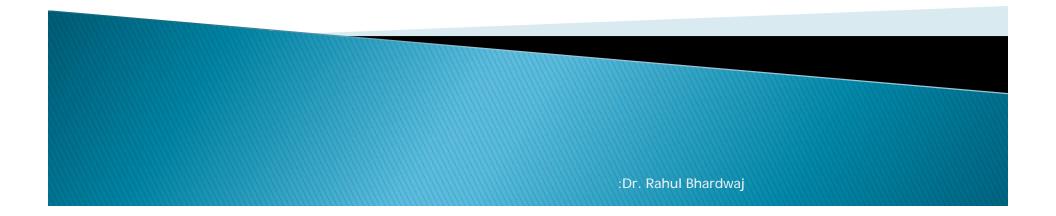
# HUMAN RESOURCE MANAGEMENT INTRODUCTION



### HRM- Concept

- HRM may be defined as a set of policies, practices
  & programmes designed to maximize both personal & organizational goals.
- It is a process of binding people & organizations together so that the objectives of each are achieved.
- Acc. To Flippo. Hrm is the planning, organizing, directing, controlling of the procurement, development, compensation, integration, maintenance & reproduction of human resources to the end that individual, organizational & societal objectives are accomplished.

## Nature of HRM

- Comprehensive function
- People oriented
- Action oriented
- Individual oriented
- Development oriented
- Continuous function
- Future oriented
- Interdisciplinary function
- Nervous system



# **Objectives of HRM**

- To help the organizations attain its goals by providing well-trained & well-motivated employees.
- To employ the skills & knowledge of employees efficiently & effectively.
- To enhance job satisfaction of employees by encouraging & assisting every employee to realize their full potential.
- To bring about maximum individual development, by providing opportunities for training & development.
- To recognize & satisfy individual needs & group goals by offering appropriate monetary & nonmonetary incentives.

#### Scope of HRM

- The Labour or Human Resource aspect- it is concerned with manpower planning, recruitment, selection, placement, induction, transfer, promotion, demotion, termination, training & development, layoff, wage & salary administration, incentives, etc.
- The Welfare aspect- this aspect is concerned with working conditions & amenities such as canteens, crèches, rest rooms, lunch rooms, housing, transport, education, medical help, health & safety, recreation & cultural facilities, etc.

The Industrial Relations Aspect - this is concerned with the company's relations with the employees. It includes unionmanagement relations, joint consultations, negotiating, collective bargaining, grievance handling, disciplinary actions, settlement of industrial disputes, etc.



### **Functions of HRM**

- These functions can be broadly classifies into two categories:
- (1) Managerial functions
- (2) Operating functions



- Managerial functions managing people is the essence of being a manager.
- 1. **Planning** deciding goals, formulating policies & programmes, etc.
- 2. Organizing process of allocating tasks among the members of the group
- Directing process of motivating, activating, leading & supervising people
- 4. **Controlling** checking, verifying & regulating to ensure that everything occurs in conformity with the plans adopted & the instructions issued.



#### **Operative functions**

- 1. <u>Procurement function-</u> it is concerned with securing and employing the right kind & proper number of people required to accomplish the organizational objectives. It consists of the following activities:
- a) Job analysis- process of studying in detail the operations & responsibilities involved in a job.
- b) Human Resource Planning
- c) Recruitment
- d) Selection
- e) Placement
  - Induction

- 2. <u>Development functions</u>— it is the process of improving the knowledge, skills, aptitudes & values of employees so that they can perform the present & future jobs more effectively.
- Performance appraisal- systematic evaluation of employees with respect to their performance on the job.
- b) Training
- c) Executive development- process of developing managerial talent through appropriate programmes
- d) Career planning- planning the career of employees & implementing career plans.



- 3. <u>Compensation function-</u>refers to providing equitable & fair remuneration to employees for their contribution to the attainment of organizational objectives. It consists of the following activities:
- a) Job evaluation- process of determining the relative worth of a job.
- b) Wage & salary administration
- c) Bonus, etc.



- 4. <u>Integration function-</u> it is the process of reconciling the goals of the organization with those of its members. Integration involves:
- a) Motivating employees through financial & non-financial incentives
- b) Providing job satisfaction
- c) Handling employees grievances
- d) Collective bargaining
- e) Workers participation in management
- f) Conflict resolution
- g) Employee counselling



- 5. <u>Maintenance function-</u> it is concerned with protecting & promoting the physical & mental health of employees. It includes several types of benefits such as:
- a) Housing
- b) Medical aid
- c) Educational facilities
- d) Conveyance benefits
- Social security measures like- pension, gratuity, provident fund, maternity benefits, insurance, etc.



### **Evolution of HRM**

- 1. <u>The commodity concept-</u> industrial revolution gave rise to the factory system. Labour was considered as a commodity to be bought & sold.
- 2. <u>The factor of production concept-</u> employees were considered a factor of production just like land, machinery, materials etc. Taylor's scientific management stressed proper selection & training of employees so as to maximize productivity.



- 3. <u>The paternalistic concept-</u> employees organized together on the basis of common interest & formed trade unions & improve a lot. Employers assumed a fatherly & protective attitude towards their employees. Employers & employees both began to realize that they cannot survive & prosper without each other. Welfare schemes included.
- 4. <u>The Humanitarian concept-</u> it is based on the belief that employees had certain undeniable rights as human beings & it was duty of the employer to protect these rights. Psychologists pointed out that an employee was not merely interested in material rewards rather social & psychological satisfaction was equally important. This approach is also known as Human Relations Approach.



5. <u>The Human Resource concept-</u> employees began to be considered as valuable assets of an organization. Efforts were made to integrate employee with the organization so that organizational objectives & employees aspirations could be achieved simultaneously. Focus shifted towards management practices like two way communication, management by objectives, etc.

6. <u>The Emerging Concept-</u> the trend is aimed at creating a feeling among workers that the organization is your own. HRM is emerging as a special academic discipline & as a profession. It is growing as a career with distinct specializations. Modern approach looks upon them as a resource, an asset & an opportunity.

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