

ITE 3652 Organizational Behavior

Lesson 9 – Effective Human Resources Management

1.0 Introduction

The term Human Resource Management, Employee Relations and Personnel Management used in the educational context of management as well as industry context. Each of these concepts plays a major role in organisational performances. This lesson discusses the concept of “what is Human Resources Management (HRM) ?” by providing a broad overview of the topic and introducing the concepts, practices and theories of HRM in contemporary organizations. As all we know the management process comprising of four main functions namely planning, organizing, learning and controlling. The concept of Staffing or attracting human resources to the organisation too a major function which becomes much more important today. Figure 1 shows the process of management with the inclusion of new staffing function

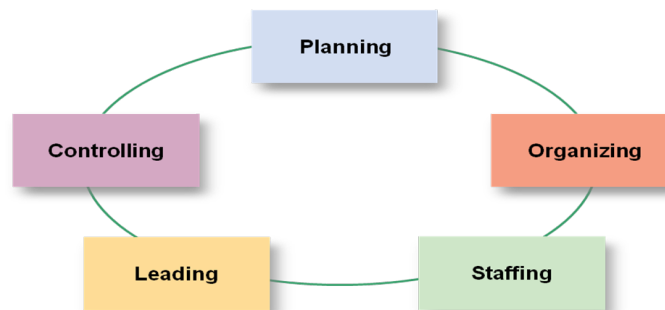


Figure 1: New Management Process

Organizational goals are created in an attempt to achieve a desired state of profit and success. Every organisation has its own goals and objectives which leads to a successful business plan. Mainly the organizational goals are fulfilled with the help of physical resources, financial resources and human resources. Therefore human resources takes places an important role in achieving the organisational goals and objectives.

What is HRM? - Basically the Human resources management is the process of acquiring, training, appraising and compensating employees and attending to their labour relations, health and safety, and fairness concerns.

HRM is mainly concerned with the management of employees within organizations, focusing on policies and on systems. HR departments in organizations usually conduct a number of activities, including employee benefits design, employee recruitment, training and development, performance appraisal, and rewarding (e.g., managing pay and benefit systems). HR also concerns itself with organizational change and industrial relations, that is, the balancing of organizational practices with requirements arising from collective bargaining and from governmental laws. The term human resources was first coined in the 1960s when the value of labor relations began to garner attention and when notions such as motivation, organizational behavior, and selection assessments began to take shape. The successful management of an organization's human resources is an exciting, dynamic and challenging task, especially at a time when the world has become a global village and economies are in a state of flux. The scarcity of talented resources and the growing expectations of the modern day worker have further increased the complexity of the human resource function.

2.0 Objectives of HRM

The main objective of HRM is to ensure the availability of a competent and motivated workforce to an organization. Beyond this, there are other objectives, too. Specifically, HRM objectives are four folds- societal, organizational, functional, and personal.

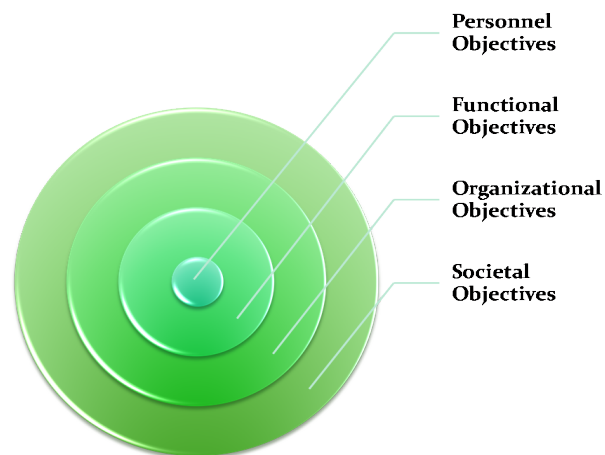


Figure : Objectives of HRM

Organizational Objectives: Human resources are essential to achieve efficiency and effectiveness of every organisation. It serves other functional areas, so as to help them to attain efficiency in their operations and attainment of goals to attain efficiency.

Functional Objectives: Employees and managers perform so many functions in every department. However, it must see that the facilitation should not cost more than the benefit rendered.

Personal Objectives: Every employee required to identify his or her carrier path at the organisaion. Therefore employees are encouraged by competitive firms to change the jobs. HRM functionally responsible for acquire, develop, utilize, and maintain employees.

Societal Objectives: Organisaions are playing vital role in the general society. Therefore HRM must see that the legal, ethical, and social environmental issues are properly attended to. Equal opportunity and equal pay for equal work are the legal issues not to be violated.

3.0 Factors Affecting HRM

The nature and scope of human resource management has undergone a serious transformation in the past couple of decades. In a context of continuous evolution of the environment both internally and externally, the change is being offered more as a necessity other than a luxury or a choice. There are numerous factors that affect the Company's business and the results of its operations, some of which are beyond the control of the Company. There are many interrelated factors affets HRM

- Internal Environment
- External Environment

Internal Factors and external factors

There are many internal factors affecting to the HRM function and they are

- Mission
- Policies
- Corporate Culture
- Management style of top managers
- Employees
- Labour Management relationships

At the same time there are many external factors affecting such as

- Labour Force
- Legal Issues
- Society
- Labour Unions
- Shareholders
- Upcoming Technology

- Economy
- Customers
- Competitors

4.0 Role of Human Resources Managers

Human resource managers are the overseers of the human resources department and insurers of the functions and tasks being carried out by the HR team. A human resource manager has two basic functions: overseeing department functions and managing employees. A human resource manager has two basic functions: overseeing department functions and managing employees. Following are the duties and responsibilities of HR managers

- Developing and administering human resources plans and procedures
- Planning, organizing, and controlling the activities and actions of the HR department
- Creating and revising job descriptions
- Overseeing recruitment efforts for all personnel, including writing and placing job ads
- Conducting new employee orientations and employee relations counseling
- Overseeing exit interviews
- Looking for talented and skill employees for job positions
- Conducting recruitments
- Hiring of contract workers
- Planning necessary employee training programs

5.0 Important Activities of HR Function

Professional Development: Professional development is required for every individual employees as well as company performances. Generally every employee is required a well organized career path and this is closely related to training, developing your employees professionally is an added bonus for the employee as well as the organization.

Appraisals: Performance appraisals help in employee motivation by encouraging them to work to their fullest potential. At the same time appraisals are an indicator of organisational performance. Conduct of timely performance appraisal is one of the most important activity of HR function.

Maintaining Work Culture: Work culture is an important element of every organisation. It is the duty of the HR to maintain a healthy, safe, and fun work environment to ensure a level of comfort amongst the employees and eliminate any stressful atmosphere that may hinder the performance of the staff. It is vital to have an efficient work atmosphere because of an individual's performance largely depends on the surrounding he's working in.

Resolving Conflicts: Conflicts arises within human beings. This is possible between two or more people in the organisation. Where different people have different views, conflicts are almost inevitable. Whether the dispute is amongst two or more employees or between the employee and the management, an HR manager has the right to intervene and help map out a solution.

Rewards and Incentives : Rewarding the employees for a work well done imparts motivation and at the same time induces a desire to excel at tasks in hope of obtaining rewards. It serves as bait for inculcating a healthy competitive environment amongst employees to achieve targets and meet deadlines. A reward need not be materialistic always.

6.0 Lesson Outline

This lesson discussed about the important of Human resources function in every organisation. Depends on the size of the organisation, HR function differs from each other. This function defers in terms of size of the company, type of the business and many other external factors. This lesson discussed the objectives of HRM function, factors affecting HRM such as internal and external, role of HR manager and important HR activities takes places in the organisation.