BACHELOR OF BUSINESS ADMINISTRATION (BBA)

Human Resources Management

Sub code- BBA-401

Unit- I

Human resource management is organizing, coordinating, and managing an organization's current employees to carry out an organization's mission, vision, and goals. This includes recruiting, hiring, training, compensating, retaining, and motivating employees.

What is called HR?

Human resources (HR) is the division of a business responsible for finding, recruiting, screening, and training job applicants.

Human Resource Management is a management function concerned with hiring, motivating, and maintaining workforce in an organization. Human resource management deals with issues related to employees such as hiring, training, development, compensation, motivation, communication, and administration. Human resource management ensures satisfaction of employees and maximum contribution of employees to the achievement of organizational objectives.

According to Armstrong (1997), Human Resource Management can be defined as "a strategic approach to acquiring, developing, managing, motivating and gaining the commitment of the organisation's key resource – the people who work in and for it."

Nature of Human Resource Management

HRM is based on certain principles and policies contribute to the achievement of organizational objectives

1.HRM is a pervasive function – Human resource management is not specific to an individual department, rather it is a broader function and spread throughout the organization, it manages all type of people from lower level to top level departments of the organization.

2. HRM is people oriented – People or human resource is the core of all the activities of human resource management. Human resource management works with and for people. It brings people and organization together to achieve individual and organizational goals.

3. HRM is continuous activity – All factors of production are required to be continuously updated and improved to cope up with the changes and increased competition. Similarly, human resource also continuously trained, developed, or replaced to face the next level of competition. Hence, it is a continuous activity.

4. HRM is a part of management function.

5. HRM aims at securing maximum contribution.

6. HRM aims at optimum use of personnel power.

Scope of Human Resource Management

1. **Personnel Aspect Human Resource Planning –** It is the process by which the organization identifies the number of jobs vacant.

   Job Analysis and Job Design – Job analysis is the systematic process for gathering, documenting, and analyzing data about the work required for a job. Job analysis is the procedure for identifying those duties or behaviour that define a job.

   Recruitment and Selection – Recruitment is the process of preparing advertisements on the basis of information collected from job analysis and publishing it in newspaper. Selection is the process of choosing the best candidate among the candidates applied for the job.

   Orientation and Induction – Making the selected candidate informed about the organization's background, culture, values, and work ethics.

   Training and Development – Training is provided to both new and existing employees to improve their performance.

   Performance Appraisal – Performance check is done of every employee by Human Resource Management. Promotions, transfers, incentives, and salary increments are decided on the basis of employee performance appraisal.

   Compensation Planning and Remuneration – It is the job of Human Resource Management to plan compensation and remunerate.

   Motivation – Human Resource Management tries to keep employees motivated so that employees put their maximum efforts in work.

2. **Welfare Aspect –** Human Resource Management have to follow certain health and safety regulations for the benefit of employees. It deals with working conditions, and amenities like - canteens, creches, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.

3. **Industrial Relation Aspect –** HRM works to maintain co-ordinal relation with the union members to avoid strikes or lockouts to ensure smooth functioning of the organization. It also covers - joint consultation, collective bargaining, grievance and disciplinary procedures, and dispute settlement.

What are the functions of HRM?

1. Talent Recruitment: One of the most significant responsibilities of HRM is talent hiring, which entails discovering and choosing eligible applicants for employment roles. Creating job descriptions, advertising job opportunities, sourcing people, assessing resumes, conducting interviews, and selecting candidates are all part of the process. HR managers must guarantee that the recruitment process is efficient and successful, and that the best candidates for the job are attracted and hired.

2. On boarding: The process of welcoming and integrating new employees into the organization is known as on boarding. Completing new hire paperwork, delivering orientation, introducing the new employee to the company, and defining expectations are all part of the process. HR managers must ensure that new workers feel welcomed and supported during the on boarding process.

3. Training Management: The HRM training management function is critical for increasing employees' skills and knowledge, which can lead to improved performance. HR managers are responsible for identifying training needs, designing and developing training programs, and delivering training sessions. Human resource managers must ensure that training programs are successful and suit the needs of employees and the organization.

4. Performance Appraisal: Performance appraisal is the process of reviewing and delivering feedback to employees. Setting performance goals, holding performance reviews, and generating performance improvement strategies are all part of the process. Human resource managers must ensure that the performance appraisal process is fair, effective, and connected with the goals of the firm.

5. Workforce Engagement: The HRM task of managing relationships between workers and companies is known as "workforce engagement." Employee participation must be encouraged, employee concerns must be addressed, and management and employee communication must be facilitated. Managers of human resources must make sure that there is a supportive and appreciated company culture.

6. Payroll Management: Payroll management is the part of HRM responsible for overseeing the salaries and benefits of employees. Payroll laws and regulations must be followed, and HR managers must make sure the payroll process is accurate, effective, and compliant. Managers of human resources must also make sure that workers are paid fairly and provided enough benefits.

7. Compliance Management: The role of HRM that ensures that the organization complies with labour laws, rules, and policies is known as compliance management. HR managers are responsible for ensuring that the organization has accurate records, monitors compliance, and addresses compliance issues.

8. Succession Planning: The function of human resource management that involves identifying and developing possible candidates for leadership roles within the organization is known as succession planning. HR managers must build career development plans, provide training and coaching, and assess employees' suitability for leadership positions. Succession planning contributes to the organization's robust leadership pipeline.

9. Diversity and Inclusion: Diversity and inclusion is a function of human resource management that entails promoting a varied and inclusive workplace culture. Employee resource groups and diversity training programs are examples of policies and programs that HR managers must develop and implement to encourage diversity and inclusion. Human resource managers must ensure that the workplace culture is friendly and that employees feel appreciated and included.

10. Employee Wellbeing: Employee wellness is an HRM function that promotes employee health and well-being. HR managers must develop wellness programs, provide mental and

physical health services, and handle workplace safety problems. Employee wellness programs can aid in the improvement of employee health, the reduction of absenteeism, and the growth of productivity.

11. Exit Management: Exit management is the function of human resource management that deals with the departure of personnel from a company. HR managers are responsible for conducting exit interviews, managing the off boarding process, and ensuring legal and ethical compliance. Exit management is beneficial.

Managerial functions of HRM:

HRM managerial functions include planning, organizing, directing, and regulating an organization's human resources in order to achieve its goals and objectives. These functions include:

1. Planning: This job entails studying and identifying the organization's human resource needs, both in terms of number and quality. HR managers must estimate future human resource demand and supply and devise measures to fill any gaps. Developing recruitment strategy, succession planning, and staff planning are all part of this.

2. Organizing: After identifying the human resource requirements, the HR manager must organize the workforce to ensure that the right people are in the proper places. This includes developing job descriptions and specifications, as well as building job structures and hierarchies.

3. Directing: Directing is the process of leading and inspiring personnel to achieve the goals of the firm. Creating a great work atmosphere, providing feedback and reward, and encouraging employee involvement are all part of this.

4. Controlling: Controlling entails monitoring and analysing workforce performance and taking corrective action as needed. Implementing performance management systems, conducting employee surveys, and analysing HR metrics are all part of this.

