



MANPOWER MANAGEMENT: HUMAN RESOURCE DRIFTS AND PRACTICE

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Abstract

The nature of the human resource management function in the modern era keeps on changing. Today, human resource management is playing many roles such as strategic business partner, change agent and employee advocate besides being only an administrative expert. As such in the present business context, the working definition of human resource management is 'a philosophy of people management based on the belief that human resources are uniquely important to sustained business success. An organization gains competitive advantage by using its people effectively, drawing on their expertise and ingenuity to meet clearly defined objectives. Human resource management is aimed at recruiting capable, flexible and committed people, managing and rewarding their performance and developing key constituencies'.

The current trend of the industry is to have the best human resource management practices, which can be achieved through getting in right man for the right job. Employees are now treated as the "resources" to the organization as they are "the intellectual capital" of the company. Increasing dependability on the human capital makes it imperative on the part of the management to recheck their human resource practices.

Human Resource is an important resource to any organization, be it for a profit organization or not for profit organization. Without competent human resources the organization will not flourish though it has the best of other resources like physical, financial and informational resources.

The companies Human Resource trends and practices will determine the health of the Human Resources of an organization. They determine to what extent employees are motivated to achieve the goals of the organization, the engagement of employees with the organization, their loyalty and identification with the organization's mission and objectives. In today's dynamic environment organizations are competing through people, hence having good HR practices and methods in place should be of strategic importance to the organizations.

The HR practices and methods employed by an organization should recognize that people are the main source of their competitiveness, should be committed to provide equal employment opportunities not discriminating on the basis of gender, ethnic origins, family background etc. The HR methods and practices should be designed to enrich the quality of life of its employees, develop their potential and maximize their productivity, should be able to attract the best of human resources to the organization, ensure transparency, fairness and equity in all its dealing with its employees. The author discusses' in detail the HR practices and drifts employed by an organization in this article.

INTRODUCTION

The narrative is a well-known one. Organizations increasingly rely on intangibles as the source of their competitive advantage. R&D, brands, customer relationships, not to mention more abstract "potential" like organizational flexibility, are recognized as sources of value creation. Yet, managing these intangibles as assets, in an environment where conventional accounting standards often measures them as costs, is particularly challenging. Nowhere is this challenge more obvious than for what most firms claim to be their most important asset, their people. Senior managers recognize they are in a "war for talent", but they often manage their people assets like overhead (a cost to be minimized). The solution is to manage HR (Human Resources) as a strategic asset and measure HR performance in terms of its strategic impact. This requires a new perspective on what is meant by HR in the organization and a new understanding of how HR creates value in the organization. Both line managers and HR professionals need to think of HR, not in terms of a function, or set of practices, but rather as an "structural design" that must be properly structured and managed in order to create value.

In the following paragraphs the HR practices and drifts employed by an organization are discussed.

HR PRACTICES AND DRIFTS

Manpower Planning

Manpower Planning requires an audit of the existing skill sets and levels possessed by the current employees of an organization. It will give an idea to management about the skill deficiencies and surplus in the organization. Accordingly the organization has to plan for its recruitment and retrenchment activities. In the organization taken for study, Human Resource Planning is not done as a continuous process. It has been done some 30 years back and same continues even now. As and



when the people retire their positions are filled up. No effort is put in to ascertain whether a particular position is required in the present situation or not, neither it is assessed from time to time whether in any area there is a surplus of HR resources. People are selected and placed based on the data which is 30 years old, expect for few minor changes here and there.

Recruitment, Selection and Placement

To deliver excellent results, organizations require people with requisite skills, qualifications, experience and right mental make-up that are in tune with the culture and climate of the organization (Wood & Manwaring, 1994). So recruitment is concerned with attracting the people with right skill set to apply for jobs in the organization (Rao, 2010). In the study organization, advertisement is placed in the local news papers only and there is a restriction that only people belonging to the same region should apply.

Selection in the study organization is a two stage procedure. In the first stage applications are called for in a particular format and necessary documents have to be attached to the application. Short listing of the candidates is done based on their qualifications and relevant experience. The short listed candidates are called for a personnel interview where a panel of interviewers would interview the candidates. Marks are allotted for qualifications, experience and performance in the interview and candidates are selected.

