



***OPEN COURSE***  
***ECD.1551 HUMAN RESOURCE MANAGEMENT***  
***(HRM)***

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# *MODULE I*

## *NATURE AND SCOPE OF HUMAN RESOURCE MANAGEMENT*

*Unit I*

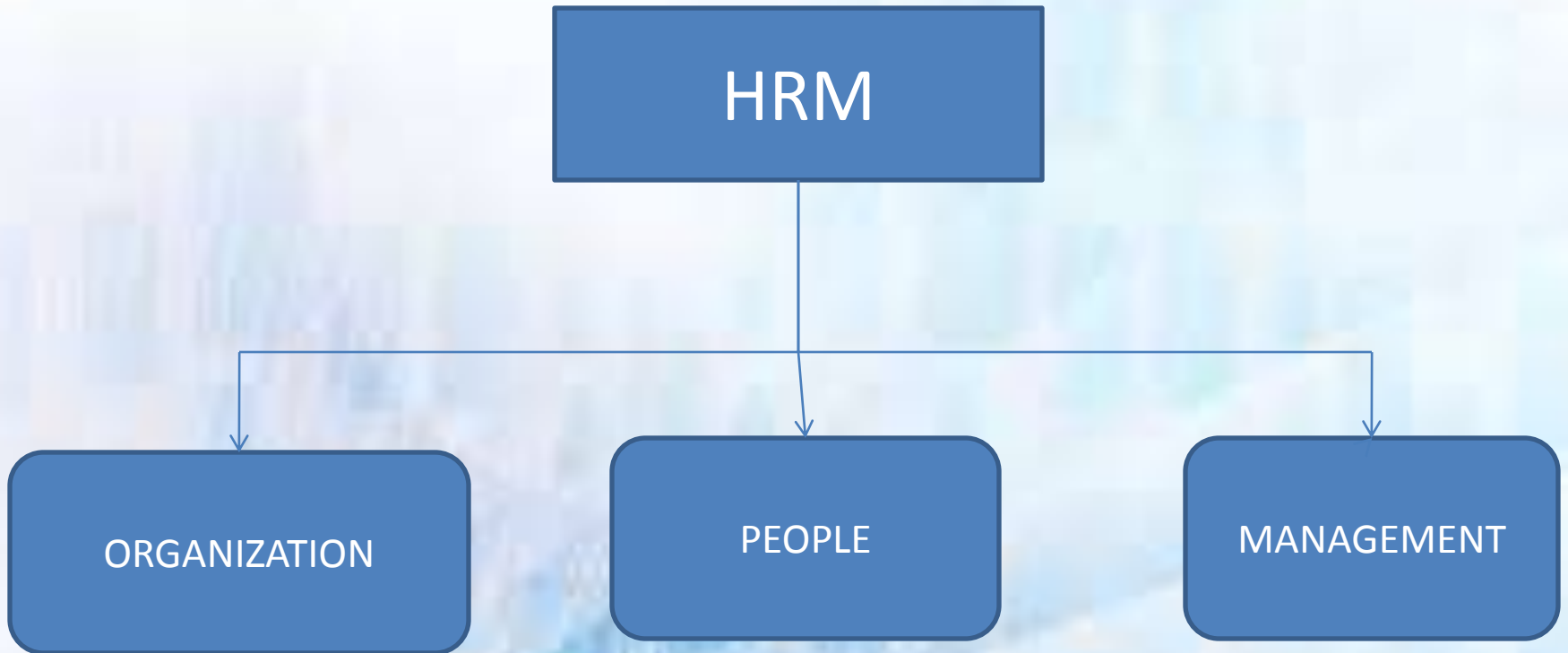
*Nature and Scope of HRM*



# Human Resource Management : Meaning

- Human Resource Management is the body of knowledge and a set of practices that define the *nature of work* and regulate the *employment relationship*.
- HRM is the function within an organization that focuses on *recruitment ,management* and *providing direction* for the people who work in the *organization*.
- Management of people from *Recruitment* to *Retirement*
- To select *right person*, at the *right place* for the *right job*.

# Core Elements of HRM



# Definitions of HRM

**According to Ivancevich and Glueck,**

“HRM is the function performed in organizations that facilitates the most effective use of people to achieve organizational and individual goals”

**According to Flippo,**

“ HRM is the planning, organizing, directing and controlling of the procurement, development compensation, integration, maintenance and reproduction of human resources to the end that individual, organizational and societal objectives are accomplished”

# Nature of HRM



# Objectives of HRM



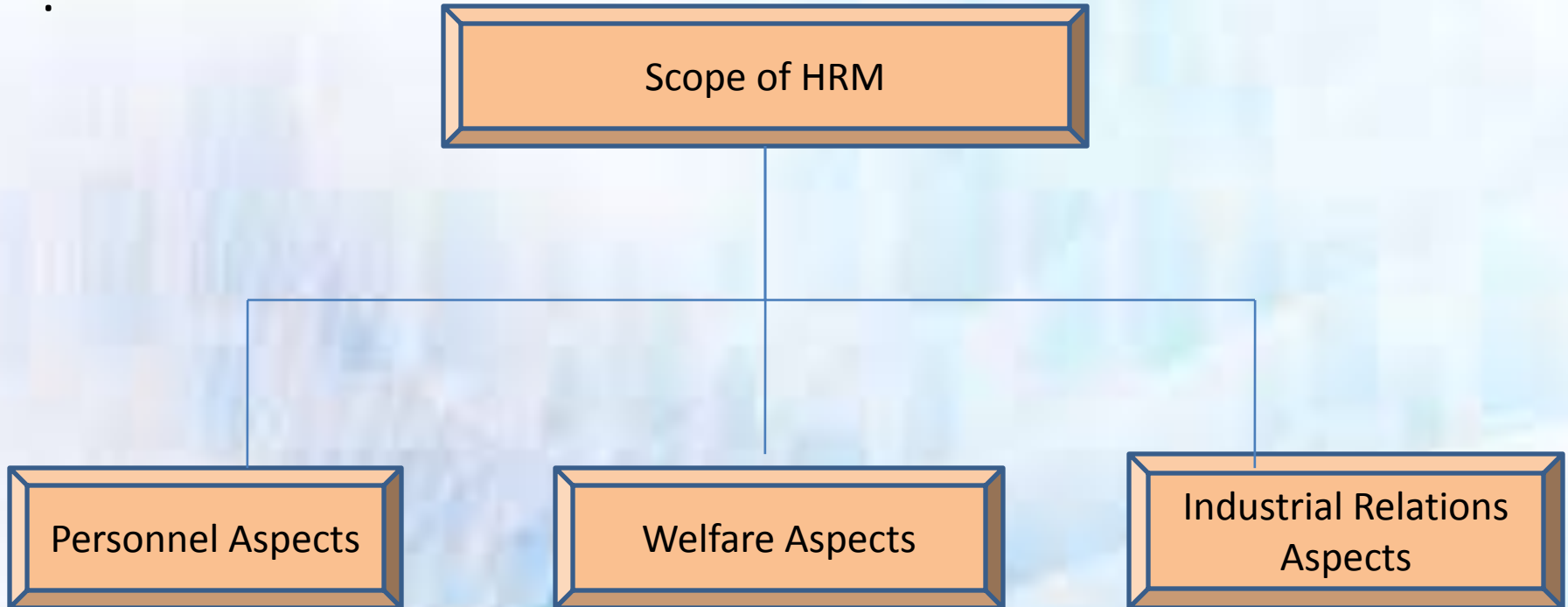
# OBJECTIVES

Societal Objectives	<ul style="list-style-type: none"><li>✓ Legal and ethical compliance</li><li>✓ Satisfying society's needs and wants</li><li>✓ Harmony among union- management relations</li></ul>
Organizational Objectives	<ul style="list-style-type: none"><li>✓ Human resource planning</li><li>✓ Employees relations</li><li>✓ Recruitment ,selection, training of retail employees</li><li>✓ Performance management</li><li>✓ Compensation and benefits</li><li>✓ Managerial relations</li></ul>
Functional Objectives	<ul style="list-style-type: none"><li>✓ Performance Management</li><li>✓ Compensation and benefits</li><li>✓ Labour relations</li><li>✓ Managerial Relations</li></ul>
Personal Objectives	<ul style="list-style-type: none"><li>✓ Training and development</li><li>✓ Performance management</li><li>✓ Compensation and benefits</li></ul>