Overall, human resource management managerial functions are crucial for ensuring that the organization's human resources are successfully managed and aligned with its overall goals and objectives. Human resource planning, organization, direction, and management that is effective can lead to enhanced productivity, improved employee morale, and, ultimately, better business results.

Roles of Human Resource Management

1. Strategic Planning

Effective HRM begins with aligning the human capital strategy with the organization's overall business goals. HR professionals collaborate with senior management to understand the organization's vision, mission, and objectives. By analyzing the current workforce, identifying skills gaps, and forecasting future talent needs, HR ensures that the company has the right people in the right roles at the right time.

2. Recruitment and Selection

Recruitment and selection are at the core of HRM. Attracting top-tier talent is essential for an organization's success. HR professionals craft job descriptions, conduct job analyses, and design selection processes that identify the best candidates. They also manage candidate interviews, assessments, and onboarding procedures, ensuring a seamless integration into the company culture.

3. Employee Development

Investing in employee development leads to increased job satisfaction and better performance. HRM designs training programs, workshops, and skill-building initiatives that empower employees to reach their full potential. By nurturing a culture of continuous learning, HR professionals foster innovation and adaptability within the workforce

4. Performance Management

Performance management involves setting clear performance expectations, providing regular feedback, and conducting performance appraisals. HRM plays a crucial role in designing performance appraisal systems that accurately evaluate employees' contributions. Constructive feedback and goal-setting aid in employee growth, while addressing underperformance ensures that the organization maintains high standards.

5. Employee Relations

A harmonious work environment is vital for productivity and employee well-being. HRM acts as a mediator between management and employees, handling conflicts, grievances, and disciplinary actions. By promoting open communication and fair treatment, HR professionals cultivate a positive workplace culture where employees feel valued and respected.

6. Compensation and Benefits

Fair and competitive compensation packages are essential for attracting and retaining top talent. HRM conducts compensation surveys, benchmarking industry standards, and developing salary structures that reward employees appropriately. In addition to monetary rewards, HRM designs benefits packages that enhance work-life balance and overall job satisfaction.

7. Legal Compliance

Navigating complex labor laws and regulations is a critical aspect of HRM. Professionals in this role ensure that the organization operates within legal boundaries concerning employment practices, health and safety regulations, and equal opportunity policies. This proactive approach protects the company from potential legal issues and maintains ethical standards.

HR policies

Code of conduct

Code of conduct outlines the company's expectations of its employees in terms of behavior, defining what is acceptable and what is not, and keeping the workplace safe and comfortable for everyone. It usually addresses issues such as:

- Dress code
- Social media use
- Punctuality
- Alcohol and drug use
- Harassment and bullying

Recruitment policy

The recruitment policy usually sets out criteria for candidate selection and outlines the new employee on boarding process. In case you have an employee referral program, include it in this policy.

Termination policy

The termination policy, on the other hand, describes how an employee is expected to give their resignation and the amount of notice required. It may also list the employee actions that may result in termination.

Working hours and overtime policy

This policy needs to state how flexible the work hours are, when breaks can be taken and for how long, and how to clock in and out. Explain how overtime work is handled and compensated.

Attendance and remote work policy

This policy specifies whether the employees are expected to work from the office or from home. If your team is allowed to work remotely, consider including relevant procedures, such as how to request a home office allowance.

Performance evaluation and promotion policy

The performance evaluation policies are there to transparently communicate to the employees how their jobs are graded and how performance is rewarded. It's there to ensure that all employees are treated fairly and can be a great motivational tool.

Health and safety policy

No matter what industry your company belongs to, workplace injuries can be a risk. The health and safety policy is there to outline the procedures and responsibilities of all employees to keep the workplace safe for everyone.

Expense policy

Explain how expenses should be handled, for example, when employees go on business trips or organize team events. In case they are expected to spend their own money, describe the costs they can be reimbursed for and the procedures for doing so.

Benefits and compensation policy

Your employees need to know when and how they will get paid and what benefits they will receive. The policy should outline the payroll frequency and payment methods, and list the additional benefits your business offers, such as medical benefits, wellness programs, bonuses, allowances, and so on.

Leave policy

Taking a certain amount of time off work is what helps your team stay healthy, happy, and productive. Let your employees know how long they are allowed to be away from work and how they can request leave. Include specific policies that pertain to vacation, sick leave, public holidays, childbirth, and so on.

What is Staffing Process?

The staffing process helps to select the right person with appropriate skills, qualifications and experience to recruit them to different positions and jobs in an organisation. Staffing means the process of filling and keeping various roles in an organisation filled. In management, it means the process of recruiting the right person at the right place to increase the efficiency of the organisation. An enterprise with an efficient workforce cannot function properly, so staffing helps an enterprise to acquire a workforce. It includes taking up different people to perform various functions in different departments. It is an important process to run an organization or a business. This is the first and major step in human resource management. Refer to the official website of Vedantu or download the app for an elaborate and easy explanation.

Steps in Staffing Process

Staffing is a complicated process, and it involves various steps, It starts with workforce planning, and ends with the proper recruitment of the employees. It also checks the performance of the employees effectively. For successful staffing in an organisation, a manager has to perform various steps of staffing that are as follows:

1. **Planning the Manpower Requirements**: The very first steps of staffing are to evaluate the manpower requirement of an organisation to match the job and positions available in the organisation. It also helps in determining the skills and qualifications required for a specific job in the organisation.

2. **Recruitment of Employees:** Once the requirement is evaluated, the next step involves the searching of prospective persons that are eligible for the job and inviting applicants to apply for the positions. In this process, the employer advertises about the openings in the organisation through various media, which makes it easy for the applicants to get to know about the job vacancy and the required skills.

3. **Selection of Employees:** The selection process helps in screening the employees and identifying the deserving candidate who will be suitable for a specified job. Therefore, it can be said that the main objective of selection is to identify the right employee for the right job.

4. **Orientation and Placement:** Once the right candidates are selected, the organization makes the employees familiar with the working units and working environments through various orientation programs. Then, the placement is done by putting the right candidate at the right place which helps in the proper functioning of the organisation.

5. **Training and Development:** Once the placement is done, the next step involves the training and development of employees. Training is an integral part of the staffing process, and it helps the employees to develop their skills and knowledge.

6. **Remuneration to Employees**: It is the compensation given to the employees in monetary terms in exchange for the work they do for the organization. It is given according to work done by the employees.

7. **Performance Evaluation:** It is an assessment done to evaluate the attitude, behavior, and performance of an employee. These steps of staffing also help in determining the success of the whole recruitment process. It gives the management a clear picture of the success rate of the entire recruitment procedure. This step includes elements like appraisal, promotion, and transfer. The performance of the employee is assessed comparatively to the other employees and also to his own previous performance. Based on these criteria, the employee gets a hike on his pay or a promotion. Sometimes, employees are transferred to another location of the same company and are generally attached with a level up in his position or given certain benefits.

8. **Promotion of Employees:** Promotion in simple words means the shifting of an employee to a higher post demanding a more significant responsibility. It not only makes the employee responsible but also keeps him motivated to do his work efficiently. With the promotion, the monetary benefits that the employee receives are also increased, which makes him more efficient to complete the work on time.

