

Human Resource Management

Lecture 8

MGM111
Principle of Management

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Lec. 8

The main points:

Human resources define

Function of human resources

Human Resource Management

Human resource planning

**Human Resource Management
Functions**

**Dynamic Human Resource
Management Environment**





Human Resource Definition

Human resources (HR)

is the department in every organization that is responsible for the hiring, managing, and exit-related functions in the organization. It focuses on the functions of people in business, following the best work practices.



Human Resource, other Definition

Human Resources (HR) are the people an organization employs to carry out various jobs, tasks, and functions in exchange for wages, salaries, and other rewards.

Function of Human Resources

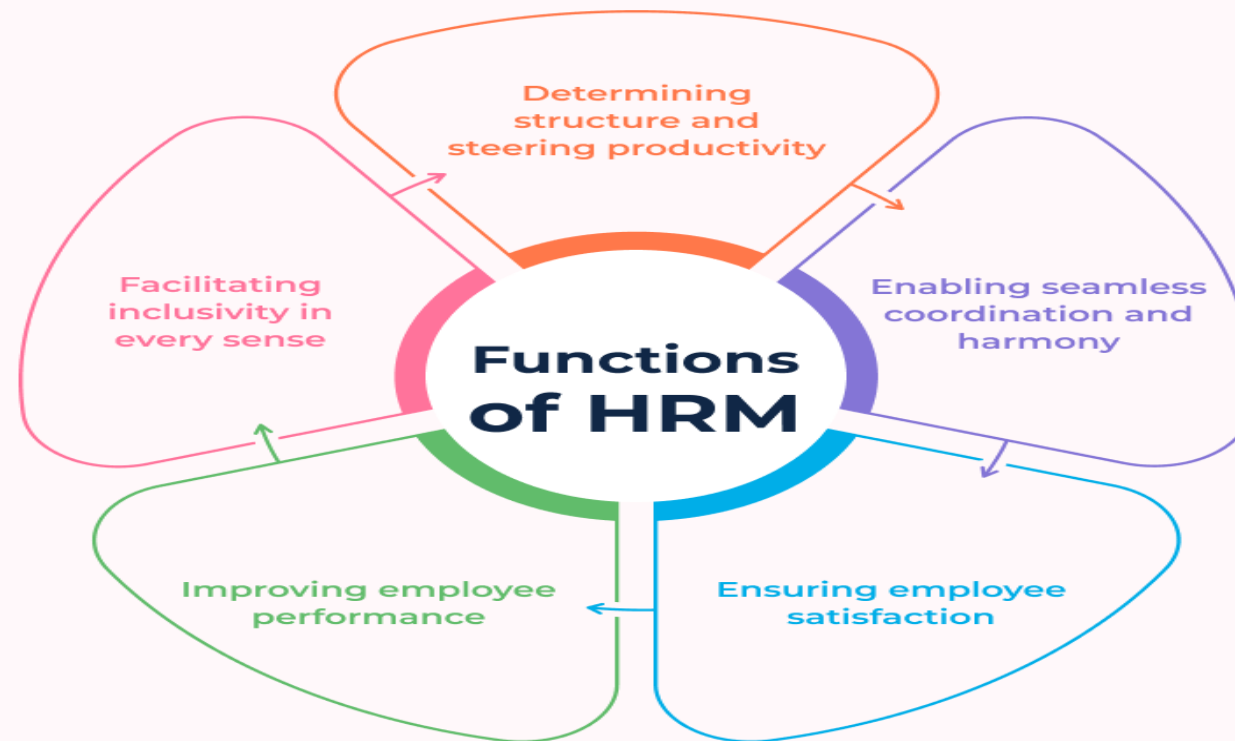
- ☐ Human resource planning
- ☐ Recruitment and selection
- ☐ Training and development
- ☐ Maintenance of personnel records
- ☐ Legislation التشريع والقواعد
- ☐ Employee relations
- ☐ Grievance and discipline التظلم والإنضباط



Human Resource Management

The process of planning, organizing, directing (motivating), and controlling the procurement, development, compensation, integration, maintenance, and separation of organizational human resources to the end that organizational, individual, and societal needs are satisfied.

5 Main Human Resource Management Objectives



5 Main Human Resource Management Objectives

Determining structure and steering productivity

To organize the structure, work policies and ethics must be defined clearly. Thereafter, to steer productivity, HRM helps in hiring the best fit for the vacant position and then works on polishing the resource with proper training, workshops, seminars

5 Main Human Resource Management Objectives

Enabling seamless coordination and harmony

Every individual brings a set of interpersonal traits and values with them. Majority of them have different opinions and values which become a reason for conflict sometime or the other.

Even a slight disagreement on political views can disrupt the harmony. Additionally, coordination among various departments and within each department must be taken care of.

5 Main Human Resource Management Objectives

Ensuring employee satisfaction

It is vital for the human resource professionals to keep the employees happy with the organization. Disgruntled employees can never contribute optimally.

So, strategies should be made and executed to keep the employees satisfied. Work environment, rewards and recognition in the form of incentives, must be planned to strengthen the bond and surge the happiness. All this is done to align the individual goals of the employees with that of the organization.

5 Main Human Resource Management Objectives

Improving employee performance

Measuring performance of employees is another important HRM objective. To keep the employees fueled and the productivity soaring, HRs should evaluate the employee's performance.

Frequent feedback and rewards help employees in staying focused and improving their work even more. They also help a lot at the time of appraisals as you don't have to rely on your memory but the data

