

NCERT Solutions for Class-XII Business Studies

Chapter-6

Very Short Answer Questions

1. What is meant by staffing?

Sol. Staffing is a management function that involves hiring of candidates suitable for the organisation by evaluating their skills, knowledge and offering specific roles as per their skillset. It is involved in fulfilment of human resource requirements for an organisation.

2. State the two important sources of recruitment.

Sol. Recruitment is the process of searching and hiring of the right person for the job. It can also be said as the process of finding potential candidates suitable for the job and convincing them to apply for the post. Two important sources of recruitment can be defined as:

1. Internal Sources

2. External Sources

Internal sources refer to as sources of recruitment within the organisation. It means any vacancy created is filled by an existing employee working in the organisation.

External sources of recruitment include hiring a new candidate either through agencies or conducting a direct hiring session.

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.

Sol. This situation can be controlled by providing the workers proper training regarding the use of machines. It will increase their confidence and skillset. It will also result in faster working with no delay in performing the task.

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).

Sol. The quality of the production can be improved by offering training to employees. This can be on job training where there will be a master worker whose role will be to train the

employees in the use of machinery. The employees can learn and practice under the guidance of master worker for a period of time before working individually. This type of training will help an employee to work with efficiency.

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?

Sol. This kind of problem is dealt by providing workers proper training. These workers can be provided vestibule training which will reduce the frequent visits of the engineer. Vestibule training is the kind of training where the workers are made to practice on dummy machines which are models of industrial equipment that the workers need to work on. Once they gain adequate exposure, the workers can be shifted to the factory to perform the work.

Short Answer Questions

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

Sol. Recruitment is the process of searching and hiring of the right person for the job. It can also be said as the process of finding potential candidates suitable for the job and convincing them to apply for the post. Whereas selection is the procedure of choosing the required set of candidates from a pool of candidates.

The points of comparison between recruitment and selection are as follows.

Basis of Comparison	Recruitment	Selection
Meaning	It is the process of searching and hiring the right candidate for the job.	It refers to the process of choosing the best candidates from a pool at the time of recruitment.
Sequence	It is the second stage of staffing.	It is the third stage in staffing and comes after recruitment.

Employment Contract	The candidates who come for recruitment process are not offered any form of employment contract by the organisation	Candidates who are shortlisted will be offered employment contract by the organisation which includes details of appointment
Characteristic	Recruitment process is concerned with getting many candidates for the vacancy that is advertised.	Selection process is about choosing the right candidate and discarding inappropriate candidates.

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

Sol. For conducting such selection process, the tests that can be conducted are personality test. Such test will help recruiters identify the candidates with the most stable personalities which is suitable for the job type that is offered.

3. 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.

Sol. The method of choice in this situation is approaching labour contractors. Production of paper plates and bowls is done by workers or labourers who are having low skills. Labour contractors have access to labourers looking for work opportunities and therefore will be able to provide the required manpower at the time of need.

4. Distinguish between training and development.

Sol. Training and development are closely related concepts but are distinct in their function. The focus is same for both the concepts but there is a change in perspective. Training is related with the process of imparting abilities and skills that are required in a job while development is the growth of an individual over a period of time.

The following points highlight the difference between training and development.

Basis of Comparison	Training	Development
Meaning	It is the process of enhancing abilities and skills of an employee which is essential to perform a job.	It is the process that involves overall growth of an employee.
Focus	The focus on the training is job oriented. It is specific to the job that is assigned.	The main focus of development is overall growth and is therefore career oriented.
Scope	Training has narrow scope as it focuses only on how to make someone efficient in the assigned job.	Development has a wider scope as it is focused on developing the personality of the individual. Training is considered a part of development.

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

Sol. Internal sources of recruitment involve selecting an existing employee for a new position in the organisation. The way of recruiting is either through transfer or promotion. It is considered as more economical because it saves time and money. The recruitment process is not that extensive as compared to external recruitment. There will be no expenditure on training of employees which is further cost efficient. Therefore, in these ways it is economical.

6. 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

Sol. In today's world finding the right candidate for the job is pretty challenging given the developments in technology, nature of job and the skillsets that are required. Staffing is an essential function of management that helps in hiring of manpower for the organisation.

Staffing provides the following benefits:

1. Staffing helps in finding and selecting the best suited candidate for the job.

2.It ensures that right people are selected for the right job which will help in increasing the overall efficiency and performance of the organisation.

