

CHAPTER -5 ORGANISING

MEANING AND DEFINITION

Organising is the process of arranging people and physical resources to carryout plans and accomplish organizational objectives.Organisingis concerned with establishing interrelationship among jobs, sections, departments and positions. It is concerned with building up a framework for structure of tasks and authority relationship.

‘organising is the process of defining and grouping the activities of the enterprise and establishing authority relationships among them’
-Theo Haimann

‘organizing is the process of establishing effective authority relationships among selected works, persons and work places in order for the group to work together effectively’

-George.R.Terry

‘To organize a business means to provide it everything useful to its functioning raw material, tools capital and personnel’
-Henri Fayol

The purpose of organising is to enable people to relate one another and to work together for a common objective. The organized group of people, in a collective sense , is known as organization.

STEPS IN THE PROCESS OF ORGANISING

Organising involves a series of steps that need to be taken inorder to achieve the desired goal. They are:-

1. **Identification and division of work:-** The first step in the process of organizing is to make an estimation of the total work or the entire activities to be performed for the attainment of objectives. Then the identified works are divided into different activities. That is the job divided into various functions like production, financing marketing etc.
2. **Departmentation:-** The second step in organizing is to combine or group similar or related jobs into larger units called departments , divisions or sections. This grouping of activities is known as departmentation.
3. **Assigning duties:-** The next step involves the allotment of various activities to different individuals according to their ability and attitude. Each one is given a specific job and he is responsible for its execution. Right man at the right job is the motto.
4. **Establishing Reporting relationships:-** After assignment of duties , appropriate authority is delegated to each individual . Without such authority a person cannot carry out the assigned job. Everyone must know , what he is required to do and to whom he is accountable. A proper authority structure created to facilitate smooth functioning of the business.

IMPORTANCE OF ORGANISING

Organization is the frame work through which managers get things done through others. Sound organization is the backbone of effective management due to the following reasons

1. **Benefits of specialization:-** In the process of organizing work is divided and subdivided into convenient jobs. Similar jobs are grouped into departments. Thus organising promotes specialization which in turn leads to efficient and speedy performance of tasks.
2. **Clarity in working relationships:-** Organising defines each job and clearly differentiates the work of one from the others. It helps to remove duplication of work and fixation of responsibility. The role, tasks, authority, responsibility of each job clearly spelt out.
3. **Optimum utilization of resources:-** The proper assignment of job avoids overlapping or duplication of work results in preventing confusion and minimizing wastage of resources and efforts
4. **Adaptation of Change:-** A properly designed organization structure is flexible. It facilitates adjustments to changes due to changing conditions in the external environment with respect to technology, markets, products etc.
5. **Effective administration:-** Organisation provide clear description of jobs and related duties. This leads to avoid confusion and duplication. Clarity in working relationship enables proper execution of work. This brings effectiveness in administration.
6. **Development of personnel:-** Organising provides creativity among managers. Through delegation, managers can get their work reduced by assigning routine jobs to their subordinates. By doing so, subordinates get an opportunity to develop i.e. developing new methods and ways of performing tasks
7. **Expansion and growth:-** Sound organization can alone provide smooth expansion and avoidance of problems caused by rapid growth of an enterprise.

ORGANISATION STRUCTURE

Organisation structure is the outcome of the organising process. An organization structure is the pattern of authority – responsibility relationships among various levels of management and other personnel of the enterprise. It is the frame work within which manager and other employees perform their various functions

Organisation Chart:- is the diagrammatical representation of the organization structure. It shows the relationship between different authorities. It also shows the systematic channel for communication.

ELEMENTS OF ORGANISATION STRUCTURE

1. **Job design:-** The various tasks to be accomplished under each job and qualities, skills and qualifications required to undertake the job is specified in job design.
2. **Departmentation:-** Once the jobs are defined, similar jobs are grouped together to form a department. It is called departmentation.

3. **Span of control/ management**:- Span of control is the number of subordinates that a supervisor can effectively manage. The number of superior subordinate relationship increases geometrically with the increase in the number of subordinates.
4. **Delegation of Authority**:- Delegation authority means granting authority to subordinates to operate within prescribed limit. Delegation of authority is the essence of sound organization.

TYPE OF ORGANISATION STRUCTURE

Organisation structure is a structure of relationships between various positions of the enterprise. The structure of organization can be classified under two categories. They are:

1. **Functional structure**
2. **Divisional Structure**

1. Functional Structure:-

A functional structure is one in which all business activities are divided into various functions and each function is entrusted to a specialist department manager. The functions of each department must be clearly defined. In functional organizational structure each major function of business is considered as a separate department. All departments reported to a coordinating head.



