HUMAN RESOURCE MANAGEMENT
Session details

• Session 1 - Introduction to Human Resource Management
• Session 2 - HR Planning, Recruitment, Selection, Placement and Induction
• Session 3 - Personnel Development Programme
• Session 4 - Job Compensation
• Session 5 - Promotions, Demotions, Transfers, Separation, Absenteeism and Turnover
• Session 6 - Quality of Work Life
• Session 7 - Counselling for Effective HR Development
• Session 8 - Human Relations
Session I
Introduction to HRM

16 March 2012
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Contents of the presentation

• What is HRM?
• Importance of HRM
• The Changing Role of HRM
• Functions of Personnel Management
• Organizing the HR Department
• Origin and Growth of HR Function in India
• HR Audit
What is HRM?

- It is a managerial function that tries to match an organization’s needs to the skills and abilities of its employees.

- Human Resource Management is responsible for how people are managed in the organizations. It is responsible for bringing people in organization helping them perform their work, compensating them for their work and solving problems that arise.
What is Human Resource Management (HRM)?

• Human resource management (HRM) is a subset of the study of management that focuses on how to attract, hire, train, motivate, and maintain employees.

• Strong employees become a source of competitive advantage in a global environment facing change in complex ways at a rapid pace.
What is Human Resource Management (HRM)?

• Definition of HRM:

• HRM is a strategic approach to the acquisition, motivation, development and management of the organization's human resource. It is developed to shaping an appropriate corporate culture and introducing programs which reflect and support the core values of the enterprise and ensure its success (Michael Armstrong)
Definition of HRM

• Human Resource Management (HRM) is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization.

• HRM is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training.
Definition of HRM

• HRM is also a strategic and comprehensive approach to managing people and the workplace culture and environment.

• Effective HRM enables employees to contribute effectively and productively to the overall company direction and the accomplishment of the organization's goals and objectives.
OBJECTIVES OF HRM

1. To ensure placement of right man on the right job
2. To ensure effective utilization of HR for achieving different organizational objectives. This is necessary to bring about effective utilization of other material resources.
3. To maintain desirable working relationships among all the members of the organization. It is necessary to ensure clear definition of individual job responsibilities.
4. To secure integrities of individual and groups with an organization by reconciling the respective goal. It is important to create in the employees a sense of involvement, commitment and loyalty towards the organization.
5. To provide maximum opportunities with individual development and advancement

6. To identify and satisfy the needs of the employees by offering various financial and non financial incentives.

7. To maintain high morale among the employees through maintenance of sound human relations
Importance of HRM

- Attract and retain talent
- Train people for challenging roles
- Develop skills and competencies
- Promote team spirit
- Develop loyalty and commitment
- Increase profits and productivity
- Improve job satisfaction
The Changing Role of HRM

• HRM is now expected to add value to the strategic utilization of employees and that employee programs impact the business in measurable ways.

• The new role of HRM involves strategic direction and HRM metrics and measurements to demonstrate value. (HR Scorecard)
The Changing Role of HRM

**Strategic Partner**
- Active Role in setting strategic direction
  - Design and implement HR programs that align / fit with the business vision

**Administrative Expert**
- Process Optimization & Efficiency
  - Continue improvement of the HR processes to optimize operational efficiencies & employee self-service

**Change Agent**
- Effecting Transformation & Change
  - Create cross-functional collaboration & organization readiness to accomplish change initiatives & performance results

**Employee Champion**
- Motivated & Competent Personnel
  - Develop employee competences with continuous skills & knowledge management; foster achievement / performance recognition programs

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The Changing Role of HRM

• Linking HR strategy to business strategy
  – Many organizations conducting HR strategic planning
  – Develop “people strategies” and aligning them to strategic objectives

• Automating HR process
  – HR “administrivia” transferred to users, customers
  – HR staffs spend more time on high value tasks
The Changing Role of HRM

• Outsourcing HR activities
  – Smaller HR staff serving as strategists, consultants to managers and vendors

• Measuring the return on investment of HR programs
  – Balanced measurement systems linking process, output, and outcome measures
  – HR Scorecard
Changing role of HRM

• Understanding Cultural Environments
  – Impact of Globalisation
    ✤ Working with different cultures
    ✤ Understanding legislations in different countries
  – The Changing World of Technology
    ✤ Use of websites for internal and external communication
    ✤ Use of internet in recruitment and selection
    ✤ Use of technology in training and development
Changing role of HRM

- Dealing with workforce diversity
- Worklife balance
- Employee involvement
Origin and growth of HR function in India

• The origin of Human Resource Management terminology in India can be traced back to the concept of personnel function in 1920's

• With the concern for labour welfare in Factories, The Trade union Act of 1926 has given formal recognition to worker's unions.
Origin and growth of HR function in India

• Institutionalisation of Indian Institute of Personnel Management (IIPM) Calcutta and National Institute of Labour Management (NILM)

• In the year 1970's the thrust of Personnel function shifted towards greater organisation's efficiency.

