

CHAPTER - VII

OBSERVATIONS AND SUGGESTIONS :

As stated earlier the technique of manpower planning has been recently introduced in the company.

The techniques used for forecasting the manpower is based on the study of -

- i) Time study ,
- ii) Work load analysis and
- iii) Work force analysis.

These are the only techniques used to determine manpower requirements.

No doubt the techniques employed are good But it was felt that a detailed study of these tools are to be made before that are employed.

The company is facing the problem of adjusting the labour surplus it has. For this it has been following the below mentioned measures :-

1. Retrenchment.
2. Internal transfers
3. Resignations
4. Transfer on promotions
5. Work measurement.
6. Over time.

The technique used for manpower forecasting i.e. "work load analysis" is useful for determining the manpower requirements of the direct Labour. In case of the indirect labour it is very difficult to set a standard time.

Therefore, it may be suggested here that some of the above said manpower forecasting techniques can be used as per the need.

METHODS OF FORECASTING :

Broadly speaking, four main approaches to medium and long term manpower forecasting can be distinguished at the level of the firm. The first of these relies on the informed opinion of managers with the company. The second is based on the idea of projecting past trends in employment. In the third, the results of work study exercises form the basis of forecast, and lastly and in many circumstances the most difficult to apply, predictions are based on measures of labour productivity. Although they are treated in this section as alternatives, in practice, these approaches should be treated as supplement to each other they may well provide very different answers, but at the least the exercise of forecasting will encourage management to question its assumption

about the pattern of future growth in the firm. Ideally perhaps the company should work out a series of forecasts using one or more of the "mechanical" methods and consider how their results compared with those derived from the informed opinion of managers. Whichever method is used, however, it will always be prudent to assume that forecasts will turn out to be to some degree inaccurate either because it is difficult to measure exactly the effect of some known changes or because the assumption on which the forecasts were based is mistaken. In order to present realism and flexibility, therefore it is sensible to -

1. Estimate the manpower implications of one or more alternative assumptions about the rate of company growth etc. and so obtain a range of forecasts (high, conservative and average) and
2. Monitor at regular intervals, the effects of change in order to be in a position to revise forecasts without delay where this becomes necessary.

1. EXECUTIVE JUDGEMENT :

Perhaps the simplest approach to manpower forecasting is to prepare estimates of future needs based on the individual opinions of departmental or

line managers. This can be done both from the bottom up by asking junior managers through the hierarchy for collection and comment or from the top downwards through headquarters department whose suggested forecasts are circulated downwards for discussion. In both cases, comment from different levels of the managerial chain will often lead to considerable revisions of the original estimates.

Forecasts made in this way are often regarded by managers who set them as targets; they may only be the view of the individual or group concerned. It is vital therefore, that managers be asked to provide ample supporting evidence for their forecasts, for without this they can often be given little credence.

Generally, speaking the views of managers are likely to be most valuable in relatively short term forecasting, although in small firms there may well be no alternative to the judgement of the manager in charge. In most companies, however, the best forecasts will usually be seen to result from a combination of managerial estimates and other approaches to forecasting. A useful analogy in the approach to sales forecasting which is sometimes known as the

"right angle method". In this, a committee of managers engaged in different activities compare the forecasts made contrally by the company's planning staff or personnel department with those prepared "at the grass roots" by departmental managers. Forecasts which can be accepted as reasonable by all are agreed upon and plans developed accordingly.