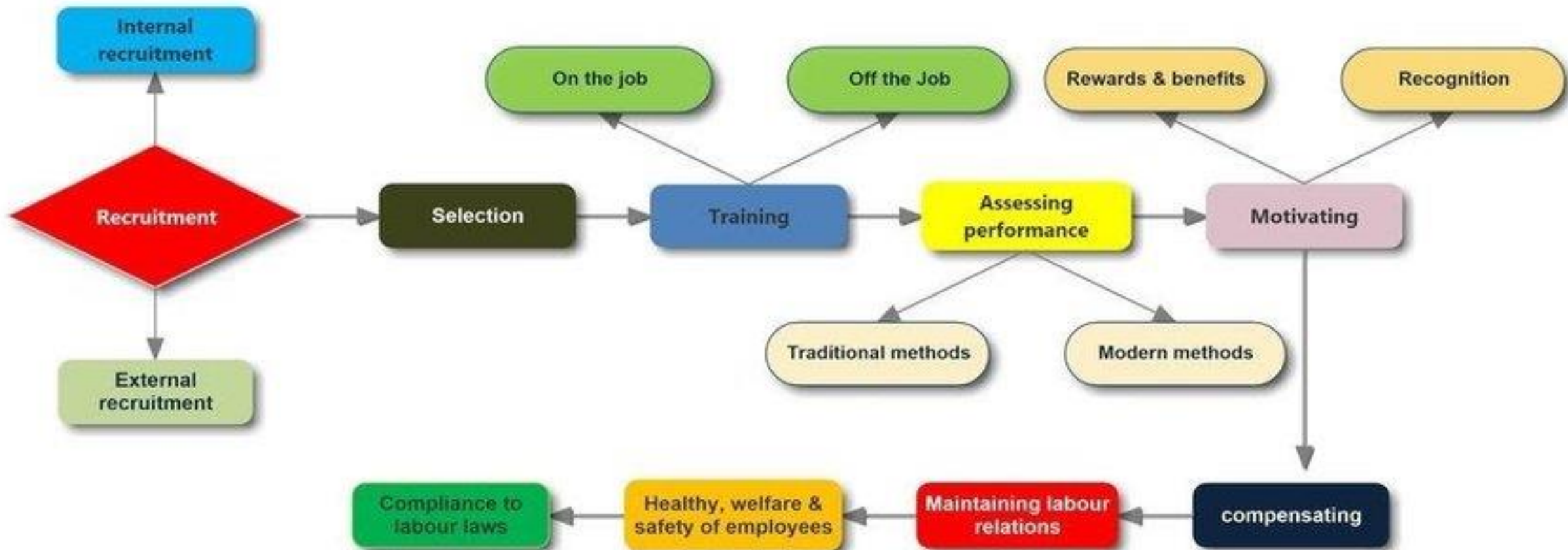
5 Main Human Resource Management Objectives

Facilitating inclusivity in every sense

Making workplaces inclusive is the need of the hour. The objective may seem to be relatively new, The HRM must work to end the disparity based on caste, creed, and gender in salaries. There should also be no bias at the time of recruiting. If they deserve the position, they should get it.

Sessions for gender sensitization should be conducted and a check on behavior of employees towards each other should also be kept.

HRM Process



In most organizations today, the role of human resource management has become quite important.

This results partly from a growing realization of the importance of people as a source of competitive advantage, but there are more practical reasons, such as:

Human Resource Management in Larger and small Organizations

Larger Organizations

- ✓ As the organization grows a separate human resource unit becomes a necessity.
- ✓ When an organization reaches 200 to 250 employees, it generally establishes a self-contained human resource department.
- ✓ As the organization continues to grow the human resource department grow as well into specialized departments.

Smaller Organizations

- ✓ Small organizations still use operating managers to handle their basic human resource functions.
- ✓ Very small organizations are exempt from many legal regulations.



Human Resource Management includes all activities used to attract & retain employees and to ensure they perform at a high level in meeting organizational goals.

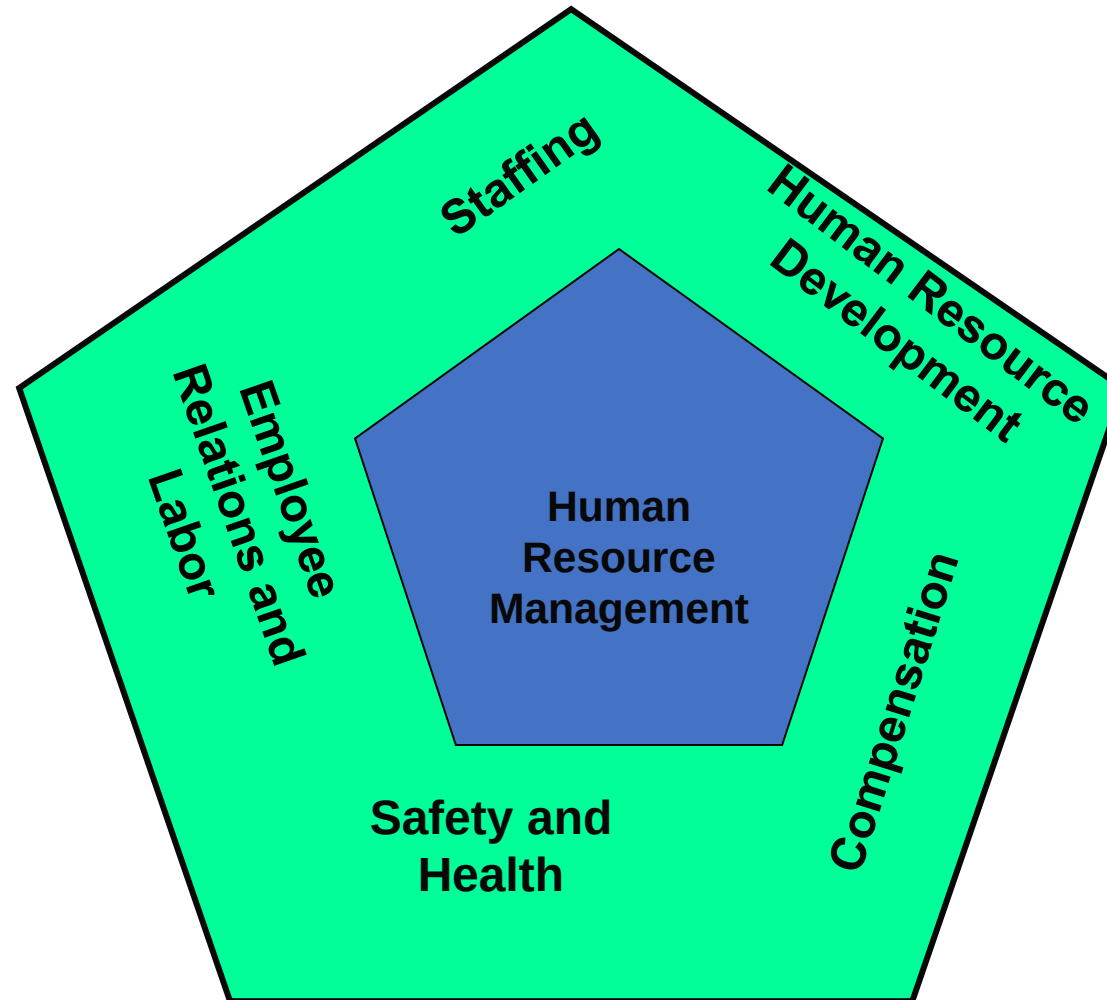
Human Resource Management

These activities are made up of:

1. Recruitment & selection.
2. Training and development.
3. Performance appraisal and feedback.
4. Pay and benefits.
5. Labor relations.

