

CHAPTER II

MANPOWER PLANNING

CHAPTER-II

MANPOWER PLANNING

2.1 Introduction:

Human resource management is concerned with “people” dimension of management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to high levels of performance and ensuring that they continue to maintain their commitment to their organization are essential to achieving organizational objectives. This is true regardless of the type of organization –government, business, education, health, recreation or social action. Getting and keeping good people is critical to the success of every organization. Those organizations that are able to acquire, develop, stimulate and keep outstanding workers will be both effective and efficient. Survival of an organization requires competent managers and workers coordinating their efforts towards an ultimate goal.

Manpower planning is one of the most important elements in successful HRM programme. Manpower planning is the process by which an organization ensures that it has the right number and kinds of people, at the right places, at the right time, capable of effectively and completing those tasks that will help the organization achieve its overall objectives. Manpower planning then translates the organization’s objectives and plans into the number of workers needed to meet those objectives. Without clear cut planning, estimation of an organization’s need is reduced to mere guesswork.

The chapter “Manpower planning” gives the details about nature and concept of manpower planning which is explained in each of this sub part. The second part includes meaning and procedure of recruitment of employees in an organisation. The third part covers meaning and procedure of selection. When the candidate is selected and appointed as a trainee in the organization he is required to be trained to know the nature and culture of the organisation. It is covered in the next part. Transfer is a horizontal movement of an employee from one job to another, where his salary, status and responsibility are same;

Transfers are discussed thereafter. Promotion policy of the organization is also discussed in same part. Reward system motivates the employees to work efficiently and effectively and Penalty system brings discipline in the work environment of an organisation. Both of these systems are essential in the organization.

2.2 Manpower Planning-

Manpower planning or human resource planning is a double edged weapon. If it is properly used, it leads to maximum utilization of human resources, reduces excessive staff turnover and high absenteeism. It certainly improves productivity and aids in achieving the objectives of an organisation. If manpower planning are not done systematically, it leads to disruption in flow of work. Thus Human Resource Planning assumes great importance for the success of any organizations.

“If you wish to plan for a year sow seeds”

“If you wish to plan for ten years plant trees”

“If you wish to plan for a life time develop men”

2.2(A) Definitions:-

- **According to Leon C. Megginson** “Manpower planning is an integrated 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 needs and goals of organizational objectives.”
- **Stainer** defines manpower planning as a strategy for the acquisition, utilization, improvement and preservation of an enterprise’s human resources.
- **Geisler** defines manpower planning as the process including forecasting, developing, and controlling-by which a firm ensures that it has the right number of people and the right kind of people at right places at the right time doing work for which economically they are most useful.

2.2 [B] Objectives:

- To ensure the optimum use of human resources currently employed.
- To assess or forecast future skills requirements
- To provide control measures to ensure that necessary resources are made available as and when required.
- To determine recruitment level
- To anticipate redundancies and avoid unnecessary dismissals
- To determine the optimum training levels.
- To provide a basis for management development programme.

- To enable the organization to identify trouble spots
- To deploy the manpower in new projects.
- To assist productivity bargaining.

2.2[C] Scope:-

Manpower planning could be seen as a series of activities, consisting of the following:-

- ⇒ Forecasting future manpower requirements, either in terms of mathematical projections of trends in the economy and developments in the industry or of judgmental estimates based upon specific future plans of the company.
- ⇒ Inventorying present manpower resources and analyzing the degree to which these resources are employed optimally.
- ⇒ Anticipating manpower problems by projecting present resources into the future and comparing them with the forecast the requirements, to determine their adequacy, both quantitatively and qualitatively.

⇒ Planning the necessary programme of recruitment, selection, training, deployment, utilization, transfer, promotion, development, motivation and compensation so that future manpower requirements will be met.

