Biyani's Think Tank

Concept based notes

HUMAN RESOURCE MANAGEMENT

MBA II SEMESTER

Deptt. of Management
Biyani Girls College, Jaipur

Biyani's Group of Girls' Colleges

MBA II SEMESTER
(HUMAN RESOURCE MANAGEMENT)
MODULE/UNIT 2

TRAINING DEFINITION :

- The term training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. ...

- To make proficient with specialized instruction and practice.

Meaning:

It is a learning process that involves the acquisition of knowledge, sharpening of skills, concepts, rules, or changing of attitudes and behaviours to enhance the performance of employees.

Training is activity leading to skilled behavior.

* It's not what you want in life, but it knows how to reach it.

* It's not where you want to go, but it knows how to get there.

* It's not how high you want to rise, but it knows how to take off.

* It may not be quite the outcome you were aiming for, but it will be an Outcome.

* It's not what you dream of doing, but it's having the knowledge to do it

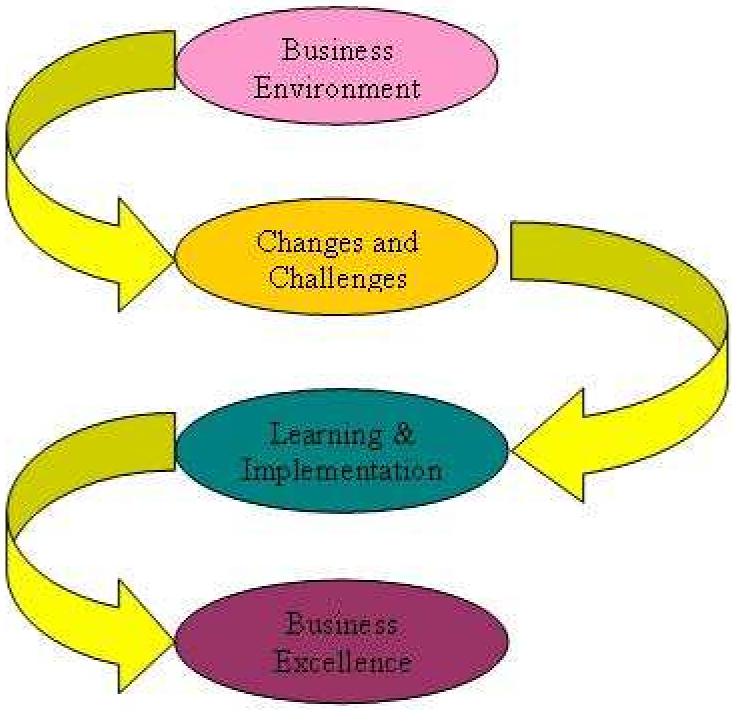
* It's not a set of goals, but it's more like a vision

* It's not the goal you set, but it's what you need to achieve it

Training is about knowing where you stand (no matter how good or bad the current situation looks) at present, and where you will be after some point of time.

Training is about the acquisition of knowledge, skills, and abilities (KSA) through professional development.

ROLE OF TRAINING



<u>TRAINING AND DEVELOPMENT</u> is a subsystem of an organization. It ensures that randomness is reduced and learning or behavioral change takes place in structured format.

<u>TRADITIONAL AND MODERN APPROACH OF TRAINING AND DEVLOPMENT</u>

<u>Traditional Approach –</u> Most of the organizations before never used to believe in training. They were holding the traditional view that managers are born and not made. There were also some views that training is a very costly affair and not worth. Organizations used to believe more in executive pinching. But now the scenario seems to be changing.

The ***modern approach*** of training and development is that Indian Organizations have realized the importance of corporate training. Training is now considered as more of retention tool than a cost. The training system in Indian Industry has been changed to create a smarter workforce and yield the best results

TRAINING AND DEVELOPMENT OBJECTIVES

The principal objective of training and development division is to make sure the availability of a skilled and willing workforce to an organization. In addition to that, there are four other objectives: Individual, Organizational, Functional, and Societal.

Individual Objectives – help employees in achieving their personal goals, which in turn, enhances the individual contribution to an organization.

Organizational Objectives – assist the organization with its primary objective by bringing individual effectiveness.

Functional Objectives – maintain the department's contribution at a level suitable to the organization's needs.

Societal Objectives – ensure that an organization is ethically and socially responsible to the needs and challenges of the society.

TRAINING NEEDS ASSESSMENT

A "training needs assessment", or "training needs analysis", is the systematic method of determining if a training need exists and if it does, what training is required to fill the gap between the standard and the actual performance of the employee. Therefore, training needs analysis is

- Systematic method of determining performance discrepancies
- causes of performance discrepancies

Reasons to conduct training needs analysis

- Identify the deficiencies
- Determine whether employees lack KSAs
- Benchmark for evaluation of training
- makes sure training is provided to the right people
- Increases the motivation of training

Training needs = Job and organizational requirements – Employee Specifications

Training needs can be identified through identifying the organizational needs based on:

1. **Organizational Analysis**:
 This includes analysis of objectives, resource utilization, environments canning and organizational climate. Organizational strengths and weakness in different areas like accidents, excessive scrap, frequent breakage of machinery ,excessive labor turnover ,market share, and other marketing areas ,quality and quantity of the output ,production schedule ,raw materials and other production areas, personnel, finance , etc…

2. **Department Analysis :**
   Department strength and weakness including special problems of the department or a common problem of a group of employees like acquiring skills and knowledge in operating computer by accounting personnel . .

3. Job Role Analysis:
This include study of jobs/roles, design of jobs due to changes, Job enlargement and job enrichment etc..

