

Department of Business Administration (BBA)
Government Arts College(Autonomous), Coimbatore- 641018.
Sem: IV Core Paper: VIII Sub Name: Human Resource Management Sub Code: 18BBA42C

UNIT-I

Human resource management - Scope - Objectives - Functions - Role of HR manager - Qualities - Personnel policies and procedures.

UNIT-II

Manpower planning- importance – factors affecting human resource planning - Job analysis - Job description - job specification- Recruitment and Selection - Induction.

UNIT-III

Performance Management system – Factors affecting performance appraisal - Job evaluation and Merit rating – Training and development – Methods - Promotion - Transfer and Demotion.

UNIT-IV

Wages and salary administration - Incentive system- Labour Welfare and Social security – Safety - Health – International labour organisation - objectives.

UNIT-V

Industrial relations - Trade Unions - Grievance Handling - Collective bargaining and Worker's participation.

Text Book :

Tripathy - Personnel Management and Industrial Relations

Reference Books:

1. K.Sundar, J. Srinivasan -Essentials of Human Resource Management
2. Bhagoiwal - Personnel Management and Industrial Relations
3. Memoria - Personnel Management and Industrial Relations
4. VSP Rao - Human Resource Management

UNIT-I

Subject Name	Sub Code	Semester	Prepared by
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MEANING;

Human Resource Management (HRM)

Human resource Management is that branch of management that deals with managing one of the resources of the organization i.e., Human resources.

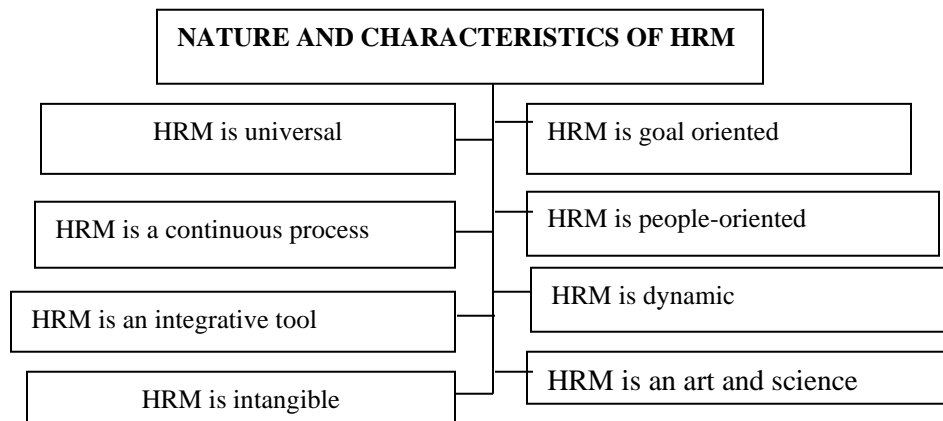
Human Resource Management is nothing but managing human resources of an organization to achieve its objectives most effectively and efficiently.

Definition:

“Human Resource Management effectively describes the process of planning and directing the application, development and utilization of human resources in employment”- Dale Yoder.

“HRM is that part of management process which is primarily concerned with the human constituents of an organization” – E.F.L.Brech

NATURE AND CHARACTERISTICS OF HRM:-



1. HRM is universal:

The fundamental principles of HRM are applicable in all kinds of organization structures.

2. HRM is goal oriented;

It enables achievement of personal, team, functional, organizational and societal goals of the organization.

3. HRM is a continuous process:

The process is continued as long as the organization exists.

4. HRM is people-oriented:

HRM is concerned with both individual employees and also teams.

5. HRM is an integrative tool:

The ultimate aim of HRM is to motivate participate and coordinate the workforce.

6. HRM is dynamic:

It is a dynamic and an ongoing process for the achievement of group goals.

