**What is Human Resource Management?**

Human resource management is about managing people. HRM is concerned with the management of human energy and competencies(knowledge, Skill, Attitudes and potential).  It aims at achieving organizational goal .HRM is regards as strategic resources.

According to DeCenzo and Robbins  
“Human resource management is comprised of the acquisition, development, motivation and maintenance function”

**Definitions of HRM**

1.Goal approach:– process of accomplishing organizational objectives by acquiring, retaining, terminating, developing properly utilizing the human resources of the organization (Ivancevich, Donnely & Gibson)

2.Practice approach:– involves all management decisions and practices that directly affect or influence people who work for the organization (Fisher, Schoenfeldt & Shaw)

3.Process approach:– systematic planning, development and control of a network of interrelated processes affecting and involving all members of the organization (Wendell French )

4.Functional appraoch :– process of acquisition, development, motivation and maintenance of human resources (DeCenzo & Robbins)

**Characteristic of HRM**

**a) Human focus**

Getting jobs done through people to achieve organizational goals; focus on effort and competencies of people; develops and utilizes human being

**b)Management function**

Involves planning, implementing and controlling of acquisition, development, motivation and maintenance of human resources; applies principles and techniques of HRM with situational adaptations.

**c) Pervasive**

Concerned with all types and levels of employees; HR department is created for this

**d)Continuous process**

An ongoing process; concerned with achieving present and future organizational goals.

**e) Dynamic**

Affected by changing environmental forces.

**f) Achievement of goals**

Effective management and utilization of human resources to achieve organizational goals

**g) Goal achievement**

Optimize the usefulness (effective utilization) of human resources in the organization to achieve individual, organizational and societal goals.

**h) Structure maintenance**

Constant and sustained attempt at forging desirable working relationship among all members in organization; sustain interdependence.

**i) Goal harmony**

Maintains harmony between organizational goals and individual (personal) goals of employees (Goal congruence); increases satisfaction and morale, maintains healthy employee-employer relationship.

**j) Productivity improvement**

Employee training, development and growth potential; better quality of HR results in improved productivity; enhanced quality of work life.

**k) Readiness for change**

Reduce resistance to change; employees view change as necessary for organizational effectiveness.

**Objective/Importance of HRM**

Its overall objective is to ensure a competent and committed workforce to achieve organizational goals.

**a.Goal Achievement:**  
-achieve its own functional goals such as timely and effective acquisition, development utilization and retention of capable employees.

**b.Goal harmony:**  
-HRM creates harmony between organizational goals and personal goals of employee. Its also satisfies individual needs.

**c.Structure maintenance:**  
-Its helps to maintain structures of organization.  
-It assigns tasks to people defining jobs and relationships.

**d.Productivity improvement:**  
-Performance based incentives lead to higher productivity.  
-HRM continuously develops employees.

**e.Change management:**  
-HRM helps manage change in the organization.  
-It reduces resistance to change  
-Eg: employee change typewriter user to computer Nepal bank ltd.

**f.Quality of Work life(QWL):**  
-QWL is employee’s perception of their physical and psychological well-being at work.  
-It focuses on improvement of working environment and life styles of employees.

**Function/component of Human Resource Management**

**Acquisition**

i.Human Resource planning  
-It is a process of predetermining future HR needs.

ii.Job Analysis  
-It specifies job requirement  and determing qualification and skills for various jobs.

iii.Recruitment  
-It is identifying perspective candidates and stimulating them apply for the jobs

iv.Selection  
-It consist of choosing qualified and right person from among the perspective candidates.

v.Socialization  
-It is process of adoptation of new employee to organizational culture.

**Development**

i.Analyzing development needs  
-It involves HRD planning to predetermine future HRD needs.

ii.Employee training  
-It involves skill development of employees to cope with the current job.

iii.Management development  
-It involves the programmes to enhance abilities of managers to develop their potential for future resposibilities

iv.Career development  
-It involves tracking career goals and paths of employees.

**Utilization**

i.Motivation  
-It ensures higher output through employee willingness to put high level of efforts to achieve goals.  
-Different motivation tools are use to motivates employees.

ii.Performance appraisal  
-It is assessment of employee effectiveness in achieving goals through performanceon the job.

