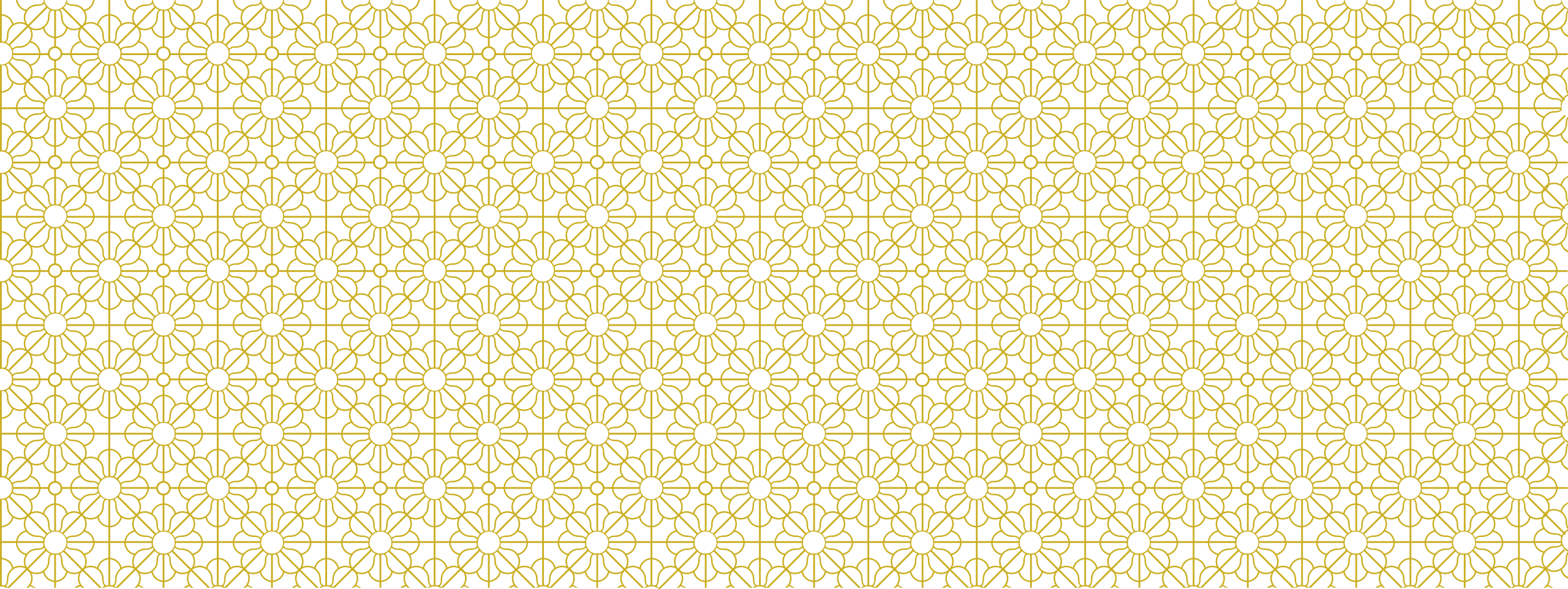
- Improperly guarded or defective equipment
- Hazardous procedures
- Unsafe storage
- Improper illumination or ventilation

Occupational Security and Safety

- **Preventing and Dealing with Violence
at Work**
 - **Security measures**
 - **Employee screening**
 - **Supervisory training**
 - **Violence toward women**

Occupational Security and Safety

- **Setting Up a Basic Security Program**
 - **Analyze current level of risk**
 - **Installing mechanical**
 - **Natural and**
 - **Organizational security systems**



FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

HRIS

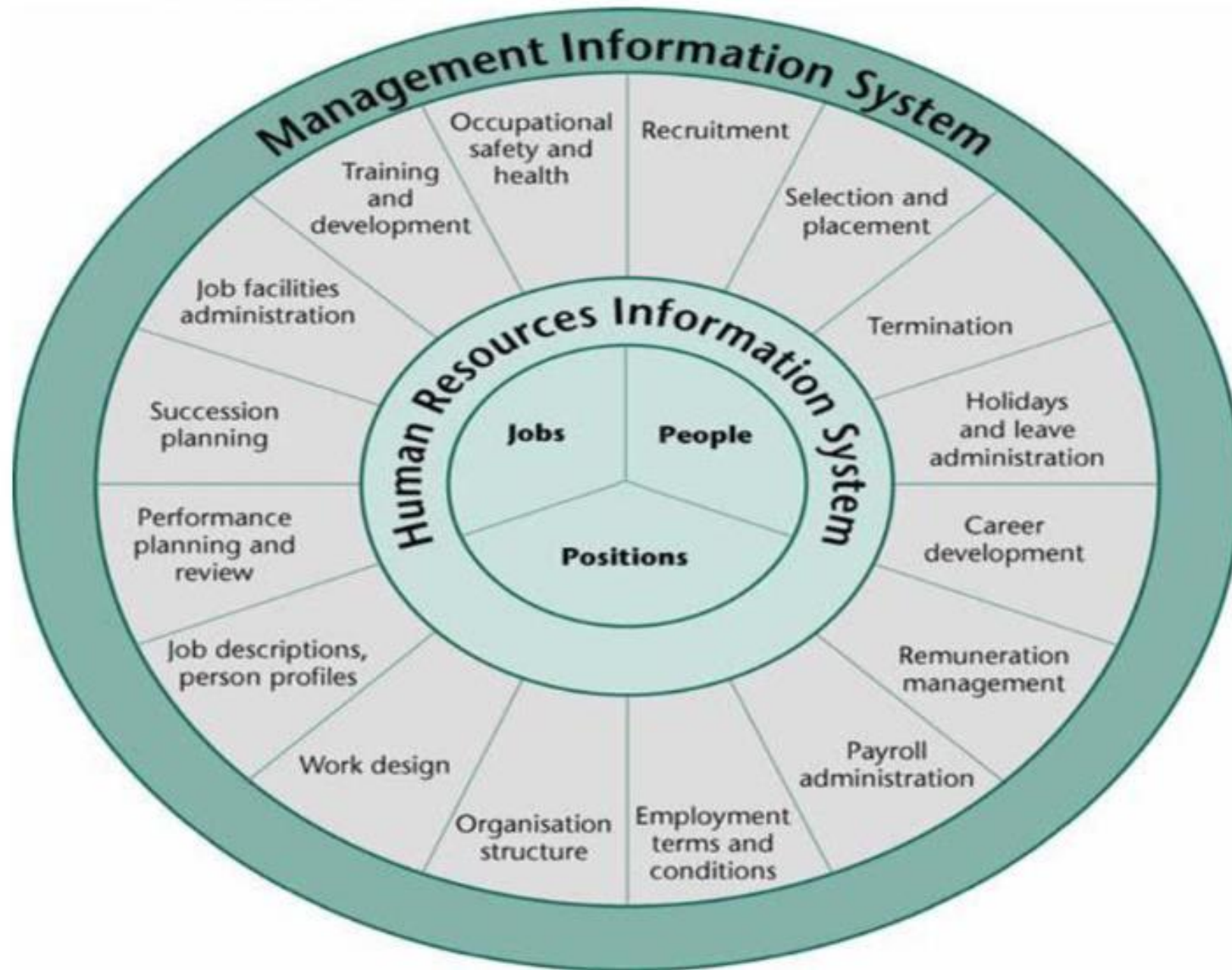
HRIS

What is HRIS

It is a systematic way of storing data & information for each individual employee to aid planning, decision making & submitting of returns and reports to the external agencies. A method by which an organization collects, analyses & reports the information about people and job.

Objectives of HRIS

To offer sufficient, comprehensive & ongoing information about people & jobs. To supply up to date information at a reasonable cost. To offer data security & personal privacy.

