

Human Resource Management

Definition

- The process of hiring and developing employees so that they become more valuable to the organization.
- Human Resource Management includes conducting job analyses, Planning personal needs, recruiting the right people for the job, orienting and training, managing salaries, providing benefits and incentives, evaluating performance, resolving disputes, and communicating with all employees at all levels.
- Examples of core qualities of HR management are extensive knowledge of the industry, leadership, and effective negotiation skills.
- Formerly called personnel management.

Human Resource Management.....

is the process of recruitment, selection of employee, providing proper orientation and induction, providing proper training and the developing skills, assessment of employee (performance of appraisal), providing proper compensation and benefits, motivating, maintaining proper relations with labour and with trade unions, maintaining employees safety, welfare and health by complying with labour laws of concern state or country.

- **Why name human resource management?**
- **Human:** refer to the skilled workforce in the organisation.
- **Resource:** refer to limited availability.
- **Management:** refer to maximise or proper utilisation and make best use of limited resource.

- Altogether, human resource management is the process of proper and maximise utilisation of available limited skilled workforce. The core purpose of the human resource management is to make efficient use of existing human resource in the organisation.
- Every organisations' desire is to have skilled and competent people to make their organisation more effective than their competitors. Humans are very important assets for the organisation rather than land and buildings, without employees (humans) no activity in the organisation can be done. Machines are meant to produce more goods with good quality but they should get operated by the human only.

Mr. N.R. Narayana Murthy, Chairman, Infosys Ltd.....

“ You must treat your employees with respect and dignity because in the most automated factory in the world, you need the power of human mind. That is what brings in innovation. If you want high quality minds to work for you, then you must protect the respect and dignity. ”

John F. Kennedy.....

“Our progress as a nation can be no swifter than our progress in education.
The human mind is our fundamental resource.”

- For any organisation to function effectively, it must have resource of men (Human Resource), money, materials and machinery. The resources by themselves cannot fulfil the objectives of an organisation, they need to be collected, co-ordinated and utilised through human resources.
- The effective management of human resources is also vital. Hence, Human Resource Management (HRM) has emerged as a major function in organizations.
- Human Resource Management is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training.

The administrative discipline of hiring and developing employees so that they become more valuable to the organization.

Human Resource management includes:

- conducting job analyses,
- planning personnel needs, and recruitment,
- selecting the right people for the job,
- orienting and training,
- determining and managing wages and salaries,
- providing benefits and incentives,
- appraising performance,
- resolving disputes,
- communicating with all employees at all levels. Formerly called personnel management.
- Maintaining awareness of and compliance with local, state and federal labour laws.
- These are also called as functions of human resource management .

Definitions:

Many great scholars had defined human resource management in different ways and with different words, but the core meaning of the human resource management deals with how to manage people or employees in the organisation.

Edwin Flippo defines.....

HRM as “planning, organizing, directing, controlling of procurement, development, compensation, integration , maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved.”

The National Institute of Personal Management.....

(NIPM) of India has defined human resources personal management as

“that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well-being of the individuals and of working groups, to enable them to make their best contribution to its success”.

Decenzo and Robbins says.....

HRM is concerned with the people dimension” in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organisational objectives. This is true, regardless of the type of organization – government, business, education, health or social action”.

- In simple words, **HRM** is a process of making the efficient and effective use of human resources so that the set goals are achieved.
- HRM can be defined as a process of procuring, developing and maintaining competent resources in the organization so that goals of an organization are achieved in an effective and efficient manner. In other words HRM is an art of managing people at work in such a manner that they give best to the organisation.

Role of Human Resource Management

The human resource management team suggests to the management how to strategically manage people as business resources. This includes managing recruiting and hiring employees, coordinating employee benefits and suggesting employee training and development strategies.

In this way, HR professionals are consultants, not workers in an isolated business function; they advise managers on many issues related to employees and how they help the organization achieve its goals.

Main Functions of Human Resource Management

- **Recruitment**

The success of recruiters and employment specialists generally is measured by the number of positions they fill and the time it takes to fill those positions. Recruiters who work in-house -- provide recruiting and staffing services, play a key role in developing the employer's workforce. They advertise job postings, source candidates, screen applicants, conduct preliminary interviews and coordinate hiring efforts with managers responsible for making the final selection of candidates.

