

Personnel & Human Resource management





HRM

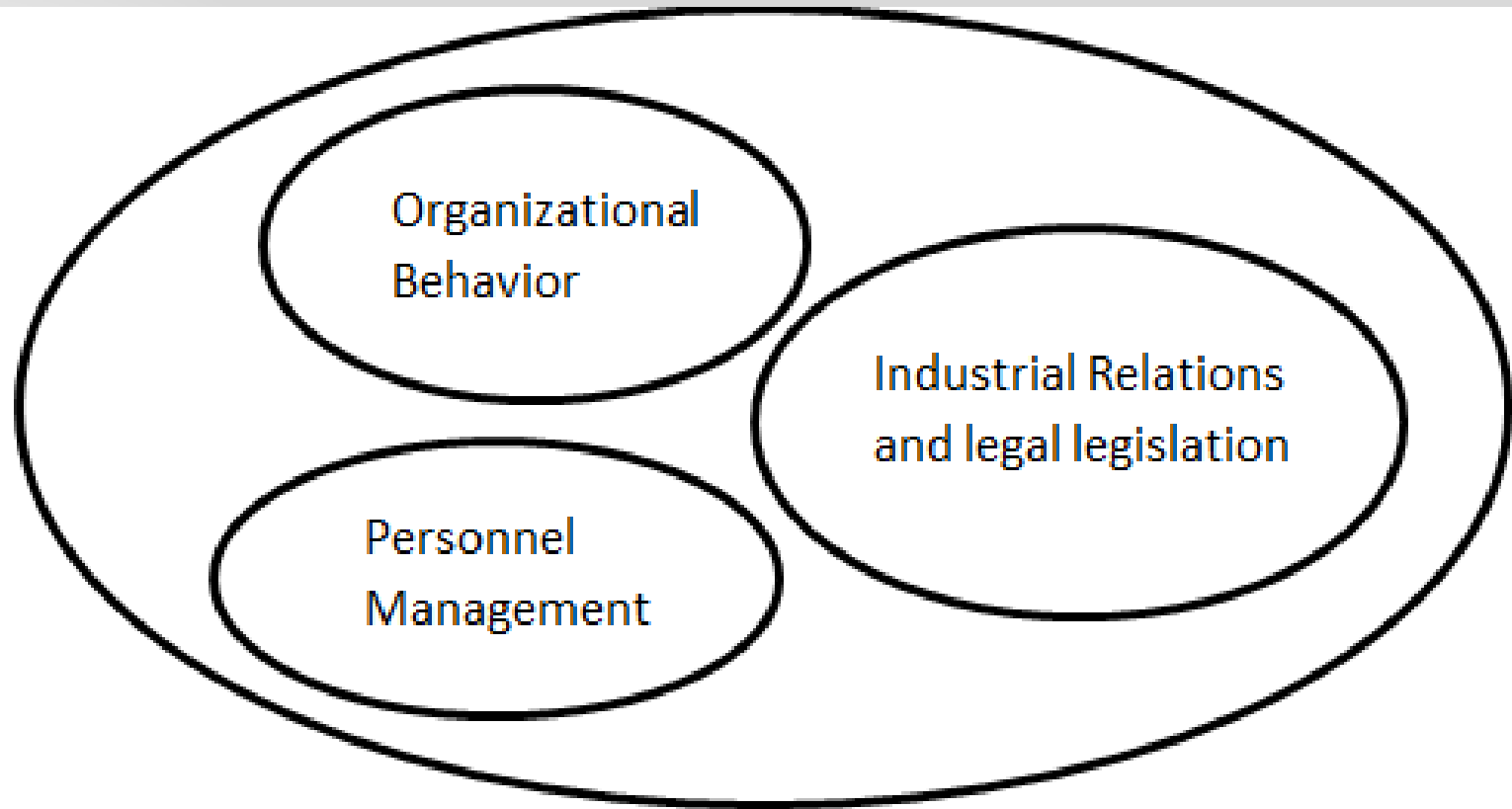
HRM challenges:



The relation of Activities to objectives in HRM

Management Objectives	Supporting activities
Societal objectives	Legal compliance Benefits Union management relations
Organizational objectives	Human resource planning Employee Selection Training and Development Appraisal Placement Assessment
Functional Objectives	Appraisal Placement Assessment
Personal Objective	Training and Development Appraisal Placement Compensation Assessment

Human Resource Management functions



Challenges faced by HR manager

Environmental challenges	External challenges	Workforce diversity: Demographical, education level, race, age , sex, etc.
		Technological challenges: Automation, Artificial intelligence, Robots in production etc.
		Economical challenges: Pressure for higher wages, reduce working hours, better working condition ,etc.
		Government Challenges: laws, rules and regulations
	Organizational challenges	Unions
		Information system: information about duties and responsibilities of each employee, future HR needs, etc.
		Organizational culture and conflict: organizational culture is the product of all organizations feathers: its people, success and failure.HR challenges may arise conflict among people.
	Professional challenges	Certification: professional certification is another challenge
		Other professional requirement
	International challenges	Employee rights: ethics and laws, lifetime employment vs. hire and fire system
Equal employment challenges	Equal employee laws, Age discrimination in employment, Equal pay act	

