



CHAPTER - 12

STAFFING

Staffing

It consists of manpower planning, recruitment, selection, training, compensation, promotion and maintenance of managerial personnel.

According to Dale Yoder, "Staffing is that phase of the management which deals with the effective control and use of manpower or human resources."

Staffing is the managerial function of filling and keeping filled positions in the organisation structure. Staffing function of management recognises the importance of every single person employed by an organisation.

Importance of Staffing

- (i) **Filling the roles by obtaining competent personal:** Staffing function is required to fill the various job positions. There will be no job positions unless and until these are occupied by competent employees. Staffing helps in discovering and obtaining competent personnel for various jobs.
- (ii) **Placing right person at the right job:** Staffing ensures higher performance by putting right person on the right job.
- (iii) **Growth of enterprise:** An organisation grows with the efforts of employees only. By appointing competent and efficient employees, staffing ensures continuous survival and growth of the organisation. Competent and efficient staff enables an organisation to function successfully in changing environment.
- (iv) **Optimum utilisation of human resources:** Proper staffing enables the organisation to acquire required

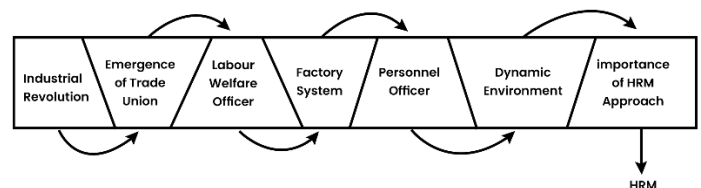
quantity and quality of employees. As a result, the staffing process facilitates optimum utilisation of human resources by avoiding overstaffing and prevents disruption or stoppage of work by indicating in advance about likely shortage of employees.

- (v) **Improves job satisfaction and morale of employees:** Through objective assessment and by giving fair rewards to the employees for their contribution, staffing improves job satisfaction and morale of employees.

Staffing as Part of Human Resource Management

When staffing function is carried on at a large scale, it becomes human resource management.

(i) Evaluation of HRM



Activities of Human Resource Management

- (i) Human resource planning
- (ii) Recruitment, selection and placement
- (iii) Career growth
- (iv) Performance appraisal
- (v) Motivation
- (vi) Compensation
- (vii) Social security

Staffing Process

The steps involved in the staffing process are

- (i) **Estimating the manpower requirements:** Drafting work force requirements in an organisation, defining the job-related activities and recruiting personnel's with a specific set of skills, knowledge, qualification and experience. Work force analysis enable the enterprise to assess the number and type of employees necessary for the completion of a work. It helps in determining whether an enterprise is overstaffed or under staffed and also enables an organisation to make necessary steps to take corrective action. While assessing the type of manpower required, organisation should also make policy to appoint women, people from backward class, minority etc. The manpower needs involve two kinds of analysis;
- (a) **Workload Analysis:** It involves determining the number of types of human resources required to perform various jobs and to accomplish organisational objectives.
- (b) **Workforce Analysis:** It estimates the number of types of human resources or employees available so that it may be known whether the organisation is, understaffed, overstaffed or optimally staffed.



Over-staffing: More play, less work.

- (ii) **Recruitment:** Recruitment may be defined as the process of searching for prospective employees and stimulating them to apply for jobs in the organisation. Both internal and external sources may be used for searching employees. The main aim of recruitment is to create a pool of prospective job candidates. The higher the number of people who apply for a job, the higher will be possibility of getting a suitable employee.

Various activities involved in process of recruitment:

- (a) Identification of different sources of recruitment e.g advertisement, employment exchanges, management consultants, internal promotion etc.
- (b) Assessment of their validity
- (c) Choosing the most suitable sources
- (d) Inviting applications from the prospective candidates for the vacancies.
- (iii) **Selection:** It is the process of choosing and appointing the right candidates for right job in an organization by conducting various exams, tests and interviews. It ensures that the organisation gets the best candidate.

The selection process enhances the self-esteem and prestige of the selected candidates.

- (iv) **Placement and Orientation:** Orientation is, thus, introducing the selected employee to other employees and familiarising him with the rules, regulations and policies of the organisation. Placement refers to the employee occupying the position or post for which the person has been selected.
- (v) **Training and development:** Systematic training helps in increasing the skills and knowledge of employees in doing their jobs through various methods. Development involves growth of an employee in all aspects such as performance, knowledge etc.
- (vi) **Performance Appraisal:** Performance appraisal means evaluating an employee's current and/or past performance as against certain predetermined standards. Once an employee has undergone a training, his/ her performance is evaluated. It is concerned with continuous evaluation of the performance of employees in an organisation.
- (vii) **Promotion and Career planning:** Promotion means being placed in positions increased responsibility. Promotion and career planning is very important to boost the morale of employees and motivate them to utilize their full potential.
- (viii) **Compensation:** Compensation refers to all forms of payment made by an enterprise to their employees. Compensation includes
 - (a) **Direct Financial Payments:** It includes salary, wages, incentives or commissions. Direct financial payments can be either time based (i.e. salary and wages) or performance based (i.e. salary and wages according to number of units or pieces produced by an employee).
 - (b) **Indirect Payments:** It includes medical facility, employer paid insurance, vacations, rent free home, free car etc. Companies must consider various factors before fixing the commission paid such as legal factors (labour laws), trade union, company policy and equity.

Recruitment

It refers to the process of appointing possible candidates for a job or a function. It has been defined as the process of searching for prospective employees and stimulating them to apply for jobs in an organisation. Recruitment brings together the job giver (employer) and the job seekers (applicants). Recruitment can be done either from inside or from outside the organisation.

Sources of Recruitment

There are two sources of recruitment

- (i) Internal
- (ii) External

Internal Sources

Internal sources means inviting candidates from the within the organization. Internal source of recruitment the vacant job positions are filled by inducing the existing employees of the organisation

(i) Advantages

- (a) **It is economical:** No money and time has to be spend on advertisements, tests, interviews etc. because the knowledge and skill of employees are already known.

Also, people recruited from within the organisation do not need induction or orientation training.