- **Safety**

Workplace safety is an important factor. Under the Occupational Safety and Health Act of 1970, employers have an obligation to provide a safe working environment for employees. One of the main functions of HR is to support workplace safety training and maintain federally mandated logs for workplace injury and fatality reporting. In addition, HR safety and risk specialists often work closely with HR benefits specialists to manage the company's workers compensation issues.

- **Employee Relations**

In a unionized work environment, the employee and labour relations functions may be combined and handled by one specialist or be entirely separate functions managed by two HR specialists with specific expertise in each area. Employee relations is the HR discipline concerned with strengthening the employer-employee relationship through measuring job satisfaction, employee engagement and resolving workplace conflict. Labour relations functions may include developing management response to union organizations, negotiating, bargaining and solving labour union contract issues.

- **Compensation and Benefits**

Like employee and labour relations, the compensation and benefit functions of HR often can be handled by one HR specialist with dual expertise. On the compensation side, the HR functions include setting compensation structures and evaluating competitive pay practices. A compensation and benefits specialist also may negotiate group health coverage rates with insurers and coordinate activities with the retirement savings fund administrator.

- **Compliance**

Compliance with labour and employment laws is a critical HR function. Noncompliance can result in workplace complaints based on unfair employment practices, unsafe working conditions and general dissatisfaction with working conditions that can affect productivity and ultimately, profitability. HR staff must be aware of federal and state employment laws such as, the Civil Rights Act, the Fair Labour Standards Act, the National Labour Relations Act and many other rules and regulations.

• Training and Development

Employers must provide employees with the tools necessary for their success which, in many cases, means giving new employees extensive orientation training to help them transition into a new organizational culture. Many HR departments also provide leadership training and professional development. Leadership training may be required of newly hired and promoted supervisors and managers on topics such as performance management and how to handle employee relations matters at the department level. Professional development opportunities are for employees looking for promotional opportunities or employees who want to achieve personal goals such as finishing a college degree. Programs such as tuition assistance and tuition reimbursement programs often are within the purview of the HR training and development area.

What is Training ?

Dale S. Beach:

Defined training as “the organized procedure by which people learn knowledge and skill for a definite purpose.”

Edwin B. Flippo:

“Training is the act of increasing the knowledge and skill of an employee for doing a particular job”.

Importance of Training:

- 1. High productivity.**
- 2. Morale Booster.**
- 3. Better Quality of Work.**
- 4. Cost Reduction.**
- 5. Low accidental rate.**
- 6. Development of Skills**
- 7. Reduced Supervision.**

Types of Training:

1. On the job Training.

2. Of the job Training.

Methods of On the Job Training:

- 1. Coaching.**
- 2. Mentoring.**
- 3. Job Rotation.**
- 4. Job Instruction Technique.**
- 5. Apprenticeship.**
- 6. Committee Assignments.**

Benefits of On the Training:

- 1. Trainee is directly trained on job.**
- 2. It is formal time saving form of training.**
- 3. It is most effective because trainee learn directly by live experience on work.**
- 4. It is less expensive.**
- 5. Trainees are highly motivated for training.**
- 6. Trainee learn quickly in this training.**

Methods of Off the Job Training:

- 1. Lectures.**
- 2. Conferences.**
- 3. Audio Visual Techniques.**
- 4. Vestibule Training.**
- 5. Simulation Exercises:**
 - a) Management games.**
 - b) Case Study.**
 - c) Role playing.**

Benefits of Off the Job Training:

- 1. Trainers are usually well experienced enough to train trainees effectively.**
- 2. It is systematically organized to increase skills of trainees.**
- 3. Efficiently created programs may add lot of value to company productivity.**

FEATERES OF HRM:-

- 1. Development Oriented**
- 2. Individually Oriented**
- 3. People Oriented**
- 4. Inter-disciplinary function**
- 5. Pervasive force**
- 6. Integrating mechanism**
- 7. Continuous function**
- 8. Action Oriented**

Scope of HRM:

- 1. Procurement.**
- 2. Training and development.**
- 3. Job analysis and Job description.**
- 4. Remuneration.**
- 5. Welfare and Industrial relation.**
- 6. Personal Records.**

What is Recruitment ?