3. **Manpower Analysis**: Individual strengths and weakness in the areas of job knowledge, skills etc…

Individual Training Needs → **Group Training Needs** → **Organizational Training Needs**

<u>IMPORTANCE OF TRAINING</u>

- Optimum Utilization of Human Resources – Training and Development helps in optimizing the utilization of human resource that further helps the employee to achieve the organizational goals as well as their individual goals.

- Development of Human Resources – Training and Development helps to provide an opportunity and broad structure for the development of human resources' technical and behavioral skills in an organization. It also helps the employees in attaining personal growth.

- Development of skills of employees – Training and Development helps in increasing the job knowledge and skills of employees at each level. It helps to expand the horizons human intellect and an overall personality of the employees.

- Productivity – Training and Development helps in increasing the productivity of the employees that helps the organization further to achieve its long-term goal

- Team spirit – Training and Development helps in inculcating the sense of team work, team spirit, and inter-team collaborations. It helps in inculcating the zeal to learn within the employees

- Organization Culture – Training and Development helps to develop and improve the organizational health culture and effectiveness. It helps in creating the learning culture within the organization

- Organization Climate – Training and Development helps building the positive perception and feeling about the organization. The employees get these feelings from leaders, subordinates, and peers.

- Quality – Training and Development helps in improving upon the quality of work and work-life.

- Healthy work-environment – Training and Development helps in creating the healthy working environment. It helps to build good employee, relationship so that individual goals aligns with organizational goal.
- Health and Safety – Training and Development helps in improving the health and safety of the organization thus preventing obsolescence.

- Morale – Training and Development helps in improving the morale of the work force.

- Image – Training and Development helps in creating a better corporate image.

- Profitability – Training and Development leads to improved profitability and more positive attitudes towards profit orientation.

- Training and Development aids in organizational development i.e. Organization gets more effective decision making and problem solving. It helps in understanding and carrying out organisational policies.

- Training and Development helps in developing leadership skills, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display.

METHODS OF TRAINING:

There are two methods of training which are as:

1. **On the job methods**
2. **Off the job methods**

I. ON THE JOB METHODS (OJT): -

1. On the job training :

It is the responsibility of supervisors and managers to utilize available resources to train, qualify, and develop their employees.

On-the-job training (OJT) is one of the best training methods because it is planned, organized, and conducted at the employee's worksite. OJT will generally be the primary method used for broadening employee skills and increasing productivity. It is particularly appropriate for developing proficiency skills unique to an employee's job - especially jobs that are relatively easy to learn and require locally-owned equipment and facilities.

Morale, productivity, and professionalism will normally be high in those organizations that employ a sound OJT program.

An analysis of the major job requirements (identified in the position description and performance plan) and related knowledge's, skills, and abilities form the basis for setting up an OJT plan. To be most effective, an OJT plan should include:

- The subject to be covered;
- Number of hours;
- Estimated completion date; and
- Method by which the training will be evaluated

To have a successful OJT program, supervisors need to assign a coach to each employee involved in OJT. It is the responsibility of the coach to plan training carefully and conduct it effectively.

2. Job Instruction Training (JIT):

Job Instruction Training (JIT) is a logical outgrowth of Job Hazard Analysis.
It is a proven technique for teaching new skills and safe, healthful work habits faster and more effectively. All new employees and those transferred to new jobs should receive JIT.
One of the first steps is trainer selection – preferably a supervisor or a skilled person within the department.

Regardless of who is selected, **the trainer should:**

- ■ Know the job in question thoroughly
- ■ Have leadership skills
- ■ Have a desire to teach others
- ■ Be friendly and cooperative
- ■ Have a professional attitude toward the job and other employees

3. Vestibule Training (Training Centre):

In the early 1800s, factory schools were created, due to the industrial revolution, in which workers were trained in classrooms within the factory walls. The apprentice system was inadequate due to the number of learners that had to be trained as the machines of the Industrial Revolution increased the ability of the factory to produce goods. The factory owners needed trained workers quickly because there was a large demand for the produced goods.

Towards the end of the 1800s, a method that combined the benefits of the classroom with the benefits of on-the-job training, called vestibule training, became a popular form of training. The classroom was located as close as conditions allowed to the department for which the workers were being trained. It was furnished with the same machines as used in production. There were normally six to ten workers per trainer, who were skilled workers or supervisors from the company.

4. **Simulation Training :**

Technical companies that are required to train employees on dangerous or expensive equipment are most likely to benefit from simulation-based training. Simulations allow the user to observe the impact of their choices without the outcomes having any impact on the real operation. Trainees can learn how to respond to emergencies, how individual actions and decisions affect entire processes, and how to operate complex pieces of equipment.

Eg:

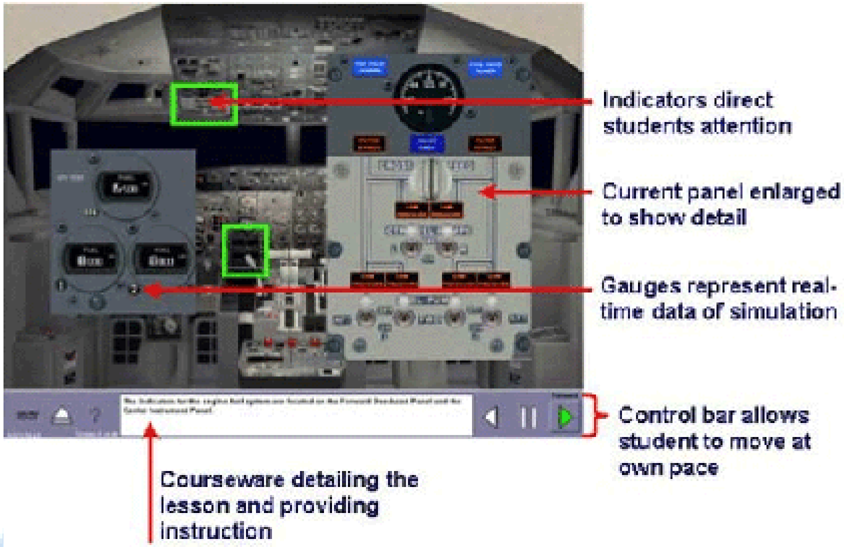
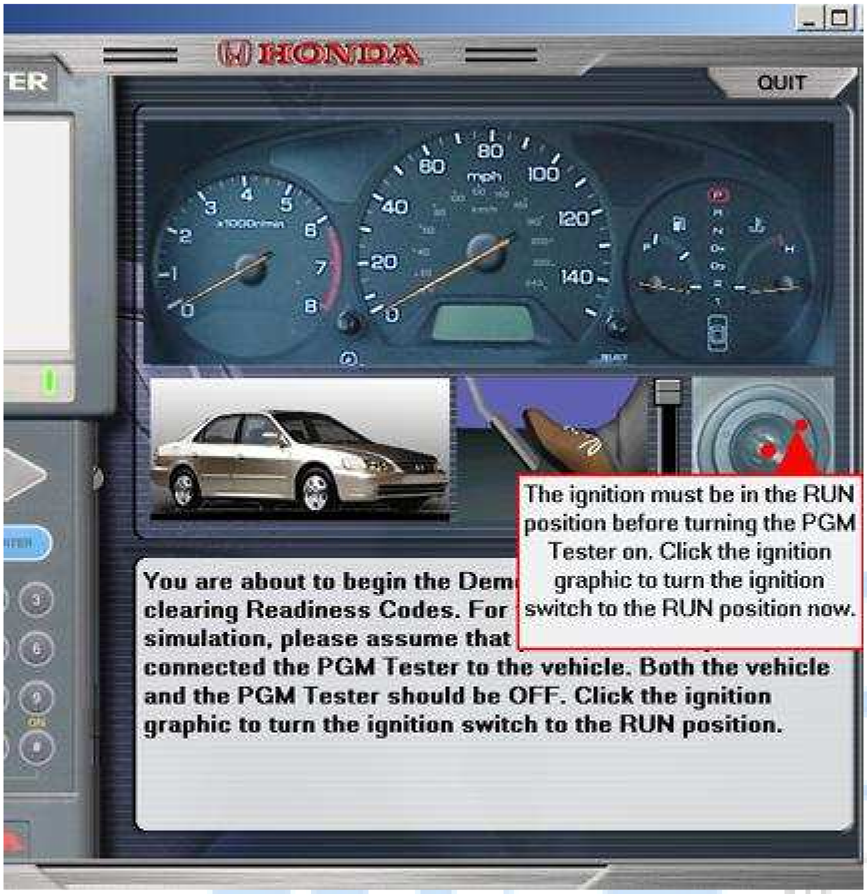


Figure 1. Simulated Airplane cockpit.

The airplane cockpit simulation takes on a new approach to simulation training. The user has the opportunity to observe how all the components of the cockpit work together. This approach allows the user to gain a perspective of the interactions and correlations between the numerous components contained in an airplane cockpit.

Eg:



5. Demonstration and examples :

This method is a visual display of how something works or how to do something. As an example, trainer shows the trainees how to perform or how to do the tasks of the job. In order to be more effective, demonstration method should be should be accompanied by the discussion or lecture method.

To carry out an effective demonstration, a trainer first prepares the lesson plan by breaking the task to be performed into smaller modules, easily learned parts. Then, the trainer sequentially organizes those modules and prepares an explanation for why that part is required. While performing the demonstration, trainer.

- Demonstrates the task by describing how to do, while doing.
- Helps the focusing their attention on critical aspects of the task.
- Tells the trainees what you will be doing so they understand what you will be showing them.

- Explains why it should be carried out in that way.

The difference between the lecture method and the demonstration method is the level of involvement of the trainee. In the lecture method, the more the trainee is involved, the more learning will occur.

The financial costs that occur in the demonstration method are as follows:

- Cost of training facility for the program
- Cost of materials that facilitate training
- Food, travel, lodging for the trainees and the trainers
- Compensation of time spent in training to trainers and trainees
- Cost related to creating content, material
- Cost related to the organization of the training

After completing the demonstration the trainer provide feedback, both positive and or negative, give the trainee the opportunity to do the task and describe what he is doing and why.

6. Apprenticeship :

A major part of training time is spent on the on the job productive work. Each apprenticeship is given a programme of assignments according to predetermined schedules which provides for efficient training in trade skills. This method is appropriate for training in crafts, trades, and technical areas, especially when proficiency in a job is the result of a relatively long training or apprenticeship period, e.g.; job of a crafts man, a printer, a tool maker, and a mechanic. Etc.

II. OFF THE JOB METHODS

1. **Lecturers (or class room instructions) :**

Lectures are regarding as one of the simplest ways of imparting knowledge to the trainees, especially when facts, or principles, attitudes, theories and problem solving abilities are to be taught. Lectures are formal organized talks by the training specialist, the formal superior or other individual specific topics.

The lecture method can be used for very large groups which are to be trained within a short time, thus reducing the cost per trainee. Lectures are essential when it is a question of imparting technical or special information of a complex nature.

