NCERT Solutions for Class 12 Business Studies Principles and Functions of Management Chapter 6

Staffing Class 12
Chapter 6 Staffing Exercise Solutions
Short answers: Solutions of Questions on Page Number : **175**

Question 1 : Briefly enumerate the important sources of recruitment.

Solution :
Recruitment refers to the process of searching and attracting the required personnel for a job. In other words, it is the process of finding the potential candidates and instigating them to apply for the job. The following are the two important sources of recruitment.
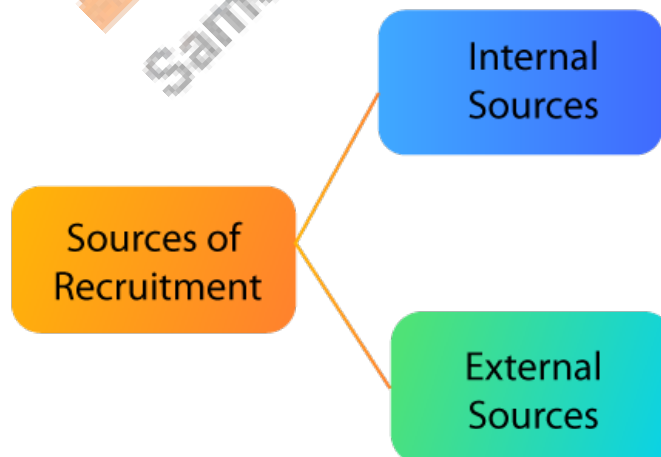
i. Internal sources: Internal sources of recruitment refer to the sources that are within the organisation. That is, through internal sources the jobs are filled up from inside the organisation. It can take the form of transfers and promotions. Through transfers, the job of a specific profile is filled by shifting a suitable person working in another department of the organisation to the concerned department. Similarly, through promotions, higher position job vacancies in the organisation are filled by promoting the lower level employees.

ii. External Sources: External sources of recruitment refer to the sources of recruitment that are outside the organisation. Through external sources the jobs in an organisation are filled by bringing in new people. For fresh talent and wider choice external sources are used. For example, one of the external sources of recruitment is 'direct recruitment' which involves putting up a notice board outside office and then following the recruitment process on a specified date. Similarly, placement agencies work as an external source as they act as a match maker for the job seekers and job providers.

Question 2: What is meant by recruitment? How is it different from selection?

Solution :

Recruitment refers to the procedure of finding and stimulating the required candidates to apply for a particular job. As against this, selection is the procedure of screening and choosing the required candidates out of the gathered pool. The following points highlight the difference between recruitment and selection.

Basis of Difference	Recruitment	Selection
Meaning	Recruitment refers to the process of finding and instigating the required personnel for a job.	Selection refers to the process of choosing the right candidate out of the gathered pool developed at the time of recruitment.
Sequence	In the staffing process, recruitment is at the second stage.	In the staffing process, selection is at the third stage and succeeds recruitment.
Employment Contract	The candidates gathered under	The candidates who uccessfully complete

	recruitment are not offered any employment contract from the organisation.	the selection process are offered an employment contract by the organization containing such information as date of joining, terms and conditions, etc.
Characteristic	Recruitment process involves attracting as many persons as Possible for the job.	Selection process involves choosing only the appropriate candidate and rejecting the non-suitable ones.

Question 3: Define training. How is it different from education?

Solution :
Training refers to the enhancement of skills, abilities and competence required for a specific job profile. On the other hand, education refers to the process of improving the overall knowledge and understanding of the employees. The following points highlight the difference between training and education.

Basis of Difference	Training	Education
Meaning	Training implies increasing the skill s and abilities required to perform a specific job.	Education implies increasing the overall l knowledge and understanding of the employees.
Scope	Training is a narrow concept and relates to development of understanding relating to only a specific job.	Education is a wider concept and relate s to the overall development of understanding.
Focus	It focuses on the goals of the organisation.	It focuses on the individual goals.

Question 4: Distinguish between training and development.