According to Edwin B. Flippo, “ Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the Organization.

Importance of Recruitment:

- 1. Attract more candidates to apply in the Organization.**
- 2. Process which links employers with employees.**
- 3. Increase the pool of candidates for job at minimum cost.**
- 4. Determine present and future requirements of the organization with proper planning.**
- 5. To provide good quality people to the organization.**

Recruitment Process:

- 1. Identify job vacancy.**
- 2. Prepare job description and job specification.**
- 3. Advertising the job vacancy**
- 4. Managing the response.**
- 5. Short-listing.**
- 6. Arrange interviews.**
- 7. Conducting interview and decision making.**

Sources of Recruitment:

Internal

- 1. Promotion**
- 2. Transfer**
- 3. Upgrading**
- 4. Demotion**
- 5. Retired employees**
- 6. Retrenched employees**
- 7. Employee referrals**
- 8. Dependents and relatives of deceased employees.**

External

- 1. Advertisements**
- 2. Campus Recruitment**
- 3. Placement agencies**
- 4. Outsourcing/Consultancies**
- 5. Employment exchanges**
- 6. Labor Contractors**
- 7. Unsolicited Applicants**
- 8. Online recruitment through of websites by conducting walk in interviews**

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HUMAN RESOURCE MANAGEMENT (H R M)

Definition 1 – Integration

“HRM is a series of integrated decisions that form the employment relationships; their quality contributes to the ability of the organizations and the employees to achieve their objectives.”

Definition 2 – Influencing

“HRM is concerned with the people dimensions in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization are essential to achieve organizational objectives. This is true, regardless of the type of the organization – government, business, education, health, recreational, or social action.”

Definition 3 – *Applicability*

“HRM planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are accomplished.”

MEANING OF HRM

HRM is management function that helps managers to recruit, select, train and develop members for an organization. Obviously HRM is concerned with the people's dimensions in organizations. HRM refers to set of programs, functions, and activities designed and carried out.

Core elements of HRM

1. People:

Organizations mean people. It is the people who staff and manage organizations.

2. Management:

HRM involves application of management functions and principles for acquisition, developing, maintaining and remunerating employees in organizations.

3. Integration & Consistency:

Decisions regarding people must be integrated and consistent.

4. Influence:

Decisions must influence the effectiveness of organization resulting into betterment of services to customers in the form of high quality products supplied at reasonable cost.

5. Applicability:

HRM principles are applicable to business as well as non-business organizations too, such as education, health, recreation etc.

OBJECTIVES OF HRM:

1. *Societal Objectives:*

To be ethically and socially responsible to the needs and challenges of the society while minimizing the negative impact of such demands upon the organization.

2. Organizational Objectives:

To recognize the role of HRM in bringing about organizational effectiveness. HRM only means to achieve and assist the organization with its primary objectives.

3. Functional Objectives:

To maintain department's contribution and level of services at a level appropriate to the organization's needs.

4. Personal Objectives:

To assist employees in achieving their personal goals, so that these goals enhance the individual's contribution to the organization. This is necessary to maintain employee performance and satisfaction for the purpose of maintaining, retaining and motivating the employees in the organization.

SCOPE OF HRM

From Entry to the Exit of an employee in the organization

Scope of HRM can be described based on the following activities of HRM.

HRM Activities

- 1. HR Planning*
- 2. Job Analysis*
- 3. Job Design*
- 4. Recruitment & Selection*
- 5. Orientation & Placement*

- 6. Training & Development*
- 7. Performance Appraisals*
- 8. Job Evaluation*
- 9. Employee and Executive Remuneration*
- 10. Motivation*

11. Communication

12. Welfare

13. Safety & Health

14. Industrial Relations

*Based on these **activities** we can summarize the scope of HRM into 7 different **categories**.*

Categories of Scope/Functions of HRM

- 1. Introduction to HRM*
- 2. Employee Hiring*
- 3. Employee and Executive Remuneration*
- 4. Employee Motivation*

5. Employee Maintenance

6. Industrial Relations

7. Prospects of HRM

*The **HR maintenance system** as the dependent variable consists on preventive actions, medical care actions, welfare services, retirement actions, and insurance actions.*

Prospects of HRM

Excellent employment opportunities exist for HR aspirants. Every company whether big or small has an HR department, a special team that hires the best talent for them. They play a vital role from the point you appear for the interview till you take exit from the company. They are involved in recruitment, placement, induction, training and development, promotion, performance appraisal, employee's overall welfare and at last employees exit. Their work is all about workforce management and that's the reason they are in great demand in private firms and in multinational companies.