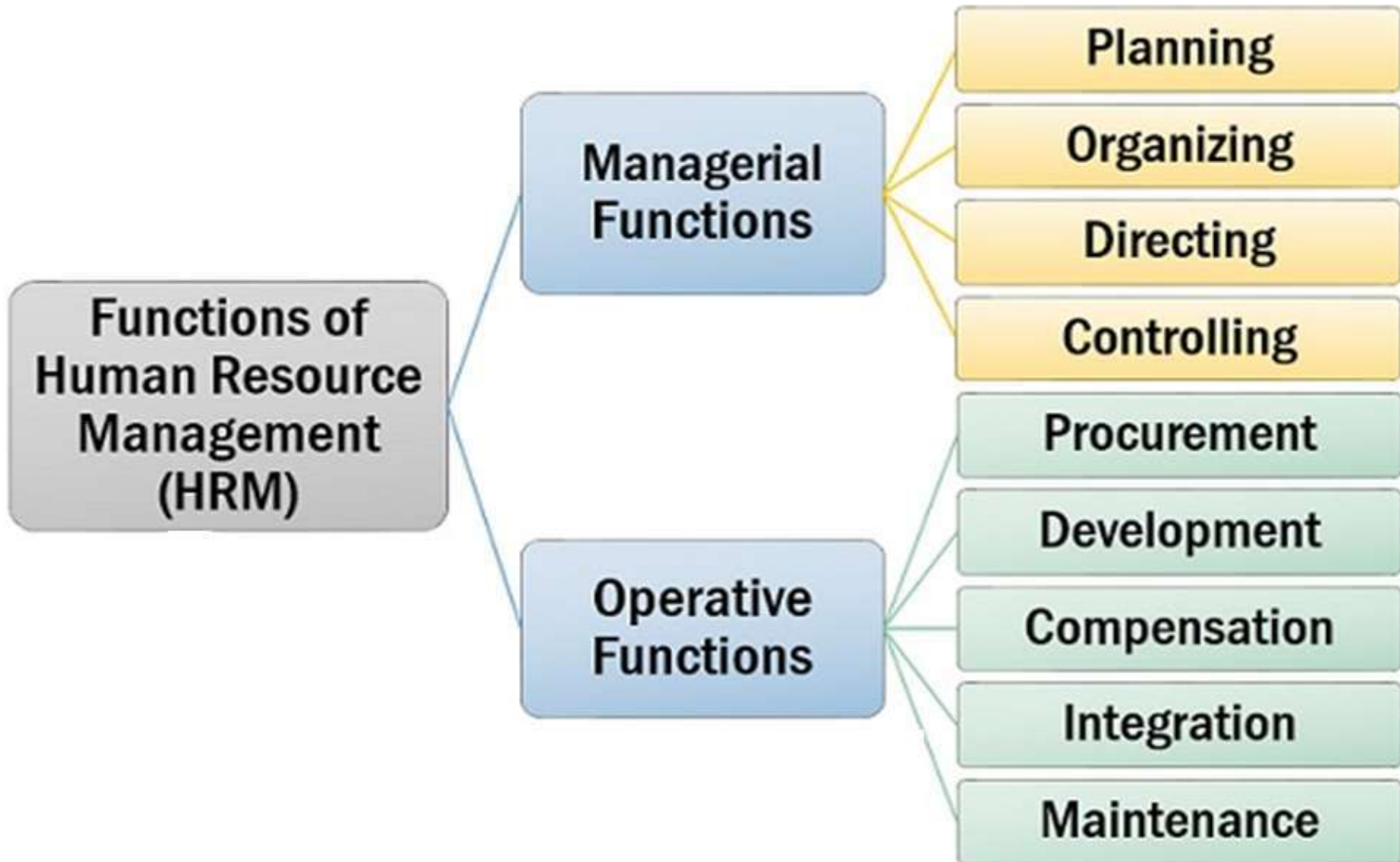


# Scope of HRM

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# Functions of HRM



# Components of HRM



# HRM - Challenges

Challenges  
of Human  
Resource  
Management

Growing Employee Expectations

Growing Size of Workforce

Emergence of New Technology

Internal Politics

Human Psychology

Changes in Law and Regulations

Maintenance of Human Relations

## *MODULE - II*

# *Human Resource Planning (HRP) and Development*

### *Unit 2 Human Capital*



# Human Capital Management

- Human Capital Management (HCM) is a strategic approach to people management that focuses on the knowledge, skills, abilities and capacity to develop and innovate possessed by people in an organisation. **Baron**
- The stock of accumulated knowledge, skills, experience, creativity and other relevant workforce attributes – **Nalbantian et al**
- Human capital management is an integrated effort to manage and develop human capabilities to achieve significantly higher levels of performance. - **Chatzkel**

# **Economic Benefits of Strategic Human Capital Management**

- Increase Revenue
- Improve Customer Satisfaction
- Improve Quality
- Increase Productivity
- Reduce Cost
- Reduce Cycle Time
- Increase Market Capitalization

## LABOUR THEORY OF VALUE

- Labour as the crucial common denominator.
- The value of a commodity could be expressed in terms of labour inputs required in its production.
- There would be divergent price results if the elements of production differ from one producer to another.
- Two commodities produced with identical quantities of labour input would differ in price if one required longer commitments of **capital** before revenues were realized through sales than the other.



# Human Resources Development

- HRD is the process of increasing the capabilities of HR through development .
- It is concerned with developing the skills, knowledge and competencies of people.
- HRD encompasses a range of organizational practices that focus on training and development.
- It is a process of adding values to individuals, teams, organization as human system.

# Definition

- According to Leonard Nadier,
- “HRD means those learning experiences which are organized for a specific time and designed to bring about the possibility of behavioral change”
- According to Harbison and Myers ,
- “HRD as the process of increasing the knowledge,skills and capabilities of all the people in a country”
- **HRD = HR +DEVELOPMENT**

# Need For HRD

- To create a climate free from monotony
- To facilitate effective communication to surface creative ability of employees
- To enable the members to attain self actualization through systematically developing their potentials
- Tapping the present and future creative abilities of the people
- Facilitating growth of employees and making them aware about their strength and weaknesses
- Helping organizations to utilize human resources to their maximum potentials
- Availing opportunities for future development by the employees themselves.

# HRD functions

- Providing skill input to apprentices and trainees
- Identifying training needs and imparting training
- Outside deputation for competency enhancement
- Competency mapping
- Organizational development activities
- Conducting sessions and workshops
- Training and development (T &D)

# Principle in Designing HRD System

- Consistent support
- Focus on HRD
- Structure of the HRD system
- Functioning of the system

## **Focus**

- Adaption and change in organization culture
- Contextual factors
- Building linkages with other functions
- Specialization and diffusion of the function

# Key Differences Between HRM and HRD

<b>HRM</b>	<b>HRD</b>
•To manage the people working in the organization	•To improve the performance of people working in the organization.
•HRM is a function of management.	• HRD falls under the umbrella of HRM
• It is a reactive function as it attempts to fulfill the demands that arise	•It is a proactive function, that meets the changing demands of the HR in the organization
•It is a routine process and a function of administration	•It is an ongoing process.
•Basic objective is to improve the efficiency of employees	• It aims at developing the skill, knowledge and competency of workers
• HRD is an organizationally oriented process; that is a subsystem of a big system.	•As opposed to HRM where there are separate roles to play, which makes it an independent function .
• HRM is concerned with people	•HRD development of the entire organization

## *Unit 3*

# *Demographic Scenario In India*



# Introduction

- Demography is the statistics of the population that is subjected to change in accordance with aging, birth, death, migration etc..
- The demography of any place helps to gather information about the population, religion, language and ethnicity of that place. Demography can be understood through census. The five processes in demography: Fertility, mortality, marriage, migration and social mobility



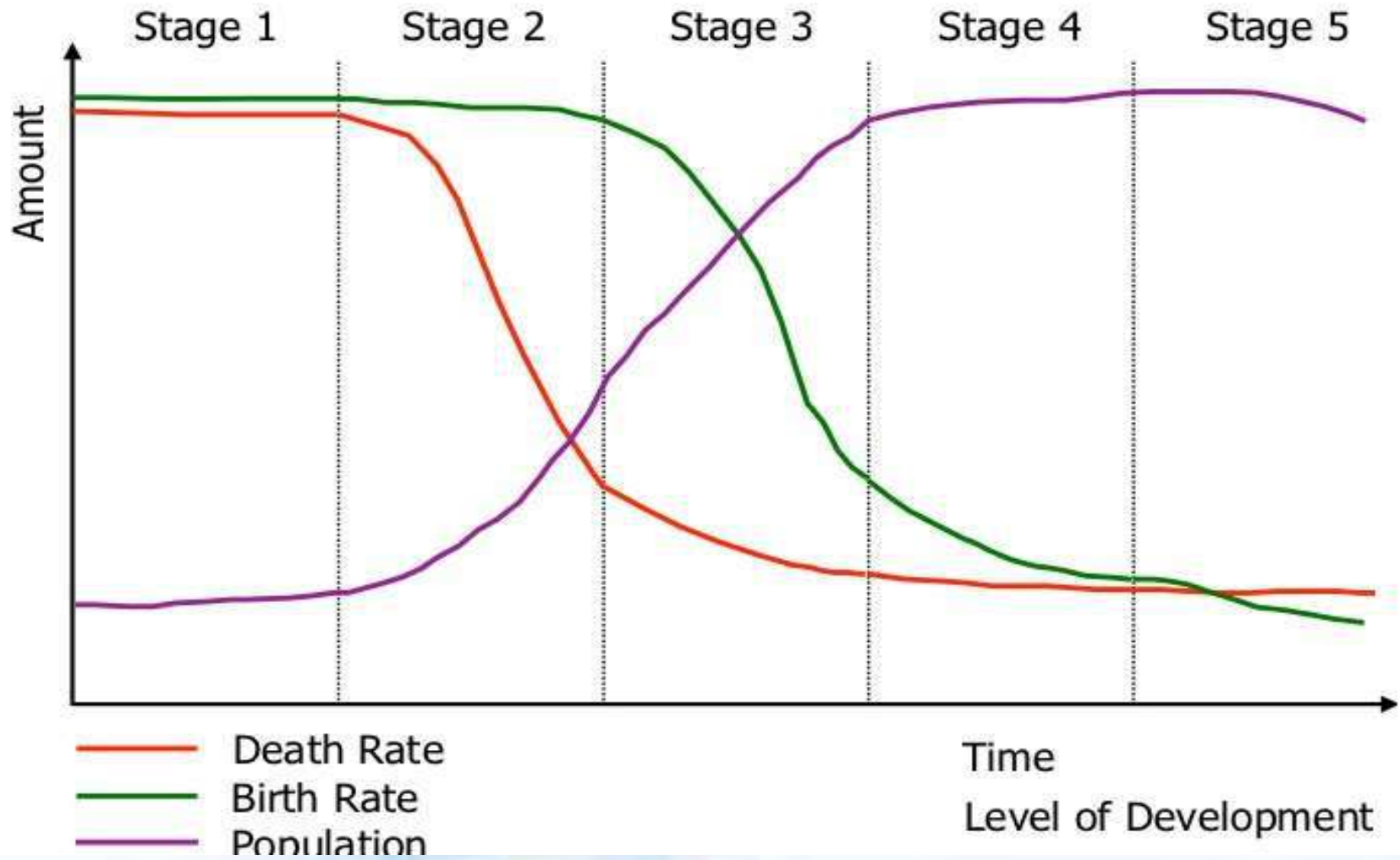


# Population

- Population is the number of persons occupying a certain geographic area, drawing substance from their habitat and interacting with one another.
- Population growth has been and will continue to be an integral part of our lives. It account for the emergence and intensification of many local, natural and global problems like poverty and inequality, energy crisis, malnutrition and scarcity or food supply housing problems, criminality, economic crisis and environment degration.

# Theory of Demographic Transition

The **Demographic Transition Model** is a geographical model used to explain the process of change from high birth rates and high death rates to low birth rates and low death rates as part of the economic development of a country from a pre-industrial to an industrialized economy.



# Stages

- It suggests that the population growth rates for all countries can be divided into 4 stages:

## Stage 1 :

- ❖ Birth Rate –Very High
- ❖ Death Rate –Very High
- ❖ Natural Increase-Population Steady

## Stage 2 :

- ❖ Birth Rate –Very High
- ❖ Death Rate –Falling Rapidly
- ❖ Natural Increase – Very Rapid Increase

### Stage 3: :

- ❖ Birth Rate –Falling rapidly
- ❖ Death Rate –Falling more slowly
- ❖ Natural Increase-Rapid Increase

### Stage 4:

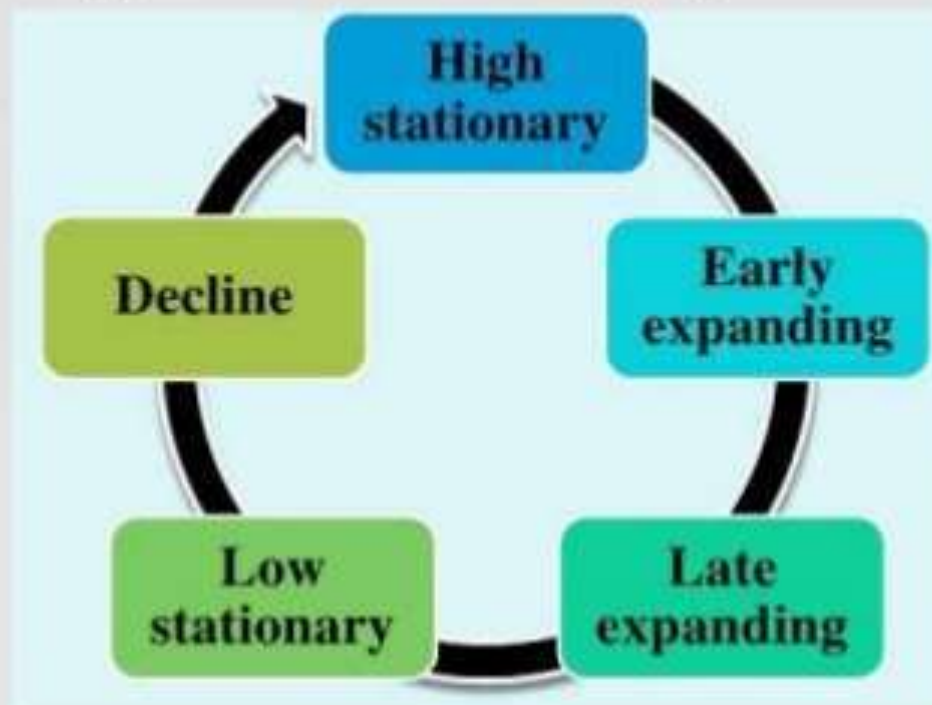
- ❖ Birth Rate –Falling more slowly
- ❖ Death Rate –Slight fall
- ❖ Natural Increase-Very slow increase

### Stage 5:

- ❖ Birth Rate –Slight fall
- ❖ Death Rate –Stable
- ❖ Natural Increase-Gentle decrease

# DEMOGRAPHIC CYCLE

- The history of world population since 1650 suggests that there is a demographic cycle of 5 stages through which a nation passes.



