

UNIT 39 – UPSC - Promotion and Transfer (Human Resource Management)

Human Resource Management is a process of connecting people and organizations to accomplish targeted goals. It is a part of management process which is associated with the management of human resource in an organization. Among major functions of Human Resource Management, Promotion and transfer is vital for growth of companies.



It is important that company must develop good strategies in regard to transfers and promotions. The policy must have a clear, fair and transparent process that applies to all employees within the organisation. A transfer requires employees to change the work group, workplace or unit. The transfer may be to displace the worker to a different geographic region. Basically, In Job transfer in any organisation, employees are displaced from one post to another or from one department to other or from one branch of company to other. It is more common in banks, government department and manufacturing companies. Transfer is neither a promotion nor demotion but horizontal or lateral movement of an employee. The main aim of Transfer is to fulfil the different types of work in different department, to provide training to employee, to rectify any poor placement of employee, to satisfy personal needs of worker, to meet organisational needs arises due to expansion, fluctuation in work requirement or changes in organisational structure, to have a solution to poor performance of employee in a particular department, to avoid fatigue and monotony, to remove poor personal relations, to punish employees as a punitive action. The transfer of an employee to another job must evaluate that it is equal to or better than the earlier job. A promotion is a change of job to a higher level within the organisation.

Many scholars stated that Promotion is a human resource function in which an advancement involving a change of classification for an individual, within or between budgetary units, and may or may not involve a salary increase. A promotion for the individual may result from a reclassification of a position. Promotions can benefit an organisation as it shows the organisation values its employees by giving them opportunity to improve their career opportunities through promotion. Therefore, increasing employee loyalty, retention and reducing employee turnover for the organisation. Edwin Flippo stated that "Promotion involves a change from one job to another that is better in terms of status and responsibilities".

Promotion helps employees in several ways. It provides higher status, salary, and satisfaction to existing employees, motivate employees to higher productivity and loyalty to the organisation, to retain the services of qualified and competent employees, to recognise, appreciate and reward the loyalty and efficiency of employees, to support the policy of filling higher vacancies from within the organisation, to raise employees morale and sense of belongings.

There are many types of transfers such as replacement, versatility, shift and remedial transfer. In organisations, promotions are done as horizontal, vertical and dry level.

Principles of good Promotion Policy: Rules of promotions such as qualifications, experience and other terms should be perfect and specific. Wide publicity should be given to promotion policy. Company must not follow partiality, favouritism or injustice. It should be based on scientific performance appraisal of employees and opportunity should be provided to every worker. Promotion policy should be prepared for long period and should not be forced to accept by an employee. Promotion should be given from within the same department. Grievance relating to promotions should be settled properly. Promotion policy should be finalised after discussion with staffs.

To summarize, a promotion is the selection employee to another position, within the same department or elsewhere in the organization that involves duties and responsibilities of a more complex or demanding nature and are recognized by a higher pay grade and salary. A transfer is appointing workers to another position within the same department or to another place in the organization, involving duties and responsibilities of a similar nature and having a similar pay grade and salary.