9. **Transfer of Employees:** As promotion is shifting of the employee to a higher post, transfer refers to the shifting of employees to a different unit or department being in the same position, This is done to develop new skills and knowledge of the employee.

What Is Human Resource Planning (HRP)?

Human resource planning (HRP) is the continuous process of systematic planning to achieve optimum use of an organization's most valuable asset—quality employees. Human resources planning ensures the best fit between employees and jobs while avoiding manpower shortages or surpluses.

There are four key steps to the HRP process. They include analyzing present labor supply, forecasting labor demand, balancing projected labor demand with supply, and supporting organizational goals. HRP is an important investment for any business as it allows companies to remain both productive and profitable.

What Is Human Resource Planning (HRP) Used For?

Human resource planning allows companies to plan ahead so they can maintain a steady supply of skilled employees. The process is used to help companies evaluate their needs and to plan ahead to meet those needs.

Human resource planning needs to be flexible enough to meet short-term staffing challenges while adapting to changing conditions in the business environment over the longer term. HRP starts by assessing and auditing the current capacity of human resources.

Challenges of Human Resource Planning (HRP)

The challenges to HRP include forces that are always changing. These include employees getting sick, getting promoted, going on vacation, or leaving for another job. HRP ensures

there is the best fit between workers and jobs, avoiding shortages and surpluses in the employee pool.

To help prevent future roadblocks and satisfy their objectives, HR managers have to make plans to do the following:

- Find and attract skilled employees.
- Select, train, and reward the best candidates.
- Cope with absences and deal with conflicts.
- Promote employees or let some of them go.

What is a job analysis?

A job analysis is a process of gathering in-depth information about a given role. It offers your team a detailed understanding of the job's tasks, responsibilities, work environment, and performance standards, as well as its required skills, knowledge, and training.

The results of a job analysis can be presented in a formal document, but they can also be recorded across multiple documents or discussed orally.

What is a job description?

A job description is a concise document summarizing a role's top skills, responsibilities, and requirements. It also informs potential job applicants about the people they'll report to, the compensation, and the company's mission and culture. A good job description is tailored to each position so you attract the right candidates. For example, a strong home health care aide job description may address compensation and perks to encourage more qualified candidates to apply in a field affected by labor shortages.

Differences between job analysis and job description

While both the job description and job analysis contribute to hiring and evaluating employees effectively, they serve distinct purposes and contain different information.

Here are the top differences to be aware of.

The aim of a job analysis vs. job description

First, a job analysis and a job description have different aims.

The aim of a job description is to provide job seekers with a clear summary of the role's key skills and responsibilities, thus encouraging suitable candidates to apply. Additionally, it helps recruiters and hiring managers screen applications.

A job analysis, by contrast, is often used internally and can serve multiple purposes before and after hiring, including:

- Supplying information for a job description
- Supporting employee performance evaluations
- Determining appropriate compensation levels based on experience and/or performance
- Helping ensure compliance with labor laws
- Examining workforce training needs, including health and safety training

The steps required for a job analysis vs. job description

A job description and job analysis also differ in terms of process. For instance, a job analysis involves gathering and interpreting data. It might involve the following steps:

- Collecting job data through questionnaires and interviews with key stakeholders, such as line managers, team members, and current job holders
- Compiling a list of job tasks and skills, including detailed explanations and examples
- Highlighting crucial details about the job, such as work relationships, travel requirements, training requirements, and legal considerations
- Categorizing and interpreting the data – for example, rating tasks by importance and marking skills as desired or required

What is a job specification?

A job specification lists the qualifications required for a role and is typically listed below a job description on a job posting. It lets job candidates know what employers are looking for and what expectations they'll need to meet. This includes minimum education experience and skill requirements. The details in a job specification are usually determined by a job analysis.

Job specifications are important for a number of reasons. If hiring managers don't include job specifications on a job posting, they could end up hiring someone who won't be successful in the role. Job specs are also useful for asking the right questions in job interviews, helping narrow down your list of applicants and giving new employees a guide for how to be successful in their new role.

So, what's the difference between a job specification and a <u>job description</u>? A job description provides a general overview of the job, including the job's title, duties and responsibilities, and usually a brief description of the company and its <u>culture</u>. A job specification, on the other hand, outlines the job's eligibility requirements, detailing the necessary skills, personality traits, qualifications, education and other requirements needed for a role. In some cases, job description and job specification are synonymous.

How to write a job specification

The more clear, organized and thorough your job specification is, the better job candidates will understand what you're looking for in an employee. Follow these steps when creating job specifications:

1. List the job qualifications

A job specification should include the minimum qualifications employees need to meet. This could include education, experience, required skills and more. Consider breaking out your job qualifications into a list of must-haves vs. nice-to-haves to attract a wider range of candidates.

2. Add any special demands

Include any extraordinary conditions that come with the job. For example, if the employee will be required to stand for a long period of time, work in dangerous conditions or extreme temperatures, lift heavy machinery or experience other special demands, include those in the job spec.

3. Proofread and organize your job spec

Before finalizing your job specification, proofread it by checking for spelling, grammar and tone. Read through the job specification and organize it so it makes the most sense for applicants.

4. Update your job specification when needed

Job requirements may change over time. That's why it's important to keep your job specifications updated. This will ensure the applicants are meeting the new qualifications rather than the old ones.

Crucial things to include in job specifications

In order to create an effective job specification, make sure you're including all of the necessary elements. Here are a few crucial things to consider including in your job specification:

- Required education: Include the minimum education requirements for the job, such as a high school diploma, bachelor's degree or another educational degree or requirement. Note: You may choose to omit an education section if you'd like to hire based on experience level.
- Licenses or credentials: Some job may require a specific certification, license or other credential. For example, a teacher usually needs a state teaching license and a driver may need to have a certain type of driver's license. Include these requirements in your job spec.
- Required experience: Include the minimum experience needed for the role. For example, three to five years for a senior role or 0-1 years for an entry-level role.
- Necessary skills: If applicants need any particular skills, such as mathematics or software skills, make sure to list them in your job spec.
- Extraordinary or special demands: If the job has any special demands or conditions such as travel, heavy lifting or extreme temperatures, list them in your job specification.
- Personality traits: What personality traits would contribute to success in the role? For example, you may be looking for someone who can stay calm under pressure, work in a fast-paced environment and handle tight deadlines.

What Is The Talent Selection Process?
1. Application
The first stage in the talent selection process is the application. Once the job has been approved and the job description posted, it is considered a live position. Announcing the

position tends to be the most crucial part of the application process because if candidates do not know about the position they cannot apply to be a team member!

Depending on the type of work experience, skills, and certification desired will depend on what platforms the position is announced. Many companies utilize social media platforms such as Facebook, LinkedIn, and Instagram while others use the community approach of attending local job fairs.
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2. Initial Screening

The second step of the process is to complete an initial screening. During this stage, the hiring manager will want to sort through the applications looking specifically at work experience, degrees or certifications, and other listed qualifications.

It is best to have a job description and a general list of what the perfect employee would look like while completing this stage. As you read through the resumes, purge unqualified candidates but do not toss out their information. You never know when a position will become available that would be a perfect fit for them.