- (b) **Simple process:** The internal sources of recruitment is very simple and reliable process as present employees are already known to the organisation and can be evaluated more accurately.
- (c) **A Tool of Training:** Transfer is a tool of training for the employees to prepare them for higher jobs.
- (d) **Motivation to Employees to Improve their performance:** Promotion helps to improve the motivation, loyalty and satisfaction level of the employees because a promotion at a higher level may lead to chain of promotions at lower levels in the enterprise. This motivates the employees to work efficiently and diligently in the expectations of future promotions.

(ii) Drawbacks

- (a) **Lack of fresh talent:** When vacancies are filled through internal sources of recruitment. Moreover enterprise can fill all its vacancies through internal sources. The existing workforce may be insufficient or they may not fulfil the eligibility criteria of the jobs to be filled. So, an enterprise has to look for external sources for various positions.
 - (b) **Lack of Competition:** The spirit of competition among the employees may be hampered because employees are likely to expect automatic promotion by seniority.
 - (c) **Not suitable for new organisation:** A new enterprise cannot use internal sources of recruitment. Moreover, no enterprise can fill all its vacancies through internal sources. The existing workforce may be insufficient or they may not fulfil the eligibility criteria of the jobs to be filled. So, an enterprise has to look for external sources for various positions.
 - (d) **Low Productivity:** Productivity of the organisation is reduced due to frequent transfers.
 - (e) **Lethargic:** The employees may become lethargic if they are sure of time bound promotion.
- (iii) **Methods Under** the internal recruitment following methods of recruitment are used
- (a) **Transfer:** Transfer means shifting of an employee from one job to another or from one department to another or from one branch to another, without any change in the responsibilities, salary and status of the employee. Only the work place is changes. Transfer is horizontal shifting of an employee. Shortage of suitable employees in one department or branch may be fulfilled through transfer from over-staffed department or branch. During transfer, it is ensured that the employees to be transferred to other jobs is capable of performing it.

Example

- (i) Transfer of a school teacher from one branch to another branch.
- (ii) Transfer of clerk from accounts department to purchase department.

- (b) **Promotion:** Promotion refers to shifting an employee from a lower job position to higher job position. It includes higher status, responsibilities, facilities and pay. It is vertical shifting of an employee. It helps in improving the motivation, loyalty and satisfaction level of employees. It has a psychological impact on employees because a promotion at the higher level may lead to chain of promotions at lower levels in an organisation.



External Sources

When the candidates from outside the organisation are invited to fill the vacant job position then it is known as external recruitment.

(i) Advantages

- (a) **Fresh talent:** By using the external sources of recruitment, the organisation can obtain fresh and talented candidates. This means infusion of new blood and modern ideas into the organisation. This will improve the overall working of the organisation.
- (b) **Wider choice:** When vacancies are advertised widely, a large number of applicants from outside the organisation apply. The organisations can select the best possible candidate for employment.
- (c) **Qualified personnel:** Through external sources of recruitment the management can attract qualified and trained persons to apply for vacant jobs in the organisation.
- (d) **Competitive spirit:** The existing staff will have to compete with outside candidates for vacancies. They will work hard to show better performance.

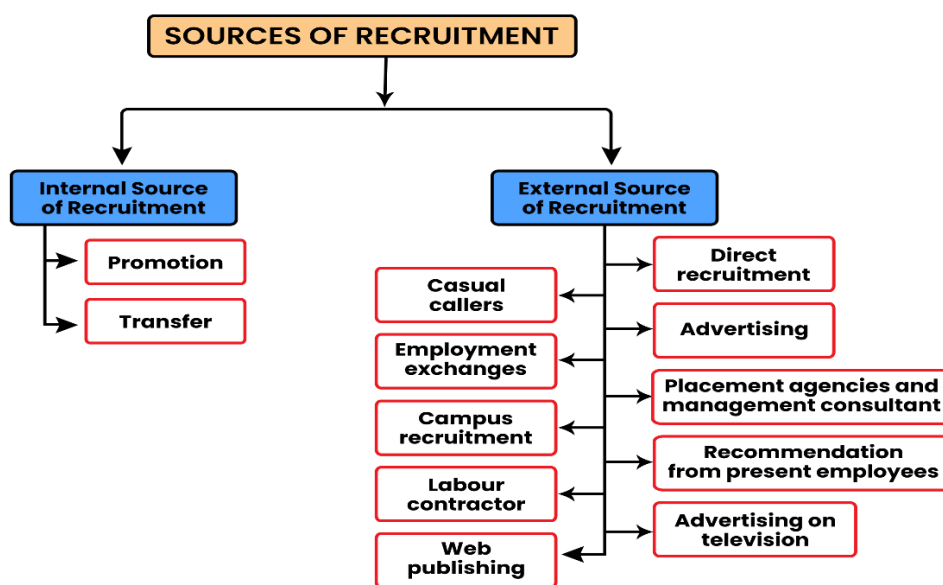
(ii) Drawbacks

- (a) **Dissatisfaction among existing staff:** Recruitment from outside may lead to dissatisfaction and frustration among existing employees. They may feel that their chances of promotion gets reduced.
- (b) **Lengthy process:** Recruiting employees from external sources is a very lengthy process as vacancies are published and organisation has to wait for the response of prospective candidates.

- (c) **Expensive Process:** Recruitment of candidates through external sources is very expensive process. It involves considerable expenditure on advertisement and processing of applications.

Difference between Internal and External Source of Recruitment

S. No.	Point of difference	Internal recruitment	External recruitment
1.	Meaning	Internal recruitment means making use of existing staff to fill up the vacant job positions in the organisation.	External recruitment means making use of new personnel or outsiders to fill up the vacant job positions in the organisation.
2.	Time	It is less time-consuming.	It is more times consuming.
3.	Economy	This process is more economical as it does not involve any cost of searching external sources.	This process is costly as vacancies have to be notified in newspapers, magazines, etc.
4.	Quality	There is a limited choice so better quality may not be assumed.	It provides a wider choice and the best quality is assumed.
5.	Morale of the employees	This method boosts up the morale of the employees because existing staff gets chance of promotion.	This method brings down the morale of the employees as they do not get chance of growth and development.