Example: Functional Organizational Structure.

Advantages:

1. It is very simple to understand and logical in classification
2. It provides specialization. Thus making possible efficiency in operation
3. It facilitates delegation of authority
4. It facilitates coordination of activities within each department
5. It eliminates costly duplication of efforts

Disadvantages

1. When the organization grows, it will be difficult to coordinate all functions

2. Slow adaptation to change in environment
3. Responsibility for profits is at top only
4. Conflict of interest may arise when the interests of departments are not compatible
5. Limits the development of general managers.

Suitability:-It is suitable when

- Size of enterprise is large
- There are diversified activities
- An enterprise requires high degree of specialization

Divisional structure/ product structure

Divisional structure is the division of organization on the basis of products. In this structure the products come under similar category are grouped together and it is called division. Each division will be under the charge of a separate manager. Each division may be subdivided into production, sales, finance personnel activities.



Advantages:

1. It brings about efficiency and economy of operations
2. It gives freedom of action to each division
3. Decision making can be faster and effective
4. It focus individual attention on each product line which facilitate expansion and diversification

Disadvantages:

1. There is a duplication of different functions and equipment in various divisions
2. Each division may function as autonomous units and it leads to lack of coordination
3. It is not suitable to small business ,it is a costly affairs
4. There may be underutilization of plant capacity when demand for particular product is inadequate.

Suitability:It is most suitable when

- Large variety of products are manufactured with different productive resources
- When an organization grows and needs to add more employees , create more departments, introduce new levels of management, it will decide to a divisional structure.

DIFFERENCE BETWEEN FUNCTIONAL STRUCTURE AND DIVISIONAL STRUCTURE

FUNCTIONAL STRUCTURE	DIVISIONAL STRUCTURE
1.Focus on Functions- production, finance, sales etc.	1. Focus on products, territories etc
2. Occupational specialization	2.Product specialization
3 . Less autonomy in operation	3 . More autonomy in operation
4 . It is economical	4 .It is expensive
5 .Simple Structure	5 . Complicated Structure
6 . Control of department is simple	6 . Control of division is difficult
7 . Coordination between departments is difficult	7 .Coordination between divisions is simple.

DELEGATION

Delegation refers to the downward transfer of authority from a superior to a subordinate. Delegation of authority is the essence of sound organization. Delegation is the key element in organizing. The process of delegation involves assignment of tasks, entrustment of authority and imposition of accountability. It is based on the principle of division of labour.

‘ delegation of authority merely means the granting of authority to subordinates to operate within prescribed limits’
-Theo Haimann

‘ The ability to get results through others’
L.A.Allen

PROCESS OF ELEMENTS OF DELEGATION

The following are the components of the process of delegation

1. **Assignment of duties to subordinates:-** The first step in delegation is the assignment of duty to the subordinates. The delegator tells his subordinates to carry out a specific task in a specific period of time.

2. **Granting of authority**:- Nobody can carryout his duties unless he has the requisite and matching authority. Thus the superior should delegate authority to his subordinates to carry out the duty assigned to him.
3. **Creating on obligation or accountability**:- Once the authority is delegated, subordinate become accountable for the performance of their duties. Subordinate have to report to their superior about their performance.

ELEMENTS OF DELEGATION

Authority, responsibility and accountability are the three basic elements of delegation of authority. Authority is delegated, responsibility created and accountability is imposed.

1. **AUTHORITY**:- Authority is the right to command. Henri Fayol defined authority as 'the right to give orders and exact obedience'. He stated the difference between official authority and personal authority. Authority which derived by a person on account of his position in the organization is known as official authority. On other hand personal authority is derived by a person on account of his intelligence , knowledge, skill and experience. Authority flows from top to bottom. Authority determines the superior subordinate relationship.
2. **RESPONSIBILITY**:- Responsibility is described as an obligation to perform a task. It originated from the superior subordinate relationship in an organization. It cannot be delegated or transformed. Responsibility always flows upwards .ie. From a subordinates to a superior.
' Responsibility is the obligation of a subordinate to perform the assigned and implied duties'
-Koontz and O' Donell.

There is a close relationship between authority and responsibility. If the authority is delegated without responsibility is likely to be misused. If sufficient authority is not granted, the subordinates cannot discharge his assigned duties.