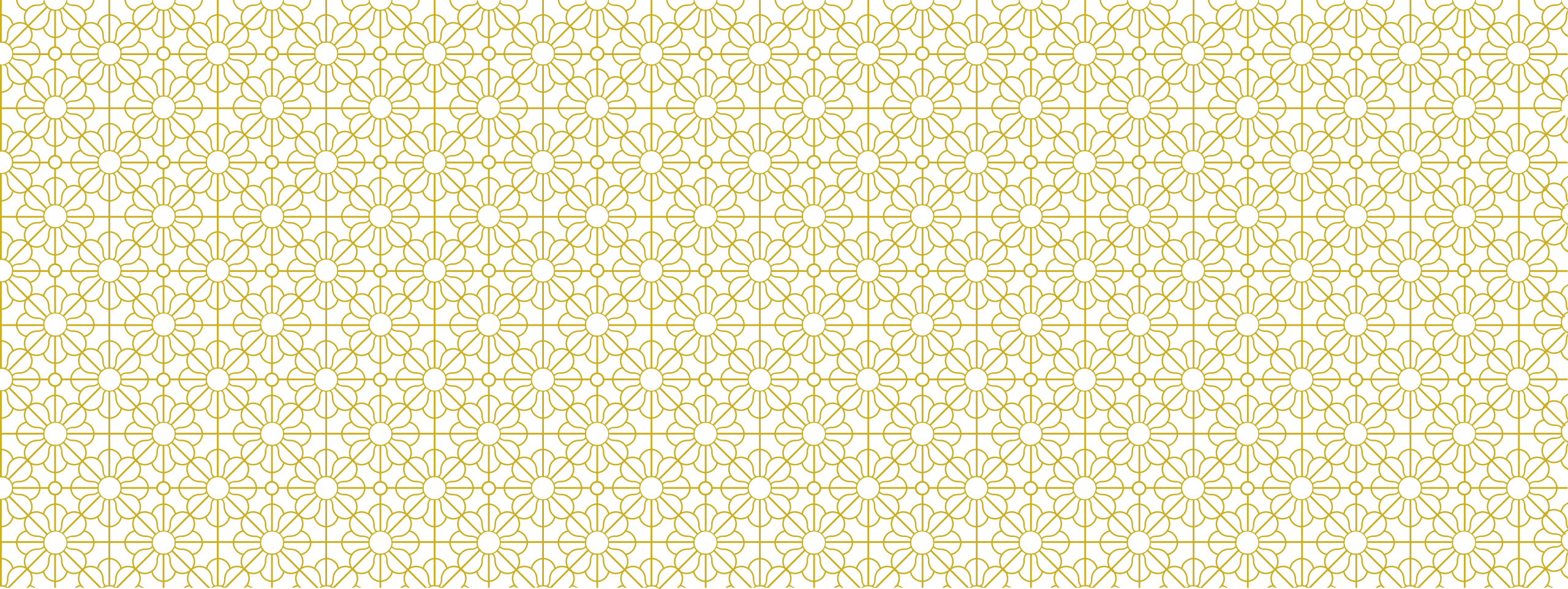


HUMAN RESOURCES INFORMATION SYSTEM

SYSTEM	DESCRIPTION
TRAINING & DEVELOPMENT	TRACK TRAINING, SKILLS, APPRAISALS
CAREER PATHING	DESIGN EMPLOYEE CAREER PATHS
COMPENSATION ANALYSIS	MONITOR WAGES, SALARIES, BENEFITS
HUMAN RESOURCES PLANNING	PLAN LONG-TERM LABOR FORCE NEEDS

SUBSYSTEMS OF HRIS





FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

ORGANIZATION DESIGN

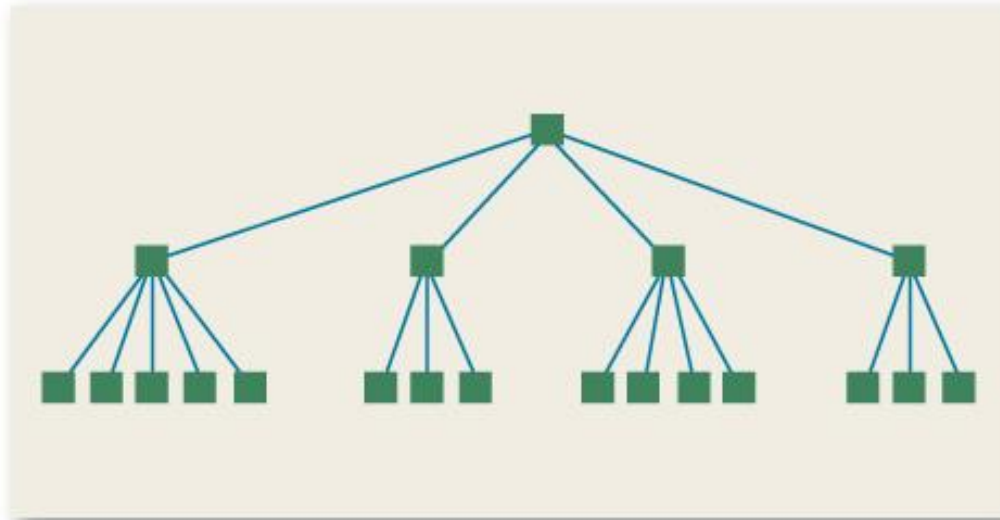
SEVEN ELEMENTS OF AN ORGANIZATION'S STRUCTURE

The Key Question	The Answer Is Provided by
1. To what degree are activities subdivided into separate jobs?	Work specialization
2. On what basis will jobs be grouped together?	Departmentalization
3. To whom do individuals and groups report?	Chain of command
4. How many individuals can a manager efficiently and effectively direct?	Span of control
5. Where does decision-making authority lie?	Centralization and decentralization
6. To what degree will there be rules and regulations to direct employees and managers?	Formalization
7. Do individuals from different areas need to regularly interact?	Boundary spanning

MECHANISTIC VS. ORGANIC STRUCTURAL MODELS

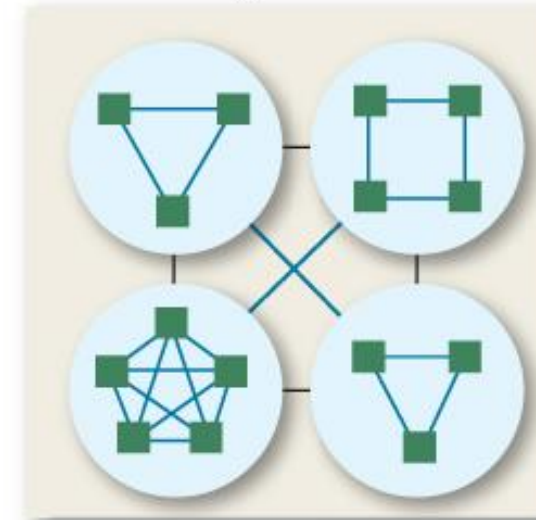
Exhibit 15-7 Mechanistic versus Organic Models

The Mechanistic Model



- High specialization
- Rigid departmentalization
- Clear chain of command
- Narrow spans of control
- Centralization
- High formalization

The Organic Model



- Cross-functional teams
- Cross-hierarchical teams
- Free flow of information
- Wide spans of control
- Decentralization
- Low formalization

NEW DESIGN- TEAM STRUCTURE

In an organizational structure based on teams, the structure breaks down department barriers and decentralizes decision making to the level of the team.

Team structures usually require employees to be generalists as well as specialists.

COMMON ORGANIZATIONAL FRAMEWORKS AND STRUCTURES

The **matrix structure** combines two forms of departmentalization—functional and product:

- The strength of functional is putting specialists together.
- Product departmentalization facilitates coordination.
- It provides clear responsibility for all activities related to a product, but with duplication of activities and costs.

Programs	Undergraduate	Master's	Ph.D.	Research	Executive Development	Community Service
Academic Departments						
Accounting						
Finance						
Decision and Information Systems						
Management						
Marketing						

ALTERNATE DESIGN OPTIONS

The Virtual Organization

- The essence of the **virtual organization** is that it is typically a small, core organization that outsources major business functions.
- Also referred to as a **modular or network** organization.
- It is highly centralized, with little or no departmentalization.





INDIVIDUAL DIFFERENCES

Dr Vibhav Singh
School of Business Management

INDIVIDUAL DIFFERENCES

Individual differences have a direct effect on behavior

- ☐ People who perceive things differently behave differently
- ☐ People with different attitudes respond differently to directives
- ☐ People with different personalities interact differently with bosses, coworkers, subordinates, and customers

INDIVIDUAL DIFFERENCES

Individual differences help explain: explain:

- ☐ Why some people embrace change and others are fearful of it and others are fearful of it
- ☐ Why some employees will be productive only if they are closely supervised, while others will be supervised, while others will be productive if they are not productive if they are not
- ☐ Why some workers learn new tasks more effectively than others more effectively than other

DESCRIBE PERSONALITY, THE WAY IT IS MEASURED, AND THE FACTORS THAT SHAPE IT (1 OF 4)

Defining Personality

- **Personality** is a dynamic concept describing the growth and development of a person's whole psychological system.
- The sum of ways in which an individual reacts to and interacts with others.

