Chapter II
CHAPTER-II

STAFFING OF TOURISM SECTOR

One of the major functions within human resources management is staffing. It is the area in which the Human Resource Manager interacts the most with the human resource department. Staffing has the following basic components:

(i) Human Resource Planning

(ii) Analysing and Identifying jobs

(iii) Recruitment Process

(iv) Selection and Placement of Human Resources

(i) HUMAN RESOURCE PLANNING

Human resource planning has been defined as "the process by which management determines how an organisation should move from its current manpower position to its desired manpower position. Through, it management strives to have the right number and the right kind of people at the right place, at the right time, doing things which result in both the organisation, and the individual receiving, maximum long range benefit"\(^1\). In the words of Stainer, "Manpower planning is the strategy for the acquisition, utilisation, improvement and preservation of an organisation's

human resources. It is aimed at coordinating the requirements for and the availability of different types of employees"\(^2\). According to Beach, "Human resource planning is a process of determining and assuming that the organisation will have an adequate number of qualified persons, available at the proper times, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved"\(^3\). Thus, human resource planning involves estimating the size and make-up of the future workforce. To sum up, human resource planning is the process of determining manpower needs and formulating plans to meet these needs.

An analysis of the above definition reveals the following characteristics of human resource planning:

- Human resource planning like all planning is forward looking or future oriented. It involves forecasts of the manpower needs in a future time period so that adequate and timely provision may be made to meet the needs.

- Human resource planning is an on-going or continuous process because the demand for and the supply of human resources undergo frequent changes. It is not static but subject

\(^2\) G. Stainer: *Manpower Planning*, 1971, p. 3.
\(^3\) Dale S. Beach: *Personnel - Management of People at Work*, p. 411.
to review and revision in accordance with the needs of the organisation and the changing environment.

- **Human resource planning** is an integral part of corporate planning. Without a corporate plan, there can be no manpower plan. Whether or not the manpower plans meet the organisation requirements and are in tune with the reality depends on how clearly the goals are defined.

- The basic purpose of human resource planning is to make optimum utilisation of an organisation's current and future human resources. In order to maximise the return on investment in human resources, it is necessary to relate future human resources to future needs of the organisation.

- Human resource planning has both quantitative and qualitative aspects. The former implies the right number of employees while the later means the right talent required in the organisation.

- Human resource planning is the primary responsibility of management so as to ensure effective utilisation of the organisations human resources.

- Human resource planning is a systems approach to human resources. In it, the information about the demand and supply
of human resources constitutes the input. Comparison and
evaluation of demand and supply so as to identify the gap
between the two is the transformation process. The outputs of
human resource planning are the strategy and programme
formulated to bridge the gap.

- Human resource plans can be long-term or short-term. Long-
range plans are prepared for a period of five years or more on
the basis of trends in the economy, labour market and
production. These reflect management thinking on the
organisation structure, business environment and human
resource policies. Short-term manpower plans cover time
periods ranging from one year to less than five years. These
are concerned with filling existing jobs. Long-range and short-
range plans are complementary to each other.

- Human resource planning is a two-phased process involving
calculation about the demand for and supply of human
resources, so as to secure an equilibrium between the two. A
manpower plan consists of two sub-plans: (a) a manpower
demand plan, and (b) a manpower supply plan. Human
resource planning is based on the recognition that manpower
is an asset which grows or appreciates over time. But
development of manpower is a time consuming process.

- Manpower planning involves study of the manpower environment which influences the demand for manpower and its supply. It also involves study of manpower utilization.

**OBJECTIVES OF HUMAN RESOURCE PLANNING**

The main objectives of human resource planning are as follows:

- To ensure optimum use of existing human resources.
- To forecast future requirements for human resources.
- To provide control measures to ensure that necessary human resources are available as and when required.
- To link human resource planning with organisational planning.
- To assess the surplus and shortage of human resources.
- To anticipate the impact of technology on jobs and human resources.
- To determine levels of recruitment and training.
- To estimate the cost of human resources and housing needs of employees.
• To provide a basis for management development programmes.

