

**NCERT Solutions for Class 12 Business Studies**  
**Principles and Functions of**  
**Management Chapter 6**  
**Staffing Class 12**

**Very Short Answer Question**

**Question 1:** What is meant by staffing?

**Solution :**

Staffing is the process of filling job vacancies and retaining the employees recruited. The primary objective of staffing in an organisation is to fulfill its human resource requirements.

**Question 2:** State the two important sources of recruitment.

**Solution :**

Recruitment refers to the process of searching and attracting the required personnel for a job. In other words, it is the process of finding the potential candidates and instigating them to apply for the job. The following are the two important sources of recruitment.

**i. Internal sources:** Internal sources of recruitment refer to the sources that are within the organisation. That is, through internal sources the jobs are filled up from inside the organisation. It can take the form of transfers and promotions. Through transfers, the job of a specific profile is filled by shifting a suitable

person working in another department of the organisation to the concerned department. Similarly, through promotions, higher position job vacancies in the organisation are filled by promoting the lower level employees.

**ii. External Sources:** External sources of recruitment refer to the sources of recruitment that are outside the organisation. Through external sources the jobs in an organisation are filled by bringing in new people. For example, one of the external sources of recruitment is 'direct recruitment' which involves putting up a notice board outside office and then following the recruitment process on a specified date. Similarly, placement agencies work as an external source as they act as a match maker for the job seekers and job providers.

**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. ( Hint: training)

**Solution :**

In the given situation, the workers need to be trained to handle expensive, hi-tech and sophisticated machines. For this, vestibule training method would be the most appropriate.

**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 :**

The workers can be provided on-the-job training such as **apprenticeship training**. The employees can be put under a master worker who would guide them in the proper use of the machinery. The employees can work under the master worker for a pre-defined amount of time and then gradually move to do the task themselves under the supervision of the master workers. Once the employees complete the training they would be able to work with greater accuracy and efficiency.

**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. (vestibule training)

**Solution :**

The workers should be given vestibule training (Near the job training) as they are learning something new. Once proper training is given, they will easily perform their required duties.

## Short Answer Question

**Question 1:** What is meant by recruitment? How is it different from selection?

### **Solution :**

Recruitment refers to the procedure of finding and stimulating the required candidates to apply for a particular job. As against this, selection is the procedure of screening and choosing the required candidates out of the gathered pool. The following points highlight the difference between recruitment and selection.

<b>Basis of Difference</b>	<b>Recruitment</b>	<b>Selection</b>
Meaning	Recruitment refers to the process of finding and instigating the required personnel for a job.	Selection refers to the process of choosing the right candidate out of the gathered pool developed at the time of recruitment.
Sequence	In the staffing process, recruitment is at the second stage.	In the staffing process, selection is at the third stage and succeeds recruitment.
Employment Contract	The candidates gathered under recruitment are not offered any	The candidates who successfully complete the selection process are offered an employment

	employment contract from the organisation.	contract by the organization containing such information as date of joining, terms and conditions, etc.
Characteristic	Recruitment process involves attracting as many persons as Possible for the job.	Selection process involves choosing only the appropriate candidate and rejecting the non-suitable ones.

**Question 2:** 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 :**

The organisation should include 'Reference and Background Checks' in the selection process. The purpose of this step is to verify the information and gaining additional information about an applicant. Previous employers, known persons, teachers and professors can act as references and ensure that the candidate is reliable and trustworthy.

**Question 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.

**Solution :**

In the given scenario, company should approach labour contractors. This is because the production of paper plates and bowls require low skilled workers or labourers which can be fulfilled by labour contractors. Labour contractors maintain a close contact with labourers and other workers and make the right number of workers available at short notice.

**Question 4:** Distinguish between training and development.

**Solution :**

Training and development are related yet distinct concepts. Though both the concepts focus on improvement of an individual but the perspectives are different. Training on one hand refers to providing the skills and abilities for a particular job. Development on the other hand, refers to the concept of growth of an individual as a whole. The following points highlight the difference between training and development.