Solution :
Training and development are related yet distinct concepts. Though both the concepts focus on improvement of an individual but the perspectives are different. Training on one hand refers to providing the skills and abilities for a particular job. Development on

the other hand, refers to the concept of growth of an individual as a whole. The following points highlight the difference between training and development.

Basis of Difference	Training	Development
Meaning	Training refers to the process of enhancing the skills and competence of an employee that are required to perform a specific job.	Development refers to the process of overall growth of an employee.
Focus	The focus of training is the specific job requirement and is thereby, job-oriented	The focus of development is overall growth and is thereby, careeroriented.
Scope	Training is narrow in scope and focuses on how one can become more efficient in the intended job.	Development is wider in scope and focuses on the overall personality development of the employee. Training is a part of development.

Question 5: Why are internal sources of recruitment considered to be more economical?

Solution:
Internal sources of recruitment refer to the sources that are endogenous to the organisation, that is, within the organisation. There are two ways of filling the jobs internally, namely transfers and promotions. It has an advantage of being more economical than the other sources of recruitment. Filling the jobs through internal sources is cheaper in terms of time as well as money is listed below:
1. Internal recruitment also simplifies the process of selection and placement. The candidates that are already working in the enterprise can be evaluated more accurately and economically. This is a more reliable way of recruitment since the candidates are already known to the organisation.
2. Transfer is a tool of training the employees to prepare them for higher jobs. Also people recruited from within the organisation do not need induction training.
3. Transfer has the benefit of shifting workforce from the surplus departments to those where there is shortage of staff. Thus, in contrast to other sources, the internal sources of recruitment are more economical in nature.

Question 6: What is the importance of staffing function in today's environment?

Solution :
Staffing is an important function of management as it takes care of the manpower requirement of any organisation. In today's environment with rapid changes taking place in technology, size of the organisations, etc. finding the right people for the job becomes critical. In such a scenario, proper staffing process plays an important role in the organisations. Following are the highlighted benefits of staffing in the current world scenario.

(i) ***Finding Competent Personnel***: Staffing helps in finding and choosing the right personnel
required for a job.

(ii) ***Improves Efficiency***: By ensuring that right people are placed for right jobs, the overall
efficiency and performance increases.

(iii) ***Growth of the Organisation***: It ensures survival and growth of the organisation by
appointing efficient and competent employees for various jobs.

(iv) ***Optimum Utilisation of Human Resources***: Through proper manpower planning, staffing
prevents over-utilisation or underutilization of manpower. In addition, it avoids interruption in

working efficiency by suggesting, in advance if there is any unfilled job.

(v) *Job Satisfaction*: Compensation and fair rewards given to the employees provide them selfconfidence and job-satisfaction. It encourages them to work diligently and give their best to the

organisation.

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Question 1: Define the staffing process and the various steps involved in it?

Solution :
Staffing process refers to the procedure of filling the vacancies and keeping them filled. It focuses on timely fulfillment of the human resource required within the organisation. According to 'Theo Haimann', 'staffing pertains to recruitment, selection, development, training and compensation of subordinate managers. This definition includes the steps involved in the staffing process. Following is a brief description of various steps involved in staffing. various sources that includes internal sources (transfers and promotions) and external sources

(advertising and placement agencies). It forms the basis for the selection process by attracting the aspirants towards the organisation.

(iii) *Selection*: Selection involves choosing the right candidate out of the gathered pool of aspirants which is created after recruitment process. It is a rigorous procedure and comprises of series of tests, interviews, etc. The candidates who are not able to negotiate the selection process are rejected. It ensures that only the competent and the best ones are selected for the job. It is a highly important process as it forms the basis for working efficiency of the organisation. Those who are able to successfully negotiate the test and the interviews are offered an employment contract, a written document containing the offer of employment, the terms and conditions and the date of joining.

