

Chapter 6: Staffing

NCERT · Class 12 · Business Studies

Textbook exercises

Question 1

What is meant by staffing?

Solution

Ans: Staffing is a management function that entails hiring candidates who are a good fit for the organization by evaluating their skills and knowledge and assigning them specific roles based on their skill set. It is involved in meeting an organization's human resource requirements.

Question 2

State the two important sources of recruitment?

Solution

Ans: The process of searching for and attracting qualified candidates for a job is referred to as recruitment. In other words, it is the process of identifying potential candidates and encouraging them to apply for a position. The two most important sources of recruitment are as follows.

1. Internal sources: Internal sources of recruitment are those that come from within the organization. That is, jobs are filled from within the organization using internal resources. Transfers and promotions are two examples. The job of a specific profile is filled through transfers by transferring a suitable person from another department of the organization to the concerned department. Similarly, by promoting lower-level employees, higher-level job vacancies in the organization are filled.
2. External Sources: External sources of recruitment are those that come from outside the organization. Jobs in an organization are filled by bringing in new people from outside sources. External sources are used to find new talent and a broader range of options. One of the external sources of recruitment, for example, is 'direct recruitment,' which entails posting a notice board

outside the office and then following the recruitment process on a specific date. Similarly, placement agencies serve as an external source by acting as a matchmaker between job seekers and employers.

Question 3

The workers of a factory are unable to work on new machines and always demand for help of supervisor. The Supervisor is overburdened with their frequent calls. Suggest the remedy.

Solution

Ans: This situation can be managed by providing workers with proper machine-use training. This can be done through an off-the-job training method, that is vestibule training should be provided to employees, in which they will be trained regarding the use and other intricacies of the operation of machinery. It will boost their self-esteem and skill set, and will also result in faster working with no delays in task completion.

Question 4

The quality of Production is not as per standards. On investigation it was observed that most of the workers were not fully aware of the proper operation of the machinery. What could be the way to improve the quality of production to meet the standards? (training).

Solution

Ans: Employee training can help to improve the quality of the production. This can be done through an off-the-job training method, and under this vestibule training should be provided to employees, in which they will be trained regarding the use and other intricacies of the operation of machinery. Employees can learn and practice under the supervision of a master worker for a period of time before working on their own. This type of training will assist an employee in working more efficiently.

Question 5

The workers of a factory remain idle because of lack of knowledge of hi-tech machines. Frequent visit of engineer is made which causes high overhead charges. How can this problem be removed?

Solution

Ans: This type of issue is addressed by providing workers with appropriate training. These workers can be given vestibule training, which will reduce the engineer's frequency of visits. Vestibule training is a type of training in which workers practice on dummy machines, which are models of industrial equipment that the workers will be working on. Once they have gained sufficient experience, the workers can be transferred to the factory to perform the work.

Question 6

What is meant by recruitment? How is it different from selection?

Solution

Ans: The procedure of locating and encouraging qualified candidates to apply for a specific job is referred to as recruitment. In contrast, selection is the process of screening and selecting the appropriate candidates from a pool of candidates. The distinctions between recruitment and selection are highlighted in the following points.

Basis of difference	Recruitment	Selection
Meaning	The process of locating and enlisting the necessary personnel for a job is referred to as recruitment.	The process of selecting the best candidate from a pool of candidates gathered during the recruitment process is referred to as selection.
Sequence	Recruitment is the second stage of the staffing process.	Selection is the third stage of the staffing process, following recruitment.

Employment contract	The organization does not offer any employment contracts to the candidates gathered through recruitment.	The organization offers an employment contract to candidates who successfully complete the selection process, which includes information such as the date of joining, terms and conditions, and so on.
Characteristic	The recruitment process entails attracting as many candidates as possible for the job.	The selection process entails selecting only the best candidates and rejecting the rest.

Question 7

An organisation provides security services. It requires such candidates who are reliable and don't leak out the secrets of their clients. What steps should be incorporated in selection process?

Solution

Ans: Various steps could be incorporated by the company such as:

- Personality tests are one type of test that can be used to conduct such a selection process. Such tests will assist recruiters in identifying candidates with the most stable personalities who are appropriate for the job type being offered.
- Reference and background checks can be done to ensure the nature and behaviour of the prospective candidate.
- A confidentiality clause could be added in the contract of employment, which states that the employee will not be allowed to lead any confidential information about the company to the outsider or the clients.

Question 8

A company is manufacturing paper plates and bowls. It produces 1,00,000 plates and bowls each day. Due to local festival, it got an urgent order of extra 50,000 plates and bowls. Explain the method of recruitment that the company should adopt in the given circumstances to meet the order.

