Unit-11

Employee Maintenance and Emerging Issues in HRM

Employee Safety and Health

- **<u>Employee safety</u>**:

➢It refers to providing a safe working environment for employees by incorporating <u>safe equipment and safe procedures</u> at the workplace to ensure worker safety. Employee safety is important to maintain a good safe work environment to improve morale and efficiency, which in turn contribute to the growth and profitability of the company.

➢Safety training, periodic safety inspections, and the provision of proper personal protective equipment (PPEs) are part of the employee safety mandate an organization must follow.

➢Importance of safety:

- Cost saving: direct and indirect cost are incurred when accident occurs in workplace. Direct cost occurs in the form of compensation payable to the dependents of the victim if the accident is fatal. Indirect cost is the medical expenses incurred in treating the patient if the accident is non-fatal. A safety plant, by avoiding accidents, eliminates these direct and indirect costs.

- Increased productivity: safety plants are efficient plants. Employees in safe plants can devote more time to improving the quality and quantity of their output.

- Increase in moral: managers must undertake accident measures. An employee is a worker in the factory and the bread winner for his family. The happiness of his/her family depends upon and the health and well being of the workers.

- Less legal complications: there are laws covering occupational health and safety. Penalties for non-compliance have become quite severe.
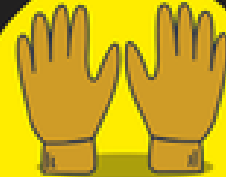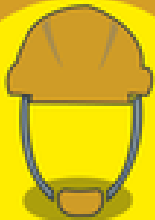
EYE PROTECTOR

RESPIRATOR

EAR PROTECTOR

SAFETY GLOVES

SAFETY FIRST

HARD HELMET

HIGH VISIBILITY JACKET

SAFETY BOOT

ID CARD

ID CARD

- Employee (Occupational) Health:
➢ Health is a state of physical, mental and social well being and should be the absence of disease.
➢ Occupational health (OH) is about how work affects a person's health and how someone's health affects their work.
➢ Managers have a legal and ethical responsibility to ensure that the workplace are safe for employees' physical and mental health.
➢ Importance of OH:
- It encourages safe working practice
- It monitors the health of the workers
- It studies the sickness absence and its cost to organizations
- It helps to implement and ensure health compliance
- It support health education and promotion programs.
- It helps to create healthy work environment.
- It helps to boost up morale and motivation level of employees.

Employee Welfare (EW) (employee benefits)

- Employee welfare refers to all aspects of a workplace environment that support the well-being of its staff.

- This includes physical safety, mental health, and stress-management programs. It also encompasses employee benefits such as health insurance, vacation time, retirement plans, and other support services. The main goal of employee welfare is to ensure that the workplace is enjoyable and safe for everyone.

Elements of employee welfare:

- Economic welfare: gratuity, pension, provident fund etc.

- Physical welfare: toilets, washing occupational safety tools, uniform, canteen etc.

- Social welfare: maternity benefits, health and medical facilities, education facilities etc.

- Moral welfare: free meals/snacks, laundry services, discounts on products/services, free books and newspapers etc.

Social Securities (SS)

- Social Security benefits provide partial replacement income for qualified retired adults and individuals with disabilities, as well as for their spouses, children, and survivors. An individual must pay into the Social Security program during their working years.

- Items/schemes of social security:

- Medial care

- Sickness benefit

- Unemployment benefit

- Old-age benefit

- Employment injury benefit

- Family benefit

- Maternity benefit

- Invalidity benefit

- Survivors benefit

Grievance Handling and Redressal

Concept:

- Employee Grievance is a formal complaint raised by an employee against a fellow employee or manager, or even against the employer. Employees usually file grievances for workplace harassment, discrimination, nepotism, concerns regarding team management or regarding terms of the employment.

- In the regular functioning of the organization influence employees grievance is common.

- If grievances are handled with a proper care and attention, they will introduce positive changes in the organization.

- If it is not managed properly following negative consequences will create:

- It can reduce productivity of the organization.

- It may increase of absenteeism and high employee turnover

- It may reduce quality of work of the employee

- It can reduce the practice of mutual co-operation among the employees

- It may create the problems of indiscipline behavior

- It is more difficult to maintain harmonious relation between management and employees.

- Employees grievance is the general trend of day-to-day activities and working relations in the organization. When employees consider that management is violating their right, they formally submit complaints, which is result of grievance.

Causes of Grievance

1. Management policy: wages rates or scale of pay, overtime, leave, lack of career planning and employee development, hostility(anger) towards a labor union, autocratic leadership, lack of matching worker's skill and nature of job, promotion, organizational change etc.

