

## **MBA 2<sup>nd</sup> SEM**

### **HRM**

#### **CAREER PLANNING:**

##### **Definitions:**

1. A career may be defined as ‘ a sequence of jobs that constitute what a person does for a living’.
2. According to Schermerborn, Hunt, and Osborn, ‘Career planning is a process of systematically matching career goals and individual capabilities with opportunities for their fulfillment’.
3. Career planning is the process of enhancing an employee’s future value.
4. A career plan is an individual’s choice of occupation, organization and career path.

Career planning encourages individuals to explore and gather information, which enables them to synthesize, gain competencies, make decisions, set goals and take action. It is a crucial phase of human resource development that helps the employees in making strategy for work-life balance.

##### **Features of Career Planning and Career Development:**

1. It is an ongoing process.
2. It helps individuals develop skills required to fulfill different career roles.
3. It strengthens work-related activities in the organization.
4. It defines life, career, abilities, and interests of the employees.
5. It can also give professional directions, as they relate to career goals.

##### **Objectives of Career Planning:**

###### **The major objectives of career planning are as follows:**

1. To identify positive characteristics of the employees.
2. To develop awareness about each employee’s uniqueness.
3. To respect feelings of other employees.
4. To attract talented employees to the organization.
5. To train employees towards team-building skills.

6. To create healthy ways of dealing with conflicts, emotions, and stress.

### **Benefits of Career Planning:**

1. Career planning ensures a constant supply of promotable employees.
2. It helps in improving the loyalty of employees.
3. Career planning encourages an employee's growth and development.
4. It discourages the negative attitude of superiors who are interested in suppressing the growth of the subordinates.
5. It ensures that senior management knows about the calibre and capacity of the employees who can move upwards.
6. It can always create a team of employees prepared enough to meet any contingency.
7. Career planning reduces labour turnover.
8. Every organization prepares succession planning towards which career planning is the first step.

### **Career Planning and its relation with Promotion, Transfer etc.**

Career planning also helps in guiding the direction of an employees position in organization. It helps the management to decide about an employees promotion, transfer (internal mobility) and also separation( in case of employee retirement) .

### **Internal and External Mobility**

**“Internal mobility”** (a.k.a. mobility and talent mobility) is a dynamic internal process for moving talent from role to role – at the leadership, professional and operational levels. To achieve internal mobility, companies must adopt the principles of succession management at all ranks; provide transparent discussion of skills and potential, as well as organizational needs; and, focus on development across critical talent pools, based on business needs.

### **Types of Internal Mobility: Promotion/ Transfer/ Demotion/ Succession Planning**

**External Mobility:** Employees who are not satisfied with their career in the present organisation may seek suitable employment in other organisations. Similarly organisations may also prefer candidates from external sources, if the internal candidates are not found suitable. This saturation in career development of both the individuals and organisations result in external mobility or employee turnover. External mobility is also known as external career.

External mobility means shifting of employees into and out of an organisation. It is defined as the rate of change in the employees of an organisation during a definite period. It measures the extent to which old employees leave and new employees enter into an organisation

### **Promotion:**

Change and call for greater responsibility

Higher Pay

Better Terms and conditions of service

Higher status of rank

### **Purpose of Promotion:**

- Boost loyalty
- Boost morale – Employee Satisfaction
- Reward & Recognition for the employees
- Utilize & Improve employee KSA
- Develop competitive spirit among employees
- Attract talents from market

**Promotion Policy:** A policy to identify the best performers in the organisation and reward the employees by uplifting them in the hierarchy level.

### **Pre-Requisites of Promotion Policy:**

- Consistent
- Fair – Reasonable
- Impartial
- Planned Activity

### **Basis of Promotion**

- Merit/ Performance
- Experience
- Education
- Trainings Attended/ Completed
- Length/ Tenure of Service

### **Demotion**

- Re-Assignment to a lower level job
- Normally with a lower pay
- Generally happens after PIP

### **Transfer**

Shifting a person from one position to another in the same level in the hierarchy. It is a Lateral Shift in the career

### **Reasons for Transfer**

- Manpower Planning
- Employee Request
- Utilizing the services of employees
- Increasing the versatility of the employees
- Punishment Transfer – Remedial Transfer
- Tenure Transfer

### **Types of Transfers**

#### **Shift Transfer:**

- From One Shift to Another
- Generally in Retail & BPO

#### **Production Transfer**

- From one process of production to other
- Due to change in the production plan

#### **Replacement Transfer**

- Replacing one employee with others
- Replacing the short service employees with the fixed ones or next set of short service ones

#### **Rotation Transfer**

From one job to another to make employees versatile.

#### **Employee separation**

This situation arises at the time of employees' retirement or in rare cases of Voluntary Retirement. For both situations, management has predecided specific policies.

