3.3 DEPARTMENTALIZATION

Departmentalization is the process of breaking down an enterprise into various departments. How jobs are grouped together is called departmentalization. A Department is an organization unit that is headed by a manager who is responsible for its activities. Depart mentation and Division of labor are same things. However technically both are different. Both emphasize on the use of the specialized knowledge, but depart mentation has higher management level strategic considerations while the division of lab our has a lower level operating considerations.
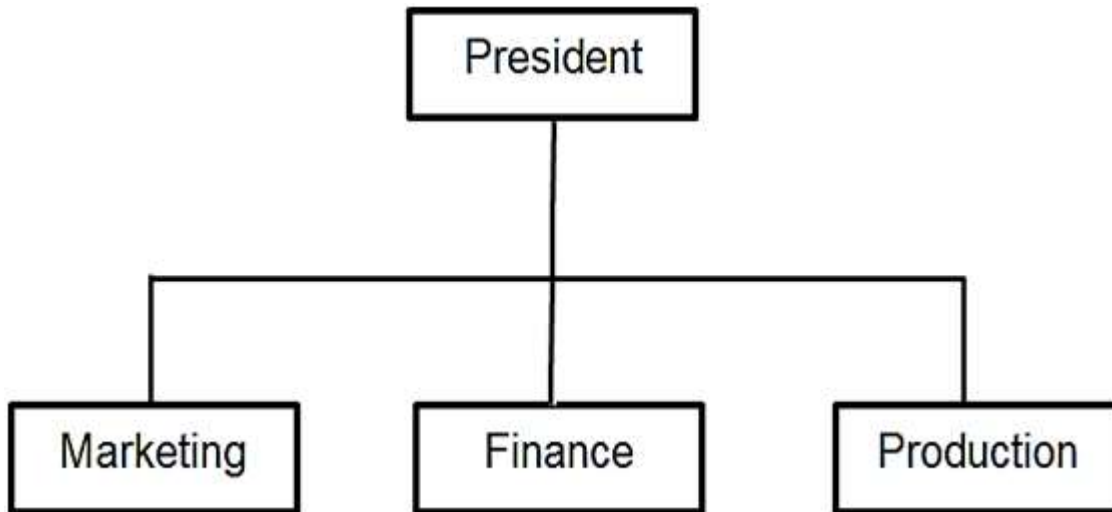
Types of Departmentalization

There are five common forms of departmentalization

1) Functional Departmentalization
2) Geographical Departmentalization
3) Product Departmentalization
4) Process Departmentalization
5) Customer Departmentalization

FUNCTIONAL DEPARTMENTALIZATION

It groups jobs according to function.

Functional departmentalization defines departments by the functions each one performs such as accounting or purchasing. Every Organization must perform certain jobs in order to do its work. The bellow Fig 1 shows the functional Departmentalization. For example, Manufacturing, Production, R & D, Purchasing etc. same kinds of jobs are grouped together in departments. This kind of departmentalization includes persons with same knowledge or skills (like Accounting Department having persons of commerce, Marketing Department having MBA persons). As in department people with same skill and knowledge are there. Their focus becomes narrow and they cannot appreciate each other's work in the same department

Fig 1 Functional Departmentalization

Source: Stephen A. Robbins & David A. Dec Enzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Advantages

- It is most logical and natural form of departmentalization.
- It brings about specialization which makes optimum utilization of human resources.
- It lays emphasis on each and every activity.
- It enables top management to exercise control over a number of functions.
- It facilitates delegation of authority and therefore, reduces the work burden of top manager.
- It eliminates the duplication of effort which brings efficiency.

Disadvantages

- There may be conflict between departments as the responsibilities are inter dependent.
- There may be difficulty in coordinating the activities of different departments.
- There is over emphasis on specialization.
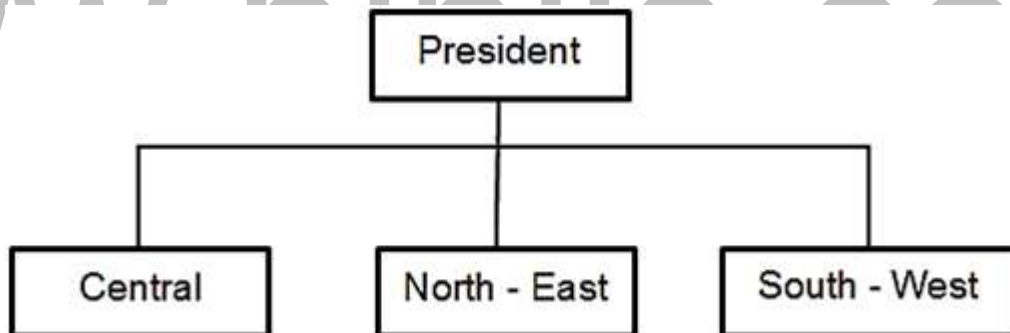- It maximizes supervision cost.

- It is non-responsive to environmental changes.
- It does not promote innovation and creativity.

GEOGRAPHICAL DEPARTMENTALIZATION

It groups jobs according to geographic region.

Geographical departmentalization is an arrangement of departments according to geographic area or territory. It divides works well for international business. Geographical Departmentalization is beneficial when Organization are spread over a wide area. Even each part or areas have different requirement or interests. The bellow Fig 2 represents the Geographical Departmentalization.

For example, marketing a product in Western Europe may have different requirements than marketing the same product in Southeast Asia. Market area is broken up into sales territories like Northern, Southern, West, East. The Salesman appointed for each territory report to their regional or territorial manager. These manager again reports to the sales manager who is head of the sales department.