(iv) *Placement and Orientation*: Once the selection is done it becomes important to make the selected employees familiar with the working environment of the organisation. Induction involves giving a brief overview about the workplace, introducing them to other employees and the managers and making them comfortable with the work environment. Orientation is, thus, introducing the selected employee to other employees and familiarising him with the rules and policies of the organisation. Placement refers to occupying the position by the employee for which he has been selected.
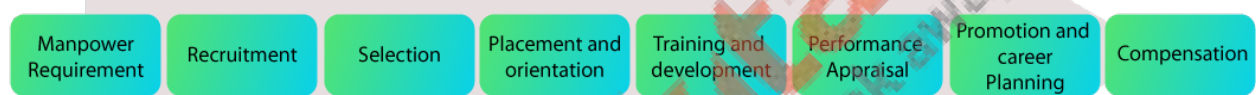
(v) *Training and Development*: Next step in the staffing process is training and development of the employee. Both the process emphasis on improving the employee competence. Training is a process of increasing the employee's capabilities and skills required for performing the job. Development, on the other hand, focuses on the overall growth of the employee by enhancing his thinking and understanding capabilities. They help the workers to upgrade their knowledge and increase their efficiency. Moreover, training and development motivates the workers and provides them opportunities for growth and career development.

(vi) *Performance Appraisal*: Performance appraisal is an important aspect of any organization as it helps in evaluating the work of the individuals. Appraisal implies assessing the performance of the employee against certain predetermined standards. In addition, under performance appraisal the superior provides proper feedback to the employee so that right measures can be taken for increasing the working efficiency.

(vii) *Promotion and Career Planning*: Every employee needs encouragement and motivation for continuing the work with right efficiency. Promotion of the employee in terms of position, pay, etc. helps in providing job satisfaction to the employee and encourages them to

realise their potential. Promotions serve the long term interests of the employees.

(viii) **Compensation**: Worth of the job is an important aspect to determine. All organisations need to establish the right pay or salary for each job. Compensation entails the price of a job along with the rewards that the employee deserves. Compensation provided to the employee can be in direct terms (that is, wages and salaries) as well as in indirect terms (such as insurance, bonus, etc.).

| Manpower Requirement | Recruitment | Selection | Placement and orientation | Training and development | Performance Appraisal | Promotion and career Planning | Compensation |

(i) **Estimation of the Required Manpower**: The process of estimating manpower requirement is the basic step in the process of staffing. It refers to knowing the number and the kind of persons that are required in the organisation. Estimation process involves two steps- workload analysis and workforce analysis. Work load analysis implies an estimation of the number and the kind of persons required for various jobs. On the other hand, workforce analysis implies an estimation of the existing persons. The two-step analysis reveals whether there is any overstaffing or understaffing in the organisation and thereby, forms the basis of the staffing process. For

example, a situation of understaffing would imply that more personnel are required to be appointed and a situation of overstaffing would imply that some of the existing personnel need to be removed.

(ii) *Recruitment*: It refers to enlisting and searching the suitable candidates for the job. It is the process of searching the appropriate people for the job and influencing them to apply for the job. Recruitment creates a pool of prospective candidates for a job. It involves searching through

Question 2: Explain the procedure for selection of employees.

Solution :
Selection is a procedure to choose the appropriate candidates out of the numerous aspirants. It is a rigorous process as it involves various stages of tests and interviews. Selection process aims at getting the best out of the recruited pool so that work efficiency can be maximised. Following are the steps involved in the selection process.

Preliminary screening

- It helps the manager eliminate unqualified or unfit job seekers based on the information supplied in the application forms.

Selection Tests

- An employment test is a mechanism that attempts to measure certain characteristics of individuals.
- These characteristics range from aptitudes, such as manual dexterity, to intelligence

Employment Interview

- Interview is a formal, in-depth conversation conducted to evaluate the applicant's suitability for the job.
- Sometimes, the individual may also seek information regarding the organisation in such interview.

Reference and Background Checks

- Organisation request names, addresses, and telephone numbers of references.
- The purpose of verifying information and, gaining additional information on an applicant.

Selection Decision

- The final decision has to be made from among the candidates who pass the tests, interviews and reference checks.
- The views f the concerned manager will be generally considered in the final selection because it is he/she who is responsible for the performance of the new employee.

