# **Performance Measures**

For STI plans, profitability and earnings were the most common financial measures-used by 75 percent of private companies-while revenue measures were used by about half of companies. "This implies that companies emphasize profitability, but growth is an important objective as well," Chou noted.

STI Financial Measures	
Profitability or earnings measures	77%
Revenue/revenue growth	49%
Cash flow/cash-flow growth	10%
A return measure (return on equity, assets or investment)	10%

#### Source: World at Work

Among operational measures, no metric stood out as being the most consistently applied at private companies.

STI Operational Measures	
Customer satisfaction	20%
Operational efficiency	18%
Service/quality	17%
Safety/occupational injury	10%

# **Long-Term Incentives**

Long-term cash plans continue to be the most popular LTI vehicle at private companies. But private company LTI awards continue to be granted primarily to the CEO and top executives, with minimal use at lower-position levels. Among LTI performance awards, long-term cash plans were used at 44 percent of private companies, followed by stock options (30 percent) and restricted stock (22 percent).

"While cash continues to dominate long-term incentives at private companies, we are seeing an uptick in the use of real equity," especially stock options, said Bonnie Schindler, partner at Vivient Consulting. "The improved economy may have prompted companies to prepare for a value-realizing event, such as a sale or public offering, by providing real equity to their executives."

Also released in March, a related World at Work survey report, 2016 Incentive Pay Practices: Non-profit / Government Organizations, examines incentives at nonprofit organizations and government agencies.

### Shani Shingnapur Row: How a 400-year-old tradition fell apart in barely four months.

# By: Mr. Hirwani Hansu

By: Pati Krishna

What could not happen in 400 years, finally fell apart in barely four months at the Shani Shingnapur temple in Ahmednagar district of Maharashtra. It was a simple act of marching ahead with heads held high and a determination that was simply unputdownable. And the act was performed by none other than womenfolk themselves. As Priyanka Jagtap (21), a student and Pushpak Kevadkar (31), who runs a driving school, entered the sanctum sanctorum of Shani Shingnapur temple - and offered worship at 5.15 pm, they broke an age-old distasteful custom widely prevalent in temples across the state and one that turned women into a second-class citizen in Maharashtra.

Significantly, many believe their maiden entry into the inner sanctum of the temple has restored the credibility of a state known for its progressive ideas and where both the revolutionary women led from the front. That the shackles came off on Gudi Padwa day, the Maharashtrian New Year, speaks eloquently of the rich Maharashtrian tradition of embracing the new and shedding the old on their path to peace and progress.

Both Jagtap and Kevadkar belong to Bhumata Mahila Brigade, who had remained unflinching and unwavering in their commitment to uphold women's fundamental right to pray, deservedly then climbed on the sacred platform at exactly 7.05 pm and offered worship. As there is a saying "Religion is about turning untested belief into unshakable truth through the power of institutions and the passage of time."

# **BELIEVE IN YOURSELF**

"Visualize yourself not as what you are, but as what you can be". Whether it is men or countries, they can withstand only if they are self-sufficient and fall if they try to stand on others. So, learn to develop yourself to be self-sufficient. Practice developing qualities and virtues like: leadership, time management, commitment, teamwork, work culture, duty-mindedness, art of listening and grasping, communication skills, modesty, loyalty, social equality, intelligence, presence of mind, sense of humor, sense of justice, sence of appreciation and attitude to follow, respect for professional ethics and moral values, and above all character and conduct of a high order. "Don't look for heroes, be one".

Your belief determines your outlook, behavior and attitude and ultimately your altitude. If you think that basically man is a cruel animal, aggressive by nature, you'll lead the life of a wild animal throughout. If you believe that man is basically selfless and fearless, with a burning desire to contribute his mite to society, you're sure to reach greater heights in life. "Man is what his faith is". Jesus called the body 'the temple of the spirit'. The bible says, seek first the kingdom of God that is within you'. The Vedas tell you to first say 'Aham Brahmasmi' i.e. 'I am the supreme'

Now that we know that we all are talented and created with unique gift, it's our primary duty to offer our 100% to our society. Societies are destroyed, not due to the marching ahead of selfish people, but due to the back-foot of the selfless people. Always question yourself "what is my unique contribution to the society so far?" and march ahead.