Challenges faced by HR manager

Preparation and Selection	Job analysis and Design	Collection of job analysis information, job rotation, job enrichment, job enlargement
	Human Resources planning	Demand of human resources, external challenges, organizational decisions
	Recruitment and selection	Organizational policies, recruitment form external and internal, etc.
Development and Evaluation	Orientation	Organizational issues, introduction to supervisors, coworkers, trainer, job duties, job location, etc.
	Employee placement	Promotion, Transfer, Demotion, Job posting program
	Training and Development	Training program, job rotation, lectures and video presentations, training evaluation
	Career Planning	Career information seminars, career counseling
	Performance appraisal	Appraisal system, performance standard, appraisal methods.

Challenges faced by HR manager

Compensation and Protection	Wages and Salaries	Job analysis and evaluation, job evaluation method, compensation strategies and adjustments
	Incentives and gain sharing	Eligibility and coverage, incentive system, production sharing plans, profit sharing plan
	Benefits and services	Insurance benefits, Leave of absence shift allowance
	Security, Safety and Health	Financial security, physical security
Employee Relation and Assessment	Employee Relation challenges	Motivation, Leading, quality of working life, employee communication system
	Union management relations	Union structure and function, CBA, Dispute resolution
	Assessment and prospects	Human resource functions Audit, Human resources management

Proactive vs. Reactive HR management

Reactive management:

Problem occurs >> respond to make decision

Reactive Managers Have No Plan!



Proactive management:

Problems are anticipated and corrective action starts before problem arise



Personnel manager

A staff or man with functional authority employed for the purpose of giving advice to other operating managers on Personnel matters is called a personnel manager.



Personnel manager

Functions of personnel manager:

>>*Managerial function*: The managerial function is divided into five parts such as planning, organizing, staffing, leading, controlling

>>*Operative functions*: It includes various tasks such as: Procurement/ Recruitment, Development, compensation, Integration, Separation, Maintaining



Personnel manager functions

Recruitment is the process of finding and attracting capable applicants for the employment.

There are two types of recruitment:

- (a) Internal recruitment: If one person is already in the organization and then he gets promotion or transferred to another job, then it is called internal recruitment,
- (b) External recruitment: when vacancy can't be fulfilled internally then the organization must look for applicants. This type of recruitment is called external recruitment.



Personnel manager functions

Development: A personnel manager should give wages, salaries, bonuses pay for the work.

Integration: A Personnel manager should integrate the employees into main tasks.



Personnel manager functions

Separation: After finishing working period of worker, all necessary procedure for recruitment or resignation are taken by personnel manager.



YOU
ARE
FIRED

Internal recruitment vs. external recruitment

Internal recruitment	External recruitment
Have clear knowledge about the organization	No clear knowledge about the org.
No need to train up	Training is required
Min. cost to recruitment	Costly recruitment
Strong co-operation	Weak co-operation
Difficult to motivate	Easy to motivate
Controlling is not easy	Controlling is easy
May not so skilled or expert	May be skilled or expert

Recruitment procedure

Recruitment Program

Applicants

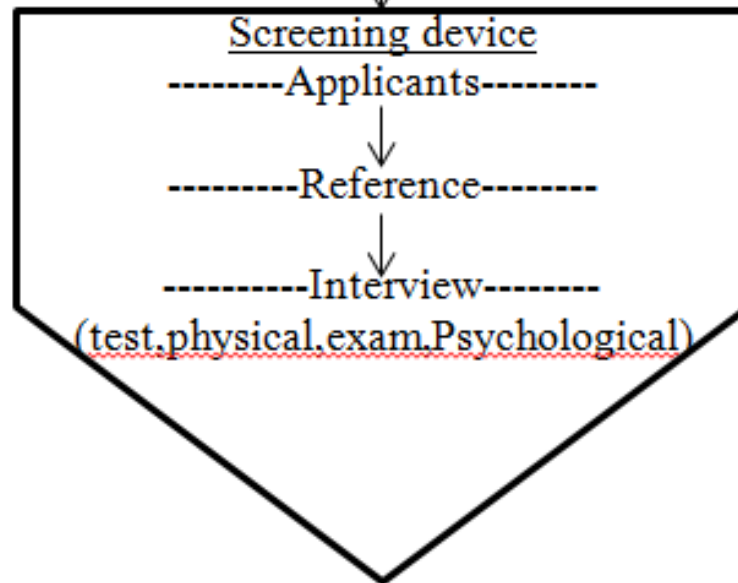


Sales forecast

Work load
Work condition
Force analysis

Job analysis

Job description
Job specification
Job standards



Induction

Performance appraisal, job evaluation and merit rating

Performance Appraisal

Performance appraisal is the impartial, periodic and systematic evaluation of an individual in matters relating to his present job and his potential and capability for a better job. It is the process to measure the past and present performance of employees both quantitatively and qualitatively against the background of their environment of work

Process of performance appraisal

The process of performance appraisal consists of six steps and they are:

- >>Establishing of standards.
- >>Communicating those standards to employees.
- >>Measuring the actual performance of employees.
- >>Comparing the actual performance with the standards.
- >>Discussing the report with all the employees.
- >>Taking appropriate actions where required.