• To facilitate productivity bargaining.

• To meet the needs of expansion and diversification programmes.

The ultimate purpose of manpower planning is "to relate future human resources to future enterprise needs so as to maximize the future return on investment in human resources".

(a) NEED OF HUMAN RESOURCE PLANNING

Effective human resources planning offers the following benefits due to that it is required by every organisation:

• To carry on its work and to achieve its objectives, every organisation requires employees with adequate knowledge, experience and aptitudes. Human resource planning is helpful in selection and training activities. It ensures that adequate number of persons are selected and trained well in advance to fill future job vacancies in the organisation. Human resource planning provides the required number and quality of human resources at all times.

---

• Human resource planning identifies gaps in existing manpower in terms of their quantity and talent. Suitable training and other steps can be taken in time to fill these gaps. Existing manpower can be developed to fill future vacancies.

• There is need to replace employees who retire, die, resign and become incapacitated due to injury. Provision for replacement of personnel can be made through human resource planning.

• Human resource planning facilitates the expansion and diversification of an organisation. In the absence of human resource plans, the required human resources will not be available to execute expansion and diversification plans at the right time.

• Human resource planning creates awareness about the effective utilisation of human resources throughout the organisation. It helps to reduce wastage of manpower. It also helps in judging the effectiveness of human resource policies and programmes of management.

• Human resource planning is helpful in effective utilisation of technological progress. To meet the challenge of new technology existing employees need to be retrained and new employees may be recruited.
• With the help of human resource planning, areas of surplus manpower can be anticipated and timely action can be taken (e.g., redeployment).

• Human resource planning is useful in anticipating the cost of human resources which facilitates the budgeting process. It also helps in controlling human resource costs through effective utilization. Through proper manpower planning, management can avoid both shortage and surplus of manpower and thereby control labour costs.

• Human resource planning facilitates career succession planning in the organisation. It provides enough lead time for internal succession of employees to higher positions through promotions. Manpower planning also contributes to management succession and development.

• Human resource planning helps in planning for physical facilities like canteen, staff quarters, dispensary and school for the staff and their children.

• At the national level, human resource planning facilitates educational reforms, geographical mobility of talent and employment generation.
(B) PROCESS OF HUMAN RESOURCE PLANNING

The Major stages involved in human resource planning are as under:

- **Manpower Supply**

  Every organisation has two sources of supply of human resources — internal and external. Internally, human resources can be obtained for certain posts through promotions and transfers. Human resources flow in and out of organisation due to several reasons. Policies relating to these aspects need to be reviewed regularly to judge their impact on the internal supply of human resources. In order to judge the inside supply of human resources in future, human resources inventory or human resource audit is necessary.

  Manpower inventory helps in determining and evaluating the quantity and quality of the internal human resources. It reveals what exists in stock of manpower and what can be expected in future. It also indicates the possible shortfalls in comparison with expansion requirements and the future organisation structure. Detailed biodata of every employee provides the foundation for a programme of individual development. Some organisations maintain a Manning Table which is a job wise list of employees.
Other organisations use Manpower Replacement charts which show the present performance of each employee together with the promotion potential of possible replacements.

**Expected Loss of Manpower**

Once the present human resources are assessed, the changes likely to occur therein can be estimated. Potential losses of human resources can arise in the form of resignations, discharges/dismissals, deaths, retrenchments/lay off, terminations, promotions, demotions, transfers, ill health, injury, absenteeism, deputations out, consultancy out. Similarly, additions to human resources may occur in the form of new recruits, promotions, demotions, transfers, deputations in, consultancy in, acquisition of new skills through training, etc. The effect of potential loss and additions can be calculated, on the basis of experience as follows:

\[
\text{Future internal supply of human resources} = \text{Present inventory of human resources} + \text{Potential additions} - \text{Potential losses}
\]

Thus, future manpower needs of an organisation depend on the number of employees required due to loss of current manpower and the additional staff needed due to anticipated expansion of the organisation. After estimating the future internal supply of human resources, the external sources of supply are analysed. Internal
factors affecting manpower supply from outside include training facilities, salary levels, company image, growth prospects, interpersonal relations, job challenge, etc. External factors consist of working population, unemployment level, education and training institutions, housing and transport facilities, social security measures, technology, etc.