Placement is the actual posting of an employee to a specific job (Rao, 2010). It is done by matching the requirements of the job with the qualifications a person possess. In the study organization placement is done by matching the requirement of the job with the qualifications one has, however the initial posting is often given in a remote location and not in main centers of the organization. The new recruits are put on probation for a period of two years, and after two years based on their self-appraisal and appraisal by the immediate superior probation is declared and the employment of the person will be confirmed.

Induction and Training

The newly recruited employee has to be introduced to the organizational procedures and policies, and should be introduced to the employees with whom he would work in the future (Ilgen & Pulakos). In the study organization induction is not carried on. The newly recruited employee has to directly report to the place of his posting without any initial orientation.

Before the employee starts working on a particular job he has to be given working related training, so that he fits into the system without any hiccups (Patrick, 2000). In the study organization, such kind of training is not given to the new recruits. However, once or twice in a year employees are sent for training programmes based on the availability of training programmes and need assessment by the employees themselves. Trainings are also conducted in house by various departments, however there is no stipulation on the number of training programmes to be conducted by each department.

Transfers and Promotions

Transfer is a change in job assignment or location of the job. It may involve promotion or demotion or no change at all in status and responsibility. In the study organization there is a HR policy that each employee must work at least five years in remote areas and three years in sub-centers. Transfers in the study organization are made when promotions are given, but many times transfers are made to various locations with the same status and responsibilities.

Promotion refers to upward movement of an employee from current job to another that is higher in pay, responsibility and usually organizational level. Usually promotions are merit based or seniority based, each system having its own set of advantages and disadvantages. In the study organization promotions are seniority based, and also performance evaluation based. The performance evaluation is done in a format which has to be filled up by the employee and the views of his/her supervisor are also taken into account. For higher levels, promotions are based on seniority as well as the performance of the candidate reflected in his/her self-appraisal as well as the candidates performance in the interview. Those employees who show a minimum standard of performance are only promoted to the next cadres. Demotion is the downward movement of an employee in the organizational hierarchy. In the study organization demotion policies are not in place.

Separation of The Employee

Employee's separation from the organization occurs in various ways. They are resignation of the employee from the job, retirement, death of the employee, lay off and retrenchment.

An employee may decide to quit an organization voluntarily because of his personal or professional reasons. In the study organization when a employee resigns from the job, he/she should give at least three months of notice to the organization. In



case the employee is unable to serve the organization for the notice period he/she should pay to the organization, salary for three months period, before he is relieved.

Retirement refers to separation of an employee from the organization on his attaining a particular age usually it marks the end of career of an employee. In the study organization retirement age is fixed at sixty years for blue collar jobs and 58 for white collar jobs. There is also a policy of voluntary retirement, where an employee who puts in twenty years of service in the organization may opt for retiring from the job though he/she has not attained the retirement age.

Some employees may die in service, in such cases the spouse/sibling/children of the employee are provided employment on compassionate grounds, however they will not be put in the same cadre in which the employee was present, but the heir should start from the first level in the blue collar category, even though the person who expired was occupying a high level position in white collar category of employees.

Layoff is a temporary removal of an employee from the payroll of an organization due to the reasons which are beyond the control of an employer. It may be due to increasing costs of the organization, reduction in demand for the products, changing technology etc. In the study organization there is no HR policy relating to layoff.

Retrenchment is the permanent termination of an employee's services due to various reasons like surplus staff, poor demand for products, on disciplinary grounds, illness etc. In the study organization retrenchment of employee is a very rare phenomenon. The HR policy states that if an employee is involved in any financial fraud they would be terminated from service by giving three months of notice.

Compensation of Employees

Compensation refers to the wages paid to an employee for the work he does in an organization. Most employees these days expect the wage plan to be in sync with their skills, knowledge and experience. They believe that when they work harder and produce more, they should get a fair share of the cake.

In the time wage system worker is paid on the basis of time spend on the work irrespective of the amount of work done. In piece rate wage system workers are paid at a stipulated rate per piece or unit of output. In the study organization time wage system is followed and payment to the employees is made on monthly basis. All the employees in a particular cadre are paid the same basic pay and variations in pay will be there only based on the seniority. Each year an increment of three percent on the basic pay is given to the employees and no performance parameter is considered in giving this increment and all the employees are given the same percentage of increase in the basic pay irrespective of their cadre.