Jobs for HRM can be found in Hotels, Airlines, Food and Beverage Industries, Construction and Engineering companies, Export – Import Houses, IT firms, Medical and Healthcare, hospitals, Banks, NGOs, Media, educational institutes and also in governmental organisations.

These days' universities and colleges offer placement assistance to their students so you can grab a good job offer through your college also. For this you must do a thorough research about the college and the training programme they offer. In addition to that you must know their placement record in the past few years and also try and find out what all companies visit the campus for placement drives.

Another area of job opportunity for HRM is HR consultants, are also in great demand they basically outsource people from one country to another as per the job requirements and also act as career guides to students who are not sure about the career prospects ahead.

Also one can work in consultancies which provide placement opportunities to people looking for jobs in MNCs and private sector firms.

Industrial relations

The relations between management and workers in industry.

ROLE OF HRM

1. Advisory Role:

HRM advises management on the solutions to any problems affecting people, personnel policies and procedures.

a) Personnel Policies: Organization Structure, Social Responsibility, Employment Terms & Conditions, Compensation, Career & Promotion, Training & Development and Industrial Relations.

b) Personnel Procedures: Relating to manpower planning procedures, recruitment and selection procedures, and employment procedures, training procedures, management development procedures, performance appraisal procedures, compensation procedures, industrial relations procedures and health and safety procedures.

2. Functional Role:

The personnel function interprets and helps to communicate personnel policies. It provides guidance to managers, which will ensure that agreed policies are implemented.

3. Service Role:

Personnel function provides services that need to be carried out by full time specialists.

These services constitute the main activities carried out by personnel departments and involve the implementation of the policies and procedures described above.

Role of HR Managers (Today)

- 1. Humanitarian Role: Reminding moral and ethical obligations to employees*
- 2. Counselor: Consultations to employees about marital, health, mental, physical and career problems.*
- 3. Mediator: Playing the role of a peacemaker during disputes, conflicts between individuals and groups and management.*

4. Spokesman: To represent of the company because he has better overall picture of his company's operations.

5. Problem Solver: Solving problems of overall human resource management and long-term organizational planning.

6. Change Agent:

Introducing and implementing institutional changes and installing organizational development programs.

7. Management of Manpower

Resources:

Broadly concerned with leadership both in the group and individual relationships and labor-management relations.

Role of HR Managers (Future)

- 1. Protection and enhancement of human and non-human resources*
- 2. Finding the best way of using people to accomplish organizational goals*
- 3. Improve organizational performance*
- 4. Integration of techniques of information technology with the human resources*
- 5. Utilizing behavioral scientists in the best way for his people*
- 6. Meeting challenges of increasing organizational effectiveness*
- 7. Managing diverse workforce*

FUNCTIONS OF HRM ALONG WITH OBJECTIVES

<i>HRM Objectives</i>	<i>Supporting HRM Functions</i>
<i>Social Objectives (3)</i>	<i>Legal Compliance</i> <i>Benefits</i> <i>Union Management Relations</i>
<i>Organizational Objectives (7)</i>	<i>Human Resource Planning</i> <i>Employee Relations</i> <i>Recruitment & Selection</i> <i>Training & Development</i> <i>Performance Appraisals</i> <i>Placement & Orientation</i> <i>Employee Assessment</i>

Functional Objectives (3)

Performance Appraisals

Placement & Orientation

Employee Assessment

Personal Objectives (5)