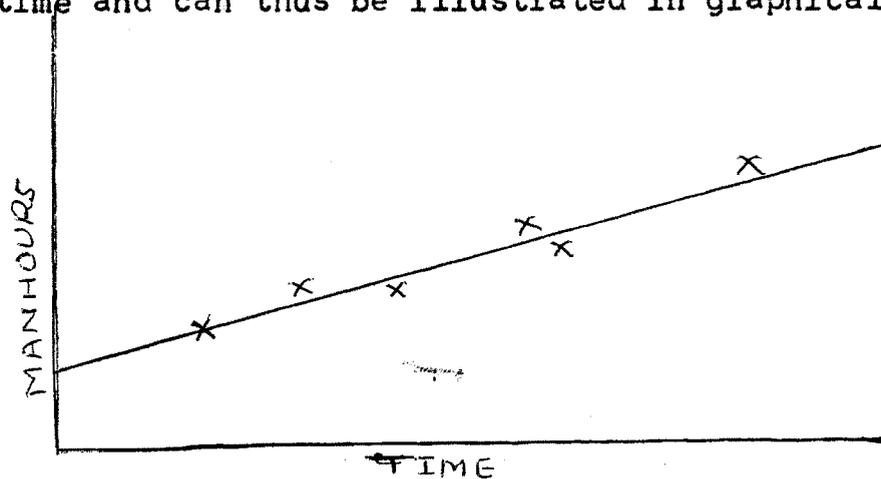
I) THE USE OF STATISTICAL TECHNIQUES :

In this section some statistical approaches to manpower forecasting are considered, ranging from methods of simple extrapolation through regression or correlation analysis, to econometric models. All these methods depend for their validity on the assumption that developments in the future will exhibit some continuity with the past. Simple extrapolation assumes that past trends will continue, regression analysis assumes that particular relationship will hold firm; and econometric models assume that the basic interrelationships between a whole range of variables will be carried on into future. Many would seriously, question this assumption as applied to the situation in which a single company or department has to operate. But that is not to say that statistical analysis cannot provide some valuable insight into the past which may well assist the

examination of the future.

A) EXTRAPOLATION :

Method of simple extrapolation are concerned with predicting the growth or decline of a single variable (or set of variable such as ratio) over time and can thus be illustrated in graphical form.



Projection of Labour requirement.

In the above figure time is measured along the horizontal axis, and labour requirement (i.e. required manhours) along the vertical, The first stage in the forecasting process is to identify any trend line which may show itself in such a scatter diagram; the method of simple extrapolation consists simply of extending this line into the future.

B) REGRESSION AND CORRELATION :

Method of correlation seek to provide a measure of the extent to which movements in the values of two or more variables example might be labour input and sales are related with each other. The aim is then to predict changes in one variable by reference to changes in other or others,

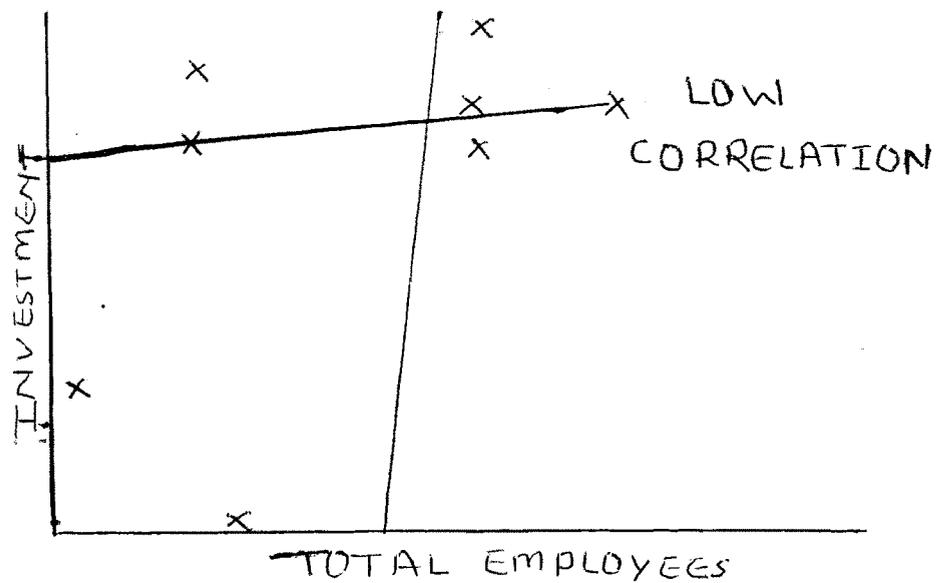


FIG 'a'