In the study organization apart from basic pay, employees are paid allowance which will compensate for the increase in prices and thirty percent of the basic pay is paid as house rent allowance. No other variable pay, which refers to cash incentives and year-end bonuses granted to high performers based on their extraordinary contributions to the organization in a specific time period, is granted to the employees.

Disciplinary Action

Discipline, implies orderly behaviour. It is following of rules and regulations by the employees. Without discipline-from the point of view of an organization-it is almost impossible to realize targets, meet deadlines and fulfill promises. Indiscipline amounts to employees engaging in behaviours that are intolerable and highly prohibitive. In the study organization no strict policies are laid down with regard to reckless behaviour like habitually late, showing rudeness towards customers, unprofessional conduct with co-workers etc. However if an employee involves in financial fraud he would be punished by not giving him any further promotions. If the employee still indulges in the same kind of behaviour then he would be terminated from the organization. If the employee misbehaves with women employees, the highest punishment that is given is transfer from his present location. Hence strict rules relating to indiscipline are not in place in the study organization.

Performance Appraisal

Appraising the performance of the employee from time to time is essential because performance appraisal data is useful to decide about promotions, incentives and career paths. Performance appraisal of employees is usually done once in a year or every six months (Weise & Buckley, 1998). Various methods like comparative ranking, group ranking. Behaviorally Anchored Rating Scales etc can be used to appraise the performance of the employees. In the study organization performance appraisal is not done regularly and performance is assessed only when the employee is due for promotion. A particular score card has been developed for assessing the performance of the employee and employees have to self rate themselves according to the score card. The immediate superior also assesses the performance of the employee qualitatively and these two



appraisals i.e. self appraisal and appraisal by the superior are again scrutinized by a panel of experts, and a final score is given to the employee. Performance appraisal is basically used in the study organization for promotion purpose only.

Grievance Handling

Grievance is dissatisfaction and complaints of the employees regarding different procedures and policies of the organization or regarding fellow employees or group of employees (Subba Rao, 2006). To handle grievances certain machinery has to be setup in the organization. All the employees should know what kind of grievance has to be represented at what level, and action one needs to take if the grievance is not solved at a particular level. In the study organization grievance redressal machinery has not been put in place and employees are not given any kind of information regarding what procedure they need to follow to get solution for their problems.

Contract Employees

In the study organization certain posts which are vacant are filled up with contract workers, who are paid based on time wage system. These contract employees are given contract for six months and if the organization and the contract worker are ready to renew the contract after the expiry of six months, they need to take a break of one day in between two contract periods, before their contract is renewed for next six months.

Leaves And Holidays

All the employees in the study organization have to work for at least eight hours in a day and six days in a week. Every permanent employee is entitled to avail fifteen casual leaves in a year. They are also entitled 30 days of earned leave and 20 days of sick leave with half pay. The earned leave provided can be encashed every year for fifteen days and a maximum of 300 earned leaves can be accumulated and compensated for at the time of retirement. For women employees six months maternity leave is provided and for men, two weeks of paternity leave is given. If an employee has exhausted all his leaves, a leave called loss of pay leave is given to the employees, the tenure of which depends on the nature of work the person is handling and necessity of his situation. The period for which an employee avails loss of pay leave is not counted in his service.

HUMAN RESOURCES RELATED PROBLEMS AND ISSUES IN THE ORGANIZATION.

Recruitment in the study organization to a great extent is based on the qualifications one possess and his performance in the interview. However his suitability to the job in terms of his abilities is not taken into account and is not evaluated. Hence many a times though the qualifications are suitable, the skill set one possess and the attitude of the employee will not match with the job requirements, due to this the employees unable to perform well will always be frustrated and the superiors will also be not happy with the employees performance.

In the study organization Human Resource planning is not done on a continuous basis, hence as the positions become vacant they are filled with permanent employees or contract employees without assessing the need for that position in the current situation. Hence positions are filled but some of employees who occupy those positions will not have any work to take up. To engage them in other areas of work would be difficult for the organization as they may not be capable of doing other unrelated works in which they do not possess expertise. Recruiting not based on Human Resource Auditing would also lead to deficiency in certain areas of work and surplus in other areas.