Table: Calculation of Manpower Requirements

<table>
<thead>
<tr>
<th>Years</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Manpower Demand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Numbers required at the beginning of the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Changes forecast during the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Requirements at the end of the year [(a) + (b)]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Manpower Supply</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Numbers available at the beginning of the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Additions due to transfers and promotions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Losses due to separation, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d) Numbers available at the end of the year [(a) + (b) - (c)]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Requirements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Deficit or Surplus (1 - 2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Loss out of those recruited during the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Additional numbers required during the year [(a) + (b)]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Estimating Manpower Gaps

Net human resource requirements or manpower gaps can be identified by comparing demand forecasts and supply forecasts. Such comparison will reveal either deficit or surplus of human resources in future. Deficits suggest the number of persons to be
recruited from outside whereas surplus implies redundants to be redeploled or terminated. Similarly, gaps may occur in terms of knowledge, skills and aptitudes. Employees estimated to be deficient can be trained whereas employees with higher skills may be given more enriched jobs.

- **Action Planning**

  Once the manpower gaps are identified, plans are prepared to bridge these gaps. Plans to meet the surplus manpower may be redeploled in other departments/units and retrenchment in consultation with the trade unions. People may be persuaded to quit voluntarily through golden handshake. Deficit can be met through recruitment, selection, transfer, promotion, and training plans. Realistic plans for the procurement and development of manpower should be made after considering the macro and micro environment which affect the manpower objectives of the organisation.

- **Monitoring and Control**

  Once the action plans are implemented, the human resource structure and system need to be reviewed and regulated. Zero-base budgeting may be used to encourage managers to justify their action plans. An organisation operating on a five-year planning
cycle may record human resource levels in such a way that it is easy to monitor progress and hold managers responsible. This is illustrated in the Table:

Table: Monitoring Human Resource Levels

<table>
<thead>
<tr>
<th>Item</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory on April 1, 2005</td>
<td>2005</td>
</tr>
<tr>
<td>Increases in Human Resources:</td>
<td></td>
</tr>
<tr>
<td>(a) Business activity</td>
<td></td>
</tr>
<tr>
<td>(b) Capital investment</td>
<td></td>
</tr>
<tr>
<td>(c) Takeover/merger</td>
<td></td>
</tr>
<tr>
<td>Decreases in Human Resources:</td>
<td></td>
</tr>
<tr>
<td>(a) Business activity</td>
<td></td>
</tr>
<tr>
<td>(b) Capital disinvestment</td>
<td></td>
</tr>
<tr>
<td>(c) Productivity improvement</td>
<td></td>
</tr>
<tr>
<td>(d) Technology upgradation</td>
<td></td>
</tr>
</tbody>
</table>

Monitoring and control phase involves allocation and utilisation of human resources over time. Review of manpower plans and programmes helps to reveal deficiencies. Corrective actions should be taken at the right time to remove the deficiencies. Manpower inventory should be updated periodically. Necessary modifications in manpower plans should be made in the light of changing environment and needs of the organisation. An appraisal of the existing manpower plans serves as a guide in future manpower planning.

The following steps may be taken to monitor and control human resource plans:
(i) Any addition to the manpower must be considered at the top level of management.

(ii) A properly designated system of reporting changes in the manpower should be employed.

(iii) Human resource budgets based on manpower plans may be used to keep manpower within properly defined limits.

