



# **HUMAN RESOURCE MANAGEMENT**

# HUMAN RESOURCE MANAGEMENT

- “Human” represents the dimension of HRM which relates to the soft aspect such as commitment through participation and the most important aspect being the employees.
- “Resource” represent the hard aspects such as strategy link of HRM and the importance of efficient utilization of employees.
- “Management” represent the role of HRM as part of management that implies that it is not only an administrative function that carries out the formulated policies but also a managerial function that contribute to strategy formulation.

# HUMAN RESOURCE MANAGEMENT

- HRM is the part of the organization that is concerned with the 'people' dimension. HRM deals with human relations of an organization starting from recruitment to labor relation. It is a process of acquisition, development, motivation and maintenance of human resource of an organization.
- Human resource management may be defined as a set of policies, practices, and programmes designed to maximize both personal and organizational objectives. It is a process by which the people and the organizations are bound together in such a way that both of them are able to achieve their objectives.

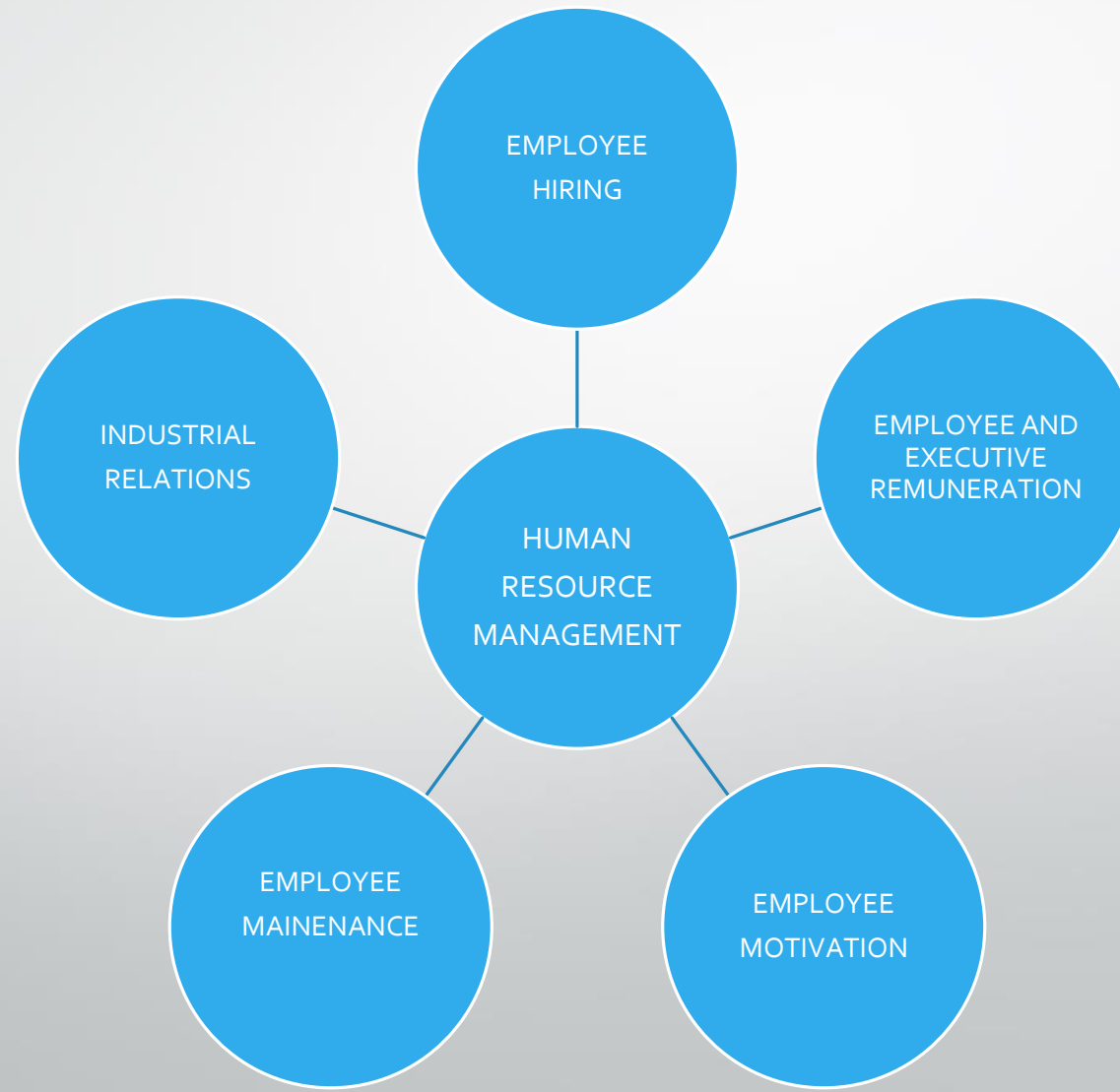
# DEFINITION

According to Flippo , “Human resource management is the planning, organizing, directing and controlling of the procurement, development , compensation , integration , maintenance , and reproduction of human resources to the end that individual, organizational and societal objectives are accomplished.”

# NATURE OF HRM

- Integral part of process of management.
- Comprehensive function.
- Pervasive function.
- People oriented.
- Based on human relations.
- Continuous process.
- Science as well as art.

# SCOPE OF HRM



# IMPORTANCE OF HRM

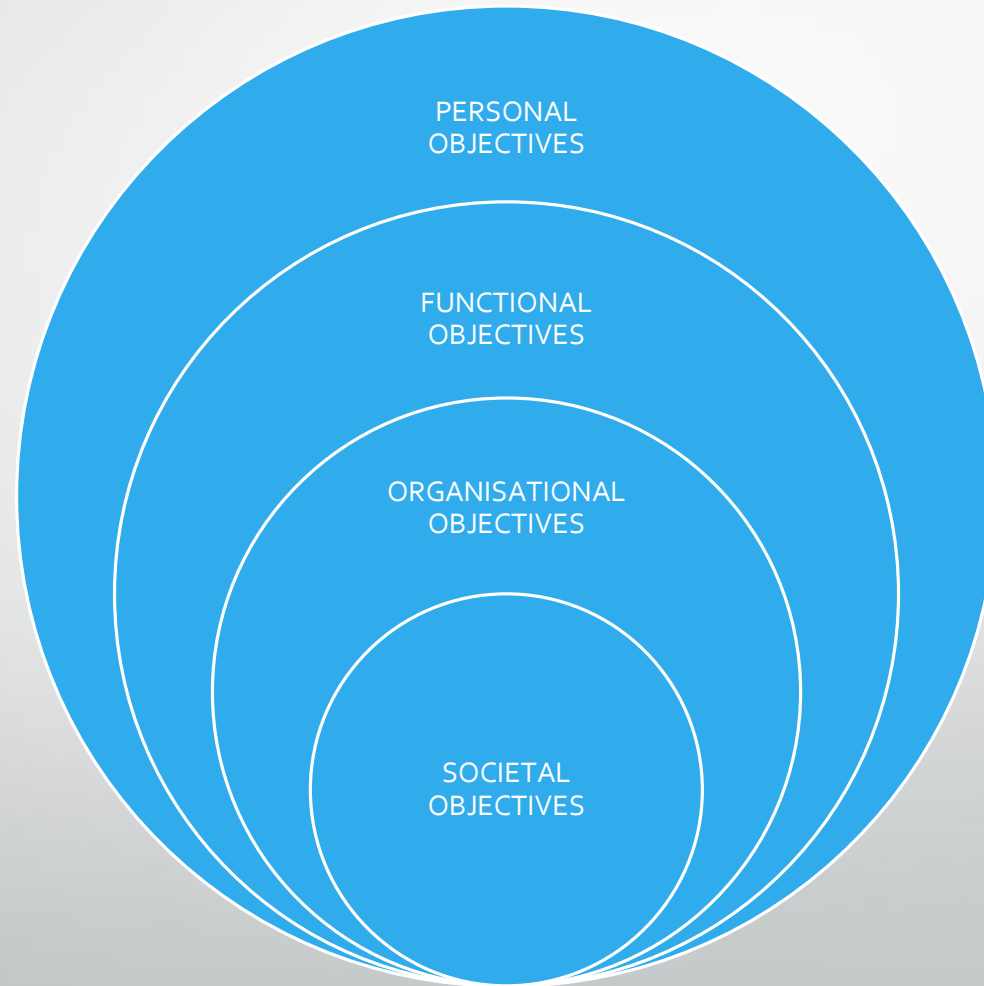
- Importance for organization:
  - Good human resource practices help in attracting and retaining the best people in the organizations.
  - In order to make use of latest technology the appointment of right persons is essential and this happens only when management performs its HR function satisfactorily.
  - The performance of the company depends upon the qualities of the people employed . this has further increased the importance of HRM.
  - Human resource development is essential for meeting the challenges of future