3. **ACCOUNTABILITY**:- Accountability is the obligation to perform responsibility when subordinate is assigned some duties to be performed , he will be accountable to his superior for doing or not doing that work. Thus accountability is the obligation for the performance of work assigned and authority delegated. Accountability cannot delegated and moves upwards.

OVERVIEW OF ELEMENTS OF DELEGATION

BAIS	AUTHORITY	RESPONSIBILITY	ACCOUNTABILITY
1. Meaning	Right to command	Obligation to	Answerability for

		perform an assigned task	outcome of the assigned task
2. Delegation	Can be delegated	Cannot be delegated	Cannot be delegated
3. Origin	Formal position	Delegated Authority	Responsibility
4. Flow	Flows down wards	Moves upwards	Moves upwards

IMPORTANCE OF DELEGATION

When the size of an organization expands ,a manager alone cannot do all the work himself. He has to share his work and authority with others. It reduces the work load of superiors. So the manager can concentrate on important matters and leaving the routine matters to his subordinates.. The advantages of delegation are as follows.

1. **Efficient Management**:- The manager who delegates authority can perform more than one who does not. Delegation of authority relieves the top executives from heavy load of work. It enables him to concentrate on policy matters and decision making. This would increase his effectiveness.
2. **Employee development**:-Delegation provide opportunities to make familiarity with the work of superiors . It makes them better leaders and decision makers. Thus delegation helps by preparing better future managers.
3. **Motivation of employees**:- Some employees are willing to take more responsibility , since it will satisfy their ego. Such employees feel motivated when they are delegated authority.
4. **Facilitation of Growth**:- Delegation of Authority prepares executives for the future. This enables the organization to face challenges effectively and promotes the potential for growth.
5. **Basis of Management hierarchy**:- Delegation of authority establishes superior subordinates relationships which are the basis of hierarchy of management . Delegation of authority decides the power that each position enjoys in the organization.
6. **Better Coordination**:- Delegation elements like authority , responsibility and accountability clearly defines the power, rights and various job position in the organization. Clarity in reporting helps to develop and maintain effective coordination amongst departments, job positions and function of management.

DECENTRALISATION

Decentralisation of authority means the disposal of decision making authority to lower levels.

‘Decentralisation refers to the systematic efforts to delegate to the lower levels all authority except which can be executed at the central points’
-Louis Allen

'Everything that goes to increase the importance of the subordinate's role is decentralization'
- Henry Fayol

Decentralisation explains the manner in which decision making responsibilities are divided among hierarchical levels. Decentralization refers to delegation of authority throughout all the levels of the organization.

CENTRALISATION AND DECENTRALISATION

'Everything which goes to increase the subordinate's role is the decentralization; everything which goes to decrease it is centralisation'
- Henry Fayol

Decentralisation is often viewed as the opposite of centralization. Decentralisation is the disposal of power to the lower levels of the organization while centralization is the concentration of power at one point (Top levels). No organization can be completely centralized or completely decentralized. They exist together. Their degree differ from organization to organization.

IMPORTANCE OF DECENTRALISATION

Decentralization is not merely the transfer of authority to lower levels, but a philosophy of management. The main benefits of decentralization are as follows

1. **Develop Initiative among subordinates:-**Decentralisation helps to promote self-reliance and confidence amongst the subordinates. Lower level managers are given more freedom to the managerial decisions. This will improve their career prospects.
2. **Develops Managerial talents for the future:-**Decentralisation promote opportunity to the subordinates to make familiarity with the work of superiors .it make them better leaders and decision makers. Thus decentralization help by preparing better future managers
3. **Quick decision making:-** The subordinates have sufficient authority to take quick decisions. They neednot consult their superiors on every issue. This avoids delay in decision making and facilitates quick decisions.
4. **Relief to top management:-**Decentralisation relieves the top executives from the heavy load of work. It enables them to concentrate on higher functions of management.
5. **Facilitate Growth:-**Decentralisation prepares executives for the future. This enables the organization to face future challenges effectively and promotes the potential for growth.
6. **Better Control:-** In decentralized set up , it becomes easier to fix standards of performance, evaluate the performance and take corrective action. This will lead to effective control.