3.By selecting the best candidates for the job, an organisation has a better chance of registering growth.

4.Staffing helps in manpower planning and helps in proper utilisation of manpower. It also helps in filling up vacant job posts so that working efficiency is maintained.

Long Answer Questions

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

Sol. Human resource is one of the most essential functions of management which is involved with hiring, development and management of resources in form of humans for the organisation. It performs a lot of activities which includes determine the demand for recruiting, preparing plans for recruiting, conducting recruitment, selecting best candidates, rolling out offer letter, inducting employees to organisation, imparting training and development and finally act as support for employee grievances.

The following points will mention the activities that are performed by human resource:

- 1. Human resource planning**
- 2. Recruiting the candidates (the process of finding candidates for jobs)**
- 3. Determine the job and its specific requirements and performing research and analysis for preparing the correct job description.**
- 4. Conducting training and development programs for the newly joined employees as well as refresher programs for existing employees.**
- 5. Conducting performance appraisal for the employees on a quarterly/half-yearly/yearly basis.**
- 6. Maintaining good relations with labours and paying attention to the labour union demands.**

7. Act as the point of contact for handling employee complaints and grievances.

8. Assist in providing schemes for welfare of employees.

9. Representing company in various lawsuits and finding ways to prevent legal complications.

2. Explain the procedure for selection of employees.

Sol. Selection is the process of choosing the best candidates from the pool of candidates that appear for a recruitment program. It is a process that comprises of various types of tests and interviews. Following steps are involved in the selection process:

1. The first step in the selection process is screening, in this process candidates who do not fill the required criteria and qualification are eliminated from the initial recruitment process. The process of elimination starts with screening of the information that is provided by candidates in their application form. Initial interviews conducted will also help determine the facts that are not present in the application and will be helpful in rejecting candidates.
2. The next step in screening is to put the candidates through a set of tests like Intelligence test, personality test and aptitude test. These tests assess the candidates on different levels and help recruiters determine their candidature.
3. The candidates that complete the tests are made to appear for the next round of interview which is personal interview. These are conducted to help the candidate know better by having conversation with the managers. This test also helps recruiter assess the mental stability of the candidate regarding the job.
4. The individual once completes all the interview process has to wait for some time when the organisation performs background checks on the employee, it can be asking the previous employer, colleagues and verifying the information as provided by the candidate.
5. After conducting all the checks and on being satisfied the candidate is shortlisted for job offer.
6. There can be an optional medical examination of the candidate and the final job offer is processed once the candidates clear the test.

7. The next step is sending out the offer letter which contains information on joining date and time at which to report to office.
8. Employment contract: Once the employee joins the final step is to get over with the documentation and provide employee with the details such as salary, designation, hr policies, leave policies etc.

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

Sol. Training is an important event for any organisation. It is an activity that is aimed at building the skills and abilities of the individuals which is required to perform a job. It is essential part of job which is helpful in improving the knowledge of an individual. The nature of jobs has changed with the changes in business environment. Here are the benefits of training for the employee and the organisation.

Benefits to employee

1. Training provides the employee with the skills to grow in the career. It is helpful in improving knowledge of the processes which is essential for future growth.
2. An individual with training will be able to earn more than those without any kind of training. It improves the working efficiency and results in good performance.
3. Training makes an employee more confident of handling a work. The equipment's and machines at workplace will be easier to manage with proper training. There will be less accidents.
4. Training improves the self-confidence of the employees and helps them to face new challenges in work. The increased confidence also contributes to the sense of feeling of a higher job satisfaction.

Benefits for organisation

1. Training is a systematic way of teaching processes. It will be therefore more efficient and saves the organisation time and money.
2. Training helps individuals and makes them more efficient; the direct result is the improvement in productivity. The rise in employee productivity will result in growth of the company.

3. Training helps in preparing employees in facing new challenges and situations. It helps in building an effective way to counter issues that arise in future.

4. A good training helps in boosting employee morale. It gives proper confidence and motivation which reduces the employee turnover and absenteeism from work.

- 4. 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 rigorous screening process.**
- (a) State the source of recruitment highlighted in the case above.**
- (b) State four benefits of the above identified source of recruitment.**

Sol.

(a) www.naukaripao.com is an online portal which serves as a common platform for job providers and seekers. It helps the candidates to find good jobs and companies to find good candidates. This form of recruitment is called as web publishing.