2. Working condition: lack of good working environment, non availability of appropriate tools, machines and equipment for doing work, lack of proper physical conditions of workplace, lack good relation with the supervisor etc.

3. Personal factors: over ambition of employees or manager, negative attitude towards each other, excessive self status feeling, create of mental tension, lack of respect to each other.

Methods of Handling Grievance (Redressal)

1. An open door policy: suitable for small org. having minimum number of employees. A manager should always open his office so that employees have easy excess to complaint their problems. It develop mutual understanding between management and employee. Manager can solve employee grievance by consider organizational objectives.

2. Periodic employee meetings: suitable for handling team related grievance. In team work, it is essential to hold meetings according to time and requirement. In such meeting employees can share their problems with managers related to performance not individual complaint.

3. Legal compliance (agreement): suitable for large org. For handling grievance, management can deal with workers union on the basis of earlier contract. Usually, management and union formed policy and procedure to resolve when any problem found in performance and if employees formally complaint for such problem.

4. Grievance Procedure: this is some steps to be taken consideration for resolution of grievance, when decision given by the manger concerned is not satisfied.

a) **Appeal with immediate supervisor:** employees should first convey their complaint with their immediate supervisor within office hour. It is oral or informal procedure of handling grievance. It is based on give and take approach.

b) **Appeal with department head**: if employee feel their grievance is not resolved with supervisor, they may prepare and submit a formal written complaint to HOD. Letter should be given HR consultant then consultant review the letter and send to department head and schedule a meeting with employees.

c) **Appeal with grievance committee**: the members of committee may the representative of both employees and mgmt. They are expert in the area of HRM. They discuss with employees and give the decision to resolve the complaint and recommends mgmt. for implementation.

d) **Appeal with chief executive**: employees may take support of their union while discussing with chief executive. If executive feel the appeal is appropriate, he will study the issue in detail, even by consulting with related stakeholders. He will issue a written decision. Normally this is the final step.

e) **Appeal with arbitrator** (mediator): if not satisfied, on the basis of mutual understanding between employees and mgmt. an arbitrator (HR professional) can be appointed. He is an independent person or institution. He consult with employees, union and mgmt. separately and jointly to find out acceptable resolution.

f) **Appeal to labor court**: if not satisfied, employees can appeal to labor court with evidential documents. Both employees and mgmt. appoint their own lawyers to make debate about the case in the court. After hearing lawyers' presentation and studying evidential document, judge give final decision. Both mgmt. and employees are responsible for implementation of decision.

Employee Discipline

Concept

- Discipline is concerned with consideration of rules, regulation and system of the organization.

- The employees working in the organization need to follow the <u>prescribed</u> rules of the organization to maintained standard of performance.

- Discipline <u>bound</u> the employees to act and behave in accordance of system developed by the management.

- So, an organization need to have a good disciplinary policy and code of conduct in place and well communicated to everyone.

- Employee discipline should be positive, and contribute to a safe and pleasant work environment for everyone.

- So discipline avoid : Irregularity, Inappropriate behavior, Violence, Confusion, etc.

- If employees do not consider the specified rules of the organization they are compelled to get punishment.

- The focus is not on punishment and consequences, but rather on plans for improvement and growth.

Types of disciplinary problem

Attendance problem
- Absenteeism
- Abuse of sick leave
- Tardiness (laziness)
- Late arriving
- Leaving without permission

Dishonesty problem
- Stealing, cheating
- Falsification (false) of information
- Corruption, fraud
- Bribery
- Misuse of resources

Job behavior problem (on-the-job)
- Carelessness
- Fighting, gambling
- Output below standard
- Refusal to obey order
- Arriving at work drunk

Outside activities problems (off-the-job)
- Unauthorized strikes
- Criticizing the management in public
- Criminal activities outside the job
- Working for competitors
- Leaking internal information

Methods of handling disciplinary problems (disciplinary action)

1. Verbal reprimand (warning/scolding): the immediate supervisor give verbal reprimand. This reprimand must be given in private. The supervisor will identify the gap between the desired behavior and the problematic behavior. (employee get opportunities to provide explanation about his behavior and supervisor take notes for that and keep it safely for refreshing the supervisor's memory but not in employees' personal file)

2. Written reprimand: the immediate supervisor give written reprimands if oral warning is not considered by the employee. The letter should include actions that may be taken if the inappropriate behavior continues. (employee get opportunities to provide explanation about his behavior and a copy of letter placed employees' personal file)

3. Disciplinary suspension: only departmental head have opportunity to suspend employee. After the recommendation of supervisor, The HOD administer disciplinary suspension (unpaid). If the employee is a member of union, the employee must be given 24 hours notice

4. Financial penalty (pay cut): an alternative to a suspension, financial penalty is considered preferable. Problem employee is denied annual increment or pay is cut. This action is rational if the only other alternative is dismissal.