# Importance for Employees

- Effective management of human resource promotes team work and team spirit.
- It encourages people to work with diligence and commitment.
- HRM stresses on the motivation of employees by providing them various financial and non financial incentives.



# OBJECTIVES OF HRM



# Functions of HRM

Functions of HRM may be broadly divided into two categories:

- Managerial functions
- Operative functions

# Managerial functions

The basic managerial functions are:

- Planning
- Organizing
- Directing
- controlling

# Operative Functions

## 1. Procurement :

- Job analysis
- Human resource planning
- Recruitment
- Selection
- Placement
- Induction and orientation
- Internal mobility



## 2. Development

- Training.
- Executive development.
- Career planning and development.
- Human resource development.



### 3. Motivation and compensation

- Job design.
- Work scheduling
- Motivation
- Job evaluation
- Performance appraisal
- Compensation administration
- Incentives and benefits



#### 4. Maintenance:

- Health and safety
- Employee welfare
- Social security measures

## 5 .Integration function:

- Grievance redressal.
- Discipline.
- Teams and team work.
- Collective bargaining.
- Employee participation and empowerment.
- Trade unions and employee associations.
- Industrial relations.



# Emerging Issues of HRM

- Personnel records
- Human resource audit
- Human resource research
- Human resource accounting
- Human resource information system
- Stress and counselling
- International human resource management.

# Human Resource Planning and Job Analysis



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# Introduction

**Human resource planning** is a process by which an organization ensures that

- it has the right number and kinds of people
- at the right place
- at the right time
- capable of effectively and efficiently completing those tasks that will help the organization achieve its overall strategic objectives

# Introduction

**HR** planning must be

- linked to the organization's overall strategy to compete domestically and globally
- translated into the number and types of workers needed

*Senior HRM staff need to lead top management in planning for HRM issues.*

# An Organizational Framework

A **mission statement** defines what business the organization is in, including

- why it exists
- who its customers are
- strategic goals set by senior management to establish targets for the organization to achieve

*Goals are generally defined for the next 5-20 years.*

## Linking Organizational Strategy to HR Planning During a corporate assessment,

- SWOT (Strengths-Weaknesses-Opportunities-Threats) analysis determines what is needed to meet objectives
- strengths and weaknesses and core competencies are identified

*HRM determines what knowledge, skills, and abilities are needed by the organization's human resources through a job analysis.*

# Linking Organizational Strategy to HR Planning

## STRATEGIC DIRECTION

## HR LINKAGE



## Linking Organizational Strategy to HR Planning

**HR** must ensure staff levels meet strategic planning goals.

- An **HR** inventory report summarizes information on current workers and their skills
- **HR** information systems (HRIS)
  - process employee information
  - quickly generate analyses and reports
  - provide compensation/benefits support