2.2 [D] Significance of manpower planning:

A device to minimize shocks and disturbances within the employment patterns of large companies. In large companies even the simple flow of people necessitates careful and comprehensive monitoring. There emerge patterns over several years and in many situations the role of manpower planning relate to building up a picture of these resource flows. In a stable environment there emerges a model of long range patterns of employment within the enterprises. It reveals expected number of retirements, the expected turnover of people in different departments and the average number of people leaving for 'involuntary reasons'. Thus there emerge a crude picture of numerical turnover providing invaluable guidelines for replacement time and rates.

It provides data relating to when, where and how many people to be recruited. Thus, manpower planning forms a critical managerial function for obtaining information relating to resource flows. These flows help the management to calculate retirement needs and evolve succession and development plans. Thus, it enables management to avoid shocks and disturbances stemming from unexpected shortages of people, inefficient and costly surpluses and undesirable redundancies.

Thus, the significance of manpower planning arises from the operational needs of the enterprises. It helps in maintaining an adequate supply of people in the right place and time and at the right cost. Manpower planning involves both qualitative and quantitative aspects providing help for following functions:

- ❖ Evolving recruitment plans to avoid unexpected shortages
- ❖ Facilitating determination of training needs to avoid skill shortages
- ❖ Conducting management development to avoid bottlenecks of competent managers
- ❖ Evolving industrial relations plans to avoid industrial unrest

In conjunction with meeting short and long term operational needs of the enterprise, Manpower planning also helps in satisfying employment and career needs and aspirations of people working for it. From a professional standpoint, an effective manpower planning process facilitates plurality of interests. Human resource planning plays a more crucial role than manpower planning in integrating the individual with the organization. To cater for increasing dynamism and change, the HR planners are seeking much more flexibility in resorting the organization. In contradiction to the traditional manpower planning, the human resource planning relate to the following two issues: 1) Workforce characteristics needed in the immediate future as well as in the long run 2) Policies and manpower practices required for attracting, retaining and developing those people.

2.2 [E] Factors affecting Manpower planning-

These factors can be classified into External and Internal factors:

External factors:

1. Government policies- Government policies like labor policy, industrial relations policy, policy towards reserving certain jobs.
2. Level of Economic Development- It determines the level of HRD in the country and thereby the supply of human resources in future in the country.
3. A business Environment-External business environmental factor influences the volume and mix of production and thereby the future demand for human resources.
4. Information technology-Information technology brought amazing shifts in the way how business operates? These shifts include: business process reengineering, enterprise resource planning, supply chain management. Added to this, the computer aided design and computer aided technology also reduced the existing human resources.
5. International factors-International factors like the demand for and supply of human resources in various countries.

Internal factors:

1. Company Strategies:- Company's policies and strategies relating to Expansion, diversification determine the human resources demand in terms of quality and quantity.
2. Human Resources policies: - Human Resources policies of the company regarding quality of human resources, compensation level, and quality of work life etc influence human resource plan.
3. Job analysis:-Fundamentally, human resource plan is based on job analysis, job description and job specification. Job analysis determines the type of employees required.
4. Time Horizons:-Companies with a stable competitive environment can plan for the long run whereas firms with an unstable competitive environment can plan for only short term range.
5. Type and quality of information: - Any planning process needs qualitative and accurate information. For e.g. specific information necessary for HRP is job analysis, skill inventories, management inventories, training and development programme, recruitment sources, compensation levels, retirement plans, turnover data etc.
6. Company's production or operations policy:-Company's policy regarding how much to produce and how much to buy from outside to prepare a final product influences the number and kind of people required.
7. Trade Unions:-Influence of trade unions regarding the number of working hours per week, recruitment sources etc. affect HRP.

2.2 [F] The Manpower Planning processes-

Process of manpower planning has following steps.

1. Forecasting future human resource needs
--

2. Projecting human resource supply
3. Comparing forecast needs with projection supply
4. Planning policies and programme
5. Evaluating human resource planning effectiveness

1. Forecasting future human resource needs-

Organizational goals and objectives serve as a starting point for forecasting human resource needs. The demand for labor is derived from the demand for an organization's goods and services. If other factors are held constant, the increased demand for labour. Inversely, a decreased demand for goods and services generally results in a decreased demand for labour. Forecast of the human resource may be short range, midrange or long range depending on how far the future goals are set. Any human resource plan, if it is to be effective, must be derived from the long range plans of the organisation. Unfortunately, manpower planning is often isolated from organizational planning.