# DEMOGRAPHIC INDICATORS

- Provide an overview of its population size, composition, territorial distribution, changes therein and the components of changes such as nativity, mortality and social mobility.
- They are divide in to two parts :-

## POPULATION STATISTICS

POPULATION  
SIZE

SEX  
RATIO

DENSITY

DEPENDENCY RATIO

## VITAL STATISTICS

BIRTH  
RATE

DEATH  
RATE

NATURAL  
GROWTH RATE

LIFE EXPECTANCY  
AT BIRTH

MORTALITY AND  
FERTILITY RATES



# Demographic Trends in India

- It includes:
- Demographic Indicators
- Age and Sex Composition
- Age Pyramids
- Sex Ratio
- Dependency Ratio
- Density of Population
- Urbanization
- Family Size
- Literacy and Education
- Life Expectancy

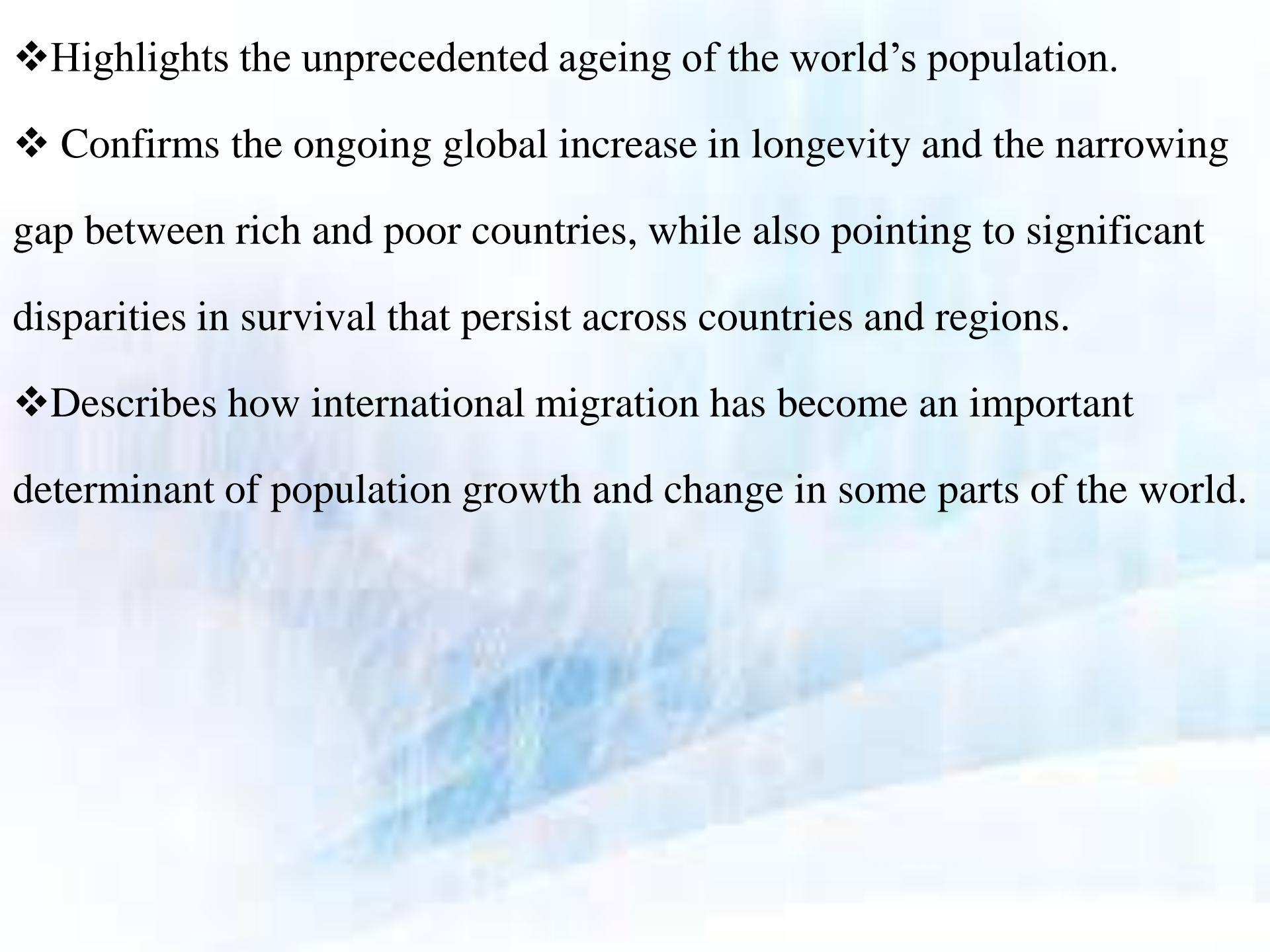


# National Population Policy 2000

- Its main features are
- It provides a policy framework for imparting free and compulsory education up to 14 years of age.
- It aims at reducing Infant Mortality Rate to below 30 per 1000 live births.
- Its objective is to achieve universal immunization of children against all vaccine preventable diseases.
- It promotes delayed marriage for girls.
- It makes family welfare a people centered programme by improving individual health.

# World Population Prospects 2019

- ❖ Confirms that the world's population continues to grow, albeit at a slowing rate.
- ❖ Points to the challenges facing some countries and regions related to rapid population growth driven by high fertility.
- ❖ Notes that population size is decreasing in some countries due to sustained low fertility or emigration.
- ❖ Underscores the opportunities available to countries where a recent decline in fertility is creating demographic conditions favorable for accelerated economic growth.

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- ❖ Highlights the unprecedented ageing of the world's population.
  - ❖ Confirms the ongoing global increase in longevity and the narrowing gap between rich and poor countries, while also pointing to significant disparities in survival that persist across countries and regions.
  - ❖ Describes how international migration has become an important determinant of population growth and change in some parts of the world.

# Demographic Dynamics of Selected Countries

- Several studies by the international agencies, demographers and economists all over the world now give attention towards the demographic dynamics of the developing nations *because of the future strength that they can gain from the increase in working age population.*

*Unit-4*

*Human Resource Planning (HRP)*



# Human Resource Planning (HRP)

- HRP is the process of forecasting and organization's future demand for, supply of ,the right type of people in the right number.
- It is the process by which management determines how an organization should move from its current manpower position to its desired manpower position.
- It determines the future personnel needs.
- Increase investment in terms of Hunan Resource.

# Definition of HRP

- “HRP is a process by which manager ensure that they have the right number and kind of capable people in the right places and at the right times”

**Robbins and Coulter**

- “HRP is a process of determining and assuming that the organization will have an adequate number of qualified persons, available at the proper times, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved”

**Dales Beach**



# Objectives of HRP

- ✓ To ensure optimum utilization of existing HR.
- ✓ To forecast future requirement for HR.
- ✓ To provide control measures to ensure that necessary HR are available as and when required
- ✓ To assess the surplus and shortage of HR
- ✓ To anticipate the impact of technology on job and HR.
- ✓ To determine the level of Recruitment and Training.
- ✓ To estimate the cost of HR and Housing needs of employees.
- ✓ To meet the needs of expansion and diversification programme.

# Benefits of HRP

- ✓ To meet up requirement of the organization.
- ✓ To counter balance insecurity and change.
- ✓ HRP helps to checking labour imbalance.
- ✓ To meet expansion and diversification needs of the organization.
- ✓ To provide Training and development of Employees.
- ✓ Fulfill individual needs of Employees.
- ✓ Right sizing the HR requirement of the organizations.

# Need for HRP at Macro Level

- ✓ Employment-Unemployment Situation
- ✓ Technological Changes
- ✓ Organizational Changes
- ✓ Demographic Changes
- ✓ Skill Shortages
- ✓ Governmental Influences
- ✓ Legislative Controls
- ✓ Impact of Pressure Groups
- ✓ Systems Concept
- ✓ Lead Time.

# Levels of HRP

- ✓ National Level
- ✓ Sectoral Levels
- ✓ Industry Level
- ✓ Unit Level
- ✓ It again includes the following levels.
  - Plant level
  - Department level
  - Divisional level

