

Personnel management

- Personnel management is also called as ***Human Resource Management*** may be described as the part of the management process which is primarily concerned with the human constituents of an organization.
- Human Resource Management (HRM) is concerned with the proper use of human factor, and may be defined as that field of management which is concerned with the planning, organizing, staffing, directing, and controlling of various operative functions of procurement, development, maintenance, and utilization work force in such a way that objectives of the company are achieved.

Personnel Policy:

- A personnel policy is a directive , usually written, to help personnel department in accomplishing its objectives or functions.
- A personnel policy contains the following information

1. Recruitment
2. Employment conditions,
3. Financial aid,
4. Promotions,
5. Discharge,
6. Safety practices , health and welfare,
7. Training,
8. Separation etc.

Manpower planning:

- Manpower planning is the scientific process of allocating the right quantity of right men to be required in future at right time and right job.
- Man power planning can also be defined as a strategy for the acquisition, utilization, improvement and preservation³ of

- The major activities of man power planning are
 1. Forecasting future manpower – requirements.
 2. Manpower resources and analyzing the degree to which these are optimally employed.
 3. Anticipating manpower shortages.
 4. Planning the programmes for requirements, selection, training, development, motivation, and compensation so that future manpower requirements will be met.

Objectives of manpower planning:

5. To ensure optimum use of human resources.
6. To forecast future requirements.
7. To ensure that necessary human resources are available as and when required.
8. To link manpower planning with organizational planning.

- 5.To determine optimum training levels.
6. To determine recruitment levels.
7. To provide a basis for management development programmes.
8. To anticipate redundancies.

Factors Affecting Manpower planning:

For an effective and efficient manpower planning, following factors should be considered

- a) Working hours
- b) No of shifts
- c) Nature of work
- d) Product mix
- e) Performance rate.
- f) Hours lost considering machine utilization, operators efficiency, extra time allowance ,waiting time.

Staffing:

- Managerial function of staffing may be defined as filling, and keeping filled the positions in the organizational structure.
- Staffing function determines the manpower requirement for each post and laying down their qualitative requirements for various jobs and to carry out requirements , selection and training of the people to perform these jobs efficiently.

Function of Staffing:

- 1) Recruitment.
- 2) Training and re-training.
- 3) Motivating the people to introduce control.
- 4) To right place persons in right positions.
- 5) To promote deserving persons on vacant posts.
- 6) Develop persons for the organization.

Recruitment:

- It is the process by which manpower is discovered and then encouraged to apply for employment.
- The purpose of recruitment is to collect sufficient no of applicants for each job, so that selection can be made.
- Personnel department, as per policy of the company invites the applicants.
- The application received up to the last date of submission are collected.
- There summary sheet is prepared and suitable candidates and then called for selection by interview or test or both.

Selection:

- Selection is the process of examining the applicants with regard to their suitability for the given jobs, and choosing the best from them.
- Selection can also be defined as the process of securing relevant information about an applicant to evaluate his qualifications, experience, and other qualities with a view to matching these with the requirement of a job.

Points to be remember for selection process:

1. The persons are adequately qualified to carry out the jobs properly so that they can be developed as good workers or supervisors with due training.
2. The persons are not over qualified so that they are neither in constant look out for better jobs.
3. They are promotional or other future opportunities in the job. Do not recruit anybody who cannot have any future opportunities at all.

Selection Process generally involve:

- a) Initial screening.
- b) Employment tests
 - i) intelligent tests.
 - ii) Aptitude tests.
 - iii) personality tests.
 - iv) Interest tests.

- C) Comprehensive interviews including group discussions.
- d) Background investigation.
- e) Physical investigation.
- f) Final employment decision.

Techniques and methods used for selection:

- 1. Interview.
- 2. Tests:
 - a) Psychological tests.
 - b) Aptitude tests.
 - c) Trade test.
 - d) Medical Tests.

3) Placement:

- This the determination of the job for which a selected candidate is best suited and assigning the job for him. It means the right man for the right job.
- A proper placement reduces employees turnover, and improves morale.