(iii) Methods

The common methods of external sources of recruitment are

- (a) **Direct recruitment:** Under the direct recruitment, a notice is put up on the notice board of the enterprise specifying the details of the jobs available. Jobs-seekers read it and gather outside the premises of the organisation at the specified date and time and selection is done on the spot. The practice of direct recruitment is followed usually for casual vacancies of unskilled or semi-skilled jobs. Such workers are known as casual or 'badli' workers. They are paid remuneration on daily basis.
- (b) **Casual callers:** Many reputed business organizations keep a data base of unsolicited applicants in their office. Such job-seekers can be useful source of manpower. Their applicants are taken and kept pending in a file. Such records if maintained properly can be a useful source of recruitment. Whenever a job vacancy arises, the suitable candidate from the waiting list can be recruited.
- (c) **Advertisement (Newspapers, Journals and Televisions) :** Most of the senior positions of industry

and commerce are filled by this method. Advertisement in newspapers or trade journals is generally used when a wider choice is required. The practice of telecasting of vacant posts over TV is also gaining importance these days. More information about the organization and job can be given in the advertisement. Advertisement gives the management a wider range of candidates from which to choose.

- (d) **Employment Exchange:** Employment exchange run by government is regarded as a good source of recruitment for unskilled and skilled operative jobs. The record of employment exchanges are often not up-to-date and many of the candidates referred by them may not be sound suitable.
- (e) **Placement agencies and management consultants:** Placement agencies provide a nationwide service in matching personnel demand and supply. These agencies invite bio-data from the job seekers and send them to their suitable clients. They charge fee for their services. Management consultancy firms help the organisation to recruit technical, professional and managerial personnel.

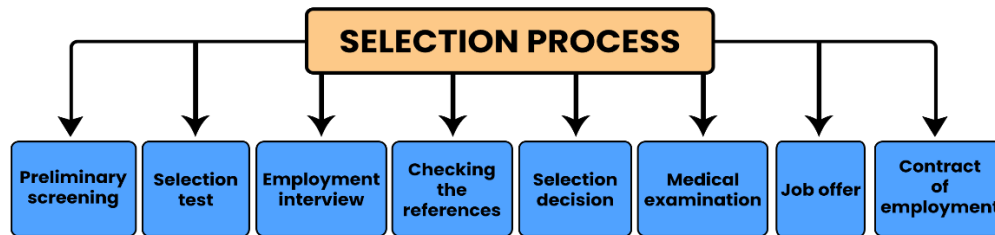
- (f) **Campus recruitment:** Colleges and Institutes of Management and Technology have become a popular source of recruitment for technical, professional and managerial jobs. Many big companies maintain a close link with them to recruit qualified personnel for various jobs. Companies conduct interviews in educational institutions and shortlist candidates. Many educational institutions have placement cells to assist employees in their recruitment efforts.
- (g) **Recommendations of employees:** Applicants introduced by present employees, or their friends and relatives may prove to be a good source of recruitment. Such applicants are likely to be good employees because their backgrounds is sufficiently known. Under this method, a type of preliminary screening also takes place as the employee generally recommends those persons who match the job profile. The existing employees can be asked to stand surety for their friends and relatives who are selected. This policy helps in maintaining goodwill of the present employees and finding reliable candidates.
- (h) **Labour contractors:** Labour Contractors act as middlemen between the labourers and the enterprise. Labour contractors keep in touch with the labourers in the village small town and bring them to the places where workers are required. Through labour contractors only unskilled and semi-skilled labour are recruited. Labour Contractors are ready to supply the required quantity of workers at short notice on payment of commission.
- (i) **Advertising on television:** The practice of telecasting of vacant posts over Television is gaining importance these days. The complete information regarding the job, company and qualification required are publicised.
- (j) **Web publishing:** There are certain websites specifically designed and dedicated for the purpose of providing information about both job seekers and job opening. These websites are frequently visited by large number of workers and companies searching for suitable employees. Some well-known www.naukri.com, www.timesjob.com, www.jobsahead.com etc.

Selection It can be defined as discovering most promising and most suitable candidate to fill up the vacant job position in the organisation. Selection is called a negative process because the number of candidates rejected are much more than the selected candidates.

Process of Selection

- (i) **Preliminary screening:** Preliminary screening helps the manager to eliminate unqualified or unfit job-seekers based on information supplied in the application forms.
- (viii) **Contract of employment:** After the job offer has been made and candidate accepts the offer, certain documents need to be executed by the employees and the candidate. One such document is 'Attention Form'. This form contains certain valid details about the candidate, which are authenticated and attested by him or her. Attention form will be a valid record for future reference. Also, written document is prepared between the employer and the candidate. The contract of employment contains job title, duties, place and hours of work, responsibility, rate of remuneration, leave rules, termination procedure etc.

- (ii) **Selection test or Employment Tests:** Selection tests measure aptitude, intelligence, personality etc. of the candidates who have applied for the vacant jobs.
 - (a) **Intelligence test:** It measures the level of Intelligent Quotient(IQ) of an individual. It is an indicator of a person's learning ability or the ability to make decisions and judgements.
 - (b) **Aptitude test:** It is a measure of individual's potential for learning new skills. It indicates the person's capacity to develop. Such tests are good indices of a person's future success score.
 - (c) **Personality test:** Personality tests provide clues to a person's emotions, reactions, maturity, value system etc. These tests judge the overall personality.
 - (d) **Trade test:** These tests measure the existing of the individual. The difference between aptitude test and trade test is that the former measures the potential to acquire skills and the later the actual skills possessed.
 - (e) **Interest test:** Interest test is used to know the pattern of interest or involvement of a person.
- (iii) **Employment interview:** Interview is formal in-depth conversation to evaluate the applicant's suitability for the job. The role of interviewer is to seek information, which the interviewee provides.
- (iv) **Reference and background checks:** Generally in application form the candidate is asked to give the names and addresses of at-least two responsible persons who know him. These persons are known as references. They may be previous employer or principal of the school or college attended by the candidate. They are contacted to collect information about the background, character, personal reputation of the candidate.
- (v) **Selection decision:** The candidate who pass the tests, interview and reference checks are included in the selection list. Before making the final decision about selection the views of the concerned manager is considered.
- (vi) **Medical examination:** Before giving appointment letter the candidates selected are called for a medical examination. Some companies appoint their own doctors to do the medical check-up while some companies accept the medical certificate obtained by a candidate from a qualified physician.
- (vii) **Job offer:** The candidate who pass the medical examination are given job offer through a letter of appointment. In the letter of joining, terms and conditions of the job etc. are mentioned. Generally, a reasonable time is given to the candidates to join the enterprise.