2. **Conference Method:**

The conference training method is a good problem-solving approach. A group considers a specific problem or issue and they work to reach agreement on statements or solutions.

Pros: There is a lot of trainee participation. The trainees build consensus and the trainer can use several methods (lecture, panel, and seminar) to keep sessions interesting.

Cons: It can be difficult to control a group. Opinions generated at the conference may differ from the manager's ideas, causing conflict.

3. **Seminar :**

Seminars often combine several group methods: lectures, discussions, conferences, demonstrations.

Pros: Group members are involved in the training. The trainer can use many group methods as part of the seminar activity.

Cons: Planning is time-consuming. The trainer must have skill in conducting a seminar. More time is needed to conduct a seminar than is needed for many other methods

4. Role Playing

During a role play, the trainees assume roles and act out situations connected to the learning concepts. It is good for customer service and sales training.

Pros: Trainees can learn possible results of certain behaviors in a classroom situation. They get an opportunity to practice people skills. It is possible to experiment with many different approaches to a situation without alienating any actual customers.

Cons: A lot of time is spent making a single point. Trainers must be skilled and creative in helping the class learn from the situation. In some role play situations, only a few people get to practice while others watch.

5. T Group:

T- Group Training is a technique of off the job training methods. It is a group experience designed to provide maximum opportunity for the individuals to expose their behavior, give and take feedback and experience new behavior and develop awareness about self and others. The t- group training is also known as several names such as sensitivity training, action training, human capacity movement, group dynamics, and awareness expertise and as forth.

This training involves development techniques to attempt to increase or improve human sensitivity and awareness. The goal of this training is to helping trainees to improve and participate in human affairs. The T-group training enables trainee to understand themselves and others, changed their attitude towards self, others and groups role, increase their interpersonal skills and provide organizational improvement as groups rather than individuals.

In this training, the numbers of trainees should be limited to 10 to 15 persons so that regular interaction could happen throughout the training programme. Usually there is no leader, no planned agenda and stated goal. The trainees can be given any assignment like case study, role play etc that leads the group interaction. The participants would be encouraged to be thoughtful and understanding towards the feeling of others. The trainees should feel secure to express their personal feeling and reactions to what happening in the group and understand the others behavior and feelings. The emphasis is on face to face interaction.

Merits of T-group training

1. The trainee learn more about themselves, specially their weakness and emotions

2. They understand that how they react to others and how others react to them

3. They discover how the groups work and identify human relation problems

4. Find out how to behave more effectively in inter-personal relationship and

manage people through means rather than power.

5. Developed more capable and genuine relations in which feelings are expressed openly.

6. Confront interpersonal problems directly to find out solution instead of avoiding them.

After training, trainees usually become more sensitive to others and open. Such training can also result in improved performance and increased company's profit.

The demerits T-group training

1. During the training, the trainer often create stressful situation. In such situation, the training may do a job of tearing apart people instead of bringing them together.

2. The changes trainees acquire during the training are tend to face out when trainee returns to c insensitive environment of workplace.

3. This training may make the management trainee as sensitive towards others that they become unwilling to take necessary hard decisions.

4. T group training proved less effective when it is applied ob technical professional.

5. Such training may make people frustrated and upset as many stressful situations are created during this technique.

Some basic to implement the T group training:

1. T-group training is more suitable for develop "organic" Organisation. If such openness and flexible organizational structure is not available, this training is not appropriate.

2. The participants should be selected on the basis of their emotional stability and anxiety tolerance

3. The participation should be strictly voluntary

4. The trainees should know in advance that what sort of training they are going to receive

5. The transfer of learning back to the Organisation should be ensured.

6. **In-Basket Method**:

In-Basket Technique – It provides trainees with a log of written text or information and requests, such as memos, messages, and reports, which would be handled by manger, engineer, reporting officer, or administrator.

Procedure of the In-basket Technique

 In this technique, trainee is given some information about the role to be played such as, description, responsibilities, general context about the role.

 The trainee is then given the log of materials that make up the in-basket and asked to respond to materials within a particular time period.

 After all the trainees complete in-basket, a discussion with the trainer takes place.

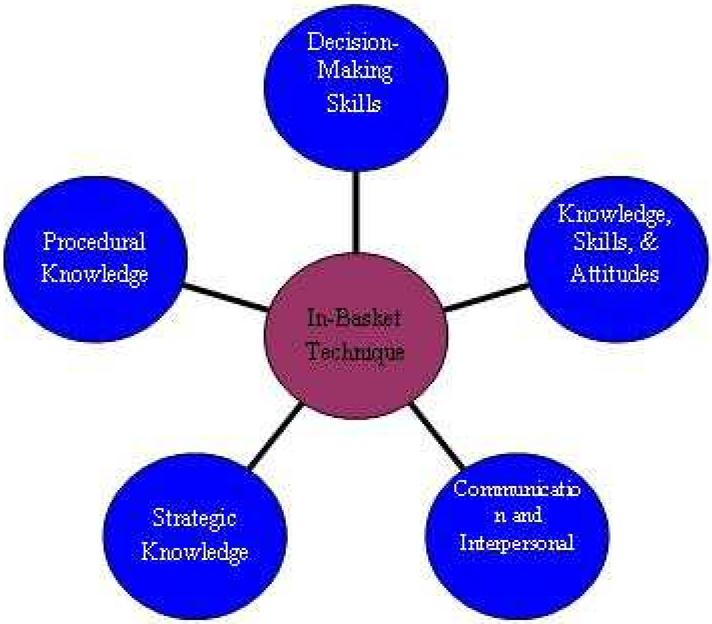
 In this discussion the trainee describes the justification for the decisions.

