Chapter – IV

Theoretical Framework of Human Resource Management (HRM) Practices
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4.1 Introduction

The human element is the most important resources for organisations today, where it became the important process of human element management because other resources that lead to the success of the organisation are less powerful than it was before. The basis of competitive advantage for organisations today comes only by looking at the human resources management issues.

Therefore, this chapter deals with a number of topics on the subject of theoretical study, and that can help to contribute to the enrichment-related aspects of Human Resource Management.

In this chapter, the researcher studied about the human resource management in terms of, meaning, definition of HRM, objectives, importance, functions, etc. The researcher also talked about the study axioms regarding to, HR planning, HR selection and placement, HR training, HR incentives, HR promotion, HR rewards, HR performance appraisal, Through access to appropriate scientific references on the subject of the study which can contribute to the development of the work of human resources management in both universities under- study. The present research would prove to be suitable tributary for libraries of Yemen as well as to the researchers who are working in the same field.
4.2 Human Resource Management

4.2.1 Meaning and Definition of Human Resource Management

Human Resource Management is an integral part of all the functions of modern management. It is more concerned with the development of employees rather than the direction of things. Growth of consciousness amongst men has made human relations as the most important problem of modern management. Making people work efficiently has become the most important function of all good business managers. Today, human resource management has become a highly specialised job. It permeates at all levels of modern management.

HRM means managing men or people. It is people, if not properly managed become problem. HRM involves all managerial decisions, plans, policies and practices that influence human resources directly.

HRM dealing with the many activities is related to human resources from joining the organisation till retirement. These activities include human resource planning, recruitment, selection and placement, induction, training and development, promotion, transfer, rewards, incentives, performance appraisal, compensations and benefits, motivations, communications, social security, safety and health, etc.

According to Flippo, “HRM is the planning, organising, directing and controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources to the end that individual, organisational and social objectives are accomplished.” (Flippo, 1984, p. 5)

According to Decenzo & Robbins, “ HRM is concerned with the people’s dimension in management. Since every organisation is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organisation are essential to achieving
organisational objectives. This is true, regardless of the type of organisation, government, business, education, health, recreation, or social action.” (Decenzo & Robbins, 1973, p. 3)

However, from the perspective of the researcher, the human resource management means, it is a set of special activities of attracting of human resources by high – quality after design, analysis, description, jobs evaluation and human resource planning, and retention and development of them, for implementing the goals of organisation and people.

4.2.2 Objectives of HRM

The general objectives of HRM are as follows:

- To achieve the organisational goals by proper utilisation of human resources
- To develop and maintain healthy working relations among all the employees and to adopt sound, desirable organisation structure.
- To integrate individual and group goals within an organisation.
- Establishing mutually satisfying work relationships between all the workers of the business enterprises at different work levels.
- It provides adequate opportunities to the highest level of perfection with due dignity and well-being.
- Effective & optimum utilisation of human resources within the enterprise without their exploiting to attain economically and effectively the goals of the business organisation.
- To create opportunities and facilities for individual and group developments according to the growth and development of the organisation.
➢ To identify and satisfy individual, worker and groups needs, such as fair wages and salaries, incentives, welfare facilities, social security, prestige, reorganisation, security, status etc.

➢ To motivate the employees and keep their moral high.

➢ To develop and maintain healthy relations between management and employees.

➢ To develop the human assets continuously through the training and development programmes.

➢ To contribute in minimizing of socio-economic evils such as unemployment problems, unequal distribution of income and wealth.

➢ To provide an opportunity to employees to participate in decision making in the organisation.

➢ To provide desirable leadership to lead the working groups.

According to Sikula, “The ultimate purpose / objective of human resource planning is to relates future human resources to future enterprise needs so as to maximize the future return on investment in human resources.” (Sikula, 1977, p. 148)

4.2.3 Importance of Human Resource Management

Human Resource Management is gaining a great importance in the organisation through a combination of factors association to the organisation. They are as follows:

i. Direct relationship to the human element, which represents the real head of the organisation because he has the qualifications and knowledge from which it can carry out his work efficiently.

ii. The large expansion in the size of the organisations, which leads to increase the size of the labour and human resource problems, which
leads to the finding specialized administrative unit to care to discuss the staff matters and keep up their rights.

iii. Increased awareness and culture of the workers, which leads to the increasing desire of workers to improve their conditions and circumstances, and this has made it important to find a specialized department to study the behaviour of individuals in order to policy - making that deal with personnel issues.

iv. The emergence of trade unions, which represents the workers to improve the circumstances of workers whether economically or socially that lead it large importance to human resource management, which represents the organisation in dialogue and negotiation with the trade unions of the workers.

v. HRM is working to carry out a number of programs including health care, retirement offer and many of the advantages of cash or in kind to motivate employees to increase production and tender.

vi. HRM is responsible for dealing with other organisations that deal with them, as well as understand the laws and regulations which issued by the state and how they are applied about the FAOs relationship with other organisations

vii. HRM leads to improve quality of work life; it enables effective team work among employees by providing healthy working environment.

viii. HRM plays important role in the society; it helps labour to live with pride and dignity by providing employment which in turn gives them social and psychological satisfaction.

4.2.4 Purpose and Scope of Human Resource Management

Human Resource Management is undoubtedly the key resource in an organisation - the easiest and the most difficult to manage. The purpose
of the HRM span right from the manpower needs assessment to management and retention of the same. To this effect human resource management is responsible for effective designing and implementation of various policies, procedures and programs. It is all about developing and managing knowledge, skills, creativity, aptitude and talent and using them optimally. Human Resource Management is not just limited to manage and optimally exploit human intellect. It also focuses on managing physical and emotional capital of employees. Considering the intricacies involved. The scope of HRM is widening with every passing day. It covers but is not limited to HR planning, hiring (recruitment and selection), training and development, payroll management, rewards and recognitions, industrial relations, grievance handling, promotion and transfer, incentives, legal procedure, compensation and benefits, performance appraisal etc. In other words, we can say that it’s about developing and managing harmonious relationships at workplace and striking a balance between organisational goals and individual goals.

On the other hand, according to the National Personnel Management, Calcutta 13 has a specific the scopes of HRM are as follows: (National, 1973, pp. 29-30)

1. **Labour or Personnel Aspects:** This is concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training and development, retrenchment, remuneration, incentives, productivity, etc.

2. **Welfare Aspects:** It deals with working conditions, and amenities such as canteen, crèches, rest, and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.
3. **Industrial Relations Aspects:** This covers union – management relation, joint consolation, collective bargaining, grievance and displaying actions, settlement of dispute, etc.

4.2.5 **Nature of Human Resource Management**

Human Resource Management is a process of bringing people and organisations together so that the goals of each are met. The nature of HRM can be summarized as follows:

- It focuses on the results rather than rules.
- Helping employees to develop and improve their performance better.
- Encourage employees to give their best in the organisation.
- Work on putting the right person in the right place, in order to achieve a good performance by individuals.
- It is about people at work, both as individuals and groups.
- Help the organisation to achieve its goals in the future by providing qualified and well skilled employees.
- Maintain and build friendly relations among the people who work at different levels in the organisation.
- Human Resource is multi dimensional and multi - disciplinary in nature.
- Working to attract employees, selection, training and development, evaluation and reward employees, and also follow the organisation's leadership and organisational culture and ensure compliance with the labour laws.
- It attempt to secure optimum utilisation of human resource of the organisation by motivating and improving their efficiency.
4.2.6 Principles of Human Resource Management

According to Alan Price, there are 10 Cs principles in these models:
(Alan, 1997, p. 66):

1. **Comprehensiveness**: The HRM strategy of an organisation must include all the aspects of people management, typically starting from recruitment to post separation programmes.

2. **Credibility**: The HR practices must build trust between staff and top management and encourage employees belief.

3. **Communication**: The objectives of organisation and that of HRM must be understood and accepted by all employees. The operating culture in organisation must encourage openness and be free from the barriers.

4. **Cost effectiveness**: The reward and promotion system must be fair.

5. **Creativity**: The competitive advantage of the company must stem from its unique HR strategies.

6. **Coherence**: HRM activities and initiative must be from a meaningful whole.

7. **Competence**: HRM strategy will be crafted in such a way that organisation becomes competent to achieve its objectives with the support of individual competencies.

8. **Control**: HRM policies and practices must ensure that performance of HR is consistent with business objectives.

9. **Change**: The basic premise of HRM strategy must be that continuous improvement and development is essential for survival.