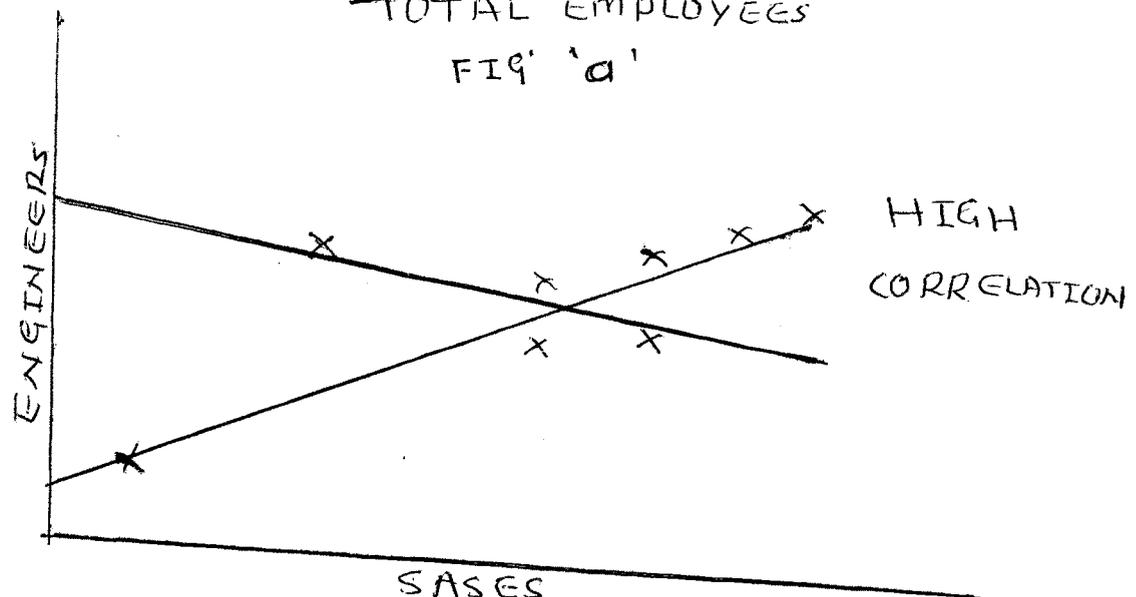


FIG 'b'

When more than two variables are considered together, the analysis is known as "multiple regression". A firm might find for example that the number of fitters it requires is a function of level of output together with a measure of the quality of the product. In practice, however, where the future values of these other variables are already postulated. Thus if a company finds that the number of hours put in by a group workers bears a strong relationship to the amount of output from the department, or sales a knowledge of future output or sales levels should make possible a forecast of future labour requirements.

Where only two variables are concerned the analysis is known as simple regression or correlation. In figures 'a' and 'b' two possible relationships are examined, to see whether they might prove useful forecasting. From the first, it is clear that in the firm in question, labour requirements are closely related to investment. From the second, however, it appears that the number of engineers has in the past been fairly closely related to the level of sales. If this relationship appears likely to be continued into the future, estimates to labour required can be derived from prediction of sales levels.

It should be stressed that the search for such relationship as it is a time consuming one, and is often fraught with great practical difficulties, Data collected for other purposes, for example, might not fit easily into the particular types of statistical frame work envisaged, or may be unobtainable for more than a few periods in the past. Neither should be technical difficulties be underestimated although the elements of correlation analysis can be quickly learned, it is always advisable to consult a satisfaction before proceeding from promising first results. The successful implementation of such methods does of course presuppose that the firm is engaged in a thorough programme of overall business planning. Without this, sales or other forecastings from which manpower forecasts are to be derived, will not be available.

C) ECONOMIC MODELS :

Econometric Model building differs from the statistical method which have so far been described primarily in the complexity. Past statistical data are analysed in the hope that it will prove possible to describe precisely the relationships between a number of variables in mathematical and statistical terms. The analyst might hope, for example, to

potray the interrelationships between different types of manpower requirements and measures of investment, profitability sales, complexity and quality of the product and any other factors which may be thought important in a particular any other factors which may be thought important in a particular firm, in terms of a single question or more likely he would seek to builtup a series of questions, which together described the various relationships. Very often, such models are based on simple and multiple regression analysis of the type described above.