Difference between Recruitment and Selection

S.No.	Point of difference or basis	Recruitment	Selection
1.	Meaning	It is a process of searching suitable candidates to fill up vacant jobs position.	It is a process of screening and selecting the most eligible candidates and offering them jobs.
2.	Stage	Recruitment proceeds the staffing function.	Staffing always starts where recruitment ends.
3.	Nature	It is a positive process as more and more candidates are induced to apply for the job.	It is a negative process and more candidates are rejected than the number of selected candidates.
4.	Contract of service	There is no contractual relation created.	Selection involves contract of service between employer and employee.

Training and Development

(i) **Training:** Training means equipping the employees with the required skill to perform the job.

(ii) **Development:** It refers to overall growth of the employee. It focuses on personal growth and successful employees development.

Benefits of Training for Organisations

- (i) Training is a systematic learning, always better than hit and trial methods, which lead to wastage of efforts and money.
- (ii) It enhances employee productivity both in terms of quality and quantity, leading to higher profits.
- (iii) Training equips the future manager who can take over in case of emergency.

(iv) Training increases job morale and reduce absenteeism and employee turnover.

(v) It helps in obtaining effective response to fast changing environment.

Benefits of Training for Employees

- (i) Improved skills and knowledge due to training lead to better career of the individual.
- (ii) Increase performance by the individual help him to earn more.
- (iii) Training makes the employee more efficient to handle machines. Thus, less prone to accidents.
- (iv) Training increases the satisfaction and morale of employees.

Difference Between Training and Development

S.No.	Point of difference	Training	Development
1.	Concept/depth of knowledge	Training is concerned with teaching technical skill only.	Development is concerned in teaching technical, human and conceptual skill.
2.	Suitability	Training is more suitable for technical staff.	Development is more suitable for managerial staff.
3.	Nature	Training concentrates on developing the skill already possessed by the employees.	Development concentrates on development of hidden qualities of the employees.
4.	Methods used	In training on-the-job methods of training are preferred.	In development off the job methods of training are preferred.
5.	Focus/purpose	Training focuses on present requirements of the organisation.	Development focuses on present as well as future requirements of the organisation.
6.	Time	It is a short term process.	It is a long term process.
7.	Initiative	The boss/superior takes initiatives for imparting training to his subordinates.	The individual takes initiatives himself for his growth and development.
8.	Duration	Training is short term process, its duration is fixed and certain.	It is a never ending procedures, its duration is never defined.
9.	Levels of trainees involved	It is useful for non-managerial, i.e., operative employees or lower level of managers.	It is useful for managerial personnel, i.e., middle and top level managers.
10.	Centered	It is work centered.	It is person-centered.

Training Methods

(i) On the Job Methods

(a) **Apprenticeship programmes:** Apprenticeship programmes put the trainee under the guidance of a master worker. The trainee receives stipend while learning so that he/she can enjoy “earn while you learn” scheme. The master worker performs the job and the trainee observes him performing. When the trainee learns all the required skills then slowly he starts taking the job step by step and the master worker becomes the observer. When the trainee becomes perfect in doing the job then master worker goes and apprentice gets full charge of the actual job.

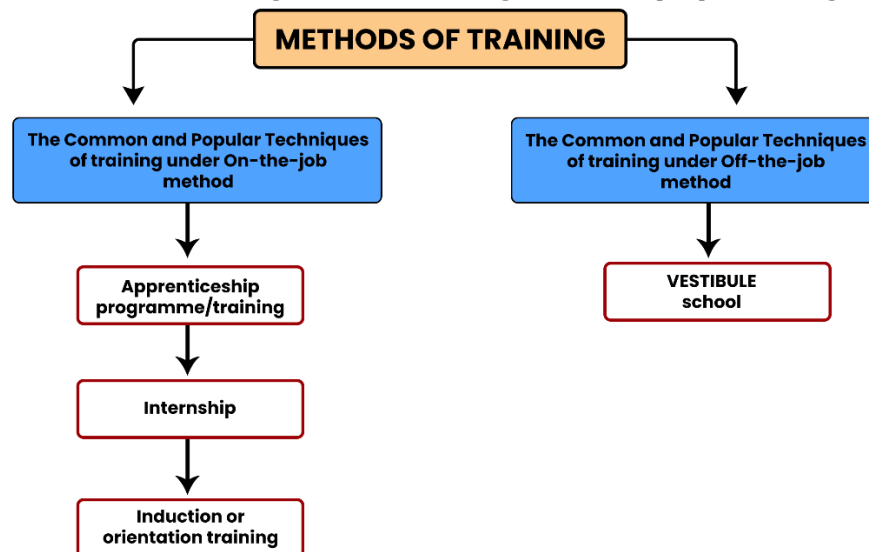
(b) **Internship training:** The educational institutes enter into a contract with business firms or corporates for providing practical knowledge to its students by sending them to business

organizations for gaining practical experience. Internship Training is popular in accountancy, engineering, lawyer and other professions. It is not a contract of service. No salary is given during the period. Generally, a very small amount called stipend is given. The period of internship training varies from six months to two years.

(c) **Induction or Orientation Training:** It is a process of receiving and welcoming an employee when he first joins the company and giving him the basic information he needs to settle down quickly and happily and start work. The purpose of this training programme is to make the new employee feel good in new environment and generate in him a feeling of belongingness. The duration of such type of training may be few hours or a few days. People orientation enables the new employee to start working efficiently and comfortably on the new job.

(ii) Off the Job Methods

(a) **Vestibule training:** Under this method, an attempt is made to duplicate as closely as possible materials, equipments, methods and conditions as found in real work place. In other words, a duplicate model of workshop is prepared and instead of using original equipments, employees are trained on the dummy model. Expert trainers are employed to give instructions. This method of training is suitable for a large number of people handling sophisticated machinery.