DESCRIBE PERSONALITY, THE WAY IT IS MEASURED, AND THE FACTORS THAT SHAPE IT (2 OF 4)

Measuring Personality

- Managers need to know how to measure personality.
 - Personality tests are useful in hiring decisions and help managers forecast who is best for a job.
- The most common means of measuring personality is through self-report surveys.

DESCRIBE PERSONALITY, THE WAY IT IS MEASURED, AND THE FACTORS THAT SHAPE IT (3 OF 4)

Personality Determinants

- Is personality the result of heredity or environment?
- **Heredity** refers to those factors that were determined at conception.
 - The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.

DESCRIBE PERSONALITY, THE WAY IT IS MEASURED, AND THE FACTORS THAT SHAPE IT (4 OF 4)

Early research tried to identify and label enduring personality characteristics.

- Shy, aggressive, submissive, lazy, ambitious, loyal, and timid.
- These are **personality traits**.

STRENGTHS AND WEAKNESS OF THE MBTI AND BIG FIVE MODEL (1 OF 7)

The most widely used personality framework is the **Myers-Briggs Type Indicator (MBTI)**.

Individuals are classified as:

- **Extroverted or Introverted (E or I)**
- **Sensing or Intuitive (S or N)**
- **Thinking or Feeling (T or F)**
- **Perceiving or Judging (P or J)**
 - INTJs are visionaries.
 - ESTJs are organizers.
 - ENTPs are conceptualizers.

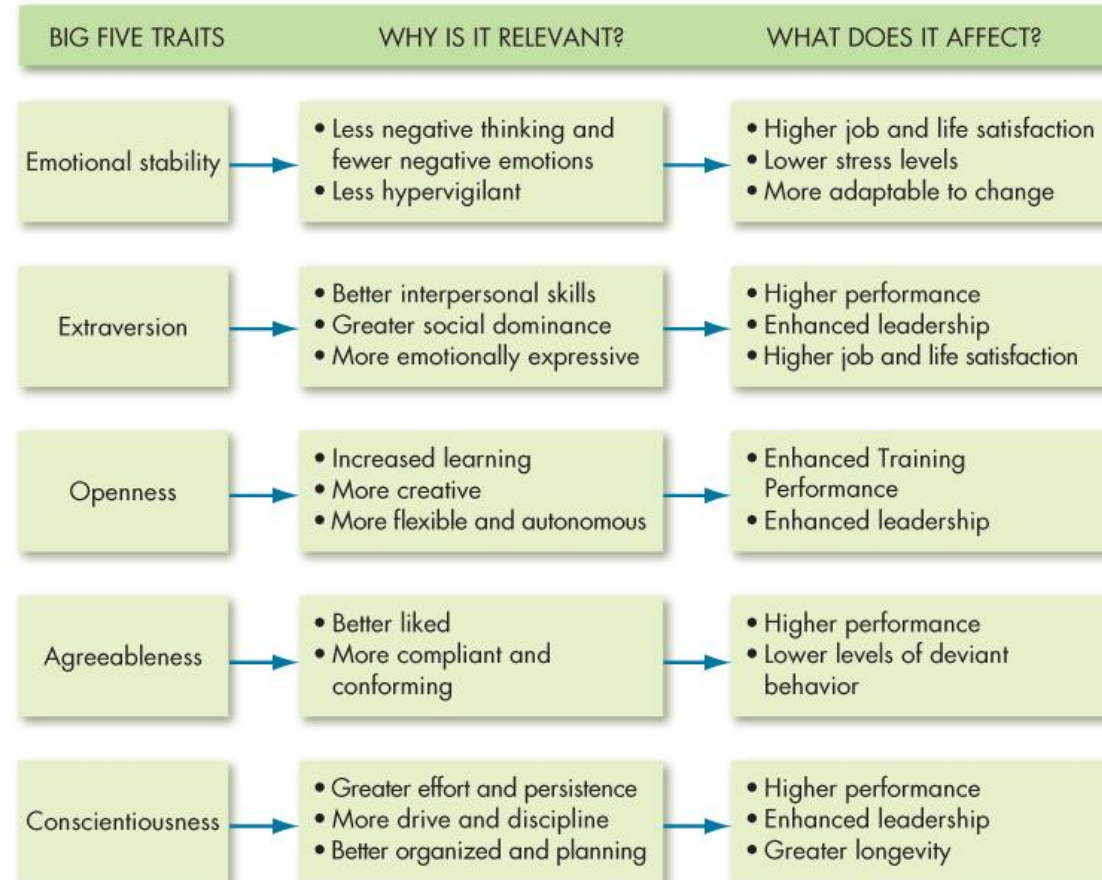
STRENGTHS AND WEAKNESS OF THE MBTI AND BIG FIVE MODEL (2 OF 7)

The **Big Five Model**

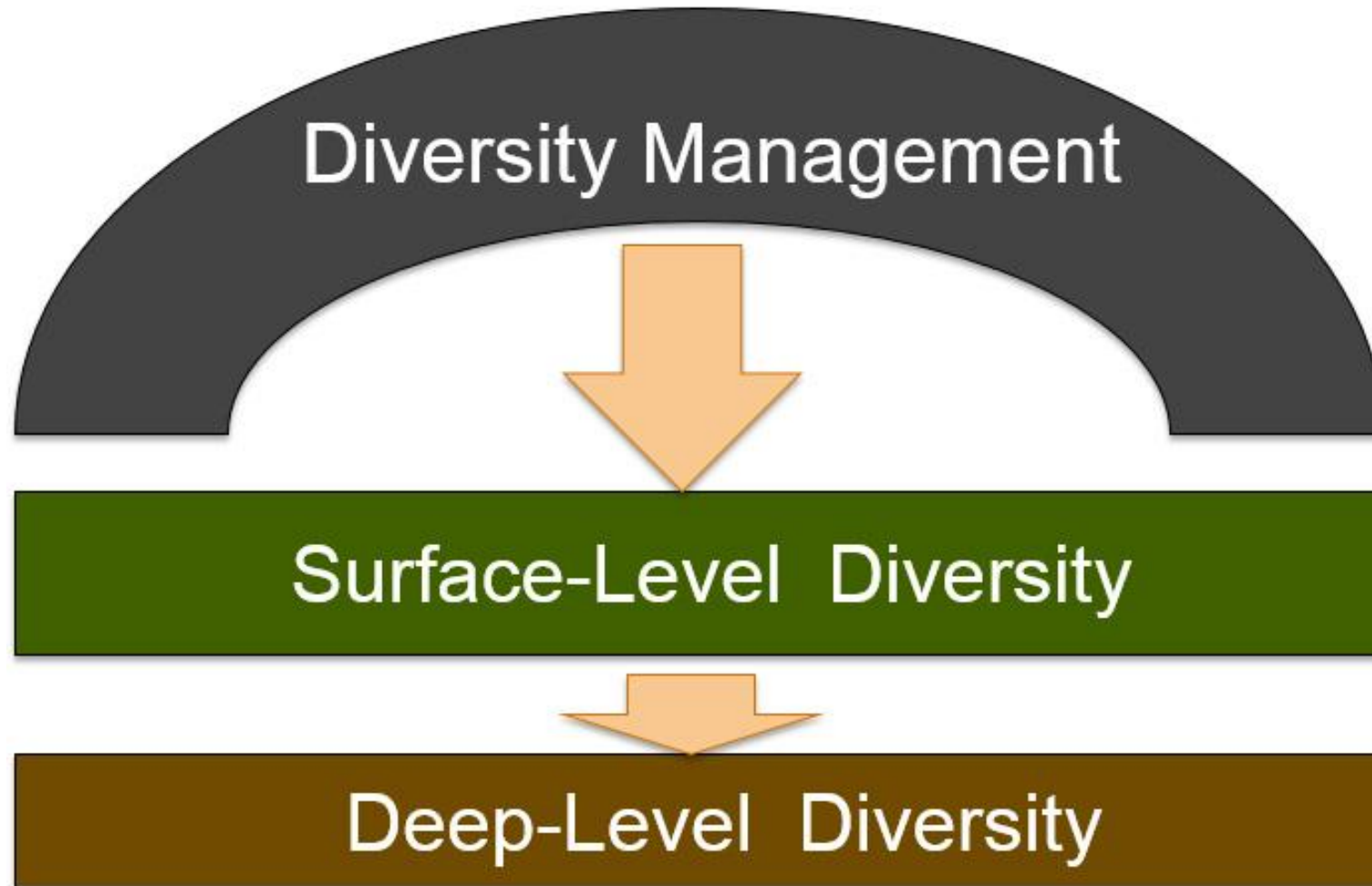
- Extraversion
- Agreeableness
- Conscientiousness
- Emotional stability
- Openness to experience

STRENGTHS AND WEAKNESS OF THE MBTI AND BIG FIVE MODEL (4 OF 7)

Exhibit 5-2 Model of How Big Five Traits Influence OB Criteria



WORKPLACE DIVERSITY



WORKPLACE DISCRIMINATION AND ORGANIZATIONAL EFFECTIVENESS (1 OF 3)

Discrimination is to note a difference between things.

