

**BUSINESS STUDIES**

**CHAPTER 6 – STAFFING**

**VERY SHORT ANSWER QUESTIONS**

1. **Why is "employment interview'' conducted in the process of selection?**

# (CBSE BOARD 2017)

**Ans:** The purpose of an employment interview is to evaluate the applicant's suitability for the job post by seeking information from him and to check whether there exists a suitability between the person and the type of job.

# It is described as the managerial function of filling and keeping filled the positions in the organization structure. Which function of management is referred to here?

**Ans:** Staffing function is referred to here.

# "Staffing makes for higher performance by putting the right person on the right job". Is this statement true or false?

**Ans:** This statement is true as staffing helps in improvement of performance through arranging the right people, at the right time, and on the right job.

# Apha Enterprises is a company manufacturing water geysers. The company has a functional structure with four main functions Production, Marketing, Finance and Human Resource. As the demand for the product grew, the company decided to hire more employees. Identify the concept which will help the Human Resource Manager in deciding the actual number of persons required in each department.

Workload Analysis is a concept that will assist the Human Resource Manager in determining the real number of people necessary in each department.

# Why is the "Aptitude Test" conducted in the process of selection?

**(CBSE BOARD 2017)**

**Ans:** The Aptitude Test in the process of selection is conducted to measure an individual's potential for learning new skills.

# It is recruitment, selection, development, utilization, compensation and motivation of human resources of the organization. Give the name of the concept mentioned here.

**Ans:** Human Resource Management.

1. **What is the next step after selection?**

**Ans:** Placement and Orientation.

# It seeks to attract suitable applicants to apply for available jobs. Give the term?

**Ans:** Recruitment.

# These are run by the Government as a source of recruitment for unskilled and skilled operative jobs. What is being referred to here?

**Ans:** Employment exchanges.

# Which type of personnel do management consultancy firms recruit?

**Ans:** Management consultancy firms help the companies/ firms to recruit technical, professional and managerial personnel.

# Why induction is not required in the internal source of recruitment?

**Ans**: As employees are already familiar with the organization, an induction programme is not required in case of internal source of recruitment.

# State the meaning of placement as a staffing function.

**Ans:** Once the job offer has been accepted by the selected candidate he is placed on the new job. Proper placement of an employee reduces absenteeism. As a result, placement refers to matching the right person to the right job.

# It is a test used for selection of employees to measure an individual's potential for learning new skills. Mention its name and explain two other tests?

**Ans:** Aptitude tests are used to measure an individual's potential for learning new skills

Other Tests are:

* + **Personality Test:** Personality tests provide clues to a person's emotion, mindset and type of personality.
  + **Intelligence Tests:** These assess a person's decision-making and adaptability abilities.

# Trainees are put under the guidance of a master worker to acquire a higher level of skill, for example to become plumber, electrician, etc. Which method of training is referred to here?

**Ans:** Apprenticeship program.

# Short Answer Questions

1. **Name and define the process that helps in finding possible candidates for a job or a function.**

# (CBSE BOARD 2015)

**Ans:** Recruitment is described as the process of locating potential employees and encouraging them to apply for positions within the company. It is the entire employment process, beginning with the initial interview.It is a constructive process of locating potential employees and encouraging them to apply for positions within the company. There will be more opportunities to hire better people if more people seek jobs.

The two modes of recruitment are internal and external.

* + **Internal sources:** The term "internal sources of recruiting" refers to employing personnel from within the company. In other words, people applying for various roles are those who are currently employed by the same company. For example, promotions and transfers.
  + **External Sources:** Employees hired from outside the organization are referred to as external sources of recruiting. In other words, the job seekers in this scenario are individuals who are not affiliated with the organization. For example, casual callers, campus placement, advertisement, management consultants etc.

# Mr. Naresh recently completed his M.B.A. from one of the Indian Institutes of Management in Human Resource Management. He has been appointed as Human Resource Manager in a Truck Manufacturing Company. The company has 1,500 employees and has an expansion plan in hand that may require additional 500 persons for various types of jobs. Mr. Naresh has been given the complete charge of the company's Human Resource Department.