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              ┌───────────────┐
              │   President    │
              └───────┬───────┘
        ┌─────────────┼─────────────┐
  ┌──────────┐  ┌────────────┐  ┌────────────┐
  │ Central  │  │ North - East│  │ South - West│
  └──────────┘  └────────────┘  └────────────┘
```

Fig 2 Geographical Departmentalization

Source : Stephen A. Robbins & David A. Decenzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Advantages:

- It helps to achieve local operations.
- It facilitates the expansion of business into various regions.
- It considers the environmental changes.

- There is better coordination of activities through the setting up of regional divisions.
- It can meet the local demands more effectively.

Disadvantages:

- There may be a problem of integration of various regional offices.
- There is the possibility of duplication of physical facilities.
- It is more difficult to maintain central control over regional departments.
- There may be lack of skilled and efficient persons to take charge of regional departments.

PRODUCT DEPARTMENTALIZATION

It groups jobs by product line.

Companies may have multiple products. Like Maruti is producing Alto, Zen, Swift. Large companies are often organized according to the product. All common activities required to produce and market a product are grouped together. Major disadvantages are duplication of resources. Each product requires most of the same functional areas such as finance, marketing, production etc. For example, Samsung manufactures Phones, T.V., and Tablet etc. For each product, they have same functional department like marketing, production etc. Thus, it is duplication of functions. Product Departmentalization has become important for large complex organization. The bellow Fig 3 shows the product Departmentalization.
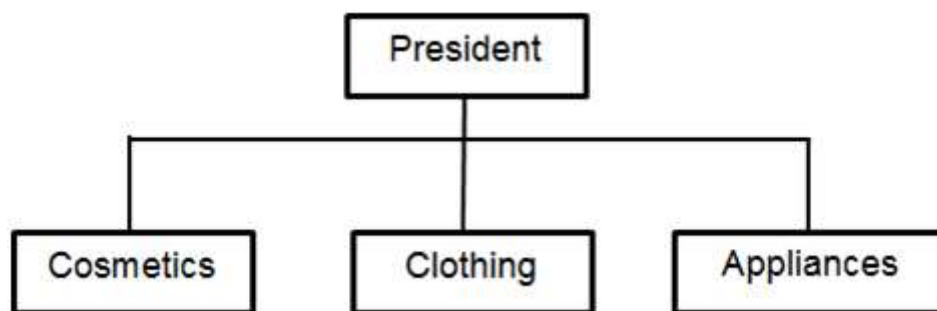
Fig 3 Product Departmentalization

Source: Stephen A. Robbins & David A. Dec Enzo & Mary Coulter,

―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Advantages

- It is suitable for the organization having various lines of products or services. It brings about specialization in a product or service which makes optimum utilization of human resources.
- It directs attention toward specific product line and service.
- It facilitates to monitor and evaluate the performance of each production or service department.
- Product/service managers can be held accountable for the profitability of each product/service.
- It permits maximum use of specialized production/services facilities.
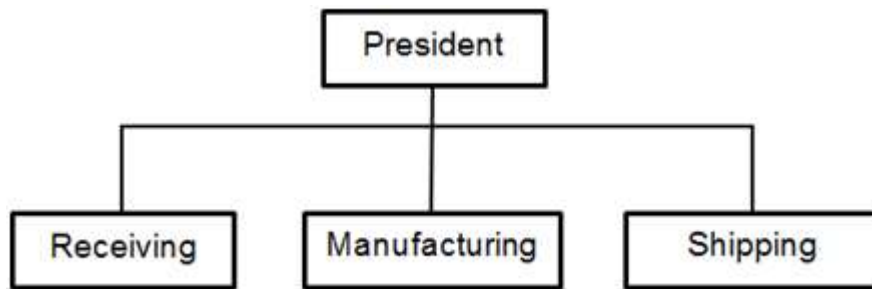
Disadvantages

- There may be conflict between production/service and other departments as the responsibilities are inter dependent.
- There may be under utilization of plant capacity if the demand of the product/service is not sufficient.
- It creates the problem of effective control over production divisions by the top management.
- It maximizes administrative cost.
- The product/service manager may ignore overall objective of the organization.

PROCESS DEPARTMENTALIZATION:

It groups Jobs on the Basis of Product or Customer Flow.

Departmentalization is done on the basis of processing. In manufacturing organizations, the location of manufacturing plant or department can be at different location due to cost of raw material and even labour charges. Even departmentalization can be done depending on the types of machines required. The similar types of machines can be kept at one place e.g. all lathes, all drilling machines, all shapers etc. Activities are grouped into separate sections, each kept at one place. The bellow Fig 4

Shows the Process Departmentalization.

Fig 4 Process Departmentalization

Source : Stephen A. Robbins & David A. Decenzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Advantages

- There is proper division of work into different processes.
- It facilitates coordination by grouping products.
- It ensures effective utilization of specialized skills and equipments.
- It provides full responsibility to process head to complete process activities which improves product efficiency.
- It helps to make appropriate use of resources and facilities.

Disadvantages

- It is appropriate only for manufacturing organizations.
- The technical problem is one process may create problem for the whole process.
- There is possibility of conflict among managers of different process.
- It is more difficult to maintain coordination among different process.

CUSTOMER DEPARTMENTALIZATION

It groups Jobs on the Basis of specific And Unique Customers

Customer divisions are divisions set up to service particular types of clients or customers. Some companies or organization divides the different units based on

Customers or markets. For example, any PC manufacturing company like HP has different divisions like Consumer PC, Commercial PC, and Workstations etc. Nokia previously had three divisions like Consumer Phone, Business Phone & Smart Phone. Recently Nokia had changed their departmentalization from customer to process base. The bellow Fig 5 shows the Customer Departmentalization.
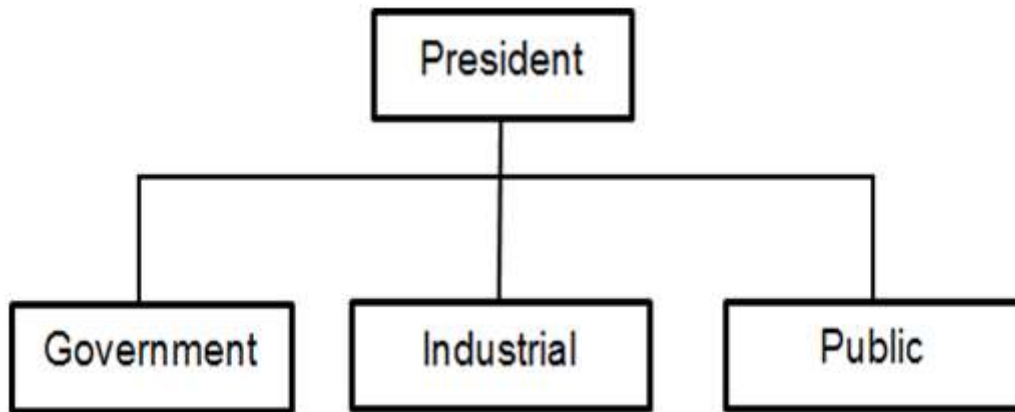
Fig 5 Customer Departmentalization

Source : Stephen A. Robbins & David A. Dec Enzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Now there are only two divisions: Hardware and Software base departmentalization. They will also sell their software to other mobile company. Another example is an educational institution offers regular and extension courses to cater to the needs of different students groups.

Advantages

- It is suitable for the organization dealing with various types of customers.
- Management can concentrate on clearly identified and potential customers.
- It considers the environmental changes.
- Special attention can be given to the taste and preference of customers.
- It provides the benefit of specialization.

Disadvantages

- It may be difficult to maintain coordination.

- There may be under utilization of facilities especially during the period of low demand.

- There may be possibility of duplication of activities.

- There is possibility of conflict between departments due to over emphasis of own department by departmental managers.

- Over emphasis of on customers may lead to wastage of resources.

- It is costly method of departmentalization.

Departmentalization by Time

Time is also a basis of departmentalization in may organization, especially, those that involve in public utility, production or service. Generally, hospitals, hotels, telecommunication and other public utility organization which work around the clock from departments on the basis of time shift such as day, evening and night shifts. Therefore, a separate department is created on the basis of shift and a departmental head of appointed for each shift to maintain control the activities of concerned shift.

Advantages

- There is proper division of works into different shifts.

- It facilitates coordination by grouping members into shifts.

- It ensures effective utilization of specialized skills and equipments.

- It provides full responsibility to the shift head to complete activities which improves product/service efficiency.

- It helps in the appropriate use of resources and facilities.

Disadvantages

- It is appropriate only for public utility enterprise where the work is round the clock.

- The technical problem is one shift may create problems for the entire shift.

- There is possibility of conflict among managers of different shifts.
- It is more difficult to maintain coordination among different shift mangers.
- The responsibility of total profit cannot be assigned to a shift department.

3.3.1 DELEGATION OF AUTHORITY

Delegation of Authority means division of authority and powers downwards to the subordinate. Delegation is about entrusting someone else to do parts of your job. Delegation of authority can be defined as subdivision and sub-allocation of powers to the subordinates in order to achieve effective results.

Importance of Delegation:

1. *Effective management:*

In the delegation process managers pass routine work to the subordinates. So they are free to concentrate on other important matters. The main job of managers is to get the work done effectively and by delegating the authorities and responsibilities managers can get the work done effectively and efficiently from the subordinates.

1. *Employees' Development:*

As a result of delegation employees get more opportunities to utilize their talents. It allows them to develop those skills which help them to perform complex task. Delegation help in making better future managers by giving them chance to use their skills, gain experience of work related to higher job position.

2. *Motivation of employees:*

In the delegation when the manager is sharing his responsibilities and authority with the subordinates it motivates the subordinates as they develop the feeling of belongingness and trust which is shown to them by their superiors. Some employees can be motivated by such kind of non-financial incentives.

3. *Facilitates organizational growth:*

In the process of delegation when the managers are passing their responsibility and authority to the subordinates they keep in mind the qualification and capability of

All the subordinates. This leads to division of work and specialization which is very important for organizational growth.

4. Basis of Management Hierarchy:

Delegation establishes superior-subordinate relationship which is the base for hierarchy of managers. The extent of power delegated to subordinates decides who will report to whom, and the power at each job position forms the Management Hierarchy.

5. Better Coordination:

In delegation systematically responsibility and authority is divided and employees are made answerable for non-completion of task. This systematic division of work gives clear pictures of work to everyone and there is no duplication of work clarity in duties assigned and reporting relationship brings effective coordination in the organization.

6. Reduces the work load of managers:

In the process of delegation, the managers are allowed to share their responsibilities and work with the subordinates which help the managers to reduce their work load. With the process of delegation the managers can pass all their routine work to the subordinates and concentrate on important work. Without delegation managers will be overburdened with the work.

2. Basis of superior-subordinate relationship:

In the delegation process only two parties are involved that is superior and subordinate. If superiors share or pass their responsibilities and authorities to the subordinates it indicates good relationship between the superior and subordinate because superiors will transfer their responsibility and authority to their subordinates only when they have trust in them. So delegation improves the relations between superiors and subordinates.

Elements of Delegation/Process of Delegation:

There are three elements of delegation:

1) Responsibility
2) Authority
3) Accountability

1. Responsibility:

Responsibility means the work assigned to an individual. It includes all the physical and mental activities to be performed by the employees at a particular job position. The process of delegation begins when manager passes on some of his responsibilities to his subordinates which mean responsibility can be delegated.

Features of Responsibility:

- Responsibility is the obligation of a subordinate to properly perform the assigned duty.
- It arises from superior subordinate relationship because subordinate is bound to perform the duty assigned by his superior.
- Responsibility flows upward because subordinate will always be responsible to his superior.

2. Authority:

Authority means power to take decision. To carry on the responsibilities every employee need to have some authority. So, when managers are passing their responsibilities to the subordinates, they also pass some of the authority to the subordinates. The delegating authority is the second step of organising process. While sharing the authority managers keep in mind that the authority matching to the responsibility should only be delegated. They shall not pass all their authority to their subordinates.

Features of Authority:

- Authority refers to right to take decision due to your managerial position.

- Authority determines superior subordinate relationship. As subordinate communicates his decisions to subordinate expecting compliance from him as per his directions.

- Authority is restricted by law and rules and regulations of the organization.

- Authority arises from the scalar chain which links various job positions.

- Authority flows upward as we go higher up in management hierarchy the scope of authority increases.

- Authority must be equal to Responsibility i.e., Authority = Responsibility

3. Accountability:

To make sure that the employees or subordinates perform their responsibilities in their expected manner, the accountability is created. Accountability means subordinates will be answerable for the non-completion of the task; creating accountability is the third and final step of delegation process.

The accountability cannot be passed or delegated. It can only be shared with the subordinates which means even after delegating responsibility and authority the managers will be accountable for non-completion of task.

If the production manager is given the target of producing 20 machines in one month's time and he divided this target between four foremen working under him, i.e., 5 machines to be produced by each foreman but one foreman could not achieve the target and at the end of the month only 17 machines are manufactured, then production manager will be held accountable for non-

Completion of target as accountability cannot be transferred or shared: it is an absolute term.

Features of Accountability:

- Accountability refers to answerable for the final output.
- It cannot be delegated or passed.
- It enforced through regular feedback on the extent of work accomplished.
- If flows upward, i.e., subordinate will be accountable to his superior.

Differences between Authority and Responsibility

Authority	Responsibility
It is the legal right of a person or a superior to command his subordinates.	It is the obligation of subordinate to perform the work assigned to him.
Authority is attached to the position of a superior in concern.	Responsibility arises out of superior-subordinate relationship in which subordinate agrees to carry out duty given to him.
Authority can be delegated by a superior to a subordinate	Responsibility cannot be shifted and is absolute
It flows from top to bottom.	It flows from bottom to top.

3.3.2 CENTRALIZATION AND DECENTRALIZATION

"Centralization" is the systematic and consistent reservation of authority at central points in the organization. The Fig 6 represents the centralization.

The implication of centralization can be

- Reservation of operation at lower level at the directions of the top level.
- Reservation of operating authority with the middle level managers.
- Reservation of decision making power at top level.

Advantage of Centralized Organizational Structure •

- Reduced cost
- Uniformity in action
- Personal leadership
- Flexibility
- Improved quality of work
- Better co-ordination

Disadvantage of Centralized Organizational Structure

- Delay in work
- Remote control
- No loyalty
- No Secrecy
- No special attention

FACTORS INFLUENCING CENTRALIZATION

- Size and dispersal of operation
- Level of diversity of product-lines
- Nature of growth
- Nature of Business
- Quality of Executives
- Management by Exception
- Effective Control System
