CHAPTER 1
INTRODUCTION

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1.1 Introduction

Any organisation or an institution requires resources such as money, materials, instrument, appliances and human beings among these resources. Human resource is the most important factor. This also applies to the business organisations, industries and educational organisation, and the operation of which have to be carried out effectively amidst the current trend of globalisation. If this is appropriately utilized, it would enhance in their depthness, and increase in their working proficiencies.

Human resource management is concerned with the human beings in an organisation. What is resource? Resources are the means, which can be drawn out. They are collective means for production, support as well as a source of strength and aid.

"Human resource management is the planning, organising, directing and controlling of the procurement, compensation, integration and maintenance of people for the purpose of contributing to organisational, individual and social needs."

-Edwin Flippo

The above definition highlights that function such as recruitment, development, compensation comes under Human Resource Management.

1.2 Conceptual development of Human Resource Management

1. Primeval Era

1.1 Primordial Era

There has been no distinctive evidence of the actual time of this organisation. However it was assumed that at first there should have been some problems on the human resource pertaining to various activities. Even the Holy Bible has been recorded that Moses had problem in selecting and training labourers. In this account he was advised by Jethro, who later became his father-in-law that Moses should teach the labourers about various rules and regulations: point out to them the path they should take and the toil they should do. More ever, he must sort out all proficient workers as well as able administrators. (The Holy Bible, Exodus, 18 verses 20 and 21).
1.2 Industrial Revolution Era

It took 1,000 years from the time of Moses to the time of industrial revolution. At that time there were very few industries indeed. Most tasks are done in small clusters such as in the farms, and small training factories, or in the houses. The cottage industries did not call for the need of a formal human resource management. But in the industrial revolution age, the character of the work had changed. Large industries appeared, and called for a large amount of workers. Industrialisation stressed the need for machinery development. The condition of the workers was very poor and no attention was paid by the employers. This caused a discontent among the workers about their working condition. As a result of the industrial revolution, a few employers realized and accepted the causes that were troubling the workers. For solving this problem a Welfare Secretary was set up. This committee was set up to take care about the needs of the workers, and to assist them on their personal problems, i.e. education, lodging, and care treatment. This was an era to generate personnel experts and to find ways in improving working conditions of the workers.

2. Medieval Era

2.1 This was the beginning of the Scientific Administration Age. Taylor was the father of the Scientific Administration. He originated an organization which implement scientific means in solving the problems that occurred in the factory. He made use of standard criteria in place of the original 'Trial and Error'.

Taylor's principle were as follows:

1. Develop the best method from the past systematic analysis instead of the former 'rule of thumb'.

2. Use means from systematic science, to selected, exercise, train, and develop human resources to the required quality for the specific work.

3. Cooperate with employees with sincerity, to make sure that all the work would be executed according to the developed standard.

4. The duties and responsibilities had been clearly allotted between the administration and the operation.

The above concept can concluded as follows:

1. Develop a scientific operations instead of rules without principle.
2. Emphasize on the cooperation rather than conflicts.

3. Emphasize on the highest development instead of the product limitation.

4. Arrange for the scientific operation in the personnel selection, training and functioning of work.

5. Develop employees to their utmost proficiency, for their own sake and for the prosperity of the organization.

From the idea of scientific administration and the first stage of consolidation into unions of the workers, there appeared simple and condensed human resource administration, in the place of the Welfare Secretary. Under this era the organization developed efficiently fixing the salary, selecting and scrutinizing applicants, allaying and assisting on problems and troubles of the workers, etc.

2.2 In access to Human Relations Age at the end of World War I right to the Great Depression in the 1903s (1930-1939), the role of the Human Resource Department increased; such as the duties to consider the payment, the probation, and the consolidation into unions. Their duties included the responsibilities to consider the basic needs of the workers. The basic needs of the workers had become a topic for research and studies. The distinguished one was the study of Hawthorne experiment. The study of Mayo et al., who was the father of the Human Relations Administration, emphasized on the study of Behavioral Science. The outcome of the Mayo et al.'s idea had been used in various organizations who realized that the work of employees associate with factors of psychology, sociology, and the physical health. Hawthorne's studies kindled distinctively the study on: the workers' behavior; the relationship with the job; the association with the co-workers; and the association with the organization. This study was an abolishment on the Scientific Administration pertaining to the working problems. This also proved the influence of the non-government organization, which gave workers a chance to participate in the decision effecting operational production of the workers.

3. Modern Era

From the crisis of the Great Depression in 1930-1939, the government were more implicated with the workers in various organizations. These implications were in the consideration of payment, the problem of unemployment, the social stability, including the protection of right in the consolidation into unions. The government gave more
emphasis on the improvement on the stability of workers and the working status in various organisations. On this account, the government proclaimed various laws relating to the workers. Such laws made it imperative for departments in various organisations to consider various aspects of law involvement. Thereby, all organisations had to take into consideration regarding the social objects, and all other factors stipulated by the law.

The system of the Thai Civil Servants with regards to the human resource management had three stages of evolution. These were in the time of Sukhothai Period, Sri Ayuthaya and beginning of Ratannokosin period, and the Moral Principle Period. The abridgement of the three periods is as follows:

1. Sukhothai Period: The working administration was still in the limited scope, without very complicated skills. The national administration held the character of a patriarchy. Therefore the nobles or the officials were more like children to the King or like the King’s servant than Civil Servants or Officials. They work more for the King than for demos. Therefore the recruitment of officials as well as rewards, appointments or depositions, were done to the disposal of the King.

2. Sri Ayuthaya and the Beginning Of Ratankosin Period: the administrative character changed radically, especially in the reign of King Ramatibody I. The administration had been divided into four pillars of state or Ministers dealing with civic affairs, palace affairs, financial affairs and agricultural affairs. Therefore, there was a need to select people with suitable people with suitable ability for the work to fill the positions appropriately. Later in the reign of King Boromtrilokanat, two more positions had been added. The selection of personnel into service was aimed only for those with good knowledge and ability. People had equal rights to sit for the examination, not withstanding their births or the partisan as before. Since then, the examination had played a very important role in the Thai Civil Servant Regulations.

1.3 Principles of Human Resource Management

A good human resource management can bring good understanding within an organisation, leading the organisation to growth. Miles made a research and propounded a Dual-Model Theory which preferred to the task of Human relations as an amalgamation of the organisational variables (objective, technique, knowledge and structure) and the human variables (ability, attitude, value, need and race). These variables have an impact on the efficiency and the effect of the Sociotechnological System. Whereby, Miles extended McGregor’s ideas by designing the theory of the human resource management into three models. These were the Traditional Model, the
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<th>Traditional Model</th>
<th>Human Relations Model</th>
<th>Human resource Model</th>
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<tr>
<td>1. It is like a bitter pill for people in general.</td>
<td>1. Generally, men like to consider themselves as important and useful persons.</td>
<td>1. Work is not a bitter pill. Men wish to dedicate themselves to the work which they partook in creating.</td>
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<td>2. Their tasks worth much less than the money they receive.</td>
<td>2. Men wish to be accepted and become a part of the organization.</td>
<td>2. Most men are able to operate more creative work.</td>
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<td>3. Only few men had the need or the ability to execute creative work with self-inducement or self-control.</td>
<td>3. These two needs of men are more important than money which induced them to work.</td>
<td>They have more responsibilities to induce themselves and control themselves, than the present work required.</td>
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<td>1. The main task of the manager was to give advice and to closely monitor the subordinates. Keep to the small partition of work which will not be too complicated to learn and to make fast execution.</td>
<td>1. The main principle of a manager is to let all subordinates feel that they are useful. The manager listens to contradictions of the subordinates in the assigned work plan.</td>
<td>1. The main duty of the manager is to make an extensive use of human resources.</td>
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<td>2. Assign the details and the steps of work to be operated seriously and impartially.</td>
<td>2. The manager should allow the subordinates to operate according to his own ideas and have his own self-control.</td>
<td>2. The main duty of the manager is to make an extensive use of human resources.</td>
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<td></td>
<td><strong>Assumptions</strong></td>
<td>3. Create an atmosphere which instigates the operator to give his full dedication to the organization.</td>
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| 1. Should the wage be high and the employer be just, then the employee would hang on to the work. | **Expectations**
1. Exchange information with the subordinate and cooperate with them in some decisions, making them feel that they are part of the organization and are important to the organization.
2. Respond to the need of the subordinates which will lead to the improvement of morale as well as the reduction of true. Hence creating a willing cooperation from the subordinates. | 4. Encourage the operator to participate in the important part of the task and try to enhance their self control and self inducement.  
1. Increase the role of the subordinates. The self-inducement and the self-control of the subordinates would lead to the improvement of the operational efficiency.  
2. The work satisfaction may help to improve the subordinates to make use of their full abilities. |
| 2. In the case of an easy work with a close control, then the work could yield a standard result. | | |