10. **Commitment**: The last stresses that employees are to be motivated to achieve organisational goals.
4.2.7 Functions of Human Resource Management

Figure 4.1

Functions of HRM

(1) Managerial Functions

1. Planning
2. Organising
3. Directing
4. Controlling

(2) Operative Functions

Employment
- Job analysis
- HR Planning
- Recruitment
- Selection
- Placement
- Induction

HR Development
- Performance appraisal
- Training
- Executive development
  - Career planning and development

Compensation
- Job evaluation
- Wage and Salary
  - Bonus and incentives
  - Payroll

Integration
- Motivation
  - Job satisfaction
- Grievance and Redressal
- Conflict management
- Participation of employees
  - Discipline

Maintenance
- Health
- Safety
  - Social security
- Welfare schemes
- Personnel records

4.3 Human Resource Planning

4.3.1 Meaning and Definition of Human Resource Planning

Human Resource Planning is the first step of any effective HR programmer. It involves forecasting human resource needs and plans the steps necessary to meet these needs. Human Resource plan is important to an organisation because it helps the organisation to use human skills effectively in the interests of the individual employee and the organisation. It can also help the organisation to reduce costs associated with low productivity, surplus human resource, Unproductive training programs, etc. Human Resource Plan assures that the right number and the right kind of people become available at the right time and place so that corporate objectives can be met. (Bartholomew, 1979, p. 24)

Human Resource Planning is one of the basic functions that aims to estimation of organisation needs from human recourse such as: the types of jobs or work required, preparation of required personnel of every kind, and the time period for human resource plan. Planning is one of the jobs in general, which includes setting the goals, study alternatives available between them and determines the programs and those responsible for implementation.

According to Al_Madhon & Ebraheem, “HRP means it is the process that an organisation which seeks to get their human resources needs in a timely manner, and qualified them to implement the tasks entrusted to them in order to achieve the organisation's goals.” (Al_madhoon & Ebraheem, 2005, p. 30)

According to Shawech & Nageeb, “HRP is a total of integrated policies and procedures relating to human resource, which aims to identify and provide the required numbers of human resources and qualities to perform a certain act and cost appropriate, whether it's an existing project under study.” (Shaweck & Nageeb, 2005)
While Leap & Crino sees HRM as, “HRP includes estimation of how many qualified people are necessary to carry out the assigned activities, how many people will be available and what, if anything, must be done to ensure that personnel supply equals personnel demand at the appropriate point in the future.” (Leap & Crino, 1990, p. 156)

Geisler opines, “HRP is the process – including forecasting, developing and controlling – by which a firm ensure that is has the right number of people and the right kind people at the right places at the right time doing work for which they are economically most useful.” (Geisler, 1967, p. 80)

However, from the perspective of the researcher, the human resource planning means, is that activity whereby identifying the organisation needs of human resources in terms of quantity, quality and the right place, and through the expected demand and supply of human resources for the future and the time period is usually one year.

Human Resource Planning covers the following: (Sherlekar, 1979, p. 288)

1. **Manpower Forecasts**: On the basis of corporate goals and manpower analysis, we can have manpower forecasts pointing out the number and the kind of people needed for the conduct of the business.

2. **Manpower Inventory**: Making an inventory of present manpower resources and finding out the extent to which these manpower resources are employed optimally.

3. **Manpower Problem**: Anticipating manpower by projecting present manpower resources into the future and comparing them with the forecast of requirements to determine their adequacy, both in quality and in number.
4. **Manpower Management**: Planning scientific requirement, selection, training, development, utilisation, transfer, promotion, motivation, compensation etc. To ensure the future manpower needs are met. Thus, manpower planning covers forecasting future manpower needs and developing manpower plans for implementation.

4.3.2 **Objectives of Human Resource Planning**

HR planning is required to meet the following objectives: (Overman, 1999, p. 76)

1. Integrate planning and control of manpower or HR with organisational planning to ensure best possible utilisation of all resources.

2. Coordinate HR or manpower policies of the organisation, requirement and selection, training and development programmes, placement and induction programmes, promotion and transfer policies decisions or remuneration and rewards.

3. Ensure adequate supply of human resource as and when needed or required.

4. HR planning is essential to determine the future manpower needs in an organisations.

5. Provide time available to select and train the required human resource or manpower over a specific time period.

6. HR planning is required to cope with changes in market conditions, technologies, products and government regulations in an effective way. These changes may often require the services of people with the requisite technical knowledge and training.

7. HRP helps in decreasing wage and salary costs in the long run.
8. HR planning provides useful information on the basis of which management decides on the promotion of eligible personnel.

9. Assess surplus or shortage of human resources available over a specific period of time.

10. Maintain required levels of skills and competency, matching present and future needs of the organisation.

4.3.3 Importance of Human Resource Planning

The importance of human resources planning, are as follows:

1. To meets the organisation needs for right type of people in right number at right times.

2. Identify the needs of the organisation of human resources in terms of type, quantity, quality, timing, as well as the place.

3. It helps to dispose of surplus and filling the gaps, and thus rationalize the use of human resources.

4. It helps planning of career development for employees and it is through the identification of training activities, transfer and promotion

5. It works to avoid the surprises.

6. It is a standard to judge the extent of the safety and success of the implementation of the human resource plan.

7. It helps the organisation to prepare the estimated budget for salaries and wages.

8. It helps the firms to determine the impact of technological change on their human resources needs.

9. It helps to know the reasons for leaving the workers to work, and the satisfaction of the employees work.
10. It helps to identify the problems and difficulties expected to occur, and work to resolve them.

11. It helps the organisation to use human skills effectively in the interests of the individual employee and the organisation.

12. It helps the organisation to reduce costs associated with low productivity, surplus human resource. Unproductive training programs.

13. Maintaining a balance between demand and supply of human resources, and makes optimum of human resources, on the one hand, and reduces labour cost substantially, on the other.

4.3.4 Stages of Human Resources Planning

There are several views of these stages, these stages include the following:

Figure 4.2
Stages of Human Resource Planning according to John & Rebert

- Survey the external environment to make sure that any changes occur to labour supply
- Review the Goals And Organisational Strategies
- Evaluation of the internal work power
- Predicating changes if possible
- Determining the availability of human resources
- Identify the needs of the organisation of human
- The formulation of strategies and plans of human resources

However, according to Alareqe. The Human resource planning goes through the following stages:

Figure 4.3

Stages of Human Resource Planning according to Alareqe

1. Demand Analysis or Human Resources Needs: It is means determine the workers to work within a period to come, in terms of the number, type, time, and place the required presence. There are a sets of factors which affect in this analysis, and that organisations must take it in to consideration when determining their human

The following is a simplified explanation to the above mentioned:

1. Demand Analysis or Human Resource Needs: It is means determine the workers to work within a period to come, in terms of the number, type, time, and place the required presence. There are a sets of factors which affect in this analysis, and that organisations must take it in to consideration when determining their human
resource needs with most important: sales volume, expected technological changes, government laws, turnover, etc.

Then, there are several methods used to estimate the demand for human resources including, Trend analysis; Ratio analysis; estimate supervisor; and according to the estimate of similar organisations, etc.

2. Expected Supply Analysis of the Human Resource From Both Sides:
It is divided into the following types:

A. Internal Supply: It means that the number of individuals within the organisation who will be ready to work in a future date specified. There is a set of factors which affects the internal supply of employees with most important, turnover, expected promotion, etc.

B. External Supply: It is means that the number of individuals outside the organisation who will be ready to work in a future in the organisation. There is a set of factors which affects the external supply of employees with most important, size of the labour force, unemployment, competition, skills and qualifications inventory, replacement – chart and etc.

C. Meet the Demand and Supply of Human Resource which is consequently one of the following possibilities:

- Demand = Supply, Here we did not resort to external market.

- Supply (greater than) < demand (surplus), Here also we did not resort to external market.

- Supply (lower than) > Demand (shortage), Here we resort to external market.
4.4 Human Resource Selection and Placement

4.4.1 Meaning and Definition of Selection

The selection is the essential phase in the process of human resources composition. The primary objective of it is to supply the organisation for human resource needs and then accesses to higher productivity are possible so that, it helps an organisation to achieve its goals. Therefore, a good selection of human resources within the organisation put the right man in the right place, each according to his ability and its capabilities reflected positively on the functional performance in the organisation. (Ebheemra & Naeem, 2008, p. 221).