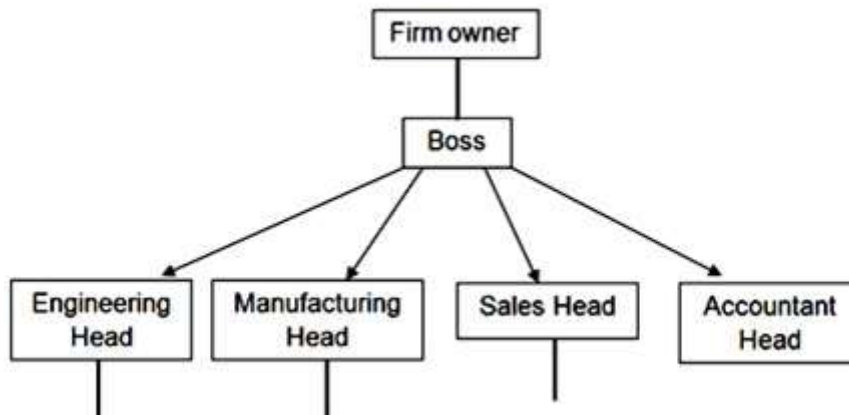
Fig 6 Centralization

Source: Stephen A. Robbins & David A. Dec Enzo & Mary Coulter, —Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Decentralization" is a systematic delegation of authority at all levels of management and in all of the organization. The Fig 7 shows the Decentralization.

- Everything that increasing the role of subordinates is decentralization and that decreases the role is centralization"
- Authority in retained by the top management for taking major decisions.
- Decentralization pattern is wider is scope.

Advantage of De Centralized Organizational Structure

- Distribution of burden of top executive
- Increased motivation and morale
- Greater efficiency and output
- Diversification of Activities
- Better Co-ordination
- Maintenance of Secrecy
- Facilitate effective control and quick decision

Disadvantage of De Centralized Organizational Structure

- More cost

- No specialization

- Need more specialists

- No uniform action

- No equitable distribution of work

- Control Systems

- Types of Business

- Branches of organization

- Type of organization
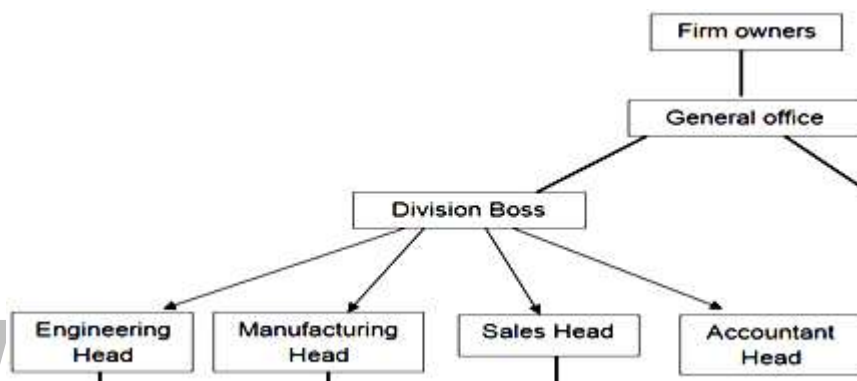
Fig 7 Decentralization

Source: Stephen A. Robbins & David A. Dec Enzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

FACTORS AFFECTING DECENTRALIZATION

- Size of the organization – large or small

- Cost and Importance of decisions

- Uniformity

- History of organization

- Management Philosophy

- Availability of efficient managers

- Type of business
- Branches of organization

Centralization	Decentralization
• Environment is stable	• Environment is complex, uncertain.
• Lower-level managers are not as capable or experienced at making decisions as upper-level Managers.	• Lower-level managers are capable and experienced at making decisions.
• Lower-level managers do not want to have say in decisions	• Lower-level managers want a Voice in decisions.
• Decisions are significant.	• Decisions are relatively minor.
• Organization is facing a crisis or the risk of company failure.	• Corporate culture is open to allowing managers to have a say In what happens.
• Company is large.	• Company is geographically single.
• Effective implementation of company strategies depends on managers retaining say over what Happens.	• Effective implementation of company strategies depends on managers having involvement and flexibility to make decisions

3.5 JOB ANALYSIS

Job Analysis is a systematic exploration, study and recording the responsibilities, duties, skills, accountabilities, work environment and ability requirements of a specific job.

3.5.1 Job design

Job design follows job analysis i.e. it is the next step after job analysis. It aims at outlining and organizing tasks, duties and responsibilities into a single unit of work for the achievement of objectives.

There are various steps involved in job design that follow a logical sequence, those that were mentioned earlier on. The sequence is as follows:

- What tasks are required to e done or what tasks is part of the job?
- How are the tasks performed?
- What amount are tasks are required to be done?
- What is the sequence of performing these tasks?

All these questions are aimed at arriving upon a clear definition of a specific job and thereby make it less risky for the one performing the same. A well defined job encourages feeling of achievement among the employees and a sense of high self esteem.

The whole process of job design is aimed to address various problems within the organizational setup, those that pertain to ones description of a job and the associated relationships. More specifically the following areas are fine tuned:

- Checking the work overload.
- Checking upon the work under load.
- Ensuring tasks are not repetitive in nature.
- Ensuring that employees don not remain isolated.
- Defining working hours clearly.
- Defining the work processes clearly.
  Benefits of Job Design

The following are the benefits of a good job design:

1. **Employee Input:** A good job design enables a good job feedback. Employees have the option to vary tasks as per their personal and social needs, habits and circumstances in the workplace.

2. **Employee Training:** Training is an integral part of job design. Contrary to the philosophy of "leave them alone' job design lays due emphasis on training people so that are well aware of what their job demands and how it is to be done.

3. **Work / Rest Schedules:** Job design offers good work and rest schedule by clearly defining the number of hours an individual has to spend in his/her job.

4. **Adjustments:** A good job designs allows for adjustments for physically demanding jobs by minimizing the energy spent doing the job and by aligning the manpower requirements for the same.

Job design is a continuous and ever evolving process that is aimed at helping employees make adjustments with the changes in the workplace. The end goal is reducing dissatisfaction, enhancing motivation and employee engagement at the workplace.

Approaches to Job Design

There are various methods or approaches to do the job design. The important ones are discussed below

Human Approach

The human approach of job design laid emphasis on designing a job around the people or employees and not around the organizational processes. In other words it recognizes the need of designing jobs that are rewarding (financially and otherwise) and interesting at the same time. According to this approach jobs should satisfy an individual's need for recognition, respect, growth and responsibility.

Herzberg classified these factors into two categories –

1. The hygiene factors

2. The motivators.

Motivators include factors like achievement, work nature, responsibility, learning and growth etc that can motivate an individual to perform better at the work place.

Hygiene factor on the other hand include things like working conditions, organizational policies, salary etc that may not motivate directly but the absence of which can lead to dissatisfaction at the work place.

Engineering Approach

The engineering approach was devised by FW Taylors. They introduced the idea of the task that gained prominence in due course of time. According to this approach the work or task of each employee is planned by the management a day in advance. The instructions for the same are sent to each employee describing the tasks undertaken in detail. The details include things like what, how and when of the task along with the time deadlines.

The approach is based on the application of scientific principles to job design. Work, according to this approach should be scientifically analyzed and fragmented into logical tasks.

The Job Characteristics Approach

The job characteristics approach was popularized by Hackman and Oldham. According to this approach there is a direct relationship between job satisfaction and rewards. They said that employees will be their productive best and committed when they are rewarded appropriately for their work. They laid down five core dimensions that can be used to describe any job - skill variety, task identity, task significance, autonomy and feedback.

1. **Skill variety:** The employees must be able to utilize all their skills and develop new skills while dealing with a job.

2. **Task Identity:** The extent to which an identifiable task or piece or work is required to be done for completion of the job.

3. **Task Significance:** How important is the job to the other people, what impact does it create on their lives?

4. **Autonomy:** Does the job offer freedom and independence to the individual performing the same.

5. **Feedback:** Is feedback necessary for improving performance.

These are different approaches but all of them point to more or less the same factors that need to be taken into consideration like interest, efficiency, productivity, motivation etc. All these are crucial to effective job design.

Issues in Job Design

As we know, job design is a systematic organization of job-related tasks, responsibilities, functions and duties. It is a continuous process of integration of content related to job in order to achieve certain objectives. The bellow Fig 1 shows the Issues in Job Design.

The process plays a vital role as it affects the productivity of employees and organizations. However, there are a number of existing issues emerged recently while designing the jobs in organizations. These are alternative work patterns that are equally effective in handling organization's functions.
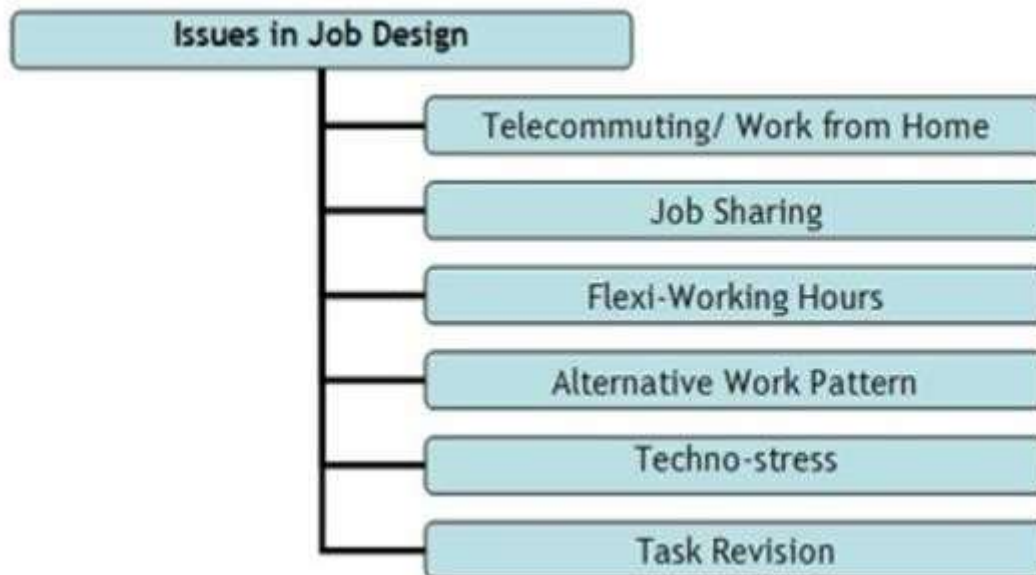
Fig 1 Issue of Job Design

Source : Stephen A. Robbins & David A. Decenzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Telecommuting / Work from Home: Telecommuting or work from home is considered as the best alternative of working from the actual office. By using computer networks, fax machines, telephones and internet connection, employees can communicate and perform the job from home. It eliminates the need of coming to office everyday and offers employees the convenience to work at the comfort of their home.

Though there are lots of advantages associated with this working style but it suffers from many limitations. It allows employees to stay at home and manage their job tasks and functions without actually being present in the office but it doesn't allow them to communicate with other employees and establishing relationships with them. They only deal with machines whole day, thus lose creativity. Moreover, it is a great hindrance in their way as it does not allow skill upgradation.

Job Sharing: It is the second most preferable alternative of traditional working styles where two or more individuals share the responsibilities of a full time job. They divide the tasks, responsibilities and compensation according to their mutual consent. This option is generally used by women who are on maternity leave or have family and kids to look after but want to continue their job. These days, organizations are open to this kind of working style where two or more individuals can share a job.

Flexi-Working Hours: These days, organizations allow their employees to work according to the timings that suit them best. There are 3-4 working schedules and individuals can choose any one of them depending upon their availability. Employees can work in early hours as well as night hours. This is good for those individuals who have colleges or some other engagements during the day or specific hours of the day. The best part is that unlike telecommuting, flexi-timings give them chance to communicate with other employees too.

Alternative Work-Patterns: Companies these days allow their employees to work on alternate months or seasons. Though the concept is not that common in India but can be seen in European and American world of work. They also have the option of working two to three full days and can relax after that.

According to the latest concept, employees can work for fixed number of hours and then can attend to their personal needs during the left days.

Techno stress: It is the latest technology to keep a check on employees' performance even when they choose to work from home. Because of the introduction of new machines, there performance can be electronically monitored even when they are not aware of it.

Task Revision: Task revision is nothing but modification of existing work design by reducing or adding the new job duties and responsibilities to a specific job.

FACTORS AFFECTING JOB DESIGN

A well defined job will make the job interesting and satisfying for the employee. The result is increased performance and productivity. If a job fails to appear compelling or interesting and leads to employee dissatisfaction, it means the job has to be redesigned based upon the feedback from the employees.

Broadly speaking the various factors that affect a job design can classified under three heads. They are:

1. Organizational Factors
2. Environmental Factors
3. Behavioural Factors

Organizational Factors

Organizational factors that affect job design can be work nature or characteristics, work flow, organizational practices and ergonomics.

Work Nature: There are various elements of a job and job design is required to classify various tasks into a job or a coherent set of jobs. The various tasks may be planning, executing, monitoring, controlling etc and all these are to be taken into consideration while designing a job.

Ergonomics: Ergonomics aims at designing jobs in such a way that the physical abilities and individual traits of employees are taken into consideration so as to ensure efficiency and productivity.

Workflow: Product and service type often determines the sequence of work flow. A balance is required between various product or service processes and a job design ensures this.

Culture: Organizational culture determines the way tasks are carried out at the work places. Practices are methods or standards laid out for carrying out a certain task. These practices often affect the job design especially when the practices are not aligned to the interests of the unions.

Environmental Factors

Environmental factors affect the job design to a considerable extent. These factors include both the internal as well as external factors. They include factors like employee skills and abilities, their availability, and their socio economic and cultural prospects.

Employee availability and abilities: Employee skills, abilities and time of availability play a crucial role while designing of the jobs. The above mentioned factors of employees who will actually perform the job are taken into consideration. Designing a job that is more demanding and above their skill set will lead to decreased productivity and employee satisfaction.

Socio economic and cultural expectations: Jobs are nowadays becoming more employee centered rather than process centered. They are therefore designed keeping the employees into consideration. In addition the literacy level among the employees is also on the rise. They now demand jobs that are to their liking and competency and which they can perform the best.

Behavioural Factors

Behavioural factors or human factors are those that pertain to the human need and that need to be satisfied for ensuring productivity at workplace. They include the elements like autonomy, diversity, feedback etc. A brief explanation of some is given below:

Autonomy: Employees should work in an open environment rather than one that

contains fear. It promotes creativity, independence and leads to increased efficiency.

Feedback: Feedback should be an integral part of work. Each employee should receive proper feedback about his work performance.

Diversity: Repetitive jobs often make work monotonous which leads to boredom. A job should carry sufficient diversity and variety so that it remains as interesting with every passing day. Job variety / diversity should be given due importance while designing a job.

Use of Skills and abilities: Jobs should be employee rather than process centered. Though due emphasis needs to be given to the latter but jobs should be designed in a manner such that an employee is able to make full use of his abilities and perform the job effectively.

3.4.2 Human resources management

Human resources management (HRM) is a management function concerned with hiring, motivating and maintaining people in an organization. It focuses on people in organizations. Human resource management is designing management systems to ensure that human talent is used effectively and efficiently to accomplish organizational goals.

According to the Invancevich and Glueck, "HRM is concerned with the most effective use of people to achieve organizational and individual goals. It is the way of managing people at work, so that they give their best to the organization".