2. Projecting human resource supply-

Projections are estimates of the number and kinds of employees that can be expected to constitute an organization's workforce at some future point in time. Projections are based on a careful assessment of organization's current supply, plus consideration of employee movement into, through and out organizations.

3. Comparing forecast needs with projection supply-

The third step in the human resource planning process is comparing the forecast needs for human resources with the projections of internal supply. By subtracting the projected supply from the forecast needs, planners can determine an organization's net employee requirements for a future point in time. No employee requirements should be determined for each job in an organization as well as for the organization as a whole.

4. Planning policies and programmes-

After net employee requirements are determined, planners generate and evaluate alternative resource policies and programmes designed to handle anticipated shortages and surpluses.

5. Evaluating Human Resource Planning Effectiveness-

Organizations should evaluate their human resource planning efforts to determine their effectiveness in helping to achieve organizational goals and objectives. Evaluating in terms of costs and benefits is difficult. Though planning has definite costs, its benefits are more intangible and difficult to measure. Nevertheless, an obvious measure of planning effectiveness is how well human resource needs are anticipated and met.

2.3 Calculation of Manpower Requirements-

The process of manpower planning entails the consideration of several steps, in order to project the human resource demand. For exercising human resource planning certain parameters have to be set and decisions should be taken by the top management and planners. These parameters are given below:

2.3 {A} Business plan:

The basic exercise that has to be undertaken is to arrive at the scale of business activity over a time period. This business plan would be a blue print of desired objectives. This objectives stated in economic terms would incorporate the growth rate of company, diversification plans, and market opportunities. In making a projection of workforce requirements, selecting the right predictor is important. According to Wikstrom (1971), to be useful, the predictor should meet two requirements. First, it should be directly related to essential nature of business so that business planning is done in terms of these factors. The second requirement is that changes in the selected factors should be proportional to the changes in the workforce required in the business. In small organization a workforce plan could be formulated to cover the entire unit-all the levels. However, in a large organization size may necessitate workforce planning for separate units. (Departments, class, cluster of levels).

2.3 {B} Workload analyses:

As far as machine paced jobs are concerned (usually blue-collar) it is possible to arrive at precise figures for the time taken in producing a given number of units. The general method is adopted to begin with, by establishing standard conditions under which the job will be performed. Then the job is broken down into its several elements and the time taken to perform each element is noted. The total time taken for the completion of all the elements in a cycle is

computed, so that an overall timing for each cycle of operation is arrived at. These are known as standard times. Another variation is to study the actual situational aspect, by observing workers performing their jobs, and timing them with stop watches.

Formulating workload norms for white-collar employees, where the jobs are not machine – paced or not so precise and repetitive, possess some problems. Various techniques like workload measurement, time-budgeting studies, and work sampling have been used. All these require either detailed or random studies at fixed intervals to understand the activities in which employees spends his time, or in other words, what are the various tasks done by him. Either by direct observation or written records maintained by an employee, it is possible to find out what he is doing. Analysing this data can indicate where efficiency could be brought about for better utilization, and a personnel requirements estimate can be made.

2.3 {C} Job Analysis-

Job analysis is the process by which data, with regard to each job, is systematically observed and noted. It is the determination of the tasks which comprise the job and of the skills, knowledge, abilities and responsibilities required of the worker of a successful performance and which differentiates one job from all others. *The US department of labor* defined Job Analysis as “The process of determining, by observation and study and reporting pertinent information relating to the nature of a specific job.” The aspects of Job Analysis includes:-

- Job Description
- Job specification

“A Job description is an organized, factual statement of the duties and responsibilities of a specific job.”

Job Description is an important document which is basically descriptive in nature and contains a statement of job analysis. It serves to identify a job for

consideration by other job analysts. It tells about what should be done, why it should be done and where it should be performed.