# Problems in Human Resource Planning

Inaccuracy - Due to forecasting

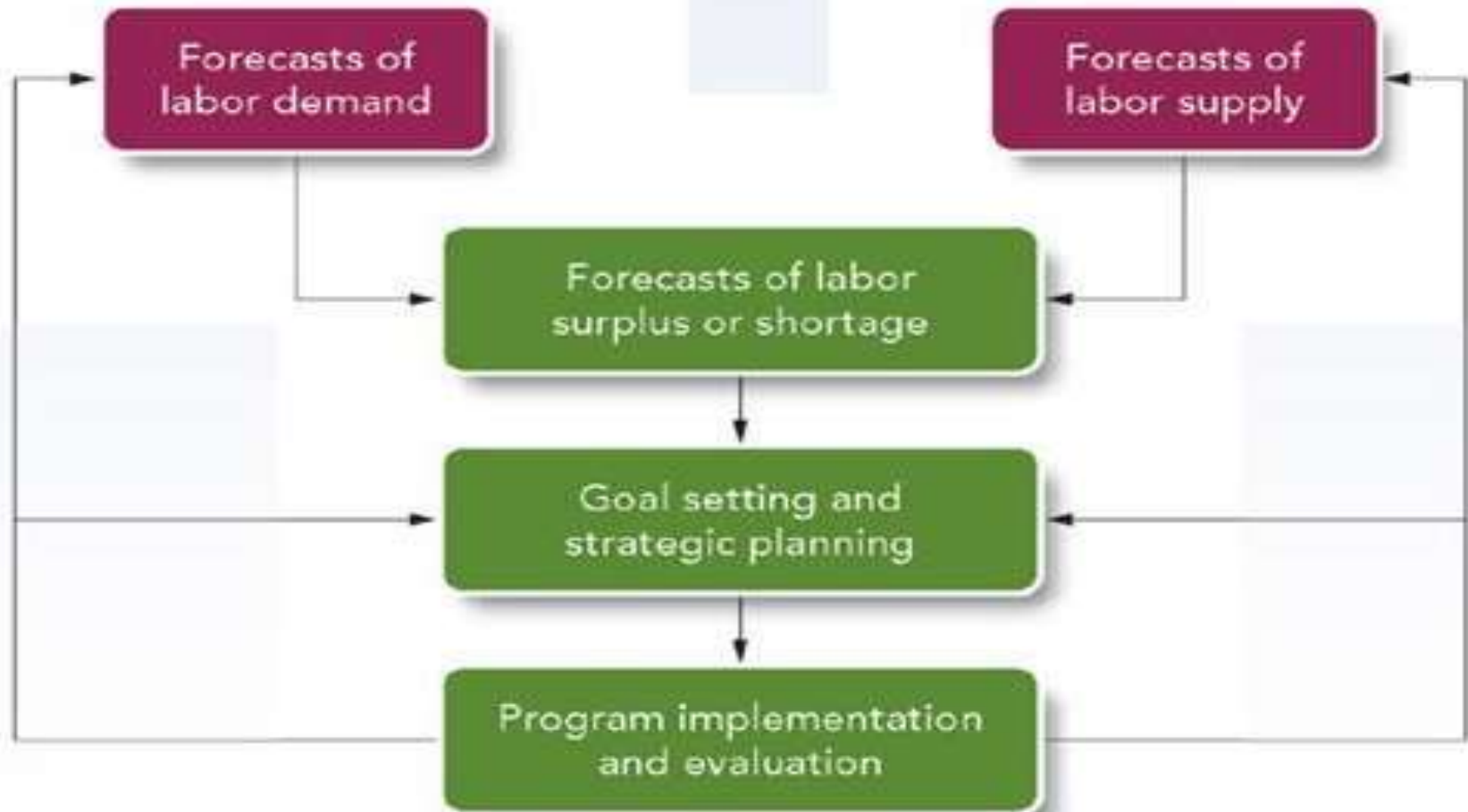
Time and Cost involved - Data collection etc.

Resistance by employees and employers - Due to lack of understanding

Uncertainties - Labour turnover, absenteeism, technological changes, market fluctuations

Inadequate support from top Management

# Overview of HRP Process



# Guidelines for Making HRP Effective

- ✓ *Tailor-made*
- ✓ *Appropriate time*
- ✓ *Adequate organization.*
- ✓ *Top management support.*
- ✓ *Participation*
- ✓ *Information system*
- ✓ *Balanced focus*

# Job Analysis

- Job analysis is the procedure through which you determine the duties of the positions and the characteristics of the people to hire for them. It leads to a job description and job specification.
- Job description : It indicates what all a job involves. It sets out the purpose, scope, duties and responsibilities of a job.
- Job Specification: It refers to what kind of people to hire for the job. It includes skills, knowledge and other personal attributes required to carry out the job.



