

Definition → Human Resources of an organisation consist of all people who perform its activities.

Human resource management (HRM) is concerned with the personnel policies and managerial practices and systems that influence the workforce. In broader terms, all decisions that affect the workforce of the organization concern the HRM function.

According to Invancevich and Glueck, "HRM is concerned with the most effective use of people to achieve organisational and individual goals."

HRM outlines the importance of HRM and its different functions in an organisation. It examines the various HR processes that are concerned with attracting, managing, motivating and developing employees for the benefit of the organisation.



Goal of HRM

- 1) To meet the needs of the business and management (rather than just serve the interests of employees)
- 2) To link human resource strategies/policies to the business goals and objectives.
- 3) To find ways for human resources to "add value" to a business;
- 4) To help a business gain the commitment of employees to its values, goals and objectives.

* Nature of HRM

1) Broader function :- HRM is a comprehensive function because it is about managing ~~function~~ people in the organisation. It covers all types of people in the organisation from workers till the top level management.

2) People oriented :- Human resource is the core of all the processes of human resource management. So HRM is the process which brings

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people and organisations together so that their goals can be achieved.

3) Action oriented :- HRM believes in taking actions in order to achieve individual and organisational goals rather than just keeping records and procedures.

~~continuous~~ Nature of HRM

4) Development oriented :- Development of employees is an essential function of HRM in order to get maximum satisfaction from their work so that they give their best to the organisation.

5) Integrating mechanism :- HRM

tries to build and maintain cordial relations between people working at various levels in the organisation.
~~Future oriented~~

6) Future oriented :- HRM is very

important activity which helps organization to achieve its objectives in future by providing

well motivated and competent employees.



Universal function :- HRM can

be applied in business as well as other organisations such as schools, colleges, hospital, religious' organisations, etc.

Process of HRM :-

HRM is a process of four functions and features:-

⇒ Acquisition of human resources :-

This function includes Human Resource Planning, Recruitment, Selection, Placement and Induction of staff.

⇒ Development of human resources :-

This function includes Training and Development and Career development. The knowledge, skills, attitudes and social behaviour of the staff are developed.

⇒ Motivation of human resources :-

This function includes giving recognition and rewards to the staff. It also includes performance appraisal and handling the problems of staff.

⇒ Maintenance of human resources:

This function includes providing the best working conditions for employees. It also looks after the health and safety of the staff.

* Scope of the HRM:-

The scope of HRM is very immense. HRM plays a vital role of a worker from the time he enters into any organisation till he leaves. HRM activities include:-

1) Procurement :- It is the placement of right kind of personnel to the right post. It includes determination of manpower requirements: Job analysis, Nature and scope of requirement.

2) Training & Development :- Training & Development is a must in any

organisation. It prepares the worker to the actual situations in the organisation.

3) Job Analysis & Job Description:

Job Analysis & Job Description involves the studies of job requirements of the enterprise and assignment of well defined functions to jobs so that qualified employees may be hired. It also forms the basis of wage determination.

4) Remuneration :- Providing proper remuneration to the employees for the job done through job analysis and job description. It includes determining wage rates, incentives, wage payment, rewards and benefits and performance appraisal.

5) Welfare and Industrial Relations:

It includes health and safety program, sanitary facilities, recreational facilities etc.

Role of HRM :-

- 1) The Human Resource Department deals with management of people within the organisation. There are a number of responsibilities that come with this title.
- 2) First of all, the Department is responsible for hiring members of staff. This will involve attracting employees, keeping them in their positions and ensuring that they perform to expectation.
- 3) Besides, the Human Resource Department also clarifies and sets day to day goals for the organisation.
- 4) It is responsible for organisation of people in the entire Company and plans for future ventures and objectives involving people in the Company.

* Roles :-

The Human Resource Department also covers five key roles :-

1) Executive Role :- In this role, the HR department are viewed as the specialists in the areas that encompass Human resources or people management.

2) Audit Role :- In this capacity, the HR department will check other departments and the organisation as a whole to ensure all HR policies such as health & safety, Training, staff appraisal etc. are being carried out in accordance with the company's HR policy.

3) Facilitator role :- In this role, the HR department help or facilitate other departments to achieve the goals or standards as laid out in the HR policies of the organisation. This will involve training being delivered for issues that arise in the areas relating to people management.

4) Consultancy role :- The HR department will advise managers on how to tackle specific managing people issues professionally.

5) Service role :- In this capacity, the HR department is an information provider to raise awareness and inform departments and functional areas on changes in policy.

8. Functions of HRM

The main function of HRM is classified into 2 types:-

- a) Managerial Function :- → Planning
→ Organising
→ Staffing
→ Developing.
→ Contd.
- b) Operative Function :-

(i) Procurement :- It involves attracting and employing individuals with suitable knowledge, skills, experience and aptitude necessary to perform various jobs.

(ii) Development :- It aims to train & develop employees to improve and update their knowledge and skills in order to help them perform better.

(iii) Compensation :- It involves rewarding employees monetarily and through fringe benefits for their contributions to the organisation.

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Integration: It deals with employees as a social group; it contributes to the organisation and enhances group interaction and communication.

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Maintenance: It deals with maintaining employee safety and creating a sense of security among the employees.

Importance of HRM

- Human Resource Management is important to all managers despite their various functions because of the following reasons:-
 - * Hire the right person for the job.
 - * Low attrition rate.
 - * Ensure people do their best.
 - * Time saved in not conducting useless interviews.
 - * Avoid legal action for any discrimination.
 - * Safety laws are not ignored.
 - * Equity towards employee in relation to salary etc.
 - * Effective training.
 - * Avoid unfair labour practices.