



CONTENTS

	PAGE
<i>Preface</i>	I-5
<i>About the Author</i>	I-7
<i>About the book</i>	I-9
<i>Chapter-heads</i>	I-11
<i>Discipline Course I</i>	I-21

UNIT I

INTRODUCTION TO HUMAN RESOURCE MANAGEMENT

1

NATURE AND SCOPE OF HUMAN RESOURCE MANAGEMENT

1.1	Concept of Human Resource Management	5
1.2	Difference between Human Resource Management and Personnel Management	6
1.3	Nature of Human Resource Management	7
1.4	Objectives of Human Resource Management	9
1.5	Functions and Scope (Spectrum) of Human Resource Management	9
1.6	Relevance and Importance of Human Resource Management	14
1.7	The Industrial Policy of 1991 and its Impact on HRM	17
1.8	Impact on Human Resource Management	18

CONTENTS

I-14

	PAGE
1.9 Complexities of HRM to Ensure Sustained Competitive Advantage	19
1.10 Human Resource Development (HRD)	21
1.11 Objectives of HRD	22
1.12 Difference between HRM and HRD	22
LET US SUM UP	24
QUESTIONS TO CHECK YOUR PROGRESS	25
SHORT ANSWER QUESTIONS	25
LONG ANSWER QUESTIONS	26

2

CHALLENGES IN HUMAN RESOURCE MANAGEMENT

2.1 Role and Status of Human Resource Manager	30
2.2 Essential Qualities of HR Managers	33
2.3 Competencies of HR Managers	34
2.4 Challenges of HR Managers	35
FROM THE ORGANISATION'S PERSPECTIVE	46
FROM THE EMPLOYEE'S PERSPECTIVE	47
LET US SUM UP	60
QUESTIONS TO CHECK YOUR PROGRESS	62
SHORT ANSWER QUESTIONS	62
LONG ANSWER QUESTIONS	63

UNIT II

ACQUISITION OF HUMAN RESOURCE

3

HUMAN RESOURCE PLANNING AND JOB ANALYSIS

3.1 Concept of Human Resource Planning	68
3.2 Human Resource Planning Process	70
3.3 Guidelines for Effective Human Resource Planning	75
3.4 Job Analysis	76

	PAGE
3.5 The Process of Job Analysis	77
3.6 Job Description	79
3.7 Contents of Job Description	79
3.8 Distinction between Job Analysis and Job Description	79
3.9 Job Specification	80
3.10 Difference between Job Description and Job Specification	80
3.11 Job Evaluation	81
3.12 Distinction between Job Description and Job Evaluation	81
3.13 Uses and Importance of Job Analysis Information	82
LET US SUM UP	83
QUESTIONS TO CHECK YOUR PROGRESS	84
SHORT ANSWER QUESTIONS	84
LONG ANSWER QUESTIONS	85

4

RECRUITMENT AND SELECTION

4.1 Concept of Recruitment	88
4.2 Factors affecting Recruitment	89
4.3 Sources of Recruitment	90
4.4 Distinction between Recruitment and Selection	94
4.5 Selection Process	95
4.6 Steps in Selection Process	96
LET US SUM UP	106
QUESTIONS TO CHECK YOUR PROGRESS	107
SHORT ANSWER QUESTIONS	107
LONG ANSWER QUESTIONS	107

UNIT III

TRAINING AND DEVELOPMENT

5

EMPLOYEES TRAINING

5.1 Concept of Training	114
-------------------------	-----

CONTENTS

I-16

	PAGE
5.2 Benefits of Training to the Employers	<i>115</i>
5.3 Benefits of Training to the Employees	<i>116</i>
5.4 Building Training Programmes	<i>117</i>
5.5 Defining the Training Program Aims	<i>118</i>
5.6 Designing a Training Program	<i>119</i>
5.7 Essentials for Conducting an Effective Training Program	<i>122</i>
5.8 Types of Training	<i>122</i>
5.9 Training Methods	<i>124</i>
5.10 Training Execution and Evaluation	<i>126</i>
LET US SUM UP	<i>126</i>
QUESTIONS TO CHECK YOUR PROGRESS	<i>127</i>
SHORT ANSWER QUESTIONS	<i>127</i>
LONG ANSWER QUESTIONS	<i>128</i>