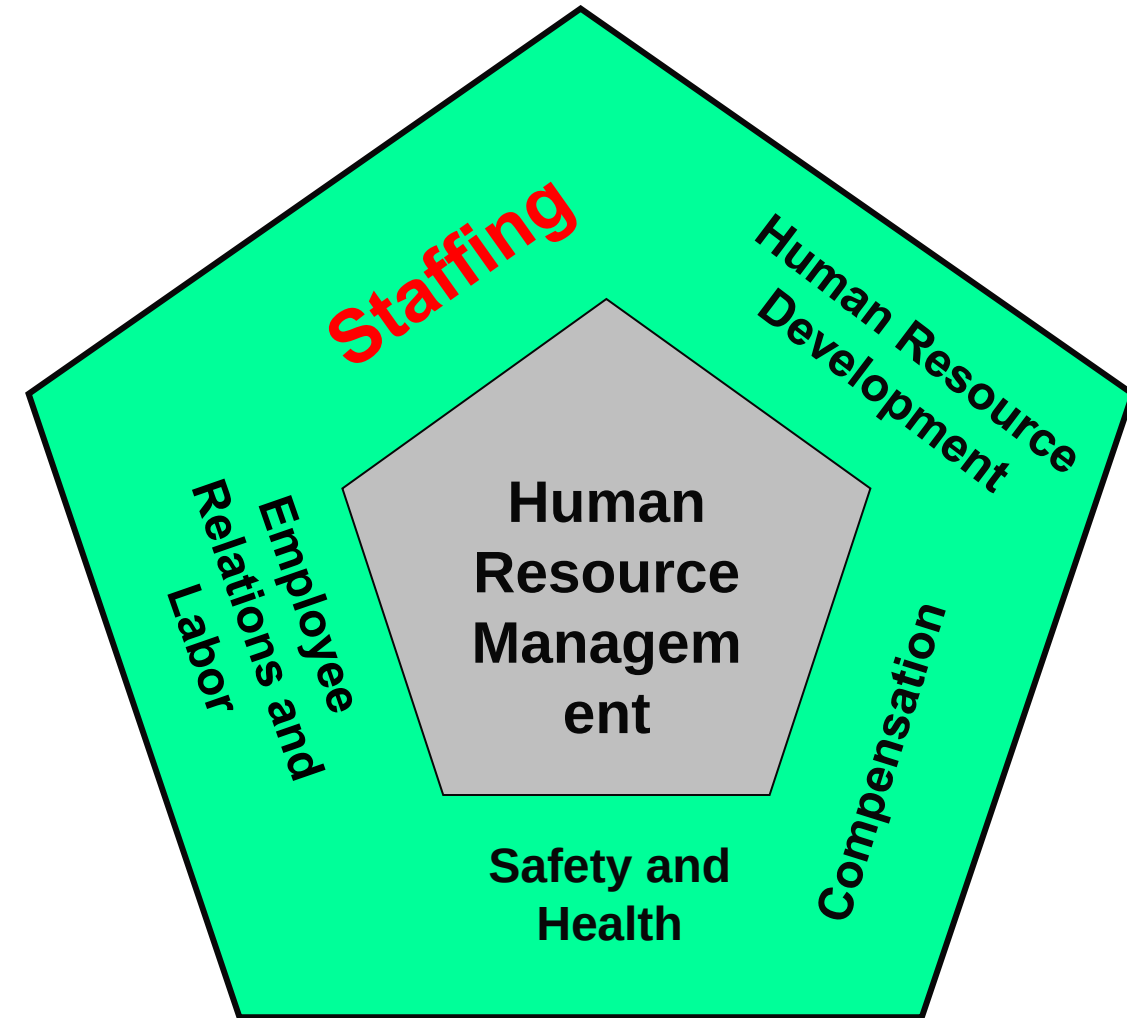


Human Resource Management Functions



Staffing

Process through which organization ensures it always has proper number of employees with appropriate skills in right jobs at right time to achieve organizational objectives



Staffing

Job Analysis

Systematic process of determining skills, duties, and knowledge required for performing jobs in organization

Selection

Choosing from a group of applicants the individual best suited for a particular position in the organization

Human Resource Planning

includes all activities managers do to forecast current and future HR needs

Recruitment

Attracting individuals on a timely basis, in sufficient numbers, and with appropriate qualifications, to apply for jobs with an organization

Job Analysis

The act of examining
positions within an
organization

Job Description-narrative explaining the scope of a position

Job Characteristics-tasks involved in a position

Job Requirements-personal characteristics necessary to fill a
position

Selection

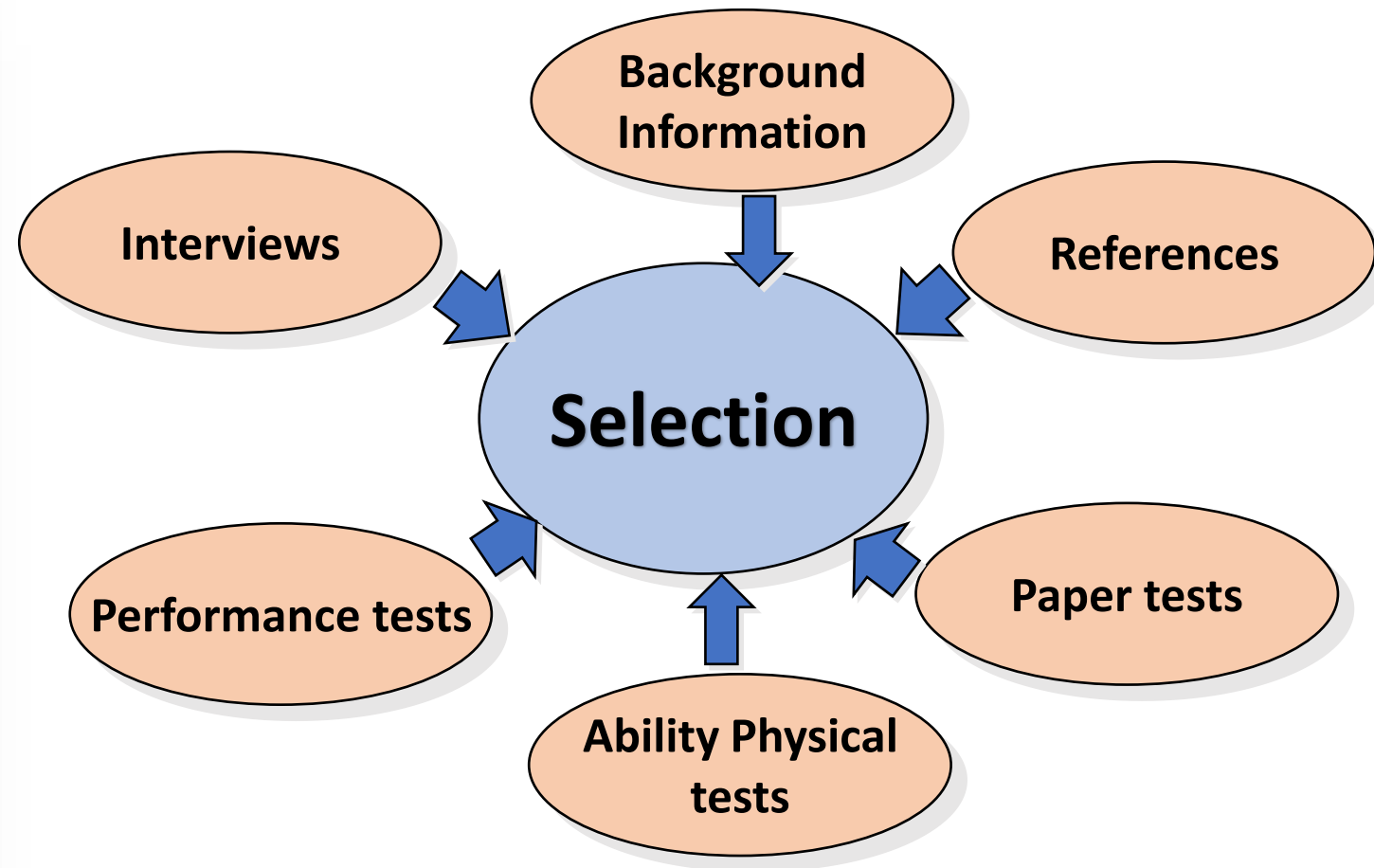
After a pool of applicants are identified, qualifications related to the job requirements are determined:

- **Background Information:** includes education, prior employment, college major, etc.
- **Interview:** almost all firms use one of two types:

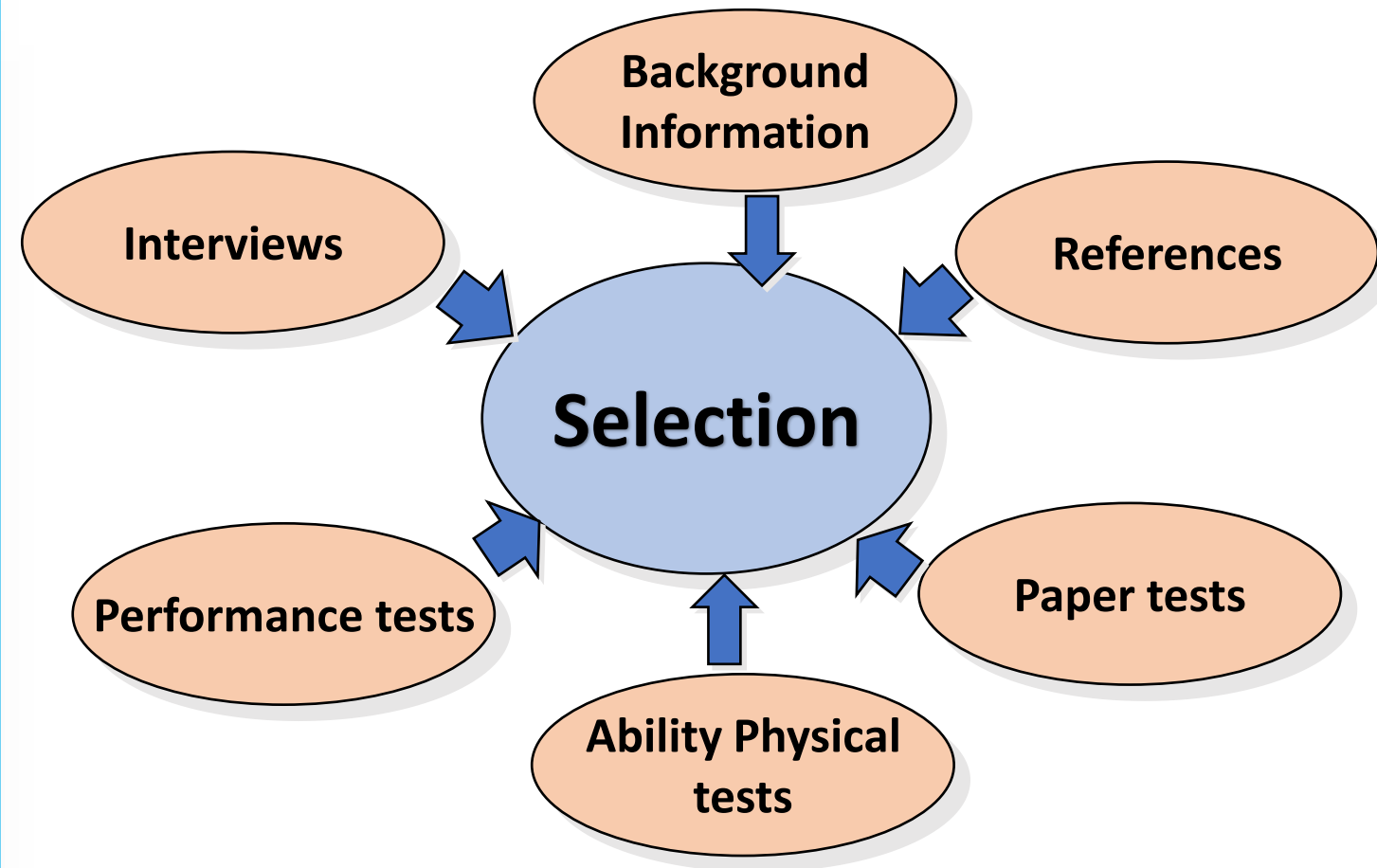
Structured interview: managers ask each person the same job-related questions.

Unstructured interview: held like a normal conversation.

- **Physical Ability Test:** measure strength & endurance(good for physically demanding jobs)



- **Ability test:** assess if applicant has right skills for the job.
- **Personality test:** seek traits relevant to job performance. (**Be sure test is a good predictor of job performance**).
- **Performance Tests:** measure job performance.(Typing speed test is one example).
- **References:** outside people provide candid information about candidate. (Can be hard to get accurate information).



HR Planning

- **Must be done prior to recruitment and selection**
- **Demand forecasts made by managers estimate the number & qualifications the firm will need.**
- **Supply forecasts estimate the availability and qualifications of current workers and those in the labor market.**

Factors affecting human resource planning

- **Competition**
- **Changing goals of a business**
- **Changes in market**
- **Changes in technology**
- **Population changes**
- **Government legislation**

6 Steps for Effective HR Planning



Recruitment

External recruiting

Managers look outside the firm for people who have not worked at the firm before.

Managers advertise in newspapers, hold open houses, recruit at universities, and on the Internet.

Internal recruiting

positions filled within the firm.

Compare between External & Internal recruiting

External recruiting

is difficult since many new jobs have specific skill needs.