Performance appraisal, job evaluation and merit rating

Job Evaluation: Job evaluation is a method for comparing different jobs to provide a basis for a grading and pay structure. Its aim is to evaluate the job, not the jobholder, and to provide a relatively objective means of assessing the demands of a job.



Performance appraisal, job evaluation and merit rating

Merit rating: Merit rating refers to evaluation of the individual's merit of the employees. The system of merit rating acts as a control device because it point out the deficiencies of the employee and it supplies the necessary information from performance display, abilities proved, temperament show.

Merit report is done by following reports:

- a. ACR: annual confidential report,
- b. Special confidential report,
- c. PER- personal evaluation report



Performance appraisal, job evaluation and merit rating

Job evaluation	Merit rating
It depends on the characteristics of jobs	It depends on the merits of the worker
No chance to increase or decrease the quality of product because job is fixed	Chance to improve the product quality because it depends on workers skill, experience and overall performance.
It does not help to determine the right person for the right job	Helps to determine the right person
Not suitable and acceptable as merit rating	More suitable an acceptable

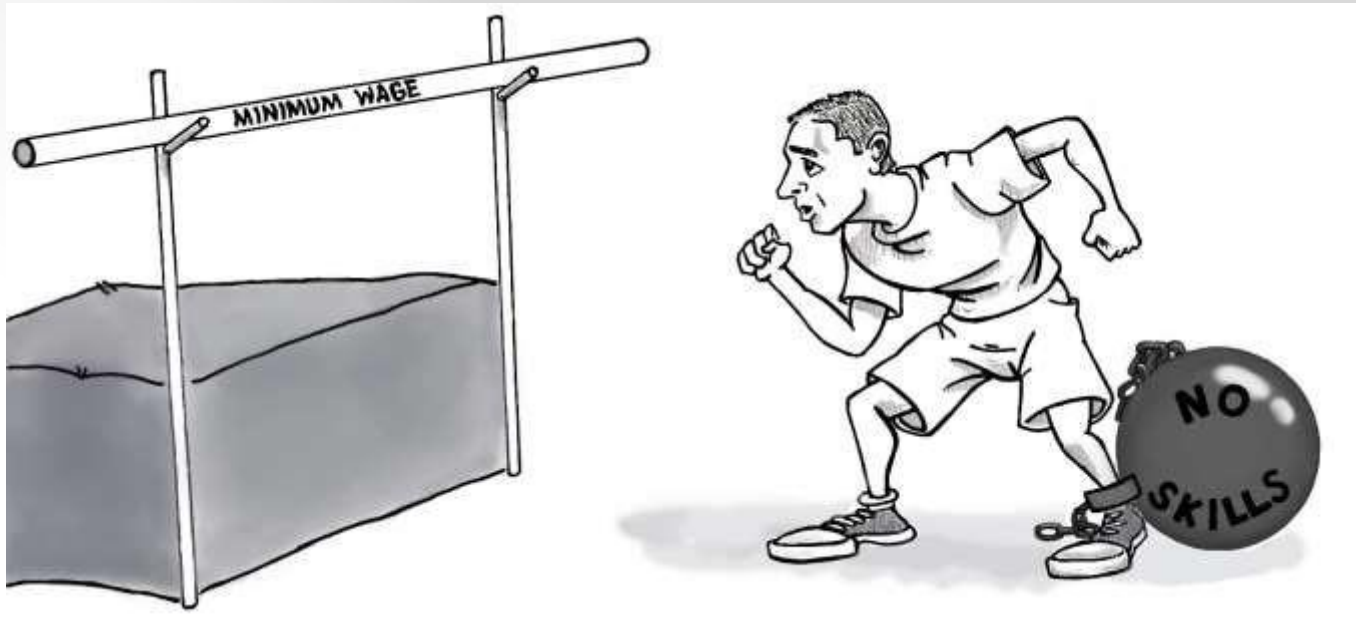
Wage, Salary an Incentive

- **Wage:** Wage is compensation to the employees for service rendered to the organization. It is short term payment which may be daily basis or hour basis. E.g. payment made to labor
- **Salary:** Money paid periodically to persons whose output cannot be easily measured, is generally referred as salaries. Salaries are paid uniformly or monthly.
- **Incentives:** Commission or extra payments out of salaries and wages.



Minimum wage and Fair wage:

- A **minimum wage** may be defined as that wage which is sufficient to cover the bare physical needs of a worker and his family. There is a feeling that minimum wage should provide other essential requirements such as minimum education, medical facilities, etc.



Minimum wage and Fair wage:

- **Fair wage** is more than the minimum wage providing more necessities, while the lower limit of the fair wage must oblivious be the minimum wage, the upper limit is set by what may be broadly be called the capacity of the industry to pay. Fair wage depends not only on the present economic position of the industry but also on its future prospects.