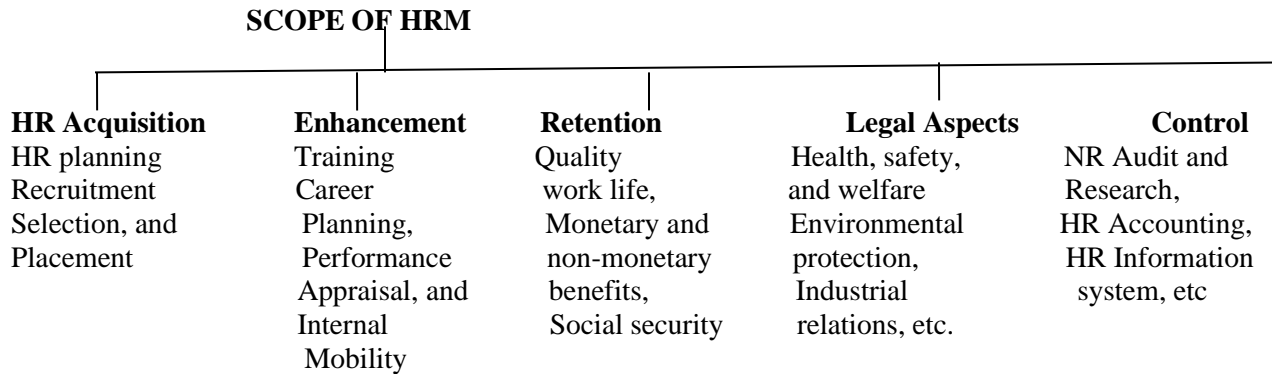
7. HRM is intangible :

HRM is an invisible function.

8. HRM is an art and science :

HR managers apply the elements of an art such as personal skills, practical know-how. It is also considered as a science because it is a systematic body of knowledge

SCOPE OF HRM :



Scope of HRM

1. HR acquisition:

It consists of recruitment of prospective employees and then selecting the most appropriate ones for the desired posts in the organization. This is followed by their induction and settlement into their respective positions.

2. Enhancement training and development:

It is necessary for the employees perform well in realistic situations. The employees are encouraged to participate in committees and board meetings, which will aid their development.

3. Job analysis and job description:

These are prepared to hire qualified employees by studying the job requirements of the organization and assigning definite functions to jobs. They also act as a base for wage determination.

4. Retention and compensation/ rewards:

Compensation is provided to the employees for their work. The amount of compensation which is to be given to the employees is ascertained by job analysis and job evaluation. It involves determining wage rates, methods of wage payment, and performance appraisal.

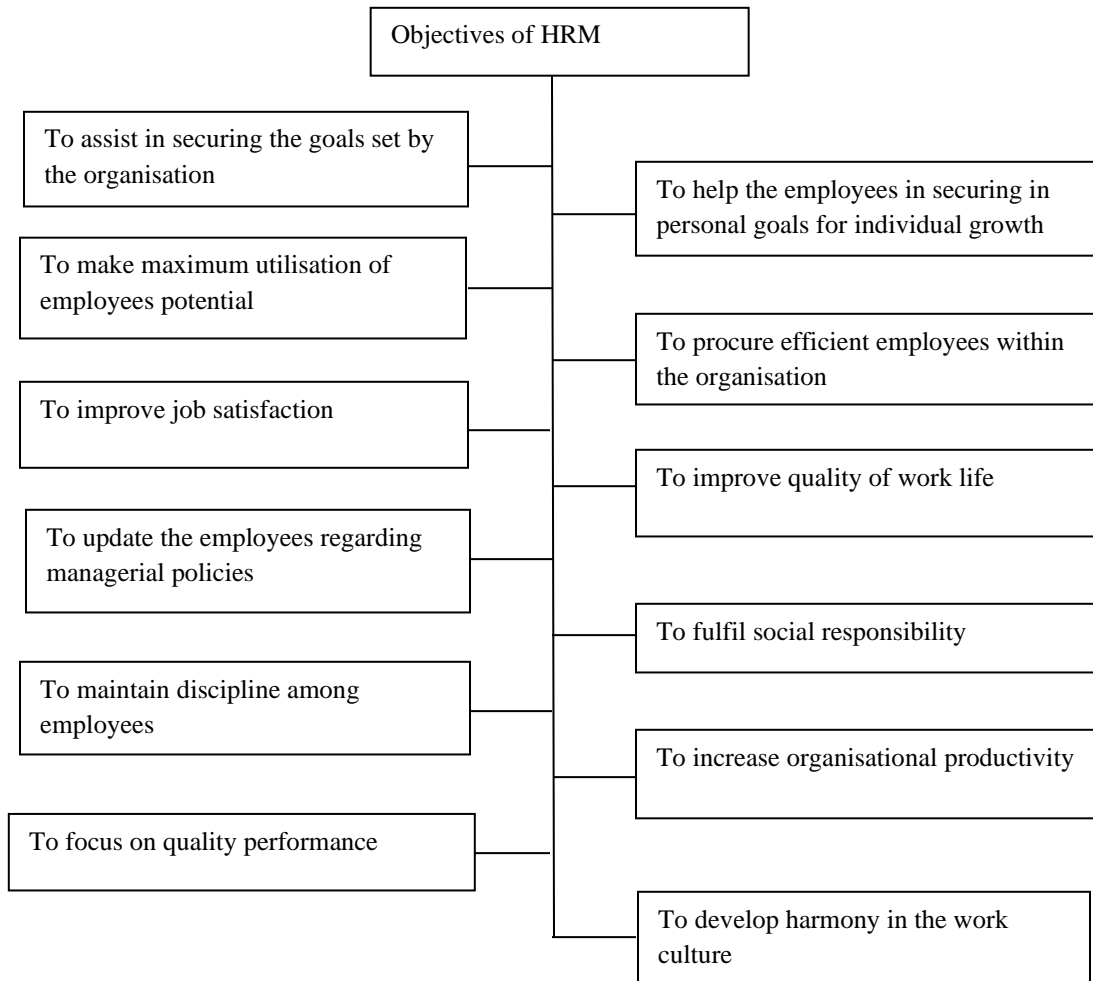
5. Employee records:

Employee records are maintained to collect details of all employees about their work, e.g. training job performance, and performance appraisal.

6. Legal aspects and industrial relations:

HRM helps in maintaining cordial relations in the industry. It comprises of aspects such as collective bargaining, workers participation in management, dispute resolution grievance management, etc.

OBJECTIVES OF HRM:



1. To assist in securing the goals set by the organization:

The main aim of HRM is to assist the employees in achieving the main aim of HRM is to assist the employees in achieving desired organizational goals.

2. To help the employees in securing the personal goals individual growth:

HRM not only enhances the efficiency of the employees but also increases the loyalty of the employees towards the organization.

3. To make maximum utilization of employees potential:

The essence of the HRM lies in its basic function of effectively matching the skills of the employees with the work assignments in the organization.

4. To procure efficient employees within the organization:

HRM focuses on maintaining the effective reward system to motivate the employees to improve the efficiency of the employees.

5. To improve job satisfaction:

Various programs of human resources welfare have been framed and implemented by the HRM in order to enhance the quality of life. This helps in increasing the job satisfaction of the employees.

6. To improve quality of work life:

It is the duty of HRM to make organisation a pleasant place for employees.

7. To update the employees regarding managerial policies:

One of the most important duties of HRM is to update the employees with the internal policies, feedback of customer’s opinion of the management and also to generate creative ideas from the workforce.

8. To fulfil social responsibility:

The HRM function also ensures fulfillment of the social responsibility of the organization towards the different groups of the society while adhering to the moral and legal norms.

9. To maintain discipline among employees:

HRM also focuses on the maintenance of discipline among the employees in the organization by giving them incentives based on their performance.

10. To increase organizational productivity:

HRM tries to enhance the overall productivity of the organization by effective utilization of available resources.