Internal recruiting

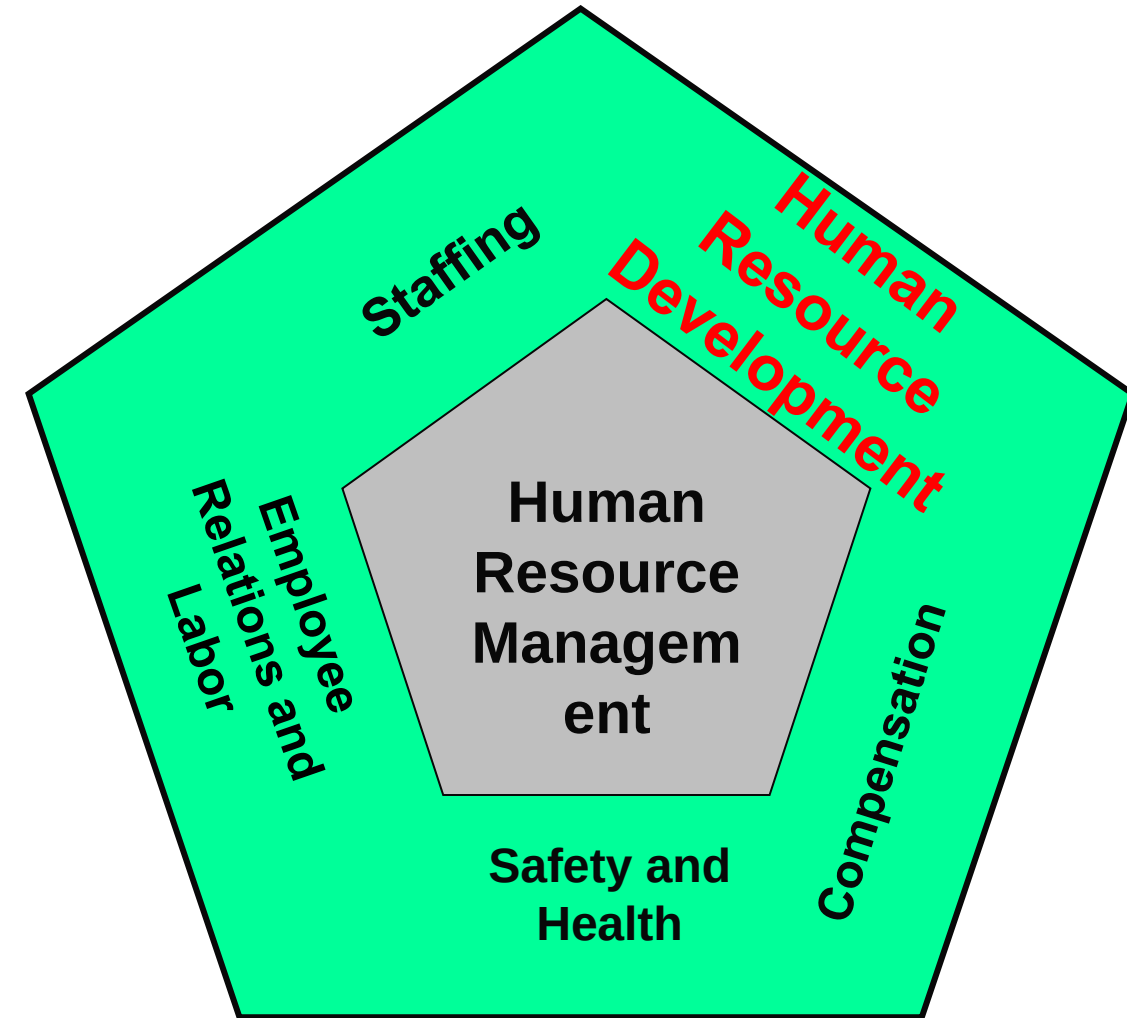
Workers know the firm's culture, may not have new ideas.
Managers likely already know the candidates.
Internal advancement can motivate employees.

Human Resource Development

Training - Designed to provide learners with knowledge and skills needed for their present jobs

Development - Involves learning that goes beyond today's job; it has more long-term focus

Career planning - Ongoing process whereby individual sets career goals and identifies means to achieve them





Training

Teach organizational members how to perform current jobs.

Development

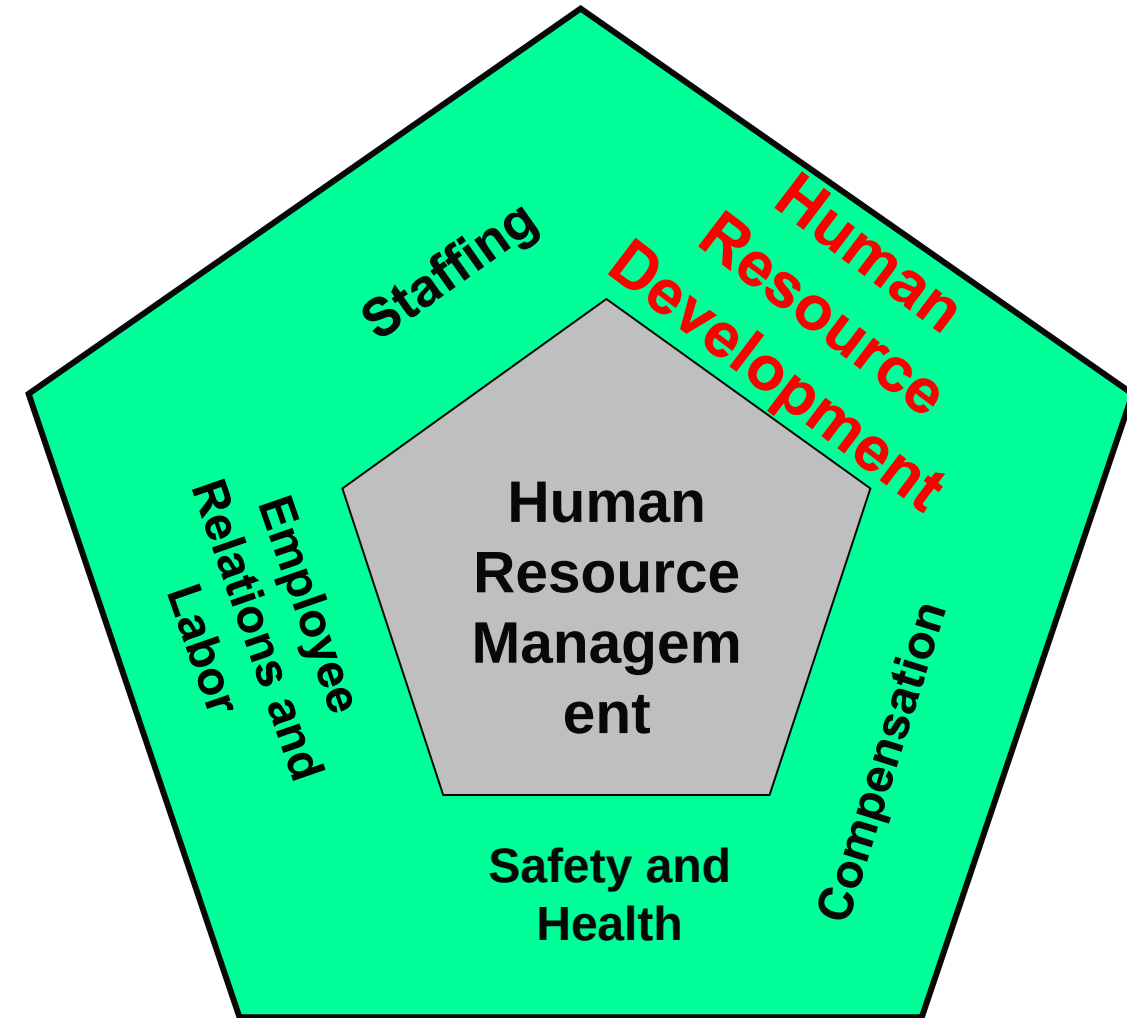
Build worker's skills to enable them to take on new duties.

