
Introduction to HRM

M.COM PART-1

PAPER-VIII (HRM)

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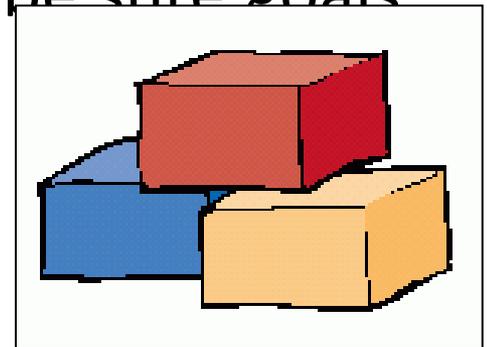
Fundamentals of Human Resource Management

Management Essentials

- Management involves setting goals and allocating scarce resources to achieve them.
- Management is the process of efficiently achieving the objectives of the organization with and through people.

Management Essentials

- Primary Functions of Management
 - *Planning* – establishing goals
 - *Organizing* – determining what activities need to be done
 - *Leading* – assuring the right people are on the job and motivated
 - *Controlling* – monitoring activities to be sure goals are met



Why is HRM Important to an Organization?

- The role of human resource managers has changed. HRM jobs today require a new level of sophistication.
 - Employment legislation has placed new requirements on employers.
 - Jobs have become more technical and skilled.
 - Traditional job boundaries have become blurred with the advent of such things as project teams and telecommuting.
 - Global competition has increased demands for productivity.

Why is HRM Important to an Organization?

- The Strategic Nature – HRM must be
 - a strategic business partner and represent employees.
 - forward-thinking, support the business strategy, and assist the organization in maintaining competitive advantage.
 - concerned with the total cost of its function and for determining value added to the organization.

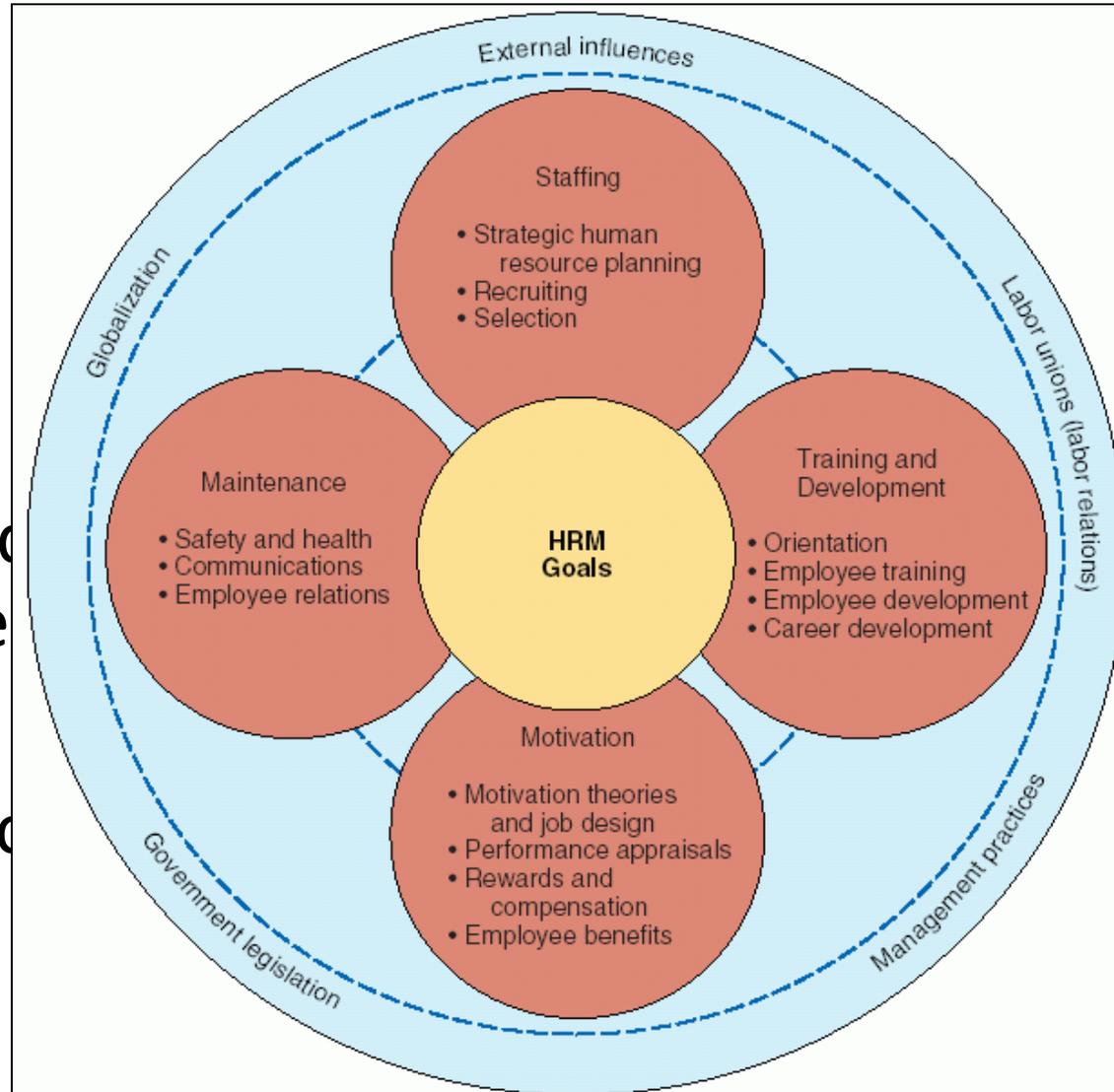
Why is HRM Important to an Organization?