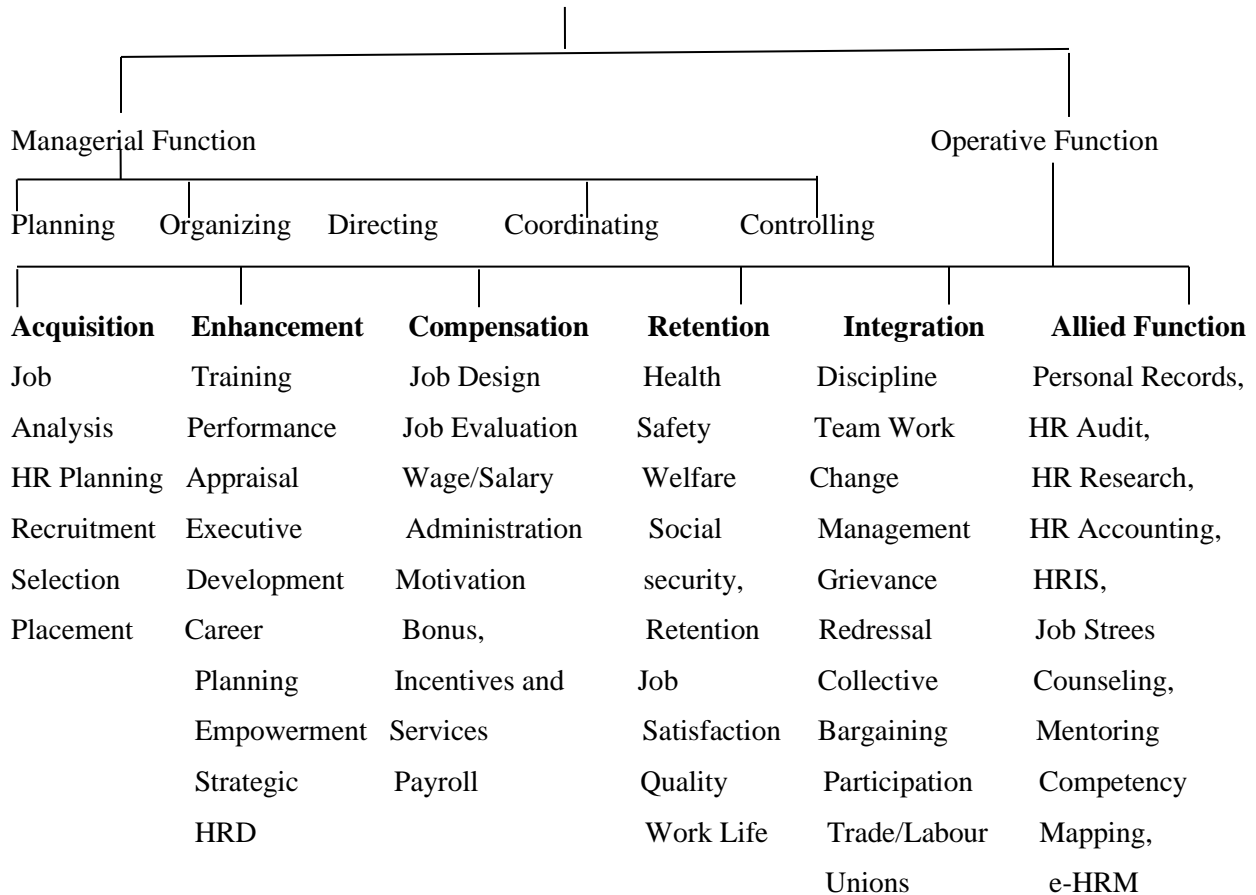
11. To focus on quality performance:

The critical task of HRM in every organization is the assignment of the right job to the right candidate at the right time.

12. To develop Harmony in the work culture:

HRM makes continuous efforts to fill the gap between individual and organizational goals.

FUNCTIONS OF HRM



Function of HRM

HRM is one of the important and inevitable functions of any organization. The functions of HRM can be broadly classified as managerial functions and operative function.

Managerial Function

Managerial functions include planning, organizing, directing, coordinating and controlling of HRM in an organization.

Planning

A planning today avoids crisis tomorrow

Organizing

It is process by which a structure, delegation of authority responsibility better HR information system and coordination are established for the effective and efficient functioning of the workforce

Directing

Directing is to guide and drive the workforce to achieve the objectives.