The practical difficulties inherent in approaches of these types are considerable. The use of complex econometric models for forecasting future manpower needs, or indeed any other variable, at the company level, is still very much in its facny and the efforts and cost involved in building us a satisfactory models are at the moment well beyond the reach of most companies. Any company considering such an approach would almost certainly require the assistance of a full time statician, and the manpower of detail of the conclusions involved invariably calls for computer time. Moreover, continuous and skillful monitoring of changing business circumstances

is essential to keep any model up-to-date. However, it seems likely that significant advance will occur in this field as the use of computers becomes more widespread and as more firms take advantage of the increasing range of standard programmes which are becoming available for routine statistical exercises.

II) THE USE OF WORK STUDY :

Few companies will need to be told what an essential management tool the technique of work study has become. By helping to determine the best possible use of company resources men, materials and machine work study is one of the principle aids by which an organisation can improve its productivity. In addition, as it is concerned with establishing the labour and skills required in any production process, it can be of great value for manpower forecasting purposes. Not surprisingly therefore, many of the companies currently engaged in manpower forecasting are using the results of work study exercises as the main basis for their estimates of future manpower requirements. This is particularly true of the engineering industry, where a large part of manual working is of a repetitive or uniform kind that can be time studied fairly readily.

In common with other forecasting methods the starting point in the work study based approach is usually the sales or output forecast established for the planned period. In order to determine the manpower that will be needed these forecasts have first to be converted to a production schedule (taking into account existing stock level) The production schedule is then split up into a programme of work for each of the forecast period and, perhaps into monthly and weekly programme for the first year. To do this the following information is obtained.

1. What is to be made or done.
2. The quantity involved.
3. The operations or methods needed to carry out the work.
4. The plant, equipment and tools required.
5. The type of labour needed.
6. How long each operation is expected to take.
7. The amount of labour required.
8. How much plant and equipment of the types necessary is available.
9. How much labour of the types is available.

As far as labour is concerned information on item nine should be available from the company system



of personnel records; the data on item five can be supplied by method study, and that on items six and seven by work measurement. The production schedules in order to ascertain the numbers of manhours or man days required for each class of labours.

A very simple example will illustrate the logic of this approach. A department estimates that its production for the following five years will be 40,000 components per year. Time study have shown that it takes, on average, five skilled men to produce 20 components per day.

Therefore mandays required are -

$$\frac{40,000}{4 \text{ (Components per man/day)}} = 10,000 \text{ mandays.}$$

Therefore, man years required are -

$$\frac{10,000}{250 \text{ (Working days per man/year)}} = 40 \text{ man years.}$$

Thus to fulfill the planned production of 40,000 components, an average of 40 skilled men will be required in the department during the following year. To this figure, would of-course, have to be added the necessary adjustment for wastage, and

possibility, absenteeism. If the company wishes to achieve greater flexibility it might allow a certain proportion of Fixed overtime and reduce the number of employees required. The additional costs of doing this would need to be taken into account. If its sales target proved over optimistic, it might then be able to reduce hours rather than dismiss or transfer workers.

If a standard time is to be projected against work load over a longish period of time (as in the above example) some allowance will almost always have to be made for increases in productivity or efficiency. In most companies this will normally be taken care of by the constant revision on which work study departments are usually involved. Alternatively, some guidance on the sort of adjustments required in long range projections may be obtained from the evidence of past trends in productivity.

There is of course, much more scope for the work study based forecasting technique where direct production workers, both skilled and unskilled are concerned. Establishing the need for straight forward, because time standards for these types of labour are seldom worked out and are in any case,

often more difficult to obtain. But most work has some repeatative element in it and indirect workers (particularly clerical staff) are capable of being measured by conventional time study methods, or by modifications of these method (such as production studies and work sampling). Some companies have also found it helpful, in estimating indirect staff, to examine loast ratios of indirect to direct wrkers an example should be the number of supervisors usually required as a proporation of direct production workers.

