

Evolution of Human Resource Management

From industrial revolution era to the present era, various stages to development of management of human resource practices may be classified as follows:

1. Industrial revolution era— 19th century
2. Scientific management era— 1900-1920s
3. Human relations era— 1930s-1950s
4. Behavioral science era— 1950s-1960s
5. Systems and contingency approach era – 1960 onwards
6. Human resource management era — 1980 onwards

1. Industrial Revolution Era

The systematic development of HRM started with industrial revolution that started during 1850s in Western Europe and USA. The industrial revolution consisted, essentially, the development of machinery, the use of mechanical energy in production processes, and consequently the emergence of the concept of factory with large number of workforce working together. In order to manage people in the factory system of industrial revolution, three systems of HRM were developed- recruitment of workers, training for workers, and control of workers. However, the basic philosophy of managing workers revolved around master-servant relationship.

2. Scientific Management Era

Around the beginning of 20th century, Taylor started to find out 'one best way of doing thing' based on time and motion studies. On the basis of his experiments, he was able to increase workers' productivity considerably and wrote many papers based on these experiments and a book on scientific management.

The main principles of scientific management are:

- i. Replacing rule of thumb with science,
- ii. Harmony, not conflict,
- iii. Cooperation, not individualism, and

iv. Development of each and every person.

Scientific management techniques relevant to management of workers are- functional foremanship, standardization and simplification of work, and differential piece wage system.

3. Human Relations Era

Around 1920s, management researchers gave a close look at the human factor at work and the variables that affected people's behavior. Before that, Hugo Munsterberg wrote a book on 'Psychology and Industrial Efficiency' which suggested the use of psychology in the field of personnel testing, interviewing, attitude measurement, learning, etc.

They concluded that in order to have better productivity, management should take care of human relations besides the physical conditions at the workplace. Consequently, the concepts of social system, informal organization, group influence, and non-logical behavior entered the field of management of personnel.

4. Behavioral Science Era

In contrast to human relations which assume that happy workers are productive workers, the behavioral scientists have been goal and efficiency- oriented and considers understanding of human behavior to be the major means to that end. They have tried several sophisticated research methods to understand the nature of work and the people in the work environment.

The contribution of behavioral scientists to management practices consists primarily of producing new insights rather than new techniques. It has developed or expanded a useful way of thinking about the role of the manager, the nature of organizations, and the behavior of individuals within organizations. As against human relations model, they have given the concept of human resource model.

5. Systems and Contingency Approach Era

Systems and contingency approach has attracted maximum attention of thinkers in management in the present era. It is an integrated approach which considers management of human resources in its totality based on empirical data. The basic idea of this approach is that analysis of any object must rely on a method of analysis involving simultaneous variations of mutually dependent variables. This happens when systems approach is applied in managing human resources.

6. Human Resource Management Era

When the factory system was applied in production, large number of workers started working together. A need was felt that there should be someone who should take care of recruiting, developing, and looking after welfare of these workers. For this purpose, industrial relations department came into existence in most of the large organizations which was concerned mostly with worker.

With the increasing competition for market share, competition for resources including human talents, and increased knowledge in the field of managing human resources, people were not treated merely as physiological beings but socio-psychological beings as a prime source of organizational effectiveness and large organizations changed the nomenclature of their personnel department to human resource 'department to reflect the contemporary view.

Human Resource Management or HRM is a mix of labor welfare and personnel management. HRM aims at maximizing employee performance in accordance to the objectives set by an organization. HRM is a result of increasing organizational size, changing social and cultural norms, easy access to information (via technology) and globalization. Accordingly, it attempts to build worker-employees relationship more humanely through motivation, training and development, retention, worker protection, etc.