

Personnel Management vs. HRM

Meaning of Personnel Management

Personnel management is defined as an administrative specialization that focuses on hiring and developing employees to become more valuable to the company. It is sometimes considered to be a sub-category of human resources that only focuses on administration.

Managing personnel concentrates on certain administrative human resource categories. It includes job analyses, strategic personnel planning, performance appraisals and benefit coordination. It also involves recruitment, screening and new employee orientation and training. Lastly, it involves wages, dispute resolution and other record keeping duties.

Definitions of Personnel Management

- According to Edwin B. Flippo, “The personnel function is concerned with the procurement, development, compensation, integration, and maintenance of the personnel of an organization for the purpose of contributing toward the accomplishment of that organization’s major goals or objectives. Therefore, personnel management is the planning, organizing, directing, and controlling of the performance of those operative functions.”
- According to Dale Yodder, Personnel Management and Industrial Relations, “Manpower management effectively describes the processes of planning and directing the application, development, and utilization of human resources in employment.”
- “Personnel Management is that part of the management function which is primarily concerned with human relationships within an organization. Its objective is the maintenance of those relationships on a basis which, by consideration of the well-being of the individual, enables all those engaged in the undertaking to make their maximum personal contribution in the effective working of the undertaking.” — Indian Institute of Personnel Management, Kolkata.

Functions of Personnel Manager

1. Counselor: Counseling is one of the main functions of personnel manager. As a counselor, personnel manager discusses the problems with employees related to career, health, family, finance, social life and try to solve their problems and offer advice on how to overcome them.

2. Initiating Policies: Initiating policies is another main function of personnel manager. Initiating policies and formulating them are two important tasks of a personnel manager. He assists the senior management in creating policies pertaining to personnel management, salary administration, welfare activities, transfers, working environment, records, and appraisals.

3. The Advisory Role: In any organization, on a daily basis, line managers face a wide range of problems pertaining to personnel management. This is where a personnel manager steps in and offers advice on such matters since he is familiar with the laws and practices that surround human resources.

4. The Link between the Employees and the Management: Apart from personnel management, the personnel manager tries to maintain good industrial relation within the organization. So, he helps the trade unions in understanding the different policies of the organization. He also communicates the views and concerns of the union leaders to the senior management.

5. Representative Role: The personnel manager is also responsible to represent the company and communicate management policies which affect the people in the organization. This role is best-suited to him because he has a better overall picture of the company's operations.

6. Decision-making Role: He plays an important part in decision-making on human resources-related issues. He also formulates and designs policies and programs of personnel management.

7. Mediator Role: In case of a conflict between employees or groups of employees, a superior and a subordinate, or even the management and employees, the personnel manager plays the role of a mediator. His role is to ensure peace and harmony in the organization.

8. Leadership Role: He offers leadership and guidance to employees. Further, a personnel manager ensures effective communication in the organization and motivates employees to work towards achieving the organization's objectives.

9. Welfare Role: In most organizations, the personnel manager also acts as the welfare officer. Therefore, he ensures facilities and services like canteen, transport, hospitalization, and other employee welfare services are available to the workers.

10. Research Role: He maintains a record of all employees in the organization. He also researches various personnel areas like absenteeism, alcoholism, labor turnover, etc. Further, post-analysis, he recommends apt measures to help eradicate them to the senior management.

Meaning of Human Resource Management

Human Resource Management is the process of recruiting, selecting, inducting employees, providing orientation, imparting training and development, appraising the performance of employees, deciding compensation and providing benefits, motivating employees, maintaining proper relations with employees and their trade unions, ensuring employees safety, welfare and healthy measures in compliance with labor laws of the land.

- It involves procurement, development, maintenance of human resource

- It helps to achieve individual, organizational and social objectives
- Human Resource Management is a multidisciplinary subject. It includes the study of management, psychology, communication, economics and sociology.
- It involves team spirit and team work.
- It is a continuous process.

Human resource management as a department in an organization handles all aspects of employees and has various functions like human resource planning, Conducting Job analysis, recruitment and conducting job interviews, selection of human resources, Orienting , www.notesguru.info training, compensating, Providing and incentives, appraising, retaining, Career, Quality of Work Life, Employee Discipline, black out Sexual Harassments, human resource auditing, maintenance of industrial relationship, looking after welfare of employees and safety issues , communicating etc.