4) Induction and orientation:

- This is the process of receiving and welcoming an employee when he first joins a company and giving him the basic information he needs to settle down quickly happily and start work.
- The new employee is explained his duties and responsibilities, company policies and rules.

Training and development:

- Training is a process of learning, in which emphasis is given

- Training is a short term process and is imparted for a definite purpose , while development is a long term education process , utilizing a systematic and organized procedure for learning theoretical knowledge.

Objectives of training:

1. To increase productivity.
2. To make first line supervisors a more effective tool of management.
3. To have cordinal employee and employer relations.
4. To increase morale and team spirit among the workers.
5. To increase effective cooperation and coordination at all levels.
6. To impart various skills.
7. To accept more responsibilities.
8. To increase knowledge and economical use of resources.

Promotions:

- Promotions are the form of awards which can be given for achievement and serve as a means of motivating individuals to increase their abilities.
- This also serve to increase the effectiveness with which manpower capabilities can be best utilities.
- For the purpose of promotions , lines of promotions must be clearly defined and a promotion policy should be made.
- Negative promotions or demotions are usually problematic as they hurt an individuals pride as well as his income.
- Promotion is a very sensitive and important issue for both the employee and the enterprise, each promotion should be made very carefully.
- Therefore each organization must have its promotion policy.
- Promotion policy should be such that a balance of new recruitment to infuse new blood , and promotion system of existing competent employee is made.

- When an employee is promoted he should be acceptable to the subordinates and others. It should be based on correct assessment .
- Promotions are made by seniority or merit or seniority cum - merit or merit -cum seniority.

Transfers:

- Transfers are carried out for the following purpose:
 - a) So as to people get more experience.
 - b) To fill the vacancy.
 - c) To make employee fit for promotion and to discharge his job better after promotion.
 - d) To keep employee interested in the work. It also avoid monotony in the work.

Demotion:

- Demotion is just the opposite of promotion. It is a downward movement of an employee in the organizational hierarchy with lower status and lower salary.
- Demotion is a punishment for incompetence or mistakes of serious nature on the part of an employee.
- It is a serious penalty and therefore should be given rarely and only under exceptional circumstances.

Separation:

- Separation of an employee from the organization occurs when his service agreement with the organization comes to an end because of the following reasons,
 - a) Retirement
 - b) Completion of agreement period
 - c) Resignation

- d) layout
- e) Retrenchment
- f) Dismissal from service
- g) Labour turnover

- Because of demand and supply position of different kinds of work force and changing conditions, the workers leave jobs from one concern and go to join another quite frequently.
- Labour turnover may be defined as the ratio of the workers who have been removed or have left their jobs or their own accord to the average number of workers employed in a factory during a given time usually say a number.
- Labour turnover may be defined as the “ number of separations from service during a particular period. Here separation will include all quits, discharge or layoffs for any reasons whatsoever.

- Labour turnover is treated as great loss to the firm, because huge expenditure is involved in selecting and training the workers.

- **Labour turnover can be reduced by following methods:**

1. To plan production in advance for a reasonable time so as to keep an even load in different sections.
2. To provide better wages and good service conditions.
3. Regarding working hours and other conditions of work , factories act must be followed.
4. Free medical aid and care be provided to safeguard the employees against sickness and accidents.
5. Scientific method of selection and training to workers should be enforced.
6. Good working conditions reduce accidents.
7. Proper discipline should be maintained

Human Resource Development (HRD) :

- Human resource development is a process by which the employees of an organization are helped in a continuous manner and planned way to,
 - a) Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles.
 - b) Develop their general capabilities as individuals and discover and exploit their own inner potentials.
 - c) Develop an organizational culture.

HRD system may include the following mechanism,

1. Performance appraisal
2. Feedback and performance coaching
3. Career planning

5. Rewards.
6. Employee welfare and quality of work life.
7. Human resources information.
8. Training and development.

Discipline:

- Discipline means employees self control to meet organizational standards and objectives.
- Discipline relates to employees conduct and may be defined as the force that promotes employees to behave in accordance with the rules , regulations and orders.
- Discipline encourage employees to behave sensibly at work to attain the objectives of the organization.

