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# Introduction to HRM

**M.COM PART-1**

**PAPER-VIII (HRM)**

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# Fundamentals of Human Resource Management

# Management Essentials

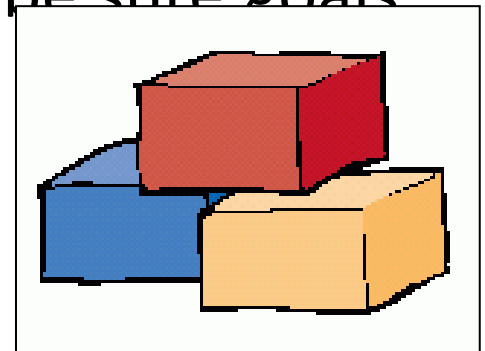
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- Management involves setting goals and allocating scarce resources to achieve them.
- Management is the process of efficiently achieving the objectives of the organization with and through people.

# Management Essentials

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- 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?

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- 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?

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- 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?

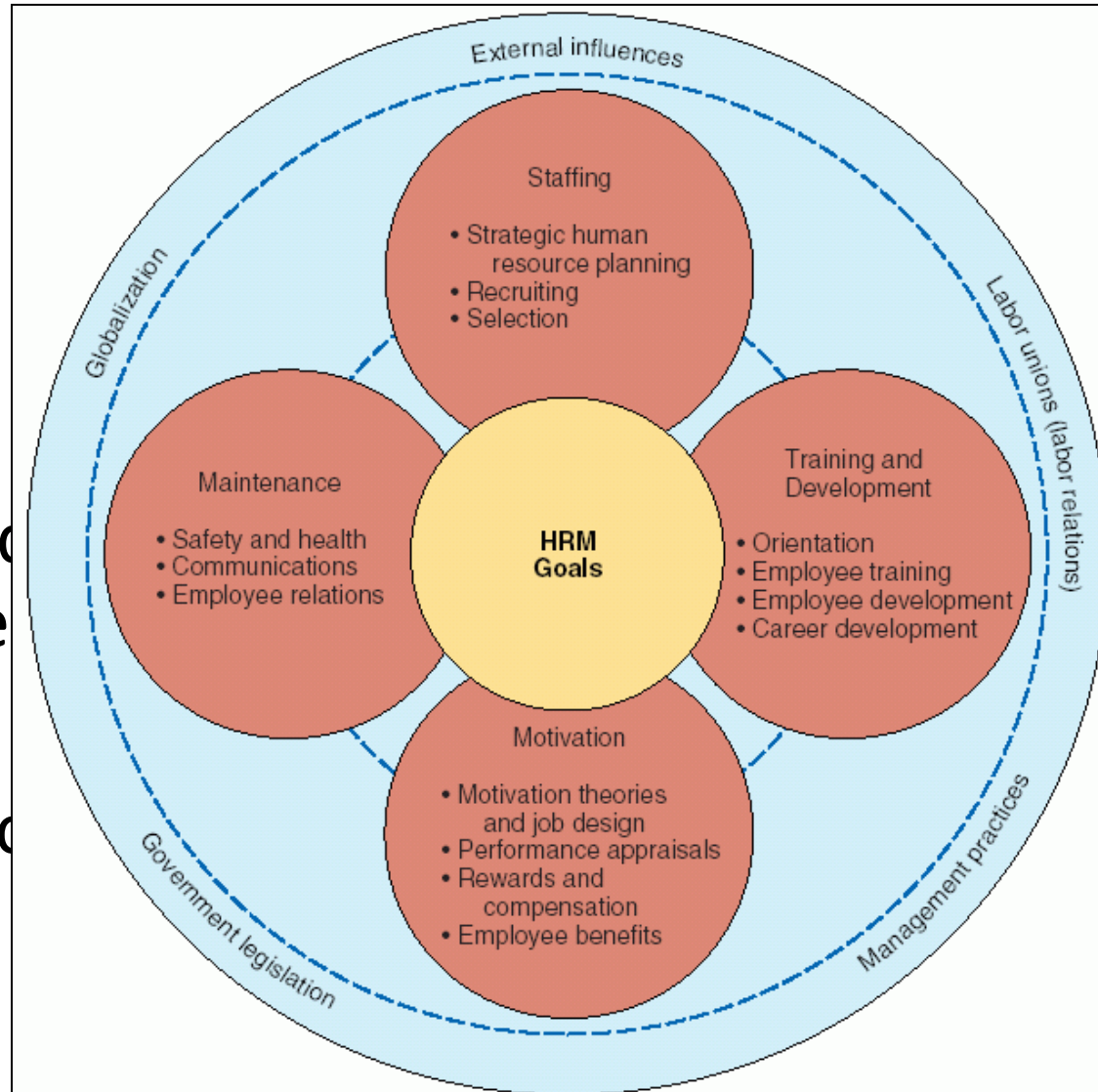
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- HRM is the part of the organization concerned with the “people” dimension.
- HRM is both a staff, or support function that assists line employees, and a function of every manager’s job.
- HRM Certification
  - Colleges and universities offer HR programs.