Medical Examination

- The candidate is required to undergo a medical fitness test.
- The job offer is given to the candidate being declared fit after the medical examination.

Job Offer	•Job offer to those applicants who have passed all the previous hurdles. •Job offer is made through a letter of appointment/confirm his acceptance.

Contract of Employment	•Once the job letter is given, the candidates have to fill-up some forms that are necessary for the future references. •Contract of employment comprises of details such as salary, date and terms of joining, leave rules, working hours, allowances, etc.

4. Which methods of training and development should be company initiate? Explain giving reasons.

Solution:

The company can use 'on the job' and 'off the job' training methods.

On the Job Methods:

(i) Apprenticeship Programs

(ii) Coaching

(iii) Internship Training

(iv) Job Rotation

Off the Job Methods:
(i) Class Room Lectures/Conferences
(ii) Films
(iii) Case Study
(iv) Computer Modelling
(v) Vestibule Training
(vi) Programmed Instruction.

(ii) A major insurance company handled all recruiting, screening and training processes for data entry/customer service representatives. Their competitor was attracting most of the qualified, potential employees in their market. Recruiting was made even more difficult by the strong economy and the 'jobseeker's market.' This resulted in the client having to choose from candidates who had the 'soft' skills needed for the job, but lacked the proper 'hard' skills and training.
Questions
1. As an HR manager what problems do you see in the company?

Solution:
• Lack of trained workforce
• Lack of personnel to provide customer service
• Inefficient maintenance of data.

2. How do you think it can be resolved?

Solution:
- Proper training to be provided.
- Incentives to be given.
- Proper maintenance of data.

(iii) A Public transport corporation has hired 1000 buses for the different routes for the passengers of metropolitan city. Most of the 3000 crewmen (drivers, conductors, helpers etc.) of these buses have been found to be wanting in satisfactorily dealing with public and daily commuters. They seem to be little interested in the job and the job seem to have lost all meaning to them.
Questions

1. As manager of the public transport company what measures do you suggest to improve the working of crewman in question?

Solution:
- Should provide extra facilities to the crewmen like insurance, education to their children, healthcare etc
- Intervals should be given.
- Work must be restricted to 8 hrs a day.

2. Is it possible to modify their behaviour by planning a suitable type of training? Suggest one.

Solution:
Yes it is possible to modify the behavior by planning coaching training. In this method, the superior guides and instructs the trainee as a coach. The coach or counselor sets mutually agreed upon goals, suggests how to achieve these goals, periodically reviews the trainees progress and suggests changes required in behavior and performance. The trainee works directly with a senior manager and the manager takes full responsibility for the trainee's coaching. Classically the trainee is being groomed to replace the senior manager and relieve him from some of his duties. This gives a chance for the trainee to learn the job also.

(iv) Ms. Jayshree recently completed her Post Graduate Diploma in Human Resource Management. A few months from now a large steel manufacturing company appointed her as its human resource manager. As of now, the company employs 800 persons and has an expansion plan in hand which may require another 200 persons for various types of additional requirements. Ms. Jayshree has been given

complete charge of the company's Human Resource Department.

Questions

1. Point out, what functions is she supposed to perform?

Solution:
Functions:
• Recruitment i.e., search for qualified people
• Analysing jobs, collecting information about jobs to prepare job descriptions.
• Developing compensation and incentive plans.
• Training and development of employees for efficient performance and career growth.
• Maintaining labour relations and union management relations.
• Handling grievances and complaints.
• Providing for social security and welfare of employees.
• Defending the company in law suits and avoiding legal complications.

2. What problems do you foresee in her job?

Solution:
• Qualified candidate may not be available
• Demand for a higher pay.

• After training, employee may leave the organisation.

3. What steps is she going to take to perform her job efficiently?

Solution:
• She can use all possible sources of recruitment.
• Consult an expert to observe and form good policy to recruit and retain candidates.
• Maintain cordial relationship with workforce.

4. H ow significant is her role in the organisation?

Solution:
Her role is significant concerned with timely appointment of competent manpower and ensuring effective and efficient utilisation towards main objectives, organisational, individual and social.