According to Dessler (2008) the policies and practices involved in carrying out the "people" or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising comprises of HRM.

The following constitute of HRM

1. HRM Involves the Application of Management Functions and Principles. The functions and principles are applied to acquiring, developing, maintaining and providing remuneration to employees in organization.

2. Decision Relating to Employees must be integrated. Decisions on different aspects of employees must be consistent with other human resource (HR) decisions.

3. Decisions Made Influence the Effectiveness of an Organization. Effectiveness of an organization will result in betterment of services to customers in the form of high quality products supplied at reasonable costs.

4. HRM Functions are not confined to Business Establishments Only but applicable to non business organizations such as education, health care, recreation and like.

3.4.3 Meaning Human Resource Planning:

Human resource is the most important asset of an organization. Human resources planning are the important managerial function. It ensures the right type of people, in the right number, at the right time and place, who are trained and motivated to do the right kind of work at the right time, there is generally a shortage of suitable persons.

In order to cope human resource requirements, an enterprise will have to plan in advance its needs and the sources. The terms human resource planning and manpower planning are generally used interchangeably. Human resource planning is not a substitute for manpower planning. Rather the latter is a part of the former i.e., manpower planning is integrated with human resource planning.

Definition Human Resource Planning:

According to E.W. Vetter, human resource planning is "the process by which a management determines how an organization should make from its current manpower position to its desired manpower position.

Dale S. Beach has defined it as "a process of determining and assuring that the organization will have an adequate number of qualified persons available at the proper times, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved."

In the words of Leon C. Megginson, human resource planning is "an integration approach to performing the planning aspects of the personnel function in order to have a

sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual's needs and goals of organizational members."

Features of Human Resource Planning:

1. Well Defined Objectives:

Enterprise's objectives and goals in its strategic planning and operating planning may form the objectives of human resource planning. Human resource needs are planned on the basis of company's goals. Besides, human resource planning has its own objectives like developing human resources, updating technical expertise, career planning of individual executives and people, ensuring better commitment of people and so on.

2. Determining Human Resource Reeds:

Human resource plan must incorporate the human resource needs of the enterprise. The thinking will have to be done in advance so that the persons are available at a time when they are required. For this purpose, an enterprise will have to undertake recruiting, selecting and training process also.

3. Keeping Manpower Inventory:

It includes the inventory of present manpower in the organisation. The executive should know the persons who will be available to him for undertaking higher responsibilities in the near future.

4. Adjusting Demand and Supply:

Manpower needs have to be planned well in advance as suitable persons are available in future. If sufficient persons will not be available in future then efforts should be .made to start recruitment process well in advance. The demand and supply of personnel should be planned in advance.

5. Creating Proper Work Environment:

Besides estimating and employing personnel, human resource planning also ensures that working conditions are created. Employees should like to work in
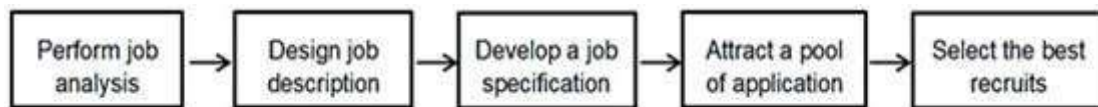
the organization and they should get proper job satisfaction.

3.4.4 Recruitment

Recruitment is the process of identifying and attempting to attract candidates who are capable of filling job vacancies appropriately.

The bellow block diagram Fig 2 shows the Recruitment Process.

- To attract those applicants who are best qualified to fill the vacancies.

- Effective selection depends on effective recruitment.

| Perform job analysis | → | Design job description | → | Develop a job specification | → | Attract a pool of application | → | Select the best recruits |

Fig 2 Recruitment Process

Source : Stephen A. Robbins & David A. Decenzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Job analysis

- Analyzing the environment (nature of competition, customers etc.…) in which employees work

- Determining duties and responsibilities to be discharged

- Observing and recording the various tasks of the job as they are actually performed

The Fig 3 shows the components of Jon Analysis. Job analysis is often done through interviews, direct observation or by using a questionnaire that is completed by the person current holding the job and his immediate supervisor. It forms the basis for job description and job specifications.

Systematic job analysis

- Functional job analysis (FJA)

  Input and job activities

- The data, people and jobs pertaining to individual's job.

- Method and techniques that the individual uses of the job

- Tools and equipment used by the worker

  Output and job performance

  Products and services produced by the worker

Components of job analysis
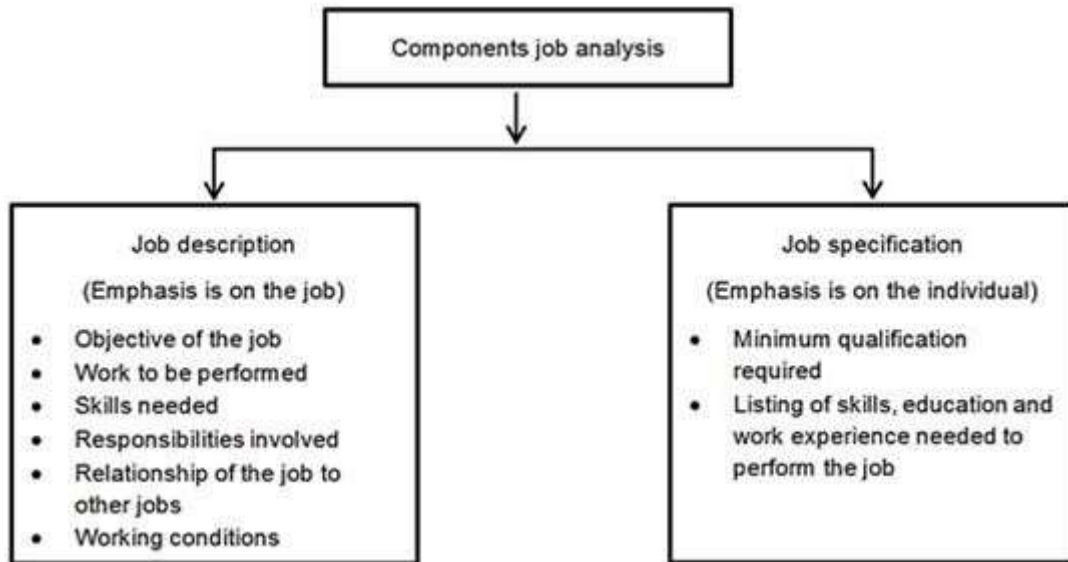
Fig 3 Components of Job Analysis

Source : Stephen A. Robbins & David A. Decenzo & Mary Coulter, ―Fundamentals of Management‖ Pearson Education, 7th Edition, 2011.

Position analysis questionnaire (PAQ)

(a) The source of information that are critical to job performance

(b) Information processing and decision making critical to job performance

(c) The amount of physical activities and skill required for the job

(d) Physical working conditions and reactions of individuals to those conditions

(e) Other characteristics of the job, such as work schedules and work responsibilities.

Sources of Recruitment

- Internal Recruitment
- External Recruitment

Comparison of Internal & External Recruitment

Sl. No.	Criteria	Internal Recruitment	External Recruitment
1	ADVANTAGES	Familiarity of candidate with organisation's policies, procedures and culture Candidates who are culture recruited from competitors provide valuable information	Influx of new ideas
2		Available information and observation by superiors facilitates easier selection	Candidates who are recruited from competitors provide valuable information about competitors moves and strategies
3		Selection and socialisation of job incumbents involves less time and money	Facilitates recruitment of candidates with deserve skills and expertise and vast experience
4		Enhances employee morale by offering opportunities for upward mobility	
5		Prevents high – quality employees from leaving the Organisation.	

1	Disadvantages	Lack of new ideas	Lack of reliable information increases the probability of committing mistakes in selection.
2		Need for expensive training programs	Expensive process.
3		Can breed nepotism and political operations	Orientation process may consume a lot of time.
4		Leads to "Ripple Effect"	Raises offense among hopeful internal candidates.
5		May leave unsuccessful contestants angry	

External Recruitment process

- Advertising
- Educational Institutions
- Employment Agencies

  Voluntary Applicants

- Referrals by Current Employees

3.4.5 Selection processes

The selection process refers to the steps involved in choosing people who have the right qualifications to fill a current or future job opening. Usually, managers and supervisors will be ultimately responsible for the hiring of individuals, but the role of human resource management (HRM) is to define and guide managers in this process. Similar to the recruitment process, the selection process is expensive. The time for all involved in the hiring process to review resumes, weight the applications, and interview the best candidates takes away time (and costs money) that those individuals could

spend on other activities. In addition, there are the costs of testing candidates and bringing them in from out of town for interviews.

The selection process consists of five distinct aspects:

1. **Criteria development.** The first aspect to selection is planning the interview process, which includes criteria development. Criteria development means determining which sources of information will be used and how those sources will be scored during the interview. The criteria should be related directly to the job analysis and the job specifications. In fact, some aspects of the job analysis and job specifications may be the actual criteria. In addition to this, include things like personality or cultural fit, which would also be part of criteria development. This process usually involves discussing which skills, abilities, and personal characteristics are required to be successful at any given job. By developing the criteria before reviewing any resumes, the HR manager or manager can be sure he or she is being fair in selecting people to interview. Some organizations may need to develop an application or a biographical information sheet. Most of these are completed online and should include information about the candidate, education, and previous job experience.

   Application and resume review. Once the criteria have been developed, applications can be reviewed. People have different methods of going through this process, but there are also computer programs that can search for keywords in resumes and narrow down the number of resumes that must be looked at and reviewed.

2. **Interviewing.** After the HR manager and/or manager have determined which applications meet the minimum criteria, he or she must select those people to be interviewed. Most people do not have time to review twenty or thirty candidates, so the field is sometimes narrowed even further with a phone interview.

3. **Test administration.** Any number of tests may be administered before a hiring decision is made. These include drug tests, physical tests, personality tests, and

cognitive tests. Some organizations also perform reference checks, credit report checks, and background checks. Once the field of candidates has been narrowed down, tests can be administered.

4. **Making the offer.** The last step in the selection process is to offer a position to the chosen candidate. Development of an offer via e-mail or letter is sometimes a more formal part of this process. Compensation and benefits will be defined in an offer.

OBJECTIVE OF HRM

The primary objective of HRM is to ensure the availability of competent and willing workforce to an organization. The specific objectives include the following:

1. Human capital : assisting the organization in obtaining the right number and types of employees to fulfill its strategic and operational goals

2. Developing organizational climate: helping to create a climate in which employees are encouraged to develop and utilize their skills to the fullest and to employ the skills and abilities of the workforce efficiently Helping to maintain performance standards and increase productivity through effective job design; providing adequate orientation, training and development; providing performance-related feedback; and ensuring effective two-way communication.

3. Helping to establish and maintain a harmonious employer/employee relationship

4. Helping to create and maintain a safe and healthy work environment

5. Developing programs to meet the economic, psychological, and social needs of the employees and helping the organization to retain the productive employees

6. Ensuring that the organization is in compliance with provincial/territorial and federal laws affecting the workplace (such as human rights, employment equity, occupational health and safety, employment standards, and labour relations legislation). To help the organization to reach its goals

7. To provide organization with well-trained and well-motivated employees

8. To increase the employees satisfaction and self-actualization

9. To develop and maintain the quality of work life

10. To communicate HR policies to all employees.

11. To help maintain ethical polices and behavior.

3.4.6 TRAINING AND DEVELOPMENT

Training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. It has been known by several names, including "Human Resource Development", "Human Capital Development" and "Learning and Development". These definitions, of course, are viewed within the context of organizational learning rather than other contexts (e.g. personal) of training and development.

Activities of Training and development

1) Training
2) Education
3) Development.

Training: This activity is both focused upon, and evaluated against, the job that an individual currently holds.

Education: This activity focuses upon the jobs that an individual may potentially hold in the future, and is evaluated against those jobs.

Development: This activity focuses upon the activities that the organization employing the individual, or that the individual is part of, may partake in the future, and is almost impossible to evaluate.

The need for Training and Development

Training is necessary for the individual development and progress of the employee. We also require training update employees of the market trends, the change in the employment policies and other things.

The following are the two biggest factors that contribute to the increased need to training and development in organizations:

1. **Change:** The word change encapsulates almost everything. It is one of the biggest factors that contribute to the need of training and development. There is in fact a direct relationship between the two.

    Change leads to the need for training and development and training and development leads to individual and organizational change, and the cycle goes on and on. More specifically it is the technology that is driving the need; changing the way how businesses function, compete and deliver.

2. **Development:** It is again one the strong reasons for training and development becoming all the more important. Money is not the sole motivator at work and this is especially very true for the 21st century.

    People who work with organisations seek more than just employment out of their work; they look at holistic development of self. Spirituality and self awareness for example are gaining momentum world over. People seek happiness at jobs which may not be possible unless an individual is aware of the self.

Method of Training and Development

1. **Classroom Lecture Method:**

    This is the most commonly used, simple, cost effective and conventional method. It is time saving because it covers maximum number of people in a short period of time. It involves a speech by the instructor with very limited discussions. Clear and direct methods of presentation.

    Weaknesses of the method are that, lecture time is more than the normal human attention span of fifteen minutes and the contents of the lecture could be easily forgotten. Since the method does not provide for active participation on the part of the trainees, the extent of take-home learning is not to be known clearly. Moreover, lecture might be useful only if the presentation is made skillfully. While lecture is a useful method in so far as information dissemination is the objective, it