 The trainer then provides feedback, reinforcing decisions made suitably or encouraging the trainee to increase alternatives for those made unsuitably.

A variation on the technique is to run multiple, simultaneous in-baskets in which each trainee receives a different but organized set of information. It is important that trainees must communicate with each other to accumulate the entire information required to make a suitable decision.
This technique focuses on:

- Building decision making skills
- Assess and develops Knowledge, Skills and Attitudes (KSAs)
- Develops of communication and interpersonal skills

- Develops procedural knowledge
- Develops strategic knowledge



7. **Incident Method:**

   This method was developed by Paul Pigors. It aims to develop the trainee in the areas of intellectual ability, practical judgment and social awareness. Under this method each employee developed in a group process .Incidents are prepared on the basis of actual situations which happened in different organizations. Each Employee in the training group is asked to study the incident and to make short term decisions in the role of a person who has to cope with the incident in the actual situation. Later, the group studies and discusses the incident and takes decisions relating to incident, based on the group interaction and decisions taken by each member . Thus, this method is similar to a combination of case method and in basket method.

8. **Syndicate Method:**

Syndicate is a group of individuals or organizations combined or making a joint effort to undertake some specific duty or carry out specific transactions or negotiations. It is not actually one group that constitutes the components of syndicate method.

This method is suitable for learning at a higher level. Therefore, this method was experimented, found useful and widely used in teaching- learning situations, especially in top level management training.

EVALUATION OF A TRAINING PROGRAMME

Vital aspect of any sort of evaluation is its effect on the person being evaluated.

Feedback is essential for people to know how they are progressing, and also, evaluation is crucial to the learner's confidence too.

And since people's commitment to learning relies so heavily on confidence and a belief that the learning is achievable, the way that tests and assessments are designed and managed, and results presented back to the learners, is a very important part of the learning and development process.

People can be switched off the whole idea of learning and development very quickly if they receive only negative critical test results and feedback. Always look for positives in negative results. Encourage and support - don't criticize without adding some positives, and certainly never focus on failure, or that's just what you'll produce.

This is a much overlooked factor in all sorts of evaluation and testing, and since this element is not typically included within evaluation and assessment tools the points is emphasised point loud and clear here.

So always remember - evaluation is not just for the trainer or teacher or Organisation or policy-makers - evaluation is absolutely vital for the learner too, which is perhaps the most important reason of all for evaluating people properly, fairly, and with as much encouragement as the situation allows.

Training Evaluation

The process of examining a training program is called training evaluation. Training evaluation checks whether training has had the desired effect. Training evaluation ensures that whether candidates are able to implement their learning in their respective workplaces, or to the regular work routines.

Purposes of Training Evaluation

The five main purposes of training evaluation are:

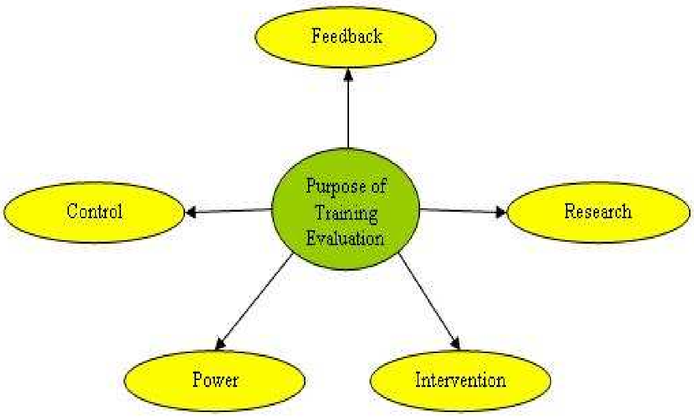
Feedback: It helps in giving feedback to the candidates by defining the objectives and linking it to learning outcomes.

Research: It helps in ascertaining the relationship between acquired knowledge, transfer of knowledge at the work place, and training

Control: It helps in controlling the training program because if the training is not effective, then it can be dealt with accordingly.

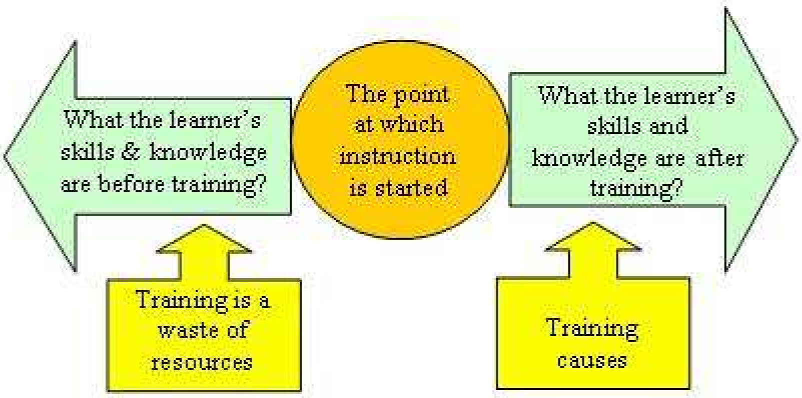
Power games: At times, the top management (higher authoritative employee) uses the evaluative data to manipulate it for their own benefits.

Intervention: It helps in determining that whether the actual outcomes are aligned with the expected outcomes.



<u>Process of Training Evaluation</u>

Before Training: The learner's skills and knowledge are assessed before the training program. During the start of training, candidates generally perceive it as a waste of resources because at most of the times candidates are unaware of the objectives and learning outcomes of the program. Once aware, they are asked to give their opinions on the methods used and whether those methods confirm to the candidates preferences and learning style.