**Maintenances**

i.Labor relation  
-It deals with employer-employee relationship, grievances handling and conflict management.  
-Labor Disputes related with Surya Garment, KFC etc.

ii.Employee welfare  
– It is consist of various activities to promotes employee welfare such as health post, canteen, Day child care centre in different Industrial Area.

**Personnel Management and Human Resource Management**

Personnel management  
-It is a traditional approach. It focuses on personnel administration, compensation, employee welfare and labor relations. It is discipline and control oriented.  
-It is concerned with compliance of policies, rules and laws.

Human resource Management  
-It is concerned with management of energy and competencies.  
-It is concerned with acquisition, development, utilization and maintenances functions

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| **Dimension** | **Personnel Management** | **Human Resource management** |
| Focus | People as input in the production  process | People as strategic resource in organization sytem |
| Scope | Concern of personnel department. | Concern of all levels of managers |
| Function | Routine function | Strategic function |
| Interest | Organization’s interest uppermost | Harmony in interests of organizational and individual |
| Communication | Restricted communication | Open communication |
| Means | Emphasis on rules and regulations, procedures, practises. | Emphasis on human energy and competencies |
| Ends | Employee Satisfaction | Achieving goals. |
| Outcomes | a. Satisfied personnel b. Increased production | a. Committed human resource b. Increased productivity c. Readiness to change d. QWL |

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**HRM Environment**

HRM environment refer to forces that affect the performance and outcomes to HRM.

**a)Globalization**  
-It is process that promotes integration of world economy into a single market.  
-It brings more competition in labor market, more productivity and low cost.  
-Job outsourcing will increase. Jobs will be done by employee aboard.

**b)Technology Advances**  
-Technology makes work more efficient.  
-It refers Automation, computerization, digitalization, robotics, informatics  and nano technology have all affect HRM.  
-Technology advances eliminate old job and create new jobs.

**c) Nature of Work**  
-The nature of job is changing. More and more jobs are getting high-tech.  
-Knowledge-intensive high tech job are replacing factory jobs.  
-Manufacturing jobs are shifting to low wage countries like China and India.  
-Companies are able to produce more products with fewer employees.

**d) Work Force Diversity**  
-It is represented by characteristic that make the workforce heterogeneous.  
-Contingent workforce like part time, temporary and contract employees are increasing.  
-Multiculturism is increasing in workforce.  
-HRM will need to deal with less attached employees.

**e) Legal Trends**  
-Legal provisions like laws, rules, regulations, court rulings etc. affect HRM policies and practices.  
-ILO convention is guideline for managing HRM

**Challenges of HRM(Contemporary HRM issues)**

**a.Globalization**  
-It has facilitated trade without borders.  
-Globalization has led to operations in several countries.  
-Global outsourcing of human resources is increasing.

**b.Complex organization**  
-Modern organization are increasing in size .  
-Difficult to manage competent and committed human resources in big organization.

**c.Technological change**  
-Difficult to cope with modern technology, need to appoint computer and information friendly human resources.

**d.Work Force diversity**  
-Work force diversity refer  to composition of work force base upon ethnicity, culture, religion, language, education, values and expectations.  
-Contingent workforce consisting of part-time, temporary and contract employees is increasing.  
-Diversity in workforce posed challenge to HRM

**e. Less Attached Employees**  
-Working tend of employees are changing like freelance and working in Virtual office etc  
-They are not loyal toward organization.

**f. New HRM concern**  
-HRM concerns are increasing for the management of work teams, virtual teams, reengineering and total quality management.  
-New emerging concepts of HRM brings new challenging in workforce management.

**g. Change management**  
-Employees usual resist the changes  
-Need competent and committed employee to cope the challenges

**h. Learning organization**  
-Nowadays ,organizations continuously learn and knowledge updates for competing others.  
-They need to find ways to expand employee capacity through continuous learning.

**Challenges and responsibility of HR Manager**

**Managerial Responsibility of HR Manager**

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Controlling

**Operative Responsibility of HR Manager**

1. Acquisition
2. Development
3. Utilization
4. Maintenances

**Challenges of HR managers**

1. Diverse Workforce
2. Cultural Diversity
3. Changing Environment
4. New HRM skills
5. Social Responsibility