## Linking Organizational Strategy to HR Planning

**Succession planning includes the development of replacement charts that**

- portray middle- to upper-level management positions that may become vacant in the near future
- list information about individuals who might qualify to fill the positions

## Linking Organizational Strategy to HR Planning

**HR must forecast staff requirements.**

- **HR** creates an inventory of future staffing needs for job level and type, broken down by year
- forecasts must detail the specific knowledge, skills, and abilities needed, not just “we need 25 new employees”

# Linking Organizational Strategy to Human Resource Planning

## **HR** predicts the future labor supply.

- a unit's supply of human resources comes from:
  - new hires
  - contingent workers
  - transfers-in
  - individuals returning from leaves
- predicting these can range from simple to complex
- transfers are more difficult to predict since they depend on actions in other units

Decreases in internal supply come about through:

## Linking Organizational Strategy to HR Planning

- retirements            easiest to forecast
- dismissals            possible to forecast
- transfers              possible to forecast
- layoffs                possible to forecast
- sabbaticals            possible to forecast
- voluntary quits        difficult to forecast
- prolonged illnesses    difficult to forecast
- deaths                 hardest to forecast




Candidates come from

## Linking Organizational Strategy to HR Planning

- migration into a community
- recent graduates
- individuals returning from military service
- increases in the number of unemployed and employed individuals seeking other opportunities, either part-time or full-time

*The potential labor supply can be expanded by formal or on-the-job training.*



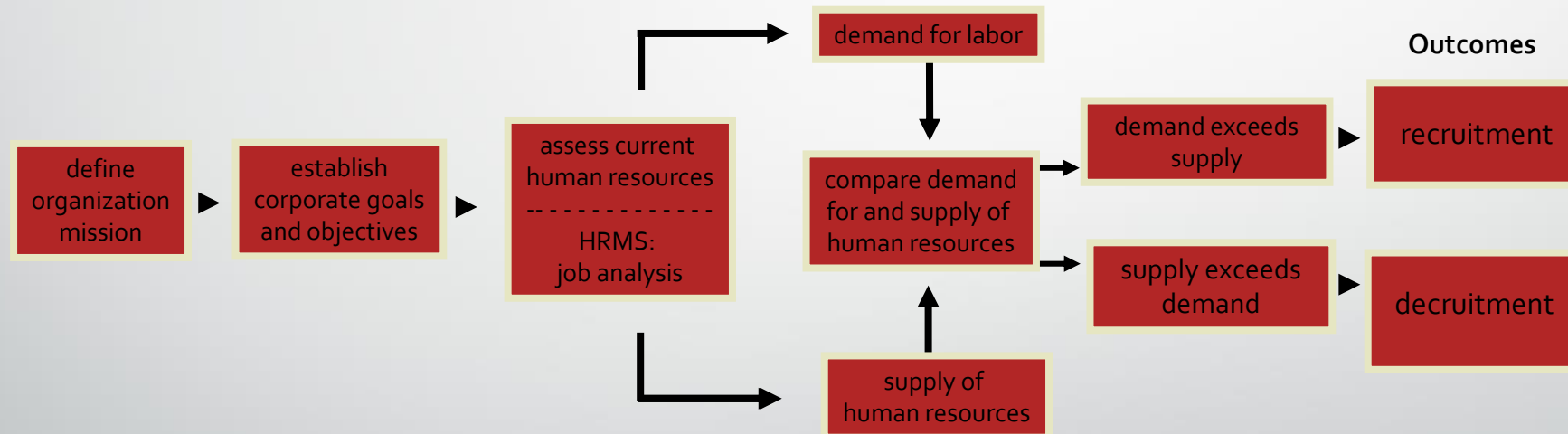
## Linking Organizational Strategy to HR Planning

### To match labor demand and supply, **HR**

- compares forecasts for demand and supply of workers
- monitors current and future shortages, and overstaffing. Sometimes, strategic goals must change as a result
- uses downsizing to reduce supply and balance demand

# Linking Organizational Strategy to HR Planning

## Employment Planning and the Strategic Planning Process



# Job Analysis

**Job analysis is a systematic exploration of the activities within a job.**

- it defines and documents the duties, responsibilities, and accountabilities of a job and the conditions under which a job is performed

See <http://www.staffing-and-recruiting-essentials.com/Sample-Job-Analysis.html> for a sample job analysis.