(iv) Keeping a close watch on overtime worked and casual labour employed.

(v) Auditing the utilisation of manpower.

(vi) Measuring the efficiency of manpower.

(vii) Finding out the level of morale and job satisfaction through surveys and correcting the deficiency.

(viii) Arranging exist interviews for better retaining of manpower.

(ix) Finding out break-even point or pay-back period for new employees.

(C) Responsibility of Human Resource Planning:

Formulation of human resource plans in a shared task between top management, Line managers and HR department. Top management in involved in HRP process because ultimately, it approves various plans of the organisation as a whole. Two Level;
one is financial plan including investment decisions and another is human resource plan particularly involving higher level managers. Thus, top management shares the responsibility of approving human resource plans and creating climate for understanding systematic Human Resource Planning.

The second group of personnel involved in Human Resource Planning process is the functional managers under whom people work. Though these managers do not prepare overall human resource plans, they provide useful inputs which are used in the formulation of Human resource plans ultimately, these managers are responsible for the effective utilisation of human resources and, therefore, they must know what kind of personnel they need. Human Resource department undertakes coordinative functions and various procedural activities which ultimately result into Human Resource Plan.

(ii) ANALYSING AND IDENTIFYING JOBS

Job analysis is a formal and detailed study of jobs. It refers to a scientific and systematic analysis of a job in order to obtain all pertinent facts about the job. Job analysis has been defined as "the process of determining by observation and study and tasks, which comprise the job, the methods and equipment used, and the skills
and attitudes required for successful performance of the job". Job analysis is essentially a process of collecting and analysing data relating to a job. It is a part of overall work planning called work design. A job can be analysed only after it has been designed and someone is already performing it. Job analysis is therefore, performed upon ongoing jobs. As jobs are always subject to change, a job analysis may become obsolete within a start period of time.

A comprehensive programme of job analysis is an essential element of sound human resource management. It provides valuable information has taking right decisions about the organisations human resources. Most functions of human resource management can be carried out with the help of information generated by job analysis.

The tourism industry gives emphasis on specialisition in the job of employees. The sector has mullet functionary system to deal with different categories of jobs. The management in the hotel travel agencies, airlines etc. prefer to select employees for specific job and match the education and professional qualification background of employees. Most of the allied sectors of tourism assign job responsibility to the employees, for example, an employee having knowledge on cooking will be give the job in the kitchen. Most of
the times, top level executives have multiskilling efficiency than the lower level employees. Thus job specification is strictly followed in the tourism sector.

(iii) RECRUITMENT PROCESS

According to Flippo, "Recruitment is the process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organisation"\(^5\). In the words of Yoder, "Recruitment is a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force"\(^6\). Recruitment needs are of three types-planned, anticipated and unexpected. Planned needs arise from changes in organisation and retirement policy. Resignations, deaths, accidents and illness give rise to unexpected needs. Anticipated needs refer to those movements in human resource which an organisation can predict by studying trends in the internal and external environments.

An analysis of these definitions reveals the following features of recruitment:

- Recruitment is a process or a series of activities rather than a

---


single act or event. The activities in this process are described under the next heading.

- Recruitment is a linking activity as it brings together those with jobs (employer) and those seeking jobs (prospective employees).

- Recruitment is a positive function as it seeks to develop a pool of eligible persons from which most suitable ones can be selected.

- The basic purpose of recruitment is to locate the sources of people required to meet job requirements and attracting such people to offer themselves for employment in the organisation.

- Recruitment is an important function as it makes it possible to acquire the number and type of persons necessary for the continued functioning of the organisation. Careful recruitment of employees is particularly important in India because the chances of mismatching the job and the person are greater. Due to widespread unemployment, the job seeker trends to accept any job irrespective of his suitability.

- Recruitment is a pervasive function as all organisations engage in recruiting activity. But the volume and nature of
recruitment varies with the size, nature and environment of the particular organisation.