The Job description normally contains the information on the following lines:-

- ❖ Job title
- ❖ Organizational location of the job
- ❖ Supervision given and received
- ❖ Materials, tools, machinery and equipment worked with
- ❖ Designation of the immediate superiors and subordinates
- ❖ Salary levels:- Pay, D.A., other allowances, bonus, incentives, method of work, hours of work, shift and break
- ❖ Complete list of duties to be performed separated according to daily, weekly, monthly and casual estimated time to be spent on each duty.
- ❖ Definition of unusual terms.
- ❖ Conditions of work: Location, time, speed of work, accuracy, health hazards and accident hazards.
- ❖ Training and development facilities
- ❖ Promotional chances

“A Job specification is a statement of the minimum acceptable human qualities necessary to perform a job properly.”

In contrast to the job description, it is a standard of personnel and designates the qualities required for acceptable performance.

Job specification information-

The first step in the programme of job specification is to prepare a list of all the jobs in the company and where they are located. The second step is to secure and write up the information about each of the jobs in a company. Usually this information includes:-

- ❖ Physical specifications-It includes height, weight, chest, vision, hearing, ability to lift weight, health, age capacity to use operate machines, tools, equipment etc.
- ❖ Mental specifications-These include ability to perform, arithmetical calculations to interpret data, information blueprints, to read electrical circuits, ability to plan, reading abilities, scientific

abilities, judgement, ability to concentrate, ability to handle variable factors, general intelligence, memory etc.

- ❖ Emotional and social specifications-These are more important for the post of managers, supervisors, foreman etc. These include emotional stability, flexibility, social adaptability in human relationships, personal appearance including dress, posture, poise, features and voice required by the jobs.
- ❖ Behavioral specifications-These play an important role in selecting the candidates for higher level jobs in the organizational hierarchy. This specification seeks to describe the acts of managers rather than the traits that cause acts. These specifications include judgment, research, creativity, teaching ability, maturity, self reliance, dominance etc.

2.4-Recruitment

Recruitment is the process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organisation. The most important objective of any recruitment policy is to keep the labor turnover ratio as less as possible. In other words, recruitment implies locating, maintaining and contacting the sources of manpower. It is the process of attracting potential employees to the business concern. The process of the recruitment precedes the process of selection. Detailed and systematic study of manpower requirements, both operative and executive, will materially assist in the execution of recruitment function.

2.4 [A] Definition:-

- Flippo defines "Recruitment as a process of searching for prospective employees and stimulating them to apply for jobs."

2.4 [B] Sources of Recruitment-

The sources of recruitment can be broadly classified into two:-

Internal and External

Internal sources- The internal source consists of the present employees. If there is any vacancy, the employees already working in the business organisation in temporary capacities are appointed to fill in the permanent vacancies. Internal sources of recruitment are as follows:

- **Promotion**-According to Flipppo, “A promotion involves a change from one job to another that is better in terms of status and responsibilities”. Positions vacant in higher ranks may conceivably be filled up by promoting suitable employees from below.
- **Transfer**- According to Dale Yoder, A transfer involves the shifting of an employee from one job to another without special reference to change in responsibility or compensation” Transfers are justified
 - ✓ To fill up a new vacancy from within the organization
 - ✓ To correct a maladjustment by posting a more suitable worker
 - ✓ To provide for mutual convenience to both the employees

Most of the employees highly recommend internal recruitment because of its economy and convenience and the good effect on existing workers. Internal recruitment is the quickest and cheapest method of recruitment. No time or money is required to be spending in tapping the external sources of recruitment. It encourages the existing employees to improve their competence and skills and adds to their personal satisfaction and prestige.

However, the method of internal recruitment has a limited use. It may not be always to ensure a worker with new ideas, upto date knowledge of the latest techniques or greater initiative and dynamism.