According to Gareer, "The selection indicates that the selecting candidates with the requisite qualifications for positions in the organisation. So, the selection should leads to the competitive advantage of the organisation through HR successful selection.” (Gareer, 2003, p. 406)

Beardwell & Claydon indicates that, "the selection process starting from the point where the end polarisation, which means the right to choose the best people to fill vacant positions so that their qualifications correspond to requirements of the vacancies.” (Beardwell & Claydon, 2007, p. 190)

Mondy opines that the selection means, "select the best suitable persons from among a group of people to fill a certain jobs in the organisation." (Mondy, 2008, p. 160).

While sees Alsalem that the selection is, “as the process whereby the screening of applicants to fill the positions in order to ensure meet the specifications and requirements of the post.” (Alsalem, 2009, p. 179).

Alareqe sees that the selection, “as the process to differentiation between the applicants according to predetermined criteria, and selection
of the most suitable of them for a career or function of a certain job.” (Alareqe, 2014, p. 136).

However, from the perspective of the researcher, the selection means choose the best people for the positions in the organisation who own the skills and capabilities to meet the goals of the organisation particularly and individual goal in general.

4.4.2 Importance of the Selection Process

The importance of the selection process can be stated as follows:

1. Selection of personnel to manage an organisation is a crucial, complex and continuous function.

2. Selection process plays a crucial role as it facilitates the organisation to meet its goals and to grow in a dynamic environment.

3. The entire organisational function is depended on the selection process (Right kind of person to the right kind of job).

4. Its through proper selection an employee automatically becomes an asset to the organisation.

4.4.3 Essentials of Selection Procedures

The selection process can be successul if the folowing requirements are satisfied:

1. Someone should have the authority to select. The authority comes from the employment requisitions, as developed by an analysis of the workload and workforce.

2. There must be some standard of personnel with which a prospective employee may be compared a comprehensive job description and job specification should be available beforehand.

3. There must be a sufficient number of applicants from whom the required number of employees may be selected.
4.4.4 Steps in Scientific Selection Process:

Figure 4.4
Steps of Scientific Selection Process

The following is a simplified explanation to the above mentioned:

- **Job Analysis**: It is the basis for selecting the right candidate. Every organisation should finalise the job analysis, job description, and job specifications before processing the next step of selection.
- **Human Resource Plan**: Organisations must plan their human resource needs in the future, because it is basically built upon the rest of the other human resource management steps.

- **Recruitment**: It is the process of attracting human resources that possesses skills and abilities according to certain conditions, which determine the organisation's administration.

- **Development of Bases for Selection**: This means that it must be on business organisations that are working on the development of the rules of selection of staff in order to select appropriate person for the job within the organisation.

- **Application Form**: It is used as a device to screen the candidates at the preliminary level, and the technique of blank application is traditional and widely accepted for securing information from the prospective candidates. Information is generally required on the following forms: Personal background information, academic achievement, experience of work, salary, personal details and auditor.

- **Writing Examination**: The organisation work on a written test in order to confirm the candidate's ability to answer few of questions, such as the ability in mathematical calculations to know the candidates attitude towards the job to measure the candidates aptitude, reasoning, general knowledge and English language.

- **Preliminary Interview**: This may be conducted by an assistant in the personal department. The information thus provided by the candidate may be related to the job or personal specifications and other physical requirement etc. Thus, Preliminary interview is useful as a process of eliminating and unsuitable candidates. If a candidate satisfies the job requirements regarding most of the areas; he may be selected for further process.
According to Richard and Calhoon, “Employment interview serves the following three objectives: First, it is the only way to see an applicant in action – how he looks, his manner, his bearing. Second, it is the only way to witness how the interacts and how he responds, his way of thinking, the effect of his personality on others. Third, it is perhaps the best way to get at the “will do” feature of a performance motivation, initiative, stability, perseverance, habits and judgment.” (Richard & Calhoon, 1964, p. 151).

- **Business Games:** They are widely used as a technique for selecting management trainees, executive trainees and managerial personnel at junior, middle and top management positions. Business games help to evaluate the applicants in the areas of decision – making, handling the situations, problem – solving skills, human relations skills etc.

- **Tests:** the purpose of selection tests as conducted for various purposes. They include the following: (Mamoria, 1994, pp. 236-237)
  1. Guiding and consulting students seeking admissions in the educational institute.
  2. Career guidance to those thinking to make career in specific vocations.
  4. Employment selection of the candidates for an organisation.

As regard, selections tests, these are conducted mainly to fulfil the following purposes: (Frech, 1974, p. 281)

I. For the selection and placement of new employees.

II. For appraising employees for promotional potential.

III. For counselling employees to enable them to perform better in their job.
William C. Byham puts the use of selection tests, in these words, “The tests are the most measured, the least understood, yet the most valuable source of information about applicants.” (Byham, 1966, p. 7)

There is a large number of tests designed to measure human behaviour for a job applicant has, and these tests can be classified into:

- **Specific mental abilities test**: “The main objective of these tests is a measure of a person's ability to learn and take advantage of situations that are exposed, and used in the measurement of special abilities, such as language capabilities and capabilities for automated or mechanical.” (Albaqe, 2001, p. 150)

- **Achievement test**: Those tests are measure the person's information acquired by the previously in the performance of a particular job. There are two types of tests which are used to measure the information necessary to do the job. These tests shall be oral or written, and other used to measures the person's skills by putting him in the actual work location.

- **Personality tests**: This test is designed to measure the degree of harmony with others, self-confidence, and the ability to influence others, as well as it is used with other tests because it works on future expectations accuracy about the real performance of the individual.

- **Test of cognitive abilities**: This type of testing is used for the purpose of identifying the different abilities of the applicants, or some of them, according to a job type under test. The most important of these capabilities, the ability to learn, the ability to abstract thinking, ability to adapt to new situations, the ability to analyse problems, the ability to perceive relationships etc. These tests are the smart and based on their ability to learn new jobs more than others. (Abo_Shakha, 2010, pp. 130-131).
Final interview: According to Alareqe, interview means, “oral designed to evaluate the information, skills and abilities of the applicant that based on the job specifications.” (Alareqe, op.cit., p.141).

There are several types of interview. These types includes the following:

- Structural Interviews: The committee determines the standardized questions which put to all applicants, and this type is considered better than the other interviews.

- Unstructured Interviews: In this type, the questions addressed to different people.

- Provocative Interviews: In this type, it is offer some provocative questions to applicant, in order to see his reactions, and how to act. This type of interview also is conducted individually or collectively.

- Stress Interview: The purpose behind stress interview is to deliberately place the candidate in a position of stress. Stress questions should not be asked at the beginning of the interview because it becomes impossible to make a comparison between a candidate’s customary behaviour and his behaviour under stress. (Woodworth, 1979, p. 85).

Reference Checks: It is another step of selection process that is used for the purpose of verifying information and also obtaining additional feedback on applicant. The candidate is asked to supply two – three names of purposes i.e., reference who know him/ her personality. Previous employers, university professors, neighbours and friends, can act as reference. However, references are treated as a more formality and hardly used to influence selection decisions. The obvious reasons are:

- Reference is normally those who speak well about the candidate.
• Reference gives an opinion on the candidate to get rid of some of the candidates.

• Sometimes reference either does not know much of divulge the truth the candidate because it might adversely affect the selection or promotion of the concerned candidate.

❖ **Medical Examination**: The medical examination can give the following information: (1) the applicant is suited for the specific job, (2) the applicant has health problems attitudes to interfere with work efficiency of future attendance, (3) the applicant suffers from bad health which should be corrected before he can work satisfactory, (4) the medical examination used to check the special senses of the candidates.

❖ **Line Manager’s Decision**: The line manager decision has to make the final decision whether to select or reject a candidate after soliciting the required information through different techniques discussed earlier.

❖ **Job Offer**: After the final decision, the organisation intimates the successful as well as unsuccessful candidates. The organisation offers the jobs to the successful candidates either directly or after sometime depending upon its time schedule.

❖ **Employment or Final Selection**: It is the last step of selection process of the candidate for the job. The candidates who have cleared all the above hurdles are finally selected and a letter of job offer is issued to them. The job offer i.e., appointment letter contains the details like pay-scale, allowances and other terms and conditions of the job. It also contains when and whom he should report for joining the duty. When he/she reports for joining it needs to be placed in a particular section or division and introduced to the job and organisation.
4.4.5 Meaning and Definition of Placement

Placement process is the last stage of the staffing or hiring, which begins from recruitment, then selection, and finally the placement. These steps are completed either to accept or not to accept the employee.