has not been highly successful in modifying human behavior or in building commitments in the audience's minds. An improvisation of this method is the lecture-cum-demonstration method in which the lecturer reemphasizes a skill or information by displaying the same in action.

2. **Group Discussion Method:**

It is a method used to knowledge and attitudinal development of trainees. In this method, sets of people examine several empirical studies to find out commonalities to derive the underlying general principles.

They then combine their ideas and focus their attention on a given problem at a time, speaking from multiple points of view within a group. An instructor is optional, while a leader is necessary in this method. The various advantages of the method are

- More ideas can be generated from each session. Moreover
- Each member gets an opportunity to present one's own ideas and get feedback from members of the same group.
- Peer pressure and commitments made to groups serve to ensure adherence to decisions jointly taken in the group.

As a precaution, care must be taken to secure the participation of all members and make sure that a few members do not pre-determine the course of discussions or dominate the whole proceedings.

3. **Simulation Exercises Method:**

Simulators are a group of training devices of varying degrees of complexity that model the real world. They range from simple paper mock-ups of mechanical devices to computerized creations of total environments. In fact, some argue that case-study, role-play and a host of other methods can be brought under the category of simulation.

The advantage of simulation methods is

- They improve the possibility of learning without damaging the equipments or

human life or facing the numerous risks involved in actual performance.

For example, most of traffic rules, signals and procedures of driving could be taught in a park that resembles main road or through a video game featuring car or two wheeler driving. Piloting planes are taught using more complex simulations. The methods are indirect but could also be expensive. The method calls for a certain level of grasp and information processing capability and transfer of learning on the part of the trainees.

4. **Role Playing Method:**

Role is a set of expectations around a given position and is determined by the role partners. Roles are always reciprocal and described in pairs such as

- Trainer-trainee,
- Buyer-seller, and
- Interviewer-interviewee and so on.

Playing roles would entail practical problems like

- Inter-role conflicts
- Intra-role dilemmas
- Role overloads
- Role under loads.

As a result of these hurdles, role confusion develops. In order to be trained to perform roles, trainees must attain role clarity. This may involve negotiation among the role senders and role receivers with regard to their expectations with counter expectations upon one another.

Participants in role-play method are required to respond to specific problems and expectations of people that they might actually encounter in their jobs.

Role-playing is often used to teach such skills as interviewing, negotiating, grievance handling, performance appraisal, and buying and selling and effective communication. It promotes healthy human relations skills among people.

5. **Case Study Method:**

Case study can be interest creating and thought stimulating for the participants. It helps to develop analytical, reasoning and problem-solving skills of the participants. As it shows and reduces gaps in understanding, a holistic understanding of reality is made possible through case study method. It also helps to reemphasize messages provided during lectures, group discussions and other methods. The disadvantage of the method might be the difficulty in drawing adequate number of stimulating cases that actually represent the real life situations of the trainees.

6. Sensitivity Training or T Group Training or Laboratory training Method:

T-groups are concerned with the real problems existing within the group itself. People are helped to become more responsive to others' sensitivities and work more harmoniously and responsibly together by encouraging them to interact freely and actively. The members are enabled to recognize group dynamics and diagnose human relationship problems. The participants are encouraged to communicate thoughts and feelings with each other in an open, unstructured, warm and honest manner than is typically done in the usual work or social situation.

A beneficial outcome of the method is that participants find better means of behavior for effective interpersonal relationships without the aid of power or authority over others. The method has to be used carefully as people may resent negative feedback and show anger in response. People have to be first prepared well to accept criticism in a constructive manner so that conflicts could be managed properly.

7. Management Games Method:

Games are used as a training tool, than as mere pastimes or amusement. Trainees are divided into teams and are given common tasks on which they would be competing to arrive at decisions, and then jointly implementing and evaluating the decisions taken with regard to the games.

For example, blocks of wood would be supplied to every team and one of

the members would be blind-folded with a piece of cloth. The person would have to arrange the blocks one above the other, as per the instructions and guidance of the other members. As they set on to reach greater target heights, the rewards would also grow exponentially. This game is used to bring out the nuances of teamwork, leadership styles and communication patterns exhibited by the members while playing the game. The demerits of the method are that, at times, games might result in lack of seriousness in some trainees and that the learning is indirect and slow. But it helps to convey messages in a non-threatening and fun-filled manner.

8. Outward Bound Training (OBT) Method:

As part of OBT, managers and other staff members meet and cohabitate as teams at unfamiliar wilderness out of the workplace and away from the hustles and bustles of daily life, where they would live in cabins or tents for a certain number of days. They test their survival skills and learn about their own personality and hidden potentials for creativity, cooperation and leadership. Participants get opportunities to learn their limits and capabilities. Participants irrespective of their official position and seniority would have to learn to be natural in their behavior and get rid of masks worn in an office situation. It is an expensive method and the learning might not be transferable to others or to other situations.

9. In-basket Training (IBT) Method:

IBT is a method where the trainee is required to examine a basket full of papers and files relating to his area of work and make recommendations on problems contained in them. This method is meant for trainees in a managerial level to improve their decision-making and problem-solving abilities. This is a form of simulation training designed around day to- day business situations and hence is transferable to the job experiences. The participant is usually asked to establish priorities for and then handle a number of office papers, such as memoranda, reports, telephone messages and emails that would typically cross a manager's desk. The method has at least two main stages. At the outset, the

participant starts by working through the case within a specified time limit all by himself without discussing the details with anyone. Subsequently, other participants analyze and discuss the questions of who's, which's, how's, what's, where's, why's and when's of each decision or step. The merits of this method include the best of traditional case study at the same time combining the refinements to allow greater flexibility, realism and involvement.

The emphasis here is to understand things thoroughly, which is an opportunity too rarely presented during busy working days. It is done in a permissive atmosphere of experimenting and learning, rather than within the confines of a boss subordinate relationship.

10. **Vestibule Training Method:**

This kind of training takes place away from the production area on equipment that closely resembles the actual ones used on the job. It is a type of off-the-job training in which employees get training in a realistic job setting but in a location different from the one in which they would be working.

For example, a group of lathes may be located in a training center where the trainees will be instructed in their use. The method is used frequently for training typists and bank tellers, among others. The word 'vestibule' means entrance. Thus vestibule training serves to facilitate full-fledged entry into job. A primary advantage of vestibule training is that it removes the employee from the pressure of having to produce while learning. Disturbance of production or supervisor during training is minimized. The disadvantages include the extra investment on equipment and additional persons to be employed as trainers.

11. **Apprenticeship Training Method:**

It combines classroom instructions with on-the-job training. It is a method in which trainees at a novice stage called 'apprentices', work under the guidance of skilled, licensed instructor and receive lower pay than workers. The method is a combination of education and employment and is aimed at preparing workforce

with certain levels of qualification to meet the growing needs of the industry. The method develops special skills like mechanical, electronic, tailoring, etc. Apprenticeship is traditionally used in skilled jobs, such as those of plumber, carpenter, machinist and printer. The extensive nature of the training assures quality outputs, though time consumed is long. Employees recruited from the apprenticeship program are expected to hit the ground running, implying that they would have to start performing with efficiency. But uniform duration of apprenticeship training does not permit slow learners to reach the levels of mastery like others.

12. Work shadowing Method:

This training method is chosen while preparing a second-line leader to take up the role of the headship, in which case, the candidate could not benefit by sending them to any other formal training program. The best way to be trained for a future executive position would be through direct participant observation of the crucial events that take place in the present incumbent's work life. The trainees are made to remain in the company of the role model whose work is to be learnt by the trainees. Trainees learn the intricacies of a job of high level, by physically being in the presence of the job-holder. Closely following the styles of working permits greater degree of learning besides helping the trainee to imbibe the values and principles adhered to by the model. Yet, care needs to be taken to avoid situations wherein trainees are not warmly welcomed and are seen by supervisors in the department as obstacles to their routines.

13. Programmed Instruction Method (PIM):

PIM provides instruction without the face-to-face intervention of an instructor. To ensure a sequential approach to learning, instructions are designed in such a way that all future learning depends on acquisition and retention of previous learning. With this method, information is broken down into small portions called 'frames'. The learner reads each frame in sequence and responds to questions

designed to verify learning. Based on the answers given by the trainees they are provided with immediate feedback on response accuracy. If the learners have got all the answers right, they proceed to the next frame. If not they repeat the frame. Primary features of this approach are immediate reinforcement and the ability of learners to proceed at their own pace. Programmed instructions may be presented in a book or in computers.

14. **Large Scale Interactive Events (LSIE) Method:**

The method has a lot of unique advantages when compared to other methods. First, this method stresses upon the sharing of expertise by all the participants, unlike other methods where the instructor supplies most of the inputs and might even look down upon trainees as people who are ignorant or unskilled in the topic being covered. LSIE is based on the belief that all the participants, by virtue of being in their job for a certain period of time, possess some degree of expertise that need to be shared and combined with that of others.

Second advantage is that this method transcends the limitation of other methods in terms of the number of people who could be trained per batch. The major advantage of this method is that a group as large as 300 – 400 members could be trained simultaneously without losing the effectiveness of other training methods. The third advantage is the use of group processes. While the trainer limits his role with a brief but inspiring presentation to stimulate thinking of the participant, the methods paves way for active involvement of all the participants who are assigned various roles such as sub-group leader, recorder, summarizer, presenter etc. A fourth advantage of the LSIE is that the group emphasizes on extensive on-the-spot documentation of viewpoints expressed by people. Finally, the method culminates in the entire large group addressing to the common issues. At this stage, priority is to be set on areas of intervention and a plan of action is drawn and accepted based on voting by members, thereby building commitment of all the participants to implement the

agreed upon plans. A disadvantage of the method could be that it requires a lot of volunteers to assist the proceedings.

15. Personal Coaching Method:

It is an on-the-job approach in which a manager has the opportunity to teach an employee, usually his immediate subordinate, on a one-to-one basis. Coaching is helping self and others gain new perspectives their intentions and behaviors, to understand what's possible and how to access inner resources such as motivation, commitment, passion, etc. as a coach, the supervisor gently confronts employees with their shortcomings and makes suggestions for corrective actions. The supervisor is also alert to encouraging good performance. Coaching is considered to be one of the most effective management development techniques. Constant guidance makes the trainee learn quickly.

16. Mentoring Method:

Mentoring is an on-the-job approach to training in which the trainee is given an opportunity to learn on a one-to-one basis from more experienced members of the organization. The mentor is usually an older, experienced executive who serves as a host, friend, confidant and advisor to a new member of the firm. The mentor is given the charge of protecting and responsibility of helping the new employee. The relationship may be formally planned or it may develop informally.

For mentoring to be productive, the parties' interests must be compatible and they must understand each other's learning styles and personalities. If mentors form overly strong bonds with trainees, unwarranted favoritism might result. A highly successful mentor- protégé relationship might create feelings of jealousy among other colleagues who are not able to show equally good results out of the mentoring process.

17. Job Rotation Method:

This method of training involves the shifting of trainees from one job to