QUESTIONS FOR PRACTICE

MCQ

- Q1.** Mr M introduced Mr J, a new employee to the old employees and to their jobs. Identify the method/process being followed there.
(a) Orientation (b) Internship
(c) Vestibule (d) Apprenticeship
- Q2.** The objective of is to create a pool of prospective candidates, from which the best candidate can be selected.
(a) selection (b) placement
(c) training (d) recruitment
- Q3.** Which of the following statements is not true?
(a) Staffing is a never ending process.
(b) Effective staffing ensures success of the organisation.
(c) HRM is both a line and staff activity.
(d) Recruitment and staffing are one and the same thing.
- Q4.** Mr. NG talks to existing employees for information about candidates in their knowledge who can be recruited in organisation. Which method of recruitment is highlighted here?
(a) Recommendations from present employees
(b) Campus recruitment
(c) Casual callers
(d) Labour contractors
- Q5.** The process of introducing the selected employee to other employees and making him familiar with rules and policies of the organisation is known as
(a) orientation (b) compensation
(c) promotion (d) career planning
- Q6.** TCS Ltd. does mass recruitment every year from different engineering colleges offering fresher level job to the final year students. Identify the source of recruitment adopted here.
(a) Placement agencies (b) Casual callers
(c) Web publishing (d) Campus recruitment
- Q7.** refers to process by which skills and abilities of employees to perform specific jobs are increased.
(a) Training (b) Selection
(c) Development (d) Both (a) and (c)
- Q8.** In , existing staff is used to fill up the vacant job in the organisation.
(a) promotion (b) transfer
(c) Both (a) and (b) (d) None of these
- Q9.** Which of the following is not a factor which put limitations on the use of internal sources of recruitment?
(a) Low productivity
(b) No induction training
(c) Lethargic employees
(d) None of these
- Q10.** A psychological test used to measure the level of IQ of an individual and his ability to take decisions and make judgements is known as
(a) trade test
(b) interest test
(c) intelligence test
(d) aptitude test
- Q11.** Human resource management includes many specialised activities to be performed by HR personnel except
(a) recruitment
(b) preparation of job description
(c) handling employee grievances
(d) customer focus
- Q12.** Recruitment of employees from external sources increases dissatisfaction among the present employees as their chances of are reduced .
(a) promotion
(b) voluntary retirement
(c) salary increment
(d) None of these
- Q13.** Which of the following statements is not true?
(a) Training improves performance of an employee and helps him to earn more
(b) Training is for present managers only
(c) Induction training is an on the job training method
(d) Off the job training methods are based on the principle of learning before doing
- Q14.** Which of the following is not a benefit of training and development to employees?
(a) Improved skills and knowledge
(b) Increased efficiency
(c) Increased satisfaction and morale
(d) Results in higher profits
- Q15.** Training is provided to employees on the actual machines, but away from actual work floor is known as vestibule training. It is provided where the employees are supposed to work on
(a) sophisticated machinery
(b) clients
(c) outdated technology
(d) None of these
- Q16.** For the purpose of selecting employees for the post of 'sales executives' for its retail outlets, Reliance Fresh conducted a recruitment programme at Rajasthan University. Considering the vast number of job seekers, group discussions were conducted and the candidates who were selected had to face interviews and then they were offered job if they passed such interviews. Such programmes are often known as
(a) advertisement
(b) campus recruitment
(c) campus selection
(d) direct recruitment

- Q17.** For the purpose of recruiting employees, M/s X Ltd placed a T.V. commercial on a leading channel. This is an example of recruitment through
- (a) advertisement on electronic media
 - (b) advertisement on print media
 - (c) advertisement on web
 - (d) None of the above

Questions 18–19 contain two statements-- Assertion (A) and Reason (R). Each question has FOUR choices (a), (b), (c), (d), only one of which is correct.

In the light of these statements, choose the most appropriate option:

- (a) (A) is incorrect but (R) is correct.
 - (b) (A) is correct but (R) is incorrect.
 - (c) Both (A) and (R) are correct and (R) is the correct explanation of (A)
 - (d) Both (A) and (R) are correct but (R) is not the correct explanation of (A).
- 18. Assertion (A):** Transfer means shifting of an employee from one job to another or one department to another.
Reason (R): Transfer is a lengthy process.
- 19. Assertion (A):** In Induction training, an attempt is made to duplicate as closely as possible materials, equipments, methods and conditions as found in real work place..
Reason (R): Induction training can be from few hours to few days.
- Q20.** Under which of the following method of recruitment, a notice is placed on the notice board of the enterprise specifying details of the jobs available?
- (a) Casual callers
 - (b) Advertisement
 - (c) Direct recruitment
 - (d) Web publishing

SUBJECTIVE QUESTIONS

- Q1.** Which test helps the company to know about the qualities and the moral values of the candidate?
- Q2.** *"There is no need of human resource planning as so many people are available in the market these days."* Do you agree with this statement? Give reasons.
- Q3.** Alpha Ltd. is a highly reputed company and many people wanted to join this company. The employees of this organisation are very happy and they discussed how they came in contact with this organisation. Aman said that he was introduced by the present Sales manager, Mr. John.

Benu said that he had applied through the newspaper and was appointed as H.R Manager. Vaibhav said that he was neither related to any of the employee of the organisation nor there was any advertisement in the newspaper even then he was directly called from IIM Ahmedabad from where he was about to complete his MBA.

- (a) The above discussion is indicating an important function of management. Name the function of management.
 - (b) The management function identified in part (a) follows a particular process. Explain the step of this process which is being discussed in the above para.
- Q4.** "Our assets walk out of the door each evening, we have to make sure that they come back the next morning." This statement relates to which function of management. Explain the importance of this function.
- Q5.** Name the source of recruitment in which newspaper, employment exchange, T.V., etc. are used.
- Q6.** Some learning opportunities are designed and delivered to improve skills and abilities of employees whereas some others are designed to help in the growth of individuals in all respects. Identify two concepts explained above.
- Q7.** An accountant is sent to learn the new software for accounting to prepare the books of accounts faster and accurately. He was further sent to orientation to improve his motivational and conceptual skills.
(i) Identify and explain the two concepts explained above.
(ii) Differentiate these concepts on the basis of suitability, method used and nature.
- Q8.** The workers of a factory remain idle because of lack of knowledge of hi-tech machines. Frequent visit of engineer is made which causes high overhead charges. How can this problem be removed?
- Q9.** A company is manufacturing paper plates and bowls. It produces 1,00,000 plates and bowls each day. Due to local festival it got an urgent order of extra 60,000 plates. Advise how will company fulfill its order and which method of recruitment would you suggest?
- Q10.** An organisation provides security services. It requires such candidates who are reliable and don't leak out the secret of their clients. What steps should be incorporated in selection process? State next two steps of selection process.