Training & Development

Performance Appraisals

Placement & Orientation

Compensation

Employee Assessment

Managerial Functions of HRM

1. **Planning**: *Plan and research about wage trends, labor market conditions, union demands and other personnel benefits. Forecasting manpower needs etc.*
2. **Organizing**: *Organizing manpower and material resources by creating authorities and responsibilities for the achievement of organizational goals and objectives.*
3. **Staffing**: *Recruitment & Selection*
4. **Directing**: *Issuance of orders and instructions, providing guidance and motivation of employees to follow the path laid-down.*
5. **Controlling**: *Regulating personnel activities and policies according to plans. Observations and comparisons of deviations.*

Operational Functions of HRM

1. *Procurement*: *Planning, Recruitment and Selection, Induction and Placement*
2. *Development*: *Training, Development, Career planning and counseling.*
3. *Compensation*: *Wage and Salary determination and administration*
4. *Integration*: *Integration of human resources with organization.*
5. *Maintenance*: *Sustaining and improving working conditions, retentions, employee communication*
6. *Separations*: *Managing separations caused by resignations, terminations, lay offs, death, medical sickness etc.*

CHALLENGES OF MODERN MANAGEMENT

1. Globalization: -

Growing internationalization of business has its impact on HRM in terms of problems of unfamiliar laws, languages, practices, competitions, attitudes, management styles, work ethics and more. HR managers have a challenge to deal with more functions, more heterogeneous functions and more involvement in employee's personal life.

2. Corporate Re-organizations:-

Reorganization relates to mergers and acquisitions, joint ventures, take over, internal restructuring of organizations. In these situations, it is difficult to imagine circumstances that pose a greater challenge for HRM than reorganizations itself. It is a challenge to manage employees' anxiety, uncertainties, insecurities and fears during these dynamic trends.

3. New Organizational forms: -

The basic challenge to HRM comes from the changing character of competitions. The competition is not between individual firms but between constellations of firm. Major companies are operating through a complex web of strategic alliances, forgings with local suppliers, etc. These relationships give birth to completely new forms of organizational structure, which highly depend upon a regular exchange of people and information. The challenge for HRM is to cope with the implications of these newly networked relations more and more, in place of more comfortable hierarchical relationships that existed within the organizations for ages in the past.

4. Changing Demographics of Workforce: -

Changes in workforce are largely reflected by dual career couples, large chunk of young blood between age old superannuating employees, working mothers, more educated and aware workers etc. These dynamic workforces have their own implications for HR managers and from HRM point of view is a true challenge to handle.

5. Changed employee expectations: -

With the changes in workforce demographics, employee expectations and attitudes have also transformed. Traditional allurements like job security, house, and remunerations are not much attractive today, rather employees are demanding empowerment and equality with management. Hence it is a challenge for HRM to redesign the profile of workers, and discover new methods of hiring, training, remunerating and motivating employees New Industrial Relations Approach. In today's dynamic world, even unions have understood that strikes and militancy have lost their relevance and unions are greatly affected by it. The trade union membership has fallen drastically worldwide and the future of labor movement is in danger. The challenge before HRM is to adopt a proactive industrial relations approach which should enable HR specialist to look into challenges unfolding in the future and to be prepared to convert them into opportunities.

6. Renewed People Focus: -

The need of today's world and business is the people's approach. The structure, strategy, systems approach which worked in post war era is no more relevant in today's economic environment which is characterized by over capacities and intense competition. The challenge of HR manager is to focus on people and make them justifiable and sustainable.

7. Managing the Managers: -

Managers are unique tribe in any society, they believe they are class apart. They demand decision-making, bossism, and operational freedom. However in the post liberalization era, freedom given to managers is grossly misused to get rid of talented and hard working juniors. The challenge of HRM is how to manage this tribe? How to make them realize that the freedom given to them is to enable them make quick decisions in the interest of the organization and not to resort to witch-hunting.

8. Weaker Society interests: -

Another challenge for HRM is to protect the interest of weaker sections of society. The dramatic increase of women workers, minorities and other backward communities in the workforce has resulted in the need for organizations to reexamine their policies, practices and values. In the name of global competition, productivity and quality the interests of the society around should not be sacrificed. It is a challenge of today's HR managers to see that these weaker sections are neither denied their rightful jobs nor are discriminated against while in service.