From the above models, it is clear that the Modern era brings the idea of looking at men as having lots of potentiality. If the executives can make use of extensive abilities in men to dedicate themselves to the organization to their full caliber, this indicates that they underline the values of the human resources. It can be said that men are very valuable assets of an organization and can create vast beneficialness to the organization. In the past, executives ••• men who work in an organization it the same

*viewed*
way as materials or machines which help the organizations to accomplish its goal. But in the present point of view, men who operate in the organizations have the worthiness to be maintained by the organization, so that they have good mental and physical health. Whereby, the new executives believe that Human resources in the organization have good knowledge and ability with a potentiality which the organization must seek to create beneficialness to the organization. Moreover, it has been accepted that the operation in the organization would meet its full capacity when the operators have contentment in their jobs, and are happy in living within the organization, and has been accepted by the executives and coworkers.

1.4 Functions of Human Resource Management

The functions and roles of human resource management is a vital aspect in all sizes of organizations. This is because every organization had to hire, to train, and to pay for the wages, in order to induce, to incite, to maintain, and last of all, to consider the compensation when the operator withdrew from the job. Hence, the human resources management is very important and has following functions and role:  

1. Planning: Planning is an important task of the management. Planning determines tomorrow. The human resources managers define the personnel programme required by the organization through the staff planning. The Human resource department should be able to predict trends in wages, labour workers, in union demands.

2. Organizing: The organizing is a way leading to the goal through designing the structural format of the association between the work, the person, and various materials and accessories. The human resources managers must have a good knowledge about the work of various units in the organization. Because for increasing any special position in a unit, the top management usually consult the Human Resource Department. Moreover, the human resource managers must be able to distinguish thoroughly the main units from the consultant units to avoid future problems.

3. Directing: This is a task for the human resource managers to carry out their execution of the planning and the organizing, by inciting the employees in the organization to work efficiently and willing for the achievement of the goals.
4. Controlling: This is a measure which the human resources administrators use in scrutinizing the operation of various departments, making sure that they follow the human resource policy.

The above four aspects involved the human resource managers by way of management, but there are other operative functions. These are:

1. Procurement: Procurement is to define the human resources qualitatively, and quantitatively, through selecting, and filling the position. This duty emphasizes on the hiring a person with good knowledge and ability into the organization.

2. Development: Development is another phase of responsibility to design the skill enhancement program of the operator by setting up training programmes and by developing the personnel within the organization. This is done through cooperation with various departments who require the training. Whereby the human resources department would survey the need for training. Then they would set up a curriculum for the training. This development work includes the transfer and promotions.

3. Compensation: This is a management on the wage and salary. The human resources department must cooperate with other departments in analyzing and evaluating the work according to the duties and positions, the difficulty or the easiness of the task, and the scope of responsibility. This is to find a suitable wage for the particular position. They also take into consideration, the labour market status, law on wage rate, rate of minimum wage, and the current economic condition. Compensation includes fringe benefit and other services, such as appropriate welfare, holidays, vacations, provident fund, etc.

4. Maintenance: This concerns the health and safety of the personnel, taking into consideration the environment and working status. The human resource department sees that the condition of the safety and health of the personnel, as well as the degree of any degradation in his condition. The human resource department will see to it that all safety appliances are available.

5. Retirement: This is the remuneration and compensation payment, in order that personnel can return happily to the community upon retirement. This includes the condition of layoff, and disemployment, retrenchment etc.
6. Personnel records/ Reports/ Statistics: The human resource department is responsible for recording, reporting, making statistics, and must always be ready to give information to the management, i.e. personnel records, etc.

1.5 Policies of Human Resource Management

The Human Resources Policies is of paramount importance for an organization. A policy is a predetermined, selected courses, established as a guide to various operations to achieve the objective. The Human resource policies are:

(I) The keystone in the arch of management and the life-blood for the successful functioning of the Human Resource management because, without these policies, there can not be any lasting improvement in labour management relations.

(II) The statements of intention indicating an agreement to a general course of action, indicating specifically what the organization propose to do.

(III) A positive declaration and a command to an organization.

1.5.1 The Characteristics of a Human Resource policy

1.5.1.1 A policy is the intention of the executive management. This is because a policy will give principles that set operational means of the organization.

1.5.1.2 A policy is usually stipulated in an extensive manner, with an intention to set the operational means for the present as well as the future. Therefore, the content of the policy will have an inclusive nature to make it feasible.

1.5.1.3 A policy is flexible. An organization formulated policies amidst changing circumstances. Therefore, a policy will have to be promoted and improved so that the organization can accomplish its target.

1.5.1.4 A policy will have to be written, as a prototype for the execution, especially when conflicts occur in the low level management. A written policy can, then, create reliability in consecutive process, and proper operation.

1.5.2 The Benefit of a policy

1.5.2.1 Policy builds up a conscience on the consideration of values and importance of human resource. for the Management.

1.5.2.2 It is the operational guideline for the human resources managers of the organization to work in the direction which accomplish the objectives of the organization.
1.5.2.3 It helps in continuity of the operation of the human resource management, without any disconnection upon the change of any executives.

1.5.2.4 It shows the characteristic of the organization to the public, and stimulates the acceptance of the public to the organization. Thereby, this could induce outsiders to join the organization, and the present employees would become loyal to the organization, on account of its explicit standard in human resource administration.

1.5.2.5 The staff of the organization would understand the direction of the human resources management within the organization.

1.5.2.6 The staff of the organization can execute their work effectively. This would also generate an equity within the organization. Hence the staff can develop themselves to progress in their own vocation.

All organization stipulate their own human resources policies in various aspects, such as the policy of selecting and choosing; the policy of promotion; the policy of personnel promotion; the policy of considering the good performance; the policy of fringe benefits, etc.

1.6 Human Resource Planning

Planning is an important function of manager. It indicates the direction in the way of living including any other executions to efficacy and proficiency, such planning be done reflectingly, with a serial of process, and encompassing information. Koontz and others said that planning is the pondering and designing for the accomplishment of the designated goal, which bridges the present and the future. This is an anticipation for the future event. Therefore the planning is an intellective process which designates the operational method, with a source of judgement through the objective, the knowledge and the cerebrating forecast.

1.6.1 The Human Resource Planning (HRP) According to Collenan, "The process of determining the manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organization. HRP can foretell as to: the required character of the personnel; the required level of qualification; the required number of personnel; when to require. This forecast also stipulate method in acquiring the desired human resource, as to: where should the person be
obtained: how should he be obtained: as well as the stipulation of policy and regulations in the best utilization of the personnel resource.

From the above context, it can be found that human resource planning has two important determinants:

1. The forecasting related with the character and qualification of the required personnel for the future use.

2. The programming associates with developing methods for various activities of the organization.

These are the views right from anticipation to practice.

1.6.2 The Significance of the Human Resource Planning

1.6.2.1 Enables the organization to proceed efficiently and proficiently for the future. This is because the human resource planning is the system and the element for the rational analysis for various personnel characters, while the number of the required personnel and the term of employment vary according to the organization's need. Human resource planning is a part of the organizational key executives' strategy.

1.6.2.2 Enables the stability of the organizational operation amidst the varying society. Generally, the changes in the society, no matter in the phase of economics, political, cultures, technological progress, as well as the various business competitions, will guide the organization's human resource planners in indicating the required number of personnel, as well as their character, qualification and ability. This also avails the means of competency development of the employee, in their knowledge, and the up dating in the change of technology. In the business contention, strategies are used to pursue qualified personnel.