# Job Analysis

## Job analysis methods

1. **observation**— job analyst watches employees directly or reviews film of workers on the job
2. **individual interview**— a team of job incumbents is selected and extensively interviewed
3. **group interview**— a number of job incumbents are interviewed simultaneously
4. **structured questionnaire**— workers complete a specifically designed questionnaire
5. **technical conference**— uses supervisors with an extensive knowledge of the job
6. **diary**— job incumbents record their daily activities

*The best results are usually achieved with some combination of methods.*

# Job Analysis



# Job Analysis

The Occupational Information Network (O\*NET)  
content model includes:

1. worker characteristics
2. worker requirements
3. experience requirements
4. occupation-specific information
5. workforce characteristics
6. occupational requirements

# Job Analysis

## Position analysis questionnaire (PAQ)

- jobs are rated on 194 elements, grouped in six major divisions and 28 sections
- the elements represent requirements applicable to all types of jobs
- its quantitative structure allows many job comparisons, however, it appears to apply to only higher-level jobs

# Job Analysis

## Job descriptions list:

- job title
- job identification
- job duties/essential functions in order of importance
- job specifications - minimal qualifications for job

## They are critical to:

- describing job to candidates
- guiding new-hires
- developing performance evaluation criteria
- evaluating job's compensation worth

# Job Analysis

Almost all **HRM** activities are tied to job analysis; it is the starting point for sound **HRM**.



# Job Analysis

Job design is how a position and its tasks are organized.

- great job design enriches and motivates through  
skill variety task identity task significance  
autonomy feedback from job itself
- flexible work schedules keep employees motivated and loyal  
flex time job sharing telecommuting
- part of HR planning and job analysis is finding team members with  
technical and interpersonal skills

# True or False?

1. HR planning must be separate from the organization's overall strategy.

False!

2. A mission statement defines what business the organization is in.

True!

3. To forecast staff requirements, HR creates an inventory of future staffing needs for job level and type, broken down by decade.

False!

4. Job analysis is a systematic exploration of the activities within a job.

True!