Solution

Ans: In this situation, approaching labor contractors is the best option. Paper plates and bowls are manufactured by workers or laborers with limited skills. Labour contractors have access to laborers looking for work and will thus be able to provide the necessary manpower at short notice.

Question 9

Distinguish between training and development.

Solution

Ans: Training and development are two separate but related concepts. Though both concepts are concerned with personal development, their perspectives differ.

On the one hand, training refers to the provision of skills and abilities for a specific job. Development, on the other hand, refers to the concept of an individual's overall growth.

The following points emphasize the distinction between training and development.

Basis of Difference	Training	Development
Meaning	Training is the process of improving an employee's skills and competence required to perform a specific job.	The process of an employee's overall growth is referred to as development.
Scope	Training is limited in scope and focuses on how to become more efficient in one's intended job.	Development is broader in scope and focuses on the employee's overall personality development. Training is a component of development.

Focus	The focus of training is on the specific job requirement, so it is job-oriented.	The focus of development is on overall growth and, as a result, is career oriented.
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Question 10

Why are internal sources of recruitment considered to be more economical?

Solution

Ans: Internal sources of recruitment are those that are endogenous to the organization, that is, they come from within the organization. Internally, there are two options for filling positions: transfers and promotions. It has the advantage of being less expensive than other sources of recruitment. Filling jobs internally is less expensive in terms of both time and money, as shown below:

1. **Simplicity:** Internal recruitment simplifies the selection and placement process. Candidates who are already employed by the company can be evaluated more accurately and economically. Because the candidates are already known to the organization, this is a more reliable method of recruitment.
2. **No induction required:** Transfer is a training tool used to prepare employees for higher-level positions. In addition, people hired from within the organization do not require induction training.
3. **Balance between departments:** Transfer has the advantage of shifting workforce from overburdened departments to understaffed ones. Thus, in comparison to other sources, internal sources of recruitment are more cost-effective.

Question 11

No organisation can be successful unless it fills and keeps the various positions filled with the right kind of people for the right job.' Elucidate

Solution

Ans: In today's world, finding the right candidate for the job can be difficult due to technological advancements, the nature of the job, and the skill sets required. Staffing is a critical management function that aids in the hiring of manpower for the organization.

Staffing has the following advantages:

- **Best candidate:** Staffing aids in the identification and selection of the best candidate for the job.
- **Increases Efficiency:** It ensures that the right people are chosen for the right job, which contributes to the organization's overall efficiency and performance.
- **Better growth opportunities:** An organization has a better chance of growing if the best candidates are chosen for the job.
- **Manpower Planning:** Staffing aids in manpower planning and proper manpower utilization. It also aids in the filling of vacant job positions, ensuring that working efficiency is maintained.
- **Harmony:** Through staffing, the right kind of people are selected for the job, whose selection is based on merit. These people are put to work after the required background checks and provision of proper training. Hence the right people at the right job will be able to work more efficiently, and the overall harmony in the organisation will be kept intact as well.

Question 12

Human resource management includes many specialized activities and duties.' Explain.

Solution

Ans: Human resource management is one of the most important functions of management because it deals with the hiring, development, and management of human resources for the organization.

It is responsible for a variety of tasks, including determining the demand for recruiting, developing recruitment plans, conducting recruitment, selecting the best candidates, distributing offer letters, inducting employees into the organization, providing training and development, and finally acting as a support for employee grievances.

The following points will discuss the activities carried out by human resources:

- Human resource management
- Candidate recruitment (the process of finding candidates for jobs)

- Determine the job and its specific requirements, as well as conduct research and analysis to prepare the proper job description.
- Organizing training and development programs for new employees as well as refresher programs for current employees.
- Conducting employee performance appraisals on a quarterly/half-yearly/yearly basis.
- Keeping good relations with labors and paying attention to labor union demands
- Serve as the primary point of contact for employee complaints and grievances.
- Assist in the development of employee welfare programs.
- Representing the company in various lawsuits and identifying ways to avoid legal entanglements.

Question 13

Explain the procedure for selection of employees.

Solution

Ans: Selection is the process of selecting the best candidates from a large pool of applicants. It is a rigorous process that consists of several stages of tests and interviews. The selection process aims to get the best out of the recruited pool in order to maximize work efficiency.

The steps involved in the selection process are as follows.

1. Preliminary screening

- It assists the manager in weeding out unqualified or unfit job applicants based on the information provided in the application forms.

1. Selection Tests

- An employment test is a mechanism used to assess certain characteristics of individuals.
- These qualities range from aptitudes like manual dexterity to intelligence.