During Training: It is the phase at which instruction is started. This phase usually consist of short tests at regular intervals

After Training: It is the phase when learner's skills and knowledge are assessed again to measure the effectiveness of the training. This phase is designed to determine whether training has had the desired effect at individual department and organizational levels. There are various evaluation techniques for this phase.

Techniques of Evaluation

The various methods of training evaluation are:

- Observation
- Questionnaire
- Interview
- Self diaries
- Self recording of specific incidents

What is Performance Measurement?

Performance Measurement can be best understood through considering the definitions of the words 'performance' and 'measurement' according to the Baldrige Criteria.

- Performance refers to output results and their outcomes obtained from processes, products, and services that permit evaluation and comparison relative to goals, standards, past results, and other organisations. Performance can be expressed in non-financial and financial terms.

- Measurement refers to numerical information that quantifies input, output, and performance dimensions of processes, products, services, and the overall Organisation (outcomes). Performance measures might be simple (derived from one measurement) or composite

The challenge for organisations today is how to match and align performance measures with business strategy, structures and corporate culture, the type and number of measures to use, the balance between the merits and costs of introducing these measures, and how to deploy the measures so that the results are used and acted upon.

Who uses Performance Measurement?

All organisations measure performance to some extent. However, there is a large disparity among organisations in terms of which performance measures are used with many primarily focusing on financial measures. There has however, been a general move away from financial measurement since the early 1980's. This was accelerated in the 1990's and 2000’s by the worldwide acceptance of business excellence models and performance measurement frameworks that address all stakeholders' needs.

Performance measurement is one of the cornerstones of business excellence. Business excellence models encourage the use of performance measures, but in addition and more importantly, they consider the design of performance measurement systems to ensure that measures are aligned to strategy, and that the system is working effectively in monitoring, communicating, and driving performance.

What are the common challenges associated with the Performance Measurement approach?

The performance measurement revolution has seen a move away from the problems of past measurement systems. Five common features of out-dated performance measurements systems were:

- Dominant financial or other backward-looking indicators
- Failure to measure all the factors that create value
- Little account taken of asset creation and growth
- Poor measurement of innovation, learning and change
- A concentration on immediate rather than long-term goals

The focus in performance measurement is now on achieving a balanced framework that addresses the issues described above. Examples of these new frameworks are Kaplan and Norton's Balanced Scorecard, Skandia's navigator model and the Performance Prism. Others recommend that the results sections of business excellence models should be used to generate a balanced set of performance measures.

There are a number of challenges that are faced when designing an effective Performance Measurement System, these include the following:

- How to measure non-financial performance
- What measures to choose and why
- How to use them - what to do with the results
- Who should be responsible for using the results

- How and to whom, to communicate the results
- The resources needed to consider the above and design and deploy the measurement system

There are other major requirements that an Organisation needs to consider before an effective performance measurement system can be designed or installed. Apart from lower level measures that may be vital for the operation of processes, all measures need to be chosen to support the attainment of specific performance or behavior identified by the organization's leaders as important or necessary to work towards the organisational goals. This being the case, there must be clearly defined goals/objectives and strategies chosen to reach them before measures can be chosen to support their attainment. Similarly the key processes, drivers of performance, and the core competencies required by employees need to be identified before effective performance measurement can be achieved.

PERFORMANCE APPRAISAL

People differ in their abilities and their aptitudes. There is always some difference between the quality and quantity of the same work on the same job being done by two different people. Therefore, performance management and performance appraisal is necessary to understand each employee's abilities, competencies and relative merit and worth for the organization. Performance appraisal rates the employees in terms of their performance.

Performance appraisals are widely used in the society. The history of performance appraisal can be dated back to the 20th century and then to the second world war when the merit rating was used for the first time. An employer evaluating their employees is a very old concept. Performance appraisals are an indispensable part of performance measurement. Performance appraisal is necessary to measure the performance of the employees and the organization to check the progress towards the desired goals and aims.

<u>Approaches to Performance Development or Methods of Performance Appraisal</u>

<u>Performance appraisal - Traditional approach</u>

Traditionally, performance appraisal has been used as just a method for determining and justifying the salaries of the employees. Than it began to be used a tool for determining rewards (a rise in the pay) and punishments (a cut in the pay) for the past performance of the employees.
This approach was a past oriented approach which focused only on the past performance of the employees i.e. during a past specified period of time. This approach did not consider the developmental aspects of the employee performance i.e. his training and development needs or career developmental possibilities. The primary concern of the traditional approach is to judge the performance of the organization as a whole by the past performances of its employees.

Therefore, this approach is also called as the overall approach. In 1950s the performance appraisal was recognized as a complete system in itself and the Modern Approach to performance appraisal was developed.