(b) The benefits associated with web publishing are:

1. Resumes get screened very fast on the website only as per the job title which saves a lot of time of the recruiters. It makes the search for prospective candidates much easier. The added benefit is real time interaction between job seeker and the organisation.
2. The reach of online recruitment is across the globe so more candidates can be hired.
3. The companies looking for candidates can put their brand in the recruitment website which will help the recruitment company in gaining name in the market.
4. It makes the hiring process short as compared to traditional recruitment. Not only time is reduced, it reduces costs also.

- 5. 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.

Sol.

(a) The following process of staffing should be followed by the company

1. Identify and prepare the number and types of personnel required for the setup.
2. Find suitable candidates who can fill the vacancies in the company and approach them for applying for the position.
3. Select the right candidate after performing a thorough interview process.
4. Help the employee get familiar with the working environment as it will make him/her feel comfortable.
5. Train the employee as per the requirements of the job description.
6. Determine the performance of the employee against the set of standards and provide appropriate feedback.
7. Promote employees who are good performers.
8. Provide appropriate compensation and benefits to the employees to keep them motivated.

(b) The company should rely on recruitment sources that are external. The company is going to set up a new plant in a new region, therefore candidates who are locals of that area will be the best resources as they will be familiar with the environment, working conditions of the local region, it will be beneficial for the organisation.

(c) The company should follow the following selection process

- 1. Screen the candidates and reject those who are not matching with the job description.**
- 2. Test the candidate using various types of tests which can include aptitude test, personality test, intelligence test.**
- 3. Arrange a personal interview session for candidates who make the cut from the tests. The manager will be able to judge the candidate further and help in assessing candidate's true potential.**
- 4. Before finalising the candidate performs a background check by taking references from the candidate about previous employers.**
- 5. On finding the candidate suitable for the job, provide a confirmation to the employee.**
- 6. Help the candidate with employment contract and terms of employment.**

6. 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.

Questions

- (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?

Sol. (a) The following problems can be identified in the company:

1. There is a lack of qualified candidates in the company as most of the skilled candidates have been hired by the competitors.

2. The company employees lack hard skills required for the job; this results in the poor performance of the employees.

b. For resolving this problem, the following steps can be taken:

1. Employees should be provided proper hard skills training in order to make them more suitable for the job.

2. The company can try external recruitment process in order to attract the best talents. The agencies will shortlist such candidates as deemed suitable for the job.

7. 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.

Questions

1. Point out, what functions is she supposed to perform?
2. What problems do you foresee in her job?

3. What steps is she going to take to perform her job efficiently?
4. How significant is her role in the organisation?

Sol.

1. Being a human resource manager, Ms. Jayshree should be looking to hire candidates for the company. This falls under the staffing function. She must ensure that the hiring of the candidates should be as per the expansion plan of the company and the candidates that are hired should be the ideal candidate for the position. She must also check if that the employees are getting proper training and also are motivated.

Her role will be consisting of following functions:

1. Preparing job descriptions for individual positions
2. Recruitment of candidates that are qualified for the job.
3. Developing salary structure of the employees.
4. Conducting interviews of the candidates
5. Arrange proper training of new candidates.
6. Look after welfare of employees.
7. Address employee complaints and grievances.
8. Defend company in lawsuits and legal matters.

2. Her job has the following problems:

a. The job role requires her to perform multiple functions on a daily basis.

b. Finding the right candidate for a role is a tedious job.

c. Identifying sources of recruiting candidates

d. Arrange proper training for the employees for developing the necessary skills required for job.

3. She has to take the following steps in order to perform efficiently in her job:

a. Devise a proper staffing plan that has an estimate of human resource requirements of present as well as future.

b. The minimum qualification for the jobs should be decided in advance.

c. There should be a proper structure and assessment tests for screening the potential candidates

d. Selection test should be properly conducted along with interview

4. The role of Ms. Jayshree is very important for the organisation. She has to ensure the right candidates are getting selected for the job. Any mistake in hiring wrong candidate will result in wastage of time and cost, which not only impacts performance but also the efficiency of the organisation. Her job is to ensure the selected candidates are best suited to be the part of the organisation.

In the following ways the human resource function can be important for the organisation:

1. Hiring of right candidate leads to high performance and efficiency.

2. Growth and survival of employees in the organisation can be planned by managers.

3. Helps in maintaining employee morale and provide motivation to employees in form of rewards and recognition.

4. Assists in proper utilisation of resources for the organisation.