9. Contribution to the success of organizations: -

The biggest challenge to an HR manager is to make all employees contribute to the success of the organization in an ethical and socially responsible way. Because society's well being to a large extent depends on its organizations.

STRATEGIC HUMAN RESOURCE MANAGEMENT

- **Strategy:**

“Strategy is a way of doing something. It includes the formulation of goals and set of action plans for accomplishment of that goal.”

- **Strategic Management:**

“A Process of formulating, implementing and evaluating business strategies to achieve organizational objectives is called Strategic Management”

- **Definition of Strategic Management: -**

“Strategic Management is that set of managerial decisions and actions that determine the long-term performance of a corporation. It includes environmental scanning, strategy formulation, strategy implementation , evaluation and control.”

The study of strategic management therefore emphasizes monitoring and evaluating environmental opportunities and threats in the light of a corporation’s strengths and weaknesses.

- **Steps in Strategic Management:**

- 1. Environmental Scanning:** Analyze the Opportunities and Threats in External Environment
- 2. Strategy Formulation:** Formulate Strategies to match Strengths and Weaknesses. It can be done at corporate level, Business Unit Level and Functional Level.
- 3. Strategy Implementation:** Implement the Strategies
- 4. Evaluation & Control:** Ensure the organizational objectives are met.

IMPORTANCE & BENEFITS OF STRATEGIC MANAGEMENT

- 1. Allows identification, prioritization and exploration of opportunities.**
- 2. Provides an objective view of management problems.**
- 3. Represents framework for improved co-ordination and control**
- 4. Minimizes the effects of adverse conditions and changes**
- 5. Allows major decisions to better support established objectives**
- 6. Allows more effective allocation of time and resources**

- 7. Allows fewer resources and lesser time devoted to correcting ad hoc decisions**
- 8. Creates framework for internal communication**
- 9. Helps to integrate the individual behaviors**
- 10. Provides basis for the clarification of responsibilities**
- 11. Encourages forward thinking**
- 12. Encourages favorable attitude towards change.**

ROLE OF HRM IN STRATEGIC MANAGEMENT

1. Role in Strategy Formulation:

HRM is in a unique position to supply competitive intelligence that may be useful in strategy formulation. Details regarding advanced incentive plans used by competitors, opinion survey data from employees, elicit information about customer complaints, information about pending legislation etc. can be provided by HRM. Unique HR capabilities serve as a driving force in strategy formulation.

2. Role in Strategy Implementation:

HRM supplies the company with a competent and willing workforce for executing strategies. It is important to remember that linking strategy and HRM effectively requires more than selection from a series of practice choices. The challenge is to develop a configuration of HR practice choices that help implement the organization's strategy and enhance its competitiveness.

TRAINING & DEVELOPMENT

Definition of Training & Development:

Improve performance

“Training & Development is an attempt to improve current or future employee performance by increasing an employee’s ability to perform through learning, usually by changing the employee’s attitude or increasing his or her skills and knowledge.”

MEANING OF TRAINING & DEVELOPMENT: -

The need for Training and Development is determined by the employee's performance deficiency, computed as follows.

Training & Development Need = Standard Performance – Actual Performance

Distinction between Training and Education

Training	Education
Application oriented	Theoretical Orientation
Job experience	Classroom learning
Specific Task in mind	Covers general concepts
Narrow Perspective	Has Broad Perspective
Training is Job Specific	Education is no bar

Training:

Training refers to the process of imparting specific skills. An employee undergoing training is presumed to have had some formal education. No training program is complete without an element of education. Hence we can say that Training is offered to operatives.

Education:

It is a theoretical learning in classrooms. The purpose of education is to teach theoretical concepts and develop a sense of reasoning and judgment. That any training and development program must contain an element of education is well understood by HR Specialists. Any such program has university professors as resource persons to enlighten participants about theoretical knowledge of the topics proposed to discuss. In fact organizations depute or encourage employees to do courses on part time basis. CEOs are known to attend refresher courses conducted by business schools. The education is more important for managers and executives rather than low cadre workers. Anyways education is common to all employees, their grades notwithstanding.