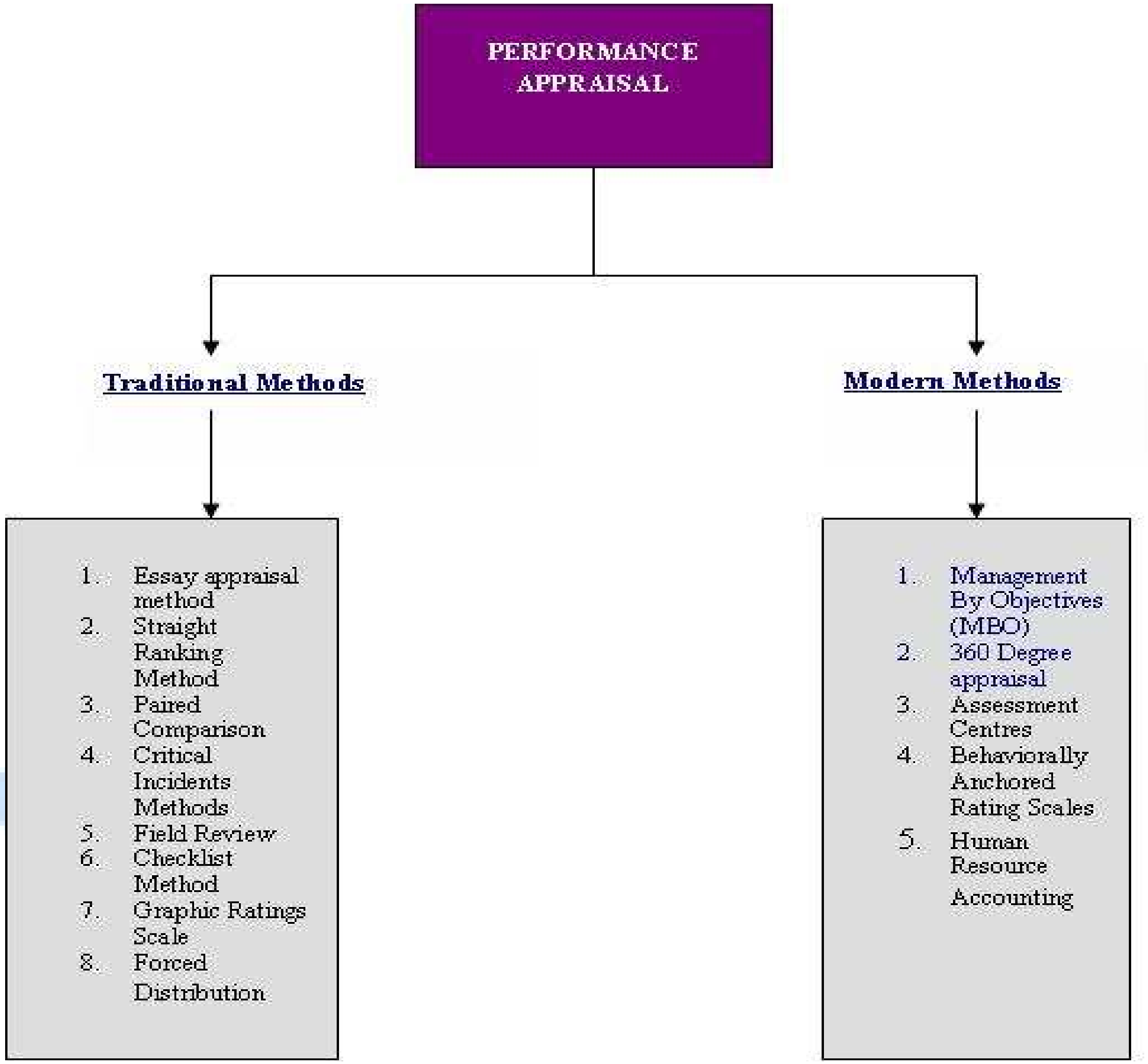
<u>Performance appraisal - Modern approach</u>

The modern approach to performance development has made the performance appraisal process more formal and structured. Now, the performance appraisal is taken as a tool to identify better performing employees from others, employees' training needs, career development paths, rewards and bonuses and their promotions to the next levels.

Appraisals have become a continuous and periodic activity in the organizations. The results of performance appraisals are used to take various other HR decisions like promotions, demotions, transfers, training and development, reward outcomes. The modern approach to performance appraisals includes a feedback process that helps to strengthen the relationships between superiors and subordinates and improve communication throughout the organization.

The modern approach to <u>Performance appraisal</u> is a future oriented approach and is developmental in nature. This recognizes employees
as individuals and focuses on their development.

The various methods and techniques used for Performance appraisal can be categorized as the following traditional and modern methods



Traditional Methods of Performance Appraisal:

1. **ESSAY APPRAISAL METHOD**
   This traditional form of appraisal, also known as "Free Form method" involves a description of the performance of an employee by his superior. The description is

an evaluation of the performance of any individual based on the facts and often includes examples and evidences to support the information. A major drawback of the method is the inseparability of the bias of the evaluator.

2. STRAIGHT RANKING METHOD

This is one of the oldest and simplest techniques of performance appraisal. In this method, the appraiser ranks the employees from the best to the poorest on the basis of their overall performance. It is quite useful for a comparative evaluation.

3. PAIRED COMPARISON

A better technique of comparison than the straight ranking method, this method compares each employee with all others in the group, one at a time. After all the comparisons on the basis of the overall comparisons, the employees are given the final rankings.

4. **CRITICAL INCIDENTS METHODS**

In this method of Performance appraisal, the evaluator rates the employee on the basis of critical events and how the employee behaved during those incidents. It includes both negative and positive points. The drawback of this method is that the supervisor has to note down the critical incidents and the employee behavior as and when they occur.

5. **FIELD REVIEW**

In this method, a senior member of the HR department or a training officer discusses and interviews the supervisors to evaluate and rate their respective subordinates. A major drawback of this method is that it is a very time consuming method. But this method helps to reduce the superiors' personal bias.

6.CHECKLIST METHOD

The rater is given a checklist of the descriptions of the behavior of the employees on job. The checklist contains a list of statements on the basis of which the rater describes the on the job performance of the employees.

7. GRAPHIC RATING SCALE

In this method, an employee's quality and quantity of work is assessed in a graphic scale indicating different degrees of a particular trait. The factors taken into consideration include both the personal characteristics and characteristics related to the on-the-job performance of the employees. For example a trait like Job Knowledge may be judged on the range of average, above average, outstanding or unsatisfactory.