DISTINCTION BETWEEN DELEGATION AND DECENTRALISATION

BASIS	DELEGATION	DECENTRALISATION
1. Meaning	It refers to the entrustment of	It refers to the systematic

	responsibility and authority from one individual to another	delegation of authority throughout the organization
2. Scope	It is narrow term compared to decentralisation	It is wider term which includes delegation
3. Need	It is compulsory	It is optional
4. Status	It is a process	It is the result of policy of the organization(it is a situation)
5. Nature	It is individualistic	It is totalistic
6. Purpose	To reduces the burden of manger	To increase the role of subordinates in the organization by giving them more autonomy.

CHAPTER -6

STAFFING

Human beings are the key resource in any organization. Filling the right person for the right job in the right place is the function of staffing. An organization can achieve its objectives only when it has the right persons in the right positions.

Staffing is very much linked with organizing. Organizing provides the structure and fixes the job positions. Staffing fills various job positions in the organisation, giving training and motivate them to work effectively. Thus staffing acts as a generic functions of management.

MEANING AND DEFINITION

In simplest terms staffing is 'putting people to jobs'. Staffing is the process of acquiring, developing and maintaining a satisfactory and satisfied workforce for an organization. The term staffing is concerned with the recruitment, selection, placement, training, growth and development of all members of the organization. The staffing function involves deciding upon the size and type of required personnel.

'The staffing function pertains to the recruitment, selection, development, training and compensation of subordinate managers' - Koontz and O' Donnell

'Staffing function is concerned with the placement , growth and development of all those members of the organization whose function is to get things done through the effects of other individuals'

-Theo Haiman

FEATURES/NATURE/CHARACTERISTICS OF STAFFING

1. Staffing is concerned with people at work and their relationships
2. Staffing is a continuous function
3. It involves optimum utilization of human resources
4. It is concerned with all departments and all managers at all levels
5. The department which performs the staffing function is called ' personnel department'

NEED AND IMPORTANCE OF STAFFING

Human resources are the foundation of any business. The right people can help your business to the top. The wrong people can break your business. Unless the right kind of executives are employed, there will be wastage of materials, time, efforts and energy.. Staffing aids in the better performance of an organization by identifying the right type of people with the right combination of skills , attitudes and interest.

Staffing function is required for every organization due to the following reasons

1. **Better performance of organization:-** The better performance of an organization mainly depends on the quality of the persons employed. This has increased the importance of staffing.
2. **Use of latest technology:-** Technical changes are made day by day. Thus right type of persons is required to enjoy the advantages of the latest technology.
3. **Ensure continuous Functioning:-** staffing ensures continuous and uninterrupted functioning of the organization by (i) providing required staff at the required time (ii) avoiding labour problems by good labour relation.
4. **Optimum utilization of human resources:** Human resources is considered the most valuable assets in the organization. . Every concern is required to spend a large sum of money for its personnel by way of recruitment, selection, training, salaries etc. But at the same time , it can enjoy optimum results from the personnel only through efficient staffing
5. **Recongnisation of Human resources**
The workers are to be motivated through financial and nonfinancial incentives and right working conditions. This will increase the morale of the employees . Thus the employment of right type of personnel and keeping them satisfied are very significant for better quality and higher productivity.
6. **Obtaining and maintaining competent personnel**
Proper staffing helps in discovering and obtaining competent personnel for various jobs.

STAFFING AS A PART OF HUMAN RESOURCE MANAGEMENT

Staffing is the function of management just like other functions planning, organizing, directing, controlling. It is performed by all the managers almost all levels . Staffing is seen in all organizations whenever human resources is making use of. In staffing manager thinks how to make use the person to getting thing done.

Compared to staffing , Human resource management is a wider term generally, it has seen in large organisations where human resources are managed by a separate department. Human resource Management deals with all matters connected with human resources- manpower planning, recruitment, selection, maintenance, remuneration, development etc. Thus human resources management is very broad in its scope and covers variety of functions. Staffing is an integral part of human resources management.

Duties/ scope of HRM

1. Recruitment. ie. Search for qualified people.
2. Analysing jobs, collecting information about jobs to prepare job descriptions

3. Developing compensation and incentive plans
4. Training and development of employees
5. Maintaining labour relations union management relations
6. Handling grievances and complaints
7. Providing for social security and welfare of employees
8. Defending company in disputes

DIFFERENCE BETWEEN HRM AND STAFFING

HUMAN RESOURCE MANGEMENT	STAFFING
1. Wider term	1. Part of HRM
2. HRM is a specialist functions of specialist managers	2. Staffing is one of the functions of manger like planning, organizing, directing ,controlling
3. HRM is seen in large organization	3. Staffing is seen in small organization
4. Personnel are treated as employees or subordinates	4. Personnel are treated as important assets
5. In HRM, manger tries to develop people and motivate them to achieve the goals of the organisation	5. IN staffing, manager thinks how to make use the persons to get the thins done

EVOLUTION OF HUMAN RESOURCE MANAGEMENT

Human Resource Management (HRM) in its present form has evolved from a number of significant interrelated developments. HRM has replaced the traditional concept of labour welfare and personnel management.