Wage incentives

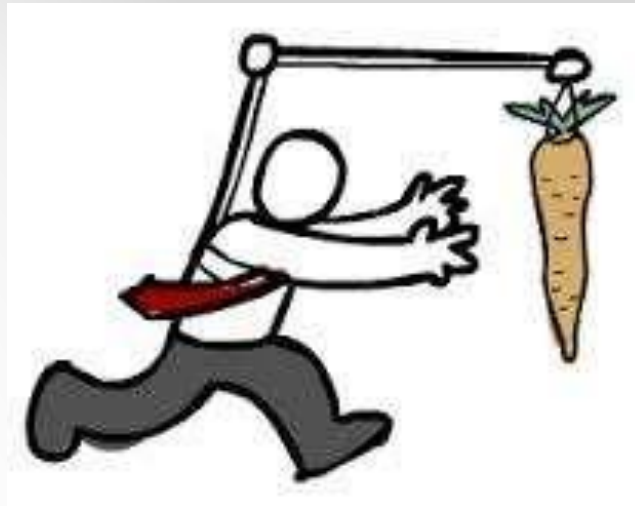
Wage incentives are the stimulus mainly psychological and it maintains and strengthens the desire to achieve improved performance. They are mainly two types:

- *Financial incentives:* These incentives are payments for improved productivity attendance and general improvement in employees performance. Production incentive schemes, attendance bonus, profit sharing, gratuity schemes, leave travel concession etc. are financial incentives



Wage incentives

- *Non-financial incentives*: these are based on sociological and psychological principle of higher behavior. Welfare scheme, social and sports activities, educational opportunities, meritorious service awards, better working condition, knowledge of results, recognition



Wage incentives

Advantages:

- Achievement of higher production
- Lesser breakdown and defective work
- Cutting down the cost of production
- Opportunity for higher earning to employees
- Reduction of supervision
- Effective use of man power

Disadvantages:

- Possibilities of incentives schemes to be misunderstood because of its complexities
- Lack of consistency
- Psychological problems in the incentive problems
- Delay in the payment of the scheme



Incentives plans

Types of Incentives Plan:

- >> Piece rate Plan:
 1. Taylors piece rate plan
 2. Merrick differential piece rate plan

- >> Time rates plan:
 3. Halesy premium bonus plan
 4. Bedaux point premium plan
 5. Rowan plan
 6. Emerson plan
 7. Gantt task bonus plan

Incentives plans

Taylor's differential piece rate

Devised by **F.W. Taylor**, the father of scientific management
the workers must be paid according to their degree of efficiency.

The main features of the system are:

- (i) The system is based on piece rates.
- (ii) The standard output for unit of time is pre-determined on the basis of time and motion study.
- (iii) There are two piece rates, one lower and another higher. Those who reach the standard or exceed it, get wages at higher piece rate (e.g. 120% of piece rate) and those who fail to reach it, get wages at a lower piece rate (e.g. 80% of piece rate).
- (iv) Minimum wages for the workers are not guaranteed.



Job Analysis

and

Job Design

Contents

- ❖ Definition of Job analysis
- ❖ Job analysis steps
- ❖ Components of Job analysis
- ❖ Process of Job analysis
- ❖ Job analysis information
- ❖ Methods for data collection
- ❖ Job analysis method
- ❖ Uses of Job analysis



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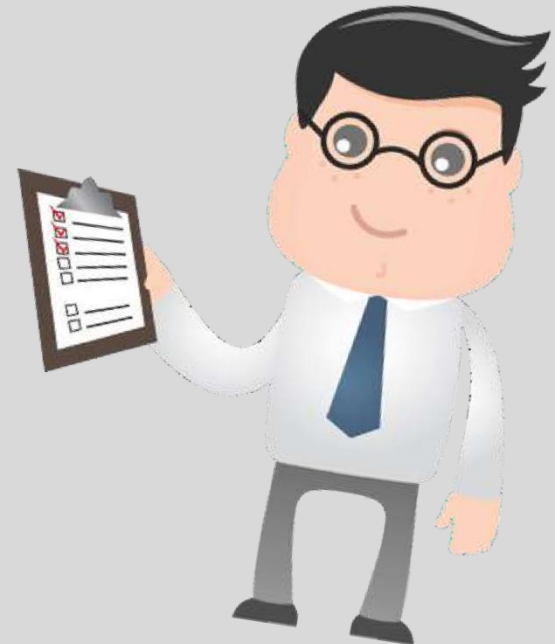
- ❖ Advantages of Job analysis
- ❖ Disadvantages of Job analysis
- ❖ Problems with Job analysis
- ❖ Definition of Job design
- ❖ Approaches to Job design
- ❖ Job design process
- ❖ Job design methods
- ❖ Advantages of Job design
- ❖ Disadvantages of Job design

Job Analysis

Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job.

-K.Aswathappa

Right **Person** for the
Right **Job** at the
Right **Time** and In a
Right **Place**.