Coordinating

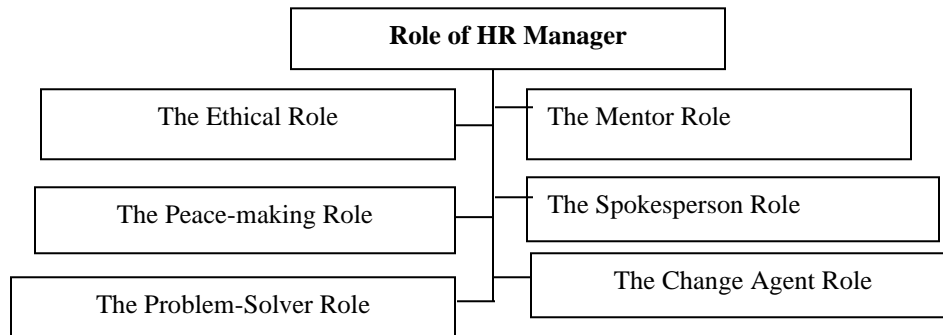
All the subsystem and function of HRM need to be interlinked to attain the desired objectives. It is the unity of action to achieve common objectives.

Controlling

It is the process of setting standards and comparing the actual with that of expected and taking corrective action if there is any deviation.

ROLE OF HR MANAGER:-

Human resource manager plays an important role in the modern organization. He plays a variety of roles its morals and depending upon the situation. They are as follows;



1. The Ethical Role;

In this role, the human resource manager makes the management to remember its morals and obligations towards its employees.

. 2. The Mentor Role;

In this role, the human resource manager counsels the employees who are not happy with their present job and also who have some personal problems and offers suggestions to overcome the problems.

3. The Peace-making Role;

Here the human resource manager is acting as a mediator/conciliator, and tries to settle disputes between laborers and management and also among laborers. In this role, he is playing

the role of peace making. He is acting as a connecting link between the human resources and the management.

4. The Spokesperson Role;

Here the human resource manager is acting as a mediator/conciliator, and tries to settle disputes between laborers and management and also among laborers. In this role, he is playing the role of peace making. He is acting as a connecting link between the human resources and the management.

5. The Problem-Solver Role;

Human resource manager performs a good job in solving problems as to human resource management.

6. The Change Agent Role;

As a change agent, human resource manager introduces changes in the programmed which are already in existence.

QUALITIES OF HR MANAGER:

The job of HR manager is quite complex and challenging. In order to be successful, qualities are required in an HR manager. They are

1. Educational Qualifications:

- a. Degree of a recognized university.
- b. Postgraduate degree/ diploma in sociology or social work or personnel management/ industrial relations/ labour welfare / labour law, or MBA with specialization in HRM.
- c. Degree in law will be an additional / desirable qualifications.

2. Personal Attributes:

- a. **Intelligence:** This implies the ability to understand; depth of perception, etc.,
- b. **Communicative ability:** Command over language, ability to express correctly, listening skill, ability to explain and interpret policy and programmes, etc, are elements of communicative skill.
- c. **Decisiveness:** It means analytical ability, sound judgment, foresight, etc.
- d. **Human Skills:** It involves an objective mind (freedom from bias) tact, ability to discriminate between right and wrong, insight in human nature, etc.
- e. **Teaching skill:** It implies the ability to teach and train employees.
- f. **Executing skills:** These refer to ability to implement policies and programmes speedily and accurately.
- g. **Leadership skills:** These include physical fitness, moral courage, ability to inspire confidence and to win cooperation, ability to create enthusiasm, initiative, unbiased attitude, organizational ability, passion for anonymity, etc.

3. Training and Experience:

Training in industrial psychology, labour legislation and industrial relations is very useful for a human resource manager. Experience in an organization helps him to create a pertinent approach. To some extent HRM is an art where practice makes one a successful manager.

4. Professional Attitudes:

HRM is emerging as a profession. A Professional approach to the management of human resources is required in the global environment.

PERSONNEL POLICIES:

A policy is a predetermined course of action established to guide the performance of work towards accepted objectives. It is a type of a standing plan that serves to guide subordinates in the execution of their tasks.

According to Calhoun, "Personnel policies constitute guides to actions, They furnish the general standards or bases on which decisions are reached, Their genesis lies in an organization's values, philosophy, concepts and principles."

TYPES OF PERSONNEL POLICIES:

1. Originated Policies:

These policies are established formally and deliberately by top management. Senior executives initiate such policies to guide their subordinates.