# Job Analysis

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graph TD; A[Job Analysis] --> B[Job Description]; A --> C[Job Specification];
```

## Job Description

- Job Title
- Job Location
- Job Summary
- Reporting to
- Working Conditions
- Job Duties
- Machines to be Used
- Hazards

## Job Specification

- Qualifications
- Experience
- Training
- Skills
- Responsibilities
- Emotional Characteristics
- Sensory Demands

# Uses of Job Analysis

Recruitment and replacement

Better utilization of workers

Job restructuring

Vocational Counseling

Training

Performance evaluation

Occupational safety

*Unit 5*  
*Recruitment*



# Recruitment

- Recruitment forms the first stage in the process, which continues with selection and ceases with placement of the candidate.
- This is the process of identifying the prospective employees and encouraging them to apply for a particular job or jobs in the Organization. It involves inviting people to apply. From a large number of eligible persons from whom proper selection of the most suitable person can be made
- The process begins when new recruits are sought and ends when their screening has been carried out.

# Definition

- According to B.Flippo,

“Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization”

- According to Yoder.D,et al,

“Recruitment is a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force”

# SOURCES OF RECRUITMENT

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graph TD; A([SOURCES OF RECRUITMENT]) --> B([INTERNAL]); A --> C([EXTERNAL]); B --> D[INTERNAL SOURCES]; C --> E[EXTERNAL SOURCES];
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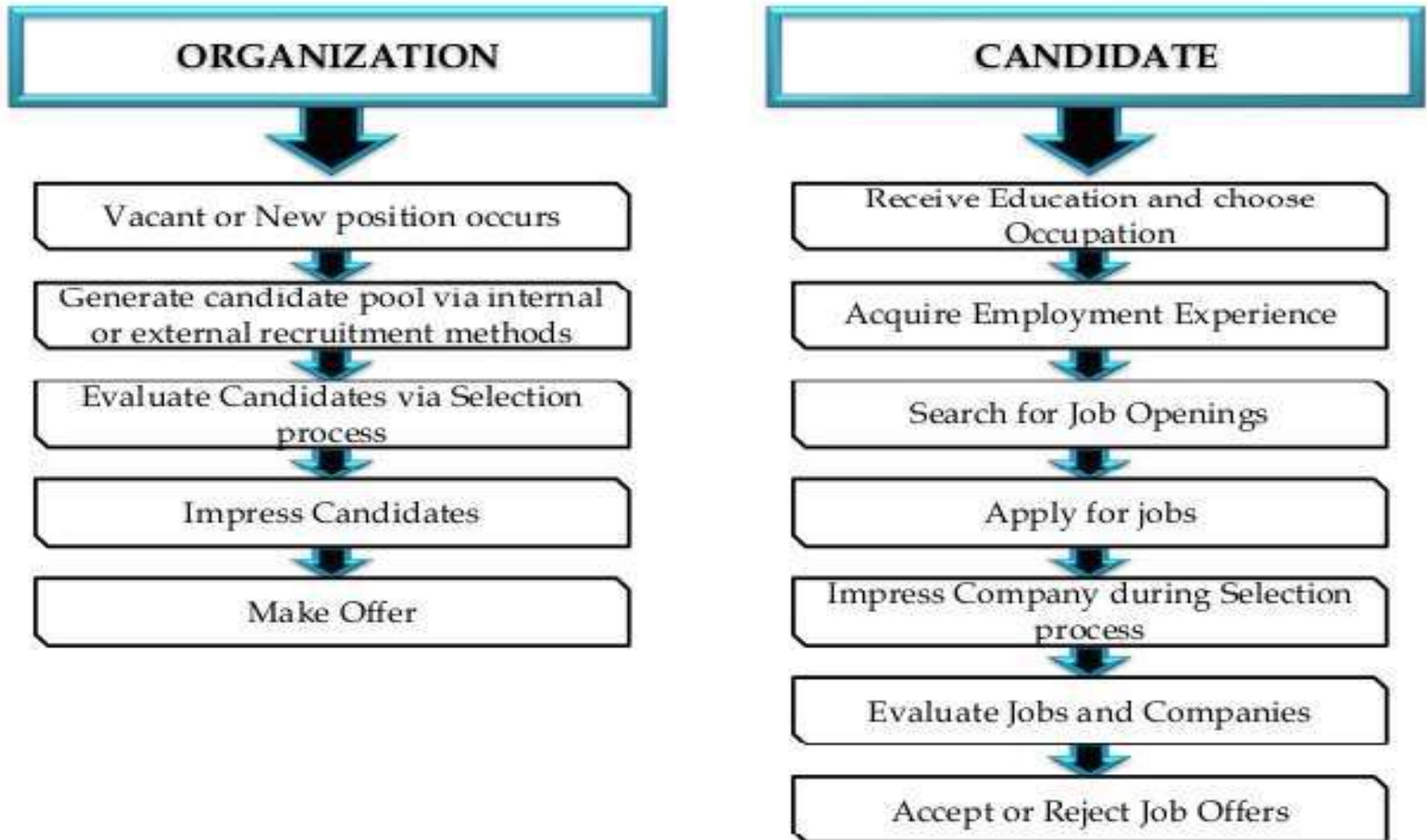
## INTERNAL

- Current Employee
- References from present employee
- Databank of former applicants
- Retired Employee
- Former employee

## EXTERNAL

- Advertising
- Employment agencies
- Temporary help
- Executive recruiters
- Referrals and walk-ins
- College recruiting
- Company's web site
- Free and fee-paying Website services

# Process of Recruitment



# Recruitment Methods

Recruitment methods are the means by which an organization attempts to establish contact with potential candidates, provides them necessary information and encourages them to apply for jobs. It includes

**Direct Method** : In this method scouting, manned exhibits and waiting lists are used

**Indirect Method** : Advertisements in newspapers and journals, radio, television used to publicize vacancies

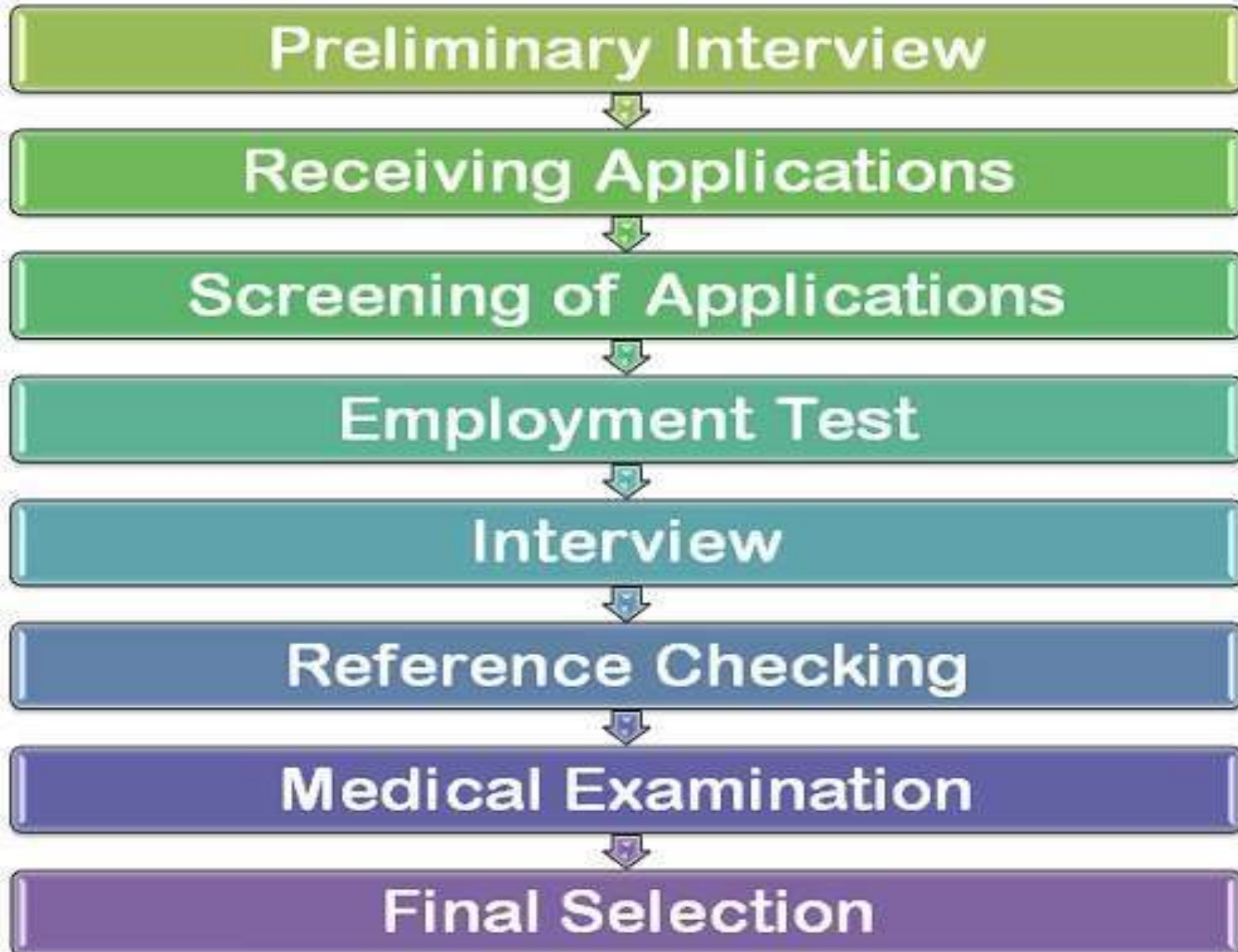
**Third Party Method** : Various agencies, public employment exchanges and private consulting firms are used to recruit personnel.



# Selection

- Selection is the process of examining the applicants with record to their suitability for the given job or jobs, and choosing the best from the suitable candidates.
- Thus you will notice that this process is negative in nature in the sense that rejection of candidates is involved.
- It is the process of differentiating between applicants in order to identify (and hire) those with the greater likelihood of success .

# Process of selection



# Selection Tests

- Different types of selection tests may be administered depending on the job and the company. Generally tests are used to determine applicant's ability, aptitude and personality
- A test is a sample of an aspect of an individual's behavior, performance or attitude. It can also be a systematic procedure for comparing the behavior of two or more Persons.

## **Types of Tests:**

- Achievement or Intelligence Tests,
- Aptitude or Potential Ability Tests.
- Personality Tests,
- Interest Tests

# Selection Vs Recruitment

## Selection

- To choose out of the available candidates
- It is a rejection process where few are selected
- Highly specialized techniques are required
- Outcome is the candidate who is offered job

## Recruitment

- To attract maximum number of candidates
- It creates application pool as large as possible.
- Techniques are not very intensive.
- Outcome is application pool

# Interview

- An interview is a conversation between two people (the interviewer and the interviewee) where questions are asked by the interviewer to obtain information from the interviewee.
- It means a meeting for obtaining information by questioning a person or persons.

# Purpose of an Interview

An interview has two purpose

- To find if the candidate has the right attitude and fits the requirement and company culture
- To find the best candidate to fill a vacancy.

## Types of interview

- Informal Interview
- Formal Interview

# Placement

- Placement is a process of assigning a specific job to each of the selected candidates.
- It involves assigning a specific rank and responsibility to an individual
- It implies matching the requirement of a job with the qualifications of the candidate's skills, abilities, potentials capacities and their expectations towards the organization.
- The ideal situation is “ the right man for the right job”.

# Induction

- “Induction is a technique by which a new employee is rehabilitated into the changed surroundings and introduced to the practices, policies and purposes of the organization”

**R.P.Billimoria**

- Induction comes first and is followed by orientation.
- It means introduction of the company as in the overall preview of company and it is in the form of presentations.



# Induction Programme

- A good induction programme should cover the following
- The company, its history and products, process of production and persons involved in his job.
- The nature of the job with all necessary information about including in training and hands
- Structure the organization in the functions of various departments
- Employees own department and job, and how fits into the organization
- Personnel policy and sources of information
- Company policies, practices, objectives and regulations.
- Terms and conditions of service, amenities and welfare facilities

# Purpose and Need of Induction

- Overcoming employee anxiety
- Overcoming reality shock
- Accommodating employees
- Reducing employee turnover

## **Steps in induction programme :**

- General orientation by the staff
- Specific orientation by the job supervisor
- Follow-up orientation by either the personnel department or the supervisor

# Outsourcing

- Outsourcing is a practice in which an individual or company performs tasks, provides services or manufactures products for another company functions that could have been or is usually done in house
- Outsourcing is typically used by companies to save costs. It is a common trend in information technology and other industries.
- According to Dave Griffiths,
- The strategic use of outside resources to perform activities traditionally handled by internal staff and resources

# Benefits of Outsourcing

- Strategic Restructuring
- Budget cuts
- Risk Mitigation
- Focus on core Activities
- Cost and Efficiency Savings
- Reduced Overhead
- Operational Control
- Staffing Flexibility
- Develop Internal Staff

## *Unit 6*

## *Training*



# Training

- A process whereby people acquire capabilities to aid in the achievement of organizational goals.
- It tries to improve a specific skill related to the job.
- It is a learning process and a task oriented activity.
- The process of teaching new employees the basic skills they need to perform their jobs.



# Definition

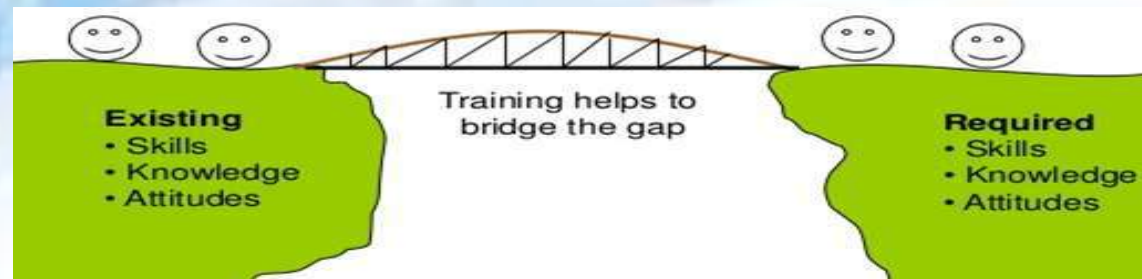
According to **Edwin .B.Flipppo**

“Training is the act of increasing the knowledge and skills of an employee for doing a particular job.”

According to **Nehru**

“Training is expensive. Without training it is more expensive.”

Training can be defined as a process of learning a sequence of programmed behaviour to do that particular job.



# Needs of Training

- Training is necessary to prepare existing employees for higher level jobs.
- It is necessary when a person is shifted from one job to another
- It is necessary to make employee mobile and versatile