HOMEWORK QUESTIONS

MCQ

- Q1. Which of the following is not an external source of recruitment
(a) Campus recruitment (b) Promotion
(c) Casual callers (d) Direct recruitment
- Q2. Ms. Neelam recently completed her Post-Graduate Diploma in Human Resource Management. A few months from now a large steel manufacturing company appointed her as its Human Resource Manager. As of now, the company employees 800 persons and has an expansion plan in hand which may require another 200 persons for various types of additional requirements. Ms. Neelam has been given complete charge of the company's Human Resource Department. What function is she supposed to perform?
(a) Selection (b) Recruitment
(c) Training (d) None of these
- Q3. Under this method of recruitment, a notice is placed on the notice board of the organisation containing the details of the jobs available.
(a) Casual callers
(b) Labour contractors
(c) Recommendations of employees
(d) None of the above
- Q4. Which of the following is not a disadvantage of using external sources of recruitment?
(a) Dissatisfaction among existing staff
(b) Lengthy process
(c) The scope for induction of fresh talent is reduced
(d) Costly process
- Q5. An organization provides security services. It requires such candidates who are reliable and don't leak out the secrets of their clients. Which test should company conduct for hiring such kind of employees?
(a) Trade test (b) Aptitude test
(c) Personality test (d) Interest test
- Q6. This analysis would enable an assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of organisational objectives.
(a) Breakeven analysis (b) Workload analysis
(c) Workforce analysis (d) All of the above
- Q7. The employees in the sales department of Dynamic Ltd. Are always working against time. They are not able to meet all the customers due to shortage of time. Most managers in the department have to handle two or more territories. Due to work pressure there is a lot of dissatisfaction among managers. Identify which step of staffing process was not properly carried out?
(a) Estimating manpower requirements
(b) Performance appraisal
(c) Training and development
(d) Promotion and Career planning
- Q8. It refers to the process of searching for prospective employees and stimulating them to apply for jobs in the organisation.
(a) Selection (b) Training
(c) Recruitment (d) Orientation
- Q9. It is the process of introducing the selected employee to other employees and familiarising him with the rules and policies of the organisation.
(a) Orientation (b) Selection
(c) Training (d) Recruitment
- Q10. Payal who is a good human resource manager is one day called by her boss. He tells her to judge whether there is under staffing or overstaffing in the organisation. She takes her work seriously and finds out that the total number of employees in the organisation are less than required. Identify the type of analysis done by Payal.
(a) Breakeven analysis (b) Workload analysis
(c) Workforce analysis (d) All of the above
- Q11. It is suitable for filling casual vacancies when work load is high or when certain number of permanent workers are absent.
(a) Direct recruitment
(b) Labour contractors
(c) Advertising on television
(d) Placement agencies and management consultants
- Q12. Under this method of recruitment, an organisation maintains a database of unsolicited applicants in their offices.
(a) Direct recruitment
(b) Casual callers
(c) Labour contractors
(d) Advertising on television
- Q13. This source of recruitment basically specialises in filling up the vacancies at the middle level and top level management.
(a) Direct recruitment
(b) Labour contractors
(c) Advertising on television
(d) Placement agencies and management consultants
- Q14. It is a very useful source of recruitment for hiring casual or 'badli' workers to whom compensation is provided on a daily wage basis.
(a) Placement agencies and management consultants
(b) Direct recruitment
(c) Labour contractors
(d) Advertising on television
- Q15. Many big organisations maintain a close liaison with the universities, vocational schools and management institutes to recruit qualified personnel for various jobs. This is known as
(a) Placement agencies and management consultants
(b) Direct recruitment
(c) Labour contractors
(d) Campus recruitment

- Q16.** This test is an indicator of a person's learning ability or the ability to make decisions and judgements.
 (a) Trade test (b) Personality test
 (c) Intelligence test (d) Aptitude test
- Q17.** Lakshay is working as a supervisor in a company. Due to his hard work he is promoted to the post of Production Manager. Now the post of supervisor is vacant and no one can be transferred or promoted to this post. Name the source of recruitment which the company can use to fill up this post.
 (a) Promotion (b) Transfer
 (c) Casual callers (d) None of these
- Q18.** Under this method of training, a trainee is put under the guidance of a master worker.
 (a) Internship training
 (b) Vestibule training
 (c) Apprenticeship training
 (d) Induction training
- Q19.** This type of training method is adopted when employees have to handle sophisticated machinery and equipment at their workplace.
 (a) Apprenticeship training
 (b) Induction training
 (c) Internship training
 (d) Vestibule training
- Q20.** Sahil, the director of a garment company, is planning to manufacture bags for the utilization of waste material of one of his garments unit. He decided that this manufacturing unit will be set up in rural area of West Bengal where people have very less job opportunities and labour is available at very low rate. He also thought of giving equal opportunities to men and women. For this he selected Ram, Shyam and Mohan as heads of Sales, Purchase and Accounts Departments. Which of the following would be next step in the staffing process after selecting the above heads.
 (a) Training and Development
 (b) Orientation
 (c) Performance appraisal
 (d) Compensation
- Q21.** Ashutosh is working with ABC Housekeeping Services Ltd. He is also recruiting housekeeping staff for the company. The company provides housekeeping services in Delhi/NCR to various companies at short notice. The staff is recruited on a temporary basis. The staff provided by the company is known for its trustworthiness and regularity. Ashutosh is famous in his town for providing employment to untrained People. Identify the type of recruitment used by ABC Housekeeping Services Ltd.
 (a) Labour contractors (b) Direct recruitment
 (c) Campus recruitment (d) Casual callers
- Q22.** Identify the correct sequence of the steps involved in the selection process
 (a) Medical Examination, Contract of Employment, Reference and Background checking, Selection Decision, Job Offer
 (b) Reference and Background checking, Selection Decision, Contract of Employment, Medical Examination, Job Offer
 (c) Job Offer, Reference and Background checking, Selection Decision, Medical Examination, Contract of Employment
 (d) Reference and Background checking, Selection Decision, Medical Examination, Job Offer, Contract of Employment
- Q23.** Yuvraj has always been fascinated by the hand woven textile designs. Therefore, he decided to become a weaver. He was told that in order to understand and team this workmanship, he will have to work under the guidance of a master worker for a certain number of years. Identify the type of training being described in the given lines.
 (a) Vestibule training
 (b) Apprenticeship training
 (c) Internship training
 (d) Induction training
- Q24.** Shivaji joined a food processing unit as a factory worker. Since he was expected to work on sophisticated machinery, he was asked to undergo a special training. Identify the training method with reference to above lines.
 (a) Vestibule training
 (b) Apprenticeship training
 (c) Internship training
 (d) Induction training
- Q25.** In the job application form for the post of Production Manager, Prince had given details of his present employer. The company contacted the General Manager of his present company to establish Prince's credibility. Identify the step in selection process being described in the above lines.
 (a) Job offer
 (b) Contract of employment
 (c) Reference and background checking
 (d) Selection decision
- Q26.** Garima applied for the post of an art and craft teacher in a reputed school in Delhi. After successfully clearing the tests and the interview, she was offered an employment contract containing the terms and conditions, and the date of joining. Identify the step in the staffing process being described in the above lines.
 (a) Reference and background checking
 (b) Selection decision
 (c) Job offer
 (d) Contract of Employment
- Q27.** Bright Limited is a company dealing in lights and illumination. Whenever the company is in need of daily wage workers, a notice is placed on the factory gate for the same. Identify the source of recruitment being used by the company.
 (a) Placement agencies and management consultants
 (b) Direct recruitment
 (c) Labour contractors
 (d) Advertising