<b>Basis of Difference</b>	<b>Training</b>	<b>Development</b>
<b>Meaning</b>	Training refers to the process of enhancing the skills and competence of an employee that are required to perform a specific job.	Development refers to the process of overall growth of an employee.

Focus	The focus of training is the specific job requirement and is thereby, job-oriented	The focus of development is overall growth and is thereby, careeroriented.
Scope	Training is narrow in scope and focuses on how one can become more efficient in the intended job.	Development is wider in scope and focuses on the overall personality development of the employee. Training is a part of development.

**Question 5:** Why are internal sources of recruitment considered to be more economical?

**Solution:**

Internal sources of recruitment refer to the sources that are endogenous to the organisation, that is, within the organisation. There are two ways of filling the jobs internally, namely transfers and promotions. It has an advantage of being more economical than the other sources of recruitment. Filling the jobs through internal sources is cheaper in terms of time as well as money is listed below:

1. Internal recruitment also simplifies the process of selection and placement. The candidates that are already

working in the enterprise can be evaluated more accurately and economically. This is a more reliable way of recruitment since the candidates are already known to the organisation.

2. Transfer is a tool of training the employees to prepare them for higher jobs. Also people recruited from within the organisation do not need induction training.

3. Transfer has the benefit of shifting workforce from the surplus departments to those where there is shortage of staff. Thus, in contrast to other sources, the internal sources of recruitment are more economical in nature.

**Question 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

**Solution :**

Staffing is an important function of management as it takes care of the manpower requirement of any organisation. In today’s environment with rapid changes taking place in technology, size of the organisations, etc. finding the right people for the job becomes critical. In such a scenario, proper staffing process plays an important role in the organisations.

Following are the highlighted benefits of staffing in the current world scenario.

**(i) Finding Competent Personnel:** Staffing helps in finding and choosing the right personnel required for a job.

**(ii) Improves Efficiency:** By ensuring that right people are placed for right jobs, the overall efficiency and performance

increases.

**(iii) Growth of the Organisation:** It ensures survival and growth of the organisation by appointing efficient and competent employees for various jobs.

**(iv) Optimum Utilisation of Human Resources:** Through proper manpower planning, staffing prevents over-utilisation or under-utilisation of manpower. In addition, it avoids interruption in working efficiency by suggesting, in advance if there is any unfilled job.

**(v) Job Satisfaction:** Compensation and fair rewards given to the employees provide them self-confidence and job-satisfaction. It encourages them to work diligently and give their best to the organisation.

## Long Answer Question

**Question 1:** ‘Human resource management includes many specialized activities and duties.’ Explain.

### **Solution :**

Human Resource Management is a management function that is related to development and management of human element of an organisation. It involves such functions as determining the requirement of personnel, recruiting personnel, training and developing them, working towards the overall welfare of the employees and handling their complaints and grievances. It includes many specialised activities and duties which the human personnel has to perform. Some of them are:

1. Human Resource Planning
2. Recruitment (or searching qualified people)
3. Analysing Job and collecting related information for preparing Job Description
4. Training and Development of Employees
5. Performance Appraisal
6. Maintaining Labour relations and Union Management relations
7. Handling grievances and complaints by employees
8. Providing for social security and welfare of employees
9. Defending company in lawsuits and avoid legal complications

**Question 2:** Explain the procedure for selection of employees.

**Solution :**

Selection is a procedure to choose the appropriate candidates out of the numerous aspirants. It is a rigorous process as it involves various stages of tests and interviews. Selection process aims at getting the best out of the recruited pool so that work efficiency can be maximised. Following are the steps involved in the selection process.

### Preliminary screening

- It helps the manager eliminate unqualified or unfit job seekers based on the information supplied in the application forms.

### Selection Tests

- An employment test is a mechanism that attempts to measure certain characteristics of individuals.
- These characteristics range from aptitudes, such as manual dexterity, to intelligence

### Employment Interview

- Interview is a formal, in-depth conversation conducted to evaluate the applicant's suitability for the job.
- Sometimes, the individual may also seek information regarding the organisation in such interview.

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### Reference and Background Checks

- Organisation request names, addresses, and telephone numbers of references.
- The purpose of verifying information and, gaining additional information on an applicant.