Once a candidate has been selected he/she needs to be placed on a suitable job. In fact, placing the right person on the right job is an important matter. The person put on a suitable job needs to be made familiar with his/her job, the organisation and the other employees through induction or orientation so as to enable him/her to contribute the maximum.

The importance of placement lies in the fact that a placement of employees reduces employee’s turnover, absenteeism, accident, and dissatisfaction, on the one hand, and improves their moral, on the other.

Placement is understood as assigning function or job to the selected candidate. Assigning jobs to employees may involve a new job or different job. Thus, placement may include initial assignment of job to new employees, on transfer, promotion or demotion of the present employees.

According to Madhav & others, “Placement may be defined as the determination of the job to which an accepted candidate is to be assigned and his assignment to that job.” (Madhav, Anjaneyulu, Gopi, Reddy, & Podder, 2015, p. 96).

According to Altaea & others, “The placement is a contract between the organisation and the individual which cannot be canceling, except in the case of a specific breach of the terms and conditions. Appointment always is signed by the President of the Organisation, concerned employee administration, human resource management and the person appointed.” (Altaea, Hageem, & Fouze, 2006, p. 87)
Pigors and Myers have defined placement as, “The determination of the job to which an accepted candidate is to be assigned, and his assignment to that job. It is a matching of what the supervisor has reason to think he can do with the job demands (job requirement), and what the offers in the form of pay rolls, companionship with other, promotional possibilities, etc.” (Pigors & Myer, 1973, p. 285)

However, from the perspective of a researcher the placement means it is the last stage of the selection, which includes the issuance of the placement decision, submitting the employee to his direct superior, the initialisation principle, follow-up and evaluation of the individual throughout the experimental period, and finally appointment of employee.
### 4.4.6 Employee Placement Process

Employee placement process includes the following:

![Employee Placement Process Diagram](source: Rao, 2014: p.109)

1. Collect details about the employee
2. Construct the employee's profile
3. Match subgroups and individuals' profile
4. Compare subgroup profile to job family profile
5. Match job family profiles and subgroup profiles
6. Assign the individuals to the job family
7. Assign the individual to a specific job after further counseling and assessment

4.4.7 Obstacles of Selection and Placement

Following are some of the obstacles to the process of selection and placement of the organisations, whether public or private:

1. Government policies such as restrictions on institutions in the selection and placement process for employees.

2. If the financial position of some of the institutions is weak, they cannot pay the salaries and benefits appropriate to the employees.

3. The intense competition between organisations in the work market in order to get highly qualified workers. This competition runs on an organisation has paid high wages to workers compared with other organisations, which leads to depriving some organisations to choose highly qualified individuals because of the circumstances of the organisation.

4. The intervention personal relationships in appointments, and here is the appointment of people unsuitable for a job.

5. The absence of the role of human resources management in the organisation, and the absence of a clear strategy makes the process of selection and placement frameworks unclear and randomly in the sometimes.

6. The incompetence of individual supervisors on the selection and placement process

7. Selection and appointment on the basis of favouritism and mediation.

8. The absence or weakness of the recruitment process which will reflect negatively on the inputs for the selection process.
4.5 Human Resource Training

4.5.1 Meaning and Definition of Training

Human Resource Training plays a key role in the success of organisations. It has becomes one of the main activating supports for the management of human resources, after that increased awareness about business owners of the importance of employee training on how to conduct their business in the future, he may decide the success or failure of organisations. Training plays a great importance to the effectiveness of organisations and grant individuals experience in their work. Training has implications on productivity, work safety and workers in the field of development. In the organisation working people need to train and develop their employees. On the other hand diverse patterns from skills training to knowledge training change in the external environment leads to reconsider the training programs in general, because it is of the activities that are beneficial to the individual worker and the organisation and the community alike.

After employees have been selected for various positions in an organisation, training them for the specific tasks to which they have been assigned assumes great importance. It is true in any organisation that before an employee is fitted into a harmonious working relationship with other employees, he is given adequate training. Training is the act of increasing the knowledge and skills of an employee for performing a particular job. The major outcome of training is learning. A trainee learns new habits, refined skills and useful knowledge during the training that helps him improve performance. Training enables an employee to do his present job more efficiently and prepare himself for a higher level job. (Fitzgerald, 1992, p. 46)
Training is a cornerstone in the development of the efficiency of workers in different fields and at all facilities, and of different kind. Training also has significance in improving the capacity and skills of individuals which works to increase their performance of employees in the organisation, and works to harmonize of the needs of the individual and the needs of the organisation from the training process.

Therefore, training of human resources is no longer an option for organisation but has becomes a necessity that must be focused by the organisations in order to create a new skills and knowledge to humans and composition of the spirit of creativity and innovation, so that the individual must keep pace with technological, information and competition changes. (Sabbagh, 2008, p. 301).

Every organisation alike big, small, or medium, productive, economic, social, profitable, or non-profitable, old or newly established should provide training to all the employees in the organisation irrespective of their qualification, skills, years of experience, functional level of the job, etc. Thus, no organisation can choose whether or not to train employees.

According to Dooley, “Training is not something that is done once to new employees; it is used continuously in every well run establishment. Further, technological changes, automation, require up-dating the skills and knowledge. As such an organisation has to retrain the old employees.” (Dooley, n.d, p. 161)

According to Abu_Nasr, “The training is planned and distinct process designed to meet the training needs of the present and future of the individual by increasing knowledge and strengthening trends and improve his skills which contribute to improve his performance at work and increase production in the organisation.” (Abo_Nasr, 2007, p. 245)
However, from the perspective of the researcher, the training means an activity that focuses on providing employees in all disciplines and levels of administrative skills and specific knowledge whether intellectual, administrative, behavioural. That can be applied directly to the organisation or the job or jobs or specific tasks in the organisation. Training has a role in modifying attitudes.

4.5.2 Purposes of Training

Training is needed to serve the following purposes: (Rao V. S., 2005, p. 190)

1. Training is necessary to prepare existing employees for higher-level job (promotion)

2. Training is necessary when a person moves from one job to another (transfer). After training, the employee can change job quickly, improve his performance levels and achieve career goals comfortably.

3. Training is necessary to make employees mobile and versatile. They can be placed on various jobs depending on organisational needs.

4. Training is needed to bridge the gap between what the employee has and what the job demands.

5. Training is needed to make employees more productive and useful in the long-run.

6. Training is needed for employees to gain acceptance from peers (learning a job quickly and being able to pull their own weigh is one of the best ways for them to gain acceptance).

Also, the purposes of the training are as follows:

i. Help employees strengthen relationships with others, both within the enterprise or with customers, or with formal and informal leaders in the community
ii. Provide individuals with the skills and behaviours they need, in order to perform their jobs.

iii. Improve the profitability of the organisation, and improve production of goods and services of a kind.

iv. Work to keep abreast of developments, whether technological or administrative through training who earns organisation Competitive Advantages of how to deal in the work market.

v. Reduce production costs and improve the safety level.

vi. The training contributes to building effective communication and inside consulting that lead to the development of methods of interaction between individuals and the administration employees.

vii. Training is working on building employees who contribute to achieving the goals in organisation in the short term as well as long at the lowest costs.

4.5.3 Objectives of Training

The objectives of training are as follows: (Siriya, 2015, p. 105)

1. To increase the skills and knowledge of the employees working on various jobs.

2. To acquaint with development in the working fields and update their knowledge.

3. To acquaint with the new procedures methods, practices, rules and regulations regarding the work to the employees.

4. To improve the employee decision making ability, and develop the competences of the employees.

5. To imbibe a sense of co-operation, teamwork, team spirit, oneness etc.
6. To acquaint the employees about the broad policies and objectivity of the enterprise and to work in their direction.

7. To improve of enhance the productivity; reduce learning costs and overall efficiency of the organisation.

8. Reduce the learning time for employees starting in new jobs on placement, promotion, and ensure that they become fully competent as quickly and economically as possible.

9. To improve the adaptability quality among the employees and to cope with the changes.

10. To achieve the economy and help the people to grow in the organisation and meet the future needs for human resources.

11. To enhance the moral among the employees.

According to Janakiram, “the training objectives” may be enumerated as follows (Janakiram, 2009, p. 8):

1. To train the employees in the companies culture and ethos.

2. To prepare the employees both newly recruited and already employed to meet the present as well as the future requirement of the job and organisation.