8. **FORCED DISTRIBUTION**

To eliminate the element of bias from the rater's ratings, the evaluator is asked to distribute the employees in some fixed categories of ratings like on a normal distribution curve. The rater chooses the appropriate fit for the categories on his own discretion.

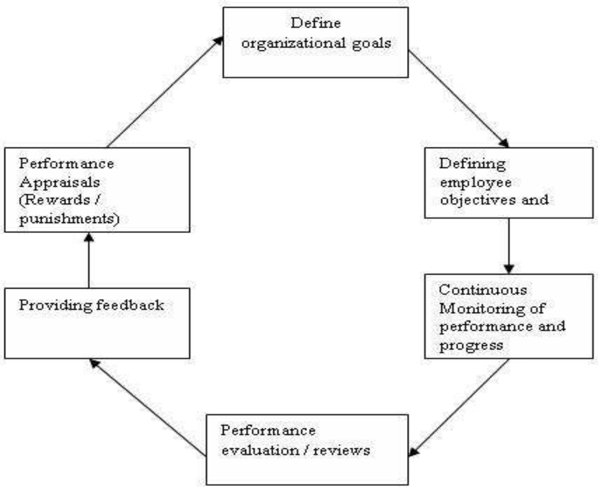
Modern Appraisal Method

1.MBO:

The concept of 'Management by Objectives' (MBO) was first given by Peter Drucker in 1954. It can be defined as a process whereby the employees and the superiors come together to identify common goals, the employees set their goals to be achieved, the standards to be taken as the criteria for measurement of their performance and contribution and deciding the course of action to be followed.

The essence of MBO is participative goal setting, choosing course of actions and decision making. An important part of the MBO is the measurement and the comparison of the employee's actual performance with the standards set. Ideally, when employees themselves have been involved with the goal setting and the choosing the course of action to be followed by them, they are more likely to fulfill their responsibilities.

THE MBO PROCESS



Reward Management

Reward management involves the analysis and effective control of employee remuneration and covers salary and all benefits. It assesses the nature and extent of rewards and the way they are delivered as well as considering their effect on both the Organisation and staff.

Cornwell consultants take a holistic approach to reward management, treating every element of reward as an investment. We help assist organisations to review each part of reward to determine:

- Its purpose
- An organisation's 'return' on investment
- The most appropriate areas for investment

Working closely with IDS our consultants have access to one of the largest private and public sector salary databases in the country. This association and our involvement with strategic remuneration bodies helps our consultants identify and advise on emerging trends and practices in addition to establishing appropriate levels of pay at national and regional levels. We also conduct bespoke salary surveys focusing on specific sectors or roles.

Leadership

Definition:

"Leadership is the factor that helps individuals and groups to achieve the goal. It is the process of influencing and supporting employees or others to work enthusiastically toward achieving the objectives".

"Leadership is the process of influencing people to direct their efforts towards the attainment of some particular goal or goals".

Grievance :

A grievance is a wrong or hardship suffered, which is the grounds of a complaint.

Grievance Procedure

Grievance procedure is a formal communication between an employee and the management designed for the settlement of a grievance. The grievance procedures differ from organization to organization.

1. Open door policy
2. Step-ladder policy

Open door policy: Under this policy, the aggrieved employee is free to meet the top executives of the organization and get his grievances redressed. Such a policy works well only in small organizations. However, in bigger organizations, top management executives are usually busy with other concerned matters of the company. Moreover, it is believed that open door
policy is suitable for executives; operational employees may feel shy to go to top management.

Step ladder policy: Under this policy, the aggrieved employee has to follow a step by step procedure for getting his grievance redressed. In this procedure, whenever an employee is confronted with a grievance, he presents his problem to his immediate supervisor. If the employee is not satisfied with superior's decision, then he discusses his grievance with the departmental head. The departmental head discusses the problem with joint grievance committees to find a solution. However, if the committee also fails to redress the grievance, then it may be referred to chief executive. If the chief executive also fails to redress the grievance, then such a grievance is referred to voluntary arbitration where the award of arbitrator is binding on both the parties.

GRIEVANCE PROCEDURE IN INDIAN INDUSTRY

The 15th session of Indian Labor Conference held in 1957 emphasized the need of an established grievance procedure for the country which would be acceptable to unions as well as to management. In the 16th session of Indian Labor Conference, a model for grievance procedure was drawn up. This model helps in creation of grievance machinery. According to it, workers' representatives are to be elected for a department or their union is to nominate them. Management has to specify the persons in each department who are to be approached first and the departmental heads who are supposed to be approached in the second step. The Model Grievance Procedure specifies the details of all the steps that are to be followed while redressing grievances. These steps are:

STEP 1: In the first step the grievance is to be submitted to departmental representative, who is a representative of management. He has to give his answer within 48 hours.

STEP 2: If the departmental representative fails to provide a solution, the aggrieved employee can take his grievance to head of the department, who has to give his decision within 3 days.

STEP 3: If the aggrieved employee is not satisfied with the decision of departmental head, he can take the grievance to Grievance Committee. The Grievance Committee makes its recommendations to the manager within 7 days in the form of a report. The final decision of the management on the report of Grievance Committee must be communicated to the aggrieved employee within three days of the receipt of report. An appeal for revision of final decision can be made by the worker if he is not satisfied with it. The management must communicate its decision to the worker within 7 days.

STEP 4: If the grievance still remains unsettled, the case may be referred to voluntary arbitration.