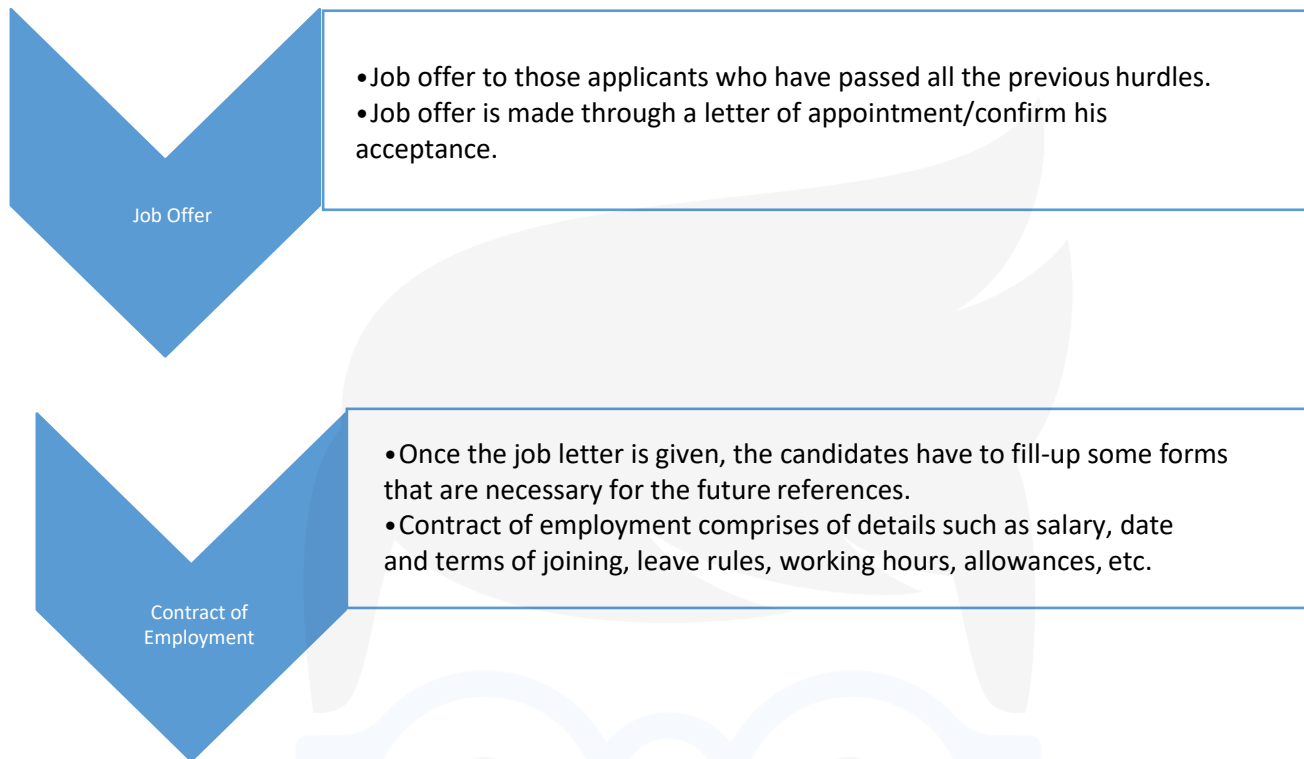
### Selection Decision

- The final decision has to be made from among the candidates who pass the tests, interviews and reference checks.
- The views of the concerned manager will be generally considered in the final selection because it is he/she who is responsible for the performance of the new employee.

### Medical Examination

- The candidate is required to undergo a medical fitness test.
- The job offer is given to the candidate being declared fit after the medical examination.

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**Question 3:** What are the advantages of training to the individual and to the organisation?

**Solution :**

Importance of training and development. The benefits of training and development to an organisation are as follows:

- (i) It enhances employee productivity both in terms of quantity and quality and leading to higher profits.
- (ii) Training equips the future manager, who can take over in case of emergency.
- (iii) Training increases employee morale reduces absenteeism and employee turnover.

The benefits of training and development activity to the employees are as follows:

- (i) Improved skills and knowledge due to training leads to a

better career of the individual.