**List out the specialized activities that Mr. Naresh is supposed to perform as the Human Resource Manager of the company.**

# (CBSE BOARD 2015)

**Ans:** Recruitment, training, career development, compensation and benefits, employee relations, industrial relations, employment legislation, compliance, disciplinary and grievance concerns, redundancies, and other HR-related tasks are all handled by HR managers.

The position necessitates keeping up with rapidly changing topics such as employment law. As a Human Resource Manager, Mr. Naresh is expected to undertake the following specialized tasks:

* + Analysing jobs.
  + Recruitment
  + Selection.
  + Placement and orientation.
  + Training and development of employees.
  + Performance Appraisal of employees.
  + Developing compensation and incentive plans.
  + Maintaining labour and management relations.
  + Handling grievances and complaints of employees/workers.
  + Providing for the employees' social security and well-being.
  + Defending the company in legal proceedings and avoiding legal entanglements.

# Vinod - The Human Resource Manager, Umesh - The Assistant manager and Ashok - The Marketing Head of Hitashi Enterprises Ltd. decided to leave the company.

**The Chief Executive Officer of the company called the Human Resource Manager, Vinod and requested him to fill-up the vacancies before leaving the organization. Vinod suggested that his subordinate Rajesh is very competent and trustworthy. If he could be moved up in the hierarchy, he would do the needful. The Chief Executive Officer agreed for the same. Rajesh contacted 'Zenith Recruiters' who advertised for the post of marketing head for 'Hitachi Enterprises Ltd.'. They were able to recruit a suitable candidate for the company. Umesh's vacancy was filled-up by screening the database of unsolicited applications lying in the office.**

**(CBSE BOARD 2016)**

# Name the internal/external sources of recruitment used by 'Hitashi Enterprises Ltd." to fill up the above stated vacancies.

**Ans:** The internal/external sources of recruitment used by 'Hitachi Enterprises Ltd." to fill- up the various positions are listed below.

* + **Promotion:** It was used to fill the position of human resource manager, on which Vinod worked previously.
  + **Placement Agencies and Management Consultants:** For the position of Marketing Head, on which Ashok worked previously.
  + **Casual Callers:** They are being considered for the position of Assistant Manager, on which Umesh worked previously.

# Also, state any one merit of each of the above-identified sources of recruitment.

**Ans:** The following are the merits of the above listed sources of recruitment.

* + **Placement Agencies and Management Consultants:** Because of their expertise and specialization in the field of hiring new blood, they assist in attracting the required personnel to the organization.
  + **Casual Callers':** It's the cheapest way to get a job.
  + **Promotion:** Promotions among current employees can be an excellent source of new hires. Through promotions the background and reference checks need not to be done, and the cost of induction is also saved, as the employee is from the organization itself.

# Explain briefly “transfers” and “promotions” as internal sources of recruitment.

**(CBSE BOARD 2017)**

**Ans:** The explanations are given below:

* + **Transfers:** Job vacancies are filled through transfers by transferring qualified personnel from one department of the organization to the department where the vacancies exist. Transfers is a horizontal process in which employees that are transferred are rarely given new duties or employment positions. Hence the nature and type of job remains the same.
  + **Promotions:** Promotion means when an employee is being placed at a position of increased responsibility and authority. Promotion and career planning is important. Promotions and transfers among current employees can be an excellent source of new hires. Promotion refers to an employee being

promoted to a higher position with increased status, compensation, and responsibility.

# Explain briefly 'Casual Callers' and 'Labour Contractors' as external sources of recruitment.

**(CBSE BOARD 2017)**

**Ans: Casual Callers:** Many reputable businesses maintain a database of uninvited applicants in their offices. It approaches them as vacancies exist and persuades them to apply for the positions available. This list can be screened and the best candidate is selected.

**Labor contractors:** Employers turn to labour contractors to hire low-skilled workers or labourers. Labor contractors keep in close contact with labourers and other workers, and they call them for work as and when needed.