Unfair discrimination assumes stereotypes about groups.

- Refusal to recognize individual differences is harmful to organizations and employees.

Stereotype threat describes the degree to which we agree internally with the generally negative stereotyped perceptions of our groups.

- Can be combatted by treating employees as individuals and not highlighting group differences.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

(1 OF 6)

Biological characteristics are personal characteristics that are objective and easily obtained from personnel records.

- Variations in these can be the basis for discrimination

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

(2 OF 6)

Age

- The U.S. workforce is aging.
- Does job performance decline with increasing age?
- Studies show that turnover and absenteeism rates are lower among older workers, and age is not associated with lower productivity.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

(3 OF 6)

Gender

- There are no consistent male-female differences in problem-solving ability, analytical skills, competitive drive, motivation, sociability, or learning drive.
- But women earn less than men for the same positions and have fewer professional opportunities.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

(4 OF 6)

Race and Ethnicity

- Laws against race and ethnic discrimination are in effect in many countries.
- But:
 - Employees tend to favor colleagues of their own race in performance evaluations, promotion decisions, and pay raises.
 - African Americans generally fare worse than Whites in employment decisions.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

(5 OF 6)

Disabilities

- The U.S. Equal Employment Opportunity Commission classifies a person as disabled who has any physical or mental impairment that substantially limits one or more major life activities.
- Workers with disabilities receive higher performance evaluations, but may have lower performance expectations.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

(6 OF 6)

Hidden Disabilities

- Sensory disabilities, chronic illness or pain, cognitive or learning impairments, sleep disorders, and psychological challenges.
- U.S. organizations must accommodate employees with a very broad range of impairments.

OTHER CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR (1 OF 2)

- **Tenure**

- Tenure is a good predictor of employee productivity.
- Tenure and job performance are positively related.

- **Religion**

- U.S. law prohibits discrimination based on religion, but it is still an issue, especially for Muslims.

OTHER CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR (2 OF 2)

- **Sexual Orientation and Gender Identity**
 - Federal law does not protect employees against discrimination based on sexual orientation, though many states and municipalities do.
 - Many Fortune 500 companies have policies covering sexual orientation and about half now have policies on gender identity.
- **Cultural Identity**
 - Need to accommodate and respect individual cultural identities.

INTELLECTUAL AND PHYSICAL ABILITIES AND OB (1 OF 5)

Ability is an individual's current capacity to perform various tasks in a job.

Two types

- Intellectual abilities
- Physical abilities

INTELLECTUAL AND PHYSICAL ABILITIES AND OB (2 OF 5)

Intellectual abilities are abilities needed to perform mental activities – thinking, reasoning, and problem solving.

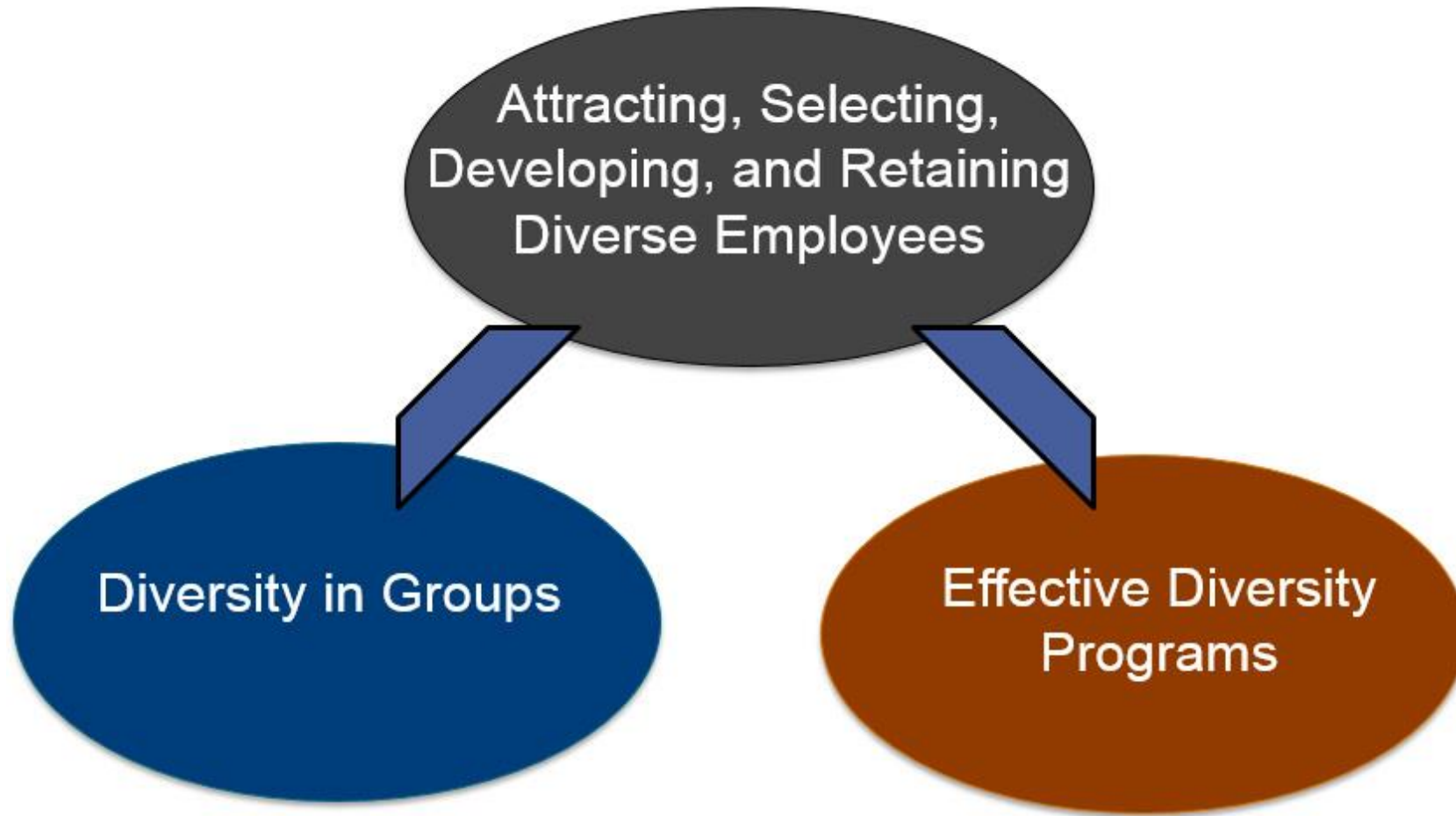
- Most societies place a high value on intelligence.
- **General mental ability** is an overall factor of intelligence as suggested by the positive correlations among specific intellectual ability dimensions.

DESCRIBE HOW ORGANIZATIONS MANAGE DIVERSITY EFFECTIVELY (1 OF 6)

Diversity management is the process and programs by which managers make everyone more aware of and sensitive to the needs and differences of others.

- Diversity is more successful when it is everyone's business, not just for certain groups of employees.

DESCRIBE HOW ORGANIZATIONS MANAGE DIVERSITY EFFECTIVELY (2 OF 6)



DESCRIBE HOW ORGANIZATIONS MANAGE DIVERSITY EFFECTIVELY (3 OF 6)

Attracting, selecting, developing, and retaining diverse employees

- Target recruiting messages to specific demographic groups.
- Some companies have been actively working toward recruiting less-hired groups.