#### PERSONAL HYGIENE

The term personal hygiene includes all the personal factors which influence the health and well-being of an individual. It consists of such activities like care of the body regarding bathing, care of clothing and washing, care of teeth, care of feet and nails, care of hair, care of posture, good habits of eating, exercise, sleep and right attitude towards life. Any deviation from these acts and activities may impair health. Personal hygiene is mainly and largely an individual business. Cleanliness is the worst enemy of diseases and hence clean people are generally healthy and fit and welcomed everywhere. As such everyone-poor or rich can afford to be clean and healthy since it is a matter of developing good habits. Health is a state of well being, bodily, mentally, socially, environmentally and spiritually. It is not just the absence of a disease. State of health of any individual is the outcome of the interplay of several factors within him and around him. There is no shortcut to good health. Hurry, worry and curry; stress, strain and superiority are the main enemies that make peace of mind to pieces of mind. Five groups of factors may be considered to analyze the health status of an individual: happiness, attitude, life styles, environment, and heredity.

Principles of Good Health

Get a lot of fresh Air.

Drink ample amounts of Water.

Get adequate amounts of Sunlight.

Eat foods that have strong Nutritious value. Get an adequate amount of Sleep.

Get regular Exercise.

Take time out to Mediate and reflect. Have a sense of being in Control

# Staying healthy in India Drinking water and Indian food

By Mr. Hari Narayan Sahu

(Page-6)

(International health insurance plans for expats in India)

Limited access to drinkable water is a major problem in India. More than 20% of all diseases in India are caused by contaminated water. Therefore, you should never drink tap water!

Only drink the bottled water that can be found in supermarkets and grocery stores. When you are in a restaurant you should specifically ask for bottled water. Try to avoid drinks cooled with ice cubes as these may have been made of tap water. Ask for drinks cooled in a fridge instead.

If you want to live in India and don't want to go through the hassle of buying water bottles every day, you can install water filter systems in your house.

Although many westerners think that they know Indian food from restaurants at home, there are major differences between that and the real thing.

If you have stomach issues you should choose your dishes with care. Even though trying real Indian food is an important part of experiencing the Indian culture there are some dishes that will definitely cause problems. You should just slowly acclimate your body to Indian cuisine.

When you go out to eat you should pick your restaurant carefully. Note that there is a wide range of restaurants in India: some of them cook and serve food right on the street, whereas others have ultra-modern kitchens and dining areas. Keep in mind that the cleanest restaurants do not necessarily offer the safest food. They might use pre-prepared ingredients from suppliers with dubious hygienic standards. Therefore, food cooked right in front of your eyes is the safest option.

Some restaurants (and especially small cafés) serve their food on plastic plates that are not thrown away after use but instead "cleaned" with a dirty rope. Check each café's practices before eating there and, if necessary, demand a new plate. Other restaurants offer fresh banana leaves as plates which are thrown away after they have been used. These are a nice alternative to plastic tableware.

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# **IRPMnewsletter** Quaterly

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# Message

It is my pleasure to know that the P.G. Department of Industrial Relations and Personnel Management is publishing its first ever IRPM Newsletter 2016. I take this opportunity to thank all the Members of the Department for this . initiative. All the stakeholders of the department have contributed to this noble cause. This bulletin provides lot of information about the subject keeping in view the present scenario.

I wish the publication of this IRPM Newsletter a splendid success. Wish you all the best in your future endeavours.

(Deepak Kumar Behera)

# DEPARTMENT OF IR&PM, BERHAMPUR UNIVERSIT

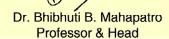
#### Editors Desk......



I take this opportunity to present it as its first attempt of department placement bulletin:2016. I am very glad the department is moving in the growth path since its inception. The dedicated faculty members, enterprising students, competent research scholars and supportive administration made this all possible.

The Postgraduate department of IR&PM provides the quality education to its students with state of art pedagogy. The students are trained in most comptent manner to cope up with any challenges that they may face in the corporate world.

We sincerely hope the corporate world would find out products best suited for their organisations.







talking, Kathy has no sense of humor, Tim can't sell...." (Page-1)

#### **HUMAN RESOURCES OF INDIA**

Human Resources is about people, a company's greatest - and most complicated - asset. Formerly known as the Personnel Department, today's HR pros deal handle recruiting, hiring, training, performance reviews and employee discipline. They also play a large role in training company managers on the requirements of employment laws.