External sources are as follows:

External recruitment means the sources through which the personal management seeks suitable candidates from outside the concern. Selection of the source of recruitment depends on the policy of each individual firm, nature of work, labor supply position, government regulations etc. The sources are as follows:

- **Recruitment at factory gate**-Whenever workers are required the foreman departmental manager scrutinizes in a general way. The employees who are available at the gate and recruit the necessary number. It can be used to recruit unutilized workers and to fill up the casual vacancies. Since the appointments are purely on temporary basis, they do not become a permanent charge on the business organization.

- **Recommendation of the existing employees-**Enlisting the aid of existing employees in recruiting a new worker is a method held in high esteem by much management. This policy serves as a valuable asset both for maintaining the goodwill of the present employees and also for finding reliable candidates. It is an applied complement to the workforce; the company appears to take more employees like their personal ones. Secondly it encourages employee's participation in a management decision, a philosophy of positive motivation. But the difficulty arises when the employees begin to recommend lesser qualified or inefficient workers. Such worker may later on unite and create problems for the management.
- **Advertising-**Recruitment through advertising in local or national newspapers or trade or professional journals is one of the most common methods of attracting personnel's of all types-skilled workers, clerical staff, and higher staff. It may pose to the management the problem of sorting out suitable candidate's from a large number of applicants.
- **Recruitment through intermediaries-** Recruitment of workers may be through Agents, Contractors. These types of jobbers supply the required number of workers.
- **Recruitment through employment exchanges-**Employment exchanges help in the recruitment of all sorts of works and employees except perhaps the managerial staff. It is a very economical method of recruitment. Names of the willing candidates along with their qualifications and experience can be obtained from employment exchanges without any loss of time and with lesser chances of any favoritism or nepotism.
- **Recruitment from colleges, universities and technical institutions-**This practice is prevalent for the recruitment of senior staff in the western countries where there is a shortage of highly qualified administrative and technical personnel. Employers contact the deserving candidates either by personal visits or through correspondence. Trainees are directly selected from the educational institutes to hold positions of responsibility and they are not required to wait for a long time to get employment

- **Recruitment through employment agencies**-They may be public or private. These agencies provide more screening facilities. These agencies are specialized in the supply of particular categories of employees.
- **Recruitment through consultants**-Recruitment of personnel may be through management consultants who are carrying out the work of providing technical and qualified persons to the employers for their fees. But these management consultants charge higher fees.

Modern sources:-

I) E-recruitment-The technological revolution in telecommunication helped the organizations to use internet as a source of recruitment. Organisations advertise the job vacancies through the world wide web (www). The job seekers send their applications through e-mail using the internet. Alternatively, job seekers place their cvs in the world wide web/ internet, which can be drawn by the prospective employers depending upon their requirements.

It has many advantages like less time, less cost, more recruitment of candidates, increased effectiveness and efficiency.

II) Outsourcing-Some organizations recently started developing human resource pool by employing the candidates for them. These organizations do not utilize the human resources, instead they supply human resources to various companies based on their needs on temporary or ad-hoc basis.

2.4 [C] Process of recruitment-

To be successful, the recruitment process must follow the above mentioned steps-

1. Defining the job
2. Establishing the person profile
3. Making the vacancy known
4. Receiving and documenting applications
5. Designing and using the application form
6. Selecting
7. Notification and final checks
8. Induction

2.5- Selection

2.5. [A] Meaning:

Recruitment and selection are the phases of the personnel practices and procedures complementary to each other. Although an effective recruitment programme can provide us numerous jobs applications, there still remains crucial problem of selection of the most suitable human resources with a view to placing them in vacant positions in the enterprise. Obviously selection forms a crucial manpower function. It may be noted that trend towards automation and computerization have increased the significance of these processes. Notwithstanding marked technological development, profits stemming from efficient operations involve expeditious application of manpower through effective selection programme.

2.5.[B] Process of Selection

1) **Recruitment**-Recruitment refers to process of searching for prospective employees and stimulating them to apply for jobs in an organisation. It is the basis for the remaining techniques of the selection the latter varies depending upon the former. It develops the applicant's pool.