DESCRIBE HOW ORGANIZATIONS MANAGE DIVERSITY EFFECTIVELY (4 OF 6)

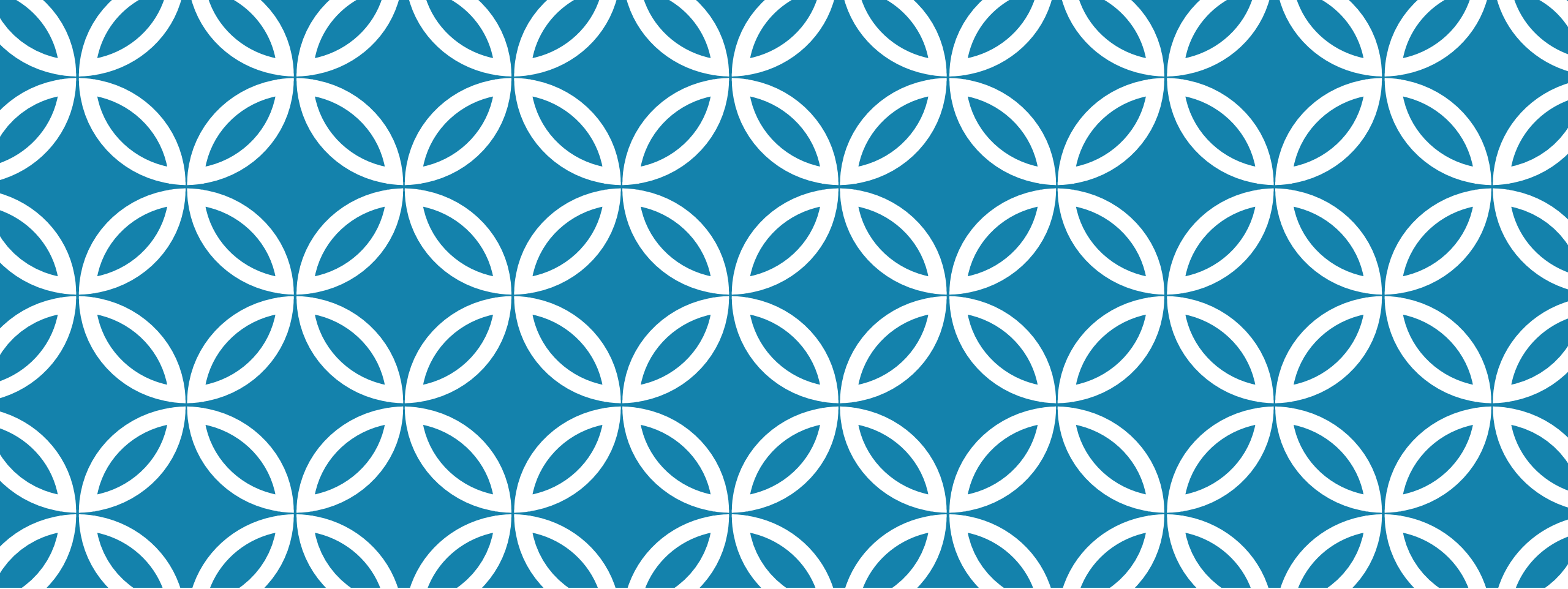
Diversity in Groups

- Most people in groups need a common way of looking at and accomplishing major tasks, and they need to communicate well with each other.
- Emphasize higher-level similarities among people.

DESCRIBE HOW ORGANIZATIONS MANAGE DIVERSITY EFFECTIVELY (5 OF 6)

Expatriate Adjustment

- Organizations should select employees for international assignments who are capable of adjusting quickly and ensure they have the support they need for their assignment.



LEADING AND MANAGING TEAMS

Dr Vibhav Singh
School of Business Management

LEADERSHIP

Leadership is the ability to influence a group toward the achievement of a vision or set of goals.

- Not all managers are leaders.

Non-sanctioned leadership is often as important or more important than formal influence.

LEADERS AND MANAGERS

Process	Management	Leadership
Vision	<ul style="list-style-type: none">● Plans and budgets● Develop processes and set timelines	<ul style="list-style-type: none">● Establish the strategic direction and refines the vision
Human Development	<ul style="list-style-type: none">● Delegate responsibility● Implement the vision● Display low emotion● Limit employee choices	<ul style="list-style-type: none">● Align the organization to vision● Communicate the vision, mission, and strategic direction● Display driven, high emotion● Increase choices
Execution	<ul style="list-style-type: none">● Control processes● Identify problems, and solutions● Monitor results● Take a low-risk approach to problem-solving	<ul style="list-style-type: none">● Motivate and inspire● Aim to satisfy basic human needs● Take high-risk approach to problem-solving
Outcome	<ul style="list-style-type: none">● Provide expected results to leadership and other stakeholders.	<ul style="list-style-type: none">● Promote useful and drastic changes

TRAIT THEORIES OF LEADERSHIP

A. Strong Leaders

1. **Trait theories of leadership** focus on personal qualities and characteristics.
2. Comprehensive reviews of the leadership literature organized around the Big Five framework has found **extraversion to be the most important trait of effective leaders**, but it is more related to the way leaders emerge than to their effectiveness.
3. Leaders who like being around people and can assert themselves (extraverted) as well as are disciplined and **able to keep commitments they make (conscientious)**, have an apparent advantage when it comes to leadership, suggesting good leaders do have key traits in common.
4. Another trait that may indicate effective leadership is **emotional intelligence (EI)**

TRAIT THEORIES OF LEADERSHIP

A. Strong Leaders

6. However, research has demonstrated that people high in EI are more likely to emerge as leaders, even after taking cognitive ability and personality into account

7. Based on the latest findings, we offer two conclusions.

a. First, we can say that **traits can predict leadership**.

b. Second, **traits do a better job predicting the emergence of leaders** than they do at distinguishing between effective and ineffective leaders.

BEHAVIORAL THEORIES OF LEADERSHIP

Behavioral theories of leadership implied we could train people to be leaders

Ohio State Studies

1. The most comprehensive theories resulted from the Ohio State Studies, which sought to identify independent dimensions of leader behavior.
2. Beginning with more than a thousand dimensions, the studies narrowed the list to two that substantially accounted for most of the leadership behavior described by employees: *initiating structure* and *consideration*
3. **Initiating structure** is the extent to which a leader defines and structures his or her role and those of the subordinates to facilitate goal attainment.
4. **Consideration** is the extent to which a leader has job relationships that are characterized by mutual trust, respect for employees' ideas, and regard for their feelings.
 - a. A leader high in consideration helps employees with personal problems, is friendly and approachable, treats all employees as equals, and expresses appreciation and support.

Consideration	High	<p>Low structure, high consideration</p> <p>Less emphasis is placed on structuring employee tasks while the leader concentrates on satisfying employee needs and wants.</p>	<p>High structure, high consideration</p> <p>The leader provides a lot of guidance about how tasks can be completed while being highly considerate of employee needs and wants.</p>
	Low	<p>Low structure, low consideration</p> <p>The leader fails to provide necessary structure and demonstrates little consideration for employee needs and wants.</p>	<p>High structure, low consideration</p> <p>Primary emphasis is placed on structuring employee tasks while the leader demonstrates little consideration for employee needs and wants.</p>
		Low	High
		Initiating Structure	

BEHAVIORAL THEORIES OF LEADERSHIP

GLOBE Study

1. Some research from the **GLOBE study** suggests there are **international differences** in preference for **initiating structure and consideration**.
 - a. Based on the values of Brazilian employees, a **U.S. manager** leading a team in Brazil would need to be **team-oriented, participative, and humane**.
 - b. Leaders **high in consideration** would succeed best in **this culture**.
 - c. A leader high in initiating structure (relatively task-oriented) will do best and can make decisions in a relatively autocratic manner

SUMMARY OF TRAIT AND BEHAVIOUR THEORIES

Summary of Trait Theories and Behavioral Theories

- Leaders who have certain traits and who display culturally appropriate consideration and structuring behaviors do appear to be more effective.
- Traits and behaviors do not guarantee success.

- **Autocratic (Authoritarian)**
- **Bureaucratic**
- **Democratic**
- **Coercive**
- **Transactional**
- **Transformational**
- **Laissez-Faire**

GROUP DYNAMICS

A **group** is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

Groups can be either formal or informal.

- **Formal groups:** those defined by the organization's structure.
- **Informal groups:** alliances that are neither formally structured nor organizationally determined.

