

Personnel Management

- 1) Personnel Management is concerned with managing people at work. Such people or personnel does not simply refer to “rank and file employees” or “unionized labour” but also includes “higher personnel” and “non-unionized labour”.
- 2) It is concerned with employees, both as individuals as well as a group, the aim being to get better results with their collaboration and active involvement in the organization’s activities i.e. it is a function or process or activity aiding and directing workmen and women in maximising their personal contribution.
- 3) Personnel Management is concerned with helping the employees to develop their potentialities and capacities to the maximum possible extent, so that they may derive great satisfaction from their job. This task takes into consideration four basic elements, namely, the capacities, interests, opportunities and personality of the employees.
- 4) Since recruitment, selection development and utilization of, and accommodation to people are an integral part of any organized effort, Personnel Management is inherent in all organizations. It is not confined to industry alone; it is equally useful and effective in government departments, military organizations, and non-profit institutions. It is a major part of the general management function and has roots and branches extending throughout and beyond each organization. Therefore, it is rightly the central pervasive system of all organizations.
- 5) Personnel management is of a continuous nature. In the words of George R. Terry: “It cannot be turned on and off like water from a faucet: it cannot be practiced only one hour each day or one day a week. Personnel management requires a constant alertness and awareness of human relations and their importance in everyday operations.”
- 6) Personnel management attempts at getting the willing cooperation of the people for the attainment of the desired goals, for work cannot be effectively performed in isolation without the promotion and development of an esprit de corps.

IMPORTANCE OF HRM :

- (i) Social significance
- (ii) Professional Significance
- (iii) Significance for Individual Enterprise

PERSONNEL MANAGEMENT and HRM :

At the time when the developments were taking place in the field of HRM, another important and more related debate persisted in the late 1970s and early 1980s. The debate was to distinguish HRM from traditional Personnel Management. Legge (1989) drew some distinctions between the two topics by reviewing the definitions of a variety of writers and she identified three main differences:

- 1) Personnel Management is an activity aimed primarily to non-managers whereas HRM is less clearly focused but is certainly concerned more with managerial staff.
- 2) HRM is much more of an integrated line management activity whereas personnel management seeks to influence line management;
- 3) HRM emphasises the importance of senior managements' management of culture whereas personal management has always been rather suspicious of organization development and related unitarist, social-psychologically oriented ideas.

Guest (1991) supported Walton's (1985) concept of 'control' (which emphasises on subdividing work into small tasks, clearly fixing job, responsibilities, and holding individuals accountable for specific job requirements) and 'commitment' (which emphasises on mutual goals, mutual influence, mutual respect, mutual rewards and mutual responsibility; all these elicit commitment, which in turn yield both better economic performance and greater human development) for distinguishing between Personnel Management and HRM. He suggests that since both approaches are forms of control, it is more appropriate to label them as 'Compliance' and 'Commitment'. Personnel Management is closely associated with compliance based system of control while HRM is typically allied to commitment based systems of control. Legge (1989) adds that in comparison with Personnel management, HRM is a more central, senior-management driven strategic activity.

Storey (1992) proposes a model of twenty seven points differences between Personnel management and Industrial Relations and HRM. His study of twenty two prominent British organizations depicts the change in the nature of personnel function from prescription and reactive to descriptive and proactive. Through this model he presents the expected direction and destination of the HR function in near future.

(Source: Budhwar, P. (1996). Developments in Human Resource Management: An Analytical Review of the American and British Models. Indian Journal of Industrial Relations, Vol. 31, No. 3.)