1.6.2.3 Enables the organization to proceed systematically in their human resource planning, in selecting, transferring, promoting, training, and discharging. This planning will avail for the organization's qualified personnel and lead to prosperity.

1.6.3 The Advantage of the Human Resource Planning

1.6.3.1 Assists the organization in its development planning, and enables the best use of human resource. In the organization's systematic planning, the whole perspective can be observed in the need of various departments in human resource to the best advantage.
1.6.3.2 Assists in the human resource activities, and in the achieving the organization's prospective target. The forthcoming growth would lead to the organization's manipulation and development. Therefore the human resource activities will have to be manipulated and can progress to the prosperity. The original number and the qualification of the human resource will have to be revised through the systematic planning. Which would avail the execution of human resource activities to be in concordance with the organization's prospective goal.

1.6.3.3 Assists in systemizing the human resource activities with consecutive association. The human resource activities are: analysis, quest, selection, installment, orientation, pension fund, personnel evaluation, development, and training, as well as the security support. With all these developed continuously, along with a keen human resource forecast, the organization will not be in short of qualified personnel.

1.6.3.4 Assists the effective employment. The human resource planning is very essential for all types of organization. It is an arrangement to hiring qualified personnel in concordance with the various need of each department, with efficiency, competency, and cost worthy.

1.6.3.5 Encourages and improves the opportunity and the equality of the personnel in various organizations in the human resource planning. In some cases, the organization may promote a suitable employee rather than hiring new comers. The organization can training the existing staff, and give additional knowledge for the new position. Hence, the personnel in every department are encouraged and developed with parity in the organization's human resource planning.

1.6.3.6 It is a guide for the responsible organization to produce qualified manpower according to the organization's need. The unit under study is an educational institute. Presently the educational institute are keen in manipulating and developing their curriculum according to the need of the manpower market. Therefore, with their curriculum resource planning, this information will be useful in encouraging the production of students conformingly with the requirement of the units. This will also profit in the national development, by way of the unemployment, or not being employed in the line of education.
1.6.4 The Human Resource Planning Process

The human resource planning has been arranged in the following proceeding:

1.6.4.1 The Goals and Plans of the Organization: This is the study of the maneuverability stipulated by the organization. It is also the study of the public policy: the political propensity: the law affecting the organization's operation: the economical status: the competition: the inflation: the level of unemployment: the working goodwill: the various technological progress. All these studies would avail in arranging suitable personnel for the future use.

1.6.4.2 The Current Human Resource Situation: Make a survey on the total number of employees, through classification i.e. character of the work, according to the department, age, qualification, etc.

1.6.4.3 Human Resource forecast: The human resource planner would consider the required personnel number and character, by considering new employment and perusing the existing employees. Taking into consideration the employees who are about to retire or transferred or promoted. The planner will have the actual number of employees in hand. Then he would know how many more employees will be in need, including the term of employment.

The human resource forecast is rather subtle, and can be abridged from Vipani Harncharoensuk regarding the human resource forecasting process as follows:

(1) Staff Category is the record of the existing staff in the format for future forecast.

(2) Study the frequency status of employment and resignation through the past 4-5 years. This will show the way and the cause of changes. Such information may vary according to the change of the administrative system, as well as the use of new technology, and the change of associated law. All this can assist in understanding about all the changes.

(3) An indicator should be found to make a show and comparison of the past schemes. Find out the linkage in the number of staff during each period, especially among the large and outstanding unit such as sales department. Consider the number of salesman, type of industry, the total number of output, etc. In this stage the firm can estimate their required number of staff in the organization's line of work.
(4) After the anticipation for the required number of staff in the organization's line of work, comes the anticipation for the auxiliary staff, i.e. number of staff in the Human Resource Section. This can be contemplated from the number of the employees in the department, and the limit of the human resource administrative system. With regard to the Repair and Maintenance Section, the number of staff in this section is considered from the number of machines and their period of use. Old machines have high rate of depreciation and need more repair and maintenance than new ones. The figures of the present status and be compared with the past figures to observe the difference in the number of staff through the whole period.

(5) Another recognized item for the human resource planners is that errors can occur with only the use of past statistics. This is because statistics demonstrate only past events. However, future events affecting the change of the organization's administrative plans might have never happened in the past i.e. the intake of new technology; the change and manipulation of scheme or administrative system; the change of law affecting the working limit of the firm.

(6) The information about the organization's manpower requirement may start from the administrative executive down to the ground administrative levels like the supervisors, or may even start up from the ground level upwards. However, the cautious point, in getting information from the ground level, is the difference between the required number and the inevitable number of personnel. As the supervisors have limited knowledge about the extensiveness of the work, hence, the executives should explain to the managers of every level, about the objective and the advantages in forecasting, as well as the support from the executives regarding the information about the change in the former line of work, including the forthcoming events. Design a questionnaire in the way that the supervisors can answer, like the number of the required manpower in the main line of work. Do not consider only the substantiality in the exactness of the number; this will render the agileness in the decision. This standard of understanding is likewise with the administrative classification and the names of the positions in the organization.

(7) Inquiries with various levels of administrators would elevate the working condition. Thus the supervisors will be enliven with pride in their participation in the organizational administrative policy. The interchange of opinion at this level is most
important for the forecasting of manpower to the closest reality regarding the number and the nature of the worker.

(8) The organization's requirement to make the closest forecast needs to have a principle, for example: the study of various cogitation: the quantity or the number of work to be done within the scheduled time: the type of work to be done in each length of production.

(9) One principle to bear in mind is the working analysis. There are many factors altogether, such as the extensiveness and the nature of the work in various positions. If the new technologies are introduced in the organization, considerations must be taken about the decrement of some positions, and the increment of some new positions. Moreover, the existing personnel must be trained and developed in their skill to meet the new technology. This information renders the perspective of the whole situation about the number and the character of the existing personnel who can be transferred to the new positions after the training. With this number and qualification of personnel, there will be no need to hire new employees.

(10) Consider the actual working hour of each worker, taking in mind the sick leave, business leave, vocational leave, official leave, the time used for training, the preparation time needed for the transfer to other branches, etc. The information reveals if the additional staff is needed and how many. The number of existing employees and the number of new employees are equally important. Generally, new employees perform equally well with efficacy and proficiency.

(11) Considering the working output, a comparative study should be made between the number of staff and the quantity of output.

(12) Any forecast on the manpower need to have the following composite information:

- The size of consumer market;
- The increment and decrement planning of some types of output.
- The extension of size or cogitation of the enterprise.
- The opening or the closing of some enterprises.

(13) Apart from the information relating to the organization and the employees, other following-ups are also needed to be done i.e. the development of new technology:
the change of related law: the change of the market's consuming goodwill: economic status: etc. The innovation of new technology has quite an impact on the change of social need.

1.6.4.4 Implementation Programmes. After the human resource forecast, comes the implementation programmes for the human resource, i.e. the Recruitment Programme personnel selection and allocation programme working evaluation programme, transferential programme promotional programme, training and up-grading programme etc.

1.6.4.5 Audit and Adjustment: This is a stage of verifying checking the suitability and the progress of the implementation programmes. This is a comparison of programmes: the amendment on the errors: the change of the human resource programme. In case of a change in the organization programme, a study should be made on the modern manpower index, because reliable information is essential in any planning

The Human Resource Planning Process can be colligated in the following chart:

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<th>Study the Organization's Goal and Programme</th>
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<td>Present Human Resource Status</td>
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<td>Human Resource Forecast</td>
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<td>Implementation Programme</td>
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<td>Verification and Improvement</td>
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1.6.5 The Technique and the Human Resource Forecast Method

The organization's human resource forecast can either be simple or complex

1.6.5.1 The formula in calculating the personnel number through basic equation is as follows:

(1) The formula in calculating the number of personnel required be increased:
Number of personnel required to be increased = Total number of personnel - Past year's number

(2) In a more detailed calculation, this has to include the loss of personnel through various reasons i.e. death, retirement, transfer, etc. In this case, the calculation of the total number would be in the following formula:

\[
\text{Total number of required staff} = \frac{\text{Total work}}{\text{Rate of work} : \text{personnel}}
\]

From the above formula, the human resource planner has to analyze the amount of work of each category as well as the qualification of the staff through a detailed schedule.