2) **Development of basis for selection**-The Company has to select the appropriate candidates from the applicant's pool.

3) **Application form**-Application form is also known as application blank. The technique of application blank is traditional and widely accepted for securing information from the prospective candidates. Many companies formulate their own style of application forms depending upon the requirement of information, based on the size of the company, nature of business activities, type and level of the job etc. Information is generally required on the following items in the application forms:

- Background information
- Educational attainments
- Work experiences
- Salary
- Personal details

➤ References

4) Written examination-The organization have to conduct written examination for the qualified candidates after they are screened on the basis of application blanks so as to measure the candidate's ability in arithmetical calculations, to know the candidate's attitude towards the job, to measure the candidate's aptitudes, reasoning knowledge in various disciplines, general knowledge and English language.

5) Preliminary interview-The preliminary interview is to solicit necessary information from the prospective applicants and to assess the applicant's suitability to job. The information provided by the candidate may be related to the job personal specifications regarding education, experience, salary expected, attitude towards the job, age, physical appearance and other physical requirements etc. Thus preliminary interview is helpful as a process of eliminating the undesirable and unsuitable candidates. If a candidate satisfied the job requirements regarding most of the areas, he may be selected for further process.

6) Business games-Business games are widely used as a selection technique for selecting management trainees, executive trainees and managerial personnel at junior, middle, and top management positions. Business games help to evaluate the applicants in the areas of decision making, identifying the potentialities, handling the situations, problem solving skills, human relations skills etc. Business games includes case study, Role play, group discussion etc.

7) Tests-Psychological tests play a vital role in employee selection. A psychological test is essentially an objective and standardized measure of sample of behavior from which inferences about future behavior and performance of the candidate can be drawn. Various types of tests like Aptitude test where a capacity of an individual to learn a given job is tested. Achievement test where candidates claim to know something and these tests are concerned with what one has accomplished. Personality tests where to probe deeply to discover clues to an individual's value system, his emotional reactions and maturity and characteristics.

8) Interview-Final interview is usually followed by testing. This is the most essential step in the process of selection. In this step, the interviewer matches the information obtained about the candidate through various means to the job requirements and to the information obtained through his own observation during the interview. There are many types of interviews like informal interview, unstructured interview, background information interview, job and probing interview, stress interview, the group discussion interview, panel interview, depth interview etc.

9) Medical examination-Certain job requires certain physical qualities like clear vision, perfect hearing, unusual stamina, tolerance of hardworking conditions, clear tones etc. Medical examination reveals whether the candidate possesses these qualities. It can give the following information:

- ✓ Whether the candidate is medically suited to the specific job
- ✓ Whether the applicant has health problems or psychological attitudes likely to interfere with work efficiency or future attendance
- ✓ Whether the applicant suffers from bad health which should be corrected before he can work satisfactorily
- ✓ It is used to check the special senses of the candidates.

10) Reference checks-After completion of the final interview and medical examination, the personnel department will engage in checking references. Candidates are required to give names of references in their application forms.

2.6 Training

2.6. [A] Meaning:-

Organization and individual should develop and progress simultaneously for their survival and growth and attainment of mutual goals. So every modern management has to develop the organization through human resource development. Employee training is the most important sub system of human resource development. After an employee is selected, placed and introduced in an organization he or she must be provided with training facilities in order to adjust him to the job. Training is the act of increasing the knowledge and skill of an employee for doing a particular job. Training improves, changes and

moulds the employees, knowledge, skill, behavior and aptitude attitude towards the requirement of the organization. Training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organization to acquire and apply the knowledge, skills, abilities needed by a particular job.

2.6. [B] Definition:-

1. Training is the continuous, systematic development among all levels of employees of that knowledge and those skills and attitudes which contribute to their welfare and that of the organization.—Planty McCord and Efferson

2. The training is an organized procedure by which people learn, knowledge or skill for a definite purpose. --- Dale S. Beach

Thus, training bridges the differences between job requirements and employees present specifications.