Emergence of trade union movement led to the need for a person who could act as an effective link between the owner and workers. Thus the concept of labour welfare officer comes into being. With the invention of factory system, thousands of people began to be employed under one roof. The job of hiring people for the organization was given to one person, who later was assigned the responsibility of recruitment, selection and placement of personnel. This led to the emergence of personnel officer in the first place and personnel manager later on. Human resource approach recongnises human factor as the most important instrument of success in an organization.

Fast changing technological development necessitated new skill development and training of employees. Increase the scope of work led to replacement of personnel manager to human resources manager.

STAFFING PROCESS/ELEMENTS

The process of staffing consists of several interrelated activities such as planning human resources requirements, recruitments, selection, training and development, remuneration and so on. These activities together make the staffing process. The steps are given below

1. Estimating the manpower requirements/Human Resource Planning/Manpower planning

‘manpower planning is the process of determining and ensuring that the organization will have adequate number of qualified personnel’
- Dale. S. Beach

The first major step in the staffing process is the estimation of manpower requirements. It is a planning process by which ensures right number of right people at the right place doing the right things so as to obtain organizational objectives. This process is also known as manpower planning or human resources planning. It is the process of estimating the requirement of human resources both quantitatively and qualitatively (work force analysis and work load analysis) Manpower requirements are estimated through job analysis.

****Job analysis** is the detailed and systematic and detailed study of jobs, to know the nature and characteristic of people to be employed. Job analysis involves job description and job specification. **Job description** describes the job and specifies its requirements. **Job specification** describes the minimum acceptable human qualities necessary to perform a job properly.

Features of Human Resource Planning

- It concerned with the future need of manpower
 - It determines when and what period the staff is required
 - It makes plans for the effective utilization of existing and available human resources
 - It ensures that the organisation has neither excess nor shortage of personnel.
 - It periodically reviews and controls the performance and cost of human resources.
2. **Recruitment:-** recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization. Recruitment is a process as it stimulates people to apply for jobs.
 3. **Selection:-** selection process starts immediately after recruitment. Selection is the process of choosing the most suitable persons from the applicants. Selection is a negative process as more candidates are rejected than hired.
 4. **Placement and Orientation/ Induction:-** Placement refers to putting the right person on the right job. Placement is the process of matching the candidates with the jobs in the organization. Orientation/ Induction is the process of introducing and familiarising newly appointed candidates with their jobs, work groups and the organization. So that they feel at home in the new environment. It is a process of socialisation
 5. **Training and Development:-** Training is the act of increasing knowledge and skill of an employee for doing a particular job. The main purpose of training is to bridge the gap between job requirements and present competence of the employee. Training is beneficial to both employee and employer.

Development aims to improve the overall personality of an individual. This term is mostly used in the context of managerial staff. Development is the preparation of employees to meet future needs.

6. Performance Appraisal / Evaluation

It is the periodic measurement and assessment of the behavior and performance of employees. Here the actual performance can be compared with the predetermined standards to measure employee's performance. Performance appraisal undertaken to determine promotion policies, training needs and develop a suitable compensation method.

7. **Compensation:-** Compensation means the remuneration paid to employees. Compensation includes direct financial payments like wages, salaries, incentives, commissions, bonus etc and indirect payments like employer paid insurance behalf of employee and vacation

Direct financial payments are two types a time based and performance(piece rate) based.. A time based plan means salary and wages are paid either daily, weekly or monthly or annually. Performance based plans means salary/ wages are paid according to piece work.

8. **Promotion and career planning:-** Promotion means movements of an employee from present position to a higher position. Promotions are an important part of people's career. Promotion results in increased responsibilities, authority , scale of pay and job satisfaction.

ASPECTS OF STAFFING

1. RECRUITMENT
2. SELECTION
3. TRAINING

RECRUITMENT

‘ Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organisation’ - Edwin . B Fippo

The process of identification of different sources of personnel is known as recruitment. Recruitment is a positive process as it stimulates people to apply for jobs.