6

EXECUTIVE DEVELOPMENT PROGRAM

6.1 Concept of Management Development	<i>131</i>
6.2 Difference between Training and Development	<i>132</i>
6.3 Need for Management Development	<i>133</i>
6.4 Objectives of Management Development	<i>135</i>
6.5 Importance of Management Development	<i>135</i>
6.6 Methods of Management Development Programs	<i>137</i>
6.7 Evaluation of Management Development Program	<i>143</i>
LET US SUM UP	<i>144</i>
QUESTIONS TO CHECK YOUR PROGRESS	<i>145</i>
SHORT ANSWER QUESTIONS	<i>145</i>
LONG ANSWER QUESTIONS	<i>145</i>

UNIT IV

PERFORMANCE APPRAISAL

7

PERFORMANCE APPRAISAL SYSTEM

7.1	Concept of Performance Evaluation	<i>150</i>
7.2	Nature and Importance of Performance Appraisal	<i>150</i>
7.3	Objectives of Performance Appraisal	<i>151</i>
7.4	Difficulties involved in Evaluating Performance	<i>152</i>
7.5	Guidelines for Conducting the Performance Appraisal	<i>153</i>
7.6	Role of the HR Department in Performance Appraisal	<i>153</i>
7.7	Criteria's for Establishing Policies for Performance Appraisals	<i>154</i>
7.8	Methods of Conducting Performance Appraisal	<i>155</i>
	LET US SUM UP	<i>162</i>
	QUESTIONS TO CHECK YOUR PROGRESS	<i>163</i>
	SHORT ANSWER QUESTIONS	<i>163</i>
	LONG ANSWER QUESTIONS	<i>163</i>

8

EMPLOYEE COUNSELLING AND JOB CHANGES

8.1	Concept of Employee Counselling	<i>166</i>
8.2	Role and Importance of Employee Counselling	<i>167</i>
8.3	Types of Employee Counselling	<i>168</i>
8.4	Guidelines for Conducting Effective Counselling Sessions	<i>169</i>
8.5	Job changes	<i>170</i>
8.6	Promotion	<i>171</i>
8.7	Rationale and Importance of Promotion	<i>172</i>
8.8	Criteria for Promotion-Merit vs. Seniority	<i>172</i>
8.9	Advantages and Disadvantages of Merit vs. Seniority Promotion	<i>173</i>
8.10	Promotion Policy	<i>174</i>
8.11	Demotion	<i>175</i>
8.12	Reasons for Demotion	<i>176</i>
8.13	Demotion Policy	<i>176</i>

CONTENTS

I-18

	PAGE
8.14 Transfers	177
8.15 Causes or Rationale of Transfers	177
8.16 Types of Transfers	178
8.17 Essentials for Drafting Transfer Policy	180
LET US SUM UP	181
QUESTIONS TO CHECK YOUR PROGRESS	182
SHORT ANSWER QUESTIONS	182
LONG ANSWER QUESTIONS	182

UNIT V

COMPENSATION AND MAINTENANCE

9

EMPLOYEES COMPENSATION

9.1 Concept of Compensation	188
9.2 Components of Compensation Plan	189
9.3 Objectives of Compensation Plan	191
9.4 Factors Affecting the Compensation Policy	193
9.5 Methods of Wage Payment	196
9.6 Time Wage System or Time Rate Plan	196
9.7 Advantages of Time Wage Plan	197
9.8 Disadvantages of Time Wage Plan	198
9.9 Suitability of Time Wage Plan	198
9.10 Piece Wage System or Piece Rate Plan	199
9.11 Advantages of Piece Wage System	199
9.12 Disadvantages of Piece Wage System	200
9.13 Suitability of Piece Wage System	201
9.14 Fringe Benefits	201
9.15 Objectives of Fringe Benefits	202
9.16 Types of Fringe Benefits	202
9.17 Fringe Benefit Strategy	204
9.18 Final Steps in the Development of the Compensation Plan	205
LET US SUM UP	206