3. To train the employee in order to improve the work methods and skills, so as to increase quality and quantity of output.

4. To prepare employees for higher level responsibilities.

5. To increase the efficiency and effectiveness of employees by updating them on latest concepts and techniques.

6. To facilitate succession planning i.e. to build a second line of component employees.

7. To ensure economic output with high quality.
8. To develop interpersonal relation.

9. To develop effective work habits and methods of work this minimizes the accidents rate and wastage material. (Vesu, 2002, pp. 45-46)

4.5.4 Types of Training

There are many types of training; the selection of types of training depends on the nature and activity of the organisation, and depends on expected changes in technology and organizing the work. The following table No (4.6) shows the types of training:

Figure 4.6
Types of Training

The Foundations of Rating

<table>
<thead>
<tr>
<th>In Terms of Goal</th>
<th>Place of Execution</th>
<th>In Terms of Content</th>
<th>In Terms of the Number of trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Training for the purpose of preparing</td>
<td>1. Internal Training</td>
<td>1. Vocational and technical training</td>
<td>1. Individual</td>
</tr>
<tr>
<td>2. Training for the purpose of solving problems</td>
<td>2. External Training</td>
<td>2. Specialist training</td>
<td>2. Groups</td>
</tr>
<tr>
<td>3. Training for the purpose of innovation</td>
<td></td>
<td>3. Managerial training</td>
<td></td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher.

The following is an explanation to the types of training:
A) **In Terms of Training**

This type of training is divided in the following forms:

1. **Training for the purpose of preparing:** The need for this type of training comes for the purpose of creating new employment, or when moves or promoted some employees in the organisation. This type of training includes the following forms as the creation of new employees, training on industrial security, and training on job training.

2. **Training for the purpose of solving problems:** This type of training comes, when there are problems in the organisation such as the low level of productivity, high wastage rate in the raw materials, high absenteeism rate. Therefore, the organisation seeking for the causes that led to these problems. Are these reasons due to lack of some of the skills and information, or both, so the organisation works for preparing training programs to treatment of those problems.

3. **Training for the purpose of innovation:** This type of training is designed to provide employees with new work, whether in the field of production, administrative area, and financial field.

B) **Place of Execution**

This type of training is divided in the following forms:

1. **Internal Training:** This training will be in the internal organisation and it takes many forms including, initialisation programs for staff, vocational training, multi-style management, job rotation.

2. **External Training:** This training will be in the external organisation. Here, the organisation may resort to outsource specialty centers to training employees, such as universities, colleges, etc.
C) **In Terms of Content**

This type of training is divided to the following:

1. **Vocational and Technical Training**: This type of training focuses on mechanical and manual skills such as business commerce, electricity, and for the purpose of achieving this type of training are some of the organisations establish training centers concerned with technical and vocational training.

2. **Specialist Training**: This type of training includes training on the knowledge and skills associated with the highest functions not from the technical and vocational jobs. The functions include accounting, marketing, as well as focus on solving various problems and not on the routine procedures.

3. **Managerial Training**: This type of training focuses on administrative different skills such as planning, organizing, leadership and motivation. This type of training is needed on the direct, middle and top management.

D) **In Terms of the Number of Trainees**

This type of training is divided to the following forms:

1. **Individual Training**: The purpose of the training is designed for one person.

2. **Groups Training**: In this type of training is grouped in to a number of individuals in need of the training in order to participate in one program for training.
4.5.5 Training Process

According to Mathis & others, the training process is as follows:

Figure 4.7
Training Process

<table>
<thead>
<tr>
<th>Training Needs Assessment</th>
<th>Training Design</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Analyse Training Needs</td>
<td>1. Pre-test trainees</td>
</tr>
<tr>
<td>2. Identify Training objectives and criteria</td>
<td>2. Select training methods</td>
</tr>
<tr>
<td></td>
<td>3. Plan training content</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evaluation of Training</th>
<th>Training Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Measure training outcomes</td>
<td>1. Schedule training</td>
</tr>
<tr>
<td>2. Compare outcome to training Objectives and criteria</td>
<td>2. Conduct training</td>
</tr>
<tr>
<td></td>
<td>3. Monitor training</td>
</tr>
</tbody>
</table>

4.5.6 Training Methods

The methods of the training are classified into on – the – job and off – the- job training as shown in figure No (4.8).

Figure 4.8
Types of Training

<table>
<thead>
<tr>
<th>Training Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>On – the – Job Training</td>
</tr>
<tr>
<td>Off – the – Job Training</td>
</tr>
<tr>
<td>- Job Rotation</td>
</tr>
<tr>
<td>- Coaching</td>
</tr>
<tr>
<td>- Job Instruction</td>
</tr>
<tr>
<td>- Job Enlargement</td>
</tr>
<tr>
<td>- Committee Assignment</td>
</tr>
<tr>
<td>- Apprenticeship</td>
</tr>
<tr>
<td>- Vestibule Training</td>
</tr>
<tr>
<td>- Role Playing</td>
</tr>
<tr>
<td>- Lecture Methods</td>
</tr>
<tr>
<td>- Conference or Discussion</td>
</tr>
<tr>
<td>- Programmed Instruction</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

The following is an explanation to the methods of training:

A) On – the – Job

This method of training means instruction training that means having an employee learn a job by actually doing it. This type of training also is appropriate when applied to new employees and when the organisation wants to develop existing skills of workers. This type of training is divided to as follows:

- **Job Rotation**: This type of training means movement of the employees from one job to another job in the organisation, also the trainee acquires knowledge and experience from the supervisor and from the other job. This type of training is appropriate to trainee to
understand the problems of employees on other jobs and respect them.

- **Coaching:** The trainee is placed under a particular supervisor who functions as a coach in training the individual. The supervisor provides feedback to the trainee on his performance and offers him some suggestions for improvement. Often, the trainee shares some of the duties and responsibilities of the coach and relieves him of the burden.

- **Job Instruction:** In this way the trainer explains the trainee how to work on the jobs, job knowledge, skills and allows him to do the job. Also through this kind of training the trainers assesses the trainee’s performance and give him the right information to address the problems. And according to this type of training, it prepare a written guide which includes all the instructions and guidelines, that the trainee should be known and applied during training and while working, and have the responsibility of the trainer here, is to explain the instructions and supervising their application, follow-up and correction.

- **Job Enlargement:** According to this type of training, it added more duties to the employee, in order to gain extensive experience and wide freedom in decision-making.

- **Committee Assignment:** Under the committee assignment, the group of trainees are given and asked to solve the problems, in order to develop the teamwork.

- **Apprenticeship:** In this type of training, here assigned older employees to supervise on the training of a new employee, and this type of training uses this method to train employee in technical and clerical fields. This type of training it may take period of time,
depending on the nature of the work, also the trainee has take
rewarded for training.

B) Off – the – Job Training:

This method attempts to duplicate on –the- job – situations in the
class room. It is a class room training which is often imparted with the
help of equipment and machines which are identical. This technique
enables the trainee to concentrate on learning the new skills rather than on
the performing actual job. This type of training is divided as follows:

- **Vestibule Training**: This type of training is usually used to train
  employees for clerical and semi - work skills. The duration of this
type of training  ranges from days to a few days.

- **Role Playing**: This type of training is based on the development of
  behavioural skills for individuals. This type of training consists of
  action, doing and practice. The trainee plays the role of certain
  characters such as the production manager, marketing manager,
  human resource management manager, personnel manager,
  training manager, etc. This type is mostly used to develop
  interactions and personal relationships.

- **Lecture Method**: This type of training is more commonly used. The
  lecture is a modern structured, the trainee work to speak with a
  groups of trainees, and it is suitable when there is little or large
  numbers of attendees. It is required that the lecture should have a
  good scientific background on the subject, and the ability to view
  topic an orderly manner and understandable.

- **Conference or Discussion**: This type of training is an informal
  meeting, which means participate a group of individuals in order to
  study a group of matters to reach the specific recommendations. In
  this type of training also it no trainer but it is leader.
Programmed Instruction: This type of training has become popular. The subject – matter to be learned is presented in a series of carefully planned sequential units. These units are arranged from simple to more complex levels of instruction. The trainee goes through these units by answering questions. This method is expensive and time-consuming.