(ii) Increased performance by the individual helps him to earn more.

(iii) Training increases the satisfaction and morale of employees.

**Question 4:** Kaul Consultants have launched [www.naukaripao.com](http://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.

**Solution :**

a. [www.naukaripao.com](http://www.naukaripao.com) is an online website which serves as a platform commonly visited by both job seekers and job providers to get the desired job or the people respectively. This source of recruitment is called Web Publishing.

b. Benefits of Web Publishing are:

**1. Saves Time and energy:** The resumes are screened on the website according to the Job title which saves time and energy of calling out prospective employees and then screening them. The interactions are real-time between the job seeker and the company.

**2. Wider Reach:** Candidates from across the globe can be hired with the help of online recruitment.

**3. Branding opportunities for companies:** Information about the company is uploaded on the website which provides an opportunity to improve the name in the market.

**4. Cost-effective technique:** It not only shortens the hiring process but also filters the right person for the right job, thus saving heavy cost of hiring.

**Question 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.

**Solution :**

1. The process of staffing that the company should follow is as follows.

- i. Identify and estimate the number and the kind of personnel

required for the setup.

- ii. Look for suitable candidates to fill the job vacancies and persuade them to apply for the same.
- iii. Choose the right candidate through a rigorous selection process.
- iv. Make the selected employees comfortable and familiar with the working environment.
- v. Train the employees as per the requirements of the job.
- vi. Assess the performance of the employees against the predetermined standards and provide feedback.
- vii. Place the employees who are doing well at a higher level in the hierarchy and position.
- viii. Provide suitable compensation to the employees.

2. The company should rely upon **external sources of recruitment**. As the company is setting up a new plant in a new region, candidates from the local area would be more suitable as they would be familiar with the working conditions, problems faced, etc. in the local region. This would be in favour of the organisation.

3. The following selection process would be used.

- i. As a first step screen the candidates and eliminate those who do not fulfill the basic criteria and qualifications as per the job requirements.
- ii. Judge the candidate on different criteria such as aptitude test, intelligence test, and personality test.
- iii. Conduct a personal interview involving a direct conversation between the manager and the candidate which

would further help in judging the overall suitability of the employee according to the job requirement.

iv. Conduct a background check of the candidate taking references from a person known to the candidate, previous employers, etc.

v. If the candidate is found suitable provide a job offer confirming that he/she has been selected.

vi. Finally, provide an employment contract mentioning the terms and conditions of the employment.

**Question 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?

### **Solution :**

a) The problems that will show up in the company are as follows:-

- Lack of skilled employee
- Unable to provide best solutions to the clients.
- Unsatisfactory maintenance of data

b) The ways in which the problems can be solved are as follows:-

- Proper hard skills training will be implemented.
- Proper database will be maintained by the company to improve the maintenance of data.
- A close interaction between the superior and the new employees.

If the proper training is given to the employees then they will perform according to the expectations of the company and the clients will get timely solutions. The efficiency and productivity of the company will be increased thereby increasing the profit of the organisation.

**Question 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

**a. Point out, what functions is she supposed to perform?**

**Solution:**

Functions:

- Recruitment i.e., search for qualified people
- Analysing jobs, collecting information about jobs to prepare job descriptions.
- Developing compensation and incentive plans.
- Training and development of employees for efficient performance and career growth.
- Maintaining labour relations and union management relations.
- Handling grievances and complaints.
- Providing for social security and welfare of employees.
- Defending the company in law suits and avoiding legal complications.

**b. What problems do you foresee in her job?**

**Solution:**

- Qualified candidate may not be available
- Demand for a higher pay.
- After training, employee may leave the organisation.

**c. What steps is she going to take to perform her job efficiently?**

**Solution:**

- She can use all possible sources of recruitment.
- Consult an expert to observe and form good policy to recruit and retain candidates.
- Maintain cordial relationship with workforce.

**d. How significant is her role in the organisation?**

**Solution:**

Her role is significant concerned with timely appointment of competent manpower and ensuring effective and efficient utilisation towards main objectives, organisational, individual and social.



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