1. Employment Interview

- An interview is a formal, in-depth conversation held to assess an applicant's suitability for a job.
- In such an interview, the individual may also seek information about the organization.

1. Reference and Background Checks

- Organization requests references' names, addresses, and phone numbers.
- The goal is to verify information and to gather additional information about an applicant.

1. Selection Decision

- The candidates who pass the tests, interviews, and reference checks must be chosen as the final candidates.
- Because he/she is responsible for the new employee's performance, the views of the concerned manager will be generally considered in the final selection.

1. Medical Examination

- The candidate must pass a medical fitness test.
- The job offer is provided to the applicant who passes the test, and is declared fit to do the job.

1. Job Offer

- Job offer to applicants who have cleared all previous hurdles.
- Job offer is made in the form of a letter of appointment/confirmation of acceptance.

1. Contract of Employment

- After receiving the job letter, candidates must fill out some forms that will be used for future references.
- An employment contract includes details such as salary, date and terms of joining, leave rules, working hours, allowances, and so on.

Question 14

What are the advantages of training to the individual and to the organisation?

Solution

Ans: Training is a critical event in any organization. It is a type of activity that aims to improve the skills and abilities of individuals in order for them to perform a job. It is a necessary part of the job that aids in the advancement of an individual's knowledge. The nature of jobs has shifted in response to changes in the business environment. Here are some of the advantages of training for both employees and organizations.

Benefits to the Employees

- Training increases an employee's confidence in handling a job. With proper training, the equipment and machines at the workplace will be easier to manage. There will be fewer mishaps.
- Training gives employees the skills they need to advance in their careers. It aids in the improvement of process knowledge, which is necessary for future growth.
- A person who has received training will be able to earn more than those who have not received any training.
- Training boosts employees' self-confidence and prepares them to face new challenges at work. Increased confidence also contributes to a sense of greater job satisfaction.

Benefits to the Organisation

- Training is a method of teaching processes that is systematic. As a result, it is more efficient and saves the organization time and money.
- Effective training contributes to increased employee morale. It instills confidence and motivation in employees, lowering turnover and absenteeism at work.
- Training benefits individuals and makes them more efficient, which leads to an increase in productivity. The increase in employee productivity will result in the company's growth.
- Training helps employees prepare for new challenges and situations. It aids in the development of an effective strategy for dealing with future issues.

Question 15

Kalu Consultants have launched www.naukaripao.com exclusively for senior management professionals. The portal lists out senior level jobs and ensures that the job is genuine through a rigorous screening process.

a. State the source of recruitment highlighted in the case above.

Solution

Ans: Web publishing which is a part of external source of recruitment is used in this case.

www.naukaripao.com is an online portal that connects job providers and job seekers, and further helps the prospective candidates in finding the right kind of job, as well as helps companies in finding the right kind of people.

b. State four benefits of the above identified source of recruitment.

And: The following are the advantages of web publishing:

- Because online recruitment has a global reach, more candidates can be hired.
- Resumes are screened quickly on the website based solely on job title, saving recruiters a significant amount of time. It greatly simplifies the search for potential candidates. The added benefit is that the job seeker and the organization can interact in real time.
- It shortens the hiring process when compared to traditional methods of recruitment. Not only does it save time, but it also saves money.
- Companies looking for candidates can place their brand on the recruitment website, which will assist the recruitment company in establishing a name in the market.

Question 16

A company, Xylo limited, is setting up a new plant in India for manufacturing auto components. India is a highly competitive and cost effective production base in this sector. Many reputed car manufacturers source their auto components from here. Xylo Limited is planning to capture about 40% of the market share in India and also export to the tune of at least ₹ 50 crores in about 2 years of its planned operations. To achieve these targets it requires a highly trained and motivated work force. You have been retained by the company to advise it in this matter.

While giving answers keep in mind the sector the company is operating.

Questions:

- a. Outline the process of staffing the company should follow.**
- b. Which sources of recruitment the company should rely upon. Give reasons for your recommendation.**
- c. Outline the process of selection the company should follow with reasons.**

Solution

Ans: The company should follow the staffing process outlined below.

- Determine and plan the number and types of personnel needed for the setup.
- Identify suitable candidates who can fill the company's vacancies and approach them about applying for the position.
- After conducting a thorough interview process, choose the best candidate.
- Assist the employee in becoming acquainted with the working environment, which will make him or her feel more at ease.
- Train the employee in accordance with the job description requirements.
- Evaluate the employee's performance in relation to the set of standards and provide appropriate feedback.
- Recognize and reward high-performing employees.

