

HUMAN RESOURCE MANAGEMENT

SEMESTER – V

18BTM54C

Objectives:

To learn the various managerial skills necessary for the success of tourism industry.

To enable the students to understand the procedures and practice applied for the manpower training and placement

UNIT I

1. HRM-Introduction Meaning and Definition
2. Evolution of HR Practices
3. Functions of HRM
4. Organizational structure of HR Department

UNIT II

1. Human Resource Planning-Meaning and Definition
2. Job Analysis, Job Evaluation
3. Recruitment and Selection
4. Induction

UNIT III

1. Human Resource Development -Meaning and Definition
2. Training & Development
3. Promotion Transfers
4. Employee Retention

UNIT IV

1. Compensation
2. Rewards and incentives
3. Performance Appraisal. Potential Appraisal

4. Employee Attrition

UNIT V

1. Role of HR Managers
2. Employee Morale
3. Quality of Work Life (QWL)
4. Latest trends in HRM

Books Recommended for Reference:

1. John Bratton (2017) Human Resource Management Theory and Practice, Palgrave.
2. K. Aswathappa (2010), Human Resource Management: Texts and Cases, McGraw Hill, Sixth Edition, New Delhi.
3. Gary Dessler (2011), A Framework for Human Resource Management, Pearson, Noida
4. David B. Balkin & Robert L. Candy (2014), Managing Human Resources, PHI, New Delhi

UNIT III

HUMAN RESOURCE DEVELOPMENT - MEANING AND DEFINITION

Human Resource Development is the part of human resource management that specifically deals with training and development of the employees in the organization.

Human resource development includes training a person after he or she is first hired, providing opportunities to learn new skills, distributing resources that are beneficial for the employee's tasks, and any other developmental activities.

Meaning

Development of human resources is essential for any organisation that would like to be dynamic and growth-oriented. Unlike other resources, human resources have rather unlimited potential capabilities. The potential can be used only by creating a climate that can continuously identify, bring to surface, nurture and use the capabilities of people. Human Resource Development (HRD) system aims at creating such a climate. A number of HRD techniques have been developed in recent years to perform the above task based on certain principles. This unit provides an understanding of the concept of HRD system, related mechanisms and the changing boundaries of HRD.

Definitions of HRD

HRD (Human Resources Development) has been defined by various scholars in various ways.

Some of the important definitions of HRD (Human Resources Development) are as follows:

- According to **Leonard Nadler**, "Human resource development is a series of organised activities, conducted within a specialised time and designed to produce behavioural changes."

THE CONCEPT OF HUMAN RESOURCE DEVELOPMENT

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

1. Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles;

2. Develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organisational development purposes; and
3. Develop an organisational culture in which supervisor-subordinate relationships, teamwork and collaboration among sub-units are strong and contribute to the professional well being, motivation and pride of employees.

This definition of HRD is limited to the organisational context. In the context of a state or nation it would differ.

HRD is a process, not merely a set of mechanisms and techniques. The mechanisms and techniques such as performance appraisal, counselling, training, and organization development interventions are used to initiate, facilitate, and promote this process in a continuous way.

Because the process has no limit, the mechanisms may need to be examined periodically to see whether they are promoting or hindering the process. Organisations can facilitate this process of development by planning for it, by allocating organisational resources for the purpose, and by exemplifying an HRD philosophy that values human beings and promotes their development.

TRAINING & DEVELOPMENT

Introduction

Training is an organised activity for increasing the knowledge and skills of people for a definite purpose. It involves systematic procedures for transferring technical know-how to the employees so as to increase their knowledge and skills for doing specific jobs with proficiency. In other words, the trainees acquire technical knowledge, skills and problem solving ability by undergoing the training programme. According to Edwin B. Flippo, "Training is the act of increasing the knowledge and skills of an employee for doing a particular job".

Objectives of Training

- (i) To impart to new entrants the basic knowledge and skill they need for an intelligent performance of definite tasks;
- (ii) To assist employees to function more effectively in their present positions by exposing them to the latest concepts, information and techniques and developing the skills, they will need in their particular fields;

(iii) To build up a second line of competent officers and prepare them to occupy more responsible positions;

(iv) To broaden the minds of senior managers by providing them with opportunities for an interchange of experiences within and outside with a view to correcting the narrowness of the outlook that may arise from over-specialisation;

(v) To impart customer education for the purpose of meeting the training needs of Corporations which deal mainly with the public. In a nutshell, the objectives of training are —to Bridge the gap between existing performance ability and desired performance.