- Recruitment is a two way process. It takes a recruiter and a recruitee. Just as the recruiter has a choice whom to recruit or not, similarly the prospective employee can choose for which organisation to apply for a job.

- Recruitment is a complex job because too many factors affect it, e.g., image of the organisation, nature of jobs offered, organisational policies, working of conditions and compensation levels in the organisation, rate of growth of the organisation, past recruitment record, employment conditions in the community, trade union attitudes, labour laws, culture and environment (e.g., sons of the soil), Government policies (e.g., reservation for SC/ST). Most of these factors serve as constraints restricting the freedom of management in recruitment.

The recruitment process consists of the following steps:

- Recruitment process generally begins when the human resource department receives requisitions for recruitment from any department of the organisation. The human
resource requisitions contain details about the position to be filled, number of persons to be recruited, the duties to be performed, qualifications required from the candidate, terms and conditions of employment and the time by which the person should be available for appointment, etc.

- Locating and developing the sources of required number and type of employees.
- Identifying the prospective employees with required characteristics.
- Communicating the information about the organisation, the job and the terms and conditions of service.
- Encouraging the identified candidates to apply for jobs in the organisation.
- Evaluating the effectiveness of recruitment process.
Thus, recruitment process is concerned with the identification of possible sources of human resource supply and tapping those sources. In the total process of acquiring and placing human resources in the organisation.

(a) SOURCES OF MANPOWER

Various sources of manpower may be classified into two broad categories, namely internal sources and external sources.

Internal Sources

Internal sources consist of the following:
• Present employees - Permanent, temporary and casual employees already on the pay of the organisation are a good source. Vacancies may be filled up from such employees through promotions, transfers, upgrading and even demotion. Transfer implies shifting of an employee from one job to another without any major change in the status and responsibilities of the employee. On the other hand, promotion refers to shifting of an employee to a higher position carrying higher status, responsibilities and pay.

• Retired and retrenched employees who want to return to the company may be rehired.

• Dependants and relatives of deceased and disabled employees.

Internal sources have the following merits:

• Morale and motivation of employees improve when they are assured that they would be preferred in filling up vacancies at higher levels. A sense of security is created among employees.

• Suitability of existing employees can be judge better as record of their qualifications and performance is already available in

[68]
the organisation. Chances of proper selection are higher.

- It promotes loyalty and commitment among employees due to sense of job security and opportunities for advancement. Stability of employment is improved.
- Present employees are already familiar with the organisation and its policies. Therefore, time and costs of orientation and training are low.
- The time and expenditure of recruitment are reduced as there is little need for advertising vacancies, or arranging rigorous tests and interviews.
- Relations with trade unions remain good because unions prefer internal recruitment particularly through promotions.
- Filling of higher level jobs through promotions within the organisation helps to retain talented and ambitious employees.

Internal sources, however, suffer from some demerits. First, it may lead to inbreeding. Secondly, it discourages flow of new blood into the organisation. Thirdly, if promotion is based on seniority, really capable persons may be left out. Fourthly, the choice in
selection is restricted. More talented outsiders may not be employed. Mobility of labour is restricted. Chances of favouritism are higher and growth of business is restricted by the limited talent of insiders. Fifthly, all vacancies cannot be filled up from within the organisation. Lastly, this source of recruitment is not available to a newly established enterprise.

External sources of recruitment offer the following advantages:

(i) People having the requisite skill, education and training can be obtained.

(ii) As recruitment is done from a wider market, best selection can be made irrespective of caste, sex or religion.

(iii) Expertise and experience from the organisations can be brought.

(iv) It helps to bring new blood and new ideas into the organisation.

(v) This source of recruitment never 'dries-up'. It is available to even new enterprises.

(vi) External sources are best when suitable people from within are not available and when the organisation is diversifying or
merging with other organisations.

External sources, however, suffer from the following disadvantages:

(a) It is more expensive and time-consuming to recruit people from outside. Detailed screening is necessary as very little is known about the candidate.