India is the seventh largest country in the world. Our coun-

**CAMPUS** NEWS IRPM Pride Cracked MT Exam in Indian Oil Corporation... JM eera Panda UGC -JRF (2013 Sagar Lenka UGC -JRF (2014) # Manas Ku. Nayak UGC-NET (2014

try is blessed with many natural resources. But all these resources cannot help our country unless they are tapped, handled and used in a planned way. This can be done only by the people. Man can develop the resources only when he is wise, healthy, educated and properly trained. Thus, the real resources of our country are its people. They are our human resources.

The total population of our country is now more than 100 cores. India is the second most populous country in the world, after China. Today, every seventh man in the world is an Indian. Our

country's population is increasing at a rapid rate. It has doubled over the last 45 years. This is the creating many problems.

Three out of every four Indians live in villages. They earn their living from farming, forestry, fishing and cattle rising. People are now leaving villages and coming to cities in search of work. This is putting a great pressure on the civil amenities and other facilities in cities.

The rapid rise in our population is creating many problems such as shortage of food, clothing, housing, health, education and employment. This has affected our standard of living. We can solve this problem if we have small families. If there were fewer people, we would be able to provide enough food, houses, clothes and jobs for almost evervone.

The living conditions of the people can be improved by providing enough food, better education and health conditions. We have achieved great deal since independence, but a lot remains to be done. If we want to make our human resources useful, we will have to improve the quality of our people.

The quality of its people is more important than their number for the development and progress of the country. With improvement in the quality of our human resources, we can make better use of our natural resources. We must all work to improve our own lives and the lives of those around us.

# **NEW CONSIDERATIONS OF TODAY'S JOB SEEKERS**

In the past decade or so, applicants have changed the way they look for work. According to a report by CareerArc, a social recruiting platform based in Burbank, Calif., 94 percent of workers believe that negative comments on employer review sites damage an employer's brand. Three-fourths of job seekers consider an employer's brand before applying for a job, CareerArc found. Sixty-two percent of job seekers visit social media sites to evaluate an employer's brand, yet only 57 percent of employers say they have an employer brand strategy.

Just over half of job seekers start their search by visiting an employer's website, according to CareerArc. Seventeen percent turn first to people in their personal and professional networks. Fifteen percent start their search by visiting employer review sites such as Glassdoor. The rest begin by reading news articles or other means of research.

Regardless of the way that they start their search, today's job seekers are thorough. A survey by Chicago-based job board CareerBuilder found that job seekers on average use nearly 18 resources during their iob search.

While young people are particularly active users of employer review sites, "I don't think it's age-specific," said Michael Hennessy, founder and CEO of recruitment marketing firm SmashFly, based in Concord, Mass.



# **HUMAN RESOURCES MANAGEMENT: THE 9 ESSENTIAL SKILLS**

by Stephen Bruce, PhD, PHR

Skill #1-Organization

HR management requires an orderly approach. Organized files, strong time management skills, and personal efficiency are key to HR effectiveness. You're dealing with people's lives and careers here, and when a



manager requests help with a termination or a compensation recommendation or recognition program, it won't do to say, "I'll try to get to that if I have time."

#### Skill #2-Multitasking

On a typical HR day, an HR professional will deal with an employee's personal issue one minute, an intermittent leave question the next. and a recruiting strategy for a hard-to-fill job the minute after. And that's to say nothing of social media, wage/hour, engagement, retention, and a whole host of other things, every one critical to someone.

In HR, if it's not one thing, it's another. Priorities and business needs move fast and change fast, and manager A who needs someone hired doesn't much care if you're already helping manager B who needs someone fired. You need to be able to handle it all, all at once.

#### Skill #3-Dealing with Grey

A surprisingly large percentage of the issues HR managers face are in "the grey area." Is it discrimination? Is it harassment? What's a "reasonable" accommodation? How far over backward do you have to lean to approve intermittent leave? HR managers have to be able to act with incomplete and "best available" information, and they have to know when to seek the professional help of colleagues, attorneys, and other experts.