- Discipline helps in reducing the accidents, labour turnover, grivences, and wastages, while it helps in increasing production, product quality and morale.
- Discipline is of two types;

i. Positive

ii. Negative

i. Positive discipline:

- It develops good habits among workers and establishes good traditions and customs.
- It improves the state of mind of the workers and performs the work in a better way with or without the general instructions.
- Experiments have shown good results if suitable incentives are given for accurate and better performance, as it develops proper attitude of the worker.

ii. Negative Discipline:

- Negative discipline means imposition of penalties and fear of penalties.
- To ensure compliance at once, positive discipline uses constructive forces, while negative discipline uses deterrent forces.
- Negative discipline helps to secure only minimum performance necessary to avoid punishment while the positive discipline creates interest in the work.

Motivation:

- Motivation is a general inspiration process which gets the members of the team to do their task effectively, to give their loyalty to the group, to carry out properly the tasks they have accepted and generally to plan an effective part in the job that group has undertaken.

Characteristics of motivation:

- 1) Motivation is a psychological concept.
- 2) Man as a whole is motivated and not a part.
- 3) Motivation is created for aims.
- 4) Motivation is an unending process.
- 5) Motivation is the strength of work.
- 6) Motivation is different from mental strength.

Advantages of motivation:

- 7) Appropriate use of all factors and satisfies the human needs.
- 8) Desire to work by a person is actuated so that he works with full efficiency.
- 9) Lessening in labour turnover.
- 10) Increase in production and productivity.
- 11) It increases job satisfaction.
- 12) It develops the sense of cooperation.

Kinds of motivation:

- Motivation can be classified in to two types,

1) Positive motivation:

- Positive motivation means workers may be instigated to work either some facilities or giving some prize so that he may do good or more work than was done previously and with less supervision.

2) Negative motivation:

- This is based on punishment or fines, for less work or for not doing the work.
- The punishment may be financial , where a cut is made in the wages or non- financial , where less facilities are given.
- Generally these are for improving him and the objective of this to motivate him for more work.

Factors affecting motivation:

Factors affecting motivations are

- Satisfaction through achievement.
- Advancement
- Growth
- Responsibility and authority.
- Recognition.
- Company policies.
- Job security.
- Company administration.
- Status.
- Working conditions.
- Welfare measures.

Motivational technique:

- Give due credit to workers for their work.
- Fair wages
- Promote healthy competition.
- Improve working conditions.
- Delegate reasonable authorities and responsibilities.
- Promote inter-personal relationship.
- Formulate fair, clear and consistent management policies.
- Implement suitable suggestion scheme.
- Provide opportunities for growth and promotions.

Morale:

- Morale is a mental condition or attitude of employees , either individually or in a group which determines their willingness to cooperate.
- Morale can also be defined as the extent to which an individuals needs are satisfied and the extent to which he feels satisfaction.
- Morale determines (a) group cohesiveness, (b) common goal to achieve, (c) progress towards goal , (d) meaningful task.

High morale:

- High morale is the spirit of whole hearted cooperation.
- High morale means:
 - a) Loyalty to organization and its leadership.
 - b) Good discipline.

- d) Reasonable initiative for employees.
- e) Team spirit.
- f) Pride in the organization.

Low Morale:

- Low morale is the result of,
 - a) Wrong or improper selection.
 - b) Too many supervisors.
 - c) Low motivating factors.
 - d) Improper authority and responsibility.
- The low morale results in to
 - a) Labour turnover.
 - b) Poor interpersonal relations.
 - c) Enmity towards the management.

Compensation:

- Compensation function of human resources management consists of following activities,
 - a) Job evaluation.
 - b) Wages and salary administration.
 - c) Incentives and bonus.

Job evaluation:

- For rewarding workers, there should be some systematic procedure. For this purpose job is studied carefully regarding operations involved and other specific tasks which is known as **Job analysis.**
- With the help of job analysis job description is set down which gives detail about the capacity and skill required for performing the job.

1. Job analysis:

- This is a detailed study of jobs and refers to a scientific and systematic analysis of a job in order to obtain all pertinent facts about the job.
- Job analysis is the careful study about the activities of an employee on a particular job to determine different operations involved and other facts, which are helpful for job description and job specification.
- Job analysis is done to determine best way of doing a job to establish the standard method and time for doing that job.
- Job analysis is used for design of organizational structure , manpower ,planning, recruitment, and selection, placement, and orientation, performance appraisal, and job evaluation.