3. Interview

There is a variety of talent acquisition software that makes the interviewing process less time-consuming. One popular approach is to use one-way video interviewing.
Once a candidate has completed the application and is believed to be a good fit for the position you will want to schedule an interview. Some ATS programs can contact candidates and schedule interviews without the hiring manager having to make multiple calls to contact the candidate.

4. Pre-Employment Assessments

Once the screened candidates have completed the in-person interview (or one-way video interview!) they may be asked to complete a pre-employment assessment.

If you find yourself hiring for skilled positions, pre-employment assessments are a great help during the talent selection process. These can be skills tests, personality assessments, and more! The list of assessment topics is endless.

5. References And Background Check

One management tool that is making waves is the reference checker. Nearly 87% of business owners and hiring managers do not check references. Typically, this is due to time restraints but that is not the case anymore.

Automated reference checking takes away the hassle of tracking down references while also improving the likelihood of hiring top talent. It is important to receive feedback on candidates, especially from previous employers and coworkers. By having reliable feedback you can assure that you find the best candidate for the position.

6. Final Selections

After the interviews are completed, references are checked, and backgrounds are cleared, it is time to look at each candidate as a whole. Gather their resume, notes, and any additional documents and compare the candidates that you believe may be a good fit for the position.

Once a decision has been made be sure to contact the candidate immediately. It has been reported that top talent leave the job market in less than 10 days. That means recruiters must move quickly to secure high-quality employees.

7. Offer And Onboarding

A job offer was made and the candidate accepted! Now is the time to bring them in to complete all necessary paperwork. During the onboarding process is the time to talk about details that may not have been mentioned in the interviewing process.

Topics such as getting paid, time off requests, setting up benefits, starting dates, etc. This is the time for you to tell the employee anything they need to know about how the company works. Make sure to let the employee know how to contact you in case questions arise after they leave the on boarding session.

WHAT IS 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 requirements of a job with the qualifications of the candidate. Placement is understood assigning jobs to the selected candidates. Assigning jobs to employees may involves a new job or different jobs. Thus, placement may include initial assignment of job to new employee, on transfer, promotion or demotion of the present employees.

Consideration or principles

1. Job Requirements: An employee should be placed on the job according to the requirements of the job such as physical and mental ability, eyesight, hearing, stress etc. The job shouldn't be adjusted according to the qualification and abilities of the employees. Job placement profile charts can be used to match the worker's physical and mental abilities with the job requirements. This profile chart displays an evaluation of both job requirements and worker abilities for key features of the job so that the management can easily determine how well worker fits a job.

2. Suitable Qualifications: The job should be offered to only that person who is suitably qualified. Over qualified and under qualified persons might create problems for the organisation in the long run.

3. Adequate Information to the Job Incumbent: The employee should be provided with the complete information and facts relating to the job, including the working conditions prevailing in the firm. He should also be made known to the rewards associated with the performance levels.

4. Commitment and Loyalty: While placing the new employee, an effort should be made to develop a sense of commitment, loyalty and cooperation in his mind so that he may realise his responsibilities better towards the job, the organisation and his associates.

5. Flexibility: The placement in the initial period may be temporary as changes are likely after the completion of training. The employee may be later transferred to the job where he can do better justice.

Meaning of Promotion

"What is Promotion?" Promotion is a marketing tool, used as a strategy to communicate between the sellers and buyers. Through this, the seller tries to influence and convince the buyers to buy their products or services. It assists in spreading the word about the product or services or company to the people. The company uses this process to improve its public image. This technique of marketing creates an interest in the mindset of the customers and can also retain them as a loyal customer.

Types of Promotion:

Advertising-

It helps to outspread a word or awareness, promote any newly launched service, goods or an organization. The company uses advertising as a promotional tool as it reaches a mass of people in a few seconds. An advertisement is communicated through many traditional media such as radio, television, outdoor advertising, newspaper or social media. Other contemporary media that supports advertisement are social media, blogs, text messages, and websites.

Direct Promotion-

It is that kind of advertising where the company directly communicates with its customers. This communication is usually done through various new approaches like email marketing, text messaging, websites, fliers, online adverts, promotional letters, catalog distributors, etc.

Sales Promotion-

This utilizes all sorts of a marketing tool to communicate with the customers and increase sales. However, it is for a limited time, used to expand customers demand, refresh market demand and enhance product availability

Self-promotion-

It is a process where the enterprises send their agents directly to the customers to pitch for their product or service. Here, the response for the feedback of the customer is prompt and therefore, easy to build trust.

Public Relation-

Popularly know as PR is exercised to broadcast the information or message between a company (NGO, Government agency, business), an individual or a public. A powerful PR campaign can be valuable to the company.

Online Promotion-

This includes almost all the elements of the promotion mix. Starting from the online promotion with pay per click advertising. Direct marketing by sending newsletters or emails. Key Points of Promotion

- It is a communication tool that incorporates all the elements used to spread awareness and convince customers to buy good and services
- It is applicable only for short term sales
- It is one of the variables of the marketing mix
- The effect of promotion is short term
- The result or outcome of the promotion is immediate
- It is an economic marketing tool as compared to advertising
- It can be used for all sorts of businesses irrespective of the size, brand of a company

What is Training and Development?

Training and Development in Human Resource Management is the process of acquiring knowledge, skills, and attitude that helps improve employees' job performance and enables future career growth.

<u>Training</u> refers to acquiring specific knowledge and skills for a particular job or task. It is usually a short-term activity concerned with improving an employee's current job performance. It includes formal training courses, on-the-job training, or coaching sessions.

Development is concerned with the long-term growth of an individual's career. It usually covers acquiring knowledge that goes beyond the requirements of their current job to prepare the employees for their future job role or career advancement opportunities. Development activities include job shadowing, mentoring, attending conferences, or pursuing further education.

Importance of Training and Development

1. Boost Performance and Productivity
When employees are trained and developed, they feel more confident in their abilities. As a result, they can be more productive in their roles. Acquainting employees with the necessary skills and knowledge helps organizations improve <u>employee performance</u>, productivity, and job satisfaction. It also employees to remain engaged and motivated and positively impacts the organization's work environment.

2. Talent Management and Retention
In the recent competitive era, employees actively seek growth and development opportunities. So, organizations that invest in employee training and development programs find attracting and retaining top talent easier. Also, employees are more likely to be loyal and committed to the firm if their personal growth and development is prioritized. This leads to a lower turnover rate and a stable workforce.

3. Overcome Market Competition
It helps organizations stay current with the latest trends and best practices in the market. By investing in employees' training and development, companies can ensure retaining their competitive advantage in the future. This is essential in industries with rapid technological advancements and changing customer needs.

4. Effective Risk Management
Well-trained employees are less likely to make mistakes that might lead to costly errors or legal issues. For instance, compliance training can help organizations avoid legal actions by ensuring employees understand the regulations that apply to their daily work. Likewise, safety training helps organizations prevent workplace accidents that can lead to injuries or lawsuits.

5. Foster a Culture of Learning and Development
Investing in employee development shows that the organization values continuous learning. This creates a culture of learning and growth, where employees are encouraged to take risks, try new things, and seek out opportunities for development. A culture of learning and growth can lead to a more innovative and creative workforce, driving organizational success.