The great advantages of the worker study method of manpower forecasting is that it derives, with little extra effort, from a well established system of work and cost measurement which is found in a large number of companies. In principle it is a straightforward enough, involving few complicated calculations, and it provides the company with a substantial additional benefit from its work study department.

The basic problem here is to prepare reliable sales and production estimates for, say, a five years period in the kind of detail which makes possible the application of work study and time standards. But

for many firms, this problem is not insuperable and even where estimates are specially liable to error, some calculation of the labour element over a period of two or more years will usually serve to warn the company of significant future labour problems. This in itself is no small gain.

III) THE USE OF PRODUCTIVITY IN MANPOWER FORECASTING:

This method of forecasting labour requirement looks at the way in which measures of labour productivity can be used for forecasting purposes. Conceptually, this approach is closely related to work study; both seek to determine the amount and effectiveness of the human context of the work involved in any activity. Work study, involving a thorough analysis of the work process, seeks to establish the manhours needed per unit of output; productivity measurement is generally more concerned with the increase of this ratio i.e. with output per manhour. The difference between these forecasting methods is thus not one of all intention, but lies rather in the detailed way in which the forecast is in practice constructed.

Output (measured say by gross tonnage or sales) divided by labour productivity (output per manhour) gives the number of manhours required to

complete the task.

But in practice, the procedure is a difficult and harardous one. Accurate measures of productivity in the individual company are notoriously difficult to obtain even for the current situation, let alone for the future. In most cases therefore, it will be uneven to rely too heavily on forecasts prepared for them, as with other types of forecast; they always be regorous examination by management.

The main difficulty in productivity measurement arises from measurement of a company's output. While changes in labour input overtime can be measured reasonably unambiguously in terms of manhours woeked. (in preference to number of employees) measures of change in output may be mis-leading because of changes in the firm's product mix and quality and because of fluctuations in raw material and other price levels etc. Moreover there are a number of activities the output from which it is difficult to measure at all precisely or meaningfully for example, the output of the company secretary's or Chief Accountants Offices.

There are two main types of measure of output; physical output (tons, volume, number of units)

and value output at constant prices. If a company's product are fairly homogenous and change little over time (or if there are satisfactory methods of converting the outputs of different products to some standard physical measure, the first method may be the most appropriate one to use. If however, it proves impossible to compare the physical quantities of different types of goods in any meaningful way, a financial measure is to be preferred. This may have the additional advantage of enabling some allowance to be made for commercial and administrative or repair and maintenance, activities. Comparisons however of the value of output from year to year may be invalidated by changes in product or raw material prices over which the company has no control. The use of "value added" (defined as the value of output in constant prices has the cost of intermediate goods and services consumed in production) gets over the problem of fluctuations in the price of brought in goods and services, but these still remains the possibility that the selling price of the company's goods may fluctuate for other reasons than change in qualities of output.

One further important qualification must be added; if the method is to produce reliable forecasts,

the proportions of different products in total output must remain constant (or nearly so) over the forecast period. This is because labour requirements will differ in many cases between the different types of product so that a relative increase in the output of one product may increase labour requirements more or less proportionally (as the case may be) depending on whether the goods in question is more or less labour intensive. The example which follows should be considered in the light of these difficulties, it is assumed here that the proportions of different goods in the total remain constant over the forecast period. A further assumption made here for the sake of simplicity in the example is that range about "averages" is narrow one.

When using productivity measurements for forecasting, the first stage here as in other approaches is to obtain the sales forecast set by the corporate plan.

The second stage is to calculate the extent to which the productivity of the particular department or group of workers for which forecasts are required has increased in the past few years. A productivity trend line is then fitted to the data, using one of

the statistical methods mentioned in the section on statistical trends. If the pattern of productivity change appears as a constant one, the manpower planners may conclude that the trend line offers a reasonable basis for estimating future productivity. But he will certainly discuss with the managers concerned the possibility of significant upward or downward movements in the future. The impact of changes in plant and equipment, in labour utilization and in organisation, have to be carefully considered before any reliance is placed on the past trend.