5. A position analysis questionnaire is more qualitative than quantitative in nature.

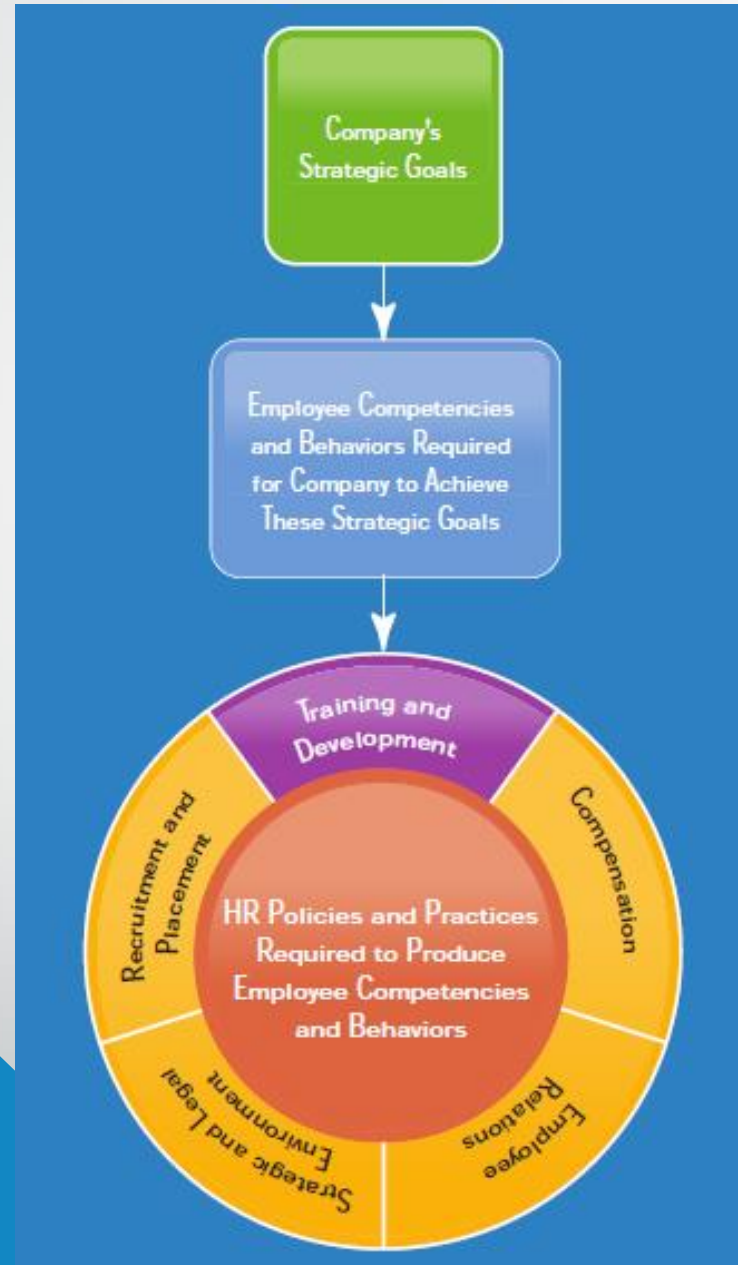
False!

6. Job design is how a position and its tasks are organized.

True!