Five stage model of group formation

Stage I Forming

Members
get to know
each other &
set ground
rules



Stage II Storming

Members
come to
Resist
Control by
group
Leaders &
Show
hostility



Stage III Norming

Members
Work
Together
developing
Close
Relationships
& feelings of
Cohesiveness



Stage IV Performing

Group
members
work
towards
Getting
their jobs
done



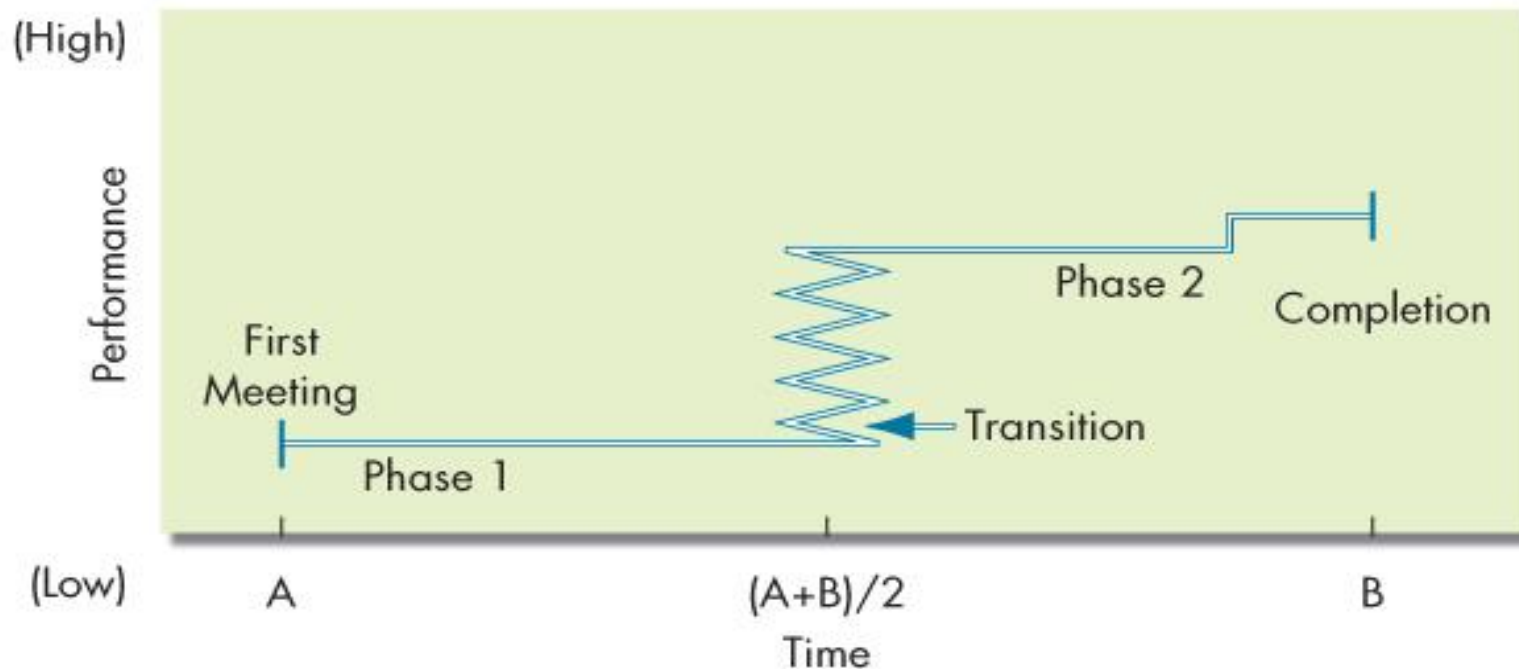
Stage V Adjourning

Group
may
disband
either
after
meeting
their goals
or because
members
Leave



ALTERNATE MODEL FOR TEMPORARY GROUPS

Exhibit 9-1 The Punctuated-Equilibrium Model



Sequence of actions:

1. Setting group direction
2. First phase of inertia
3. Half-way point transition
4. Major changes
5. Second phase of inertia
6. Accelerated activity

GROUP PROPERTIES

Roles

Norms

Status

Cohesiveness

Diversity

ROLE

Role: a set of expected behavior patterns attributed to someone occupying a given position in a social unit.

- **Role perception:** one's perception of how to act in a given situation.
- **Role expectations:** how others believe one should act in a given situation.
- **Psychological contract**

Role conflict: situation in which an individual faces divergent role expectations.

- We can experience **inter-role conflict** when the expectations of our different, separate groups are in opposition.

NORMS

Norms:

- Acceptable standards of behavior within a group that are shared by the group's members.

Norms and Emotions

- Norms dictated the experience of emotions for the individuals and for the groups – in other words, people grew to interpret their shared emotions in the same way.

Positive Norms and Group Outcomes

- If employees aligned their thinking with positive norms, these norms would become stronger and the probability of positive impact would grow exponentially.
- Positive group norms may well beget positive outcomes, but only if other factors are present.

Norms and Culture

- Do people in collectivist cultures have different norms than people in individualist cultures? Of course they do.
- But did you know that our orientation may be changed, even after years of living in one society.

STATUS AND SIZE

Status: a socially defined position or rank given to groups or group members by others.

- **Status characteristics theory:** status is derived from one of three sources:
 - The power a person wields over others.
 - A person's ability to contribute to a group's goals.
 - An individual's personal characteristics.

Status and Norms: high status individuals often have more freedom to deviate from norms.

Status and Group Interaction: high status people are often more assertive.

Status Inequity: perceived inequity creates disequilibrium and can lead to resentment and corrective behavior.

Status and Stigmatization: stigma by association.

Group Status: “us and them” mentality and ensuing polarization.

STATUS AND SIZE

Group size affects the group's overall behavior.

- Large groups are good for gaining diverse input.
- Smaller groups are better doing something with input.

Social loafing: the tendency for individuals to expend less effort when working collectively than alone.

COHESIVENESS AND DIVERSITY

Degree to which group members are attracted to each other and are motivated to stay in group.

Increasing group cohesiveness:

1. Make the group smaller.
2. Encourage agreement with group goals.
3. Increase time members spend together.
4. Increase group status and admission difficulty.
5. Stimulate competition with other groups.
6. Give rewards to the group, not individuals.
7. Physically isolate the group.

COHESIVENESS AND DIVERSITY

Diversity: degree to which members of the group are similar to, or different from, one another.

- Increases group conflict, especially in the short term.

Culturally and demographically diverse groups may perform better over time.

- May help them be more open-minded and creative.

GROUP DECISION MAKING

Strengths of group decision making:

- More **complete information** and knowledge
- Increased **diversity** of views
- Increased **acceptance** of solutions

Weaknesses of group decision making:

- **Time** consuming
- **Conformity** pressures
- **Dominance** of a few members
- Ambiguous responsibility

Effectiveness and efficiency of group decisions:

Accuracy

Speed

Creativity

Acceptance

EXPLAIN HOW ORGANIZATIONS CAN CREATE TEAM PLAYERS

Creating Team Players

- **Selecting:** hire team players
- **Training:** create team players
- **Rewarding:** incentives to be a good team player

When not to use teams...

Ask:

- Can the work be done better by one person?
- Does the work create a common goal or purpose?
- Are the members of the group interdependent?

Sub- Human Resource Management

Class – B.Tech

Sem – VII

By-
Prof. Priti Yamdagni

E.W Vetter viewed human resources planning as —a process by which an organization should move from its current manpower position to its desired manpower position. Through planning management strives to have the right number and right kind of people at the right places at the right time, doing things which result in both the organization and the individual receiving maximum long-run benefit.

According to Leon C Megginson human resources planning is an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual needs and goals of organizational members.

Objectives of Human resource planning

- 1) Forecast personnel requirement
- 2) To ensure optimum utilization of resource
- 3) Use of existing manpower productively
- 4) Cope with changes(training about technological changes)
- 5) To provide control measures(ensure resource availability when required)
- 6) Promote employees in systematic manner(promotions, pay scale)
- 7) To provide a basis for Management Development Programmes.
- 8) To assist productivity bargaining(good deal)
- 9) To assess the cost of man power



Case Study

How FCO Meet Business Needs through Workforce Planning

The staffing needs of an organization change constantly. Without proper planning, an organization may suffer from skills shortages. It may be unable to provide a good service because it does not have sufficient staff with the right experience.

Workforce planning involves estimating the present and future staffing requirements of the organization. It needs to take into account that:

existing employees may retire, resign or get promoted

new technology may change working methods and require different skill sets

More staff (or staff with different skills) may be needed to fulfill new business or operational requirements.

The process helps the FCO to identify what skills it needs to deliver its strategic objectives. It helps it assess the skills available within the existing workforce and see where there might be gaps in the future. Workforce planning involves thinking ahead to fit individuals with the right skills into different parts of the organization.

The FCO has to undertake this planning in the context of the current political and economic environment. Workforce planning can be a challenge. As an organization with operations in countries across the world, the FCO has to ensure balanced workloads for employees both within the UK and overseas. It faces the challenge of rotating staff between different overseas postings.

What is HR Demand Forecasting?