• The Indian Government for the first time introduced the Ministry of Human Resource Development thus embedding the importance of HR in the socio-economic fabric of the country.
Origin and growth of HR function in India

• Dr. Udai Pareek and Dr. T. V. Rao are two former IIMA professors who are largely credited with the design of the new HR Function and the First Dedicated HRD department carved out of the personnel function.

• The first organisation was L&T in 1974 and subsequently helped organizations like the SBI and BEML to start the same.
Functions of personnel management

• **Time Office**:  
  - To comply with the rules regarding attendance, leave, shift, overtime etc. & posting in system.  
  - Salary Preparation  
  - Wages preparation  
  - Furnish formalities at the time of new joining  
  - Prepare Full & Final Settlement while leaving  
  - Ensure statutory benefits
Functions of personnel management

• Employee Relations
  – Maintain peace & harmony in the Plant
  – Grievance Redressal of workmen either raised by individual or union
  – Taking disciplinary actions
  – Contract labour administration
  – Welfare – uniforms, recreational activities
Functions of personnel management

• **Legal**
  – Ensure all legal compliances
  – Co-ordinate with company’s advocates to timely dispose off the pending cases

• **Hospitality**
  – Canteen
# Changing scenario of the Personnel function in India

<table>
<thead>
<tr>
<th>Period</th>
<th>Emphasis</th>
<th>Status</th>
<th>roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920 -1930</td>
<td>Welfare management, Paternalistic principles</td>
<td>Clerical</td>
<td>Welfare administrator</td>
</tr>
<tr>
<td>1940 -1960</td>
<td>Expanding the role to cover Labour, Welfare, Industrial Relations and Personnel Administration</td>
<td>Administrative</td>
<td>Appraiser, Advisor, Mediator, Legal Advisor, Fire Fighting</td>
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<tr>
<td>1990s onwards</td>
<td>Incremental productivity gains through human assets</td>
<td>Proactive, growth oriented</td>
<td>Developer, Counsellor, Coach, Mentor, Problem solver</td>
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Organizing the HR Department

- HRM is the part of the organization concerned with the “people” dimension.
- HRM can be viewed in one of two ways.
  - HRM is a staff or support function in the organization. Its role is to provide assistance in HRM matters to line employees, or those directly involved in producing the organization’s goods and services.
  - Second, HRM is a function of every manager’s job. Whether or not one works in a formal HRM department, the fact remains that to effectively manage employees...
Four basic functions

HR consists of four basic functions:
(1) Staffing
(2) Training and development
(3) Motivation
(4) Maintenance

- *External factors influencing the process are labor relations, management practices, government legislation, and globalization*
Organizing the HR Department

• Human Resource management includes
  1. conducting job analyses,
  2. planning personnel needs, and recruitment
  3. selecting the right people for the job
  4. orienting and training
  5. determining and managing wages and salaries
  6. providing benefits and incentives,
  7. appraising performance
  8. resolving disputes
  9. communicating with all employees at all levels.
DEFINITION:
Human Resource Audit is a systematic assessment of the strengths, limitations, and developmental needs of its existing human resources in the context of organizational performance – (Flamholtz, 1987)
PURPOSE OF H.R. AUDIT

1. To examine and pinpoint strength and weaknesses related to H.R inorder to enable the organization to achieve its long-term and short-term goals.

2. To increase the effectiveness of the design and implementation of human resource policies, planning and programs.

3. To help human resource planners develop and update employment and program plans.
AUDITING PROCESS: STEPS IN H.R. AUDIT

Auditing process varies from organizations to organizations.

1. Briefing and Orientation
2. Scanning material information
3. Surveying employees
4. Conducting interviews
5. Synthesising
6. Reporting
AUDITING PROCESS: STEPS IN H.R. AUDIT

• Briefing and Orientation:
  – Key Staff Members meet:
    – i. To discuss particular issues considered to be important.
    – ii. To chart out audit procedures, and
    – iii. To develop plans and program of audit.
AUDITING PROCESS: STEPS IN H.R. AUDIT

• Scanning material information:
  Scrutiny of all available information pertaining to personnel, personnel handbooks and manuals, guides, appraisal forms, computer capabilities and any other related information.

• Surveying employees:
  a. Interview with key managers, functional executives, Top functionaries in the organisation and employees Representatives, if necessary.
  b. The purpose is to pinpoint issues of concern, present strengths, anticipated needs and managerial views on human resources.
AUDITING PROCESS: STEPS IN H.R. AUDIT

• Conducting interviews:
  – I. What questions to be asked, are developed during scanning of information.
  – II. Clarify about the key factors of H.R.M. selected for audit and the related questions that need to be examined.

• Synthesising:
  – The data gathered is synthesized to present the
    • a. Current Situation.
    • b. Priorities.
    • c. Staff pattern, and
    • d. Issues identified.
AUDITING PROCESS: STEPS IN H.R. AUDIT

• Reporting:
  – The results of the audit are discussed with Managers and Staff Specialists, in several rounds.
  – Important issues are identified for inclusion in the formal Report.
THANK YOU