Job Analysis



Job Terminology

Before discussing job analysis in more detail, many related terms used in personnel should be carefully defined:

TASK: A distinct work activity which has an identifiable beginning and end.

Ex: post man sorting bag full of mails in appropriate boxes

DUTY: Several tasks which are related by some sequence of events.

Job Analysis Steps

- ❖ Collecting and recording job information.
- ❖ Checking the job information for accuracy.
- ❖ Writing job description based on information.
- ❖ Using the information to determine the skills, abilities, and knowledge that are required on the job.
- ❖ Updating the information from time to time.

Components Of Job Analysis

There are two components in job analysis.

1) Job description

2) Job specification



Job Specification

A written summary of tasks, duties and responsibilities of a job.



Job Description

The minimum skills, education, and experience necessary for an individual to perform a job.



Job Analysis

Job Description

- ✓ Job Title
- ✓ Working Hours
- ✓ Duties & Responsibilities
- ✓ Working Conditions
- ✓ Salaries & Incentives

Job Specification

- ✓ Qualifications
- ✓ Qualities
- ✓ Experience
- ✓ Family Background
- ✓ Training

Uses of Job Description and Job Specification

- ❖ Personnel planning
- ❖ Performance appraisal
- ❖ Hiring
- ❖ Training and development
- ❖ Job evaluation and compensation
- ❖ Health and safety
- ❖ Employee discipline
- ❖ Work scheduling
- ❖ Career planning

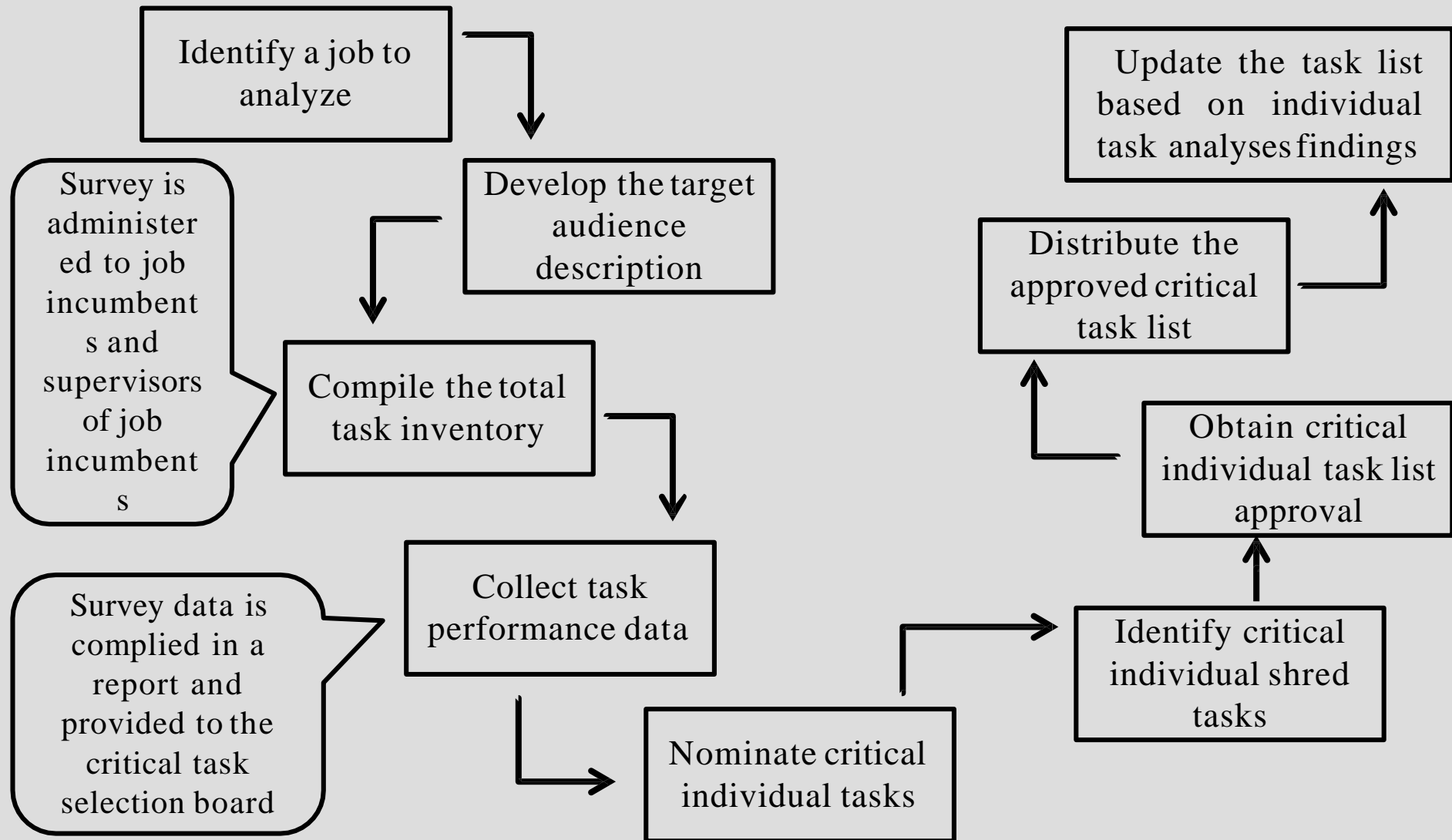


Process of Job Analysis

Jobs can be analyzed through a process, which consists of Six basic steps, these steps consist of:

1. Collection of background information
2. Selection of representative positions to be analyzed
3. Collection of job analysis data
4. Developing a job description
5. Developing of a job Specification
6. Developing Employee Specification

Process of Job Analysis



Job Analysis Information

- ❖ Job identification
- ❖ Significant characteristics of a job
- ❖ What the typical worker does?
- ❖ Job duties
- ❖ What materials and equipments the worker uses
- ❖ How a job is performed
- ❖ Required personal attributes
- ❖ Job relationships

Methods for Data Collection

- ❖ Observation
- ❖ Interview
- ❖ Questionnaire
- ❖ Checklist
- ❖ Technical conference
- ❖ Diary methods



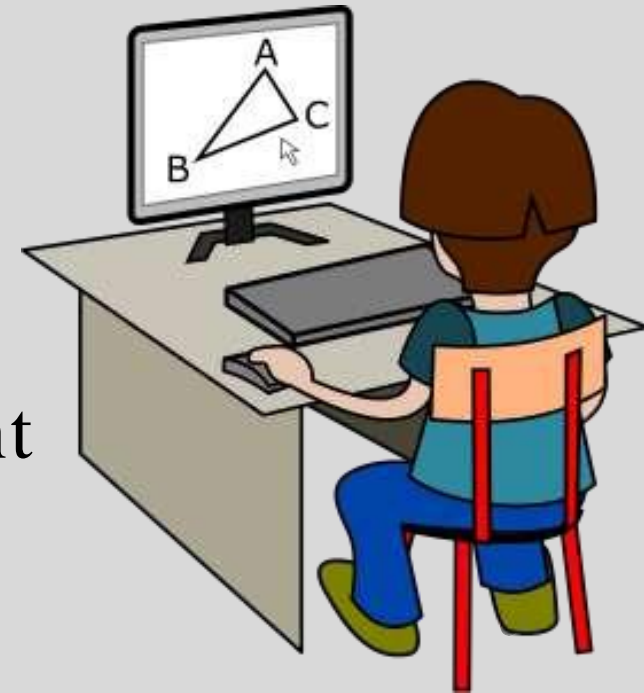
Job Analysis Method

- 1) Interview method
- 2) Technical conference method
- 3) Questionnaire method
- 4) Observation method
- 5) Diary



Uses of Job Analysis

- ❖ HR planning
- ❖ Recruitment and selection
- ❖ Orientation
- ❖ Job evaluation
- ❖ Training and development
- ❖ Performance Appraisal
- ❖ Compensation and Benefits
- ❖ Career planning and development
- ❖ Health and safety



Advantages of Job Analysis

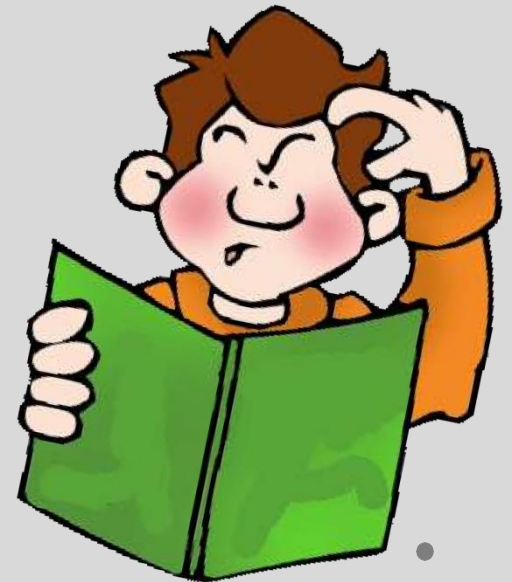
- Present immediate information
- Assist in designing the requirements to perform a job.
- Assist in the hiring process
- Helps in performing evaluation and appraisal processes.
- Assists in delivering appropriate training.
- Assists in Deciding Compensation Package for a Specific Job