1.6.5.2 The Statistical Forecasting Approaches, which is also called the Linear Regression Model, is a linear analysis of the information, forecasting the permutation of the varying number of staff.

1.6.5.3 The Markov model is a mathematics technique to analyze the personnel movement in order to make a Recruitment Plan, or to train of personnel to be allocated in various positions. The method in using the Markov model is as follows:

(1) Study the employment condition: the promotion: the construction of new work: and the resignation for the period of 5-10 years.

(2) Check the consistency of the information to see whether the past information can predict the dissemination of personnel to the various positions.

(3) Should it be found that the information vary constantly, then it is possible to calculate the probability of various changes of the positions for the coming year.

(4) The probability from 4.3 can be used to anticipate the dissemination of personnel for the forthcoming year.

The personnel analysis according to the Markov model is highly advantageous to the organization. Provisions can be arranged before hand for the vacant positions.
Moreover, collaborations can be made with the related unit for the training and the upgrading of personnel to fill in the vacant position.

1.7 Recruitment and Selection

Recruitment is the first phase and the most important in the staffing process. The aim is to acquire applicants with the exact qualification to fill in the vacancies. A number of persons have given a definition to this word. Beach\(^1\) said that 'recruitment' connoted the process of questing for the human resource and inducing of human resource to meet the need of the unit when the demand increase. Griffin\(^1\) said that recruitment is an incentive process for a qualified and competent person, suitable to the vacancy. There are two types of recruitment i.e. the internal quest to promote the existing personnel, and the external quest to select outsiders into the organization. In this case, Thongchai Santiwong (1984) gave the definition that recruitment refers to the work in various activities, implemented by the unit to induce the qualified applicants with positive attitude, suitable to the work in accomplishing the organizational objectives. Payorm Wongsarnsri\(^1\) said that the recruitment is the questing process to induce competent applicants to work in the organization. This process starts from pursing personnel into the work and completed when the person has placed his application. The recruitment, then, is the midst of the applicants for the further selection staff.

1.7.1 Recruitment Process

Werther and Davis\(^1\) cited that the process to be taken into consideration in the recruitment is as follows:

1.7.1.1 Human Resource Planning: This is a human resource planning, availing the recruiter to make a study. The planning will render information present working process and the prospective work which has been stipulated and schemed.

1.7.1.2 Specific Request of Managers: The managers are well informed about the organizational policy. Therefore, they may have specific requests for a special character of personnel. Hence, the managers' advice should be useful in determining the human resource planning and will also avail the identification of the new position in the organization.
1.7.1.3 **Job Opening identified**: The identification of the opening job, ensures the human resource requirement and planning, as well as the manager’s advice.

1.7.1.4 **Job Analysis Information**: After the identification of the opening job, the next stage is to gather all the analyzed information which will enable the recruiter to understand the qualification and the potentiality of the required person.

1.7.1.5 **Manager’s Committees**: After a position had been fixed to recruit a personnel and all the necessary information has been accumulated, the job still cannot be completed without the manager’s comments, because the information received may be rather out of date. The manager’s comment can then verify the analyzed information prudently and perspectively.

1.7.1.6 **Job Requirement**: This results from the analyzed information, including the verification in the executive level, enabling the designation of the personnel qualification to be in concordance with the organization’s need.

1.7.1.7 **Methods of Recruitment**: The recruiter will study the way and source to pursue the required staff.

1.7.1.8 **Satisfactory Pool of Recruits**: After the recruitment process has been studied consecutively, the final stage is to create complacency to the applicant.

The Human Resource recruitment process can be colligated in the following chart.
1.7.2 The Recruitment

1.7.2.1 Organizational Policies: A sub-policy has been stipulated for the recruitment. Hence the recruiter will have to study various policies, i.e.

(1) The Personnel Encouragement Policy would allocate the existing personnel into the vacancy as a promotion. This will enliven the morale for the present staff.

(2) Outside Employment Policy: This is to hire outsiders to fill the vacancy as a person of creative concept rather than to circulating the existing staff.

(3) Remuneration Fund: Sometimes the remuneration fund determined by the organization becomes a limitation in pursuing qualified personnel into the organization.

(4) Hiring Status Policy: Some organizations stipulated a policy to hire people working past time and to be temporary workers. Therefore, the recruiter will have to study and seek for people to work according to the organizational policy.

(5) Foreign Employment Policy: Some organizations may have a policy to hire foreigners to work in the organization. In this case the recruiter has to attain various knowledge pertaining to the law to make legitimate this kind of employment.

1.7.2.2 Human Resources Plans: This is a factor to be considered by the recruiter, because this human resources plans would enable the recruiter to absorb all the information about the s' and their promotion. At the same time, he will know from which source of acquire the required person specified in the working plan. The source may even be within the organization or outside. Moreover, this plan also visions the organizational economics status. Sometimes, the plan also show the specific nature of some positions, indicating a requirement for a versed personnel.

1.7.2.3 Environmental Conditions: The surrounding circumstances have an influence in the recruitment viz. Vacancies, the scarcity of experts, labor law, etc. These instances have an impact on the human resource planning, as well as the rapidly changing economic status, after the human resources plan has been soundly determined. Therefore, in order to make sure that the economic condition in the plan still remain exact, the recruiter should have a check with the following three measures:
(1) Economic index concluded by the government sector revealing the economic direction status should be brought into consideration.

(2) Consider the comparison between the practical operation and the forecast figures to observe the variation in the happenings.

(3) Consider the information from the vacancy advertisement in the newspapers. This information can act as an index to show the competition in the labor force, so that the recruiter can maneuver to us the interest of the potential personnel from the competitors.

1.7.2.4 Job Requirements: This is the stipulation of the character of a person to meet the nature of the work. It necessitates the recruiter to implement accordingly. A versed and competent prospect is much harder to pursue than an amateur. The recruiter must learn about all the requirement from the information obtained from the analysis: from the conversation: and from the requests of the managers from various departments. The knowledge pertaining to the character suitable to the nature of the work will render the best choice in selecting a personnel.

1.7.2.5 Recruiter Qualification: The qualification of the recruiter is inevitable to rectify the implementation of the recruiting process. The effectiveness of the recruiter depends upon his own qualification, viz. Achieved knowledge about the vacant position: well informed about the positive side and the negative side of the firm: make no exaggeration on the positive side of the firm: made a good study on the applicant's personal resume: find out how much the applicant knows about the work and about the firm: find out whether he is happy with the work: able to analyze and synthesize various information efficiently: know the way to use instigate questions to get various information without trespassing the personal information: attain good personality: be polite: being on time: being sincere: make a following and an evaluation as soon as each job has been accomplished.

1.7.3 Application Blanks

Application Forms are important documents with important information for the Personnel Department, such as:

1.7.3.1 Personal Data viz. sex: nationality: race: address: telephone number, etc.
1.7.3.2 Employment Status: Some questions in the Application Form related to the objective of the applicant: the position: the willingness to accept other positions: the date to begin work: the required wage: work full time or part time, etc.

1.7.3.3 Education and Skills: There will be a note on the level of education and special skill.

1.7.3.4 Work History: The applicant will indicate his past working experience.

1.7.3.5 Military Background: Male applicants will have to state their military conscription status, or state if he has completed the Territorial Defense Course.

1.7.3.6 Membership: The applicant will state his membership, rewards, and hobbies.

1.7.3.7 References: The applicant indicates the acquainted person in the form who is not a member of his family.

1.7.3.8 Signature Line: Through the end, the applicant consent that the employer can contact with the referred person, and also that the whole information is correct.

1.7.4 Selection

The selection procedure is considered with securing relevant information about the applicants, whose ability and qualification meet the need in the vacant post, through the recruiting process and the working inducement. Straub and Attner as well as Kreitner and Ardag and Stearns are all in agreement that 'selection' refers to the management process to obtain a qualified person suitable to the required post through a selective process. This concept is in concordance with the idea of Robbins who said that 'selection' is a process to sort out the most suitable applicant for the job.