# Skill #4-Negotiation

Along with grey comes the need to negotiate-there are often two or more opposing views, and the successful HR pro can find an acceptable middle ground. Remember, the goal of negotiation is to end up with two parties that are satisfied with the

outcome, and that's not often easy to achieve.

# Skill #5-Communication

HR professionals have to communicate up to management, over to managers, out to potential employees, and down to all levels of current employees. And they have to do it in writing, while speaking to large and small groups and, increasingly, through social media. They have to be convincing, caring, and believable.



Skill #6-Discrete and Ethical

HR professionals are the conscience of the company, as well as the keepers of confidential information. As you serve the needs of top management, you also monitor their actions toward employees to be sure that policies and regulations are followed. You need to be able to push back when they aren't in order to keep the firm on the straight

To overcome the issues, Innovative e-learning is necessary to include with IT enabled technology for providing training to the employees. According to the article published in the Wall street Journal, the survey conducted in 500 small business, showed that printed materials are the most commonly used training materials (82%) followed by e-learning. In order to reduce the cost, the companies have started using the IT enabled training approaches. Employee training can be also done through social networking that can act as a support media in addition mobile phones can also be used. The wider use of electronic technologies can be helpful in improving the skills and competencies of the employees. There is a general concept that the IT related technologies are highly priced. Hence bearing this in mind the training methodologies should be designed in such a way that they are cost effective.

India's economy has grown better for skill acquisition and development. The chief aim of the training is to achieve long-term improvements. In the changing business world, organizations should keep upgrading. Training should be designed to improve performance and also to meet job requirements. There must be



constant training of the employees' in order to maintain the most important assets of the organization, the human resources. Organizational effectiveness depends on the effectiveness of training and development and is possible through coaching, leadership training and career advancement training. The instructional and innovative technologies are to be effectively utilized to meet the diverse skills of the individuals in training and support services. Training media acts as an instructional media to support and supplement devices.

There are several advantages of the online training over the traditional methods. In case of traditional training methodology, the employee has to leave his workplace and attend the training programmes whereas the online training has the advantage over this issue. The online training program kits can be used for several numbers of times and thus reducing the cost incurred on training. Trainers should simply need to learn how to effectively use them. Creativity clubbed with technology can be used while conducting training programmes. IT supported training management can solve many of the issues in training and development. Thus it is necessary to train the employees using the innovative technologies to reap the core advantage in order to enhance their effectiveness.

# The Indian Budget

Views by Dr. Anuva Choudhury

The Indian Budget for 2016-2017 sets out a number of structural reforms aiming to build on the developments initiated in the preceding 2015-2016 budget. In contrast to budgets of previous years, which laid importance on the inflow of foreign direct investment, the current budget is notably more inward looking. The '9 pillars of the Budget', as highlighted by the finance minister Mr. Arun Jaitley are -agriculture and farmers' welfare, rural sector, social sector and healthcare, education, skills and job creation, infrastructure, financial sector reforms, ease of doing business, fiscal discipline and tax reforms to reduce compliance burden.

In order to boost the agriculture and allied sector, a sum of 47,912 crore was allocated which is a substantial hike of 84% from what it had received during the year 2015-16. Such a pro-farmer measure would go a long way in providing income security to the farmers who have been the backbone of our country. Further, 28.5 lac hectares of land will be brought under irrigation land and a sum of 38,500 crore will be allocated to the MGNREGA scheme, the highest ever in a rural employment scheme.

As a part of social security measure, health insurance up to

Rs. 1 lac per family was allocated. Also, a total sum of Rs. 9,000 crore was set aside for Swach Bharat Abhiyan initia-

With the current tax slabs remaining unchanged, the Budget aims to deliver a more simple and reliable taxation regime, with increased pen-



alties to be put in place for underreporting and misreporting income.

Emphasis has also been placed on innovation, with tax incentives and employment generating initiatives being made available to new enterprises under the Startup India action plan. The budget also concentrates on improving the lives of the rural population, developing infrastructure, bringing about reforms in the banking and insurance sectors, as part of the 'Transform India' initiative.