- It provides a sense of security and self confidence to employees.
- It is needed to bridge the gap between what the employee has and what the job demands.
- It develops new skill to the employees



# Benefits of Training

- Improves morale of employees
- Less supervision
- Fewer accident
- Chances of promotion
- Increased productivity

# Organization of Training Programmes

After identifying the training needs, the next step is to design and organize training programmes. It includes the following points :

- Trainings related to company policies and procedures
- Trainings in specific skills
- Human Relations Training
- Problem solving Training
- Managerial and supervisory Training
- Apprentice Training

# Methods of Training & Development

- There are various methods of training which are broadly classified as
- **On-the-job-Training** : It refers to new or inexperienced employees learning through observing peers or managers performing the job and trying to imitate their behaviour. The principle of learning by doing is used here.
- **Off-the-Job or Class Room Training** : on the job is not a part of every day activity under these methods. Trainee is separated from the job environment. Location of this training may be take place at training agency, class room, an outside place owned by the organization.

# Methods of Training

## On-the-job Training

- Coaching
- Job Instruction Training
- Job Rotation
- Mentoring
- Apprenticeship

## Off-the-job Training

- Lectures
- Group Discussion
- Brainstorming
- Electronic Training
- Simulation
- Role Playing
- Internship Training
- Case Study

# Evaluation of Training Programmes

- Evaluation is concerned with the measurement of the training success or effectiveness to establish whether an investment in a particular training has paid off.
- Training programmes can be evaluated on the basis of the achievement of the previously set objectives and results, considering the needs, methods and other areas of training administration. There are four main partners in training (and clients for evaluation):
  - The participants or learners
  - The training organization or institute
  - The faculty or facilitators or trainers
  - The client organization, the ultimate user and financier of training

# Evaluation of Training Process



# Issues in Training

- Aligning training with business strategy.
- Changing demographics.
- Knowledge workers.
- Training as continuous improvement.
- Quality.
- Legal Issues.

# Steps in Training Programme

The training is a complex process that occurs in several steps:

- Training opportunity
- Information gathering
- Needs assessment
- Aims, goals and objectives
- Research and content
- Training design
- Preparation
- Training delivery
- Evaluation
- Follow up



# Retraining

It is all about renovate and upgrade the employees to the time to time changing and developing working environment, managerial skills, modern technology etc., to facilitate a better performance in a highly competitive management era.

## Process of Retraining

- Identification of change in environment
- Identification of change required in skill set
- Defining retraining objectives
- Identification of retraining methods
- Imparting retraining
- Post retraining evaluation

# *MODULE III*

## *Controlling Human Resources*

*Unit 7*

*Career Planning And Disciplinary Action*




# Career Path

- Career path basically refers to opportunities for growth in the organization.
- Career path Shows a change in status, better salary and benefits and perhaps less load and better working conditions.

It is mainly of two kinds:

- a) Those where designations changes to a higher level position job remaining more or less the same.
- b) Those were changes in position bring about changes with increased Salary, status and better benefits and working conditions.

# Process of career Planning



Analysis of individual skills, knowledge, abilities, aptitudes etc

Analysis of career opportunities both within and outside the organization

Analysis of career demands on the incumbent in terms of skills, knowledge, abilities, aptitude etc., and in terms of qualifications, experience and training received etc.

Establishing realistic goals both short-term and long-term

# Benefits of Career Planning

- An individual conducts a research & the results lead to an increased awareness in the field of interest
- Strives day & night to achieve his Vision
- More Chances of becoming a dignified & a respected professional
- Less chances of becoming the 'Rotten Tomato'

# Career Anchor

- Represent the self perceived talents and abilities, basic values, and the evolved sense of motives and needs pertaining to the career
- The term was coined by Edgar Schein in *Career Anchors: Discovering Your Real Values*, published in 1985. Schein coined the term career anchor to describe a constellation of self-perceived attitudes, values, needs and talents that develops over time, and which when developed, shapes and guides career choices and directions

# Types of Career Anchors

- ❖ Technical/Functional Competence
- ❖ Managerial Competence
- ❖ Autonomy/Independence
- ❖ Security/Stability
- ❖ Entrepreneurial Creativity
- ❖ Service/Dedication to a cause
- ❖ Pure Challenge
- ❖ Lifestyle

# Discipline and Procedures of Disciplinary action

## DEFINITION

- ‘ A process of training a worker so that to develop “SELF CONTROL” & become “MORE EFFICIENT” in his task or work’.
- ‘ A process which involves the conditioning or moduling of the future behavior of employees by the offer of rewards and penalties.’



# OBJECTIVES OF DISCIPLINE

- Willing to accept of Rules, Regulations & Procedures of an organization.
- To develop a spirit of TOLERANCE & DESIRE to make adjustments.
- To impart an element of certainty despite a lots of several indifferences in informal behavior.
- To give & seek direction & responsibility.
- To increase Workers efficiency.

## TYPES OF DISCIPLINE

❖ **POSTIVE DISCIPLINE** – a.k.a.  
~ *CO-OPERATIVE DISCIPLINE (or)*  
~ *DETERMINATIVE DISCIPLINE.*

❖ **NEGATIVE DISCIPLINE** – a.k.a.  
~ *PUNITIVE DISCIPLINE (or)*  
~ *CORRECTIVE DISCIPLINE (or)*  
~ *AUTOCRATIC DISCIPLINE.*

# POSTIVE DISCIPLINE

- Refers to REWARDS , APPRECIATION, CONSTRUCTIVE SUPPORT , INCENTIVES & PAYMENTS etc.
- Happens when MANAGEMENT applies the Principles of Positive Motivation, when the leadership is efficiently managed.

# NEGATIVE DISCIPLINE

- Refers to when People are forced / Constrained to OBEY ORDERS.
- To perform their tasks in accordance with the Rules & Regulations.
- Indulging in ANTI-SOCIAL & ANTI ORAGNISATIONAL Activities.
- Results in LAY-OFF, SUSPENSION , FINE , RED-LISTING etc.

# APPROACHES TO DISCIPLINE

- Human Relations Approach- employee is helped to correct his/ her attitude.
- Human Resources Approach - dealt by considering failure in the areas of development, maintenance and utilization of human resources;
- Group Discipline Approach - groups sets the standards and punishments to individuals
- Leadership Approach - superior administers the rules of discipline ,guidelines and trains them.
- Judicial Approach - on the basis of legality.

# DISCIPLINARY PROCEDURE:

- Issuing a Letter or Charge to Employee calling upon him for Explanation.
- Consideration of the Explanation.
- Show-Cause Notice.
- Holding of a Full-fledged Enquiry: steps in domestic enquiry are: preparing and serving the charge-sheet, supervision in grave case, obtaining reply to charge-sheet, selecting enquiry officer, conducting enquiry proceedings, holding of enquiry in free environment, record findings, submitting enquiry officer's report to the disciplinary authority, decision of the disciplinary authority, communication of the order of punishment.
- Considering the Enquiry proceedings and findings and making final order.

## DISCIPLINARY ACTION

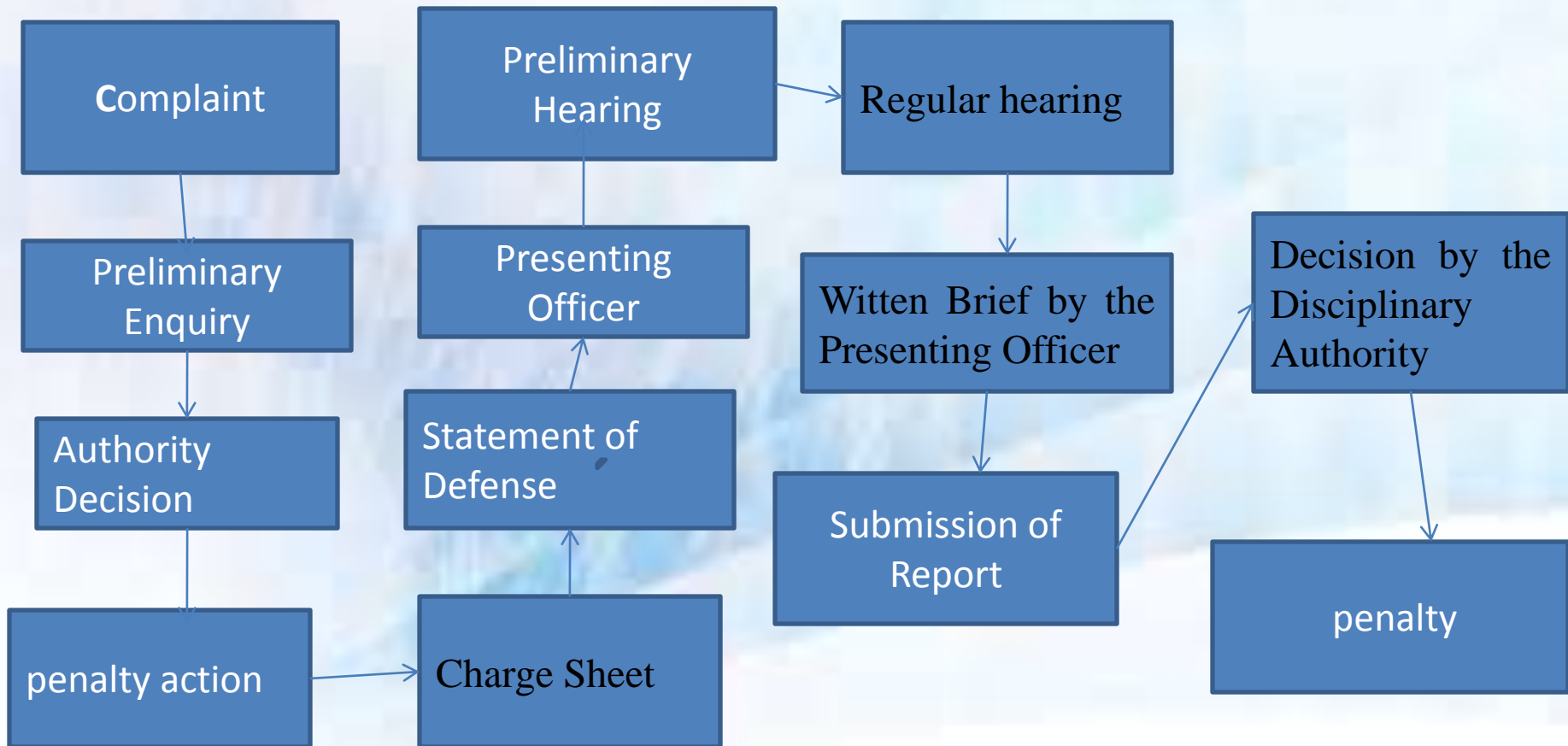
- Expected to meet performance standards and behave.
- A process of communicating with the employee to improve unacceptable behavior or performance.