Need and Importance of Training

1. **Increasing Productivity:** Instruction can help employees increase their level of performance on their present job assignment. Increased human performance often directly leads to increased operational productivity and increased company profit.

2. **Improving Quality:** Better informed workers are less likely to make operational mistakes. Quality increases may be in relationship to a company product or service, or in reference to the intangible organisational employment atmosphere.

3. **Helping a Company Fulfil its Future Personnel Needs:** Organisations that have a good internal educational programme will have to make less drastic manpower changes and adjustments in the event of sudden personnel alternations. When the need arises, organisational vacancies can more easily be staffed from internal sources if a company initiates and maintains an adequate instructional programme for both its non-supervisory and managerial employees.

4. **Improving Organisational Climate:** An endless chain of positive reactions results from a well-planned training programme. Production and product quality may improve; financial incentives may then be increased, internal promotions become stressed, less supervisory pressures ensue and base pay rate increases result.

5. **Improving Health and Safety:** Proper training can help prevent industrial accidents. A safer work environment leads, to more stable mental attitudes on the part of employees.

6. **Obsolescence Prevention:** Training and development programmes foster the initiative and creativity of employees and help to prevent manpower obsolescence, which may be due to age, temperament or motivation, or the inability of a person to adapt himself to technological changes.

7. **Personal Growth:** Employees on a personal basis gain individually from their exposure to educational experiences. Again, Management development programmes seem to give participants

a wider awareness, an enlarged skin, an enlightened altruistic philosophy, and make enhanced personal growth possible.

METHODS OF TRAINING The following methods are generally used to provide training :

On-the-Job Training Methods: This type of training is imparted on the job and at the work place where the employee is expected to perform his duties.

1. On Specific Job: On the job training methods is used to provide training for a specific job such as electrical, motor mechanic, plumbing etc.

(a) Experience : This is the oldest method of on-the-job training. Learning by experience cannot and should not be eliminated as a method of development, though as a sole approach; it is a wasteful, time consuming and inefficient.

(b) Coaching: On-the-Job coaching by the superior is an important and potentially effective approach is superior. The technique involves direct personnel instruction and guidance, usually with extensive demonstration.

2. Job Rotation: The major objective of job rotation training is the broadening of the background of trainee in the organisation. If trainee is rotated periodically from one job to another job, he acquires a general background.

3. Special Projects: This is a very flexible training device. The trainee may be asked to perform special assignment; thereby he learns the work procedure.

4. Apprenticeship: Under this method, the trainee is placed under a qualified supervisor or instructor for a long period of time depending upon the job and skill required. Wages paid to the trainee are much less than those paid to qualified workers.

5. Vestibule Training: Under this method, actual work conditions are created in a class room or a workshop. The machines, materials and tools under this method is same as those used in actual performance in the factory.

6. Multiple Management: Multiple management emphasizes the use of committees to increase the flow of ideas from less experience managers and to train them for positions of greater responsibility.

Off-the-job Training Methods:

Following are the off the job training techniques:

1. Special Courses and Lectures: Lecturing is the most traditional form of formal training method. Special courses and lectures can be established by business organizations in numerous ways as a part of their development programmes.

2. Conferences: This is also an old method, but still a favorite training method. In order to escape the limitations of straight lecturing many organizations have adopted guided, discussion type of conferences in their training programmes. In this method, the participant's pools, their ideas and experience in attempting to arrive at improved methods of dealing with the problems, which are common subject of discussion;

3. Case Studies: This technique, which has been developed, popularized by the Harvard Business School, U.S.A is one of the most common forms of training. A case is a written account of a trained reporter or analyst seeking to describe an actual situation.

4. Brainstorming : This is the method of stimulating trainees to creative thinking. This approach developed by Alex Osborn seeks to reduce inhibiting forces by providing for a maximum of group participation and a minimum of criticism. A problem is posed and ideas are invited. Quantity rather than quality is the primary objective. Ideas are encouraged and criticism of any idea is discouraged. Chain reactions from idea to idea often develop. Later these ideas are critically examined. There is no trainer in brainstorming and it has been found that the introduction of known reports into it will reduce the originality and practicability of the group contribution.