4.5.7 Responsibility of the Training

The responsibilities of training are as follows: (Armstrong, 1999, p. 89):

- Developing training strategies that support the achievement of business strategies.
- Analysis and identifying corporate and occupational training needs.
- Developing proposals on how these needs should be satisfied.
- Preparing plans and budgets for training activities.
- Identifying external training resources, selecting external training providers.
- Advising on external training courses for individuals or groups.
- Providing help and guidance to individuals in the preparation and implementation of personal development plans.
- Monitoring and evaluating the effectiveness of training throughout the organisation.
4.6 Human Resource Incentives

4.6.1 Meaning and Definition of Incentives

Incentive is one of the important factors for inducing and motivating the workers for higher efficiency and greater output. An incentive attracts a worker's attention and stimulates him to work. Besides wages and salaries, employees are paid incentives depending on the performance and paid as regulatory as wages and salaries. An incentive is to motivate individual or group performance. It includes both monetary and a variety of non-monetary prizes. It is paid to workmen in recognition of their outstanding performance. Wages and salaries are relatively fixed but incentives vary from worker to worker and from period to other period for the same worker.

According to the Kaabi, “Incentives refer to an inner feeling of the individual, working to find the desire to take the activity or certain behaviour that aimed to achieve specific goals.” (Kaabi, 1990, p. 148)

Smith and Burade have defined an incentives scheme as, “Incentive scheme is a plan or program to motivate individuals for good performance. An incentive is most frequently build on monetary rewards (Incentive pay or monetary bonus). But may also include a variety of non-monetary rewards or prizes.” (Smith & Burade, 1982, p. 343)

While sees Zuelv that the incentives, “Are the factors that drive productivity workers in the unit to work with all their might, in order to achieve the objectives set.” (Zuelv, 1994, p. 275)

“Incentive system has a limited meaning that excludes many kinds of inducements offered to people to perform work, or to keep up or beyond acceptable standards. It does not include: (1) wage and salary payments and merit pay (2) overtime payments, pay for holiday work, or differential according to shifts. That is, all payment which could be
considered as incentives to perform work at undesirable times, and (3) premium pay for performing danger tasks. It is related with wage payment plans which the wages directing to standards or productivity or to the profitability of the organisation or to both criteria.” (French L. W., 1987, p. 541)

According to the National commission on labour, “Wage incentives are extra financial motivation. They are designed to simulate human effort be rewarding the person, over and above the time rated remuneration, for improvements in the present or targeted results.” (Labour, 1969, p. 39).

According to Venkata Ratnam and Srivastva, “A wage incentive scheme is a method of payment for work of an acceptable High quality produce and above the quality and standard.” (Venata Ratnam & Srivastava, 1996, p. 343)

However, from the perspective of a researcher, the incentives refer to an external influences that pay to the employee whether managers or workers in order to improve their performance or behaviour of them at work or increase their production above the standard rates in the organisation.

4.6.2 Objectives of Incentives Schemes

Incentives schemes aim at the fulfillment of one or more of the following objectives: (Rao, 2005, p.367)

1. To improve the profit of a firm through a reduction in the unit costs of labour and materials or both;
2. To avoid or minimize additional capital investment for the expansion of production capacity;
3. To increase a worker’s earnings without dragging the firm into a higher wage rate structure regardless of productivity and
4. To use wage incentives as a useful source for securing a better utilisation of manpower, better production scheduling and performance control, and a more effective personal policy.

From the perspective of a researcher there is a set of foundations that must be taken into consideration when developing and preparing of an effective system of incentives:

- Choose the appropriate incentives that satisfy the needs and desires of the common employees, because the choice of incentives must be of importance in the viewpoint of employees, but lost its importance if it is not appropriate from the point of view of employees. In other words, diversity in giving incentives should cover the physical and moral aspects of the employee.

- There must be a clear relationship between the effort carried out by the employee or the performance achieved by him namely that, the incentive must be given to the employee, namely that, whenever the achievement is bigger definitely the incentive is largest and vice versa.

- Due consideration to fairness in estimating the standard time for the productivity unit, meaning it is necessary to provide comfort permeate the work, especially with hard effort work.

- The disparity in the granting of incentives to employees, meaning it should not be all employees gets similar incentive if their performance was uneven.

- Wages granted to employees must be sufficient so as not to look at the incentives it part of your salary, and thus may lead to affecting the performance of the employee.
participation of employees in the putting of the system of incentives

Reconsider the system of incentives program when circumstances change.

The success of the system of incentives depends on the financial position of the organisation, where the increase of profits will lead to the expansion of the incentive program and that the loss may lead to reduced incentives in the organisation.

4.6.3 Types of Incentives

The incentives are classified to the following types:

1. Bonus pay: In order to pay bonuses to employees, the organisation must identify the targets and the employees are getting.

2. Stock incentive: These types of incentives are offer by the company in exchange for immediate cash payments.

3. Profit sharing incentives: This type of incentive is include many aspects and for a period of one year and agreed on a set of factors that affect on the profit such as sales revenue, employee productivity and conserve resources that lead to reduced overhead costs. At the end of the year it will pay a certain percentage of the profit to the employee as a reward and based on prior agreement.

4. Vacation incentives: Unscheduled employee can sometimes be a problem to help reduce the use of sick days and personal days, offer an additional vacation day for each quarter in which the employee are not call in to work.

5. Physical incentives take several forms, including, incentives for operations employees, incentives for salespeople, incentives for professionals, and incentives for manager’s executives. Also moral incentives take several forms, including, book Thanksgiving, to
hang a picture employee on the board of honor, awarded medals and badges, participate in decision-making, job enlargement and job enrichment.

4.7 Human Resource Promotion

4.7.1 Meaning and Definition of Promotion

Promotion is considered one of the most important factors that lead to increase the performance of employees in organisations, where the wages are not only thing that aim to the employees in the organisation, but the achievement of social and moral status and seeks to achieve the employee in his community. And therefore, the promotion has the strongest effect among the various factors which are working to achieve the goals sought by the organisation.

Promotion can, therefore improve the effectiveness of an organisation’s structure in order to meet the target and, at the same time, can considerably increase the effectiveness of its employees through assignment of suitable positions.

“Promotion is the most common form of internal mobility of personnel in an organisation. In fact, it is the rarest case that an individual who joins an organisation at a particular position at the beginning of his career retires at the same position. He may not be transferred; he may not be demoted; he may not be separated; but certainty, he is promoted. Promotion is an essential feature of an individual’s career. Promotion is advancement in the organisation which involves a change from one job/position to another that is better in terms of status and responsibility. Ordinarily, the change to better job is accompanied with increased monetary compensation and privileges”. (Prasad, 2010, p. 544)
According to Shab, “Promotion is the transfer of an employee from the current job status to the highest functional center, from which he can get the biggest advantages of a physical, as well as setting a moral better than it was before the promotion process. And also the promotion may be from one job to another with greater responsibilities, powers and authorities, and may be from one degree to other in the same job.” (Shab, 1971, pp. 337-338)

According to Dale Yoder, “Promotion providers incentive to initiative, enterprise and ambition; minimizes discontent and unrest; attracts capable individuals; necessitates logical training for advancement; and forms an effective reward for loyalty and cooperation, long service, etc.” (Dale, 1977, p. 95)

However, from the perspective of the researcher, the promotion is one kind of employees movement that means transfer of an employee from one job with the lowest administrative level to the function of an administrative higher level, with greater responsibilities, powers and authorities, and be the best physical and moral advantages.

On the other hand, the researcher believes that the promotion may be defined as an upward to the top advancement of an employee in an organisation to another job, which command better pay or wages or prestige or better working environment, hours of work facilities and a higher rank.

4.7.2 Purpose of Promotion

The purpose of promotion can be stated as follows: (French W. L., 1990, p. 66)

1. To put an employee in a position, when he will be of greater use to the organisation and when he is expected to derive increase personal satisfaction and have an increase in his emoluments;
2. To recognize an individual’s performance and reward him for work so that he may have an incentive to forge ahead;

3. To boost morale and encourage loyalty and help develop a sense of belonging so far as an employee is concurred;

4. To promote job satisfaction and to motivate an employee to continue in the organisation;

5. To attract suitable and competent employees to the organisation and finally;

6. To provide opportunities to an employee (who has not succeeded in gaining promotion), to enhance his skills and abilities required for superior performance.

4.7.3 Objectives of Promotion

The objectives of the promotions are as follows:

1. Motivate of employees to make a greater effort to work and achieve higher productivity.

2. The development of the capacity of individuals to achieve job enrichment to them through change his business which they work expansion of task.