In the study organization once the employee is placed in the organization it is left to him to acclimatize himself with the organization, its procedures and policies, work practices and colleagues. The new recruits face many problems due to this practice. They are not aware what documents they need to submit, what forms they have to fill up and what work they have to take up. This creates lot of confusion in the minds of new recruits and the time for adapting to new job will take longer compared to when employees are given induction. The new recruits should be on probation for a period of two years and after the expiry of the period, employees themselves should represent to the human resource department to declare their probation. Most of the employees will not be aware of this procedure and face difficulties in getting their confirmation. Though they should get their confirmation letters by the end of two years, most of them will only get them at the end of third year, which creates lot of anxiety in the minds of employees.

No work related training is provided to the employees initially when they join the job, hence many employees face difficulties in understanding various aspects of job and in carrying out their duties in the organization. Though employees are sent for training once or twice in a year, it is based on their self need assessment and availability of training programmes and no input is taken from the immediate superior regarding the necessity of the employee to attend the training programme or



the suitability of the employee to the training programme. Hence most often employees attend training programmes as a mandatory requirement to reach the scores required for promotion.

In the study organization though there is a transfer policy that every employee should work in remote areas for five years, most often that rule is not followed in transferring the employees. Those who have got some kind of approach to the higher authorities are favoured and are always posted in the main centres and those who do not have any kind of backing are often transferred from one place to another. This creates a feeling of discrimination among the employees and differences are created at work place. Those who are transferred often would feel that they are targeted and any way they would be transferred and hence they would not perform well.

Promotions are given based on the number of years of work one has put in the organization and are given to the employees who have satisfied minimum criteria of performance. Most often since performance appraisal is not done based on the quality of work but on quantity of work, to get the scores employees would settle for mediocre work. Once the employee reaches the highest cadre there is no performance appraisal since he will not get any more promotions, hence people who reach this level and have only a few years to retire would often find ways and means to avoid work.

If an employee dies on the job, his heir would be provided job in the study organization on compassionate grounds but the job provided would not be based on his qualifications, but whatever may be his qualification he would be provided the lowest cadre job in the blue collar workers category. The employee out of necessity may join but he would not be satisfied if he has higher qualifications than the requirements of the job. The employee also feels humiliated as his father/mother might have occupied a higher position and may have lead a good life, now the employee has to adopt himself to a lower standard of living and also may not feel comfortable interacting with his father/mothers colleagues.

Compensation to the employees is seniority based and not merit based, hence there is no incentive for an employee to performance better and those employees who put in good performance than others feel frustrated since there is no recognition to their work either in terms of incentives or promotions. Disciplinary action is not initiated in most of the cases of indiscipline and employees are very casual about the acts of indiscipline they commit. For example if a women employee complaints against her male colleague about misbehavior, no action is initiated or no inquiry is made, only if the mistake is grave the employees are transferred to other locations on the same post. This will make indiscipline habitual for those employees who are not self-disciplined.

The format adopted to assess the performance of the employees is standardized and is not tailor made to each kind of job in the organization. Hence those employees whose jobs differ from the format are at disadvantage in scoring good marks in the performance appraisal. Job analysis is not done for any job, and performance parameters are decided arbitrarily without any scientific basis. Performance appraisal is done only at the time of promotions; hence regular feedback to the employees with respect to their performance is not available. This creates a feeling of complacency as employees do not know whether their performance is up to the mark or not.

Grievance handling machinery is not present and employees complaints are not taken seriously by the administration, hence employees usually share their complaints with colleagues and feel frustrated. Since employees complaints are not addressed they will be dissatisfied and their dissatisfaction would definitely creep into their work area.

The most problematic area in the study organization is the employment policies relating to contract employees. These employees are hired for six months and are paid very low wages, there is no comparison between the wages drawn by permanent employees and contract employees for the same kind of job. Since these employees are not given assure about their continuity of employment, they cannot work with long term focus on the work they take up. Their renewal of contract is completely dependent on their immediate boss and not performance based, hence they have to work at the mercy of their immediate superior and satisfy him rather than work for attaining organizational goals. These employees names are also not noted exactly and since there is a break in the service as they need to take one day break from employment every six months, they cannot get experience certificate for the number of years they have worked, which would be a hindrance for their career development.

The Second major problem with the study organization is the Human Resource policy concerning the appointment of department heads. The senior most person in the department is made head of the department and he would be in that position till he retires. This creates a problem has no other person has chance to become the head, though he/she may be only few months, sometimes days less senior than the employee who is designated as head. This system also creates problems because



to bring in new thoughts and ideas apart from what the head believes in is very difficult, and this sometimes leads to stagnation in the work of the department.