Castetter gave a definition for the 'selection' that it refers to the determining process to select a person to operate in a position, with a principle that is his character suits the qualification required for the work. The main objectives in the selection are:

1. To allocate a person with the required personality in to the vacant position.

2. The selected person will have a successful attribute.
3. Such a person can accomplish the objectives of the unit and the organization.

4. This is a person who can arouse his own development and progress.

Prior to the selective decision, the applicant has to go through a process called a measurement. In this case, there are two measurements, i.e. physiological measurement and the psychological measurement.

1. Physiological Measurement: This is to measure the variables or the person's characteristic, object, or other concrete measurements such as the height, weight, speed, content.

2. Psychological Measurement: This is to measure the psychological variables, such as the achievement measures: dexterity measures: characteristic measures: attitude measures: interest measures, etc. It should be accepted that the psychological measurement is a conjecture in the form of quantity rather than the actual value. Nevertheless, this psychological conjecture is attained from the figures used in the measurement, therefore it can be compared. Hence the device in the psychological measurement need to have the attribution of validity viz. content validity: construct validity: concurrent validity: predictive validity: reliability: objectivity: efficiency: and discrimination.

1.7.5 Selection Process

The selection process begins when a vacancy occurs within the organization. This vacancy may arise from the transfer, the promotion, or resignation, or when there is and authorization to increase the number of employees. Before the selection process, there may have been some internal transfers or substitutes, as a priority choice. While Payorm Wongsarson17 explicated that the selection process starts when the applicant applied in various posts advertised by the organization and ended when a decision has been made to choose any one person into the work. Therefore the various steps in the selection process are very important. Good input is necessary for the selection process, and is comprised of three categories, i.e. job analysis; human resource planning and recruitment. These inputs should also avail a qualitative selection. However, an effective selection would also have to depend upon
lots of outside factors i.e. applicant rate, employer's ethics in the selection, etc. Generally, the selection has two system i.e.:

1.7.5.1 Patronage System of Spoils System: This system use the sense of familiarity and is rather clannish.

1.7.5.2 Merit System: This system gives credit on the qualification and on the integrity of the applicant. This system uses the examination standard to see whether the applicant is suitable for the work.

1.7.6 Selection Process Order

Selection Process is a process in implementing various principle and methods to select suitable person to fill in the vacancy in the organization. Step of selection process order are:

1.7.6.1 Reception of applications
1.7.6.2 Preliminary interview
1.7.6.3 Application blank
1.7.6.4 Psychological Tests
1.7.6.5 Interview
1.7.6.6 Background investigation /reference check
1.7.6.7 Final selection by interviewers
1.7.6.8 Physical examination
1.7.6.9 Placement

1.8 Training and Development

Human Resource Development is most essential for the present organization. The organization in the era of globalization allocated a lot of budget in the human resource development.

The word 'development' refers to the elevation of quality. In the case of a person, this refers to the increment of knowledge, the ability, and includes the development of the positive attitude to the efficacy of his responsibility. Various activities have been designed to develop the personnel of the organization viz. orientation, training. In balancing the ability of the new employee to his new post in the organization to the successfulness of the task, a development activity has to be implemented. It is not sufficient for the new employee to accomplish the desired task in the organization and
using only his former skill. A balance of personnel competency in the organization can be done through orientation and training as in the following equation:

\[
\text{Organizational Tasks} = \text{competency of the new employee} + \text{Orientation} + \text{Training}
\]

Normally, the new employee will be oriented to understand various status in the organizational function, as well as the proper stances of the personnel which can avail effective work execution. All this will be useful to the organization can satisfy the new employee as well.

Orientation: The new employee will be informed about the rules and regulations for his own behavior. He will be introduced to his immediate supervisors, and other administrators. The orientation is an essential activity to be arranged by the Employee Relations Department. Without the orientation, the new employee will feel out of place, and this may cause an impingement to the future work. The orientation is important to:

1. Inform the new employee about the organizational history
2. Introduce the new employee to his supervisors and various other executives in the organization.
3. Inform the new employee about the organization function.
4. Inform the new employee about the organizational rules and regulations.
5. To secure the new employee from anxiety or worry.

The orientation is usually done in the group process. The subject of the orientation will be a brief history of the organization: the organizational object and policy: working responsibility: administration: character of the employee: position and rank of the personnel supervision: discipline of the employee: the ceasing of function: complaints: working days: holidays: absent leave: overtime payment: the employees' advantages and rights and other remuneration. Only just one orientation will not be enough to build confidence in the new employees. The new employees will have to obtain addition training on the skill according to their specific assignment, availing effective work accomplishment.

Training: This is a person's learning process in the skill and attitude. As a component in the organization, the training assists an employee to the best
accomplishment of the organization operation. The general intention of the training is to enhance the knowledge of the employee, while the result of training can be seen from the operational tasks. In the present concept, 3 people are responsible for the training i.e. the organization, the trainee, and the training department. There are three periods of training viz. pre-training period, training period, and the post-training period. Each period has its own dimension to the training.

1.8.1 Training Necessity

Payrom Wongsarnsri rationalised the essentialness and the necessity of training as follow:\textsuperscript{21}

(1) The organization expects to attain efficient and proficient production rendered by the organizational staff. The managers and the executives alone are not sufficient to expedite the task. It needs collaboration from the whole staff. A department has to be responsible in teaching these employees to understand their tasks, to expedite the work, and to prevent any possible errors.

(2) The character of work in the organization is somewhat different from the knowledge attained from the educational institute. The institute would educate and give extensive training without the specific feature to meet the organization's specific need. The employee will have to be trained to achieve the knowledge about the work and confidence.

(3) The organizational work will always be mutated. This mutation needs appropriate adaptation, considering the working feature, or the change of technology. The innovation of new technology needs to have the staff trained to meet the new responsibility.

(4) The organizational personnel need to be developed. After working for quite some time the personnel will find the work routine and tedious. The organization has to give incentive to their employees by training them to learn new things so that they do not feel that they are getting too old, and leaving the task to the younger personnel. The organizational personnel will have to be convinced that no one is too old to learn.

This need shows that training is an essential activity to be arranged continuously according to the chart\textsuperscript{22}
The chart shows that the training is a formation of a learning situation, taking into consideration the ability of the organizational personnel. The aim is to avail prosperity for the organization. The training is intended to change the personnel conduct, so that they can learn new things, and be content with the new responsibility, with new skill for the new work. The training will have to be in a systematic form as shown in the chart:

<table>
<thead>
<tr>
<th>Former conduct</th>
<th>Shifting to new work</th>
<th>New conduct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input</td>
<td>Process</td>
<td>Output</td>
</tr>
<tr>
<td>The Organization Objective</td>
<td>Training Procedure</td>
<td>Support Organizational</td>
</tr>
<tr>
<td>Personnel Nature of work, etc.</td>
<td>Strategies, etc.</td>
<td>Objectives, Personnel</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Attained knowledge</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Complacency and competency</td>
</tr>
</tbody>
</table>

Feedback

1.8.2 Training Advantage

(1) Advantage for the personnel: The personnel acquires the confidence in their work. The personnel can attain the ability to know the organization's working standard and policy. The prospective in their position is an incentive for their working morale.

(2) Advantage for the Supervisor or the Administrator: They can save time in instructing and hinting to their subordinates, and also save the time in supervision. Their time can be spent on other planning and administrating. The employees can work together effectively.

(3) Advantage to the Organization: The training avails the standard criteria of output. It can decrease expenses in the machinery repair and maintenance, and also decrease the rate of accident, expenditures, and losses.
1.8.3 Training Factor

The essential training factors to accomplish the objectives are:

(1) Training officer: The training officer is responsible in managing the training and giving lecture to the trainees. The amount of their burden depends upon the size of the organization, and the amount of training activity required by the organization. The training officer must acquire enough qualification to give training. They must be able to find out the need for training, and operate the training accordingly, and then make the training evaluation. Moreover, the training officer must have good human relations.

(2) Trainee: This refers to the person being trained according the organizational requirement. They should have the readiness and should be able to receive new knowledge from the training. The amount of trainee depends upon the nature of the particular training.