Training used more often at lower levels of firm, **development** is common with managers.

Human Resource Development

Career development - Formal approach used by organization to ensure that people with proper qualifications and experiences are available when needed

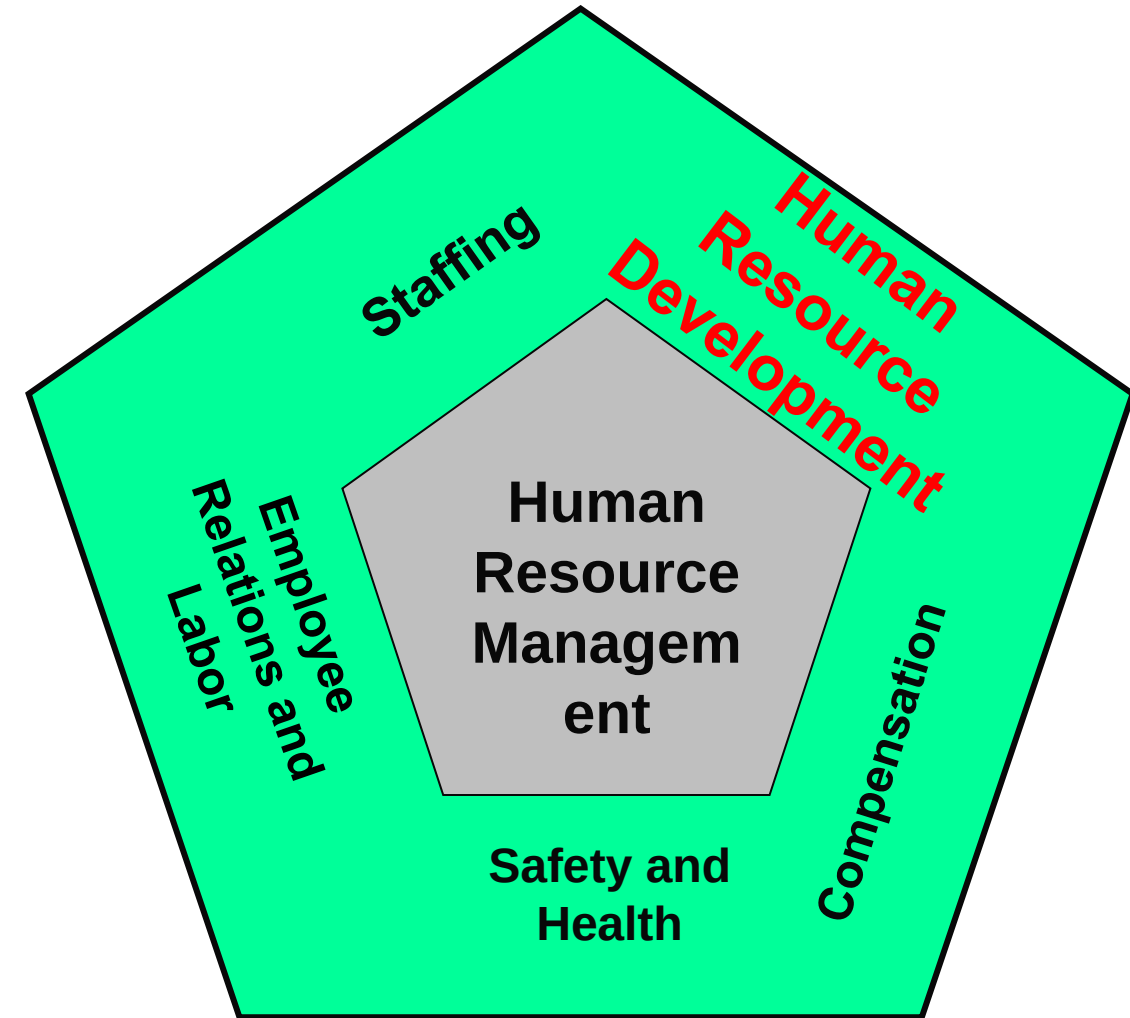
Organization development - Planned process of improving organization by developing its structures, systems, and processes to improve effectiveness and achieving desired goals.



Human Resource Development

Performance management - Goal-oriented process directed toward ensuring organizational processes are in place to maximize productivity of employees, teams, and ultimately, the organization

Performance appraisal - Formal system of review and evaluation of individual or team task performance





Process of evaluating employee performance

- **job related strengths**
- **development needs**
- **progress toward goals**
- **determine ways to improve performance**
- **Pay an promotion decisions**