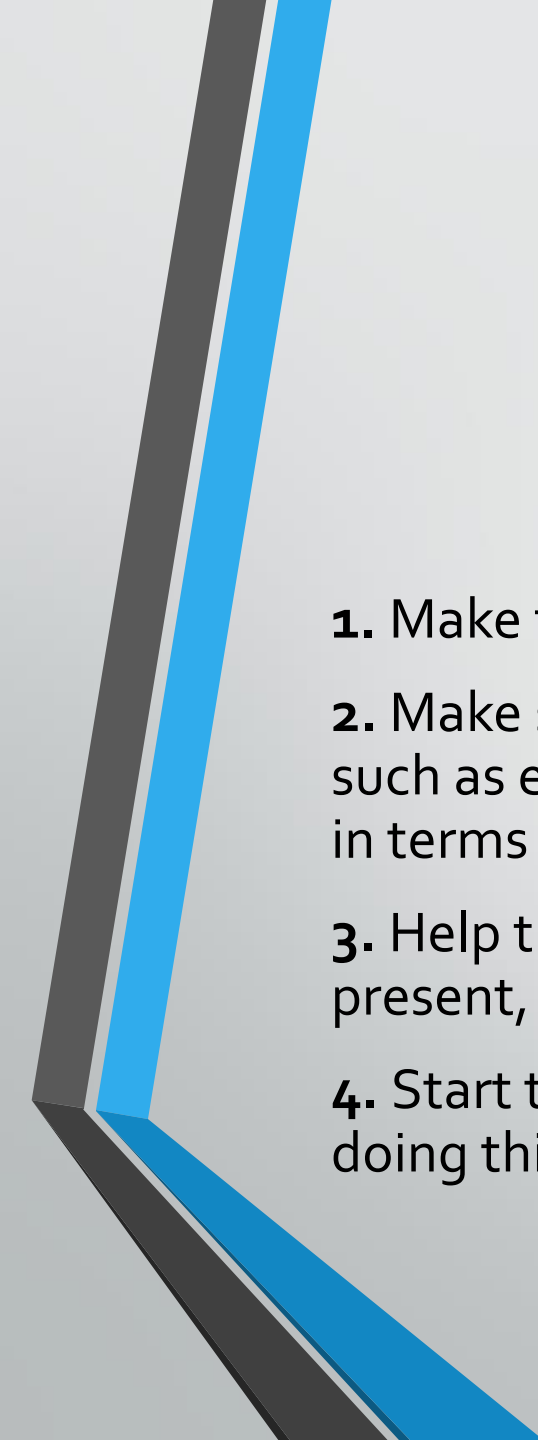


# Training and Development



# ORIENTING AND ONBOARDING NEW EMPLOYEES

- Carefully selecting employees doesn't guarantee they'll perform effectively. Even high potential employees can't do their jobs if they don't know what to do or how to do it.
- **Making sure your employees do know what to do and how to do it is the purpose of orientation and training.**
- The human resources department usually designs the company's orientation and training programs, but the rubber hits the road with the supervisor. He or she does most of the day-to-day orienting and training.
- Every manager therefore needs to know how to orient and train employees.



# The Purposes of Employee Orientation/Onboarding


1. Make the new employee feel welcome and at home and part of the team.
2. Make sure the new employee has the basic information to function effectively, such as e-mail access, personnel policies and benefits, and what the employer expects in terms of work behavior.
3. Help the new employee understand the organization in a broad sense (its past, present, culture, and strategies and vision of the future).
4. Start the person on becoming socialized into the firms culture, values, and ways of doing things.

# The Orientation Process

- The length of the orientation program depends on what you cover. Traditional orientation programs take several hours.
- The human resource specialist (or, in smaller firms, the office manager) usually performs the first part of the orientation by explaining basic matters like working hours, benefits, and vacations. That person then introduces the new employee to his or her new supervisor.
- The supervisor continues the orientation by explaining (see Figure 1) the organization of the department and by introducing the person to his or her new colleagues, familiarizing the new employee with the workplace, and helping to reduce first-day jitters. Supervisors need to be vigilant.

**Example:** In firms like Toyota Motor USA, onboarding-type orientations take up to a week. These may include videos, lectures by company officers, and exercises covering matters

# FIGURE 8-1 New Employee Departmental Orientation Checklist


 UNIVERSITY of CALIFORNIA, SAN DIEGO  
 MEDICAL CENTER

**NEW EMPLOYEE DEPARTMENTAL ORIENTATION CHECKLIST**  
 (Return to Human Resources within 10 days of Hire)

NAME:	HIRE DATE:	SSN:	JOB TITLE:
DEPARTMENT:	NEO DATE:	DEPARTMENTAL ORIENTATION COMPLETED BY:	