- Corrective measure, aimed at preventing further misconduct or poor performance.
- The most common types of disciplinary action are warnings and, in serious cases, dismissal.
- To be lawful, disciplinary action or dismissal must be fair and reasonable in all the circumstances (with some limited exceptions).

*~The employer must have good reason for the dismissal or disciplinary action &*

*~The employer must follow a fair process in reaching and*

# Stage of Disciplinary Proceedings

- Stages of Disciplinary Proceedings are explained through the following flow chart



*Unit 8*  
*Organizational Mobility*



# Organizational Mobility

- Mobility is an organizational activity to cope with the changing organizational requirements like change in organizational structure, fluctuation in requirement of organizational product, introduction of new method of work etc.
- Mobility in an organizational context includes mainly promotion and 'transfer. Sometimes demotion also comes under mobility.
- **Purpose of Mobility**
  - To improve organizational effectiveness
  - To Maximize employee efficiency
- To cope with changes in operation
- To ensure discipline

# Demotion

- The assignment of an individual to a job of lower rank and pay usually involving lower level of difficulty and responsibility.

## Features

- The pride of the employee suffers.
- Keeps the employees alert to their responsibilities and duties



# Types and causes of Demotion



## CAUSES

- Combination of departments and Elimination of jobs.
- Inadequacy and bad performance.
- Change in technology.

- Frame a clear list of rules, violation of which will lead to employee demotion.
- Communicate the same to the employees .
- Thorough investigation of any violation.
- The discovered violation should follow an equitable application of penalty.
- There should be a proper review.

# Transfer

- A transfer is a horizontal or lateral movement of an employee from one job, section, department, shifts, place, plant , or position to another at the same time or another place where his salary, status, and responsibility are the same.
- Transfer may be initiated either by the company or the employee. It also can be temporary or permanent.

# Purposes of Transfer

- To increase the effectiveness of the organization
- To increase versatility and competencies of key positions
- To deal with fluctuations in work requirements
- To correct incompatibility in employee relations
- To correct erroneous placement
- To relieve monotony
- To adjust workforce
- To punish employees

# Types of Transfers

**Production transfers:** Transfers are made to meet the company requirements. It help to stabilise employment.

- **Replacement transfers:** This takes place to replace a new employee who has been in the organization for a long time and thereby giving some relief to an old employee from the heavy pressure of work.

**Versatility transfers:** It is made to develop all round employees by moving them from one job to another

**Personnel or remedial transfers:** Such a transfer is made to rectify mistakes in selection and placement.

# Separations

Separations means cessation of service with the organization for one or another reason.

- Resignation
- Retirement
- Dismissal
- Suspension

# Promotion

- Promotion refers to upward movement in present job leading to greater responsibilities, higher status and better salary.
- It may be temporary or permanent depending upon the organizational required.
- It stimulates self-development and creates interest in the job.  
Promotion provides incentives, enterprise and ambition, minimizes discontents and unrest, and attracts capable individuals.
- It is the transfer of an employee to job which pays more money or one that offers some preferred status.

# Purpose and Advantages of Promotion

- To recognize employee's performance and commitment and motivate him towards better performance
- To develop competitive spirit among employees for acquiring knowledge and skills for higher level jobs
- To retain skilled and talented employees
- To reduce discontent and unrest
- To utilise more effectively the knowledge and skills of employees, and
- To attract suitable and competent employees



# Types of Promotions

- Multiple Chain Promotion
- Up or Out Promotion
- Dry Promotion

## Bases of Promotion

- Seniority as basis
- Merit as a basis
- Seniority-cum-Merit

*Unit 9*  
*Industrial Relations*



# Industrial Relations

Industrial relations is that aspect of management which deals with the manpower of the establishment whether operators, skilled workers or managerial staff. Cordial and peaceful Industrial relations between the employer and employee are necessary for improving the productivity and thus the economic growth of the country.

## **Participants in Industrial Relations**

- Employers
- Employees/workers
- Government

# Objectives of Industrial relations

- To create healthy relations between employees and employers.
- To minimize industrial disputes.
- To generate harmonious relations among all concerned with production process.
- To improve the productivity of workers.
- To provide workers their appropriate position
- To improve the productivity of workers.
- To provide workers their appropriate position by considering them partners and associating them with management process.
- To provide the workers their due profit share, improve their working conditions and thereby eliminating the chances of strikes and lockout etc.

# Workers' Participation in Management in India

- In our country, the concept of workers participation in management is comparatively of recent origin
- The various schemes of workers' participation in management have failed to live up to the expectations of employers and employees. The reasons for the failure of the concept in India Includes:
  - lack of understanding of the concepts.
  - rigid attitude of the employees
  - vagueness of the legal definitions
  - scope and functions of these bipartite forums.
  - half-hearted implementation of decisions arrived at these forums

# Performance Appraisal

- Performance appraisal is the step where the management finds out how effective it has been at hiring and placing employees
- A Performance Appraisal” is a process of evaluating an employee’s performance of a job in terms of its requirements.
- According to Newstrom ,”It is the process of evaluating the performance of employees , sharing that information with them and searching for ways to improve their performance”

# Objectives of Performance Appraisal

According to:

**Employee**

- concrete and tangible particulars about their work
- assessment of performance

**Organization**

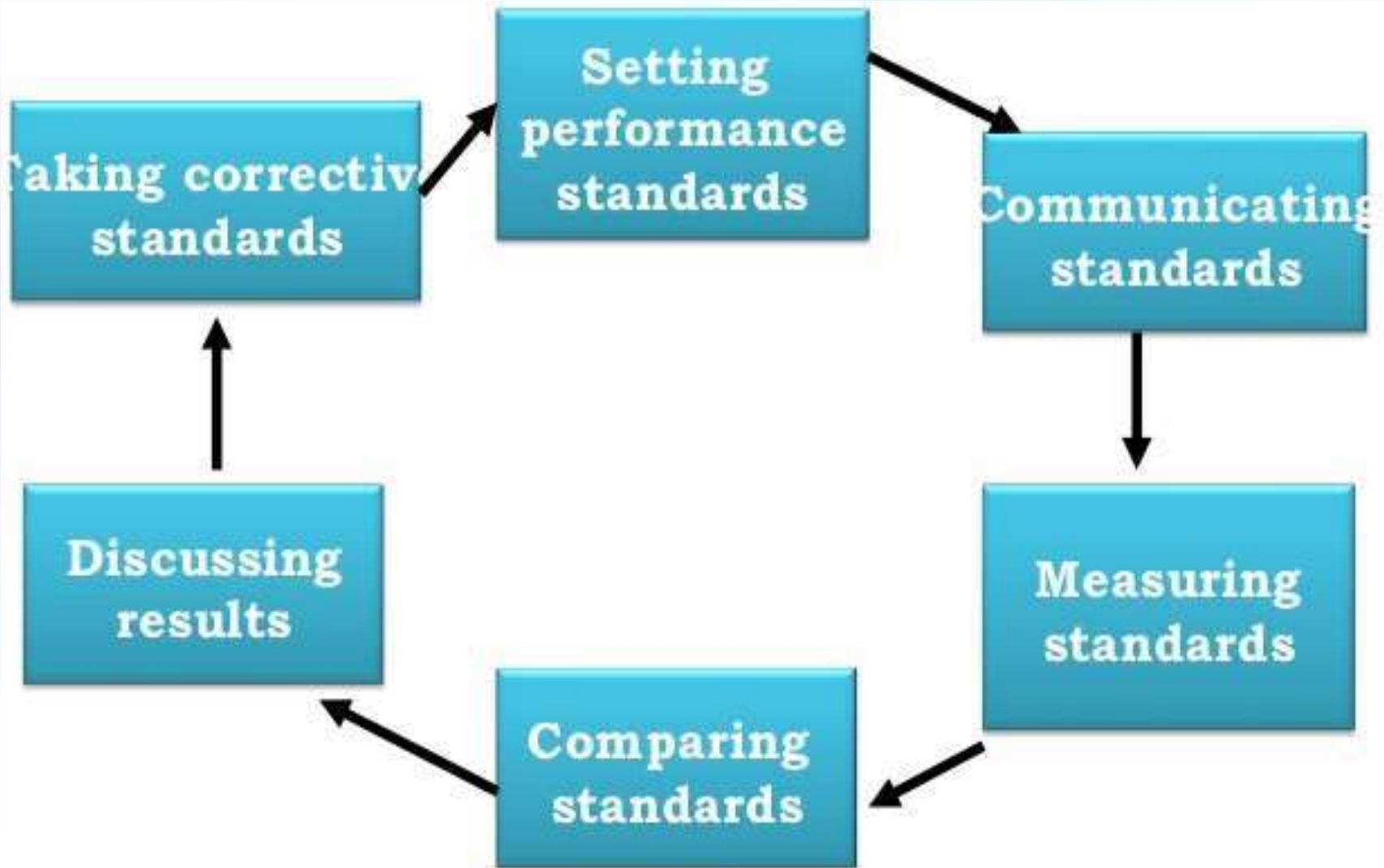
- measuring the efficiency
- maintaining organizational control.

**Aims at:**

- Personal development
- work satisfaction
- involvement in the organization.

- mutual goals of the employees & the organization.
- growth & development
- increase harmony & enhance effectiveness

# Process of Performance Appraisal





# Conclusion

In conclusion a performance appraisal is one of the most important factors in any organization and also a great tool used to record productivity. Every organization has to have goals and objectives established and every employee has to be involved in the process. Also conducting a performance appraisal will improve productivity and also the morale of the employees. Appraisals are a positive way for a manager to let the employees know how well they are performing the duties that are assigned to them. Sometimes we get caught up in our job and do not realize what all the company strives to do for employees. Whether the reward is a lousy employee dinner and or a simple thank you card, your work is being recognized. Also, employees should be thankful for any job they may have, because the company did not have to hire on any means.