More systematic is better, for the most part

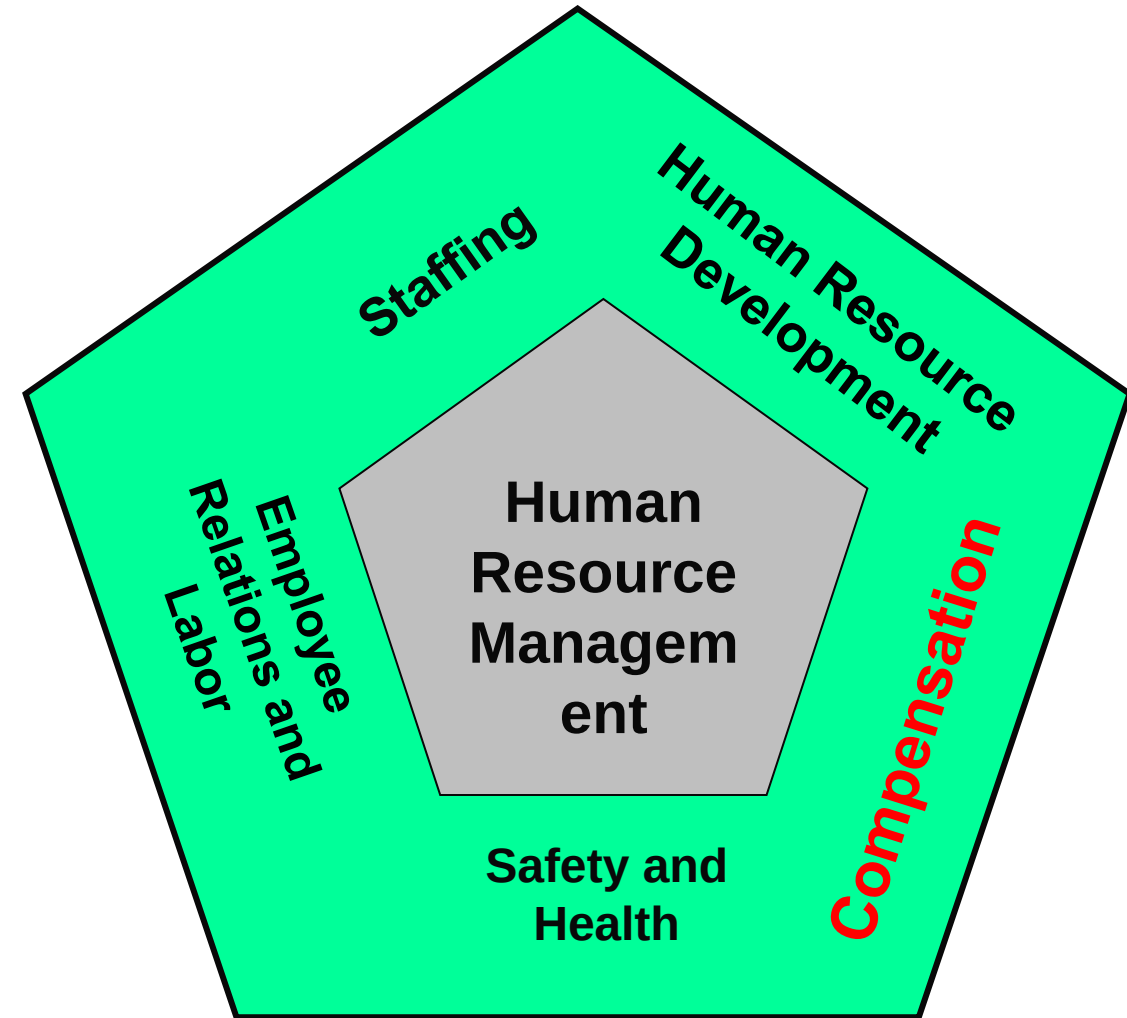
Compensation

All rewards that individuals receive as a result of their employment.

Direct Financial Compensation - Pay that person receives in form of wages, salaries, bonuses, and commissions.

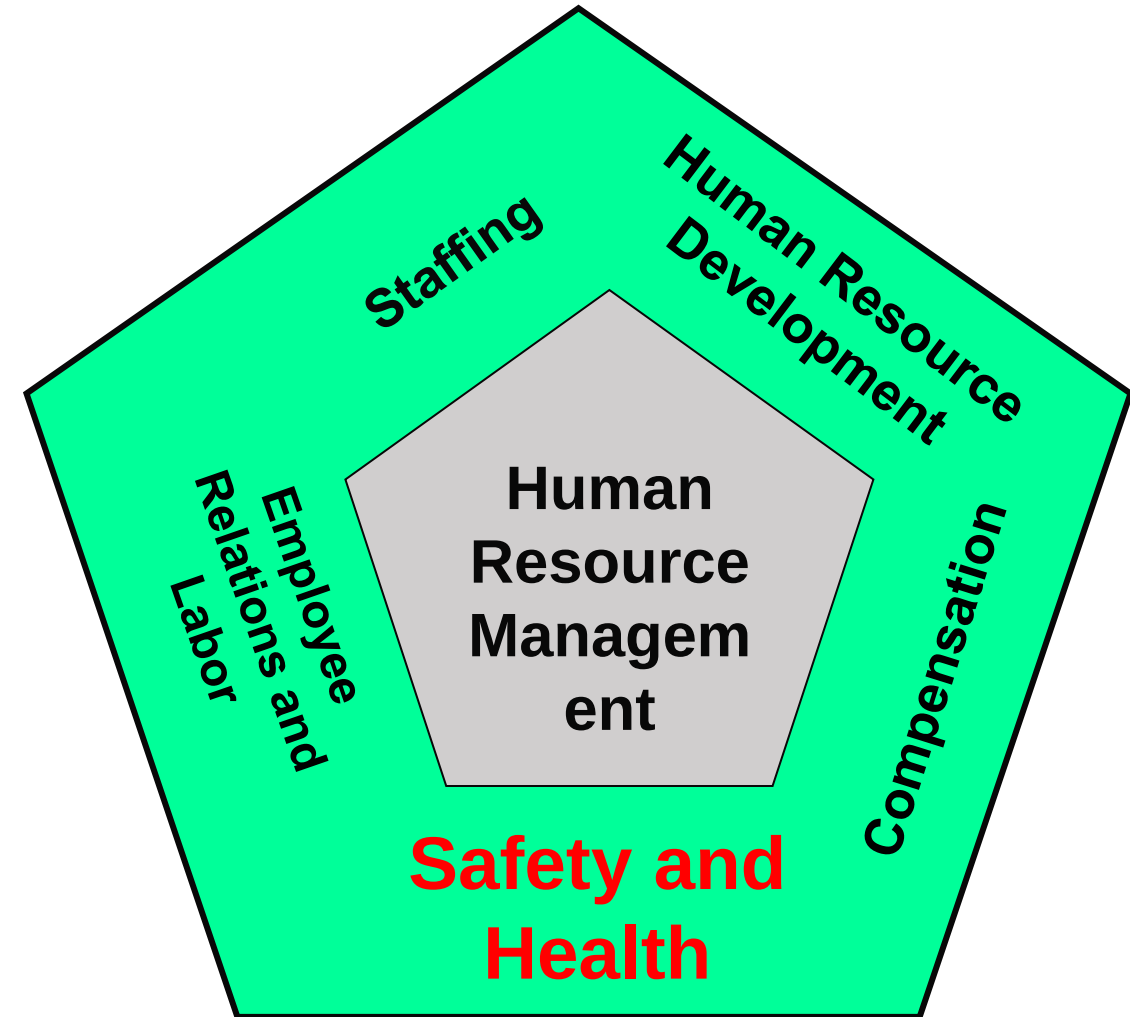
Indirect Financial Compensation (Benefits) - All financial rewards not included in direct compensation such as paid vacations, sick leave, holidays, and medical insurance.