(3) Training Facilities: It is necessary to have the training facilities used in the training. These can avail the achievement of the determined objective. The incentive auxiliary will arouse the trainees' interests, and attend the training on time. Therefore a good preparation of the training facilities can make the training successful.

(4) Training Budget: The training budget to be realized are: training facilities budget: papers and documents: fees: etc.

1.8.4 Training Process

In each training programme a planning should be made for the effective training, that is worth the expenses. To achieve the training objective, following process should be taken.

(1) Needs Assessment: This is to find out if the personnel of any department training, which personnel need training; and for what he is to be trained: the level to be trained, and the time duration to be trained. A survey may be made on the problematic operation of the organization i.e. low output: working procedure: the personnel has less working intention: increasing rate of accident: too many absenteeism, such as sick leave or business leaves: belated services: loss of time and expenses: higher investment than usual: the workers have bad morale: too many working rotations: bad supervision: lack of cooperation: the work has not been done on time: retard of operation: etc.
(2) Training Objectives: The training officer must set up a meeting to determine the training objective. The objective would indicate the various activities to meet such objective.

(3) Programme Content: The programme content in various activities can either be divided into a series of training or may be done all in one time.

(4) Learning Principles: The training plan should take in mind the learning principle of each trainee. This includes: the sequence of contents of each day, from easy to complicated, the time arrangement, facilities, location, conditions, character of the lecture, and budget preparation. A questionnaire should also be prepared to evaluate the training.

(5) Actual Programme: This is the actual training process. The training officer should observe to make sure that the training proceeds in order. He should listen keenly on the lectures to note the necessary information to be improved. He should listen keenly on the lectures to note the necessary information to be improved, so that the trainee can acquire the best of knowledge, attitude, and skill in the specific subject, according to the determined objective.

(6) Evaluation: The evaluation is the necessary activity to be done on every training through the questionnaire, enabling the programmer to detect all the defects to be improved in the next training programme.

(7) Follow-up: After every training, there should be a follow-up made on the progress of the trainee, to see the worthiness of the training.

From the training concept, conclusion can be made through the following chart:
1.8.5 Types of Training

Training can be classified into many types according to the feature of the objective and the period of training. No matter what the measure for the classification of the training may be, the aim will be pointed to the trainee. The type of training may be classified into: orientation: actual work training: laboratory training: skill training: practice training: and special training.

1.8.6 Training Procedure

There are many procedures to be used for the training, depending on the nature of the work and the trainer. Each procedure has its good points, and bad points. Therefore, more than one procedure may be used for one training. The training procedure may be classified as follows:

(1) Lecture: This is the same way as the institute. This is a way to transmit knowledge and the concept of the lecturer through the wordings only. The lecturer may allow the attendant to ask some answers. The good point here is that there can be a large group of attendants, with low expenses and taking less time.

(2) Conference: This is a meeting to exchange opinion between the participants, through the oral participation. Hence, various knowledge and ideas on the topic can be exchanged. The advantage of the conference is that the participants have more rights to show their opinion than in the lecture. The participants actively participate in the conference.

(3) Case Study: The trainer will bring up some case studies including related information for the trainees to analyze and to find a solution. The advantage of case study can learn the way to analyze and solve the problem from the actual case. Moreover, the trainees are trained to assent the importance of accepting other people's opinion which is the main point in solving problems:

(4) Role Playing: In role playing, trainees act out a given role as they would in a stage play. The role players are informed about a situation and the role they have to play. It involves employee-employer relationship, grievance procedure etc. The merits of role playing is that the trainees are given a chance to use their knowledge in the actual practice.
(5) Demonstration: The trainer will demonstrate the way to use some tools, and give explanations until the trainees have understood it. Then it is the turn for each trainee to operate. The good point is that the trainees take less time in learning and can solve the encountering problem on the spot.

1.87 Training Evaluation

A simple way is to see how the training has changed some of the trainee's conduct and whether it has resulted in increment. The two groups should have similar attribute, for example, the education, the experience and the skill. The first group will be trained, but the second group will not be trained. Then let the two groups operate the same kind of work, through the same method, and in the same condition. Then compare the results. This result is reliable in showing the effectiveness of training to the working operation. On top of this, there are other ways of evaluation, such as:

(1) Subject Evaluation: After the training of each subject, an evaluation would be made through out the training.

(2) General Evaluation: This refers to the total evaluation after the end of the training.

(3) Consecutive Follow-up: This follow-up is essential and should be done 6-12 months after the personnel has been trained. The follow-up will show whether the personnel's operation has improved after training and what changes or problems occurred in implementing the acquired knowledge from the training.

1.9 Wage and Salary

Men need a payment for any work they do. In the primitive era, payments came in the form of food to make him survive. But the society gradually changed and money took place of compensation, called 'wage'.
'Wage' refers to the amount of money, which a worker receives as payment for work. The hours of working operation are considered as the measure in the calculation. The wage will vary according to the hours of work, and it also indicates the working status. Generally the wage has been fixed for worker in the hourly payment which is called 'Non-supervisor' or 'Blue-collar'.

'Salary' refers to the amount of money which the worker receives in payment for work, in the standard of monthly payment. This is the fixed income, disregarding the hours of work. The salary also indicates a man's working status which is called the 'white-collar' and 'Professional'.

1.9.1 Evolution of the Wage Concept

The first stage of concept regarding the wage and salary administration associated with the labour market, wage theory, industrial psychology and the human resource administration. Therefore, at present, the wage and salary refers to the direct payment of money to the employees in the form of wage, and the indirect payment to the employees such as welfare, or other benefit and service. Later, the concept regarding the wage and salary administration has been reviewed. This new concept adds the rewards to the salary and benefit. These rewards are not in the monetary form, and cannot be evaluated. This kind of reward is called the non-financial reward, viz. The wage in the form of the significance of work: the form of promoted work: the form in which the executives deemed that they are distinguished and respected by the outside society, both in the way of personal life and duty: and the form that the particular organisation has a good salary principle. It can be observed that the modern wage principle gives a wider definition. It no longer means that the employees only work for the money, or only work for the sake of welfare, benefit, or other services which needs money. But it also includes the social compensation, which the working unit renders to its personnel. Hence, the modern wage administration used the influence from the financial reward and the non-
financial reward to impel the personnel to improve his conduct, to develop the group staff, and to improve the organisation to its progressive prosperity.

The New Concept Of Wage Component: The modern wage administration can be placed in the following equation:

\[ \text{Hiring administration} = \text{Salary} + \text{Benefit and Services} + \text{Emoluments} \]

Hence, the modern wage component is comprised of the following:

1. **Money Pay**: It has been a normal practice to pay money for the wage, because money has become a means of payment, and people work for money. Money then, becomes an incentive for satisfaction and encourages work. The managers make use of the salary or welfare to be paid to the staff as their wage and salary administrative device.

2. **Power Pay**: The power pay is the non-financial reward paid directly and indirectly. This pay may be the significance of the work is the core of the organisation needed to be accomplishing.

3. **Authority Pay**: In promoting a person, the organisation deems that it has paid a kind of social emolument to that person. Although sometimes this may come in trifle cost, i.e. increase the wage in the same line of work, or promote from staff to supervisor or from solitary job to supervising people. Sometimes, the level promotion is sometimes more important than the money, which is aspired by the people who would like to become executives.

4. **Meet the Goals Pay**: The employee who chose to work in a stable and modern firm, with super goals, would seem that he earned an emolument in the form of progress and stability from the good principle of the firm. The organisation's sequence of outstanding principles counted in the emolument is as follows:

   1. **Adequacy**: One of the good organisational policies is the wage payment, through the minimum wage according to the law to cope with the cost of living. This adequacy links to the pension fund, staff insurance and other fringe benefits.
(2) Equity: wage and salary is difficult to be measured because it is both concrete and abstract. In case of the wage comparity within the organisation or in comparison with other organisations, then the wage will have to be adjusted.

(3) Control: It is essential to have a cost control. The administrative core is to decrease excess expenses and to operate effectively. Therefore, control is the core of planning and the wage administration. Without the control, the salary system will be useless and cannot be used as an administrative device.