- Q28.** When the Principal of Little Angels Public School was on the verge of retirement, the management of the school contacted a specialised business firm in order to fill up the vacancy. Identify the source of recruitment being used by the management.
- Labour contractors
 - Advertising
 - Placement agencies and management consultants
 - Direct recruitment
- Q29.** Sohan works as a software engineer in an IT company. He provided the reference of close friend Rohan to the Human Resource Department for the post of Senior Business Development Manager. Rohan was duly selected for the concerned post by the company. Identify the source of recruitment being used by the company.
- Advertising
 - Placement agencies and management consultants
 - Recommendation of employees
 - Direct recruitment
- Q30.** When Kulpreet Singh applied for the post of Computer teacher in a school in Bhubaneswar, he was asked to prepare a powerpoint presentation on a particular topic during selection procedure. Identify the type of selection test being mentioned in the above lines,
- Trade test
 - Intelligence test
 - Personality test
 - Interest test.

SUBJECTIVE QUESTIONS

- Q1.** 'Pure Energy Ltd.' imported a new hi-tech machine from Japan for manufacturing high quality and low cost solar panels in India. After a month, the report of Production Manager reflected a decline in quantity and quality of production. On investigation, it was found that there was lack of technical knowledge and skills amongst the employees for using these hi-tech machines. This resulted in high-overhead charges as well as frequent visits of engineers was required from Japan.
- Suggest what should be done to increase the quality and quantity of production.
 - Also state, how the employees will be benefited from your suggestion.
 - State any value which 'Pure Energy Ltd.' is following.
 - Identify the functions of management discussed above.
- Q2.** In order to decrease the cost of production and increase quality of work PQR Ltd. decided to modernise their plant. Now it is necessary to provide the knowledge of new technology to workers.

Suggest the supervisor of company how to help workers to learn technology and the benefits derived from it.

- Q3.** Ramesh Ltd. received 22,495 applications for the post of fifty supervisors. Preliminary, screening was done and 3,545 applications were filtered. Various steps of selection process were taken and finally fifty candidate as supervisor were selected. They were directly posted to their respective posts. After one-month performance appraisal of these candidates conducted. It was found that out of 50, eight were not able to perform as per standards as they were facing practical problems while handling machines.
- In your opinion, what should be done to improve the performance of these eight supervisors.
 - How an organisation can be benefited by improving the skill level of employees.
- Q4.** Name the three important aspects of staffing?
- Q5.** A company has its own recruitment policy to fill the vacant posts with suitable employee.
- Top most positions are being filled by contacting specialised agencies so as to attract the most capable work force competitive organisation.
 - To foster the spirit of loyalty and motivate the employees the middle level positions are filled from within the organisation.
- Identify the sources of recruitment referred above?
 - Also give any one method of each source.
- Q6.** In a company all recruiting, screening and training process for data entry, etc. are done by one officer only. Their competitor was attracting most qualified employees. As a result this company had to choose from candidates who have soft skills and less qualifications. On the basis of above case answer the following questions:
- What problem do you see company is facing?
 - How can this problem be solved?
- Q7.** A company Ram Ltd. is setting up a new plant in India for manufacturing auto components. India is highly competitive and cost-effective production base in this sector, Ram Ltd. is planning to capture about 40% of the market share in India and also export to the tune of at least \$5 million in about 2 years of its planned operations. To achieve these targets it requires a highly trained and motivated work force. You have been retained by the company to advise it in this matter.
- Outline the process of staffing the company should follow.
 - Which sources of recruitment should the company rely upon? Give reason for your recommendation.
 - Outline the process of selection the company should follow with reasons.
 - Which methods of training and development should company initiate? Explain giving reasons.

- Q8.** Ms. Shreya recently completed her Postgraduate Diploma in Human Resource Management. A few months from now a large steel manufacturing company appointed her as its Human Resource Manager. As of now company employs 800 persons and has an expansion plan in hand which may require another 200 persons, for various types of additional requirements. Ms. Shreya has been given complete charge of the company's human resource department.
- (i) Point out, what function does she suppose to perform?
 - (ii) What problems do you foresee in her job?
 - (iii) What steps is she going to take to perform her job efficiently?
 - (iv) How significant is her role in the organisation?
- Q9.** Raghav runs a law firm in Delhi. His firm offers valuable financial and legal consultancy service to the clients. Whenever the firm hire any new employee, on the first day of their joining, they are welcomed to the organisation and are given details about hours of work, leave rules, dress codes, lunch arrangements,

introduced to the daily operations and key people in workplace, etc. They are also familiarised with the organisation's policies and procedures including complaints and disputes, resolutions, etc.

In the context of above case name the type of training which is being referred in the above case.