Steps in recruitment

1. Identifying the different sources of labour supply
2. Assessing the quality of these sources
3. Choosing the best sources of labour supply
4. Inviting qualified candidates for the job.

Sources of Recruitment

Employees may be recruited from within the organization and from outside .thus there are two sources (i) Internal sources (ii) External Sources

I. **Internal sources:** When recruitment is made from within the organization, the source is internal sources. Internal sources comprises **(a) transfer (b) promotion**

- (a) **Transfer:-** Transfer is concerned with the shifting an employee from one job to another having similar status and responsibility. Through transfer there is no change in the status and compensation of employees. Transfer is a good source of filling the vacancies with employees from overstaffed departments. It is a horizontal movement of employees.
- (b) **Promotion:-** Shifting an employee from one post to a higher post is known as promotion. It is based on seniority or merit or both. Promotion results in increased responsibilities, authority, higher status, better scale of pay and job satisfaction.

Merits of Internal sources:-

- 1. It motivates the employees for better performance
- 2. It is quite economical
- 3. It ensures continuity of employment
- 4. It establishes better employee employer relationship
- 5. It is less time consuming process.

Demerit of Internal sources

- 1. There is no opportunity for efficient outsiders
- 2. It hampers the spirits of competition
- 3. It restricts the choice of most suitable candidates
- 4. It is not suitable for those post requiring innovation and original thinking
- 5. It may encourage favoritism and nepotism.

II. External sources:

The external sources of recruitment refer to the recruitment of candidates from outside the organization. Following are the most popular methods of external sources of recruitment

- (a) **Direct recruitment:-** Sometimes a notice of vacancies is put up on the factory gate or office notice board.. people read it and assemble on the gate at the specified date and time.. This source is used to fill up casual or temporary vacancies at the lower level.
- (b) **Casual callers (waiting list):-** Most employers maintain a database with details of applications received from casual applicants. Applications may treat as a source of recruitment, when vacancies arise in the organization.
- (c) **Advertisement:-** Advertising in newspapers and journals is a common method of encouraging people to apply for jobs.by means of advertisement, the organization is able to communicate its requirements of people. But it often brings a flood of response, many are unsuitable.

- (d) **Employment exchange:-** Employment Exchanges run by the government are an important sources of recruitment of personnel. Job seekers get themselves registered with these exchanges . The name of these persons will be supplied to business concerns on the basis of their requisition.
- (e) **Personnel Consultants:-** They undertake the work of recruiting personnel on behalf of employers. The consultants are very helpful in procuring top and middle level executives. These agencies also undertaken total functions of recruiting and selecting personnel to the organization. They charge fees for this purpose.
- (f) **Campus recruitment:-** Universities, colleges and institutions are also the sources of recruitment of personnel. The employers maintain a close liaison with these institutions. This is become a popular sources of recruitment for technical, professional and managerial jobs. Employers select candidate after interviewing them.
- (g) **Recommendations of the present employees**
Under this method, the present employees are encouraged to recommend suitable persons among their friends and relatives for employment in the concern. This policy keeps the employees happy and also in good morale.
- (h) **Labour contractors:-**Un skill and semi-skilled labours may be recruited through labour contractors. They are ready to supply required number of workers on payment of commission.
- (i) Advertising on Television: - Now a days the practice of telecasting of vacant posts over TV is developing. The details about the job and organization are published.
- (j) Web publishing:- Internet is becoming a common source of recruitment in these days. There are certain websites specially designed dedicated for the purpose of providing information about both job seekers and job opening. Eg. [www. Naukri.com](http://www.Naukri.com), [www. Jobstreet.com](http://www.Jobstreet.com)

Merits of external Sources

1. External sources make available qualified and trained personnel
2. Fresh and talented people are available in the organization
3. It provides wider choices
4. It increases competitive spirit in the organization

Demerits of external sources

1. It is expensive
2. It creates dissatisfaction among the existing employees
3. It is a lengthy process with many procedures

DIFFERENCE BETWEEN INTERNAL AND EXTERNAL RECRUITMENT

INTERNAL SOURCES	EXTERNAL SOURCES
1.it involves find out required employees from within the organization	1. it involves find out required employees from outside the organization
2.It is economical	2. It is expensive
3.It requires less time	3. Time consuming process
4.Limited choices for selection	4. wider choices are available.

5.Existing staff motivated	5. existing staff feel disappointed and frustrated
6. Availability of fresh and talented persons are limited	6.Fresh and talented persons are available.