Disadvantages of Job Analysis

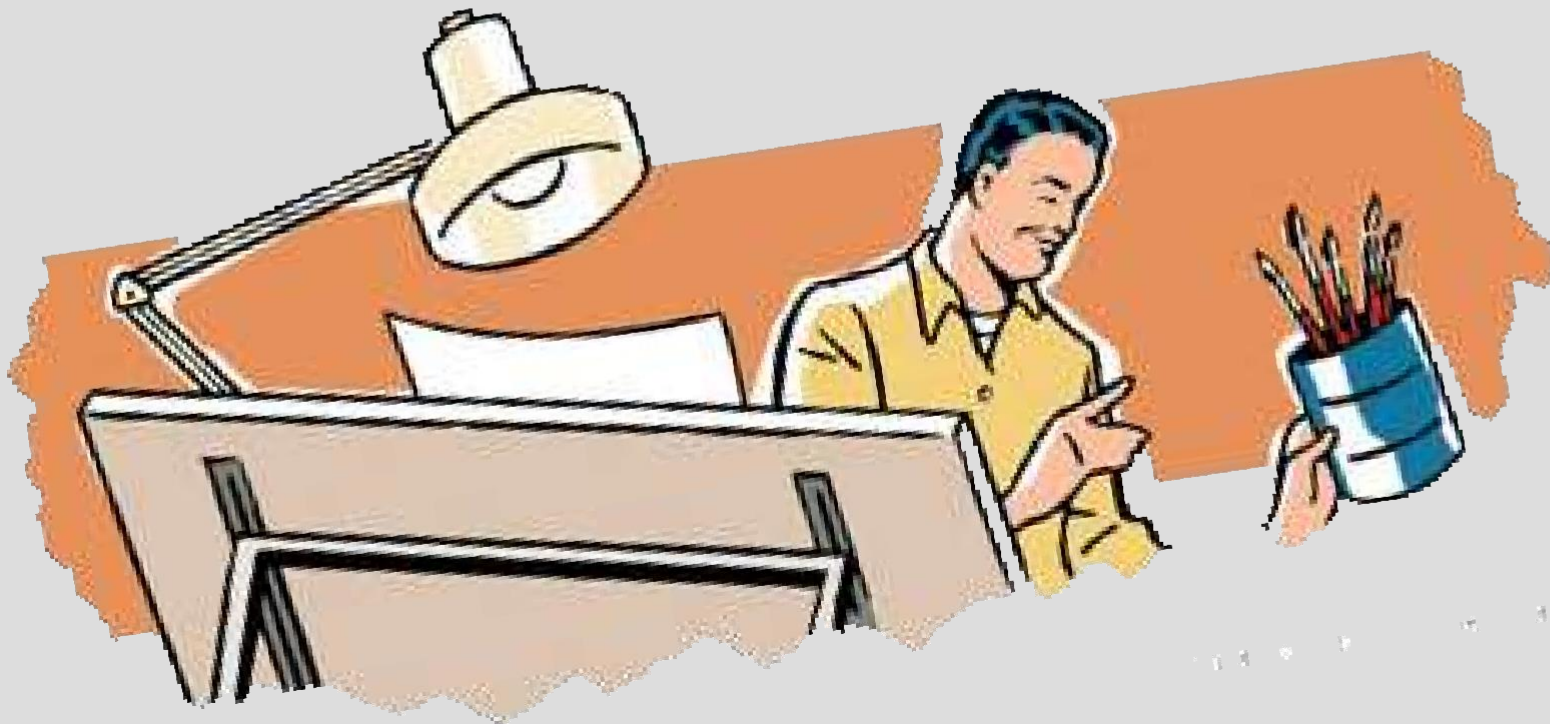
- ❖ Subjective matters
- ❖ Lengthy projects
- ❖ Require lots of human efforts
- ❖ Source of Data is Extremely Small
- ❖ Unqualified Job Analyst
- ❖ Mental Abilities Cannot be Directly Observed

Potential Problems with Job Analysis

- ❖ Support from top management
- ❖ Single means and source
- ❖ No training or motivation
- ❖ Activities may be distorted



Job Design



Definition

Job Design is the process of deciding on the content of a job in terms of its duties and responsibilities; on the methods to be used in carrying out the job, in terms of techniques, systems and procedures and on the relationships that should exist between the job holder and the superiors, subordinates and colleagues.



Goals Of Job Design

- ❖ To Meet the organizational requirements such as higher productivity, operational efficiency, quality of product/service etc
- ❖ To satisfy the needs of the individual employees like interests, challenges, achievement or accomplishment, etc.
- ❖ Integrate the needs of the individual with the organizational requirements.

Approaches to Job Design

- ❖ Engineering Approach
- ❖ Human Approach
- ❖ Job Characteristics Approach



Engineering Approach

The work of every workman is fully planned out by the management at least on day in advance and each man receives in most cases complete written instructions, describing in detail the task which he/she has to accomplish. *-FW Taylor*

Problem with this approach:

Repetition-Mechanical pacing-no end product-little social interaction-no input.



Human Approach

The Human relations approach recognized the need to design jobs which are interesting and rewarding.

Herzberg's research popularized "The notion of enhancing need satisfaction through what is called job enrichment"

Factors involved:

Motivators like achievement, recognition, work itself, responsibility, advancement and growth and Hygienic factors.

According to Herzberg. The Employee is dissatisfied with the job if required maintenance factors to the required degree are not introduced into the job.

Job Characteristics Approach

Theory by *Hackman* and *Oldham* states that employees will work hard when they are rewarded for the work they do and when the work gives them satisfaction.

Hence integration of **motivation**, **satisfaction** and **performance** with job design.