another so as to widen their exposure and enable them to obtain a general understanding of the totality of the organization. Besides helping them to overcome boredom, job rotation permits direct interaction with a large number of individuals within the organization, thereby facilitating future working relationships. The method should be used at sufficient gaps to permit the development of a strong degree of expertise in the trainee in an assigned position. Care should be taken by the organization to ensure that work efficiency does not suffer when a few trainees are rotate into new jobs where they would be taking time to learn and perform. There could be some disadvantages of using the method of Job Rotation.

Trainees have to be prepared to face contrasting styles of operation and standards that vary according to superiors. Some trainees might feel more like visiting casual observers in the departments than being a part of the workforce, which would negate the purpose of job rotation. Employees who are looking for more challenging assignments might feel frustrated when asked to perform different kinds of simple jobs at the same level.

18. **Computer-Based Training (CBT) Method:**

CBT is a technology-driven training method that takes full advantage of the speed, memory and data manipulation capabilities of the computer for greater flexibility of instruction. It involves the trainee sitting in front of a computer terminal rather than listening to an instructor. Learning is enhanced through presentations combining automation, stereophonic sound, full motion video and graphics. Increased speed and decreased dependence on instructor are the strengths of this method. Computer-Managed Instructions (CMI) is a system that automatically generates and scores tests, tracks trainees' performance and prescribes activities for students. An orderly, step-by-step manner is possible by using this method. As additional advantages, CBT allows reuse of the program for any number of time and allows for varying time for fast and slow learners.

But CBT method cannot reduce the learner's anxiety and fear, which can be done only by a trained instructor. CBT is well suited for teaching facts but is less useful for teaching human skills or changing attitudes.

19. Behavior Modeling Method:

This method involves emulation of behavior from a reference group or a role model whose behavior is shown live before the trainees or by using videotapes or Compact discs (VCD). The method entails recording and producing events or situations with clear descriptions in order to cover certain subjects. The footage could be viewed, reviewed and discussed to enhance learning quality. The advantages of using this method are many. Many events and discussions can be put on one tape or CD. It is a handy method for small firms that cannot afford more expensive approaches. It is particularly helpful for first-line supervisors.

Observing a powerful model in the audiovisual form could help learn activities like mediating during conflict situations, handling customer complaints and grievances. The challenges involved in using the method include the high level of one-time production costs in the initial stage. Moreover, projectors and other expensive gadgets would be required along with continuous power supply.

20. Internship Method:

Internships involve placing young college and university students in temporary jobs in which they can earn while they learn, with no obligations towards any regular employment from the side of the employer or from the trainee. Such an arrangement enables to provide a fresher the much-needed exposure to an organization and also to determine the person organization fit. Students divide their attention between academic activities and practical work assignments, which help them to internalize the theory and practices. However, care must be taken to prevent the whole process from getting reduced to the fulfillment of merely an academic requirement rather than being treated as a stepping-stone towards an illustrious career.

21. Development Centre Method:

This method is designed based on the structure, styles and contents of assessment centres used to assess the potential of an individual to meet the demands of a higher-level managerial position. Multiple facilitators observe the members performing multiple tasks according to multiple criteria, using multiple methods. However, the difference in development centers is that they focus their attention on helping to improve the potential of the persons participating in the sessions. This method of training is found effective in building leadership, decision-making, goal setting and counseling skills in experienced trainees.

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3.1 INTRODUCTION

Organizing is the management functions that focus on allocating and arranging the human and non-human resources to carry out their task successfully. It also concerned with building, developing and maintaining working relationship.

Definition:

Masco , Albert says that organizing is the process of establishing a structure for the organization, so that it helps the manpower of organization to function systematically, to fulfill the organization goal effectively.

Theo Hayman defined as the organizing is the process of defining and grouping the activities of an enterprise and establishing the authority relationship among them.

Organization is the process by which individuals, groups and facilities are combined in a formal structure of tasks and authority," said by Adam smith

Types of organization

- Line organization / military organization
- Functional organization
- Line and staff organization
- Matrix organization
- Committee organization

Principles of organization

a) Objective
b) Span of control
c) Scalar principle
d) Unity of command
e) Unity of direction
f) Responsibility and authority
g) Division of work

h) Line and staff relationship.

i) Effective communication

j) Balance and flexibility.

3.1.1 NATURE OF ORGANIZATION

The following are the important characteristics of organization.

(a) Specialization and division of work

The entire philosophy of organization is centered on the concepts of specialization and division of work. The division of work is assigning responsibility for each organizational component to a specific individual or group thereof. It becomes specialization when the responsibility for a specific task lies with a designated expert in that field. The efforts of the operatives are coordinated to allow the process at hand to function correctly. Certain operatives occupy positions of management at various points in the process to ensure coordination.

(b) Orientation towards goals

Every organization has its own purposes and objectives. Organizing is the function employed to achieve the overall goals of the organization. Organization harmonizes the individual goals of the employees with overall objectives of the firm.

(c) Composition of individuals and groups

Individuals form a group and the groups form an organization. Thus, organization is the composition of individual and groups. Individuals are grouped into departments and their work is coordinated and directed towards organizational goals.

(d) Differentiated functions

The organization divides the entire work and assigns the tasks to individuals in order to achieve the organizational objectives; each one has to perform a different task and tasks of one individual must be coordinated with the tasks of

Others. Collecting these tasks at the final stage is called integration.

(e) Continuity

An organization is a group of people with a defined relationship in which they work together to achieve the goals of that organization. This relationship does not come to end after completing each task. Organization is a never ending process.

3.1.2 PURPOSE OF ORGANIZATION

(a) Helps to achieve organizational goal

Organization is employed to achieve the overall objectives of business firms. Organization focuses attention of individual's objectives towards overall objectives.

(b) Optimum use of resources

To make optimum use of resources such as men, material, money, machine and method, it is necessary to design an organization properly. Work should be divided and right people should be given right jobs to reduce the wastage of resources in an organization.

(c) To perform managerial function

Planning, Organizing, Staffing, Directing and Controlling cannot be implemented without proper organization.

(d) Facilitates growth and diversification

A good organization structure is essential for expanding business activity. Organization structure determines the input resources needed for expansion of a business activity similarly organization is essential for product diversification such as establishing a new product line.

(e) Human treatment of employees

Organization has to operate for the betterment of employees and must not encourage monotony of work due to higher degree of specialization. Now, organic has adapted the modern concept of systems approach based on

Human relations and it discards the traditional productivity and specialization approach.

3.1.3 FORMAL ORGANISATION

Formal organization is a well-defined structure of authority and responsibility that defines delegation of authority and relationships amongst various organizational members. It works along pre-defined sets of policies, plans, procedures, schedules and programmers. Most of the decisions in a formal organization are based on predetermined policies. Formal organisation is a deliberately designed structure with formal authority, responsibility, rules, regulations and channels of communication.

Characteristics of a formal organization

- Well defined rules and regulation
- Determined objectives and policies
- Status symbol
- Limitation on the activities of the individual
- Strict observance of the principle of co-ordination
- Messages are communicated through scalar chain

It is to best attain the objectives of the enterprise.

Advantages of Formal Organization:

1. **Systematic Working:**

Formal organization structure results in systematic and smooth functioning of an organization.

2. **Achievement of Organizational Objectives:**

Formal organizational structure is established to achieve organizational objectives.

3. **No Overlapping of Work:**

In formal organization structure work is systematically divided among several of

4. Co-ordination:

Formal organizational structure results in coordinating the activities of various departments.

5. Creation of Chain of Command:

Formal organizational structure clearly defines superior subordinate relationship, i.e., who reports to whom.

6. More Emphasis on Work:

Formal organizational structure lays more emphasis on work than interpersonal relations.

Disadvantages of Formal Organization:

1. Delay in Action:

While following scalar chain and chain of command actions get delayed in formal structure.

2. Ignores Social Needs of Employees:

Formal organizational structure does not give importance to psychological and social need of employees which may lead to demotivation of employees.

3. Emphasis on Work Only:

Formal organizational structure gives importance to work only; it ignores human relations, creativity, talents, etc.

Theories of Formal Organization

Organization theory is the study of organizations and people and groups working in them. There is no unified set of organization theory that provides insight into organization principles and practices. Different theories have evolved over a period of time with different sets of assumptions and features.

Organizational theories are classified as follows:

1. Classical Theory

2. Human and Participative Theories

3. Contingency Theory

Classical Theory of Formal Organization

It focuses on structure, design and features of the organization like specialization, scalar chain, depart mentation, span of control, centralization / decentralization etc. The structure is created and people are appointed to run the various departments. It considers organizations as closed system with very little or no interaction with the environmental forces. It emphasizes on tasks more than people.

Important factors of classical theories of organization

- Hierarchy of authority,

- Division of work,

- Specialization,

- Impersonal relations,

- Narrow span of control etc.

- People work only if they are directed to work. They do not assume responsibilities on their own.

- Formal plans, motivational factors and communication channels are designed to get the work done through subordinates

- It achieves efficiency at the cost of social dissatisfaction.

- It emphasizes on division of work as a means to improve workers" performance.

- It views unity of control as the basis for achieving coordination amongst varied activities of organizational members.

Human and Participation Theories of Formal Organization

The classical theory of organization was opposed in 1950"s when the behavioral theories emerged on the management scenario. The classical theory was criticized for being highly mechanistic, formal and impersonal. Hawthorne

Experiments conducted by Elton Mayo supported social and informal interactions amongst work groups to increase organizational efficiency. The human theories focused on people as means to achieve the tasks. These theories characterized a shift from task - oriented approach to people - oriented approach for achieving the organizational goals.

Contingency Theory

Classical and Participative theories are not unrealistic. However, managers may choose a theory which consists of features from both to adapt the organization to its surrounding environment. The contingency theory identifies four factors that affect manager's choice of a theory.

- **Nature of people**: People, who are lazy, lack responsibility, do not wish to work on their own, prefer to be led and guided, and prefer to be governed by the classical theory of organization. People, who enjoy their work, wish to seek greater responsibility, exercise self-direction show better results if managers adopt participative theory to organizing.

- **Type of task and technology**: Classical form of organization is preferred for producing goods through mass production technology while participative theory is more suitable where job-order (small scale) or continuous technology is adopted.

- **The environment** : Firms which operate in dynamic environment are more flexible in their operations and, therefore, adopt a participative theory while firms operating in a stable environment show better results when they work according to principles of classical organization.

- **Degree of change and uncertainty**: Change in people's attitudes, perception and knowledge from simple to complex shifts the organization structure from classical to participative.

As society moves from underdevelopment to development, managers become educated, trained and skilled lab our is available in abundant supply, the

General level of education and specialization increases and, therefore, a shift from classical to participative organization structure is observed.

FACTORS AFFECTING CONTINGENCY THEORY

Features	Classical theory	Participative theory
Nature of people	Lazy, with litter or no desire to assume additional responsibility	Active with desire to assume and seek additional responsibility
Technology	Mass – Production technology	Job-order and continuous technology
Environment	Stable	Dynamic
Change	Not observed	Observed in the internal and external environment

3.1.4 INFORMAL ORGANISATION

As the formal organization grows in size, parallel existence of informal relationships along with formal relationships becomes unavoidable. They arise because of inevitable social and personal needs of individuals which cannot be satisfied by the principles of formal organizations. They represent non-planned, unofficial, social interactions amongst people working in formal structures. They arise out of common interests of people. These organizations are not governed by formal set of principles but nevertheless, are an important and integral part of formal organizations.