The manpower planner should now be in a position to make his forecast. By dividing output of the forecast year by the productivity rate anticipated for that year, the number of employees required by the firm to fulfill the output target can be estimated.

The easiest way of reducing the overall figures to occupational levels is to assume that the current occupational structure will remain basically the same for the forecast year, with necessary adjustments for any significant trends that have been recently taking place within the labour force. Ideally, however, if enough output and input data are available,

separate forecasting exercises should be made for individual occupational groups.

In short, manpower forecasting using productivity measurements is satisfactory so long as the two variables, output and input, are fairly easy to quantify and the rate of change in productivity over a forecast period can be predicted with some confidence.

An hypothetical Example :

Forecast of Labour Requirement for 1981

(Production Department only)

1981 Basic Data :

Added value for the year = Rs. 24,00,000

Average number of employees during
the year = 370 employees

Number of weeks worked during the year = 50 weeks

Average hours per week = 42 hours

Total hours per worker
per hour = $42 \times 50 = 2100$ man hours

Total man hours per year
= $400 \times 2100 = 8,40,000$ man hours

Productivity value added per man
per year = $\frac{24,00,000}{8,40,000}$

= Rs. 2.88 per man hour.

1985 Basic Data

Planned value added	Rs. 36,30,000
Productivity is expected to be 10% higher than in 1981, therefore in value added terms it should reach	Rs. 3.17
Therefore required manhours in 1985	Rs. <u>36,30,000</u>
	3.17
	= 11,45,110 Manhours.

Hours of work ~~at~~ will decline by 4.8% per week to 40 hrs. a week for 50 weeks of the year or 2000 hrs. per year = $\frac{11,45,110}{2,000}$

Therefore required Labour production department in 1985 = 573 workers

Secondly, I suggest that the company to use two or more of the above techniques in different circumstances as a check on one another.

Thirdly, there should be across the board consultation and discussion between line and staff managers.

Fourthly, the line communication between management and the unions should be good.

Fifthly; the span of forecasting should be atleast 5 years so as to allow remedial action to be taken.

Sixthly; the company is going in for expansion programme in the manufacture of oil engines. The company should utilise the present surplus labour force there and should have a scientific manpower, hence future so as to avoid surplus or shortage.

Seventhly; the company should have a balance sheet planning as shown in the figure(see appendices).

Eighthly; the company should reconcile supply and demand forecasts as explained under the heading " Reconciling Supply and Demand Forecasts. "

IV) RECONCILLING SUPPLY AND DEMAND FORECASTS :

The stages already discussed are intended to provided the data revealing to management the extent and nature of shortages or surpluses of manpower ,giving certain business objectives. Following table provides a simplified picture of the way in which the size of manpower gap can be calculated (It is assumed that for the sake of simplicity in the table that requirements at the beginning of each period are infact met) and a

recruitment schedule for the succeeding five years derived.

TABLE NO. 7.1

FORECAST OF RECRUITMENT NEEDS OF TURNER(1981.85)

Particulars	1981	1982	1983	1984	1985	Total
1. Number available at the beginning of the year.	200	250	275	280	285	
2. Intake from training scheme	005	010	010	015	020	60
3. Transfer from associated Co.	-	-	-	-	-	-
TOTAL	205	260	285	295	305	
4. Losses through wastage during the year -						
a) Retirement	004	006	007	009	011	37
b) Discharges (2% p.a.)	004	005	006	007	008	30
c) Transfer and Promotion(2%)	004	005	006	007	008	30
d) Voluntary Resignations	015	017	020	020	015	87
TOTAL :	27	33	39	43	42	184
Available at the end. TOTAL	178	227	246	252	261	
5. Numbers required at the beginning	200	250	275	280	285	-
6. Additional requirement forecast during the year.	020	010	015	-	-	45
7. Total requirement at the end of year (5+6)	220	260	290	280	285	
8. Additional Requirement	42	033	044	028	024	171