(b) The employees being unfamiliar with the organisation, their orientation and training is necessary.

(c) If higher level jobs are filled from external sources, motivation and loyalty of existing staff are affected.

(b) Methods of Recruitment

After the finalisation of sources from where the prospective candidates will be selected, the process of contacting these sources starts. Recruitment is a two-way street; it involves recruiter and recruit. A recruiter has the choice of whom to recruit based on the various information about the candidates. In the same way, a recruit must have information about the organisation to decide whether to join it or not. Therefore, before making the contact with the sources, particularly the external ones, the organisation must decide the information which must be shared with the candidates.
After deciding the type of information to be shared with the prospective candidates, the process of contacting those candidates begins. Since, there different sources through which external candidates can be recruited, different methods are applied. These methods can be classified on the basis of type of people to be contacted or on the basis of degree of involvement of the employing organisations in the recruitment process.

Various methods of recruitment can be listed as under:

**Advertisement**

Advertisement is the most common method used for contacting the prospective candidates for various positions in business and non-business organisations. In business organisations, advertisement is used for attracting managerial and technical personnel, both experienced and unexperienced.

Internet recruiting involves advertisement of vacancies through internet. The internet can be used to pick up candidates who offer themselves for employment through it. Thus, it becomes a two-way traffic. Internet recruiting has become popular because it has shortened the time frame of the recruiting life cycle and reduced the cost per employee. It has made recruitment process easier for both organisations and applicants.
Campus Recruitment

Campus recruitment programme (CRP) is quite popular. Such programmes are organised by placement bureau of educational institutions for placing their students. These bureaus make arrangements for conducting selection tests and interviews by visiting companies on the campus, provide resumes of the students, and make them available for selection tests and/or interviews.

The usual procedure adopted by recruiting organisations involves following steps:

- Shortlisting Campuses
- Choosing Recruiting Team
- Visiting Campus and Making Initial Contact
- Conducting Tests / Interview

Job Fairs

Job fairs are a kind of variant of campus recruitment in which there is a centralised recruitment programme of various institutions located in large cities and surrounding areas. In this case, either a participating institution or an independent institution acts as host. In such a programme, prospective students have to pay a nominal fee to meet out the expenses. Companies intending to participate in
such a programme are fixed in advance on the basis of the placement brochures of various institutions. Rest of the process of recruitment is carried out as discussed in campus recruitment process. This method has one advantage in that a company is able to meet the students of a number of institutions in a single campus.

**Consultancy Firms**

In many cases, the companies do not conduct the recruitment exercise themselves. Instead, they take the help of consulting firms. In India, there are many consultancy firms which offer this service, the prominent ones are ABC Consultants, Human Resource Consultants, Head Hunters, Watson Wyatt, Quest Consultants, Oman Consultants, etc., with ABC Consultants being the most prominent. These consulting firms offer recruitment services to their clients.

**Personal Contacts**

Personal contact method is a good source of recruiting managerial talents particularly at higher levels. Though many companies adopt this method to woo the managerial personnel from their competitors and other corporate sources.

All these methods are relevant for recruiting managers or would-be managers at different levels of the organisation. For
recruiting personnel at the operative levels, the methods employed are different.

**Recruitment Methods of Operatives**

Operatives in an organisation include workers — skilled and unskilled, while - collar employees at the lowest level of the organisational hierarchy such as clerks, typists, stenographers, etc. In some cases, recruitment of such employees particularly white-collar employees may be made through advertisements. For other categories, generally, following methods are adopted.