Features of informal organization:

(1) Informal organizational structure gets created automatically without any intended efforts of managers.

(2) Informal organizational structure is formed by the employees to get psychological satisfaction.

(3) Informal organizational structure does not follow any fixed path of flow of

Authority or communication.

(4) Source of information cannot be known under informal structure as any person can communicate with anyone in the organization.

(5) The existence of informal organizational structure depends on the formal organization structure.

Benefits of Informal Organization

1. Promotes social and cultural values
2. Relief to top managers
3. Supplement to managers" capacities
4. Social satisfaction and security
5. Communication
6. Better relationships
7. Solve work-related problems
8. Promotes creativity
9. Self-control
10. Restraint on manager's discretion
11. Social satisfaction
12. Quick feedback to managers

Drawback of Informal Organization

1. **Spread Rumors:**

According to a survey 70% of information spread through informal organizational structure are rumors which may mislead the employees.

2. **No Systematic Working:**

Informal structure does not form a structure for smooth working of an organization.

3. **May Bring Negative Results:**

If informal organization opposes the policies and changes of management, then it becomes very difficult to implement them in organization.

4. **More Emphasis to Individual Interest:**

Informal structure gives more importance to satisfaction of individual interest as compared to organizational interest.

Comparison of formal and informal organization

Sl. No.	Nature	Formal organization	Informal Organization
1	Structure	Formally structured Authority – responsibility Relationships	Spontaneous reaction to formally structured organization. No formal Structure
2	Emphasis	Official authority – responsibility structure	People and their relationship
3	Power	It is attached to position	It is attached to person
4	Chain of command	The chain is respected and authority is delegated by the top management	The authority comes from personal knowledge and skills of group leaders and is given By the group itself.
5	Goals	Organizational goals are considered important	Individual goals may clash with organizational goals
6	Stability	They are stable; not affected by incomings and out goings of organizational members	Change in members can lead to instability
7	Flexibility	Not flexible; cannot be easily changed. Members interact with each other on the basis of the job positions	Highly flexible
8	Social acceptance	They arise out of formal authority-responsibility structure	They arise out of social norms of acceptance and recognition

| 9 | Formation | They are deliberately created by managers | They are created by members to achieve their personal goals |
| 10 | Purpose (objective) | They are formed to achieve formal organizational goals | Their objective is to achieve social satisfaction |

3.5 PERFORMANCE MANAGEMENT

Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Performance management is a whole work system that begins when a job is defined as needed. It ends when an employee leaves your organization.

A performance management system includes the following actions.

- Developing clear job descriptions and employee performance plans which includes the key result areas (KRA') and performance indicators.

- Selection of right set of people by implementing an appropriate selection process.

- Negotiating requirements and performance standards for measuring the outcome and overall productivity against the predefined benchmarks.

- Providing continuous coaching and feedback during the period of delivery of performance.

- Identifying the training and development needs by measuring the outcomes achieved against the set standards and implementing effective development programs for improvement.

- Holding quarterly performance development discussions and evaluating employee performance on the basis of performance plans.

- Designing effective compensation and reward systems for recognizing those employees who excel in their jobs by achieving the set standards in accordance with the performance plans or rather exceed the performance benchmarks.

- Providing promotional/career development support and guidance to the employees.

- Performing exit interviews for understanding the cause of employee discontentment and thereafter exit from an organization.

The major objectives of performance management are discussed below:

- To enable the employees towards achievement of superior standards of work performance.

- To help the employees in identifying the knowledge and skills required for performing the job efficiently as this would drive their focus towards performing the right task in the right way.

- Boosting the performance of the employees by encouraging employee empowerment, motivation and implementation of an effective reward mechanism.

- Promoting a two way system of communication between the supervisors and the employees for clarifying expectations about the roles and accountabilities, communicating the functional and organizational goals, providing a regular and a transparent feedback for improving employee performance and continuous coaching.

- Identifying the barriers to effective performance and resolving those barriers through constant monitoring, coaching and development interventions.

- Creating a basis for several administrative decisions strategic planning, succession planning, promotions and performance based payment.

- Promoting personal growth and advancement in the career of the employees by helping them in acquiring the desired knowledge and skills.

The performance management process evolved in several phases.

First Phase: The origin of performance management can be traced in the early 1960's when the performance appraisal systems were in practice. During this period, Annual Confidential Reports (ACR's) which was also known as Employee service Records were maintained for controlling the behaviors of the employees and these reports provided substantial information on the performance of the employees.

Any negative comment or a remark in the ESR or ACR used to adversely affect the prospects of career growth of an employee. The assessments were usually done for ten traits on a five or a ten point rating scale basis. These traits were job knowledge, sincerity, dynamism, punctuality, leadership, loyalty, etc. The remarks of these reports were never communicated to the employees and strict confidentiality was maintained

In the entire process. The employees used to remain in absolute darkness due to the absence of a transparent mechanism of feedback and communication. This system had suffered from many drawbacks.

Second Phase: This phase continued from late 1960's till early 1970's, and the key hallmark of this phase was that whatever adverse remarks were incorporated in the performance reports were communicated to the employees so that they could take corrective actions for overcoming such deficiencies. In this process of appraising the performance, the reviewing officer used to enjoy a discretionary power of overruling the ratings given by the reporting officer. The employees usually used to get a formal written communication on their identified areas of improvements if the rating for any specific trait used to be below 33%.

Third Phase: In this phase the term ACR was replaced by performance appraisal. One of the key changes that were introduced in this stage was that the employees were permitted to describe their accomplishments in the confidential performance reports. The employees were allowed to describe their accomplishments in the self-appraisal forms in the end of a year. Besides inclusion of the traits in the rating scale, several new components were considered by many organizations which could measure the productivity and performance of an employee in quantifiable terms such as targets achieved, etc. Certain organizations also introduced a new section on training needs in the appraisal form. However, the confidentiality element was still being maintained and the entire process continued to be control oriented instead of being development oriented.

Fourth Phase: This phase started in mid-1970's and its origin was in India as great business tycoons like Larsen & Toubro, followed by State Bank of India and many others introduced appreciable reforms in this field.

In this phase, the appraisal process was more development driven, target based (performance based), participative and open instead of being treated as a confidential process. The system focused on performance planning, review and development of an

Employee by following a methodical approach.

In the entire process, the appraise (employee) and the reporting officer mutually decided upon the key result areas in the beginning of a year and reviewed it after every six months. In the review period various issues such as factors affecting the performance, training needs of an employee, newer targets and also the ratings were discussed with the appraise in a collaborative environment.

This phase was a welcoming change in the area of performance management and many organizations introduced a new HR department for taking care of the developmental issues of the organization.

Fifth Phase: This phase was characterized by maturity in approach of handling people's issues. It was more performance driven and emphasis was on development, planning and improvement. Utmost importance was given to culture building, team appraisals and quality circles were established for assessing the improvement in the overall employee productivity.

Any effective performance management system includes the following components:

Performance Planning: Performance planning is the first crucial component of any performance management process which forms the basis of performance appraisals. Performance planning is jointly done by the appraise and also the reviewed in the beginning of a performance session. During this period, the employees decide upon the targets and the key performance areas which can be performed over a year within the performance budget. Which is finalized after a mutual agreement between the reporting officer and the employee.

Performance Appraisal and Reviewing: The appraisals are normally performed twice in a year in an organization in the form of mid reviews and annual reviews which is held in the end of the financial year. In this process, the appraise first offers the self-filled up ratings in the self-appraisal form and also describes his/her achievements over a period of time in quantifiable terms. After the self appraisal, the

Final ratings are provided by the appraiser for the quantifiable and measurable achievements of the employee being appraised. The entire process of review seeks an active participation of both the employee and the appraiser for analyzing the causes of loopholes in the performance and how it can be overcome. This has been discussed in the performance feedback section.

Feedback on the Performance followed by personal counseling and performance facilitation: Feedback and counseling is given a lot of importance in the performance management process. This is the stage in which the employee acquires awareness from the appraiser about the areas of improvements and also information on whether the employee is contributing the expected levels of performance or not. The employee receives an open and a very transparent feedback and along with this the training and development needs of the employee is also identified. The appraiser adopts all the possible steps to ensure that the employee meets the expected outcomes for an organization through effective personal counseling and guidance, mentoring and representing the employee in training programmers which develop the competencies and improve the overall productivity.

Rewarding good performance: This is a very vital component as it will determine the work motivation of an employee. During this stage, an employee is publicly recognized for good performance and is rewarded. This stage is very sensitive for an employee as this may have a direct influence on the self-esteem and achievement orientation. Any contributions duly recognized by an organization helps an employee in coping up with the failures successfully and satisfies the need for affection.

Performance Improvement Plans: In this stage, fresh set of goals are established for an employee and new deadline is provided for accomplishing those objectives. The employee is clearly communicated about the areas in which the employee is expected to improve and a stipulated deadline is also assigned within which the employee must show this improvement. This plan is jointly developed by the appraise and the

Appraiser and is mutually approved. The bellow Fig 1 shows Components of Performance Management.

Potential Appraisal: Potential appraisal forms a basis for both lateral and vertical movement of employees. By implementing competency mapping and various assessment techniques, potential appraisal is performed. Potential appraisal provides crucial inputs for succession planning and job rotation.

Fig 1 Components of Performance Management

Source: Stephen P. Robbins & Mary Coulter, ―Management‖, Prentice Hall (India) Pvt. Ltd., 10th Edition, 2009.

An effectively implemented performance management system can benefit the organization, managers and employees in several ways as depicted in the table given below:

Organization's Benefits

Improved organizational performance, employee retention and loyalty, improved productivity, overcoming the barriers to communication, clear accountabilities, and cost advantages.

Manager's Benefits

Saves time and reduces conflicts, ensures efficiency and consistency in performance.

Employee's Benefits

Clarifies expectations of the employees, self-assessment opportunities clarifies the job accountabilities and contributes to improved performance, clearly defines career paths and promotes job satisfaction.

Clearly defined goals, regular assessments of individual performance and the company wide requirements can be helpful in defining the corporate competencies and the major skill gaps which may in turn serve as a useful input for designing the training and development plans for the employees. A sound performance management system can serve two crucial objectives:

Evaluation Objectives

- By evaluating the readiness of the employees for taking up higher responsibilities.
- By providing a feedback to the employees on their current competencies and the need for improvement.
- By linking the performance with scope of promotions, incentives, rewards and career development.

Developmental Objectives

The developmental objective is fulfilled by defining the training requirements of the employees based on the results of the reviews and diagnosis of the individual and organizational competencies. Coaching and counseling helps in winning the confidence of the employees and in improving their performance, besides strengthening the relationship between the superior and the subordinate.

In a nutshell, performance management serves as an important tool for realizing organizational goals by implementing competitive HRM strategies. It helps in aligning and integrating the objectives with the KPI's in an organization both vertically and

Horizontally across all job categories and the levels and thus helps in driving all the activities right from the bottom level towards one single goal.

3.5.1 CAREER PLANNING IN AN ORGANIZATION