Investing in employees' training and development helps create a more engaged, productive, and innovative workforce that drives the company's success in today's competitive business environment.

What are the 5 processes of Training and Development?

Effective training and development programs can improve employee performance, increase productivity, and help organizations remain competitive in today's dynamic business environment. Human Resource Management plays a vital role in designing efficient employees training and development programs.

The following are the five processes of training and development in HRM:

1. Needs Assessment
It is the first process and involves identifying the organization's skill gaps and determining the training needs of employees. It comprises gathering data through surveys, focus groups, or other assessment tools to identify areas that need additional training or development. It is crucial in determining the training and development goals that align with the organization's overall strategy.

2. Design and Development
It is the second process and is concerned with designing the training program to meet identified needs and aligning them with the organization's strategic objectives. The design process comprises developing learning goals, selecting appropriate training methods, creating training materials, and developing a training schedule. The training program focuses on understanding individual learning styles and preferences and customizing them to meet specific needs.

3. Delivery
It is the third process and comprises implementing training programs through various training methods like classroom training, online training, on-the-job training, and coaching. It should focus on resource availability, appropriate workforce size, and employees' individual

learning preferences. Effective delivery of training programs enhances employee engagement and learning outcomes.

4. Evaluation
It is the fourth process and usually evaluates the effectiveness of the training program. Methods may include surveys, assessments, performance metrics, and focus groups. It highlights the areas of improvement. An effective evaluation process can help companies measure training programs' success and make future improvements.

5. Follow-Up
The final training and development process involves reinforcing the training concepts and their practical application in daily work. It comprises on-going coaching, refresher training, and <u>feedback sessions</u> to monitor progress and ensure meeting the organization's expectations. Efficient follow-up helps employees retain the learned knowledge and skills and their practical application.

What Is a Performance Appraisal?

A performance appraisal is a systematic and periodic process of measuring an individual's work performance against the established requirements of the job. It's a subjective evaluation of the employee's strengths and weaknesses, relative worth to the organization, and future development potential.

Performance appraisals are also called performance evaluations, <u>performance reviews</u>, development discussions, or employee appraisals.

If you conduct a successful performance appraisal, you can get a handle on what the employee does best and identify areas that require improvement. Appraisals also come in handy for deciding how to fill new positions in the company structure with existing employees.

Types of Performance Appraisals

Performance appraisals can be broken down into four distinct significant types:

1. 360-Degree Appraisal

The manager gathers information on the employee's performance, typically by questionnaire, from supervisors, co-workers, group members, and self-assessment.

2. Negotiated Appraisal

This type of appraisal uses a mediator to help evaluate the employee's performance, with a greater emphasis on the better parts of the employee's performance.

3. Peer Assessment

The team members, workgroup, and co-workers are responsible for rating the employee's performance.

4. Self-Assessment

The employees rate themselves in categories such as work behavior, attitude, and job performance.

Note that some organizations use several appraisal types during the same review. For instance, a manager could consult with the employee's peers and assign a self-assessment to the employee. It doesn't have to be a case of either/or.

How Performance Appraisals Work?

Human resources (HR) departments typically create performance appraisals as a tool for employees to advance in their careers. They give people feedback on how well they are doing in their jobs, ensuring that they are managing and achieving the goals set for them and assisting them if they fall short.

Performance evaluations assist in determining how to distribute a company's limited budget for giving out incentives, such as raises and bonuses. In addition, they give businesses a tool to identify the workers who have made the most contributions to their expansion so that they may appropriately reward their top performers.

Performance reviews also assist employees and their managers in identifying areas for improvement and career advancement, as well as in developing a strategy for the employee's development through extra training and more responsibility.

Methods of Performance Appraisals

Performance appraisals come in many forms. Managers and human resources staff responsible for these appraisals need to choose the best methods based on the size of their organization and what sorts of responsibilities the employees fulfill.

1. 720-Degree Feedback

You could say that this method doubles what you would get from the 360-degree feedback! The 720-degree feedback method collects information not only from within the organization but also from the outside, from customers, investors, suppliers, and other financial-related groups.

2. The Assessment Center Method

This method consists of exercises conducted at the company's designated assessment center, including computer simulations, discussions, role-playing, and other methods. Employees are evaluated based on communication skills, confidence, emotional intelligence, mental alertness, and administrative abilities. The rater observes the proceedings and then evaluates the employee's performance at the end.

3. Behaviorally Anchored Rating Scale (BARS)

This appraisal measures the employee's performance by comparing it with specific established behavior examples. Each example has a rating to help collect the data.

4. Checklist Method

This simple method consists of a checklist with a series of questions that have yes/no answers for different traits.

5. Critical Incidents Method

Critical incidents could be good or bad. In either case, the supervisor takes the employee's critical behavior into account.

6. Customer/Client Reviews

This method fits best for employees who offer goods and services to customers. The manager asks clients and customers for feedback, especially how they perceive the employee and, by extension, the business.

7. Field Review Method

An HR department or corporate office representative conducts the employee's performance evaluation.

8. Forced Choice Method

This method is usually a series of prepared True/False questions.

9. General Performance Appraisal

This method involves continuous interaction between the manager and the employee, including setting goals and seeing how they are met.

10. Human Resource Accounting Method

Alternately called the "accounting method" or "cost accounting method," this method looks at the monetary value the employee brings to the company. It also includes the company's cost to retain the employee.

11. Management By Objective (MBO)

This process involves the employee and manager working as a team to identify goals for the former to work on. Once the goals are established, both parties discuss the progress the employee is making to meet those goals. This process concludes with the manager evaluating whether the employee achieved the goal.

12. Performance Tests and Observations

This method consists of an oral test that measures employees' skills and knowledge in their respective fields. Sometimes, the tester poses a challenge to the employee and has them demonstrate their skills in solving the problem.

13. Project Evaluation Review

This method involves appraising team members at the end of every project, not the end of the business year.

14. Rating Scales

These ratings measure dependability, initiative, attitude, etc., ranging from Excellent to Poor or some similar scale. These results are used to calculate the employee's overall performance.

What is Performance Appraisal?

A performance appraisal is a systematic evaluation of an employee's current job performance. It assesses an individual's actual performance based on their tasks, achievements, and overall contribution to the company. This evaluation typically includes specific goals and key performance indicators (KPIs) related to the job role.

Beyond job-specific metrics, it might also examine aspects of an employee's broader competencies such as their adaptability, leadership qualities, problem-solving skills, and eagerness to learn.

BACHELOR OF BUSINESS ADMINISTRATION (BBA)

Human Resources Management

Sub code- BBA-401

Unit- IV

Wage and Salary Administration – Introduction

Wages constitute the major factor in the economic and social life of any community in an economic sense; wages represent payment of compensation in return for work done. In a sociological sense, wages characterize stratification of occupational categories. In a psychological sense, wages satisfy need directly and indirectly in response to changing employee aspiration.

Wage and Salary Administration – Meaning and Definitions

In simple words wages means reward for the labourer for his services rendered to the industry. These can be paid on per unit, per hour, daily, fortnightly, weekly, or monthly basis. Labourers render services of both types i.e. mental and physical.

Some of the definitions of wages are as follows:

According to Prof. Straitoff, "Wages is the reward of that labour which creates utility."