HR Demand forecasting must consider several factors-both external as well as internal. Among the external factors are competition (foreign and domestic), economic climate, laws and regulatory bodies, changes in technology, and social factors. Internal factors include budget constraints, production levels, new products and services, organisational structure, and employee separations. Demand forecasting is common among organisations, though they may not do personnel-supply forecasting.

Reasons to Conduct Demand Forecasting

There are several good reasons to conduct demand forecasting. It can help:

- (i) quantify the jobs necessary for producing a given number of goods, or offering a given amount of services
- (ii) determine what staff-mix is desirable in the future
- (iii) assess appropriate staffing levels in different parts of the organization so as to avoid unnecessary costs
- (iv) prevent shortages of people where and when they are needed most; and
- (v) monitor compliance with legal requirements with regard to reservation of jobs.

HR Forecasting Techniques

HR Forecasting techniques vary from simple to sophisticated ones. Before describing each technique, it may be stated that organizations generally follow more than one technique. The techniques are:

- 1. Ratio-trend analysis**
- 2. Regression analysis**
- 3. Work-study techniques**
- 4. Delphi technique**
- 5. Flow models**
- 6. Other forecasting techniques**

1. Ratio-trend Analysis

This is the quickest HR forecasting technique. The technique involves studying past ratios, say, between the number of workers and sales in an organization and forecasting future ratios, making some allowance or changes in the organization or its methods.

2. Regression Analysis

This is similar to the ratio-trend analysis in that forecast is based on the relationship between sales volume and employee size. However, regression analysis is more statistically sophisticated. A firm first draws a diagram depicting the relationship between sales and workforce size.

It then calculates a regression line – a line that cuts right through the center of the points on the diagram. By observing the regression line, one can find out the number of employees required at each volume of sales.

3. Work-study Techniques

Work-study techniques can be used when it is possible to apply work measurement to calculate the length of operations and the amount of labor required.

The starting point in a manufacturing company is the production budget, prepared in terms of volumes of saleable products for the company as a whole, or volumes of output for individual departments.

The budgets of productive hours are then compiled using standard hours for direct labor. The standard hours per unit of output are then multiplied by the planned volume of units to be produced to give the total number of planned hours for the period. This is then divided by the number of actual working hours for an individual operator to show the number of operators required.

4. Delphi Techniques

Delphi Technique Named after the ancient Greek Oracle at the city of Delphi, the Delphi technique is a method of forecasting personnel needs. It solicits estimates of personnel needs from a group of experts, usually managers. The human resource planning (HRP) experts act as intermediaries, summarize the various responses and report the findings back to the experts.



The experts are surveyed again after they receive this feedback. Summaries and surveys are repeated until the experts' opinions begin to agree. The agreement reached is the forecast of the personnel needs. The distinguishing feature of the Delphi technique is the absence of interaction among experts.

5. Flow Models

Flow models are very frequently associated with forecasting personnel needs. The simplest one is called the Markov model. In this technique, the forecasters will:

1. Determine the time that should be covered. Shorter lengths of time are generally more accurate than longer ones. However, the time horizon depends on the length of the HR plan which, in turn, is determined by the strategic plan of the organization.

2. Establish categories, also called states, to which employees can be assigned. These categories must not overlap and must take into account every possible category to which an individual can be assigned. The number of states can neither be too large nor too small.

3. Count annual movements (also called 'flows') among states for several time periods. These states are defined as absorbing (gains or losses to the company) or non-absorbing (change in position levels or employment status). Losses include death or disability, absences, resignations, and retirements. Gains include hiring, rehiring, transfer, and movement by position level.

4. Estimate the probability of transitions from one state to another based on past trends. Demand is a function of replacing those who make a transition.

There are alternatives to the simple Markov model. One, called the semi-Markov, takes into account not just the category but also the tenure of individuals in each category. After all, the likelihood of movement increases with tenure.

Another method is called the vacancy model, which predicts probabilities of movement and the number of vacancies. While the semi-Markov model helps estimate movement among those whose situations and tenure are similar, the vacancy model produces the best results for an organization.

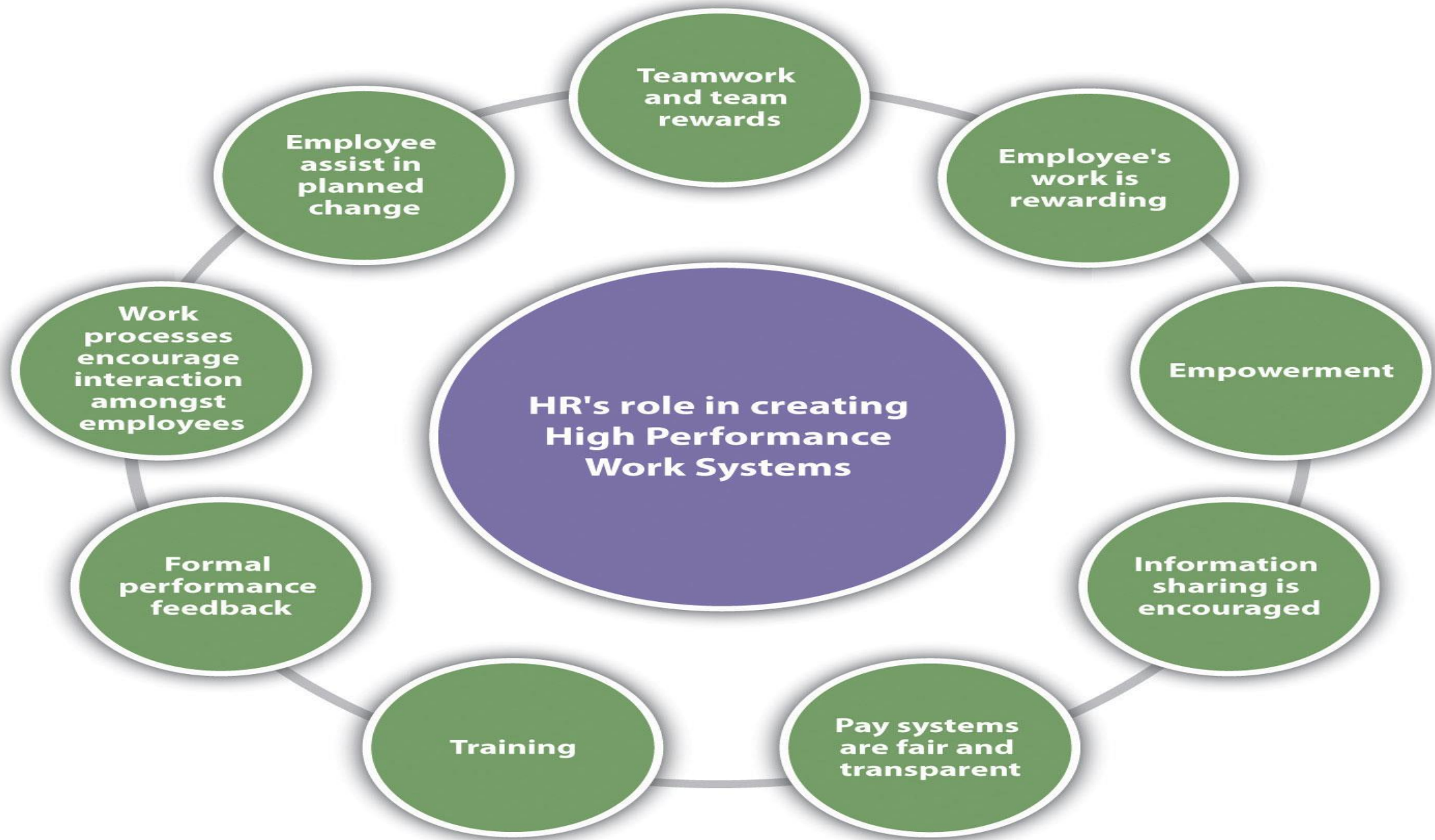
Markov analysis is advantageous because it makes sense to decision-makers.

They can easily understand its underlying assumptions.

They are, therefore, likely to accept results. The disadvantages include: (i) heavy reliance on past-oriented data, which may not be accurate in periods of turbulent change, and (ii) accuracy in forecasts about individuals is sacrificed to achieve accuracy across groups.

6 Other Forecasting Techniques

New venture analysis will be useful when new ventures contemplate employment planning. This technique requires planners to estimate HR needs in line with companies that perform similar operations. For example, a petroleum company that plans to open a coal mine can estimate its future employment needs by determining the employment levels of other coal mines.