Career planning is the process by which one selects career goals and the path to these goals. The major focus of career planning is on assisting the employees achieve a better match between personal goals and the opportunities that are realistically available in the organization.

Career planning is not an event or end in itself, but a continuous process of developing human resources for achieving optimum results. It must, however, be noted that individual and organizational careers are not separate and distinct. A person who is not able to translate his career plan into action within the organization may probably quit the job, if he has a choice. Organizations, therefore, should help employees in career planning so that both can satisfy each other's needs.

Career Planning vs. Human Resource Planning

Human Resource planning is the process of analyzing and estimating the need for and availability of employees. Through Human Resource planning, the Personnel Department is able to prepare a summary of skills and potentials available within the organization.

Career planning assists in finding those employees who could be groomed for higher level positions, on the strength of their performance.

Human Resource planning gives valuable information about the availability of human resources for expansion, growth, etc. (expansion of facilities, construction of a new plant, opening a new branch, launching a new product, etc.). On the other hand, career planning only gives us a picture of who could succeed in case any major developments leading to retirement, death, resignation of existing employees.

Human Resource planning is tied to the overall strategic planning efforts of the organization. There cannot be an effective manpower planning, if career planning is not carried out properly.

Need for Career Planning

Every employee has a desire to grow and scale new heights in his workplace continuously. If there are enough opportunities, he can pursue his career goals and exploit his potential fully. He feels highly motivated when the organization shows him a clear path as to how he can meet his personal ambitions while trying to realize corporate goals.

Unfortunately, as pointed out by John Leach, organizations do not pay adequate attention to this aspect in actual practice for a variety of reasons. The demands of employees are not matched with organizational needs; no effort is made to show how the employees can grow within certain limits, what happens to an employee five years down the line if he does well, whether the organization is trying to offer mere jobs or long-lasting careers, etc. When recognition does not come in time for meritorious performance and a certain amount of confusion prevails in the minds of employees whether they are 'in' with a chance to grow or not, they look for greener pastures outside. Key executives leave in frustration and the organization suffers badly when turnover figures rise. Any recruitment effort made in panic to fill the vacancies is not going to be effective. So, the absence of a career plan is going to make a big difference to both the employees and the organization. Employees do not get right breaks at a right time; their morale will be low and they are always on their toes trying to find escape routes.

Organizations are not going to benefit from high employee turnover. New employees mean additional selection and training costs. Bridging the gaps through short-term replacements is not going to pay in terms of productivity. Organizations, therefore, try to put their career plans in place and educate employees about the opportunities that exist internally for talented people. Without such a progressive outlook, organizations cannot prosper.

Objectives

Career planning seeks to meet the following objectives:

- Attract and retain talent by offering careers, not jobs.

- Use human resources effectively and achieve greater productivity.

- Reduce employee turnover.

- Improve employee morale and motivation.

- Meet the immediate and future human resource needs of the organization on a timely basis

Career Planning Process

The career planning process involves the following steps:

1. **Identifying individual needs and aspirations:**

    Most individuals do not have a clear cut idea about their career aspirations, anchors and goals. The human resource professionals must, therefore, help an employee by providing as much information as possible showing what kind of work would suit the employee most, taking his skills, experience, and aptitude into account. Such assistance is extended through workshops/seminars while the employees are subjected to psychological testing, simulation exercises, etc.

    The basic purpose of such an exercise is to help an employee form a clear view about what he should do to build his career within the company. Workshops and seminars increase employee interest by showing the value of career planning. They help employees set career goals, identify career paths and uncover specific career development activities (discussed later). These individual efforts may be supplemented by printed or taped information. To assist employees in a better way, organizations construct a data bank consisting of information on the career histories, skill evaluations and career preferences of its employees (known as skill or talent inventory).

2. **Analyzing career opportunities:**

Once career needs and aspirations of employees are known, the organization has to provide career paths for each position. Career paths show career progression possibilities clearly. They indicate the various positions that one could hold over a period of time, if one is able to perform well. Career paths change over time, of course, in tune with employee's needs and organizational requirements. While outlining career paths, the claims of experienced persons lacking professional degrees and that of young recruits with excellent degrees but without experience need to be balanced properly.

3. **Aligning needs and opportunities:**

After employees have identified their needs and have realized the existence of career opportunities the remaining problem is one of alignment. This process consists of two steps: first, identify the potential of employees and then undertake career development programmers (discussed later on elaborately) with a view to align employee needs and organizational opportunities. Through performance appraisal, the potential of employees can be assessed to some extent. Such an appraisal would help reveal employees who need further training, employees who can take up added responsibilities, etc. After identifying the potential of employees certain developmental techniques such as special assignments, planned position rotation, supervisory coaching, job enrichment, understudy programs can be undertaken to update employee knowledge and skills.

4. **Action plans and periodic review:**

The matching process would uncover gaps. These need to be bridged through individual career development efforts and organization supported efforts from time to time. After initiating these steps, it is necessary to review the whole thing every now and then. This will help the employee know in which direction he is moving, what changes are likely to take place, what kind of skills are needed to face new and emerging organizational challenges. From an organizational

standpoint also, it is necessary to find out how employees are doing, what are their goals and aspirations, whether the career paths are in tune with individual needs and serve the overall corporate objectives, etc. The bellow Fig 2 shows the Carrier Path Way.
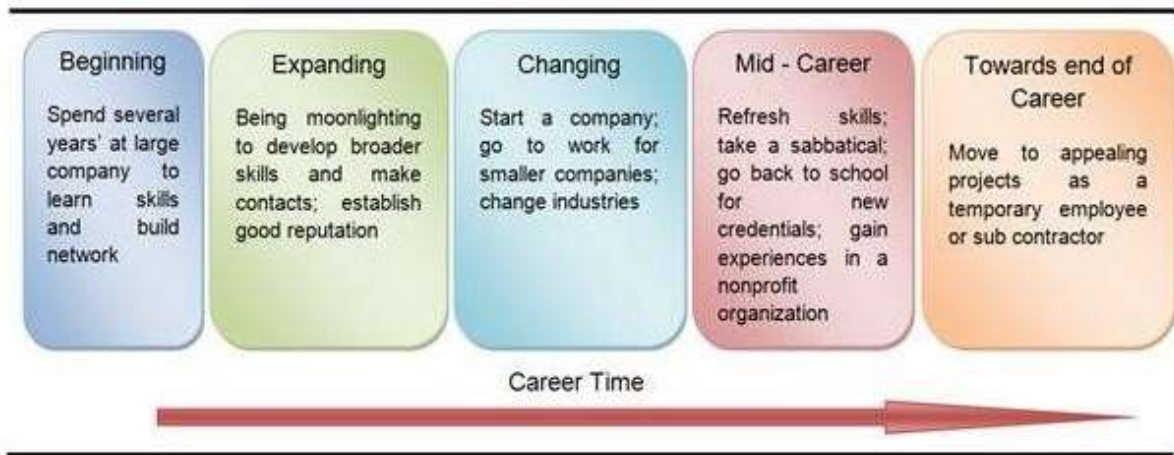
Fig 2 Carrier Path Way

Source: Stephen P. Robbins & Mary Coulter, ―Management‖, Prentice Hall (India) Pvt. Ltd., 10th Edition, 2009

3.5.1.1 CAREER PLANNING MODELS

There are many models one may use while career planning. The two main models are

1. The SODI Career Planning Model

Given the complexity of career development and the fluidity of the world of work, we need to be able to navigate our career paths with purpose and clarity.

Law and Watts (1977) devised a simple model of career education which has stood the test of time. This model has been changed slightly to become a career planning, rather than a career education model and named the SODI model where the last element is 'implementation' rather than 'transition learning', and 'decision learning' becomes 'decision making and planning'.

The model encapsulates four concepts which are:

Self-awareness – individual having knowledge about and understanding of their own

Personal development. Self-awareness in a careers context involves an understanding of kind of personal resources (both actual and potential) they bring to world.

Opportunity awareness – an understanding of the general structures of the world of work, including career possibilities and alternative pathways.

Decision making and planning – an understanding of how to make career decisions, and being aware of pressures, influences, styles, consequences and goal setting.

Implementing plans – having the appropriate skill level in a range of areas to be able to translate job and career planning into reality

2. Waterloo University Model

The bellow Fig 3 represents Waterloo University Model.
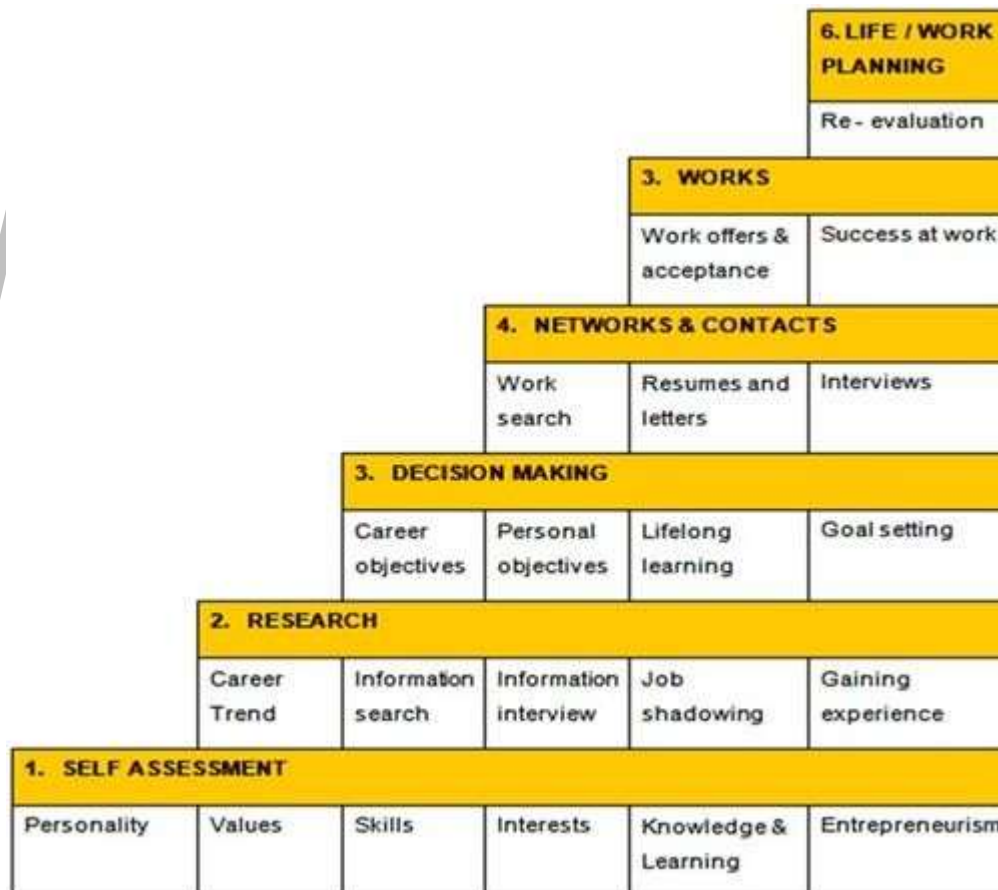
Fig 3 Waterloo University Model

Source: Stephen P. Robbins & Mary Coulter, ―Management‖, Prentice Hall (India) Pvt. Ltd., 10th Edition, 2009

3.5.2 CAREER MANAGEMENT

Career management is the combination of structured planning and the active management choice of one's own professional career.

The outcome of successful career management should include personal fulfillment, work/life balance, goal achievement and financial security.

A career includes all types of employment ranging from semi-skilled through skilled, and semiprofessional to professional. Careers have often been restricted to an employment commitment to a single trade skill, profession or business firm for the entire working life of a person. In recent years, however, a career now includes changes or modifications in employment during the foreseeable future.

The following classification system with minor variations is widely used:

1. Development of overall goals and objectives
2. Development of a strategy   (a general means to accomplish selected goals/objectives)
3. Development of the specific means (policies, rules, procedures and activities) to implement the strategy, and
4. Systematic evaluation of the progress toward the achievement of the selected goals/objectives to modify the strategy, if necessary.

Career management is the process through which employees:

- Become aware of their own interests, values, strengths, and weaknesses
- Obtain information about job opportunities within the company
- Identify career goals
- Establish action plans to achieve career goals

Why Is Career Management Important?

From the company's perspective   the failure to motivate employees to plan their careers can result in:

- A shortage of employees to fill open positions
- Lower employee commitment

- Inappropriate use of duty allocated for training and development programs

5. From the employees' perspective

Lack of career management can result in:

- Frustration

  Feelings of not being valued by the company

- Being unable to find suitable employment should a job change be necessary due to mergers, acquisitions, restructuring, or downsizing

Career Motivation

Career motivation refers to:

- Employees' energy to invest in their careers
- Their awareness of the direction they want their careers to take
- The ability to maintain energy and direction despite barriers they may encounter
  Career motivation has three aspects:
- Career resilience
- The extents to which employees are able to cope with problems affect their work
- Career insight
- How much employees know about their interests, skill strengths, and weaknesses
- The awareness of how these perceptions relate to their career goals
- Career identity

The degree to which employees define their personal values according to their work

Types of career

- Traditional Career
- Sequence of positions held within an occupation
- Context of mobility is within an organization
- Characteristic of the employee
- **Protean Career**
- Frequently changing based on changes in the person and changes in the work environment

o Employees take major responsibility for managing their careers

o Based on self-direction with the goal of psychological success in one's work

Comparison of Traditional Career and Protean Career:

Dimension	Traditional Career	Protean Career
Goal	Promotion Salary increase	Psychological success
Psychological contract	Security for commitment	Employability for flexibility
Mobility	Vertical	Lateral
Responsibility for Management	Company	Employee
Pattern	Linear and expert	Spiral and transitory
Expertise	Know how	Learn how
Development	Heavy reliance on formal training	Greater reliance on relationships and job experiences

Career Management Process:

The bellow Fig 4 Shows the Career Management Process.
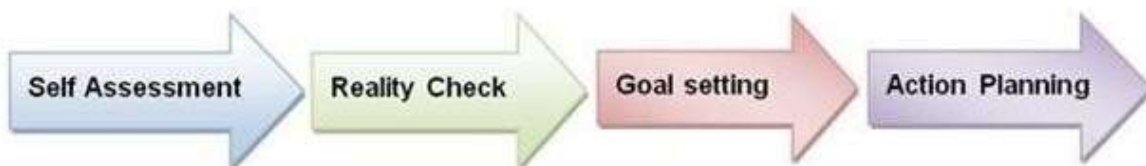
Fig 4 Career Management Process

Source: Stephen P. Robbins & Mary Coulter, ―Management‖, Prentice Hall (India) Pvt. Ltd., 10th Edition, 2009

- **Self-Assessment**

o Use of information by employees to determine their career interests, values, aptitudes, and behavioral tendencies

o Often involves psychological tests

- **Reality Check**

o Information employees receive about how the company evaluates their skills and knowledge and where they fit into company plans

- **Goal Setting**

o The process of employees developing short- and long- term career objectives

o Usually discussed with the manager and written into a development plan

- **Action Planning**

o Employees determining how they will achieve their short- and long-term career goals

Employees' Role in career management

o Take the initiative to ask for feedback from managers and peers regarding their skill strengths and weaknesses Identify their stage of career development and development needs

o Seek challenges by gaining exposure to a range of learning opportunities

o Interact with employees from different work groups inside and outside the company

o Create visibility through good performance

Managers' Role in Career Management

Roles	Responsibilities
Coach	Probe problems, interests, values, needs Listen
	Clarify concerns
	Define concerns

Appraiser	Give feedback
	Clarify company standards
	Clarify job responsibilities
	Clarify company needs
Advisor	Generate options, experiences, and relationships
	Assist in goal setting
	Provide recommendations
Referral agent	Link to career management resources
	Follow up on career management plan

HR Manager's Role in Career Management

- Provide information or advice about training and development opportunities

- Provide specialized services such as testing to determine employees' values, interests, and skills

- Help prepare employees for job searches

- Offer counseling on career-related problems

Company's Role in Career Management

- Companies are responsible for providing employees with the resources needed to be successful in career planning:

o Career workshops

o Information on career and job opportunities

o Career planning workbooks

o Career counseling

o Career paths

Evaluating of career management system

- Career management systems need to be evaluated to ensure that they are meeting the needs of employee and the business

o Two types of outcomes

- ▪ Reactions of the customers (employees and manager) who use the career management system

- ▪ Reactions career management system

- Evaluation of a career management system should be based on its objectives.

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