What this picture reveals is the effect of certain business objectives if the firms were to adopt them. It is not until the firm has reconciled its objectives and its resources in a considered plan of action that the required levels of recruitment and training can be determined. It may be necessary in the first instance, to fix the production target because the "Manpower Gap" is too wide to bridge at least in the time required. Secondly it is quite possible that the firm will be unable to recruit to the desired level when it wants to. In the year 1981, in the situation illustrated, the firm apparently requires an additional 42 skilled turners on the top the 200 employed at the beginning of the forecast period. It would be fortunate indeed to get that number even in areas of high unemployed turners are generally in short supply. The firm might, therefore feel it realistic to spread its recruitment demand more evenly over a forecast period, and adjust its sales targets accordingly. It is not always necessary however to recruit new employees in order to secure the additional labour required. In some cases, it may be possible to bridge the gap by additional overtime working through this rarely be a satisfactory long

term solution. Productivity bargainings on incentive schemes might be introduced. A certain amount of up-grading of semi-skilled workers or retaining of other skilled workers or retaining of other skilled people may be feasible. Men due for retirement could be person added to stay on for a year or two longer or more apprentice might be taken on. Where it is possible one of these courses is normally much to be preferred to recruiting trained men from the labour market.

These are in fact in almost all the cases, a variety of ways of dealing with anticipated shortage of manpower. The point of emphasize is that, with more than one year's warning of such shortages, it is much easier to select the approach which is most economical and efficient rather than be forced to undertake a costly recruitment campaign (which could well exaorbate wage competition among employers and lead to inflationary wage and earnings increase). The preparation of a schedule on the lines of that in table will warn the firm of the consequences of its business strategy or perhaps to term its strategy to take shortages are acute, it will probably have only two alternatives to lengthen its delivery dates or to pay a great deal more for its labour (in overtime premium or in higher basic rates to attract labour from other firms), that it might

otherwise have done. It is precisely because the time scale in planning to meet labour problem is so vital that manpower forecasting is worth the money and effort denoted to it.

As a management techniques, manpower forecasting has close parallels with project planning and control based on network analysis. Much of the efforts expended by project management is directed at reconciling resource requirements, and in particular labour with external limitations. Just as techniques such as CPM or PERT enable a firm to direct which part of a project, if delayed will be critical to the timely completion of the whole project, so also can manpower forecasting help to determine where the critical manpower problem will arise in the course of company's overall growth and expansion. In both cases, the analysis helps a firm to concentrate its planning efforts in critical areas.

Forecasts of future labour requirements may all too easily reflect wasteful patterns of labour utilization, based as they often must be on past relationship between work done and types of labour employed. At the planning stage proper, therefore when supply and demand forecasts confront one another

and future shortages of particular skills are revealed, it is always important to consider whether the ways in which scarce labour resources are deployed could not be improved.

The plan should if it does nothing else, encourage managers to look for labour savings through more realistic manning practices. There is little virtue in manpower planning, if it allows the assumptions underlying labour demand forecasts to go unchallenged, and if the more efficient use of human resources is neglected.

In short, then the planning stage is the occasion for -

1. Considering the implications of the supply and demand forecasts.
2. Identifying critical points for management action.
3. Determining the various ways of reducing anticipated shortages (or surpluses) of labour and,
4. Re-examining the ways in which scarce labour resources are being utilized.

Once the company has drawn up its plans to secure the additional resources of labour it needs, there is a danger that it will not make them sufficiently.

flexible or adaptable to changing circumstances. The forecasts both of supply and demand may turnout to be quite wide of the mark, and the main assumptions on which they are based could then require substantial revision. To allow for this possibility, and to adjust accordingly, two things are necessary. First the manpower planning division must closely monitor the forecasts by comparing them with what actually happens. This should provide early warning of the sort of adjustments necessary and at the same time enable the manpower planner to test and improve the forecasting methods he has used.