2. Job specification:

- It is a statement of the minimum acceptable human qualities required for the proper performance of the job.

- It is a written record of the physical, mental, social, psychological and behavioral characteristics which a person should possess in order to perform the job effectively.
- It is obtained from the job analysis and job description reports.

3) Job design.

- Job design is the process of deciding on the contents of a job in terms of its duties and responsibilities, on the methods to be used in carrying out the job, in terms of techniques, systems and procedures, and on the relationships that should exist between, job holder and supervisors, subordinates.
- Job evaluation is the process of comparing jobs with other jobs in terms of wages a worker should be paid for performing the task.

Objectives of job evaluation :

- Its main object is to estimate the correct wages for the work

- It can be used to resolve wage disputes.
- It helps in standardization.
- It helps to establish a method for promotion of workers.

Methods of job evaluation:

- Commonly used methods of job evaluation are,
 1. Ranking method.
 2. Classification method.
 3. Factor comparison method.
 4. Point rating method.

1.Ranking Method:

- The different jobs depending upon their requirements , responsibilities, and amount of work involved and their importance to organization , are ranked, graded or placed in an order.

2. Classification method:

- In this method jobs are graded or classified in groups or levels of equal skill, difficulty, responsibility, importance and other requirements.
- Each job can be broken in to a number of grades. Each grade carries an appropriate monetary scale.

3. Factor comparison method:

- This method employs a five factor scale for analysis ,comparing and evaluating different jobs.
- The five factors are skill, mental effort, physical effort, responsibilities and working conditions.
- In this method, job analysis is made considering these factors.

4.Point Rating Method:

- This method is based on dividing the jobs into a number of factors which in turn are further subdivided into grades.
- Each grade is awarded certain points and when such points for all the degrees are totally they indicate the importance of the job.

Wages and salary administration:

- Wages are the payments made by the employer for the efforts put in by the worker in production.
- As wages determine the standard of living of the worker and his dependents, it is necessary that they should represent a fair return for the efforts of the worker.
- Wages should be sufficient to satisfy his ordinary needs and necessity and also provide him some comforts of life and help him in maintaining his standard of living.

- Following are the major factors which influence wages:

1. Condition of demand and supply.
2. Bargaining capacity of employer.
3. Cost of living.
4. Economic condition.
5. Workers skill, training and experience.
6. Nature of task involved.
7. Prospects of future promotion.

Methods of wage payment

8. Time or day rate system:

- This is the most common system found in practice, in which the worker is paid an hourly, daily, weekly, or monthly rate of wages.

- In this method wages are based on the number of hours or days for which a worker is employed and not upon the amount of production.
- This is a simplest form of wage system and possess security from the stand point of the workers.
- It is suitable for payment of wages to the staff , clerks , cleaners etc.

2. Piece work system:

- In this system a fixed rate of wage is paid for each piece or unit produced.
- This system gives an inducement to the workers to increase their production and workers are paid on their merits.
- This system is suitable for mass production where same type of products are produced continuously.

3. Combination of day rate and piece work system:

- A job card for each worker is maintained , which mentions the number of pieces of job completed by him during the day or month.
- Piece -work rate of each job is already fixed in advance and if piece- work wages earned are in excess than the time wages, the balance is paid to the worker.

Incentives and Bonus:

- Incentives refer to performance linked compensation paid to improper motivation and productivity of the employees.

Incentives are of following types:

(a)Financial incentives:

- Financial incentives reward the employee or group of employees through increased payment or financial benefit , for his increased output by monetary compensation generally in the form of cash.

(b) Semi financial incentives:

- These include financial benefits such as well planned promotion policies, provisions of canteens, and medical facilities.

(c) Non Financial incentives:

- The financial and non financial types of incentives are complementary and must go together if good results are desired.
- In order to create interest in a worker for greater and better output, non financial incentives must also be enforced.
- Non financial incentives are generally working facilities, employee communication, welfare schemes and other benefits.

Thank You