(4) Security: This refers to the improvement of the personnel protection regulation and various occupational hazards. The level of security depends upon the personal concept and the goodwill which is hard to measure. The general stability of the personnel are: decrepit insurance. Retirement, disability, injury or decease from the working accident, unemployment, the stability of the executives and the administrative property such as land and house etc.

(5) Incentive: Good wage system can motivate the personnel to be industrious and construct for the unit’s progress. The wage has direct incentive for the employee accomplish their work according to the working standard and even more superior than the stipulated measure. the incentive directly associate with the accomplishment of the work in its standard, quality and quantity, or even the distribution. More ever, it was found that the emotion and the aspiration is an important incentive to control the personnel conduct than the money. In many instances, the incentive through non-financial reward or pertaining to the money has more influence than the financial reward. Such reward is called the psychic income.

(6) Pay-and-Effort Bargain: This is a motivation for the work and is closely related to the employee's remuneration or wage entertainment. A complete and appropriate process in the barter between the wage and the work has been much studied and debated with no solution as yet.
(7) Acceptability: the wage administrative planning in the free world organisation renders the opportunity to the personnel to study their planning and give in opinions and critics about the good and the bad points. This kind of information will be codified theoretically. Hence, the personnel will assent to the wage administrative and combine to it. At times, the administrator may accept the idea tentatively, and after sometime return to the former rule.

1.9.2 The Objective in Defining Wage and Salary

(1) To recruit people to the organisation: The definition of wage and salary gives an incentive for the people to apply in the firm, and enabling the firm to select suitable person into the vacancy.

(2) To control payroll costs: The defining of wage and salary goes according to the work evaluation, depending on the wage rate and the nature of the work. Hence, availing the administrators to control the payroll costs in accordance with the stipulated regulation.

(3) To satisfy employees: The defining of wage and salary rate equitability would satisfy the employees hence, creating morale and the willpower for the work.

(4) To motivate employees to superior performance: The appropriate defining of wage and salary can motivate employees to a superior and effective performing in achieving the organisational objectives and prosperity.

1.9.3 The Principles of Wage and Salary

The important principles in defining the wage and salary which should be taken into consideration is as follows:

(1) Pay level: This refers to the level of payment in any one period time. This level may be high or moderate or low depending on the definition of the competitive level status in the labour market, the organisational policy or economical status, etc.

(2) Performance evaluation: This refers to the supporting of the performance evaluation in the appropriate defining of the wage and salary rate.

(3) Pay by time or output: This refers to the defining period in the rule of payment per hour, per day, per output.
(4) Fringe benefit: This refers to the special to the personnel other than the wage and salary i.e. pension fund, dividend, insurance, medical care etc.

(5) Control of wage and salaries: This refers to use of Wage Budget Theory, Defining the wage rate, Wage Scale, or the nature of work in making a control on the payroll of the organisation.

1.9.4 The Significance of Wage and Salary

The wage and salary is significant to the Human Resource Management. The organisations will have to pay a large sum of money on the wage and salary to their employees every year. The Thai government must pay 30% of their income in wage and salary. This reveals that this kind of expenses is ponderance to the organisations in two ways of consideration:

(1) The importance to the worker: the wage and salary is directly related to the worker’s operation. The wage and salary enables the worker be content and to operate effectively.

(2) The importance to the organisation: In view of the employer, or the organisation the wage and salary is a business investment the wage and salary has a direct impact on the output of the organisation. The wage and salary has a direct impact on the output of the organisation, and also to the attitude and the morale of the workers in the organisation.

(3) The importance to the society: the wage and salary reflects each community’s economic status also. The economic status of each community would have a direct impact.

1.10 Promotion and Transfer

1.10.1 Promotion

Promotion is an essential phase in human resource management. The promotion shows the progress in the profession, and is considered as an incentive for
a person to develop himself in taking a higher responsibility.

The promotion of a civil servant of an employee in a private business firm is a person's change to a better position, with more responsibilities, and better honour and social status. Apart from a way of installing a person into a higher and vacant position, it is also an acceptance in the knowledge, ability, seniority and the good operation of the promoted person.

The change of status through promotion is different from transfer although both cases is the location of a person into a vacant position. This is because in a transfer, the person usually has no change of status, no bigger responsibilities, and no increase in salary.

From the above, it can be seen that the promotion is a kind of working inducement and meet people's need, i.e. people like to be superior, require honour and dignity. The promotion can make a person feel that he is accepted, and offers him a chance to operate in his best ability. However, a promotion with no principle can destroy people's morale.

1.10.1.1 Promotion Scheme

For an appropriate promotion a scheme is set as follows:

(1) Promotional Policy: When a vacancy occurs in the organization, a promotional policy must be clearly determined as to the way of installment, whether the person should be chosen from the outside or from the inside the organization, as well as the distinctive character.

(2) Promotional Concept: The consecutive level in the organization shows a clear view for a promotion.

(3) Selection and Scrutinization: Generally, this is done through the work assessment and the working history, of the personnel.

(4) Training and Development: The organization will not be in need of personnel from external sources when a promotion arises if proper training and development is given to the employees.

(5) Selection: The selection of the vacancy has an impact on the morale and the will power of the practitioner:
1.10.1.2 Promotional Principle

(1) Merit or Ability Factor: This method of promotion gives credit to the knowledge and ability, notwithstanding the seniority; and is usually done through an examination test.

(2) Seniority and Experience: Seniority refers to the person who served in the particular organization for a long time, and the promotion becomes a reward.

(3) Merit and Seniority: This is a way to make up the defaults of the above two items. This is a consideration for both the knowledge, the ability, as well as the long experience in the organization.

(4) Patronage System: In the various organizations, it is difficult to elude the patronage system. This type of promotion gives advantage on the clans and cousins, notwithstanding the ability. This avails in the stability of the firm and the possibility to make a control on the required policy.

1.10.2 Transfer

Michael Jucius gave the definition that “The transfer is a process in allotting a person into a vacancy, in the way that the person receive the same salary, acquire the same authority, and the same status”. Payorm Wongsarnsri also gave the definition of the word ‘transfer’ that it refers to a change of one position to another, with the same level of pay and responsibility.

From the above, it can be seen that the transfer is a switch from one position to another, with the same level of wage, versed status, and responsibilities. The transfer is a horizontal move while the promotion is a vertical move.

1.10.2.1 Cause of Transfer

(1) Occur from the Organization: The organization may make a shift of position for a more effective operation, with at least three reasons. First of all, for personnel’s benefit in showing his own talent. Secondly, to be in concordance with the situation and some changes, which has an affect to the work of the operation. Thirdly for the quantitative output, or for the qualitative operation.

Permanent or temporary transfer usually causes discontentment among the personnel. People usually dissent a change, because they are not certain about the future. They may not want to break away from the old friends, or they may be attached to
the present job. To prevent all sorts of disagreements, the administrative should ask for
the employee’s consent.

(2) Occur from the Personnel: The personnel may ask for a transfer
himself. He may deem that the new place is more progressive, or he may feel that his
health does not avail to the present job, or feel that the present job is boring, etc.

1.11 Retirement:

Employees may move out of the organization or be separated for a variety of
reasons like retirement, resignation, suspension, discharge, dismissal: redundancy,
retrenchment and outplacement. These are discussed here very briefly. 

1.11.1 Death, Retirement and Resignation

Some employees may die in service. Such deaths may be caused by
accidents or other reasons. Where the death occurs due to occupational hazards, the
provisions of Workmen’s Compensation Act apply. Organizational hazards, the
insurance and family-benefit schemes. Several organizations also have a policy of
offering employment to the spouse/child /or dependant of an employee who die in
service.

Typically all employment contracts stipulate the age of superannuation.
Employees retire from service on attaining the age of superannuation. Some
organizations may have a policy to reappoint professionals and others who posses the
skills for a limited duration at a time. All contractual appointment terminate after the
expiry of the period of contract. The normal retirement benefits such ad provident fund,
pension and gratuity as applicable accure and become payable to the employee on
retirement. Some organizations extend certain employee benefits like medical facilities
to the employee and their families even after retirement. Usually retiring employees are
bid farewell appropriately with a party, gift and a mention in the house journal.