SELECTION

Selection is the process of identifying the most suitable and promising candidates from the list of recruited persons. Selection starts when recruitment ends. Selection is a negative process as more candidates are rejected than selected. It divides candidates for the job into two .viz , those who will be offered a job and those who will not be.

Selection involves a series of steps whereby candidates are screened to find out which one is best suited for the organization. The basic purpose of selection is to choose the right type of candidates to fill various positions in the organization. Selection is a multiple process. They are

1. **Preliminary Screening:-** It is the first occasion when applicants come into contact with company officials. During preliminary interview the employer tries to find out the candidate is physically and mentally fit for the job. This is essentially to check whether the candidate fulfills the minimum qualifications. thus large scale rejections are made at this stage.
2. **Blank application form:-** It is an application form to be filled in by the candidates who clear the preliminary interview .Generally the blank application form contains the following particulars
(a) Bio data (b) Educational qualifications (c) Work experience (d) Extra – curricular activities (d) salary expected
3. **Selection Tests:-** Those candidates who have passed the preliminary interview will be asked to appear for the selection test . It helps to measure the abilities and skills of a candidates in terms of job specifications

Tests can be classified into two (i) **proficiency test and (ii) aptitude Tests.** **Proficiency test** are conducted to measure the skills and aptitude already possessed by the candidate. It consists of trade test and Dexterity Test.

Achievement Test or Trade Test: it seeks to measure the applicant's level of knowledge and skill in a particular trade or occupation . For eg:- select a driver for a firm, candidate's knowledge and skill in driving are selected.

Skill or dexterity Test:- it measure the speed and efficiency with which a candidates uses his hands, fingers, eyes and other part of the body. For eg:- To select a typist his speed and accuracy are tested before final selection.

(b) **Aptitude Test:-** It is a measure of individuals potential to learning new skills. It includes the person's capacity to develop .

Aptitude tests are the following type

- (a) **Intelligence test**:- It seeks to measure a person's mental alertness in terms of reasoning, comprehension, memory, capacity to relate things etc. It is an indicator of person's learning ability.
- (b) **Personality Test**: it seeks to measure temperament and emotional make up of a person.
4. **Employment interview**:- It involves face to face conversation between the employer and candidate. Its main purpose is to assess the prospective employee's motivation, personality, smartness, intelligence and his overall attitude. In present times, the interviewee also seeks information from the interviewer.
 5. **Checking references**:- A reference is potentially an important source of information about the candidate's ability and personality. Candidates are asked to furnish the names of two responsible persons who know them well. These persons are contacted and enquires regarding the character and mortality of the candidate is made. In case of Government service, this verification is made by the police.
 6. **Selection decision**:- the final decision has to be made from among the candidates who pass the tests, interview and reference checks.
 7. **Medical examination**:- This is required to find out the candidate's fitness for the job. The job offer is given to the candidates being declared fit after medical examination.
 8. **Job offer**:- The next step in the selection process is job offer to those applicants who have passed all the previous hurdles. Job offer or final selection is made through a letter of appointment.
 9. **Contract of Employment**:- After the job offer has been made and the candidate accepts the offer, certain documents eg. Attestation form need to be executed by the employer and the employee. There is also a need for preparing a contract of employment regarding terms and conditions of employment, duties, responsibilities, rate of pay, allowances, hours of work, leave rules, termination of employment etc.

DIFFERENCE BETWEEN RECRUITMENT AND SELECTION

RECRUITMENT	SELECTION
1. It is the process of searching for prospective candidates and inducing them to apply for a job	1. It is concerned with choosing the right candidates from those who have applied for jobs
2. It is a positive process	2. It is a negative process
3. It is comparatively simple process	3. Selection is a complex process
4. It is a method for personnel placement	4. It is a procedure of personnel placement
5. In staffing process recruitment comes before selection	5. Selection starts when recruitment ends
7. Recruitment does not ensure jobs to a candidates	6. Selection ensures a job.

TRAINING

Training is the act of increasing the knowledge and skill of an employee for doing a particular job. By training, the employee can acquire new skills, technical knowledge, problem solving abilities etc. it imparts specific skills for specific objects. The fundamental objective of training is to bring a change in the behavior of the employees. Training is needed for both new as well as existing employees.

DEVELOPMENT

Development involves growth of an employee in all respects. Development aims to improve the overall personality of an individual. It is a long term educational process. Development is the preparation of employees to meet future needs.

EDUCATION

Education is the process of increasing the knowledge and understanding of employees. Education is confined to theoretical learning in class rooms. It is mainly to develop a sense of reasoning and judgment.