HUMAN RESOURCE STRATEGIES TO SOLVE THE HR RELATED PROBLEMS FACED BY THE ORGANIZATION

Human resource planning must be taken up immediately in the organization as without proper planning and auditing efficient utilization of human resources is not possible. To place a person in the job that is a right match with his abilities we require human resource planning and auditing. Auditing of human resources is required to know the surplus areas as well as deficient areas, so that human resource can be reallocated in the organization.

The advertisement for the recruitment is placed by the study organization only in local newspapers hence wide publicity is not possible. Recruiting candidates from different regions would also infuse new blood into the organization and bring in new perspectives in the organization. Organizations should definitely have an induction programme, where in employees are told about the policies and procedures that are followed in the organization and also culture and climate of the organization. They should also be made aware about the work that goes on in the department they are allotted to and their role in the organization.

It is very important for every new recruitee to know certain basic things about the organization he has joined. Hence the study organization should definitely have a induction programme, where in employees are told about the policies and procedures that are followed in the organization and also culture and climate of the organization. They should also be made aware about the work that goes on in the department they are allotted to and their role in the organization. Unless the induction programme is well structured and well executed it would be difficult for the new recruitees to be clear about the role they need to play in the organization and their roles relation to other related areas of work, contribution of their role to the departmental goals.

Training needs assessment is an important area which should be taken up immediately by the organization. Scientific and well proved techniques for training needs assessment should be adopted by the organization. Employees must be send to training programmes based on need assessment and not arbitrarily. Need based training would benefit the organization, as required skills would be developed among the employees and it would also lead to cost saving as employees will not attend training programmes just to fill the mandatory requirements with respect to the number of trainings they need to attend to be eligible for promotions. Hand picking of the employees to attend training programmes based on needs assessment would inculcate seriousness about training programmes among the employees, and they would attend training programmes to learn and improve their skills rather than to relax, it would also help the employees to plan their career better.

Though transfers are essential for functioning of the organization, the rules on which transfers are based should be similar to all employees and they should be followed in letter and spirit. This would benefit both the organization and the employees. Employees will have clarity about their postings and they would plan their life accordingly, organization will benefit as employees will not resist transfers and the employees would also not be frustrated due to indiscriminate transfers. Employees should be created awareness about the transfer policy of the organization at the time of their induction in to the organization. Control measures should be developed to see that the people who decide about transfers do not indulge in any malpractices.

Compensation in the study organization is seniority based, hence no incentive is given for good performance. A system where in a guaranteed amount of pay is given based on time wage system and variable pay which is given based on the performance of the employees can be adopted, by which due importance is given to seniority as well as good performance is encouraged. When employees are hired on contract basis it should be seen that their salaries match with the permanent employees doing the same kind of work, though other benefits like pension scheme, earned leaves, medical benefits are not extended to them. To implement a variable pay structure performance appraisal methods suitable for assessing the kind of work employees take up have to be designed.

Performance appraisal should be done every year and not just the self-appraisal of the employee and assessment by his immediate supervisor should be taken into account, but the opinion of the colleagues and other stakeholders should also be taken to make an objective appraisal of the employee's performance. Only if performance appraisal gives reliable results, variable pay system can be implemented effectively. Employees are not given any leave travel allowance, hence they are not having any relief from their routine work and their exposure will also be limited. It would be good if the company comes up with some plan to provide leave travel allowance to the employees.



The disciplinary procedures followed in the organization are very poor and indiscipline is not curtailed in the initial stages. The study organization should put in place procedures and disciplinary actions that can be initiated for each type of indiscipline in the organization. Unless disciplinary procedures are not implemented properly the organization would suffer in the long run, because productivity and quality would decrease with increased indiscipline. The complaints handling procedure, in which the levels at which the complaints can be handled and the follow up procedures should be designed carefully and implemented meticulously, as small grievances if not handled properly would lead to piling of frustration and will become major disputes in the organization. Hence the organization on priority basis should design measures to handle the grievances in time.

The study organization has many good human resource practices in place and if it addresses certain issues and problems mentioned in this assignment, the organization can increase its efficiency in utilizing human resources for the benefit of the organization.

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