3. Meet the needs of organisations by the individual want to fill the vacant business at the senior management levels.

4. Investigate the stability and job security for all employees in the organisation.

5. Promote and motivate employees to high productivity.

6. A promotion works to support stability in the work.

7. A promotion works to attract competencies to the organisation.

8. A promotion helps to achieve the affiliation to work.
9. A promotion works to strengthen the relationship between management and employees and supports human relations among employees, which helps to achieve a high level of job security.

10. A promotion helps to spread the spirit of competition between individuals, which works to make an extra effort from the employees in the organisation.

11. A promotion works on the preparation of leaders administrators in the organisation.

12. A promotion helps attract qualified individuals to work with organisation, and through the best promotion policy in the organisation.

13. To impress the other employees that opportunities are available to them too if they also perform well.

4.7.4 Types of Promotion

Promotions granted to employees in organisations are divided into three types:

1. **Horizontal Promotion**: This type of promotion is used when an employee is transferred in the same category, or when an employee moves within the same department, from one department to another or from one factory to another factory.

2. **Vertical Promotion**: It is one type of promotion which means when an employee is promoted from a lower category to higher category with greater authority and responsibility, pay and status.

3. **Dry Promotion**: It is also one type of promotions that means when an employee is promoted to higher category without increase in salary, it is called ‘dry promotion’ with greater authority, responsibility and status.
4.7.5 Basis of Promotion

Promotion can be made on various bases. Following are the major ones:

1. Seniority as a Basis of Promotion: According to this system the period of time spent by the individual in the post is considered as the foundation upon which the promotion process, also according to this system, the individual who is serving a longer period with his colleagues at work, it has priority in the promotion, irrespective of his efficiency.

The advantages of seniority as a basis of promotion are:

(Fahmi, 1982, p. 454)

- Easy way for the promotion of employees
- Objectivity and avoids favoritism and discrimination
- Given to all employees who have long periods of time at work
- Encouragement workers to stay in the organisation and not leaves to the prospect of losing their seniority when they leave work.

The disadvantages of seniority as a basis of promotion are:

(Reda, n.d, pp. 247-248)

- It kills the ambition and creativity of qualified employees.
- The reduction of competition between employees.
- The arrival of some of the workers incompetent to leadership positions in the organisation.
- It works to leak best competencies of employees to outside of the organisation.
- Length of service in the current position may not be presumption of success in the future occupation.
2. **Merit as a Basis of Promotion**: According to this system, the efficient employee who is characterized by good performance and activity, committed systems, sincere in his work, the secretary on the property; it has priority in the promotion irrespective of his seniority.

The advantages of merit as a basis of promotion are:

- The organisation can attract the best people to work.
- It motivates individuals to make a greater effort to work in order to get a promotion.
- A promotion here working to get employees on the biggest skills and knowledge to work.

The disadvantages of merit as a basis of promotion are:

- Measuring the efficiency of employees is very difficult
- A promotion will be here on the past achievement, efficiency but not the future success.

3. **Seniority-Cum-Merit of Promotion**: This system is the combination between the seniority and merit, on condition the person who is being promoted to a certain level of competence and capacity; also he must have spent a certain period of time to work for the company. There are several ways in striking the balance between these two bases. (Rao.2005 ,p.189)

- Minimum length of service and merit, under this method, all those employees who complete the minimum service, say five years, are made eligible for promotion and then merit is taken as the sole criteria for selecting of the employees for promotion from the eligible candidates.
- Measurement of seniority and merit through a common factor
Minimum merit and seniority, in contrast to the earlier method, minimum score of merit which is necessary for the acceptable performance on the future job is determined and all the candidates who secure minimum scores are declared as eligible candidates. Candidates are selected for promotion based on their seniority only from the eligible candidates.

4.8 Human Resource Reward

4.8.1 Meaning and Definition of Rewards

Employees can be motivated by rewards because they are working to meet their own needs or enable them to achieve the goals they seek. But the needs of individuals and their goals associated with them vary from one individual to another and it's hard if not impossible to predict the appropriate way to reward the individual.

The reward system is one of the basic scopes of human resource management performance and service compensation management as one of the scopes of this task undertakes to design and execute employees’ wage and benefits systems (Bernardin & Russell, 1993, p.55).

Thus, the reward system must be effective and efficient so as to achieve the desired goals at work, and this system should be designed in a good way so that it works to achieve the maximum return on both enterprise and employees as well.

However, from the perspective of the researcher, the human resource rewards means, reward the employee as a result of completion of his work in the organisation, because it is the reward which works to improve the performance of employee and to reach to the desired goal by less possible cost.
4.8.2 Types of Rewards

The rewards are classified to the following types:

1. Official Reward

This kind of rewards offers from the institution to its employees as a result of participation and success of continuous work. So, this kind of rewards is through the good application to rewards system which followed in the organisation. In this type upon granting rewards, it must consider the following:

- Determine the basis and objectives of the reward and who is the person is owned and when and where it grant.
- the reward granted must be meaningful to those who taken with taking into consideration the type of success and achievement and suit them with a the reward.
- The organisation gives rewards official related to excellence in the performance, ideal employee as well as rewards relating to the results of the performance evaluation, but it should be given openly.
- Continue to granting of rewards to employees on a permanent basis in order to increase performance within the organisation.

2. Non-Official Reward

This kind of rewards offers from the institution to its employees is spontaneously without prior planning. In this type upon granting rewards, it must consider the following:

- It must conform and appropriate the reward with a desire of the employee in order to fulfill his wishes.
- It must conform the reward with a work that has been accomplished.
• It must grant the reward immediately after the work is done in order to satisfy on the employee.

4.9 Performance Appraisal of Human Resource

4.9.1 Meaning and Definition of Performance Appraisal

Performance appraisal is one of the most common procedures used to control an organisation/s personal performance appraisal use to evaluate the performance of the employees associated with past, present, and expected performance so that appropriate decision can be made. Performance appraisal occurs at regular intervals, (day, month, and one year). Performance appraisal assistance managers take decisions about differential treatment to be accorded to individual employees in salary administration, promotion, transfer, performance planning, training, counselling, discipline and other matters to enhance the attainment of organisational goals. (Chandhuri, 2010, p. 246)

“Performance appraisal is essential to understand and improve the employee’s performance through HRD. In fact, performance appraisal is the basis of HRD. But the recent developments in human resources management indicate the performance appraisal is the basis of employee development. Performance appraisal indicates the level of desired performance level, level of actual performance and the gap between those two. This gap should be bridged through human resource development techniques like training executives development etc.” (Rao, 2005, p.132)

According to Al_maze, “Performance appraisal refers to review and assess periodically the performance of each individual during a set period of time; it may be three months, six months, a year or a specified number of hours.” (Al_maze, 1994, pp. 253-297)
However, according to Harosh, “Performance appraisal “It is the process or a way to define the level of worker performance and suggest changes needed in his behaviour, trends, skills, and knowledge.” (Harosh, 2000, p. 87)

Performance appraisal (PA) also “Refers to a performance review, performance evaluation,[1] (career) development discussion,[2] or employee appraisal[3] is a method by which the job performance of an employee is documented and evaluated. Performance appraisals are a part of career development and consist of regular reviews of employee performance within organisations.” (Wikipedia, 2016).

According to Beach, “performance appraisal is the systematic evaluation of the individual with regard to his or her performance or the job and his potential for development.” (Beach, 1975, p. 290)

Thus, performance appraisal is a systematic way for judging the relative worth of an employee in performing his tasks. It helps to identify employees who are performing their tasks well and also those who are not and the reasons for such (poor) performance.

Performance Appraisal means evaluation of performance or behaviour analysis of an employee. It is an important management activity. For all important transfer and promotion, remuneration, reward, training and development, so also for long-term manpower planning and organisation development, performance appraisal is necessary. A well documented performance appraisal system helps in understanding the attributes and behaviours of employees.

There are three reasons to appraise employee’s performance. First, appraisal helps the superior or makes promotion and salary raise decisions. Second, the appraisal lets the boss and subordinates develop a plan for correcting any deficiencies. Third, appraisals facilitate career
planning, by providing opportunists to review employee’s career plans in the light of his or her exhibited strengths and weaknesses.

However, from the perspective of the researcher, the performance appraisal means the evaluation of the performance of employees in a systematic way. It is a comprehensive development tool used for the employee and organisation development for all. The measuring performance against factors such as knowledge of function, quality and quantity of production, initiative, leadership and oversight capabilities, reliability, collaboration, governance, versatility and health. The assessment should be limited to the past as well as the potential performance. The second definition is more focused on the behaviours as part of the assessment of the behaviours does not affect the results of the task.