Societal Objectives: To be ethically and socially responsible to the needs and challenges of the while minimizing the negative impact of such demands upon the organization. The failure of organizations to use their resources for the society's benefit in ethical ways may lead to restrictions. For example, the society may limit HR decisions through laws that enforce reservation in hiring and laws that address discrimination, safety or other such areas of societal concern.

Definition of HRM

HRM can be defined as a process of procuring, developing and maintaining competent human resources in the organization so that the goals of an organization are achieved in an effective and efficient manner. In short, HRM is an art of managing people at work in such a manner that they give their best to the organization for achieving its set goals.

Edwin Flippo defines Human Resource Management as “planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved.”

In simple words, HRM is a process of making the efficient and effective use of human resources so that the set goals are achieved.

Roles of HR Manager

1. Recruiting and hiring – It is a process of discovering sources of manpower and employing effective measures for attracting that manpower in adequate numbers to facilitate the selection of an efficient working force in an organization.

- 2. Training and development** – These processes help in enhancing and enabling the capacities of people to build their strengths and confidence in order for them to deliver more effectively.
- 3. Competency development** – Competency is a cluster of related knowledge, skills, and attitude that affect a major part of one's job. It can be improved by means of training and development.
- 4. Organization development** – It is an organization-wide effort to increase its effectiveness and viability, and move towards growth.
- 5. Communication** – It is an activity that involves conveying meaningful information. At all times, the HR must convey all relevant information to the employees.
- 6. Performance management** – It focuses on improving the performance of the organization, employees, and various other services.
- 7. Employee relations** – This is a concept that works towards bettering the relations among the employees, as well as between the employee and the management.
- 8. Coaching, mentoring, and counseling** – It is a practice of supporting an individual and helping him overcome all his issues in order to perform better.
- 9. Policy recommendation** – Policy recommendations help to streamline management practices and reduce employee grievances. For example, a manager who is more than 35 years and, who possesses a minimum experience of 7 years, is entitled to receive the benefits stated in the company's administrative manual.
- 10. Wages, salary, and compensation benefits** – These benefits are provided to the employees to keep them motivated towards their work and the organization.
- 11. Talent management and employee engagement** – It is a management concept that works towards retaining the talent by engaging the person in a way which would further the organization's interest.
- 12. Leadership development** – This activity refers to enhancing the quality and efficiency of a leader in an organization.
- 13. Team building** – It focuses on bringing out the best in a team to ensure development of an organization, and the ability to work together closely to achieve goals.
- 14. Networking and partnering** – It is also important to build relations with the external stakeholders, including the customers and suppliers for better business.

Personnel Management vs. Human Resource Management

BASIS FOR COMPARISON	PERSONNEL MANAGEMENT	HUMAN RESOURCE MANAGEMENT
Meaning	The aspect of management that is concerned with the work force and their relationship with the entity is known as Personnel Management.	The branch of management that focuses on the most effective use of the manpower of an entity, to achieve the organizational goals is known as Human Resource Management.
Approach	Traditional	Modern
Treatment of manpower	Machines or Tools	Asset
Type of function	Routine function	Strategic function
Basis of Pay	Job Evaluation	Performance Evaluation
Management Role	Transactional	Transformational
Communication	Indirect	Direct
Labor Management	Collective Bargaining Contracts	Individual Contracts
Initiatives	Piecemeal	Integrated
Management Actions	Procedure	Business needs

Decision Making	Slow	Fast
Job Design	Division of Labor	Groups/Teams
Focus	Primarily on mundane activities like employee hiring, remunerating, training, and harmony.	Treat manpower of the organization as valued assets, to be valued, used and preserved.

Conclusion

Human Resource Management has come up with an extension over Personnel Management, which eradicated the shortcomings of the Personnel Management. It is quite essential in this era of intense competition where every organization have to put their manpower and their needs first.

Nowadays, it is very challenging to retain and maintain good employees for a long time as they are fully aware of their rights and any organization cannot treat them like machines. So, HRM has been evolved to unite the organization with their employees for the attainment of a common goal.