- **Public Employment Exchanges**

  Public employment exchanges, or simply known as employment exchanges, have been set by government all over the country in deference to the provisions of the Employment Exchanges (Compulsory Notification of Vacancies) Act of 1959. The Act requires that all industrial undertakings must notify their vacancies upto supervisory levels to employment exchange concerned before these vacancies are filled-up. The job seekers get themselves registered with the employment exchanges. The major role of the employment exchanges is to find a match between jobs notified by various industrial undertakings and the job seekers, and to inform the job seekers accordingly. Thus, an employment
exchange acts as a link between employers and job seekers. The various positions for which the exchanges provide link include blue-collars, technicians at lower levels, and white-collars.

- **Labour Unions**

  In many organisations, labour unions are used as a source of recruitment of personnel at the unskilled or semi-skilled level. Sometimes, these labour unions are asked to make recommendations for employment of people as a matter of goodwill and cooperation.

- **Employee Referrals**

  Sometimes, employees also recommend the names of some persons from their family members, friends, and other acquaintances from whom the organisation can select the candidates. The idea behind using employee recommendations as a source of potential candidates is that the present employees may have specific knowledge of such candidates.

- **Gate Hiring**

  The concept of gate hiring is to select people who approach on their own for employment in the organisation. This happens mostly in the case of unskilled and semi-skilled workers. Gate hiring is
quite useful and convenient method at the initial stage of the organisation when large number of such people may be required by the organisation.

- **Labour Contractors**

  Labour contractors supply labourers, particularly the unskilled ones, by charging a nominal fee per worker. These labourers may be appointed for certain specified period as casual workers in an organisation.

**APPLICATION POOL**

Whatever the method of recruitment is adopted, the ultimate objective is to attract as many candidates as possible so as to have flexibility in selection. When the sources of recruitment are contracted, the organisation receives applications from prospective candidates. The number of applications depends on the type of organisation, the type of jobs, and the conditions in specific human resource market. An organisation having better perceived image is able to attract more number of applications. Various applications received for a particular job are pooled together which become the basis for selection process.
(C) REQUIREMENT PRACTICES

Recruitment practices differ from one organisation to another. Some organisations like public sector banks adopt centralised recruitment whereas other organisations resort to decentralised recruitment. Under centralised recruitment, human resource department at the head office performs all the functions of recruitment. Every operating department sends requisitions or indents for recruitment to their central office. On the other hand, each department/unit carries out its own recruitment in case of decentralised recruitment.

Both centralised recruitment and decentralised recruitment have their own merits. The choice between the two will depend on the management philosophy and needs of the particular organisation. In some cases, a combination of both the systems is used. Lower-level staff is recruited centrally whereas middle and top-level executives are recruited in a decentralised manner.

(d) Recruitment Policy

Before initiating recruitment process, it is desirable that recruitment policy is formulated for providing guidance to undertake recruitment process. Policies are required in various areas of human resource management functions, and recruitment is
one of these. Recruitment policy spells out the objectives and principles of the recruitment and provides a framework for implementation of the recruitment programmes in the form of procedures. Recruitment policy covers the following areas:

(1) To prescribe whether the recruitment would be centralised or decentralised at until levels. This is important in an organisation which has more than one unit located at different places.

(2) To prescribe the degree of emphasis that would be placed on recruiting from inside the organisation or outside the organisation, and different outside sources.

(3) To provide the weightage that would be given to certain categories of people such as local population, physically-handicapped personnel, personnel from scheduled castes/tribes and other backward classes. It should also be provide how to deal with the cases of pressure candidates, that is, those candidates for whose selection pressure is mounted from outside influential sources.

(4) To specify the degree of flexibility with regard to age, qualifications, compensation structure and other service conditions.
(5) To prescribe the personnel who would be involved in recruitment process and the role of HR department in this regard.

(6) To specify the budget for meeting the expenditures incurred in completing the recruitment process.

FACTORS AFFECTING RECRUITMENT POLICY AND PROGRAMME

Formulation of human resource policies is affected by several factors: external to the organisation and internal organisational factors.

