1. Details of Module and its structure

Module Detail	
Subject Name	Business Studies
Course Name	Business Studies 03 (Class XII, Semester - 1)
Module Name/Title	Staffing – Concept , importance of Staffing and Staffing as a part of Human Resource Management
Module Id	Lebs_10601
Pre-requisites	Knowledge about meaning and process of management
Objectives	After going through this lesson, the learners will be able to understand the following: • Meaning of staffing • Definition of staffing • Importance of staffing • Staffing as a part of Human Resource Management-concept • Understand the specialised duties and activities performed by Human Resource Management
Keywords	Meaning of staffing, Definition of staffing, Importance of staffing, Human Resource Management

2. Development team

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Introduction

There are five functions of the management viz. planning, organizing, staffing, directing and controlling. In planning we decide what is to be done, how it is to be done and in organising there is creation of organisation structure. After that staffing function relates to filling the positions created in organisation structure with right type of person.

The foundation of any organisation is the talented and hardworking people, who are the principal assets of any firm. It is believed that an organisation can achieve its objectives only when it has the right persons in the right positions.

Meaning

Staffing is a managerial function of filling and keeping filled the positions in an organisation structure. It is the process of hiring and developing the required personnel to fill in various positions in the organisation.

This is achieved by identifying requirement of work force, followed by recruitment, selection, placement, promotion, appraisal and development of personnel to fill the roles designed into the organization structure.

Staffing is that part of the process of management which is concerned with obtaining, utilising and maintaining a satisfactory and satisfied work force.

Role of Staffing Function In a New Enterprise

In a new enterprise

- The staffing function follows the planning and organising functions.
- After deciding what is to be done, how it is to be done and after creation of the organization structure, the management is in a position to know the human resource requirements of the enterprise at different levels.
- Once the number and types of personnel to be selected is determined, management starts with the activities relating to recruiting, selecting and training people, to fulfill the requirements of the enterprise.

In An Existing Enterprise

In an existing enterprise, staffing is a **continuous process** because the organisation's need to retain and update its personnel is a never ending exercise. The managers have to keep a regular watch on the number and composition of the personnel needed by the organisation, because the requirement of manpower keeps on changing and expanding with the expansion of activities and additions of new departments and work units. Not only that, at any point of time, some people will be leaving, retiring, getting promotion or transferred. The vacancies thus created have to be filled up.

Need for Staffing

Why staffing function is needed by a firm and is considered to be a field of study:

1. The staffing function of management fulfils this requirement and finds the right people for the right job. Basically, staffing fills the positions as shown in the organisation structure.
2. Emphasis on the Human element as qualities like the aptitude, attitude, commitment of employees: help in fitting the right person to the right job. The right people can help you take your business to the top; the wrong people can break your business. Hence, staffing is the most fundamental and critical drive of organisational performance.

   The staffing function has assumed greater importance these days because of
   - Rapid advancement of technology,
   - Increasing size of organisation,
   - Complicated behaviour of human beings
3. Human resources are the most important asset of an organisation. The ability of an organisation to achieve its goal depends upon the quality of its human resources. Therefore, staffing is a very important managerial function.
4. Availability of knowledge and theory as a specialized area of study. Researches on various aspects of staffing i.e., recruitment, selection, compensation and incentives, training and development, can be utilised for better results.

Importance of Staffing

"Our assets walk out of the door each evening. We have to make sure that they come back the next morning"

(Narayana Murthy, CEO, Infosys).

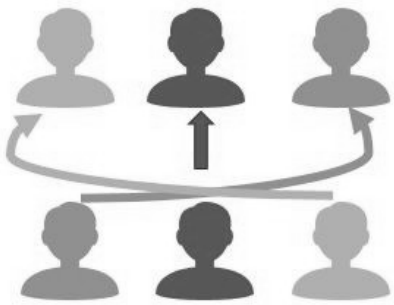
Importance of Staffing

1	Discovering and obtaining competent personnel for Job
2	Higher performance
3	Continuous survival and growth of the enterprise
4	Optimum utilisation of the human resource
5	Improves job satisfaction and morale of employees

Proper staffing ensures the following benefits to a firm:

a. **Competent personnel**: Staffing function helps in discovering and obtaining competent personnel for various jobs. Staffing function include various steps of selection like tests, interview ,reference and background check etc. which ensures that right type of person is selected for a particular job.

b. **Higher performance**: Staffing function leads to higher performance as it ensures putting right person on the right job. Through proper selection the organisation gets quality workers, and through proper training the performances level of the workers can be improved. Also employees are induced to show higher productivity and quality by offering them proper incentives



c. **Continuous survival and growth**: Ensures the continuous survival and growth of the enterprise through the succession planning for managers Succession planning is the process whereby an organization ensures that employees are recruited and developed to fill each key role within the company. In this process, you ensure that you will never have a key role open for which another employee is not prepared

d. **Optimum utilisation of the human resources**: Helps to ensure optimum utilisation of the human resources. By avoiding over manning it prevents underutilization of personnel and high labour costs. At the same time it avoids disruption of work by indicating in advance the shortages of personnel. Also if right kind of employees are not available, it will lead to wastage of materials, time, effort and energy, resulting in lower productivity and poor quality of products.

e. **Improves job satisfaction**: Staffing improves job satisfaction and morale of employees through objective assessment and fair reward for their contribution. Also with proper training and development programmes their efficiency improves and they feel assured of their career advancements.