Wage and Salary Administration – Nature and Characteristics

1. The basic purpose of wage and salary administration is to establish and maintain an equitable wage and salary structure.

2. It is concerned with the establishment and maintenance of equitable labour cost structure i.e. an optimal balancing of conflicting personnel interest so that the satisfaction of the employees and employers is maximised and conflicts are minimised.

3. The wage and salary administration is concerned with the financial aspects of needs, motivation and rewards.

4. Employees should be paid according to the requirements of their jobs i.e. highly skilled jobs are paid more compensation than low skilled jobs.

5. To minimise the chances of favouritism.

6. To establish the job sequences and lines of production wherever they are applicable.

7. To increase the employees' morale and motivation because a wage programme can be explained and is based upon facts.

Characteristics:

1. Payment of wages is in accordance with the terms of contract between the employer and the worker.

2. The wages are determined on the basis of time-rate system or piece-rate system.

3. Wages change with the change in the time spent by the labourer.

4. Wages create utility.

5. Wages may be paid weekly, fortnightly, hourly, or on monthly basis.

6. Wage is the reward paid to the workers for the services rendered by them.

7. Wages can be paid in cash or in kind.

8. All kinds of allowances are included in wages.

Wage and Salary Administration – 10 Important Objectives

Its objectives are:

i. To compare or draft company HR policy

ii. Find out the income level and return ratio of similar industries

iii. To understand wage differentiations

iv. To examine the competitiveness of entry level employees

v. To establish hiring rates favorable to the community

vi. To keep abreast wage and salary rates with production cost

vii. To minimize labour turnover due to pay disparity

viii. To increase employee's satisfaction and morale

ix. To learn about the trend of perks and benefits in the market

x. To resolve existing labour problems concerning compensation.

Wage and Salary Administration – 9 Important Aspects

Good wage administration should have the following aspects:

i) Wage policies need to be properly made keeping in mind –

a) Interest of management,

b) Interest of employees,

c) Interest of consumers, and

d) Community

ii) Difference of pay based on job requirements like skill, effort, responsibility, working conditions and mental and physical requirements.

iii) Wages and salaries should have parity existing in the labour market.

iv) The payment plan should distinguish between jobs and employees.

v) Wage policies should have clarify, and it should be in written form so as to enable uniformity and stability.

vi) Wage decisions need to be carried out only against organisation's well formulated policies.

vii) Management should ensure that employees are fully aware of the existing wage policies.

viii) Proper evaluation of wage policies to be carried out as and when it is required and also to be checked. They need to be adequately amended and updated at regular intervals.

ix) Performance rating and job description should be periodically checked and updated for ready reference.

What is Job Evaluation?

Job Evaluation is defined as a systematic procedure used to ascertain the monetary worth of a role and is typically conducted by the HR department. In the realm of Human Resources, conducting a job evaluation might be a necessary task to establish the appropriate salary for a given role. By comparing the responsibilities of each position, job evaluations assist in ensuring fair compensation for all employees. Various methods exist for job evaluation, each aiming to quantify the value that a particular role contributes to the organisation. Evaluations are role-based rather than employee-based, meaning they assess the position, not the individual occupying it. This is a common practice in newly established companies or when new roles are being introduced.

Methods of Job Evaluation

Job evaluations, which are systematic processes to ascertain the monetary value of a position, can be categorised into two primary types: Qualitative and Quantitative. The qualitative methods, such as job ranking and classification, are typically quicker, while the

quantitative methods, like factor comparison and point factor, take into account the skills and responsibilities required by each role.

1. Job Ranking: This method involves arranging each role in a hierarchy, based on its value to the company or the complexity of its duties. It is particularly suitable for smaller companies due to its simplicity and can handle up to 100 jobs. It is also useful when reducing positions, as similar roles can be grouped together during the ranking process. However, it is subjective and may benefit from being combined with a quantitative method for more accurate results.

2. Job Classification: This method involves sorting roles based on a pre-established grading system or classification method. For instance, categories could include executives, skilled workers, semi-skilled workers, and unskilled workers. Each role is then placed into a category, which helps determine the salary for each position within that category. This method can be subjective and may struggle to categorise unique roles.

3. Market Pricing: This external job evaluation method involves setting salaries based on what other companies pay employees in the same position. This can be determined through third-party compensation surveys, allowing you to offer competitive wages. However, it does not consider internal equity, which could result in an employee earning less than their colleagues or the demands of their work if the market rate for their role is low. To mitigate this, market pricing can be combined with an internal job evaluation method.

4. Point Factor: This method involves assigning points to each role and then ranking them. A detailed point system is developed, where each skill or job responsibility could represent a point. The roles are then assigned a total number of points and ranked from highest to lowest to help determine their salaries.

5. Factor Comparison: This method combines the job ranking and point factor methods. Each job is ranked based on certain factors, such as the number of skills required or the necessary knowledge. These factors are then assigned points, and the total number of points determines the job's ranking.

Steps to Develop a Successful Job Evaluation

The entire process of job evaluation consists of the following steps mentioned below:

1. Securing Acceptance: Before initiating a job evaluation, top executives might inform managers about the program's objectives and applications, emphasizing its benefits. Depending on the legal and employee relations environments and workplace culture, senior management might consult with employees and unions. They might deliver presentations detailing the program's origins, procedures, and job evaluation outcomes to secure acceptance.

2. Job Evaluation Committee: Job evaluations can be subjective, and it's crucial to adequately train the professionals conducting the evaluation. Moreover, it's often impractical for one individual to evaluate every key position in an organisation. Therefore, a job evaluation committee comprising experienced employees, union representatives, and HR professionals might be formed to commence the evaluation process. This committee examines data from job analyses to understand the tasks, responsibilities, and working conditions.

3. Identifying Jobs and Preparation of JD: Not every job needs to be evaluated, as this could be unnecessarily costly and demanding. A few representative positions in each department might be selected for evaluation. Care should be taken to ensure that these positions accurately reflect the various levels and types of work performed in that department. The creation of a job description and analysis of job requirements are essential for a successful evaluation and can significantly impact overall employee performance.

4. Selecting an Appropriate Evaluation Method: An evaluation method should be chosen based on organisational needs and job-related factors. Factors to consider when selecting a

job evaluation method might include the organisational culture, benefit capabilities, and the compensation department or the job evaluation committee itself. Other considerations might include the size of the company or the positions requiring evaluation.

5. Grading or Evaluating Jobs: After determining the relative importance of each job within an organisation, the value of each position can be ascertained by considering factors such as required skills, experience, work environment, type of responsibilities, degree of supervision required, and level of stress. Each of these factors can be assigned a value, and the value of a job can be determined by considering and summing all the variables. Subsequently, the points might be valued in monetary terms to form a wage structure.

Benefits of Effective Job Evaluation

Job evaluation techniques, when effectively implemented, can offer several operational benefits to an organisation. Here are some of the advantages that a job evaluation system can provide:

1. Comparisons: Job evaluation techniques allow for a systematic comparison of roles within an organisation. This can help in identifying overlaps, gaps, and inconsistencies in roles and responsibilities. It can also aid in understanding the relative importance and complexity of different jobs, thereby promoting fairness and transparency.