2.6. [C] Types of training:-

2.6 {C}-1. Induction training-Always the first impression is last impression. A new worker must be properly welcomed on his joining the work. He must be given all essential introductory information by his supervisor. He must be properly inducted with elementary training about his conduct, environments, work, co-workers, responsibilities etc. It will help worker to adjust quickly with the new job and organization.

2.6. {C}-2 Job training-It is the training provided with a view to increase knowledge and skill for a specified job. Senior workers, supervisors, the special instructors are engaged to impart on the job training.

2.6. {C}-3 Training for promotion-This training is given to existing employees of the firm to enable them to perform higher level jobs. They may be sent to higher institutes of learning for specialized training.

2.6. {C}-4 Refresher training-This type of training is given to existing employees to enable them to know the use of new methods or techniques of work. Workers may be sent to short term refresher courses or they may be

encouraged to attend seminars etc. to brush up or update their current knowledge. They learn latest developments or techniques.

2.6. {C}-5 Safety training- This training is given to minimize the accidents and damage to machinery. For eg. Fire control department of the government may be asked to give the training to the workers in preventing and controlling fires.

2.6 [D] Methods of training- The type of employee training best suited to a specific business .Organization depends upon a number of factors such as skills called for in the jobs to be filled, qualifications of the candidates applying for the jobs and the kinds of operating problems confronted by the organization. In the operative area following are the principal methods of training:-

2.6 D-1 On the job training

-It involves assignment of the new employee to a specific job at machine or work place in the shop, office or laboratory. The worker is trained while he is engaged in the work by utilizing the actual work situation for the purpose. He is instructed by an experienced employee, special instructor or his supervisor. It includes job rotation, coaching, job instruction,. Training through step by step or committee assignments.

2.6 D-2 Vestibule training-

It is a part of off the job training. In this method actual work conditions are stimulated in a classroom. Material, files and equipments which are used in actual job performance are also used in training. This type of training is commonly used for training personnel for clerical and semi skilled jobs.

2.6 D-3 Role playing- It is defined as a method of human interaction which involves realistic behavior in imaginary situations. This method of training involves action, doing and practice. The participants play the role of certain characters such as production manager, mechanical manager, quality control inspector, worker etc.

2.6 D-4 Lecture method- This is a traditional method of instruction. The instructor organizes the material and gives it to gives it to a group of trainees in the form of talk. To be effective lecture must be motivated and create interest among trainees.

2.6 D-5 Programmed instruction-Now a days this method have become popular. The subject matter to be learned is presented in a series of carefully planned sequential units. These units are arranged from simple to more complex levels of instruction. The trainee goes through these units by answering questions or filling the blanks.

2.7--- Transfer and Promotion

2.7. I. Transfers:-

2.7. I. a) Meaning-

Organizations resort to the type of mobility of employees in order to place the right employee in the right job. This type of mobility which is restricted to movement of an employee from one job to another in the same level of organizational hierarchy., is termed as Transfer.

2.7. I.b) Definition-

“Transfer is nothing but moving of an employee from one job to another. It may involve a promotion, demotion or no change in job status other than moving from one job to another.”

2.7. I.c) Types of Transfers:-

1. **Production transfers**-These transfers are made from one department where the labour requirements are generally reduced to departments where labour needs are increasing or vacancies have occurred through separations. These are made to prevent lay-offs.
2. **Replacement transfers**-These are similar to production transfers as they also try to avoid layoffs. However these are used to replace a new employee with an employee who has been in the organization for the longer time.
3. **Shift transfers**-This a common type of transfer of an employee from one shift to another on the same type of work. Workers generally dislike a

second shift assignment as it affects their participation in community life. Therefore to minimize this shift transfers are introduced.

4. **Remedial transfers**-These transfers are made to remedy the situation. For e.g. If the initial placement has been faulty or the worker can't get along with his supervisor, a transfer to a more appropriate job will result in better performance.
5. **Versatility transfers**-The objective of these transfers is to increase the versatility of an employee by shifting him one job to another. In this way a employee is provided a varied and broader job experience. This helps the employee through job enrichment and job enlargement

II- Promotion:-

2.7. II.a) Meaning:

If the organization prefers to fill a vacancy only by the internal candidates, it assigns that higher level job to the selected employee from within through promotional tests. Such upward can be called as Promotion.