What is the difference in the performance of staffing function in a small and a large organization?

When the manager performs the ***staffing function in a small organsiation*** his role is slightly limited. Some of these responsibilities will include:

a) Placing the right person on the right job,
b) Introducing new employees to the organisation,
c) Training employees and improving their performance,
d) Developing their abilities,
e) Maintaining their morale and protecting their health and physical conditions.

In a large organization, as the number of persons employed increases, a separate department called the **human resource department** is formed which has specialists in managing people. The management of human resource is a specialised area which requires the expertise of many people.

The number of human resource specialists and size of this department gives an indication of the size of the business as well.

For a very large company, the Human Resources Department itself will contain specialists for each function of this department.

Staffing As a Part of Human Resource Management

Human Resource Management (HRM)

Specialised Duties and Activities of Human Resource Management

Human resource management is a wider term as compared to staffing. It includes staffing, record keeping, personnel policies formulation, conducting personnel research, providing expert's services, etc. Hence, staffing is a part of the human resource management and not all of it. The various specialised duties and activities performed by the human resource management are given below:

1) Recruitment etc.: The primary function of the human resource manager is to find out the number of employees required by the organisation and make provision for their recruitment. To discharge this function he indulges himself in the activities like recruitment, selection, placement, training, promotion, transfer, etc.

(**2) Providing Expert Services**: Human resource manager renders certain services which require special knowledge, e.g., job evaluation, performance appraisal and negotiating with trade unions.

3) Developing Compensation and Incentive Plans: Human resource manager conducts research from time to time with the aim of improving upon the policies concerning personnel. On the basis of his research, he brings to the notice of top-level management new techniques in different fields of human resource management, such as new compensation and incentive plans.

(4) Handling Grievances and Complaints: It is the responsibility of the human resource manager to establish cordial relations between the employers and the employees. To do this, he informs both the parties about the expectations of each other. In the event of disputes arising between them occasionally, he serves as a pacifier.

(**5) Providing for Social Security and Welfare of Employees:** It is the responsibility of the human resource management to formulate policies to provide social security and welfare of employees. These policies cover different aspects of employees, e.g., recruitment policy, selection policy, promotion policy, retirement policy, etc. While formulating these policies,

human resource manager keeps in mind the interests of both of the organisation and the employees. Moreover, he also ensures proper implementation of these policies.

(6) Defending the Company in Law Suits: In India, government has passed several legislative measures relating to the employees, such as Workmen's Compensation Act, Employees State Insurance Act, etc. It is the function of the human resource manager to enforce the provisions of such Acts in his organisation.

(7) Keeping Personnel Records: Human resource manager maintains records regarding recruitment, selection, training, promotion, transfer, remuneration, etc., of all the employees working in the organisation. These records are used as reference in future.

(**8) Developing the Organisational Structure**: Human resource manager reviews the organisational structure and offers suggestions to make it more effective.

Evolution of Human Resource management

Human Resource Management in its present form has evolved from a number of significant interrelated developments over a period of time.

- **Labour welfare Officer**: During the era of industrial revolution. Emergence of trade union movement led to the need of a person who could act as an effective link between the owners and workers. Thus, the concept of labour welfare officer came into being. His role 0was limited to the bare minimum welfare activities of employees. In fact, he was looked down by both the workers and the owners.

- **Personnel Officer/Manager** With the introduction of factory system, thousands of persons began to be employed under one roof. The job of hiring people for the organisation was given to one man, who later on was assigned the responsibility of recruitment, selection and placement of personnel. This led to the emergence of personnel officer in the first place and personnel manager, later on

- **Human Resource Manager**: Human relations approach recognises human factor as the most important instrument of success in an organisation. Fast changing technological developments, however, necessitated new skill development and training of employees. People came to be recognised as a valuable resource, which can be further developed.

Increase in scope of the work led to replacement of personnel manager with human resource manager.

Staffing as both a line as well as a staff activity

Staffing is a function of management just like planning, organising, directing, and controlling, therefore it is referred to as a **line activity**

Staffing is a distinct functional area of management just as marketing management and financial management, therefore it is referred to as a **staff activity**

Conclusion

Staffing, is therefore, referred to as both a line as well as a staff activity i.e., an essential function of the manager as well as an advisory role played by the Human Resource Department.