- Q10.** Harshita runs an NGO under the name 'Serve karma' in Delhi. The organisation is engaged in offering waste paper recycling services to all kinds of institutions in Delhi. It also made paper stationery out of recycled papers at very competitive price. The website of Serve karma provides a link, to career sites, wherein people desirous of joining the NGO can use simple job search to find the right opportunity for themselves. The NGO also keeps a database of applications of Jobseekers, so that they can be called 'Whenever need arises. In the context of above case: Identify the two sources of external recruitment being used by "Serve karma" by quoting the lines from para.

SOLUTION FOR PRACTICE QUESTIONS

SOLUTION FOR MCQ QUESTIONS

- S1. (a)
- S2. (d)
- S3. (d)
- S4. (a)
- S5. (a)
- S6. (d)
- S7. (a)
- S8. (c)
- S9. (b)
- S10. (c)
- S11. (d)
- S12. (a)
- S13. (b)
- S14. (d)
- S15. (a)
- S16. (b)
- S17. (a)
- S18. (b)
- S19. (a)
- S20. (c)

SUBJECTIVE QUESTIONS

- S1. Personality test helps the company to know the moral values and other attributes of the candidate.
- S2. No, I do not agree with this statement. There is great need for human resource planning because of following reasons:
 - (i) Organisations need human resource planning to meet the demands of changing job requirements due to rapidly changing technology.

- (ii) All the people available in market are not suitable for performing the jobs as per the requirement of company so human resource planning is necessary to select right type of person to perform the job.
- (iii) Human resource planning helps the companies to know the shortage and surplus of manpower in various departments. So corrective and timely measures can be taken by the companies.
- S3. (a) Staffing.
(b) *Recruitment*. It is defined as the process of researching for prospective employees and stimulating them to apply for jobs in the organisation.
- S4. Staffing. [*For importance of function refer on page no. 80*]
- S5. External source of recruitment.
- S6. The two concepts explained are:
 - 1. Training, 2 Development.
- S7. (i) Training and Development.
(ii) Refer to Page No. 85 for difference
- S8. In this case workers need training to learn the use of machine that is hi-tech and sophisticated so the suitable method of training in this case is vestibule school, where a dummy model of machine is created and workers can learn on that duplicate machine. They are allowed to work on real machine when they become perfect.
- S9. To complete the order on time company needs to recruit more people immediately and the most suitable method in this case is labour contractors as they maintain close contacts with labourers and they can provide the required number of unskilled workers at a short notice.
- S10. In this case during the selection process the organisation must conduct personality test as this test provides clues to a person, so emotions, maturity and value system.
The next two steps of selecting process after this:
 - 1. Interview
 - 2. Checking references.

SOLUTION FOR HOMEWORK QUESTION

SOLUTION FOR MCQ QUESTIONS

1. (b)
2. (b)
3. (d)
4. (c)
5. (c) As this test provide complete information about the candidate overall personality of the applicant in terms of emotions, maturity, honesty, self confidence etc.
6. (b)
7. (a)
8. (c)
9. (a)
- S10. (c)
- S11. (a)
- S12. (b)
- S13. (d)
- S14. (b)
- S15. (d)
- S16. (c)
- S17. (c)
- S18. (c)
- S19. (d)
- S20. (b)
- S21. (a)
- S22. (d)
- S23. (b)
- S24. (a)
- S25. (c)
- S26. (c)
- S27. (b)
- S28. (c)
- S29. (c)
- S30. (a)

SUBJECTIVE QUESTIONS

- S1. (i) Training—Vestibule School.
(ii) Refer to Page no. 10
(iii) Employees Growth and Development, Eco friendliness.

- (iv) Staffing.
- S2. Training, Benefits of Training (Refer to page nos. 85)
- S3. (i) Training.
(ii) Benefits (Refer to page nos. 85)
- S4. Recruitment, Selection and Training
- S5. (i) External Recruitment—Placement Agency.
(ii) Internal Recruitment—Promotion.
- S6. (i) This company has failed to recognise the human resource approach. This approach considers human resources as most important factor. They are dependent on personnel officer for all the activities whereas they have failed to recognise the importance of human resource management.
(ii) This problem can be solved by setting up a human resource management department.
- S7. (i) The steps involved in the staffing process which company should follow are:
(a) Estimating manpower requirement.
(b) Recruitment.
(c) Selection.
(d) Placement and orientation
(e) Training and development.
(ii) Company should rely upon external source of recruitment as companies require to set up a new plant and large number of manpower with latest technology. Reasons for relying on external sources are:
Give advantages of external recruitment on page no. 82
(iii) The steps in the process of selection company should follow are:
(a) Preliminary screening
(b) Selection test
(c) Interview
(d) Reference and backgrounds checks
(e) Selection decisions
(f) Medical examination
(g) Job offer
(h) Contract of employment.
(iv) Company should prefer following methods of training and development:
(a) Apprenticeship programme page no. 86
(b) Vestibule school page no. 86
(c) Internship training page no. 86
- S8. (i) She is supposed to perform following functions:
(a) Human resource planning
(b) Employing people
(c) Career growth
(d) Performance appraisal
(e) Motivate employees
(f) Fixing compensation
(g) Providing social security
(h) Review and Audit of personnel policies and procedure.

- (ii)** The common problems she must be facing are:
- (a) Finding out basic skill necessary to perform job.
 - (b) Recruiting and selecting right person at right job
 - (c) Preparing written document explaining the job, job description.
 - (d) Selecting right training method.
 - (e) Fixing adequate compensation for employees.
 - (f) Selecting incentives to motivate employees.
- (iii)** The steps she must take to carry on her job well are:
- (a) Prior to staffing deciding who will perform the job.
 - (b) Staffing plan:
 - (i) Estimating current requirement of human resources.
 - (ii) Anticipating future requirement.

- (c) Job specification. Deciding qualification necessary for performing job.
- (d) Developing assessment test.
- (e) Locating potential applicants.
- (f) Advertising the job.
- (g) Selection test/interview.
- (h) Final selection.
- (iv) Her role is very significant in the organisation. Give importance of staffing.

S9. Induction or orientation training.

- S10.** (i) Web publishing, "The website of serve karma opportunity for themselves".
- (ii) Casual Callers, "The NGO also keeps a database need arise".