2. Compensation: By assessing the value and complexity of jobs, job evaluation can help in determining fair and competitive compensation packages. It can ensure that employees are rewarded appropriately for their skills, efforts, responsibilities, and working conditions.

3. Specifications: Job evaluation can provide a clear and detailed understanding of what a job entails. This can be used to develop comprehensive job descriptions, identify necessary skills and competencies, set performance standards, and design effective performance evaluation systems.

4. Planning: By providing a clear picture of the job hierarchy and career paths within the organisation, job evaluation can aid in succession planning. It can help employees understand their potential career progression and the skills and experiences they need to advance.

5. Recruitment Process: A well-conducted job evaluation can provide valuable insights for the recruitment process. It can help in identifying the skills and competencies required for a job, thereby aiding in the selection of suitable candidates. It can also ensure that the compensation offered is competitive and commensurate with the job's requirements.

What Is Job Evaluation?

Job evaluation is the process of assessing the value or worth of a particular job within an organisation. It involves comparing a job's duties, responsibilities, and required skills with those of other jobs in the company to determine its appropriate place in the organisation's hierarchy and pay scale.

Why Is Job Evaluation Important?

Job evaluation is essential because it helps organisations determine the value or worth of each job within the company. This process involves comparing each job's duties, responsibilities, and required skills with those of other jobs in the organisation to determine its appropriate place in the hierarchy and pay scale.

Benefits of Job Evaluation

1. **Fair and consistent pay:** Evaluation helps ensure that employees are fairly compensated based on the value of their job and individual performance. It helps to establish a uniform pay scale for different jobs within the organisation and avoid pay disparities based on gender, race, or other biases.

2. **Improved performance:** Job evaluation provides employees with <u>constructive feedback</u> on their strengths and areas for improvement. This can motivate employees to perform at their best and identify personal and professional development opportunities.

3. **Informed decision-making:** Job evaluation can help organisations to make informed decisions about promotions, career development opportunities, and other personnel matters. By understanding the value and requirements of each job, organisations can better align their staffing and resources with their goals and objectives.

4. Enhanced employee engagement: When employees feel that they are being fairly compensated and recognised for their contributions, they are more likely to be engaged and committed to the organisation. Evaluation can improve <u>employee engagement</u> by providing transparency and fairness in determining pay and opportunities.

Methods Of Conducting A Job Evaluation

Let's discuss these methods further.

1. **Ranking method:** This involves ranking each job in an organisation from the highest to the lowest in terms of importance or value.

2. **Classifying method** involves grouping jobs into classes or categories based on their characteristics and responsibilities.

3. **Point method:** This involves assigning specific points to various factors such as skills, knowledge, and experience required for a job. The total number of points is then used to determine the job's place in the organisation's hierarchy and pay scale.

4. **Factor comparison** method involves comparing jobs based on specific factors such as knowledge, skills, and responsibility and determining their relative worth.

5. **Grading method** involves assigning grades to jobs based on their characteristics and responsibilities. The grades are then used to determine the job's place in the organisation's hierarchy and pay scale.

6. **Analysing method:** This involves breaking down the duties and responsibilities of each job into specific tasks and analysing the skills and knowledge required to perform those tasks.

7. **Skill-based pay method:** This involves setting pay rates based on the specific skills and knowledge required for a job rather than on the job title or level within the organisation.

The 5-step Job Evaluation Process

1. Identify the purpose of the evaluation

The first step in the process is to clarify the specific goals that the organisation hopes to achieve through the job evaluation. This may include determining pay scales, identifying training and development needs, or making decisions about promotions and career advancement.

2. **Select the appropriate evaluation method**

The next step is to choose the most suitable method for evaluating the jobs within the organisation. Different ways may be more appropriate for different types of jobs or industries, organisational structures, or cultures. Some standard job evaluation methods include ranking, classifying, point evaluation, factor comparison, grading, and skill-based pay.

3. **Gather job-related information**

The third step is to gather detailed information about the duties, responsibilities, and required skills of each job being evaluated. This may involve reviewing job descriptions, observing employees performing their tasks, and gathering input from employees, supervisors, and other stakeholders.

4. **Analyse the job-related information**

Once the job-related information has been gathered, it must be analysed to determine each job's relative value or worth. This may involve comparing the duties and responsibilities of each job with those of other positions within the organisation or using a specific job evaluation method such as ranking, classifying, or point evaluation.

5. **Determine pay and other compensation**

Based on the job evaluation results, the organisation can then determine the appropriate payment and further compensation for each job. This may involve establishing pay scales or ranges, setting individual pay rates, or making decisions about bonuses or other incentives. The job evaluation results should also be communicated to employees and other stakeholders to ensure transparency and understanding.

What Is Strategic Human Resources?

The goal of SHRM is to create policies and programs that align with the company's business strategy. The main difference between human resources and strategic human resources is that human resources focus on the day-to-day management of employees, while strategic human resources focus on how employees can achieve the company's overall goals. This means that SHRM must first understand the company's business goals and then create programs and policies that support those goals.

Some common examples of SHRM programs and policies include:

- Performance management: Creating systems to track and improve employee performance
- Training and development: Identifying employees' development needs and providing training and resources to help them improve
- Compensation and benefits: Designing compensation and benefits programs that attract and retain employees
- Employee relations: Managing employee relations to create a positive work environment

Why Strategic Human Resources Is Important

SHRM is important because it helps businesses achieve their goals. By aligning HR programs and policies with the company's business strategy, SHRM can help businesses improve employee performance, develop the workforce and create a positive work environment. SHRM can also help businesses save money by reducing turnover and improving productivity.

- Improve employee performance: SHRM can help businesses improve employee performance by creating systems to track and improve performance.
- Develop the workforce: SHRM can help businesses develop the workforce by identifying employees' development needs and providing training and resources to help them improve.
- Create a positive work environment: SHRM can help businesses create a positive work environment by managing employee relations.
- Reduce turnover: SHRM can help businesses reduce turnover by designing compensation and benefits programs that attract and retain employees.
- Improve productivity: SHRM can help businesses improve productivity by improving employee performance and creating a positive work environment.

5 Steps to Strategic Human Resources

1. Know your company's goals and abilities

The first step to SHRM is understanding your company's goals and abilities. When you know your company goals and can articulate them, you'll have an easier time creating programs and policies that support those goals. You'll also be able to more effectively measure the success of your SHRM programs and make changes as needed.

Consider the following questions:

- What are your company's long-term goals?

- What are your company's strengths and weaknesses?

- What resources does your company have now?

- What skills does your workforce currently have?

- Are there any gaps in talent or skills?

Answering these questions will help you understand your company's goals and abilities, and how SHRM can help you achieve those goals.

2. Forecast future needs

Now that you have an idea of your company's goals and abilities, you need to forecast future needs. In order to ensure your company's future success, you need to predict how many employees with the required skills will be necessary and measure it against your company's current workforce. This will help you determine what skills your company will need in the future and how to develop those skills in your workforce.

3. Determine the resources needed to achieve company goals

After you know your company's goals and have forecasted future needs, you need to determine the resources needed to achieve those goals. This includes identifying the financial resources, human resources and physical resources required.