5. Demotion: (most common in police and army). Demotion is an alternative to a disciplinary termination and may be used when the manager think that the employee is still suitable for continued employment. But employee is demoted in a position at a lower maximum rate of pay.

6. Dismissal: the ultimate disciplinary punishment is to dismiss the problematic employee. The decision of dismissal is taken only after carful consideration and when it is determined that the employees is no longer suitable for the org. In addition, mgmt. should consider the possibility that a dismissed employee will take legal action to fight against the decision

HRM in Nepalese Organization

1. The HRM Scenario: Nepal lacks the sufficient basic infrastructure to develop manpower. Nepal's population is more than 293 million, approximately gender ratio is 51:49. life expectancy is around 68 years. Some 500 thousand raw hand/new hands enter in the labor market every year. About 4 million Nepalese originated citizens are estimated to be working outside Nepal (excluded India) for job and other purpose. Most of our employees have not got proper training/development opportunities. Most of the HR managers lack basic skills and knowledge of HRM/HRD.

2. HRM in Nepalese Organization: Nepal lack big organizations that gives employment to thousands of people. There is always excess of supply over demand of manpower. Organizations are practicing staffing/personnel management rather than HRM functions. Our HR managers are mainly focused towards recruitment, discipline and industrial relations only. Other areas like motivation, development, career planning, empowerment, mentoring are rarely practiced.

3. Acquisition function in Nepal: most of the small organization do not go through formal recruitment/selection process. Only middle and large organization go through formal process. Vacancies are over flooded by applicants. Nepotism, favoritism, castism and ethnicism are wide prevalent in our organization's acquisition functions.

4. Development functions of HR in Nepal: most of the organization do not have strong budget for HR development. A vast majority of employees are either undertrained or untrained. The country itself lack training institutes. On the one hand, we lack HRD programs and on the other hand training effectiveness is also poor.

5. Motivation function of HR in Nepal: performance is the function of ability and motivation. P=f(A×M×OD). Training increases ability. But to use those abilities there is the need of motivation. But we are not being able to plan and control training and motivational program. Participation of employees to develop motivation package is rarely used. Because of negative motivation employee morality and job satisfaction is low. And like same, formal performance appraisal system is not practice in many organizations.

6. Maintenance function of HR in Nepal: due to weakness found in acquisition, development and motivation functions of HR, Nepalese organizations and HR managers are also weak in maintenance functions. There is no proper job security, compensation package and grievance settlement offered by managers. Due to these problem maintenance of skilled and talented employees has become a volcanic issue to most of the managers.

Emerging Issues and Challenges of HRM

1. **Empowerment of employees**:

- Employee empowerment is a management philosophy that emphasizes the importance of allowing employees to make independent decisions and act on them.

- This is the result of decentralization of authority.

- Top level manager have to delegate authority to subordinates not only to take work related decision but also to maintain full control over the work they perform.

- Features of empowered organization:

a) Proper selection

b) Flat structure

c) More freedom

d) More expectation

e) Open communication

- **Stages of empowerment:**
a) Identifying conditions of powerless
b) Implement empowerment strategies and techniques
c) Remove conditions of powerlessness and provide self-efficacy (belief in one's effectiveness) information
d) Feeling of empowerment generated
e) Empowerment results in performance
- **Issues and problems in empowerment**
➤ Reluctant (unwilling) top management
➤ Insufficient training
➤ Poor participation and communication
➤ Too much specialization
➤ High employee turnover

2. Downsizing (the organization)

- It is the process of brining an organization structure to an appropriate size.
- It is the process of restructuring the organizational design by removing unnecessary levels, units, jobs, employees etc.
- The main purpose of downsizing is to minimize the cost of operation by developing organizational efficiency.
- The result of downsizing bring two categories of people. i.e. the victims and the survivors.
- Development of automatic, computerization and other technological development forces the management to introduce downsizing.
- ✓Positive consequences: increase in efficiency, utilization of HRM, HR development
- ✓Negative consequences: loss of employment, loss of income, loss of social image and possible suicides.
- Emerging issues in downsizing:
- ➢Maintaining total transparency in decisions
- ➢Choosing proper timing of downsizing
- ➢Demands through planning
- ➢How to establish personal touch with employees
- ➢Demands sufficient time and effort

3. Work life balance:

- Employees have two dimensions of life i.e. work life and family life. The emerging issue of HRM is to maintain balance between work life and family life of the employees.