4.9.2 Importance of Performance Appraisal

Performance Appraisal achieves many benefits for both organisations and employees including the following: (Alshareef, 2004, p. 178)

1. Performance appraisal is an essential foundation for the process of administrative development, because it deals with many aspects related to the organisation and employees, because it is considered a realistic basis, which should begin with development efforts.

2. The process of performance appraisal contributes in the detection of the existing capacities of the workers or employees, which contributes to the division of labour and allocation of responsibilities and roles.

3. The process of performance appraisal contributes to the improvement and development of the performance of employees, because it helps in the discovery of weaknesses and shortcomings in the efficiency of workers and work to improve it.
While Abbas has said that there are many benefits to be gained from the process of performance appraisal: (Abbas, 2006, p. 87)

1. Performance appraisal helps in determine the effectiveness of supervisors and managers in the development of the team members.

2. Performance appraisal reveals the capabilities of employees, therefore, are promoted to higher positions, and helping to transfer the employee from one job to another.

3. Performance appraisal leads to make proposal of financial appropriate for workers, through the information that is obtained from the process of performance appraisal.

4. Performance appraisal is the one principal method, which is used in the detection of training needs, and thus determines the types of training and development of the necessary programs.

4.9.3 Functions of Performance Appraisal

The primary functions of performance appraisal are: (Bhattacharyya, 2002, pp. 235-236)

1. To identify and define the specific criteria. Many organisation at the beginning of the year set Key Performance Areas (KPAs) or Key Result Areas (KRAs) for employees based on mutual discussions;

2. To measure and compare the performance in terms of the defined job criteria, KPAs and KRAs are also designed so that they can help in measuring job performance in qualitative or qualitative terms;

3. To develop and justify a reward system relating to employee performance.

4. To identify the strengths and weaknesses and to decide on proper placement and promotion;
5. To develop suitable training and development programmes for enriching performance of the employees;

6. To plan for long – term manpower requirement and to decide upon the organisational development programmes needed, duly identifying the change area;

7. To identify motivational reinforces to develop communication system, and also to strengthen superior – subordinate relationships.

4.9.4 Process Steps of Performance Appraisal

The process of performance appraisal is a complicated process in which overlapped a lot of factors, so, the human resource managers carefully plan process of Performance Appraisal in order to achieve the goals of the evaluation:

1. **Select the Desired Action**

   This is done through the business to be implemented, and determine the procedures and policies that work to determine the performance, study, and work conditions. Work Study means to determine the duties and responsibilities of employer of occupation. (Maher, 2006, p. 289)

2. **Determine the Performance Appraisal Standards**

   Performance Appraisal standards are considered essential to the success of the process of performance appraisal. This standard means a tool that is used in quantity, behavioural and descriptive, it is placed to measure the level of performance of employees at work and judging it. There are three types to measure of performance of employees. Firstly, Actual work output standards, it represented in quantity of production and quality of production. Secondly, behaviour standards, it represented in commitment of times work, address the complaines of customers, commitment of employee rules, collaboraturing with colleagues, dealing
with customers, the leadership of subordinates, and maintain the 
organisation funds. Thirdly, standards of personal qualities, capabilities of 
mental and psychological preparations, it represent sincerity in the field of 
work, initiative and innovation, intelligence and ability to learn and self-
development, rushing toward work and objectivity, etc. (Durah, 2008, p. 
261)

3. **Identifying Sources of Data Collection Relating to Evaluation**

This step will contribute in determining an appropriate way to help 
in the collection of appropriate information for the evaluation process. 
Where there are two sources to collect the data or information in 
performance appraisal of employees. It is represented in objective data 
that by returning to the records when measuring the volume of 
production and absence of employees. Subjective is the data which 
provides the subjective information about the employees through the 
formulation of a good questionnaire, the manager gives details about 
honesty and truthfulness of employees, nature of their relationship with 
each other, and the extent of their understanding of the work. (Shawech 
M., 2005, p. 103)

4. **Identify Methods of Performance Appraisal**

Determining the ways and methods of performance appraisal is one 
of the fundamental aspects, which contained in the Performance Appraisal 
policy. The methods used to evaluate the performance of employees such 
as management by objectives, alternative ranking method, forced 
distribution method, graphic rating scale, and critical incident method, etc. 
(Al_makhrebe, 2007, p. 190)

5. **Implementation of the Evaluation**

Some organisations are usually implementing appraisal process 
every year, and the others evaluate the performance of employees more 
than once a year, either on an annual or quarterly basis, according to the
policy of the organisation and objectives of the evaluation, and the usefulness of repetition of appraisal process, in addition to the cost of the assessment.

6. **Feedback**

Feedback is considered as the most important benefits of the evaluations, where the feedback gives the opportunity to the employees, in order to know if his work is right or wrong.

7. **Addressing the Grievances**

When put any assessment system to the employees in the organisation, it must address the grievances submitted by workers on the results of the assessment granted to them.

**Figure 4.9**

**Process Steps of Performance Appraisal**

![Diagram showing the process steps of performance appraisal](source: Prepared by the researcher.)
4.9.5 Techniques of Performance Appraisal

There are various techniques of the performance appraisal which can be divided into two broad categories namely Traditional and Modern techniques. These methods are further sub-divided as shown in Figure (4.10).

Figure 4.10
Techniques of Performance Appraisal

<table>
<thead>
<tr>
<th>Traditional Techniques</th>
<th>Modern Techniques</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparative Evolution Techniques</td>
<td>Non-Comparative Evolution Techniques</td>
</tr>
<tr>
<td>✓ Strait Ranking Method</td>
<td>✓ Rating Scales Method</td>
</tr>
<tr>
<td>✓ Point Allocation Method</td>
<td>✓ Checklists Method</td>
</tr>
<tr>
<td>✓ Pair Comparison Method</td>
<td>✓ Forced Choice Method</td>
</tr>
<tr>
<td>✓ Forced Distribution Method</td>
<td>✓ Free – Easy Method</td>
</tr>
<tr>
<td>✓ Critical Incident Method</td>
<td>✓ Human Resource Accounting Method</td>
</tr>
<tr>
<td>✓ Field Review Method</td>
<td>✓ Assessment Center Method</td>
</tr>
<tr>
<td>✓ Group Appraisal Method</td>
<td>✓ BARS</td>
</tr>
<tr>
<td>✓ MBO</td>
<td>✓ 360 Degree Appraisal Method</td>
</tr>
</tbody>
</table>

4.9.6 Problems in Performance Appraisal

A number of problems can threaten the value of performance appraisal methods. Some of the most common problems include the following: (Chaudhuri, 1999, pp. 266-267)

1. Central Tendency occurs when the appraiser gives average rating to just about everyone. This tendency rewards the poorest ones and penalizes the best one.

2. Leniency or Strictness Errors occur when the appraiser is either too easy or too hard on the subordinates.

3. Hallo Effect exists whether an appraiser allows an employee’s performance on one or two traits to influence how a person is rated on all factors.

4. Recency Errors are related to employee’s most recent behaviour quite often, appraiser remembers what an employee did last week but not what he did three months ago.

5. Personal Basis: When this bias is present, a subordinate has the same values attitudes, and habits as the appraiser is given a higher rating; conversely, subordinate who does not seem to have these traits is given a low rating.

6. Managerial Influence: The appraiser has influence on the administrative center, which the person is located; here the appraiser is given a higher rating.
4.10 Conclusion

In this chapter of the study, the researcher talked about the human resource management in terms of meaning, objectives, importance, and functions of HRM etc. The researcher also talked about the study axioms, regarding HR planning, HR selection and placement, HR training, HR incentives, HR promotion, HR rewards, HR performance appraisal, through access to appropriate scientific references on the subject of the study, which can contribute to the development of the work of human resources management in both universities under-study. This research is suitable tributary for libraries of Yemen, as well as to the researchers who are working in the same field.

So, the researcher aims through this chapter to provide a clear picture about the practices of human resources management related to the subject of the study in terms of HR planning, HR selection and placement, HR training, HR incentives, HR promotion, HR rewards, HR performance appraisal, in order to understand these practices better and what is the role that could be played by these practices if better used at the university. Thus, the university administration that has full awareness of these practices work to raise the performance of employees particularly at the university as well as it raises the degree of loyalty and satisfaction of the employees at the university.