According to this approach Job can be described in terms of five core job dimensions:

- 1) Skill Variety
- 2) Task Identity
- 3) Task significance
- 4) Autonomy
- 5) Feedback

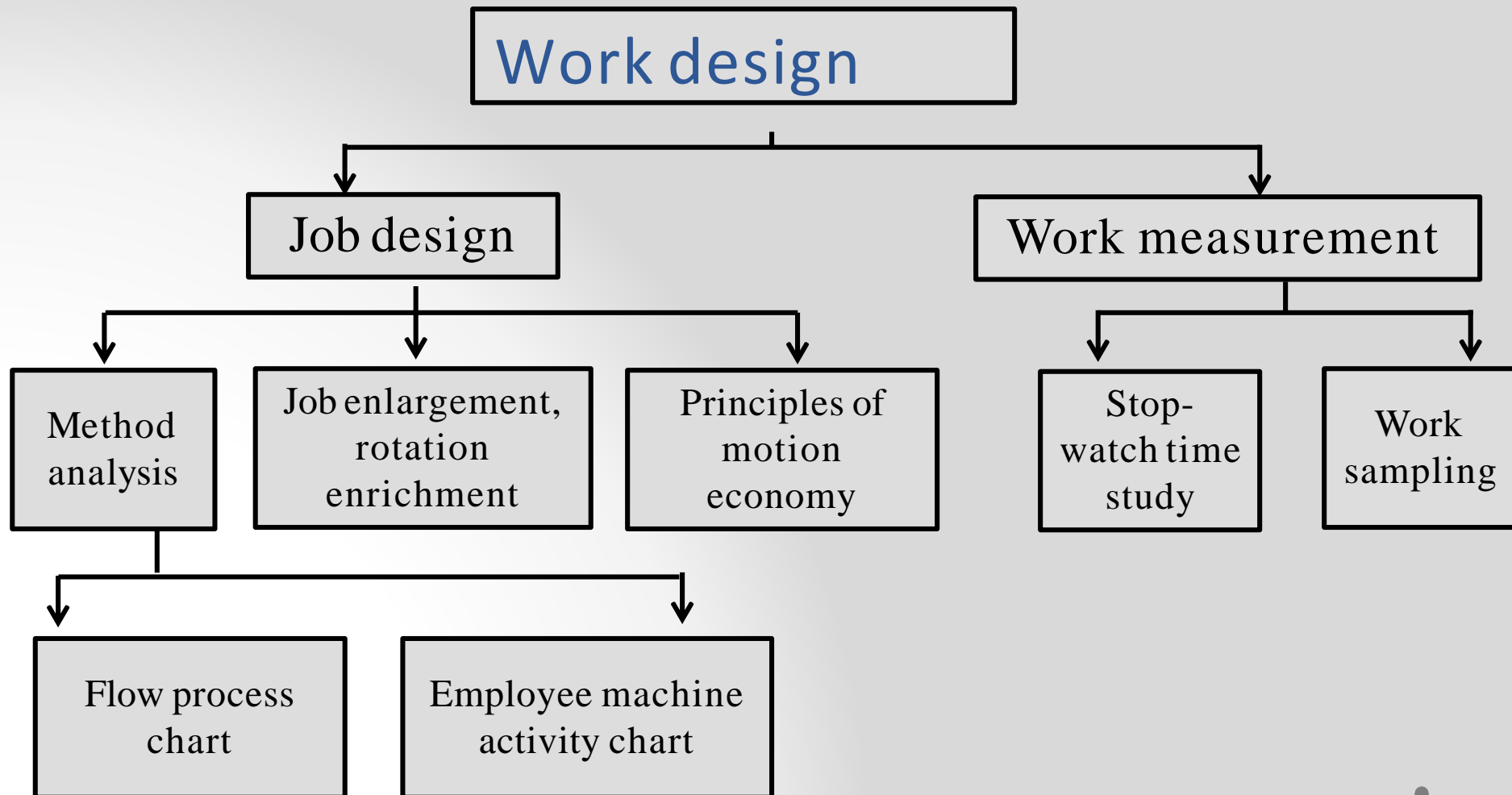
Job Design Process

Job Design Process has to start from what activity needs to be done in order to achieve organizational goals.

It requires use of techniques like work-study, process planning, organizational methods and organizational analysis and also technical aspects.



Job Design Methods



Job Rotation, Job Enlargement, Job Enrichment

Job Rotation:

Refers to the movement of an employee from one Job to another.

Note That jobs themselves are not actually Changed, only employees are Rotated among various jobs.

Job Enlargement :

When a job is enlarged the tasks being performed are either enlarged or several short tasks are given to on worker, thus the scope of the Job is increased because there are many tasks to be performed by the same worker.

Job Enrichment:

Job enrichment as is currently practiced all over the work is a direct outgrowth of Herzberg's Two factor theory of motivation.

Advantages of Job Design

- ❖ Organizational Design
- ❖ Structure Of Competent Employee
- ❖ Motivation And Commitment Of Employees
- ❖ Environmental Adaptation
- ❖ Labor relation
- ❖ Quality of work life
- ❖ Organizational productivity

Disadvantages of Job Design

- ❖ Lack of training
- ❖ Increase work load
- ❖ Conflict with non-participants
- ❖ Poor performance