Private Companies Typically Award an Incentive Pay Mix

(A range of incentives are being used to motivate employees)

# By Mr. Shisir Kumar Sethi

Short-term cash incentives and bonus programs continue to dominate the incentive-pay landscape among private companies in the U.S., but companies also are using long-term incentives to drive performance, at least at the executive level, according to a new research report by World at Work, an association of total rewards professionals, and Vivient Consulting.

"As organizations continue to recleveLs of compensation. ognize that incentives are powerful tools, short- and long-term incentive programs remain prevalent across both the public and private sectors," said Kerry Chou, World at Work senior practice leader in compensation. "Both short- and long-term incentives



can enable companies to create and sustain improved employee performance and organizational success."

The March report, 2016 Incentive Pay Practices: Privately Held Companies, draws on a November 2015 survey of World at Work's non publicly traded members. The findings reveal that at private, for-profit organizations last year:

- 94 percent of companies offered short-term incentives (STIs).
- 53 percent provided long-term incentives (LTIs).

#### **Short-Term Incentive Programs**

Annual incentive plans were the most prevalent STI plan, offered to employees at the exempt, salaried level and above at most organizations. Almost 75 percent of privately held companies with an STI plan offered at least three programs

offered at least tiffee programs.	
STI Programs at Private Companies	
Annual incentive plan (rewards tied to expected results identified at the beginning of the performance cycle).	85%
Discretionary bonus plan (no predetermined formula; size of the bonus pool determined after a performance period).	40%
Spot awards (recognize special contributions as they occur).	34%
Team/group incentives (focus on performance of a work team).	22%
Profit-sharing plan (a defined formula for allocating profit shares among participants).	22%
Project bonus (rewarded to an employee or department for successfully completing a specific project within a certain time frame).	13%

# Source: World at Work

Median spending on STIs at private companies held constant at 5 percent of operating profit, the survey showed. However, at the 75th percentile, spending rose from 11 percent of operating profit in 2014 to 12 percent for 2015, with spending at 14 percent of operating profit planned for 2016. "This indicates that some companies are augmenting their STI budgets to compete for talent," said Chou.

(Page-2) (Page-5) and narrow. Not an easy responsibility!

Of course, you always handle confidential information appropriately, and never divulge it to any unauthorized person.

Skill #7-Dual Focus

Employees expect human resources professionals to advocate for their concerns, yet you must also enforce top management's policies. The HR professional who can pull off this delicate balancing act wins trust from all concerned.

There are times you must make decisions to protect the individual and other times when you protect the organization, its culture, and values. These decisions may be misunderstood by some, and you may catch flak because of it, but you know that explaining your choices might compromise confidential information. That's something you would never do.

Skill #8-Conflict Management and Problem Solving

News flash! Everyone doesn't always get along with everyone else. High productivity demands that people work together at least civilly. HR has to find ways to allow that to happen. And that's to say nothing of the myriad other problems that hit HR's in-boxyou can't be effective without problem-solving ability.



Skill #9-Change Management

Most companies today are in a constant state of flux. Task forces, matrices, and teams spring into being, do their jobs, and disband as others form. Hierarchies have been squashed, and companies have four or five generations working side by side. A lot of people are freaked out by what's going on. HR has to help everyone cope with the constant changes.

Here are some common strategies for getting the attention of HR's hiring managers

Get Experience

**Build Relationships** 

Be a Business Person

Manage Your Expectations

**HR SCENARIO** 

# Andhra Pradesh tops in employability

Andhra Pradesh ranks first among all states with largest employability level, according to India Skills Report. The report is a joint initiative of online talent assessment firm, Wheebox, in association with the Confederation of Indian Industry (CII), Linkedin, People Strong and Association of Indian Universities (AIU).

Andhra Pradesh has the highest employability level with 65.2 % of employable workforce in the 22-25 years age group, a considerable increase from 31% posted in 2015 report.

# DO'S AND DON'TS TO MAKE PERFORMANCE REVIEWS ACTU-**ALLY MEAN SOMETHING**

Do's

Do keep the end in mind.

Focus on where the person is now, what the expectations are and how you can move the person up the line. Focus only on WIGs (wildly important goals) and PIGs (pretty important goals), not petty stuff.

Do give direct feedback.

Managers must use the D-I-S formula with

their employees - providing Direct, Immediate and Specific coaching throughout the year. That way, the annual review becomes a summary with no surprises.