# Present day human resource management is a broader concept." Explain?

**Ans:** Present day human resource management is a broader concept because today's human resource management the following activities are performed:

* + Assists in the achievement of company goals as well as personal goals of personnel.
  + Employees efficiently and effectively use their skills and expertise.
  + Increase employee job satisfaction.
  + Maintain a high level of morale and positive interpersonal relationships inside the organization.
  + It also focuses on ensuring peace and harmony within the employees of the organization.
  + This aspect of HRM is also concerned with the working environment and facilities.
  + It is a highly delicate sector that necessitates cautious interactions with labour or employee unions, addressing their grievances, and effectively resolving disputes in order to keep the company at peace and concord.

# 'Internal sources of recruitment are better than external sources of recruitment." Do you agree with this statement? Give any two reasons in support of your answer?

**Ans:** Yes, i agree with this statement and the two reasons in support of my answers are:

* + **Qualified Personnel**: An external source of recruiting allows qualified individuals from outside the organization to join. This is advantageous to both the organization and the external applicants.
  + **Wider choice:** Using an external source of recruitment increases the number of applicants by a factor of ten, hence expanding the range of options. After assessing the qualities and talents of all applicants, the managers can appoint the most competent individuals.

# State the benefits of employee's training.

**Ans:** The benefits of employee's training to the organization and the individual are:

# Benefits to the organization

* + **Economic operations:** Trained staff makes efficient and cost-effective use of existing resources.
  + **Increases productivity:** It boosts production quality and quantity, because the trained staff has a better understanding of the tools, equipment, work etc.

# Employee benefits include:

* + **Learning new talents:** A well-trained employee learns new skills, and adds to his overall performance and productivity.
  + **Higher Earnings:** Trained employees can perform better and thereby earn more superiors at the actual workplace. Hence higher and quality performance leads to higher earnings.

# The workers of a factory are unable to work on new machines and always demand the help of their supervisor. The Supervisor is overburdened with their frequent calls. Suggest the remedy?

**Ans:** Workers of factories should be trained through Vestibule Training. Employees are trained on the equipment they will be working with. However, the training takes place away from the actual work environment. In a classroom, a realistic work atmosphere is provided, with employees using the same materials, files, and equipment they are supposed to use at the workplace. This is usually done when employees are required to handle sophisticated machinery and equipment.

# Define training. How is it different from Development?

**Ans:** The enhancement of skills, abilities, and competency required for a given work profile is referred to as training. The differences between training and education are highlighted in the following sections.

|  |  |
| --- | --- |
| **Training** | **Development** |
| Simply put, it is the process of an employee's knowledge and abilities being increased. | To put it simply, it is a learning and growth process. |
| Employees are given the opportunity to acquire skills, competencies, and learning in accordance with post-duty obligations through training. | Development is a term used to describe a procedure that aids in the understanding of an employee's overall growth and improvement of skills. |
| Training is held with the goal of enhancing the knowledge and skills required to fulfil their current positions. | Developments are carried out in order to improve knowledge and expertise in order to meet future problems. |

# Long Answer Questions

1. **Describe briefly the steps involved in the process of staffing. Ans:** The steps involved in the process of staffing are as follows:

# Estimating Manpower Requirement:

* + This step involves drafting work force requirements, defining job-related activities, and estimating the type of employees with a certain set of skills, knowledge, qualifications, and experience.
  + Workforce analysis enables the enterprise to assess the number and type of employees necessary for the completion of a work.

# Recruitment:

* + Recruitment can be defined as the process of locating potential employees and encouraging them to apply for positions within the company.
  + Employees can be found through both internal and external sources.
    - The term "internal sources of recruiting" refers to employing personnel from within the company. In other words, people applying for various roles are those who are currently employed by the same company. For example, transfers, promotions etc,
    - Employees hired from outside the organization are referred to as external sources of recruiting. In other words, the job seekers in this scenario are individuals who are not affiliated with the organization. For example, advertisement, casual callers, campus placement, management consultants etc.