External Factors

There are various external factors which have their impact on recruitment policy, and an organisation does not have control over these factors. The major external factors are of the following types:

- **Nature of Competition for Human Resources**
- **Legal Factors**
- **Socio-cultural Factors**
- **External Influences**

Internal Factors

Besides the various external factors, there are various internal
factors in the organisation which affect the recruitment programme.

These factors are as follows:

- **Organisational Image**

- **Size of Organisation**

- **Type of Personnel to be Recruited**

- **Past Practices**

**(iv) Selection and Placement of Human Resources**

**(a) Nature of Selection**

Selection is the process of choosing the most suitable persons out of all the applicants. In this process, relevant information about applicants is collected through a series of steps so as to evaluate their suitability for the job to be filled. Selection is a process of matching the qualifications of applicants with the job requirements. It is a process of weeding out unsuitable candidates and finally identify the most suitable candidate. Selection divides all the applicants into two categories — (a) suitable, and (b) unsuitable. Selection may be described as a process of rejection because generally more candidates are turned away than are hired. Selection is different from recruitment. Recruitment technically precedes selection. Recruitment involves identifying the sources of manpower and stimulating them to apply for jobs in the
organisation. On the other hand, selection is the process of choosing the best out of those recruited. Recruitment is positive as it aims at increasing the number of applications for wider choice or for increasing the selection ratio. Selection is negative as it rejects a large number of applicants to identify the few who are suitable for the job. Recruitment involves prospecting or searching whereas selection involves comparison and choice of candidates. The purpose of selection is to pick up the right person for every job. Selection is an important function as no organisation can achieve its goals without selecting the right people. Faulty selection leads to wastage of time and money and spoils the environment of an organisation. Scientific selection and placement of personnel can go a long way in building up a stable work force. It helps to reduce absenteeism and labour turnover. Proper selection is helpful in increasing the efficiency and productivity of the enterprise.

Selection is the most crucial stage in the process of acquiring human resources in an organisation. After building the application pool through the process of recruitment, the next step is the selection of the personnel who can fit the overall job requirements in the light of job description, role analysis, and job specification.

"Selection is the process of differentiating between applicants
in order to identify (and hire) those with a greater likelihood of success in a job”.

A selection process involves a number of steps—screening of application forms, selection tests, selection interviews, checking of references, physical examination, approval by appropriate authority, and handing over the selected candidates to orientation and placement section. However, it is not necessary that all these steps are involved in every selection process.

(b) **Tests** :- Many organisations hold different kinds of selection tests to know more about the candidates or to reject the candidates who cannot be called for interview etc. Selection tests normally supplement the information provided in the application forms. Such forms may contain factual information about candidates. Selection tests may give information about their aptitude, interest, personality, etc., which cannot be known by application forms.

**Types of Test**

The use of test in selection is so widespread that these may be classified in various ways. They may have different objectives and measure different attributes. However, most of these tests fall in one of the following categories
• Achievement Test
• Intelligence Test
• Personality Test
• Aptitude Test
• Interest Test

(c) Interviews

Interview is the most widely used of selection. It may be combined with various types of selection tests or it can be used exclusively and other relevant information is sought from application form. In general term, interview is a conversation with purpose and depending on the objectives of interview, it can be of different types — post performance appraisal interview, exit interview, problem-solving interview, and selection interview.

Objectives of Interview

• Interview is the only method of direct contact between the candidates and the employer in which the latter can see a candidate in action— how he looks, his overall physical features, his wearing, etc.

• Many of the information about the candidate is solicited by interview which otherwise is not available. Such information
may be related to motivational factors, emotional maturity, attitudes and values, and other job-related factors.

- Interview can be used as a tool for giving information about the organisation, its policies, nature of job to be performed, salary and other benefits to be offered, etc. Negotiation about the salary and perks, a common feature in selecting for the managerial positions, can also be undertaken.

- Interview can be used as a method to promote goodwill among the candidates by offering courtesy, providing vocational literature, providing constructive suggestions about career planning, and showing interest in them.

*********