According to Paul Pigors and Charles A Myers-

“Promotion is an advancement of an employee to a better job –better in terms of greater responsibility, more prestige or status, greater skill and especially increased rate of pay or salary.”

The main conditions of promotion are:-

- Reassignment of higher level job to an employee than what he is presently performing.
- The employee will naturally be delegated with greater responsibility and authority than what he has had earlier.
- Promotion normally accompanies higher pay.

2.7. II.b) Purpose of promotion—

Organizations promote the employees with a view to achieve the following purposes.

1. To utilize the employees skills, knowledge at the appropriate level in the organizational hierarchy resulting in organizational effectiveness and employee satisfaction.
2. To develop competitive spirit and inculcate the zeal in the employees to acquire skill, knowlwdge required by higher level jobs.
3. To develop competent internal source of employees ready to take up the jobs at higher levels in changing environments
4. To promote employees self development and make them await their turn of promotions. It reduces labour turnover.
5. To promote a feeling of content with the existing conditions of a company and a sense of belongingness.
6. To build loyalty and to boost morale.
7. To reward committed and loyal employees.
8. To promote interest in training and development programme and in team development areas.

2.7. II.c) Basis of Promotion:-

- ***Merit basis-***

Merit is taken to denote an individual employee's skill, knowledge, ability, effiience and aptitude as measured from educational, training and past employment record.

The advantages of merit system are:-

1. The resources of higher order of an employee can be better utilized at higher level.
2. Competent employees are motivated to exert all their resources and contribute them to the organizational efficiency and effectiveness.
3. It works as golden hand cuffs regarding employee turnover.
4. It continually encourages the employees to acquire new skill sfor all round development.

- ***Seniority basis-***

Seniority refers to relative length of service in the same job and same organization. The logic behind considering the seniority as a basis of promotion is that there is a positive correlation between the length of service in the same job and the amount of knowledge and level of skill acquired by an employee in the organization. This system is also based on the custom that the first in should be given the first chance in all benefits and privileges.

The advantages are as follows:

1. It is relatively easy to measure the length of the service and judge the seniority.
2. There should be full support of trade unions to this system.
3. It gives a sense of certainty of getting promotion to every employee and their turn of promotion.
4. It minimizes the scope for grievances and conflicts regarding promotion.
5. This system seems to serve the purpose in the sense that employee may learn more with increase in the length of the service.

In spite of these merits following are the demerits:

1. It demotivates the young and more competent employees and results in employee turnover particularly among the dynamic force.
2. It kills the zeal and interest to develop as everybody will be promoted with or without improvement. Organisational effectiveness may be diminished through the declaration of the human resources effectiveness as the human resources consists of mostly undynamic and old blood.

• **Seniority cum Merit:**

Managements mostly prefer merit as the basis of promotion as they are interested in enriching its human resources. But trade unions favour seniority as the sole basis for promotion with a view to satisfy the interests of majority of members.

Hence a combination of both seniority cum merit can be considered as the basis for promotion. A balance between seniority and merit should be struck and it can be done following ways:

1. Minimum length of service and merit-

Under this method all those employees who complete the minimum service are made eligible for promotion and then merit is taken as sole criteria for selecting the employee for promotion from the eligible candidates.

2. Minimum merit and seniority-

In contrast to the earlier methods, minimum score of merit which is necessary for the acceptable performance on future job is determined and all the candidates who secure minimum scores are declared as eligible candidates, those are promoted.

In a nutshell

Manpower planning becomes successful when functioning of all the factors such as recruitment, selection, training, placement, promotion, rewards and punishment procedures are well interwoven, correlated, monitored with humanitarian approach. Thus manpower planning is necessary for survival of any industry and to run the industry successfully.