Nonfinancial Compensation - Satisfaction that person receives from job itself or from psychological and/or physical environment in which person works.



Safety and Health

- **Safety** - Involves protecting employees from injuries caused by work-related accidents
- **Health** - Refers to employees' freedom from illness and their general physical and mental well being

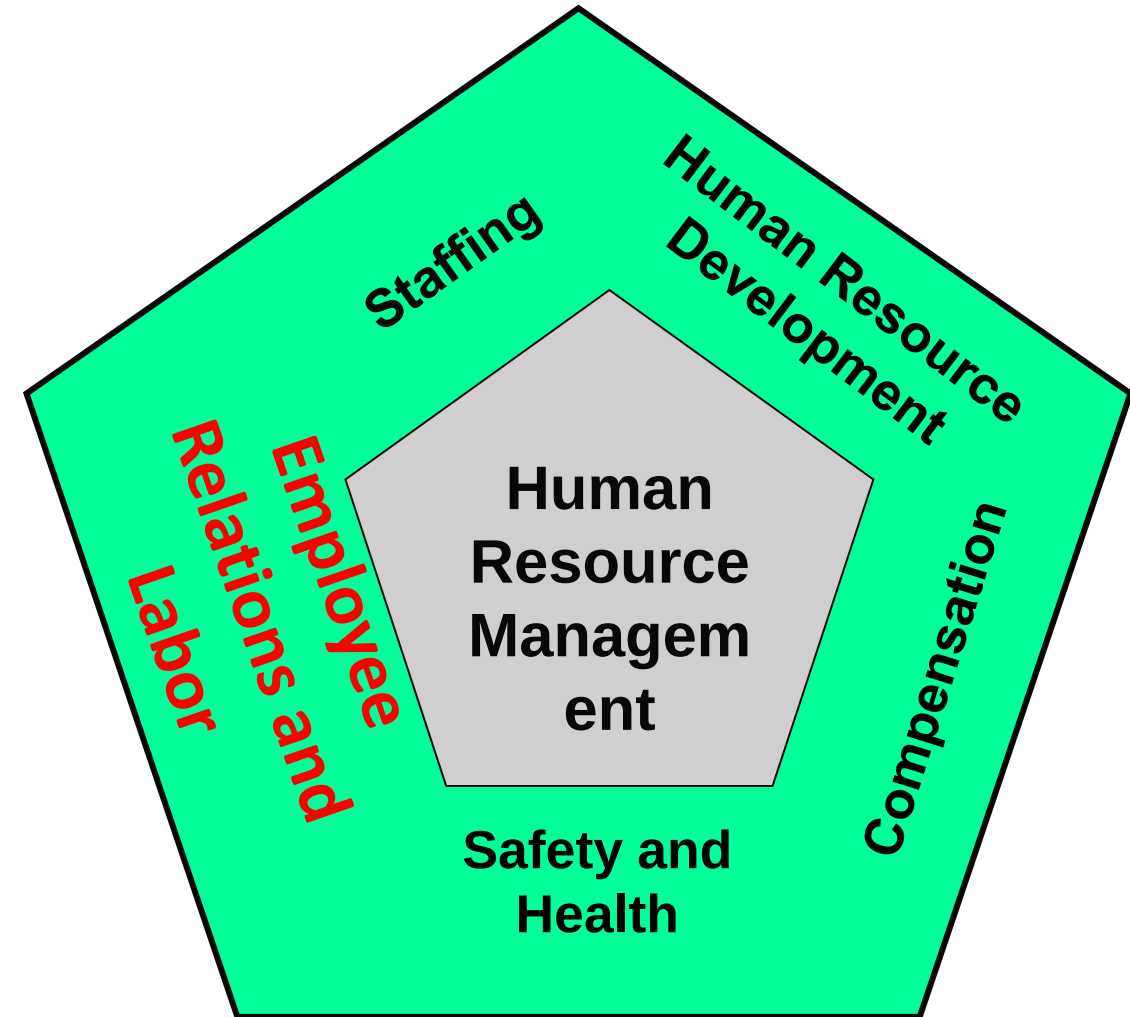


Remember

Employees who work in safe environment and enjoy good health are more likely to be productive and yield long-term benefits to organization.

Employee Relations and Labor

- Business is required by law to recognize a union and bargain with it in good faith if the firm's employees want the union to represent them
- Human resource activity is often referred to as industrial relations
- Most firms today would rather have a union-free environment



Environment of Human Resource Management

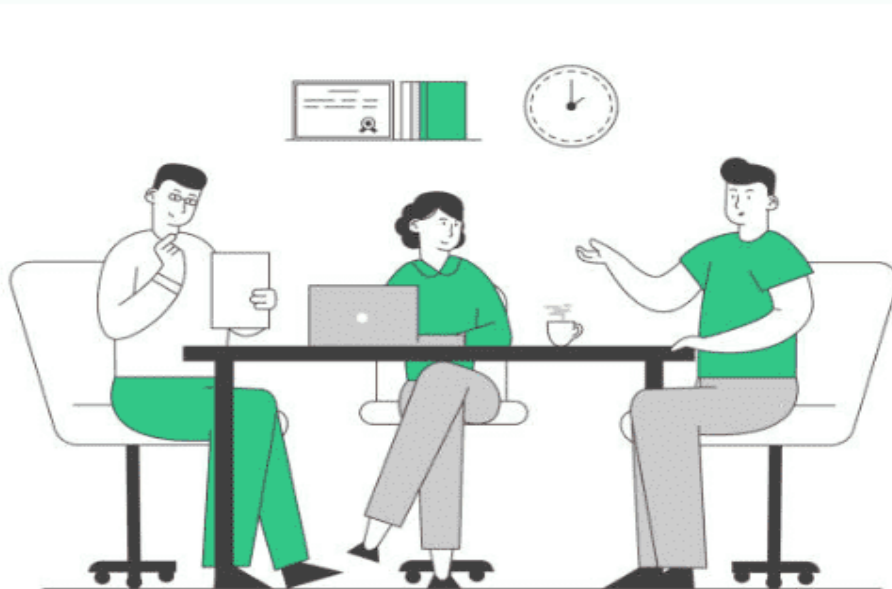
The Environments of Human Resource Management



Figure 2-1

Trends Shaping Human Resource Management

Challenges in Human Resource Management



01

Talent acquisition and retention

02

Managing workforce diversity

03

Employee engagement and motivation

04

Managing organizational change

05

Compliance with labor laws and regulations

06

Technology and automation

Trends Shaping Human Resource Management





Thank You