# *Unit 10*

## *Collective Bargaining*



# COLLECTIVE BARGAINING

- Collective bargaining is a process between employers and employees to reach an agreement regarding the rights and duties of people at work.
- It aims to reach a collective agreement which usually sets out issues such as employees pay, working hours , training, health and safety, and rights to participate in workplace or company affairs.

**‘Collective’ → ‘Group’**

**‘Bargaining’ → ‘Proposals and counter Proposals’**



# Definition of Collective Bargaining

- **According to Flippo,**

“Collective Bargaining is a process in which the representatives of a labour organization and the representatives of business organization meet and attempt to negotiate a contract, which specifies the nature of employee-employer union relationship”

- **According to Tudwig Teller,**

“Collective bargaining is an agreement between a single employer or an association of employers on the one hand and a labour union on the other hand, which regulates the terms and conditions of employment.”

# Features of Collective Bargaining

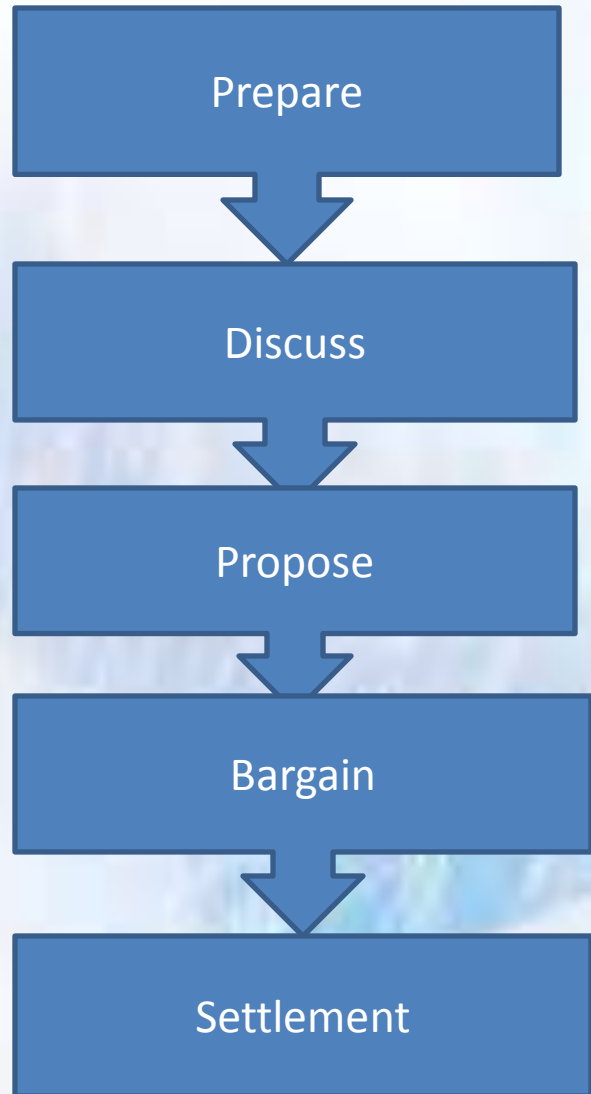
- It is a collective process
- Both workers and management representatives participate in bargaining
- It establishes regular and stable relationship between the parties involved.
- The parties have to adopt a flexible attitude through the process of bargaining.
- It is a method of partnership of workers in management.
- In short, it is a collective ,continuous, flexible and dynamic process.

# Types of Collective Bargaining

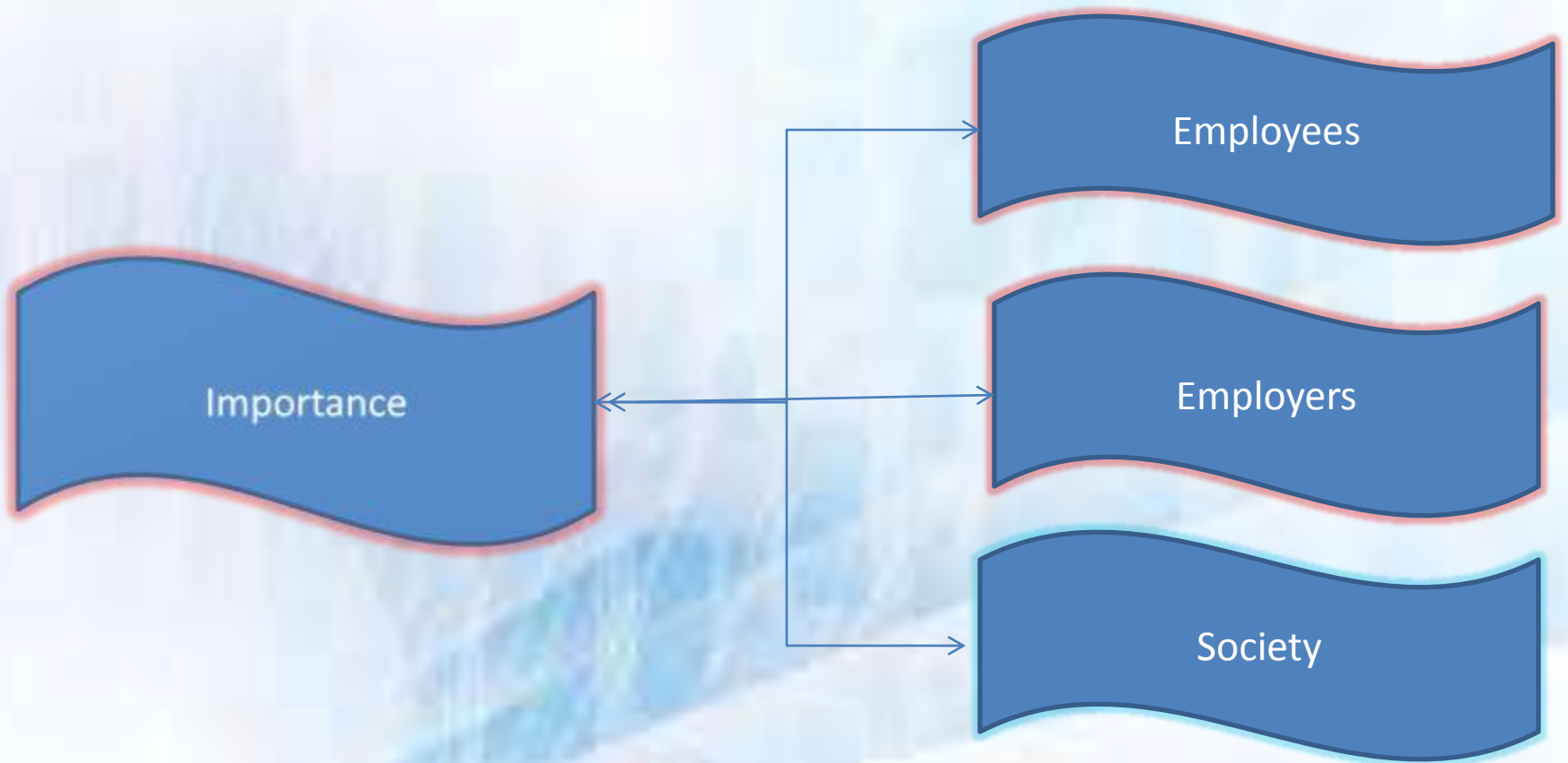
- ✓ **Distributive Bargaining:**  
One party's gain is another party's loss.
- ✓ **Integrative Bargaining :**  
Both parties gain or at least on parties loss.
- ✓ **Attitudinal Bargaining:**  
Shaping and reshaping of some attitudes between labour and management
- ✓ **Intra-organizational Bargaining:**  
Aims at resolving internal conflicts.



# Process of Collective Bargaining



# Importance of Collective Bargaining





- **Importance to Employees**

- ✓ It develops a sense of responsibility and self respect among the employees.
- ✓ Increases the morale and productivity of employees.
- ✓ Increases the strength of workforce, thereby increasing their bargaining capacity as a group.
- ✓ It restricts management's freedom for arbitrary action against the employees.
- ✓ Effective collective bargaining machinery strengthens the trade unions movement.

- **Importance to Employers**

- ✓ It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.
- ✓ It opens up the channel of communication between the workers and the management and increases worker participation in decision making.
- ✓ It plays a vital role in settling and preventing industrial disputes.

- **Importance to Society**

- ✓ Collective bargaining leads to industrial peace in the country.
- ✓ The discrimination and exploitation of workers is constantly being checked.
- ✓ It results in establishment of a harmonious industrial climate which supports the pace of a nation's efforts towards economic and social development.

# Advantages & Disadvantages

## Advantages

- ✓ Contract to guide standards
- ✓ Participation in Decision Making Process
- ✓ All union members and management must conform to terms of contract without exception
- ✓ Process exists to question manager's if member feels unjustly

## Disadvantages

- ✓ Reduced individuality
- ✓ All members and management must conform to terms of contract without exception
- ✓ Other union members may outvote one's decisions.
- ✓ Less space for personal judgment

# Scope of collective bargaining

## **Broadly two types of issues**

- ✓ Economic issues
- ✓ Political issues

## **Other items being a part of CB**

- ✓ Allowance and leave rules
- ✓ Wage and salary structure
- ✓ Wage incentive scheme
- ✓ Maintenance of discipline
- ✓ Safety and health facilities
- ✓ Schemes of social security
- ✓ Labour Welfare schemes

# Theories of Collective Bargaining

- ✓ Walton and McKersie Theory
- ✓ Bargaining Range Theory
- ✓ Chamberlain's Model of Bargaining
- ✓ Hicks Bargaining Model

# Collective Bargaining: Conditions for success

- ✓ Succeed only when the management and trade union realize their responsibilities.
- ✓ Willingness of give and take for both the parties
- ✓ Existence of an organized and fully recognized trade union.
- ✓ Need an atmosphere of mutual trust and recognition
- ✓ Maturity of leadership from both sides.
- ✓ Good Faith
- ✓ Proper Internal Communication.



# Collective Bargaining: Causes of Failure

- ✓ Unfair labour practices.
- ✓ Non availability of actual data.
- ✓ Management 's failure to recognize the trade union.
- ✓ Politicization of issues.
- ✓ Multiplicity of trade unions.
- ✓ Unequal strength.
- ✓ Lack of objectivity in addressing and handling a grievance.

# Collective Bargaining in India

- Collective Bargaining was introduced in India in 1952 .
- Most agreements of disputes like Bata Shoe Company Agreement 1955 and 1962 were at plant level.
- At industry level the best example is of Textile Industry Bombay and Ahmadabad.
- The Delhi Agreement of 1951 is the best example of agreement at National Level.



# Hinders the growth of collective bargaining in India

- ✓ Competitive Process
- ✓ Not Well-Equipped
- ✓ Time to Protest
- ✓ Where Prices are Fixed by the Government
- ✓ Outside Leadership
- ✓ Multiplicity of Trade Unions
- ✓ Appointment of Low-Status Executive
- ✓ Statutory Provisions
- ✓ Fresh Demands at the Time of Fresh Agreement
- ✓ Agreements in Other Industrial Units

# Trade unions

- Trade union is an organized group of workers; protect and advance the interest of its members.
- These are the groups set-up with the aim of trying to create fairness and job security in a workplace.
- It is a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives.
- Trade union is an important actor or participant of Industrial relations.

# Definition

Trade Union Act 1926 associated with registration and Protection of Trade Unions.

Section 2(h) of the trade union Act 1926 has defined a trade union as “Any combination ,whether temporary or permanent ,formed primarily for the purpose of regulating the relations between workmen and employers, or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions .”

# Features of Trade Unions

- It is an organization formed by employees or workers.
- It is formed on a Continuous basis.
- It is a permanent body and not a casual or temporary one.
- It is formed to protect and promote all kinds of interests- economic, political and social of its members
- It includes federation of trade unions
- It achieves its objectives through collective action and group effort.

# Objectives

- ✓ Better Wages and Salaries
- ✓ Better working conditions
- ✓ Discipline
- ✓ personnel Policies
- ✓ Secure welfare
- ✓ Employee-employer relation
- ✓ Negotiating machinery
- ✓ Organizational strength and the interest of the industry

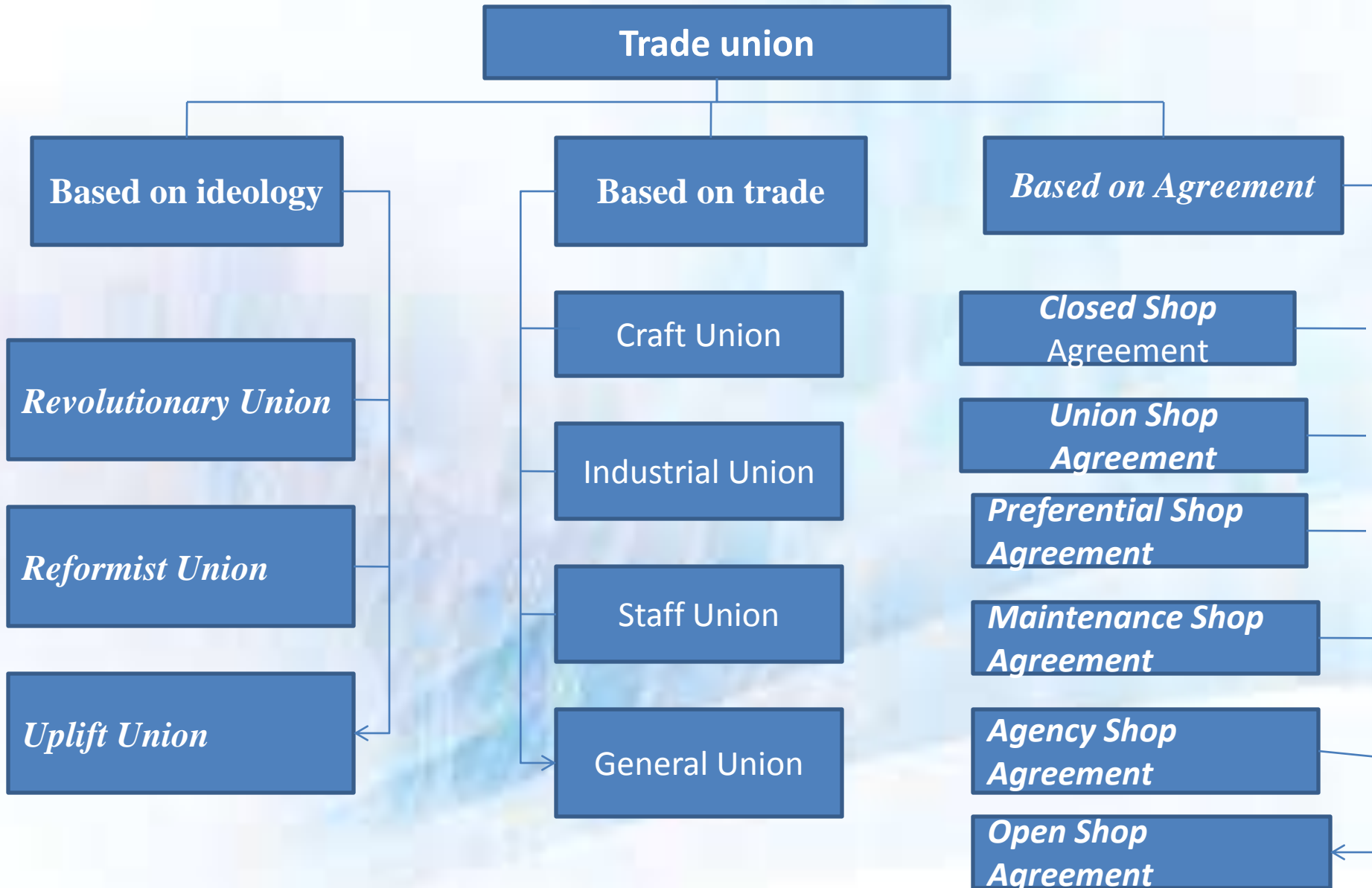
# Functions of Trade Union

- The basic functions of trade unions is
- To protect and promote the interest of the workers and conditions of their employment.
- Militant Functions
- Fraternal Function
- Social function
- Political Function
- Ancillary Functions

# **Role of Trade Unions**

- ✓ **Sectional Bargainer**
- ✓ **Class Bargainer**
- ✓ **Agents of State**
- ✓ **Partners in Social Control**
- ✓ **Enemies of economic systems**
- ✓ **Business Oriented Role**
- ✓ **Unions as Change Agent**

# Classification of Trade Unions





# Rights of Recognized Trade Unions

- ✓ Right to sole representation
- ✓ Entering into collective agreement on terms of employment and conditions of service
- ✓ Collection of membership subscription within the premises of the undertaking ,the right to check-off
- ✓ Discussion with departmental representatives of its workers-members within factory premises
- ✓ Inspecting by prior agreement the place of work of any of its members
- ✓ Nominating its representatives on grievance committees and other bipartite committees.

Thank You!