- HRM is the part of the organization concerned with the “people” dimension.
- HRM is both a staff, or support function that assists line employees, and a function of every manager’s job.
- HRM Certification
 - Colleges and universities offer HR programs.

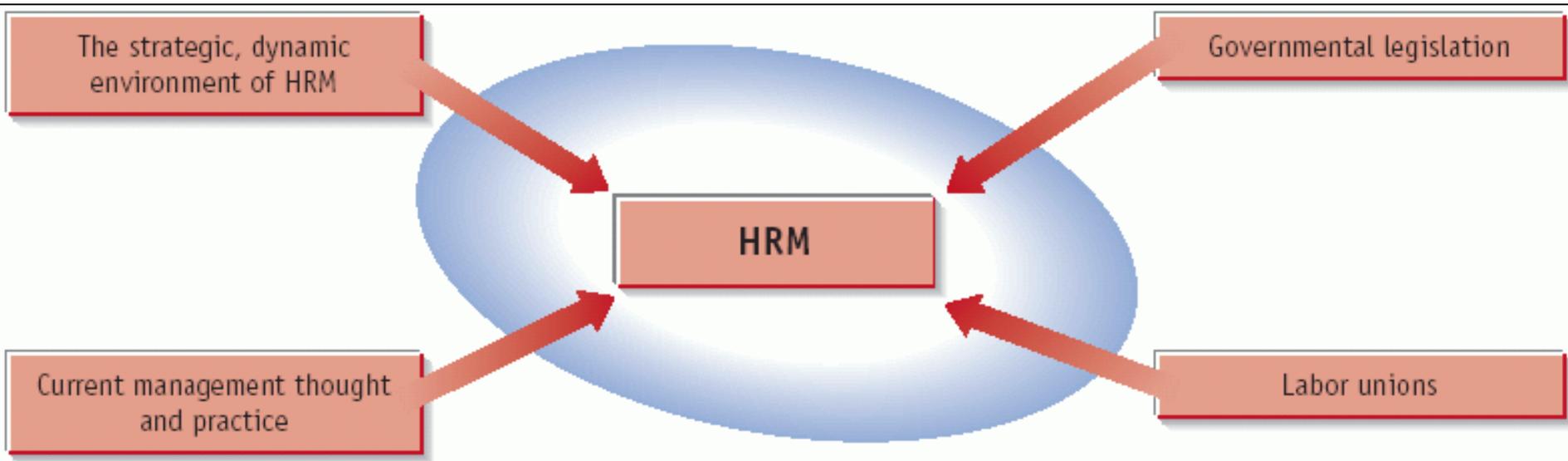
Why is HRM Important to an Organization?

Four basic functions:

- Staffing
- Training and Development
- Motivation
- Maintenance



How External Influences Affect HRM



- Strategic Environment
- Governmental Legislation
- Labor Unions
- Management Thought

How External Influences Affect HRM

- HRM Strategic Environment includes:
 - Globalization
 - Technology
 - Work force diversity
 - Changing skill requirements
 - Continuous improvement
 - Work process engineering
 - Decentralized work sites
 - Teams
 - Employee involvement
 - Ethics

How External Influences Affect HRM

- Governmental Legislation
 - Laws supporting employer and employee actions
- Labor Unions
 - Act on behalf of their members by negotiating contracts with management
 - Exist to assist workers
 - Constrain managers
 - Affect non unionized workforce

How External Influences Affect HRM

- Management Thought
 - Management principles, such as those from **scientific management** or based on the **Hawthorne studies** influence the practice of HRM.
 - More recently, continuous improvement programs have had a significant influence on HRM activities.

Staffing Function Activities

- *Employment planning*
 - ensures that staffing will contribute to the organization's mission and strategy
- *Job analysis*
 - determining the specific skills, knowledge and abilities needed to be successful in a particular job
 - defining the essential functions of the job

Staffing Function Activities

- *Recruitment*
 - the process of attracting a pool of qualified applicants that is representative of all groups in the labor market
- *Selection*
 - the process of assessing who will be successful on the job, and
 - the communication of information to assist job candidates in their decision to accept an offer

Goals of the Training and Development Function

- Activities in HRM concerned with assisting employees to develop up-to-date skills, knowledge, and abilities
- *Orientation* and *socialization* help employees to adapt
- Four phases of training and development
 - Employee training
 - Employee development
 - Organization development
 - Career development



The Motivation Function

- Activities in HRM concerned with helping employees exert at high energy levels.
- Implications are:
 - Individual
 - Managerial
 - Organizational
- Function of two factors:
 - Ability
 - Willingness
- Respect

