Human Resource - Key to success
01. Introduction to HRM
Human as a Resource

• "I emphasize this; no matter how good or successful you are or how clever or crafty, your business and its future are in the hands of the people you hire".

• Akio Morita (Late) (Businessman and co-founder of Sony Corporation. Japan)
Unique Characteristics of HR

1. It is conscious, active and living.
2. It has the ability to think, feel and react.
3. Its value rises with the passage of time.
4. It has the ability to influence on determining its cost.
5. It has the ability to organize.
6. Its behavior is complex and may be unpredictable.
7. It has the ability of creativity and innovation.
8. It makes decisions in respect of all other resources.
HRM - Definition

“HRM is the effective and efficient utilization of human resources to achieve goals of an organization while achieving individual objectives.”
The Generic Purpose of HRM

“ The generic purpose of HRM is to generate and retain an appropriate and contented human/employee force, which gives the maximum individual contribution to organizational success.”
EFFICIENT & EFFECTIVE UTILIZATION

Efficient Utilization of HR:

- The optimum use of employees by eradicating (eliminating) wastage.
- Utilizing the right employees in right number at the right cost.

Effective Utilization of HR:

- The Utilization of employees so as to fully accomplish the goals of the organization.
Employee productivity is the relationship between employee inputs and outputs. It is the ratio of employee outputs to employee inputs within a certain period of time.

2. Employee Development
It involves provision of opportunities as many as possible to accomplish employees’ personal objectives, improvement of their career path or career development, and enhancement of their competencies through the development of knowledge, skills and attitudes.
3. To increase Quality of Work Life (QWL)

QWL is a wide and abstract concept gross meaning of which is that all the employees have the opportunity of presenting their ideas, suggestions and opinions before making decisions which affect them.

4. To ensure Legal Compliance HR of the organization should be utilized so as to conform to various laws imposed by the government in relation to managing people.
5. To ensure Customer Compliance
Currently a growing number of organizations will have to comply with various prescriptions given by their important customers.
Objectives of HRM

1. procure right people at the right time to do the right jobs
2. retain the most appropriate employees within the organization
3. get and improve organizational commitment of the employees
4. generate and enhance job involvement & organizational citizenship
5. motivate employees
6. enhance job satisfaction
7. control the cost of employees
8. Employee development.
9. To increase Quality of Work Life (QWL)
10. To ensure legal compliance.
Functions of HRM

1. Job Design
2. Job Analysis
3. Human Resource Planning
4. Recruitment
5. Selection
6. Hiring
7. Induction/Orientation
Functions of HRM

8. Performance Evaluation
9. Compensation Management
10. Training and Development
11. Welfare Administration.
13. Industrial Relations
Integrated Approach to HRM

Job Design
Job Analysis
Human Resource Planning
Recruitment
Selection
Hiring
Induction/Orientation
Performance Evaluation
Compensation Management
Training and Development
Welfare Administration.
Health and Safety Administration.
Industrial Relations

Operations
Finance
Marketing
IT
RESPONSIBILITY FOR FUNCTIONS OF HRM

Is it HR Managers responsibility? No

Its Everyone's Responsibility

• Every manager has a certain set of subordinates who need to be managed. Every manager has to perform functions of managing these subordinates
SIGNIFICANCE OF HRM

1. HR is the most important resource that managers utilize to achieve goals and objectives of an organization.

2. Quality of other functional fields of management heavily depends on quality of HRM in an organization.

3. HRM is a vital responsibility of every manager in an organization.
SIGNIFICANCE OF HRM

4. Other resources make things possible but only human resources make things happen.

5. HRM contributes to organizational success and then societal success.

6. Management of employees is more difficult than managing other resources.
SCOPE OF HRM

Activities of HRM Can be

1. Strategic Human Resource Activities
2. Advisory HR Activities
3. Operational HR Activities
SCOPE OF HRM

1. Strategic HR Activities

- Policy Making
- Designing HR strategies
- Contributing to corporate plan
- Integrating HR with other activities.
SCOPE OF HRM

2. Advisory HR Activities

- HR Planning
- Industrial Relations
- Industrial Law
- Training & Development
- Career Management
SCOPE OF HRM

3. Operational HR Activities
   - R & S
   - Job Analysis
   - Job Evaluation
   - Salary Administration
   - Grievance Handling
   - Disciplinary Procedure
   - Personal Records
   - Performance Evaluation
1. HRM as a profession
2. HRM is becoming as a strategic partner.
3. Measuring the contribution of HRM. (HR Scorecards, HR Accounting)
4. HRIS
5. Outsourcing
8. Legal environment
9. Multi Cultural environment