Ans: The company should rely on external recruitment sources. Because the company is establishing a new plant in a new region, candidates who are locals will be the best resources as they will be familiar with the environment and working conditions of the local region, which will be beneficial to the organization.

Ans: The following selection procedure should be followed by the company.

- Proper screening and rejecting the candidates who do not fit the job description.

- Various tests, mainly written or online tests such as personality tests, interest tests, aptitude tests, skill tests, intelligence tests should be undertaken to have comprehensive information about the candidate.
- Setting up various types of personal interviews such as managerial interview, technical interview for candidates who pass the tests. The manager will be able to further evaluate the candidate and assist in determining the candidate's true potential.
- Before finalizing the candidate, background and reference check should be conducted through previous employers of the candidate.
- Once it is assured that a candidate is a good fit for the job, intimation is given to the employee regarding his selection.
- Assist The candidate in completing the employment contract and terms of employment.

Question 17

A major insurance company handled all recruiting, screening and training processes for data entry/customer service representatives. Their competitor was attracting most of the qualified, potential employees in their market. Recruiting was made even more difficult by the strong economy and the 'jobseeker's market.' This resulted in the client having to choose from candidates who had the 'soft' skills needed for the job, but lacked the proper 'hard' skills and training.

(a) As an HR manager what problems do you see in the company?

(b) How do you think it can be resolved and what would be its impact on the company?

Solution

Ans: The following issues can be found in the company:

- There is a shortage of qualified candidates in the company because the majority of skilled candidates have been hired by competitors.
- The company's employees lack the necessary hard skills for the job, resulting in poor employee performance

Ans: The following steps can be taken to resolve this issue:

- Proper hard skills training should be provided to employees in order to make them more suitable for the job.
- In order to attract the best talent, the company can try an external recruitment process. Candidates who are deemed suitable for the job will be shortlisted by the agencies.

Impact on the Company:

- By providing the necessary training to the employees, the firm will have the right kind of people at the right job, with the necessary skill set and training.
- Through external recruitment, and rigorous selection procedure the company will be able to procure the best candidates with required skills.

Both the above points will further increase the efficiency and effectiveness of the company and its performance, which will increase the chances of profit maximization.

Question 18

Ms. Jayshree recently completed her Post Graduate Diploma in Human Resource Management. A few months from now a large steel manufacturing company appointed her as its human resource manager. As of now, the company employs 800 persons and has an expansion plan in hand which may require another 200 persons for various types of additional requirements. Ms. Jayshree has been given complete charge of the company's Human Resource Department.

(i) Point out, what functions is she supposed to perform?

(ii) What problems do you foresee in her job?

(iii) What steps is she going to take to perform her job efficiently?

(iv) How significant is her role in the organization?

Solution

Ans: The functions Ms. Jayshree is supposed to perform are:

- Recruitment, i.e., looking for qualified people
- Job analysis, which includes gathering information about jobs in order to prepare job descriptions.
- Making plans for compensation and incentives.

- Employee training and development for effective performance and career advancement.
- Keeping labor relations and union-management relations intact.
- Dealing with grievances and complaints.
- Providing for employee social security and welfare.
- Defending the company in legal proceedings and avoiding legal entanglements.

Ans: The problems I foresee in her job are:

- It is possible that the required candidate is not available.
- The workforce is available, but they demand a higher salary.
- Deciding the appropriate training method.
- Creating a suitable incentive plan.
- Drafting a suitable compensation plan.
- Following training, an employee may leave the organization.

Ans: The steps are:

- Creating a recruitment plan, deciding about the sources of recruitment.
- Forming a staffing plan, deciding about the levels of interviews, types of selection test etc.
- Deciding about the job description.
- Consult an expert to develop and implement a good policy for recruiting and retaining candidates.
- Forming a proper performance appraisal plan by gathering the required information.
- Deciding about the methods that could be used to handle grievances, through proper understanding of methods and their suitabilities.
- Deciding about the training mechanism based on the suitability of each method

Ans: Ms. Jayshree's role in the organization is critical. She must ensure that only qualified candidates are chosen for the position. Any error in hiring the wrong candidate will result in a waste of time and money, which will have an impact not only on performance but also on the organization's efficiency. Her job is to ensure that the candidates chosen are the best fit for the organization.

The human resource function can be beneficial to the organization in the following ways:

- Hiring the right candidate results in increased performance and efficiency.
 - Managers can plan for employees' growth and survival within the organization.
 - Assists in maintaining employee morale and motivating employees through rewards and recognition.
 - Assists in the proper utilization of the organization's resources.
-