Organizations are also providing liberal incentives for people to leave
before reaching the age of superannuation when they are faced with the situation of
surplus staff. Employees may opt to retire voluntarily to avail the benefits of such
schemes and possibly pursue a second career or self-employment. Such a scheme is
referred to as voluntary retirement or the ‘golden handshake scheme’. Such schemes
have not evoked the desired response from organizational point of view. Several good
employees also leave the organization. Unless the organization addresses itself to the basic question of overstaffing, the problem may reoccur after a few years.

Resignation refers to a situation where an employee takes or is made to take the initiative to leave the job. Resignation may be voluntary or involuntary. A person may leave the job if he is discontented with it or any other aspect of the organization or when he gets a better job elsewhere.

Resignation is considered involuntary when the employer advises the employee to resign or face disciplinary action. However, in disciplinary cases, it is better to follow the due process of domestic enquiry than to shorten the process and accept the forced resignation.

Where the incidence of separation is high due to resignation, it is appropriate for the organizations to know the reasons through holding exit interviews. Exit interviews are interviews that employer holds with the employees leaving the organization for obtaining information regarding reasons for their leaving. If more people are leaving due to dissatisfaction with organizational factor such as pay, supervision, company policies and working conditions or low morale and motivation, the organization should take immediate measures to remedy the situation so that such departures do not reach the promotion of an exodus.

In recent times, more than ever before, organizations are finding it difficult to retain people. The cost of replacement is becoming high. Exit interviews and similar types of feedback will help an organization to take proactive measures to reduce employee turnover and by creating more congenial work environment.

1.11.2 Suspension, Discharge and Dismissal

Suspension means prohibiting an employee from attending work, stopping him from performing the duties assigned to him and withholding the remuneration payable to him. Suspension is not termination of services of an employee, but may in some cases, eventually lead to it.

An employee may be suspended as a matter of punishment for a specified in accordance with the provisions in the standing orders. Suspension maybe procedural when the employer feels that the delinquent employee be kept away from work pending enquiry into his alleged misconduct so that he will not tamper with
evidence or the enquiry itself. Procedural suspension is usually resorted to only in major 
or repetitive acts of misconduct.

Dismissal is termination of the services of an employee for misconduct. Discharge also means termination from service of an employee, but not necessary as punitive measure.

1.11.3 Redundancy, Retrenchment and Outplacement

Employee may become surplus with the introduction of new technology, automation, modernization, rationalization, loss of market for the product, etc. The surplus employee may be laid off or retrenched. Lay-off of employee refers to the failure, refusal or inability of an employer to provide employment due to factors beyond his control such as shortage of inputs and infrastructure, break-down of machinery, etc. Lay-off does not mean termination of service, but leads to a temporary denial of employment. Retrenchment means the termination by the employer of the services of an employee for reasons other than punishment but does not include retirement or termination for reasons of ill-health.

When labour become surplus, some organizations seek to provide them training in marketable skills and actively assist them in finding a job elsewhere. Outplacement refers to such activities. Erstwhile multinational firms like the ESSO Refinery have, in 1960s gone beyond training and verbal encouragement and provided them assistance like paid leave, reimbursement of travel charges for selection tests/interviews, waiving bond requirements if any and lien on jobs for a limited period so that the employees may return to their previous jobs if they do not like or can not adjust themselves with the new employer. Employers reason that though this too entails some investment, the benefits outstrip the costs. There is no need to resort to hasty retrenchment. So, the morale of the people will be high. Those who leave may go in for better jobs in terms of pay, skill, prospectus, etc. and so the organizations retain their goodwill. The intangible benefits of positive feelings and outcomes and their effects on the rest of the employees are incalculable.

1.12 Absenteeism and Labour turnover

The condition of social and economic changes gives an impact to the organization, causing changes within the function viz. the layoff, etc. Without a definite
policy about the discharge and a good cooperation, the employees in the organization cannot be managed properly. Hence causing lots of unemployment. Different organization have their own policy in the layoff. Sometimes the personnel may be dismissed with some conditions, and with priority in the re-employment. In this case, the lapsed time may also be calculated in the pension fund. With this sense, some firms give ponderance to the tentative discharge. The person is still entitled to some benefit, i.e. this absentee will be considered as a vacation leave; or the person can still get his pension fund, or medical care; sometimes he is even paid with the minimum wage. All this depends on the discretion of the management and the organization. Generally, the employers like to keep good communication with their ex-employees who are skillful, and hope to get them back to work. These ex-employees have lots of working experience and understand the work well, thus saving the time for training.

1.13 Organization Relationship

Every organization look forward to accomplish the goal oriented work, and need collaboration from all departments. The management will group up the units and interlock them into a big group. So that they will not be isolated, and can render cooperation for the efficacy as a whole, while each unit still remain independent.

The organization has a systematic feature, with various related segments, as aforementioned. These segments are always related with each other. The effects of these segments is most essential in the organizational behavior analysis. Hence, the interrelationship of these segments has stronger significance than the operation of each department.

There are three important component in an organization:

(1) Tasks: The most important part in a organization is the task or the execution, which is to accomplish the goal effectively. There are two levels of the work. Firstly, this is the organizational level. This directly associates with the organizational strategy, which need collaboration from all sides. Secondly, this is a segmentary level. The work in various segment will be codified into the organization, enable personnel in each segment to operation in his own ability.

(2) Personnel: This refers to the people who do all kinds of work, with three distinctive features. Firstly, each person has different dexterity, Secondly, each person
has different psychic character. And, thirdly, each person has different behavior and attitude, according to the influence and impact for the assigned work, along with social environing factor.

(3) Group: There are three prominent groups in an organization. Firstly, people gather up as a member of the group. With members from various segment, the group becomes competent in various fields, along with different needs. Secondly, the group shows its character according to the assigned task. Thirdly, the group has its own working process and social association.

The organization is comprised of many groups, rendering cooperation in execution, with interrelated activity for the organization's general achievement. The interrelationship of the group can be concluded in 3 characteristics:

(3.1) In the interrelationship for the common benefit, the two or more groups behaved in their best manner for the prosperity of the organization. Should a group fail, the whole organization also fails, which means that other groups are also in failure. However, if every group can operate well, the whole organization will be successful, reflecting in the support for the survival of every group.

(3.2) The consecutive interrelationship is the case where the two groups work for the organization in mutual benefit, and these groups operate in the consecutive manner. The result from the former group will become an input factor for the later group. The operational sequence or stage must be clearly determined. This type of interrelation must have a more discreet planning that the former type, and with better cooperation. But at the same time it can create more arguments.

(3.3) The depending interrelationship shows the characteristic of sustainment for one another. The consequence from each group will become the input factor for the other groups. This kind of interrelationship needs good cooperation from every group, through good communication, and co-decision. However, the association of this type is most contradictory.

Because each group has its own objective, therefore, the interrelationship or the behavior may discrepant. Such discordance derive from the contention for the best benefit of their own group. This contradiction derives form the difference in the economic static, and the different concept. The contradiction has both the good and the bad point.
Slight contradictions would render creative thinking, availing progress for the organization. But great contradictions cause introvert concept or selfishness for each group, hence creating discordance between the groups, and deviating the organization's stipulated method.

Every group in the organization should have the interrelationship of the first characteristic. If the organization becomes complexed the feature of the interrelationship will stay between the first and the second characteristic. But if the organization become even more complicated, it will have the feature of all three characteristics.

1.13.1 The association of various components in an organization.

The association between the personal, the nature of work, and each group can be analyzed into three categories:

(1) Individual Work Effectiveness: This is the discretion on the association of the person and his work. It is to observe how well each worker is operating in his duty, and the outcome of the work.

(2) Work Group Effectiveness: This is the discretion on the association of the group and their work. It is to observe smoothness of the work flow, and the outcome of the work.

(3) Social Influence: This is the discretion on the smooth association of the person and the group. It is the observance of how much influence the group has over the working people, and how much influence a person has over the group, and how

An organization can become dynamic and growth oriented only through the efforts and competence of its human resources. Human resources are assuming increasing significance in modern organization. The failure to manage human resources causes immense loss to the nation, enterprise and individual. Therefore sound human resources management is one of the fundamental area of management. It provides direction to the management of an organization to meet both the objectives of an organization and the needs of employees.
References