2. Appealed Policies:

These policies are formulated on requests of subordinates who want to know how to handle some situations. The need for such a policy arises because the particular case is not covered by the earlier policies.

3. Imposed Policies:

An organization accepts these policies due to pressure of external agencies like Government, trade association, trade union, etc. For example, the policy that nobody below the age of fourteen years will be employed is adopted due to the Factories act.

4. General Policies:

These policies do not relate to any specific issue in particular. Rather they represent the basic philosophy and priorities of top management. For example, encouraging workers to participate in decision making at all levels is a general policies.

5. Specific Policies:

These policies relates to specific issues like staffing, compensation, collective bargaining, etc, All specific policies must conform to the broad pattern laid down by the general policies.

6. Written or Implicit Policies:

These policies are inferred from the behavior of managers. For example, in the absence of anything in writing promotion policy of an enterprise can be inferred from the way promotions have been made. Such policies tend to be more flexible than written policies.

FORMULATION OF PERSONNEL POLICIES:

The process of policy formulation involves the following steps:

(1) Identifying the Need:

First of all the areas requiring personnel policy are identified. Policies are required in various areas of personnel management Such as hiring, training, compensation, industrial relations, etc. Need for a new policy or revision of an existing policy may be voiced by the company's staff or by a trade union.

(2) Gathering Information:

Once the need for a policy has been accepted, the next step is to collect necessary facts for its formulation. A committee or a specialist may be assigned the task of collecting the required information from inside and outside the organisation.

(3) Examining Policy Alternatives:

On the basis of data collected, alternatives are appraised in terms of their contributions to organisational objectives. It is necessary to secure active participation of those who are to use and live with the policies. The chosen policy is then put in writing in appropriate form.

(4) Getting Approval:

The personnel department will send the policy draft at the right time to top management for its approval. Top management has the final authority to decide whether a policy adequately represents the organisation's objectives.

(5) Communicating the Policy:

The approval policy needs to be communicated throughout the organisation. Policy manual, house journals, meetings and other methods may be employed for this purpose. In addition, an educational programme may be arranged to teach people how to apply the enunciated policy.

(6) Evaluating the Policy:

From time to time the policy should be evaluated in terms of experience of those who use it and of those who are affected by it. Environmental changes should also be considered. Any serious difficulty with a policy along with suggestions should be reported to the top management. Such knowledge will enable the management to decide whether there is need to restate or reformulate the policy.

ESSENTIALS OF SOUND PERSONNEL POLICIES:

The main requirements of a good personnel policy are as follows:

- (1) A personnel policy should contribute to personnel objectives and objectives of the organisation as a whole. It should be based on the philosophy that human beings are the most valuable asset of any organisation.
- (2) It should be stated in clear, definite and easily understood terms so that what it proposes to achieve is evident. Only a clear policy statement can serve as a guide to thinking and decision making.
- (3) It should be in writing as far as possible. This is necessary to preserve the policy against loss, to prevent misunderstanding and to ensure uniformity of application.
- (4) It should be reasonably stable and long lasting. Changes in a policy should be made only when essential and at fairly large intervals.
- (5) It should be flexible so as to take care of individual differences and situational realities. Therefore, a policy should be stated in broad terms and it should be reviewed and revised periodically.
- (6) A policy should give due regard to interests of all the parties—the employer, employees and the general public.
- (7) It should be consistent with the overall philosophy and objectives of the organisation as well as with labour laws and public policy.
- (8) It should be formulated with active participation of executives, supervisors and workers at all levels and trade unions.
- (9) It should move from the authoritarian leadership style to participative style. In other words, it should encourage self-development at all levels.
- (10) It should be based on careful analysis of facts as well as sound judgment.
- (11) It should be just, fair and equitable to internal as well as external groups. It should be based on consistency in treatment to all employees without any favoritism or discrimination. Personnel management should not be personal. However, a good personnel policy should recognize individual differences and respect human dignity.
- (12) It should be reasonable and capable of being executed. It should also recognize individual differences among people.

The contents in this E- Material has been taken from the text and reference books as given in the syllabus.