Secondly, there should be some system of review of manpower developments by line and specialist management as a matter of course, at regular intervals during the forecast period. The annual budget control arrangement often provide an excellent framework for such a review, and enable any adjustments in the firm's strategic plans to be made at the same time as the budgets of each division are checked and agreed plan must await the manual accounting exercise; any sensible plan will in fact allow a good deal of discretion to managers so that they can react rapidly to changing condition. But an annual review can provide the occasion for a

through and comprehensive assessment of the company's performance in the light of its objectives and forecasts.

LIST OF KEY POINTS FOR SUCCESSFUL PLANNING

1. Manpower planning must be recognised as an integral part of overall business planning. The manpower planner needs to know the company's objectives in terms of sales, markets and growth.
2. Backing of top management is essential for manpower planning.
3. Manpower planning, responsibilities should be centralised in order to co-ordinate consultation between management levels.
4. Personnel and other statistical records must be complete, upto-date and readily accessible.
5. The forecast period should be long enough to allow remedial action to be taken.
6. The forecasting technique selected should be that best suited to the data available and the degree of accuracy required.
7. Forecasts should be prepared by skill levels

rather than by aggregates of workers of different skill levels.

8. Both the forecasting techniques and the forecasts themselves, need to be constantly revised and improved in the light of experience.

SOME FINDINGS

1. The recruitment policy of the company forms a firm foundation to the recruiting of employees. It is flexible and hence the company can adopt itself as and according to the circumstances.

2. The personnel department looks after the entire requirement affairs and hence the personnel officer can concentrate on recruitment matter without any obstacles.

3. The company's main source is local candidates. Local candidates are given first preference and candidates from other places are given next preference.

4. The sorting of received application is made on the following basis :-

Merit basis - 60%

Company's Interest - 10%
Employees Relatives - 15%
Sports and Others - 15%

5. The calls for written test and interview are mostly given on merit basis.
6. The printed application blanks are filled by the candidate after their personal interview.
7. The written tests are generally based on I.Q. Maths, physics and chemistry, engineering drawing, general knowledge and accountancy.
8. The personal interview is based on merit and twice the number of people are called than required.
9. The Apprenticeship is given as appended in syllabus for each trade in related instructions i.e. workshop technology, workshop calculations and science, applied mechanics, engineering drawing, social studies which include the rules regarding the employees union, leadership etc.
10. The budgets required for Apprentice training are fixed by the government.
11. For Apprentices one month's induction training is given before they enter into contract with the

3. The advertisements should contain the necessary details like job title, the job description, the qualification required, the experience required etc.
4. There should not be discrimination regarding the source of employees, people from other places should also be given equal preference.
5. The syllabus for apprentice should be changed after regular intervals by proper authority. New techniques of teaching should be followed.
6. The applications should be sorted purely on merit basis. Some percentage should be allowed for relatives of existing employees and for sports personnel.
7. When the applications are received a chart should be made as shown in the appendix. So as to enable the interviewers to know the candidate just at a glance.
8. Reference checking should be done in all the cases even if it is time consuming.
9. Suggestions regarding some of the forms of the personnel department confining to recruitment are

management. After a months period depending upon the aptitudes of the candidates, trades are allotted.

12. Reference checking is rarely done.

13. All the candidates who pass the interview have to undergo the medical examination. Hence no escape from Medical Examination.

14. Though all have to undergo Medical Examination the medical tests confine only to General Physical conditions, height, weight and do not go deep into matters of health or previous illness of the candidates.

15. Persons requiring retraining are given further training.

SUGGESTIONS

1. The company should try to adhere to its recruitment policies and as far as possible try to modify them to change too often.

2. The recruitment advertisement should be given at least in two dailies, one local and the other having wide circulation; so as to attract candidates from all over.

given in the Appendix. They should be accepted by the company with necessary modifications whenever required.

10. Recruitment should strictly be done according to the Manpower Planning.

11. There should be co-operation and cordial relations between the personnel department and the top management.

12. Effectiveness of the advertisements confined to recruitment should always be judged so as to know the company's public image.