4. Execute your plan

Now that you've set your company's goals, forecasted its future needs and gathered the resources required to achieve those goals, it's time to put your SHRM plan into action. Most companies start by recruiting the right candidates, training and development and then performance management. However, this will vary depending on your company's specific needs.

BARRIERS TO STRATEGIC HRM
1. Short-term mentality/focus on current performance.
2. The inability of HR to think strategically.
3. Lack of appreciation for what HR can contribute.
4. Failure to understand line manager's role as an HR manager.
5. Difficulty in quantifying many HR outcomes.
6. Perception of human assets as higher-risk investments.
7. "Incentives" for changes that might arise.

HOW TO OVERCOME THE BARRIERS OF SHRM
1. Conduct a preliminary analysis of needs and requirements.
2. Proper communication which builds positive relations between labour and management.
3. Provide leadership who direct, guide and motivate the employees.
4. Effective human resource planning so that organization achieves standard goals.
5. Follow up and evaluate progress so that remedial action can be taken as and when necessary.
6. Formulation of strategies and implementing them properly.
7. Reward supportive behaviours.

BACHELOR OF BUSINESS ADMINISTRATION (BBA)

Human Resources Management

Sub code- BBA-401

Unit- V

Industrial Dispute – Introduction and Meaning

For industrial progress and prosperity, maintenance of peaceful relations between labour and capital is of the first importance. Industrial dispute means a loss, both to the employers and the employees even when the latter scores a victory. It is also harmful to the community in general.

Therefore, every effort is made in advanced countries to maintain industrial peace. "The employer-worker relationship", according to the Planning Commission, "has to be conceived of as a partnership in a constructive endeavour to promote the satisfaction of the economic needs of the community in the best possible manner."

Industrial Dispute – Definition

The definition of Industrial disputes is as follows – According to Section 2(k) of the Industrial Disputes Act, 1947 "industrial dispute" is defined as, "Any disputes or differences between employers and employers, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person".

Industrial Disputes have the following characteristics or essentials:

(1) Parties:

Industrial disputes may be among different parties.

ADVERTISEMENTS:

Ordinarily, it is among the following parties:

(i) Employers and employers,

(ii) Employers and workmen and

(iii) Workmen and Workmen.

(2) Relation:

Matter of dispute may relate to worker or to employer or to both. Normally, it relates to an appointment or termination of a person; conditions of employment or conditions of work.

(3) Forms:

Industrial disputes may manifest themselves in different forms, such as strikes, lock-outs, Gheraos, go slow tactics, pens down strike, etc.

(4) Oral or Written:

Industrial dispute need not be written. It may be oral.

(5) Real:

It should be real. It should relate to employment of the worker, termination of employment, terms of employment, conditions of employment, etc. Matters relating to the personal life of the worker do not constitute industrial dispute.

(6) Substantial Interest:

In matter relating to industrial dispute interest either of the employer or the worker must be involved.

(7) Related to Industry:

A dispute can be included in industrial dispute when it concerns with industry. Usually, disputes must belong to an industry which is functioning. Disputes belonging to an industry that has since been closed down should not be included in it.

(8) Clarification:

Industrial disputes should relate to matters which are clear. Unless, it is a transparent case its settlement is not possible. Matters which are clear find settlement easily. Concerned party can protect its interest when the issue is crystal clear.

(9) Origin:

Ordinarily, dispute arises when the workers or trade unions put up their demands before the employer and the latter refuses to consider them.

Industrial Dispute – 4 Different Types

1. Interest Disputes:
These conflicts are also called 'conflicts of interest' or 'economic disputes'. Such disputes relate to the establishment of new terms and conditions of employment for the general body workers i.e., that affect the masses. Generally, such type of disputes originate form trade union demands or proposals for increase in wages or other emoluments, fringe benefits, job security or other terms of employment. These demands are put forth by the trade unions with a view to negotiate through collective bargaining and disputes when the parties fail in their negotiations to reach an agreement.

2. Disputes over Unfair Labour Practices:

Such disputes arise over the malpractices adopted by the management against a worker or trade union. The examples of such malpractices may be discrimination against workers for their being members of the trade union or their involvement in union activities; interference, restraint or coercion of employees from exercising their right to organise, join or assist a union; establishment of employer sponsored union and coerce the workers to join such union; refusal to bargain with the recognized union; recruiting new employees during a strike which is not declared illegal; failure to implement an award, settlement or agreement; indulging in acts of violence. These practices are also known as 'trade union victimization'. In some countries a procedure is given to settle such disputes. In the absence of any such procedure, the disputes are settled in accordance with the provisions of the Act relating to industrial disputes.

3. Grievance or Rights Disputes:

These disputes are also known as 'conflicts of rights' or 'legal disputes'. They involve individual workers or a group of workers in the same group. In some countries, such disputes are called 'individual disputes'. Such disputes arise from the day to day working relations of the workers and management, usually, as a protest by the workers or workers against an act of management that is considered to violate his or their legitimate right.

4. Recognition Disputes:

Such type of disputes arises when the management refused to recognise a trade union for purposes of collective bargaining. Issues under this category differ according to the cause that led the management to refuse recognition. Here the problem is that of attitude.

However the management refusal may be on the ground that the union requesting for recognition does not represent a specific number of Workers. In such case, resolution of issue depends upon whether the rules for recognition of a trade union exist or not. Such rules may be laid down by law, for they may be Conventional or derived from prevailing practices in the country.

Grievance

Steps to address grievances
1.Understand the issue
Identify all affected parties and gather relevant information, including dates, individuals involved, and reasons for dissatisfaction. Sometimes, a single complaint may encompass multiple underlying issues, necessitating a thorough understanding of the situation.
2.Explore solutions
Engage members in brainstorming potential solutions for each identified issue. Consider different options, whether maintaining existing rights or negotiating new ones, while keeping the overall goal in mind.
3.Evaluate solutions
Rank potential solutions from best to worst for each issue, facilitating informed decision-making.
4.Clearly state the grievance
Present the grievance as a problem with proposed solutions rather than as a demand, ensuring clarity on who is affected, the nature of the complaint, and the proposed resolution.

5.   Present   the   grievance

Follow the agreed-upon grievance procedure involving management, shop stewards, and affected parties. Request lower-level meetings if feasible, ensuring the presence of the aggrieved member in individual cases.

6.   Seek   a   response

Request a timely response from management and negotiate solutions during meetings. Escalate the matter if there is no satisfactory solution.

7.   Further   action

If initial attempts fail, repeat the process or consider holding demonstrations to express your concerns to the management.

8.   Declare   a   dispute

Follow established dispute procedures or seek assistance from union organisers to declare a dispute and hold a meeting with management.

9.   Tactics   for   resolution

Discuss potential strategies, including mediation, arbitration, or industrial action and involve workers in decision-making.

10.   Formalise   agreements

Ensure agreements are documented in writing and signed by both parties, with a clear understanding of the terms.

A primary responsibility of a shop steward is to represent union members throughout the grievance processes and hearings in the workplace.

Grievance hearings occur when a worker raises a complaint concerning the actions of the employer, other workers, or the general working conditions. The employer must safeguard the aggrieved worker from any form of victimisation.