Do make everyone go through the review process.

If you want to build trust among employees around the review process, there can be no opt-outs - everyone gets reviewed, even HR and the C-suite. Successful CEOs read as many reviews as they can - not to see how their employees are doing, but how their managers are doing.

Do make it a two-way street.

Providing feedback should create the opportunity

#### Genpact Plans to hire 10k by Dec.2016

Genpact, the global business process outsourcing (BPO) services provider, is planning to hire 10,000 professionals for its India operations by 2016 end. It is also looking at setting up a fifth site in the country, to focus on addressing the increasing demands for analytics, according to its vice-president and head (financial services analytics), Amit Bhaskar. Genpact currently employees around 70,000 people globally, of which two-thirds is based out of its four India centres, at Hyderabad, Bengaluru, Gurgaon and Kolkata. Of this, banking and financial services (BFS), and analytics staff account for nearly 45%.

# Reliance Life to hire 5k insurance agents, 2k sales staff more

Leading private insurer Reliance Life Plans to hire 5,000 insurance advisors and nearly 2,000 front-end sales staff in the next three months

as parts of its distribution network expansion plans. The company has already hired close to 15,000 insurance advisors in the recent months and the planned hiring activities would take the total recruitment of agents to 20,000 people in the current fiscal ending March 31, 2016. In addition, nearly 2,000 front-end sales staff would be recruited across channels, in the next three months



should be trained to ask the sameamount of questions as statements they makeSample gueries: "This is what I see; now what do you see?" or "How can I help you succeed?"

Do focus on the future.

If managers stay focused on what should happen in the future, the employee can feel more fulfilled in his job. Plus, looking forward tends to minimize employee defensiveness about any past mistakes. People are much less likely to be argumentative this way.

One final thought from Janove: For successful performance reviews, the front windshield is a much more useful tool than the rearview mirror.

Don'ts

Don't store up feedback. Don't use a review as a gunnysack for storing up negative feedback over a period of a whole year and then dump it all on an employee's head at review time. Feedback, both negative and positive, needs to be given throughout the year.If you must bring up a new issue, apologize for not bringing it up sooner.

Don't dispense report cards.

People don't want to go back to the school benches and be graded. If you give them five Bs and a D, all they'll focus on is the D. Just tell them in plain language how they're doing.

Don't say things that could be subject to negative interpretation later.

Avoid phrases like "you might try a little harder since you tend to be a little lazy" or "I'm cutting you some slack since you're approaching retirement." These only spell t-r-o-u-b-l-e.

Don't use a review for discipline.

Keep progressive discipline out of the performance review process. If you mix 'em up, plaintiffs' lawyers will say your management process, not the employee,

# Outsourcing of recruitment process is growing rapidly

Randstad, the second biggest global staffing company by sales, believes that recruitment process outsourcing (RPO) - will be the next big trend in HR. In an exclusive interaction with TOI, CFO Robert Jan van de Kraats and Randstad India CEO Moorthy Uppaluri, say India is one of the important sourcing centres for the Amsterdam based

#### Recent Achievements

- The students of Master of Social Work organised social awareness program at Antarbatia, New Golabandha, Rangailunda village.
- The Eco Ambassador Club of the students of IR & PM and MSW cleaned the sea beach of Gopalpur on April 20th, 2015 under Swacha Bharat
- Professor J. N Mishra. Department of Management Studies, Allahabad University delivered a talk on "Challenges before HR in the present scenario".
- A good number of students of the Department have been placed in Public Sectors like NHPC, IOCL, Nationalised Banks, Indian Railways and Private Sector Organisations like; Kryfs Pvt. Ltd, National Plastic Pvt.Ltd., Vandana Textiles Pvt. Ltd. Mothers Diary Rajkot
- Eminent HR Professionals like Mr. Radhashvam Mahapatro, Director (Personnel), CCL, Dr. Ratikanta Das, Head (HR&IR) L&T Ltd., Khansbahal, Mr. Mahesh Sahu & Mr. Jutu Basanta of NHPC, Mr. Sibaram Sahu, G.M (Personnel) TRL Krosaki Refractories Limited, Mr. P.K. Panda (Group-President-HR) Adani Enterprises Ltd., have visited the Department and delivered talks on relevant practical issues of HR to the students of the Department.