- This issue become more serious when both husband and wife are employed.

- If work life balance is not maintained it can create the stress, conflict and misunderstanding among employees.

- So, HR manager need to introduce different schemes such as flexible work time, counseling, job sharing, provision of child care center and flexible leave policy etc. to maintain balance in life of employees.

- Issues in work life balance:

➢How to prepare proper plan and commitment from top management?

➢Demands proper training and counselling

➢Demands frequent survey; so it is costly

➢Requires protection and recreational program

4. e-HRM (Electronic HRM)

- e-HRM is the use of web-based technologies to provide HRM services within employing organizations. It embraces (hold) e-recruitment and e-learning, the first fields of human resource management to make extensive use of web-based technology.

- It is the application of information technology for both networking and supporting HR functions through the use of online net and other devices.

- Important areas covered by e-HRM are: e-job design and analysis, e-HR planning, e-recruitment and selection, e-performance appraisal, e-payroll, e-HR records (e-HRIS), e-attendance and staff scheduling, e-profiling etc.

- Issues and challenges:

➢ Issue of cost and benefit

➢ Issue of confidentiality (privacy)

➢ Issue of technological failure (malfunction)

➢ Issue of data entry errors

➢ Issue of preparing e-HR

5. Green-HRM

- The basis for this concept comes from the idea of global warming, sustainable development and ethics in HRM. Now, it become the compulsion made by organizations.

- Organizations are becoming environmentally concuss and responsible.

- Green means environment friendly. Green has four major meanings in the context of HRM.

a)   Prevention of natural environment

b)   Conservation of natural environment

c)   Control/minimization of environmental pollution

d)   Generation of gardens and looking like natural places. (parks, plants, trees and grass)

- Issues and challenges of G-HRM

➢ No proper acts/policies

➢ Lack of top management support

➢ Lack of managerial/employee interest

➢ Highly costly in short-run (beneficial for long run)

➢ High employee turnover (due to globalization and high competition there is high turnover. Trained g-employees quit and new non-g-employees join)

➢ Lack of g-habit of citizens (consumers) (to promote g-HRM, citizens of the country need to buy g-products form g-companies. Until and unless citizens do not believe in g-product it becomes hard for g-org.)

- Companies such as Google, IBM, Honda, Starbucks, and GE have already made significant efforts towards Green HRM and general sustainability

6. **Outsourcing**: (Business process outsourcing BPO)

 Means outside resourcing (get resource from the outside)

- **Outsourcing is the process by which organizations transfer routine work to another organization to bring quality and get the benefit of specialization.**

- It is also called subcontracting

- Outsourcing allows the hiring of specialized expertise.

- If an organization performs each and every activity by itself, it may not be effective and quality may also be inferior.

- So, organization needs to identify certain areas that can be outsourced to minimize cost and produce higher quality.

- Eg: human resources tasks outsourcing: [payroll processing(a list of employees and their salaries), employee recruitment, training or employee benefits administration]

- Cannot be outsourced: selection, placement and socialization, motivation and leadership activities, dealing with trade union and negotiations, performance appraisal, employee empowerment, mentoring etc.

- Issues and challenges:

➢limited choice

➢lack of control

➢privacy and security (for software, confidential plan and decision)

7. **Ethical HR activities:** ethics is an individual's personal beliefs about what is right and what is wrong or good and bad

- It is developed through family, experience, personal values and morals and situational factors.

- Ethical concern of HR manager is how an organization treats its employees, how employees treat the organization and how an organization treats other stakeholders agents like customer, competitors, suppliers etc.

- Eg: if HR manager is blamed for accepting bribe for selection an employee and involved in unethical practices then he can not make other honest.

- **Employee surveillance:** close and tight supervision of employees at workplaces by seniors is called surveillance. It can be done though direct observation as well as through technology (indirect) or both of them. It has various purposes like:

- Measure employee productivity

- Undesirable activities (theft, misuse of organizational resources, indiscipline, security and legal actions)

- Electronic devices used for the purposes of surveillance are:

❑CCTV (for video)

❑E-mail surveillance, telephone, microphone, network, computer, location etc.

- **Issues and challenges:**
- Salaries and incentive issues
- Performance appraisal issues: (employee is not loyal to the rater or cast and religion)
- Race, gender, age and disability issues:
- Employment issues (employee hiring)
- Safety and heath issues
- Termination and layoff issue
- Employment responsibilities