5. Laboratory Training: Laboratory training adds to conventional training by providing situations in which the trainees themselves experience through their own interaction some of the conditions they are talking about. In this way, they more or less experiment on themselves. Laboratory training is more concerned about changing individual behaviour and attitude. There are two methods of laboratory training: simulation and sensitivity training.

(a) Simulation: An increasingly popular technique of management development is simulation of performance. In this method, instead of taking participants into the field, the field can be simulated in the training session itself. Simulation is the presentation of real situation of organisation in the training session. There are two common simulation methods of training. They are role-playing and business game.

(i) Role-playing: Role-playing is a laboratory method, which can be used rather easily as a supplement of conventional training methods. Its purpose is to increase the trainee's skill in dealing with other people. One of its greatest uses, in connection with human relations training, but it is

also used in sales training as well. It is spontaneous acting of a realistic situation involving two or more persons, under classroom situations. Dialogue spontaneously grows out of the situation, as the trainees assigned to it develop it.

(ii) Gaming: Gaming has been devised to simulate the problems of running a company or even a particular department. It has been used for a variety of training objectives from investment strategy, collective bargaining techniques to the morale of clerical personnel. It has been used at all the levels, from the executives for the production supervisors. Gaming is a laboratory method in which role-playing exists but its difference is that it focuses attention on administrative problems, while role-playing tend to emphasis mostly feeling and tone between people in interaction.

(b) Sensitivity Training: Sensitivity training is the most controversial laboratory training method. Many of its advocates have an almost religious zeal in their enhancement with the training group experience. Some of its critics match this favour in their attacks on the technique. As a result of criticism and experience, a revised approach, often described as “team development” training has appeared

PROMOTION

Promotions refer to shifting of persons to positions carrying better prestige, higher responsibilities and more salaries. The higher positions falling vacant may be filled up from within the organisation. A promotion does not increase the number of persons in the organisation. A person going to get a higher position will vacate his present position. Promotion avenues motivate employees to improve their performance so that they get promotions to higher positions.

Promotion is the advancement of an employee from one job level to a higher one, with increase in salary. It should also usually result in changes in duties and higher level/degree of responsibility, status and value. Sometimes the job itself may be upgraded (e.g., steno to secretary) to a higher level of skill, responsibilities and pay. When as a result of promotion there is no increase in the employee’s pay it is called a ‘dry’ promotion. A dry promotion is usually made decorative by giving a new and longer title to the employee. Employers generally get rid of their incompetent employees by giving them such decorative promotions.

In many companies, only vertical promotions are made under which the employees are promoted from one rank to the next higher rank in the same department. A vertical promotion scheme has two disadvantages: first, it limits the experience of an employee; second, it deprives him of the opportunity to secure promotion in other departments at the right time. As such, horizontal

promotions are also allowed in some companies under which employees may be promoted to higher ranks in other departments as well.

- It is considered good personnel policy to fill vacancies in a higher job through promotion from within. Such promotions provide an inducement and motivation to the employees, removes feeling of stagnation and frustration and inculcates a sense of growing up with the organization reinforcing common goals between the individual and the organization. The criteria for promotion decisions may include the following, though the crux of the issue centres around the dilemma over seniority versus merit:
- Performance-length of service (seniority) or merit and ability
- Educational/technical qualification
- Assessment of potential
- Career and succession plan
- Organization chart based vacancies
- Motivational strategies-job enlargement
- Spacing of the promotion and career span of the individual

The promotion policy should seek to optimize the interests of the organizations as well as the needs and aspirations of the individual employees. A good promotion policy may include the following:

- Encouragement of promotion within the organization, instead of looking outside to fill vacancies in higher posts;
- An understanding that ability as well as seniority will be taken into account in making promotions;
- Drawing up an organization chart to make clear to all the ladder of promotion. Where there is a job analysis and a planned wage policy, such a chart is quite easy to prepare;

TRANSFERS

Transfer involves shifting of persons from present jobs to other similar places. These do not involve any change in rank, responsibility and prestige. The number of persons does not increase with transfers but vacant posts may be attended to.