#### **NEWLETTERS**

# No WARN Act violation where sudden funding failure led to after-the-fact lay-off notices

By Dr. Satyabrata Patro

A company did not violate the WARN Act when it ran into a sudden roadblock in attempting to sell itself as a going concern and ended up giving its employees after-the-fact notice of a layoff, held a federal district court in Delaware, affirming a bankruptcy court's decision in an adversary proceeding. Unforeseeable business circumstances excused the financially strapped company's failure to provide 60 days' notice, because it was not foreseeable that it would be unable to obtain promised financing needed to close on a sale of its business to another manufacturer. Under the circumstances here, after-thefact notice was as much notice as was practicable (Varela v. Burtch (In re AE Liquidation, Inc.), March 31, 2016, Stark, L.).

# Received lay-off notice after the fact.

Employees of a jet aircraft manufacturer who had recently been furloughed received a termination package informing them they had been laid off effective several days earlier. Their employer had been attempting to sell itself as a going concern, but funding stalled. Despite alleged assurances from its largest shareholder, the European Technology and Investment Research Center, the necessary funding to close on the sale was not provided, and creditors eventually forced the company into Chapter 7 liquidation. Laid-off employees, upset at the lack of advance notice, commenced a class action adversary proceeding alleging that the federal WARN Act had been violated.

#### Unforeseeable business circumstances.

The bankruptcy trustee argued that no one could have reasonably foreseen 60 days ahead of time that the sale of the company would fail to close, and the district court agreed. Under WARN, the full 60day notice period is not required if the closure is caused by unforeseeable business circumstances. This exception "is not narrowly construed," the court noted. Rather, it is construed broadly enough so that a financially fragile, yet economically viable, business does not

have to provide WARN notice and close its doors when there is merely a possibility that the business might fail at some undetermined time in the future; after all, this would harm the very employees WARN was intended to protect. Thus, the determining factor is whether an event triggering a layoff is probable, not merely possible.

# Funding didn't come through.

Here, the failure to close on the sale of the business was not "probable" 60 days ahead of time or even later when the sale failed to close on the projected closing date, because the company had allegedly been provided continuous assurances that funding was forthcoming and that closing of the sale was imminent. In light of these assurances, allowing extra time for the purchaser to close was within the company's reasonable business judgment and consistent with taking all reasonable actions to preserve the company and the associated jobs.

# After-the-fact lay-off notice.

Even where the unforeseeable business circumstances exception applies, an employer must still give as much notice as practicable. From the laid-off employees' perspective, it was not adequate to notify them of their layoff several days after they had already been laid off. However, the court noted, DOL regulations explicitly indicate that, in certain circumstances, after-the-fact notice may be as much notice as practicable.

# As much notice as practicable.

And this was one of those circumstances. It first became clear that there would be no going-concern sale on the day the secured lenders filed a motion to convert the bankruptcy cases to Chapter 7 liquidation. This is when the cessation of the company's operations went from merely "possible" to "probable." On the same day, the company emailed employees regarding the layoff and then it mailed termination packages the very next day. Given the unexpected events that led the financing to fall through, the company gave its employees as much notice as practicable, even if it was after the fact.

Accordingly, the employees' WARN claims were properly dismissed on summary judgment, held the district court, affirming the bankruptcy

# **NEW APPROACHES TO TRAINING**

# By: Mr. Bharat Kumar Lakra

Training occupies a key position in human resource development and considered to be very significant for both the employees and the organization as it enhances the performance of the system as a whole. Training need assessment is the first step followed before proceeding with the training programmes. It lays emphasis on sorting out the gap between what is and what is expected out of the employee that highly influences the performance. It not only determines the necessity of the training programme but also focuses on the required areas of training with several areas of challenges in the area of training and development as follows.

- Management issues
- Financial issues
- Social issues
- Environmental issues
- Psychological issues:
- Legal issues
- Safety issues

The cost to benefit ratio is to be worked out while formulating the training process. This will make the training get going smoothly. The managers are to be fully aware of the training budget so that they can correlate with the benefits obtained out of training. Issue can also arise when the employees lack the commitment towards learning and

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