# Selection:

* + It is the process of choosing and appointing the right candidates for the right job in an organization by conducting various exams( verbal or written), tests and interviews.
  + The type of tests include:
    - Personality tests
    - Aptitude tests
    - Situational tests
    - Interest tests etc.
  + It guarantees that the organization receives the most qualified candidate.
  + The candidates' self-esteem and prestige are boosted as a result of the selection process.

# Placement and Orientation:

* + As a result, Orientation involves presenting the selected person to other employees as well as familiarising him with the organization's rules, regulations, and policies.
  + The employee filling the position or post for which the person has been chosen is referred to as placement.

# Training and Development:

* + Through various ways, systematic training assists employees in improving their abilities and knowledge in performing their duties.
  + Employee development entails an employee's improvement in all areas, including performance, knowledge, and so on.
  + The training could be on the job training or off the job training depending upon the nature and type of work.

# Performance Appraisal:

* + Performance appraisal means evaluating an employee's current or past performance as against certain predetermined standards.
  + Once an employee has undergone training his/ her performance is evaluated.It is focused with the continual examination of an organization's personnel performance.
  + This step helps in finding out the deviations, as well as improvement areas.

# Promotion and Career Planning:

* + Promotion entails being assigned to positions with greater responsibilities.
  + Employee morale must be boosted, and they must be motivated to reach their maximum potential, therefore promotion and career planning are critical.

# Compensation:

* + All forms of payment made by an organization to its personnel are referred to as compensation. E.g. Salaries, incentives, commission etc.

# What is meant by recruitment? How is it different from selection?

**Ans:** The procedure of locating and motivating qualified applicants to apply for a specific position is referred to as recruitment. As against this, selection is the procedure of screening and choosing the required candidates out of the gathered pool. The following points highlights 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 recruitment are not offered any employment contract from the organization. | The candidates who successfully complete the process are offered an employment contract by the organization containing such information as date of joining, terms and conditions , etc. |
| **Characteristics** | Recruitment process involves attracting as many people as possible for the job. | Selection process involves choosing only appropriate candidates and rejecting the non- suitable ones. |

# What are the advantages of training to the individual and to the organization?

**Ans:** Training is an important aspect of any organization. It tries to improve people's abilities and skills in order for them to execute a job. Training is an important aspect of the job that aims to improve a person's aptitude and expertise in accordance with the job requirements. The complexity of work has increased as the business environment has changed. Thereby, training has become even more essential.

The following are some of the most important advantages of training for both the employee and the company.

# Benefits to the Employee

* + **Improved Career Prospects:** Employee training improves their ability and knowledge, which helps them advance in their careers.
  + **Earn More:** By helping the individual to learn more it assists them to earn more. Training enhances the individual's understanding and knowledge. Thereby, it improves their efficiency and performance. As a result, they will be able to earn more money.
  + **Less Prone to Accidents:** Training aims to make staff more proficient and efficient in operating machines. Jobs that require people to deal with sophisticated machines or in high-risk regions should place a heavy emphasis on training and development, as it aids them in adopting preventative measures. As a result, the employee is less likely to have an accident.
  + **Self-Confidence:** Individual development and training directs individuals to work more efficiently, which in turn boosts required morale. It boosts their self-esteem and self-reliance, resulting in increased job satisfaction.

# Benefits to the organization

* + **Less Wastage:** Training is a concept that involves systematic learning of work. It is a more efficient means of learning than any hit-or-miss approach. As a result, less time and money is wasted. As a result, it aids in the most efficient use of resources.
  + **Increased Profits:** Training improves people's productivity at work by developing them and making them more efficient. The company's profits increase as both qualitative and quantitative productivity increases.
  + **Managerial efficiency:** Training trains personnel to meet new problems in a variety of settings, which improves managerial efficiency. This enables children to develop appropriate answers to a variety of situations. Training also equips the future managers to take precautionary steps in case of emergency.
  + **Absenteeism is Reduced:** Effective training helps to increase staff morale. As a result, it aids in the reduction of absenteeism and staff turnover.
  + **Effective Response:** It helps in obtaining effective response to fast changing technological and economic environments.