A transfer is a lateral movement within the same grade, from one job to another. A transfer may result in changes in duties and responsibilities, supervisory and working conditions, but not necessarily salary. Transfers may be either company-initiated or employee-initiated. A company may initiate a transfer to place employees in positions where they are likely to be more effective or where they are likely to get greater satisfaction or where they are better able to meet the work schedules of the organization. Similarly, employees may initiate transfers for several reasons. They may want a change of bosses or of locations. They may try to obtain more allowances or better working conditions which are attached to a new position. They may want to join their friends and relatives or they may try to avoid interpersonal conflicts with their present colleagues. Transfers may be made for reasons such as:

- Correcting misplacement
- Filling vacancies internally
- Meeting skill shortages/job redundancies
- Dealing with problem employees
- Facilitating superior-peer adjustment
- Providing a chance for wider experience
- Job rotation as part of career development
- Accommodating personal needs and convenience of the individual
- Reward or punishment $\frac{3}{4}$ Change working conditions (e.g. manual to mechanical operations) $\frac{3}{4}$ Humanitarian/compassionate ground (transfer to one's native place to enable the person to look after the sick or old parents).

Transfers could be temporary and adhoc when they are made to meet emergencies. They may be regular and planned as part of training development, career and succession planning activities. Transfer decisions may be perceived as negative or positive depending upon an individual's personal preferences, needs and aspirations. An organization may consider transfer from a regional office to the head office as a reward since it enables the person to broaden his knowledge and experience; but the individual concerned may feel otherwise if it means breaking his ties with the people and community.

Whether transfers are planned or adhoc, employees and their families face certain practical difficulties particularly when a transfer means change in location:

- Timing of the transfer

- Housing/accommodation
- School/college admission of children
- Working spouse/dependent family
- Relocation/hardship expenses.

Types of Transfers:

When the transfers are considered from the standpoint of their purpose, five types may be distinguished:

(i) Production transfers:

These are transfers from one department of an organization in which labour requirements are declining to another department of the, same organization in which they are increasing. Such transfers are done to avoid layoff of efficient and trained employees by providing them with alternative positions in the same organization.

(ii) Replacement transfers:

These are transfers of long-service employees to similar jobs in other departments where they replace employees with shorter service. The object of these transfers is also to retain the efficient and trained employees as long as possible but in this process some short-service employees may be relieved from the organization.

(iii) Versatility transfers:

These are transfers (better called 'rotation') of workers from one job to another to make them versatile. Besides resulting in greater satisfaction to the workers through job enrichment and enlargement, such transfers also help management in creating a workforce of all-rounder who can be conveniently shifted to other jobs at the time of necessity.

(iv) Shift transfer:

These are transfers of workers from one shift to another on the same type of work.

(v) Remedial transfers: These are transfers made to remedy some situation primarily concerned with employee-on the job. For example an employee's initial placement may have been faulty, or he may not get along with his superior or with fellow workers in the department or he may be getting too old to continue in' his present job or the type of job or working conditions may not be well suited to his present health or accident record, and so on.

EMPLOYEE RETENTION

Employee retention refers to the various policies and practices which let the employees stick to an organization for a longer period of time. Every organization invests time and money to groom a new joiner, make him a corporate ready material and bring him at par with the existing employees. The organization is completely at loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time.

Retention of productive employees is a major concern of HR professionals and business executives. It is more efficient to retain a quality employee than to recruit, train and orient a replacement employee of the same quality.

Fairness and transparency are fundamental yet powerful concepts that can make a lasting impression on employees. According to HRM's Employee Job Satisfaction and Engagement: The Doors of Opportunity are Open research report, employees identified these five factors as the leading contributors to job satisfaction:

1. Respectful treatment of all employees at all levels;
2. Compensation/pay;
3. Trust between employees and senior management;
4. Job security; and
5. Opportunities to use their skills and abilities at work.

Employee job satisfaction and engagement factors are key ingredients of employee retention programs. The importance of addressing these factors is obvious, but actually doing so takes time and these tasks are often left for another day. However, the payoff of focusing on employee retention—in terms of increased performance, productivity, employee morale and quality of work, plus a reduction in both turnover and employee-related problems—is well worth the time and financial investment. The bottom line is that by managing for employee retention, organizations will retain talented and motivated employees who truly want to be a part of the company and who are focused on contributing to the organization's overall success. .