	PAGE
QUESTIONS TO CHECK PERFORMANCE	207
SHORT ANSWER QUESTIONS	207
LONG ANSWER QUESTIONS	207

10

PAY FOR PERFORMANCE COMPENSATION

10.1	Concept of Pay for Performance Compensation	210
10.2	Advantages of Pay for Performance Plan	211
10.3	Limitations of Pay for Performance Plans	212
10.4	Recommendations for Effective Pay for Performance Plan	213
10.5	Types of Pay for Performance Plans	215
10.6	Individual-Based Plans	215
10.7	Advantages of Individual-based Pay for Performance Plans	216
10.8	Disadvantages of Individual-based Pay for Performance Plans	217
10.9	Situations Appropriate for the Individual-based Pay for Performance Plans	218
10.10	Team Based Plans	218
10.11	Advantages of Team-Based Pay for Performance Plans	221
10.12	Disadvantages of Team-Based Pay for Performance Plans	222
10.13	Situations where Team Based Plans are likely to Succeed	223
10.14	Comparison of Individual Based Plan with Team Based Plan	223
10.15	Organisation Wide Plans	225
10.16	Advantages of ESOP	225
10.17	Limitations of ESOP	226
10.18	ESOP in India	226
10.19	Situations where Organisation Wide Pay for Performance Plan Works	226
	LET US SUM UP	227
	QUESTIONS TO CHECK YOUR PROGRESS	228
	SHORT ANSWER QUESTIONS	228
	LONG ANSWER QUESTIONS	228

11

MAINTENANCE OF EMPLOYEES

11.1	Concept of Maintenance of Employees	231
-------------	-------------------------------------	-----

CONTENTS

I-20

	PAGE
11.2 Employees' Health Programme	232
11.3 Steps taken by the HR Department for Ensuring Employees Health	233
11.4 Health and Safety Provisions under the Factories Act, 1948	234
11.5 Employees' Safety Program	235
11.6 Legal Provisions of Safety for Factory Workers	240
11.7 Employee Welfare	243
11.8 Objectives of Employee's Welfare Activities	243
11.9 Agencies of Labour Welfare	244
11.10 Types of Employees Welfare Activities	246
11.11 Social Security Measures	247
11.12 Concept of Social Security	247
11.13 Functions of Social Security	248
11.14 Enforcement of Social Security Schemes by Law	249
11.15 Types of Social Security Schemes	250
11.16 Distinction between Social Insurance and Social Assistance	250
LET US SUM UP	251
QUESTIONS TO CHECK YOUR PROGRESS	252
SHORT ANSWER QUESTIONS	252
LONG ANSWER QUESTIONS	253

12

GRIEVANCE HANDLING AND REDRESSAL

12.1 Concept of Grievance Handling	256
12.2 Reason's for Grievances	257
12.3 Outcomes of Grievances	258
12.4 Guidelines for Handling Grievances	259
12.5 Purpose of having a Grievance Redressal Procedure	260
12.6 Essentials of an Effective Grievance Redressal Procedure	261
12.7 Model Grievance Procedure in India	262
12.8 Procedure for Handling Grievances	263
12.9 Legislative Framework for Grievance Redressal	264
LET US SUM UP	265
QUESTIONS TO CHECK YOUR PROGRESS	266
SHORT ANSWER QUESTIONS	266
LONG ANSWER QUESTIONS	266
REFERENCES	267