The Motivation Function

- Managing motivation includes:
 - Job design
 - Setting performance standards
 - Establishing effective compensation and benefits programs
 - Understanding motivational theories

The Motivation Function

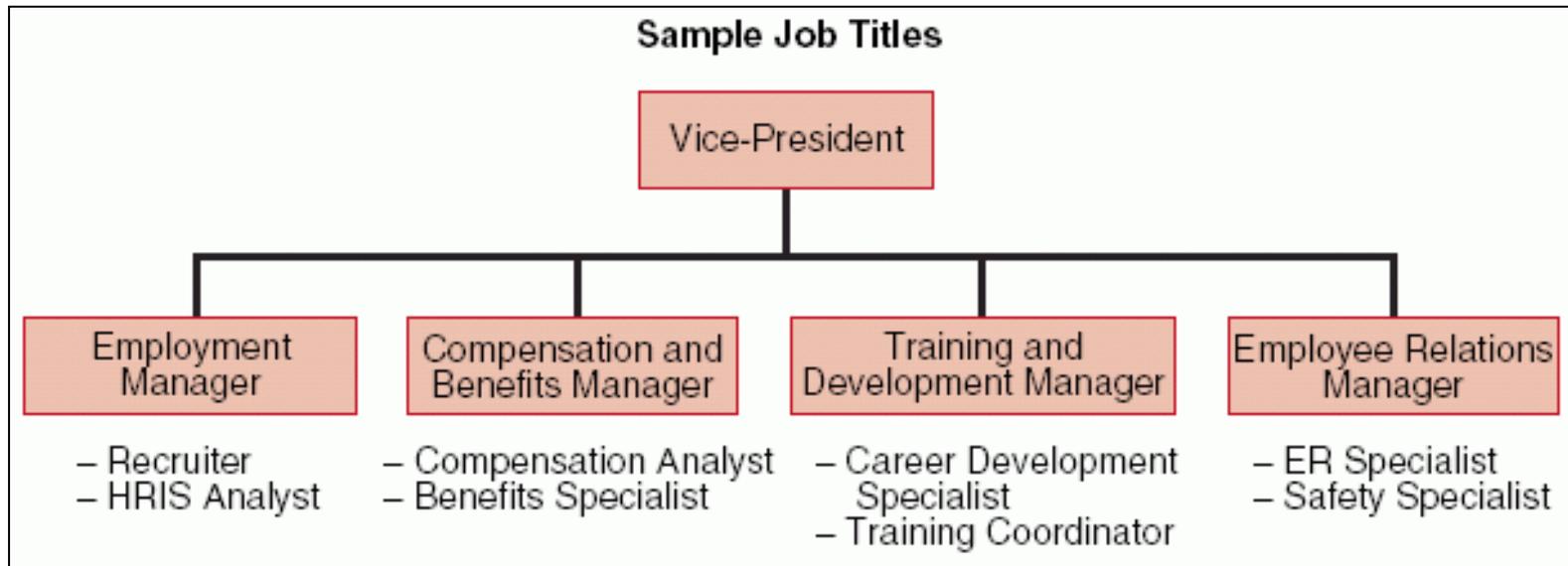
- Classic Motivation Theories
 - **Hierarchy of Needs** –Maslow
 - **Theory X – Theory Y** –McGregor
 - **Motivation – Hygiene** – Herzberg
 - **Achievement, Affiliation, and Power Motives** – McClelland
 - **Equity Theory** – Adams
 - **Expectancy Theory** - Vroom

How Important is the Maintenance Function?

- Activities in HRM concerned with maintaining employees' commitment and loyalty to the organization.
 - Health
 - Safety
 - Communications
 - Employee assistance programs
- Effective communications programs provide for 2-way communication to ensure that employees are well informed and that their voices are heard.

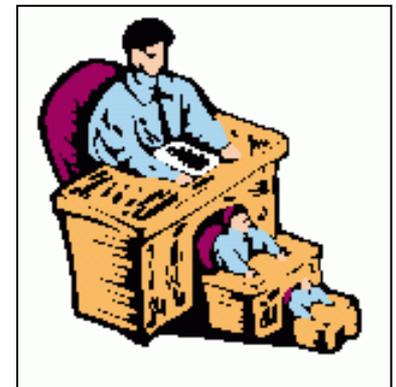
Translating HRM Functions into Practice

- Four Functions:
 - Employment
 - Training and development
 - Compensation/benefits
 - Employee relations



HRM in an Entrepreneurial Enterprise

- General managers may perform HRM functions, HRM activities may be outsourced, or a single generalist may handle all the HRM functions.
- Benefits include
 - freedom from many government regulations
 - an absence of bureaucracy
 - an opportunity to share in the success of the business



HRM in a Global Village

- HRM functions are more complex when employees are located around the world.
- Consideration must be given to such things as foreign language training, relocation and orientation processes, etc.
- HRM also involves considering the needs of employees' families when they are sent overseas.

HR and Corporate Ethics

- HRM must:
 - Make sure employees know about corporate ethics policies
 - Train employees and supervisors on how to act ethically