The HR plan contains the following activities:

- (i) Recruitment,**
- (ii) Training and Re-training,**
- (iii) Productivity,**
- (iv) Redeployment, and**
- (v) Retention.**

Redeployment takes the form of transfers. In case of estimation of surplus and not deficit for the entire organisation, then trade unions have to be consulted before going for retrenchment and redundancy. Redundancy plan includes provision for compensation, help in getting new jobs, and priority in filling future vacancies for retrenched employees.

Measures for Redeployment, Redundancy / Retrenchment:

(1) Outplacement:

Under this measure career guidance and retraining is provided to the prospective displaced employees so that they can be redeployed elsewhere in the organisation.

(2) Lay Offs:

Layoffs are because of recession in business, power failure, major breakdown etc. of temporary nature. Employees are called back when normal position is restored. Permanent layoff is because of liquidation of the company. The employees can be-absorbed elsewhere in the enterprise where vacancies exist as a result of retirement or death.

(3) leave of Absence without pay:

This is the method employed by the company to reduce the cost of labour and enable employee to pursue his self interest. It also helps the company to eliminate unnecessary jobs. This method helps employees to be aware of future changes.

(4) Work Sharing:

Under this method employees are given the opportunity to share jobs i.e. two employees working half time each. This is a temporary way to solve retrenchment problem.

(5) Reduced work Hours:

Under this method each employee work for less hours, receives less pay.

(6) Voluntary Retirement:

To get rid of overstaffing problems, the government of India has introduced a novel scheme known as Voluntary Retirement Scheme under the caption 'Golden Handshake' for its employees.

(7) Attrition:

Under this method the employees who are leaving the jobs at their own create vacancies. The vacancies are not filled, rather freeze and a ban on employment is imposed.

Retention Plan:

When organisations faced the shortage of some categories of employees they adhere to retention of the existing employees.

Retention plan covers the following:

- (1) Bringing the salary to the same level as exist in comparable enterprises preventing the employees to quit the organisation for better prospect in other organisations.
- (2) Opportunities for career development is provided to the employees through training and development, by giving challenging assignment etc.

- (3) More fringe benefits are offered.**
- (4) Better working conditions are provided.**
- (5) Extensive participation of employees in decision making is encouraged.**
- (6) Higher level jobs are offered to the existing employees deserving qualifications, skills and potentialities.**
- (7) Effective method for grievance redressal and conflict resolution is adopted.**
- (8) Better facilities for interpersonal relations are created.**

Strategic human resource management (SHRM)

is the process involved in aligning human capital with the long-term goals of an organization.

Its main aim is to improve the performance of an organization.

SHRM is involved in processes that are future-oriented in the development and implementation of human resource programs involved in solving problems in business.

SHRM is founded on three major pillars, which include:

Human Capital - SHRM recognizes that human capital is not just a resource but an organization's assets that provide a competitive edge.

Planning - With proper planning, changes are achievable so long as they align with the needs and objectives of the organization

Business competition - The main aim of SHRM is to focus on ways that a firm can take an edge over its business competitors.

SHRM involves organizational goals in alignment with the available human capital. Fostering innovation, improving overall performance, and improving human fulfillment are the main goals of SHRM.

Purposeful hiring and effective communication are examples of SHRM. They both steer the organization towards its long-term goal. Effective communication fosters transparency and creates an open forum discussion where various concerns are addressed.

SHRM is used to create a framework that links the management of people and the development of practices that align with the long-term goals.

SHRM differs from HRM in the sense that it is involved in framing human resource strategies so that they direct the efforts of the employees to align with the organizational goal. SHRM is practiced by HR departments when they work with other departments within an organization to help understand the goals of each department and develop strategies that align with the organizational goals. It takes each department to work together to reach the goals of an organization. In this sense, SHRM is a partner in organizational success.

What is workforce diversity?

Before you can start managing diversity in the workplace, you have to know what it is. And the definition may surprise you.

Diversity is anything that makes people different from one another. I'm sure you know you shouldn't discriminate based on race, gender, national origin or disability. But there's more.

Religion, age, sexual orientation, citizenship, political affiliation or opinions, military service, mental and physical conditions, personality, education, favorite sports team – all of these fall under the umbrella of diversity, which, if not managed correctly, can open the door to charges of discrimination or employee relations matters.

What are the benefits of diversity in the workplace for employees?

- Conflict reduction**

Within a diverse workplace, employees can better understand each other's differences.

This will often help to reduce conflicts between even the most different team members; and will often unite people with a common purpose rather than divide them.

- Increased confidence**

When employees' recognise that differences are embraced and celebrated in an organisation, they are likely to also be more confident in their own unique qualities.

Encouraging diversity can help to boost confidence and performance from individual team members, who may be more easily able to express their ideas, become closer to their colleagues and enjoy and take pride in their work.

- Boosting employee engagement
Employees are far more likely to perform well in an environment where diversity and inclusion are top priority.

What are the benefits of diversity in the workplace for employers?

- Increased range of ideas.

One of the key benefits of diversity in society is the vast range of ideas that can be explored.

Diversity in the workplace will often result in a much broader spectrum of creativity, from people with different backgrounds, skills and experiences.

A wider range of different perspectives will be highly beneficial across all teams; from marketing to finance.

- Increased employee engagement

Generally speaking, employees who feel included and wanted will be more engaged and motivated to do well. In turn, a more engaged team will often yield better team performance; making it a win-win for employers.

- Boosts company reputation & simplifies recruitment processes

Diversity in the workplace will help to build a great reputation for the company; especially important when you are looking to hire and retain talent.

Especially in terms of graduate recruitment, D&I can play a huge role in attracting candidates to your business; if done well, it can also help you stand out from the bigger firms.

- Wider talent pool to choose from

Companies that only hire men, for example, are limiting themselves to the skills of half the population, this is just one of the many benefits of gender diversity in the workplace.

- Helps you to understand your customers better

Having a more diverse team will help your company gain a broader understanding of your customers, what they want and what they look for.

Who knows? Your company could be missing out on a huge group of potential customers that could be explored by hiring more diversely.

- Reduce employee turnover

Companies with a diverse workforce will tend to retain employees for longer, because ultimately employees who feel accepted and valued will be much less likely to leave.

Likewise, companies who clearly value career development, and really care about their employees, will tend to have a much higher retention rate than those who don't.

- Marriott International
Industry: Hospitality

In a close second place on DiversityInc's Top 50 Companies, Marriott recently launched their Serve 360 plan, whereby they invested \$5m in order for women, people with disabilities, veterans, refugees and more to learn hospitality skills.

Not every company will be able to afford \$5m; but it does point to the value of investing in professional development.

- Accenture PLC

Industry: Professional Services

Accenture is often ranked within the top companies for diversity (Thompson Reuters' 2018 Diversity and Inclusion Index ranked Accenture as it's no.1 most diverse company), and though this is largely due to gender representation within their workforce, they have also been applauded for encouraging the inclusion of many different groups.

Diversity training within the company is broken into three different categories; 1) Diversity Awareness, to help people understand the benefits of working with a diverse organisation,

2) Diversity Management, to help team leaders to successful manage diverse teams and

3) Professional Development, to enable minority groups to develop valuable new skills.

Challenges of diversity in the workplace

Communication barriers

Hiring employees from a range of cultures and backgrounds has fantastic benefits for businesses; but can occasionally result in communication or language barriers within a team.

This can sometimes lead to frustration amongst employees and productivity loss. Embracing Business Diversity: Is Technology the Answer?

Employee requirements

Whether it's a VISA or specific cultural requirements, hiring employees from different countries can be tricky; especially if you are a relatively young company.

As well as posing a logistical challenge, it's important to remember that these accommodations can also sometimes be an added business cost to factor into your hiring plans.

Gender equality issues

Salary inequality between men and women has been a huge topic of discussion in recent years. Individuals that are treated unequally can become demotivated and often choose to leave, causing increases in staff turnover.

Generational differences

In teams where there is a wide age range, especially if the company is recruiting graduates, there may be some generational differences or generation gaps.

This could potentially hinder discussions on certain subjects; millennials account for the majority of UK workers, which is evolving today's corporate culture.

Conflicting beliefs

Conflicts can arise in the workplace due to differences in religious, political or cultural beliefs, and unfortunately discrimination and prejudice still occurs in some corporate environments.

Disability discrimination

The workplace can be tough for employees with a physical or mental disability.

In a recent study on disability and employment 12% of employers are concerned that disabled employees will take more time off work and 19% believe that it is expensive to hire individuals with a disability due to costs involved in adapting the workplace.

Isolated individuals

Sometimes employees can feel left out or isolated when groups of other individuals with similar backgrounds and characteristics, form 'cliques' or social circles.