# Why is HRM Important to an Organization?

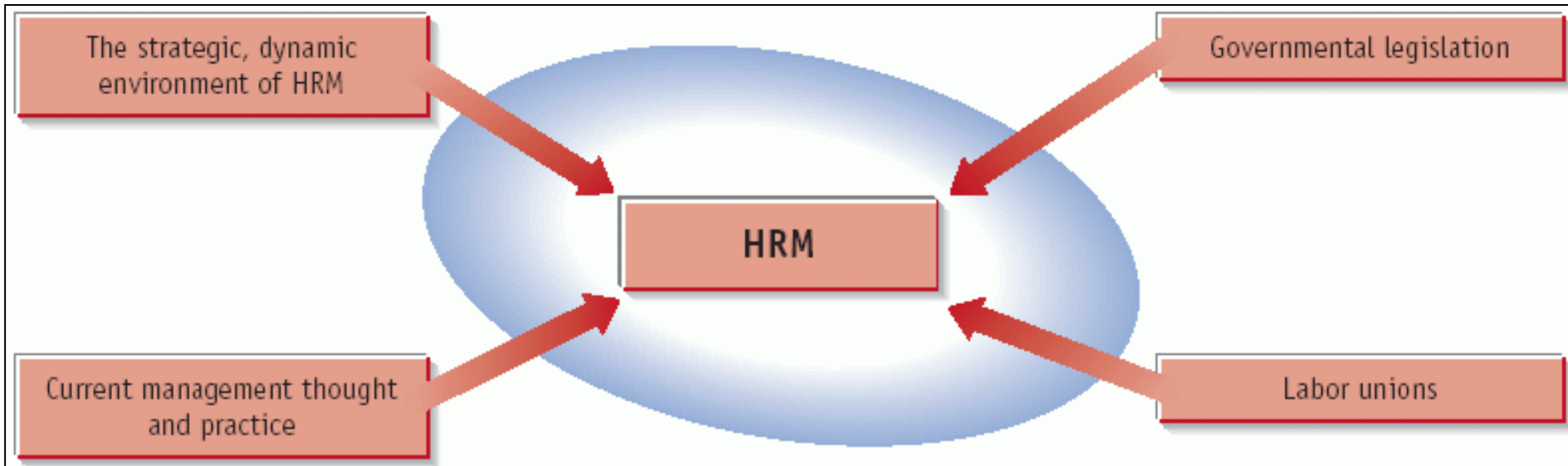
## Four basic functions:

- Staffing
- Training and Development
- Motivation
- Maintenance





# How External Influences Affect HRM



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

# How External Influences Affect HRM

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- 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

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- 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

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- 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

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- *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

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- *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

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- 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

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- 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

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

# The Motivation Function

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- **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

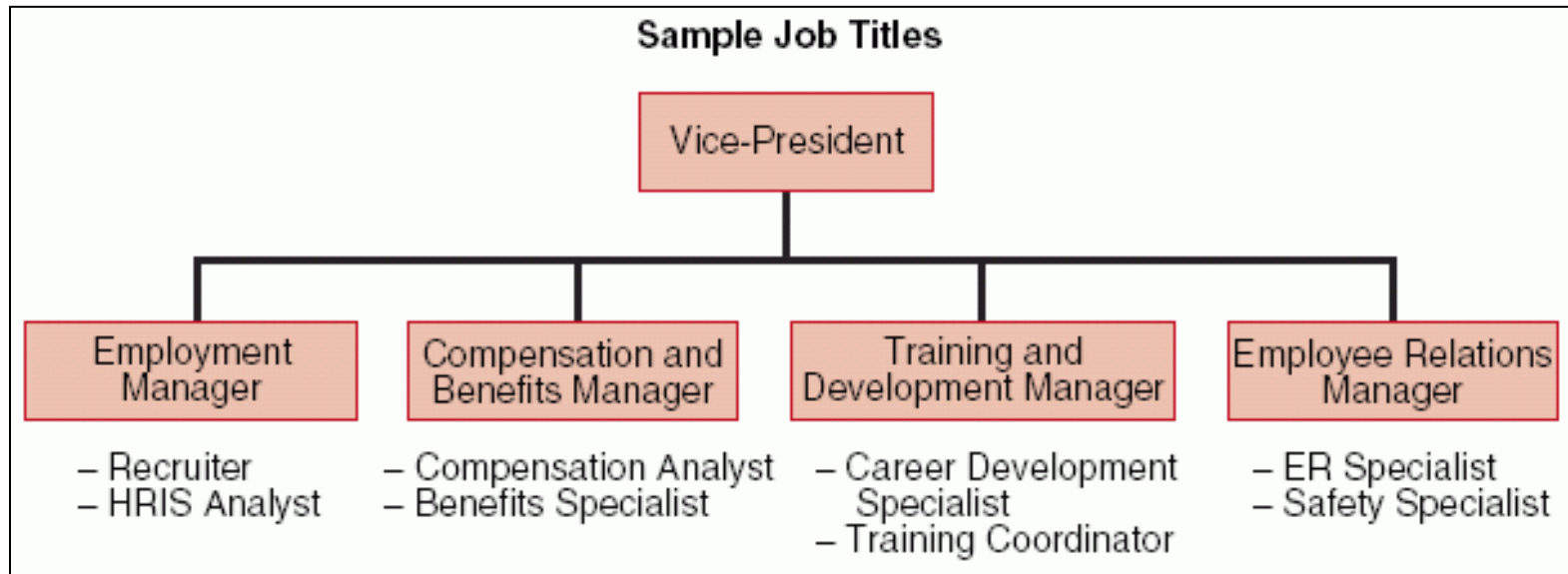
# How Important is the Maintenance Function?

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- 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

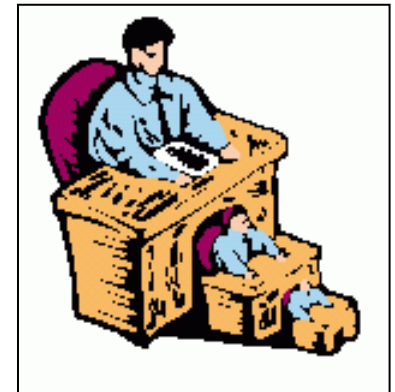
- Four Functions:
  - Employment
  - Training and development
  - Compensation/benefits
  - Employee relations



# HRM in an Entrepreneurial Enterprise

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- 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

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- 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

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