Development:

Development means those learning opportunities designed to help employees to grow. Development is not primarily skills oriented. Instead it provides the general knowledge and attitudes, which will be helpful to employers in higher positions. Efforts towards development often depend on personal drive and ambition. Development activities such as those supplied by management development programs are generally voluntary in nature. Development provides knowledge about business environment, management principles and techniques, human relations, specific industry analysis and the like is useful for better management of a company.

Objectives of (MDP) Management Development Programs OR Advantages of Development

1. Making them

Self-starters

Committed

Motivated

Result oriented

Sensitive to environment

Understand use of power

2. Creating self awareness
3. Develop inspiring leadership styles
4. Instill zest for excellence
5. Teach them about effective communication
6. To subordinate their functional loyalties to the interests of the organization

Difference between Training and Development

Training	Development
Training is skill focused	Development is creating learning abilities
Training is presumed to have a formal education	Development is not education dependent
Training needs depend upon lack or deficiency in skills	Development depends on personal drive and ambition
Trainings are generally need based	Development is voluntary
Training is a narrower concept focused on job related skills	Development is a broader concept focused on personality development
Training may not include development	Development includes training wherever necessary
Training is aimed at improving job related efficiency and performance	Development aims at overall personal effectiveness including job efficiencies

What are the Training Inputs?

- Skills
- Education
- Development
- Ethics
- Problem Solving Skills
- Decision Making
- Attitudinal Changes

Importance of Training & Development

- Helps remove performance deficiencies in employees
- Greater stability, flexibility and capacity for growth in an organization
- Accidents, scraps and damages to machinery can be avoided
- Serves as effective source of recruitment
- It is an investment in HR with a promise of better returns in future
- Reduces dissatisfaction, absenteeism, complaints and turnover of employees

Need of Training

1. Individual level

- Diagnosis of present problems and future challenges
- Improve individual performance or fix up performance deficiency
- Improve skills or knowledge or any other problem
- To anticipate future skill-needs and prepare employee to handle more challenging tasks
- To prepare for possible job transfers

Group level

- To face any change in organization strategy at group levels
- When new products and services are launched
- To avoid scraps and accident rates

Identification of Training Needs (Methods)

Individual Training Needs Identification

- Performance Appraisals
- Interviews
- Questionnaires
- Attitude Surveys
- Training Progress Feedback
- Work Sampling
- Rating Scales

Group Level Training Needs Identification

- Organizational Goals and Objectives
- Personnel / Skills Inventories
- Organizational Climate Indices
- Efficiency Indices
- Exit Interviews
- MBO / Work Planning Systems
- Quality Circles
- Customer Satisfaction Survey
- Analysis of Current and Anticipated Changes

Benefits of Training Needs Identification

- Trainers can be informed about the broader needs in advance
- Trainers Perception Gaps can be reduced between employees and their supervisors Trainers can design course inputs closer to the specific needs of the participants
- Diagnosis of causes of performance deficiencies can be done

Methods of Training

On the Job Trainings:

These methods are generally applied on the workplace where employees are actually working.

Advantages of On-the-Job Training:

- It is directly in the context of job
- It is often informal
- It is most effective because it is learning by experience
- It is least expensive
- Trainees are highly motivated
- It is free from artificial classroom situations

Disadvantages of On-the-Job Training:

- Trainer may not be experienced enough to train
- It is not systematically organized
- Poorly conducted programs may create safety hazards

On the Job Training Methods

1. Job Rotation:

In this method, usually employees are put on different jobs turn by turn where they learn all sorts of jobs of various departments. The objective is to give a comprehensive awareness about the jobs of different departments. Advantage – employee gets to know how his own and other departments also function. Interdepartmental coordination can be improved, instills team spirit. Disadvantage – It may become too much for an employee to learn. It is not focused on employees own job responsibilities. Employees basic talents may remain under utilized.

2. Job Coaching:

An experienced employee can give a verbal presentation to explain the nitty-gritty's of the job.

3. Job Instruction:

It may consist an instruction or directions to perform a particular task or a function. It may be in the form of orders or steps to perform a task.

4. Apprenticeships:

Generally fresh graduates are put under the experienced employee to learn the functions of job.

5. Internships and Assistantships:

An intern or an assistants are recruited to perform a specific time-bound jobs or projects during their education. It may consist a part of their educational courses.