DIFFERENCE BETWEEN TRAINING AND DEVELOPMENT

TRAINING	DEVELOPMENT
1. it is a process of increasing knowledge and skills	1. it is a process of learning and growth
2. It is enable the employee to do the job better	2. It is to enable the overall growth of the employee
3. It is a job oriented process	3. It is a career oriented process
4. Training meant for non-managerial personnel	4. Development is meant for managerial personnel.
5. Training prepares employees for performing present job needs	5. Development is the preparation of employees to meet future needs.

DIFFERENCE BETWEEN TRAINING AND EDUCATION

TRAINING	EDUCATION
1. Narrow scope	Wider scope (Training is a part of education)
2. Application oriented	2. Theoretical orientation
3. Job oriented	3. Person oriented
4. Short period	4. Long period

Importance of Training and development

Training of employees is essential because workforce is inevitable assets to an organization. The main purpose of training is to bridge the gap between job requirements and present competence of an employee. Training is a continuous and never ending process. Proper Training ensures greater efficiency, removes wastage and increases output.

Training and development help both the organization and individual

I. Benefits to the organization

1. Training enhances employee's productivity both in terms of quantity and quality
2. Training increases employee morale and reduces absenteeism and employee turnover.
3. Trained employees need less supervision
4. The availability of trained personnel ensures long term stability and flexibility in the organization
5. A properly trained employee can handle machines and materials properly. It results elimination of waste and thereby cost of production is reduced.

II. Benefits of employees

1. Employees can acquire new skills and knowledge through training. This will help them to improve their career.
2. Training improves the performance of employees
3. Trained workers are less prone to accidents as they know the use of various safety devices
4. Training increases the satisfaction and morale of employees.

TRAINING METHODS

Training methods are broadly classified into two (a) On the job training method and (b) Off the job training method

I. ON THE JOB TRAINING METHOD

Under this method the employee is given training when he is on the job. The trainee learns by observing and actually doing the job. i.e. Learning by doing. The different methods of on the job training are:-

- (a) **Apprenticeship Programmes:-** Apprenticeship programmes put the trainee under the guidance of a master worker. These are designed to acquire a high level of skill. People who want to enter skilled jobs like plumbers, electricians, machinists are often required to undergo apprenticeship training. Trainees receive stipend while learning.
- (b) **Coaching:-** Under this method the supervisor guides or coaches his subordinates to acquire knowledge and skills. The instructions are given by the supervisor. The subordinate learns the work by doing.
- (c) **Internship Training:-** It is a joint programme of training conducted by educational institutions and business firms. Selected candidates carry on regular

studies in an educational institution. They also work in some factory or office to acquire practical knowledge and skills.

- (d) **Job rotation:-** The trainee is systematically transferred to various jobs so that he can gain the experience each of them. It helps to familiarize the trainee with various aspects of firm's operations.

II.OFF THE JOB TRAINING METHODS

This is concerned with imparting training to employees outside the actual work place. Training provided by the experts. This focus more on learning than doing. Off the job training enables employees to concentrate better because they are free from job pressure. Popular off the job methods are

- (a) **Class room Lectures/ Conference:-** Class room lectures or conference approach is well suited to convey specific information, rules, procedures or methods. The use of audio – visual methods or demonstrations will be more interesting. Conferences help the employees to discuss the various aspects of a particular topic. Experts are delivering lectures after discussions.
- (b) **Films:-** They can provide information and explicitly demonstrate skills that are not easily represented by other techniques
- (c) **Case study:-** cases are actual experiences which managers confront while discharging their duties. Trainees are asked to study the cases to determine problems, analyse cases and select the best solution. Case study method is very much useful for imparting decision making skills.
- (d) **Computer Modeling:-** with the help of computer programming the realities of the job are imitated. This will allow learning to take place without the risk or high costs that would be incurred if a mistake was made in the real life situation.
- (e) **Vestibule training:-** some kinds of works cannot be trained in the actual work place with original work environment. Such works are trained in artificial work place known as Vestibule school. Vestibule school is a separate section or department of the industrial plant. Here the work environment –similar to the actual conditions –is created artificially and the trainee is placed there to train without any pressure
- (f) **Programmed Instructions:-** This method incorporates a pre-arranged and proposed acquisition of some specific skills or general knowledge. Information is broken into meaningful units and these units are arranged in a proper way to form a logical and sequential learning package.