TOPIC	DATE REVIEWED	N/A
<b>1. HUMAN RESOURCES INFORMATION</b>		
a. Departmental Attendance Procedures and UCSD Medical Center Work Time & Attendance Policy	a. _____	<input type="checkbox"/>
b. Job Description Review	b. _____	<input type="checkbox"/>
c. Annual Performance Evaluation and Peer Feedback Process	c. _____	<input type="checkbox"/>
d. Probationary Period Information	d. _____	<input type="checkbox"/>
e. Appearance/Dress Code Requirements	e. _____	<input type="checkbox"/>
f. Annual TB Screening	f. _____	<input type="checkbox"/>
g. License and/or Certification Renewals	g. _____	<input type="checkbox"/>
<b>2. DEPARTMENT INFORMATION</b>		
a. Organizational Structure-Department Core Values Orientation	a. _____	<input type="checkbox"/>
b. Department/Unit Area Specific Policies & Procedures	b. _____	<input type="checkbox"/>
c. Customer Service Practices	c. _____	<input type="checkbox"/>
d. CQI Effort and Projects	d. _____	<input type="checkbox"/>
e. Tour and Floor Plan	e. _____	<input type="checkbox"/>
f. Equipment/Supplies	f. _____	<input type="checkbox"/>
• Keys issued	_____	<input type="checkbox"/>
• Radio Pager issued	_____	<input type="checkbox"/>
• Other _____	_____	<input type="checkbox"/>
g. Mail and Recharge Codes	g. _____	<input type="checkbox"/>
<b>3. SAFETY INFORMATION</b>		
a. Departmental Safety Plan	a. _____	<input type="checkbox"/>
b. Employee Safety/Injury Reporting Procedures	b. _____	<input type="checkbox"/>
c. Hazard Communication	c. _____	<input type="checkbox"/>
d. Infection Control/Sharps Disposal	d. _____	<input type="checkbox"/>
e. Attendance at annual Safety Fair (mandatory)	e. _____	<input type="checkbox"/>
<b>4. FACILITIES INFORMATION</b>		
a. Emergency Power	a. _____	<input type="checkbox"/>
b. Mechanical Systems	b. _____	<input type="checkbox"/>
c. Water	c. _____	<input type="checkbox"/>
d. Medical Gases	d. _____	<input type="checkbox"/>
e. Patient Room	e. _____	<input type="checkbox"/>
• Bed	_____	<input type="checkbox"/>
• Headwall	_____	<input type="checkbox"/>
• Bathroom	_____	<input type="checkbox"/>
• Nurse Call System	_____	<input type="checkbox"/>
<b>5. SECURITY INFORMATION</b>		
a. Code Triage Assignment	a. _____	<input type="checkbox"/>
b. Code Blue Assignment	b. _____	<input type="checkbox"/>
c. Code Red – Evacuation Procedure	c. _____	<input type="checkbox"/>
d. Code 10 – Bomb Threat Procedure	d. _____	<input type="checkbox"/>
e. Departmental Security Measures	e. _____	<input type="checkbox"/>
f. UCSD Emergency Number <u>6111</u> or <u>911</u>	f. _____	<input type="checkbox"/>

\*This generic checklist may not constitute a complete departmental orientation or assessment. Please attach any additional unit specific orientation material for placement in the employee's HR file\*

I have been oriented on the items listed above \_\_\_\_\_

# ORIENTATION TECHNOLOGY

**Employers use technology to support orientation.**

At the University of Cincinnati, new employees spend about 45 minutes online learning about their new employer's mission, organization, and policies and procedures.

**IBM uses virtual environments** like Second Life to support orientation, particularly for employees abroad. The new employees choose virtual avatars, which then interact with other company avatars, for instance to learn how to enroll for benefits.

# OVERVIEW OF THE TRAINING PROCESS

- Directly after orientation, training should begin. **Training** means giving new or current employees the skills that they need to perform their jobs. This might mean showing new Web designers the intricacies of your site, new salespeople how to sell your firms product, or new supervisors how to complete the firms weekly payroll.
- It might involve simply having the current jobholder explain the job to the new hire,
- or a multi-week training process including classroom or Internet classes.

# Aligning Strategy and Training

- *The employer's strategic plans should ultimately govern its training goals.*

In essence, the task is to identify the employee behaviors the firm will require to execute its strategy, and from that deduce what competencies employees will need.

- Then, put in place training goals and programs to instill these competencies. As one trainer said, We sit down with management and help them identify strategic goals and objectives and the skills and knowledge needed to achieve them.
- **For example, Caterpillar Inc.** created Caterpillar University to oversee all its training and development programs. Company executives comprise the university's board of directors. They set the university's policies and oversee the alignment of the corporation's learning needs with the enterprise's business strategy. The accompanying Strategic Context feature illustrates strategy's role in training and development.



# Training and Performance

- One survey found that establishing a linkage between learning and organizational performance was the number-one pressing issue facing training professionals. Training experts often use the phrase “workplace learning and performance” in lieu of training to underscore training’s dual aims of employee learning and organizational performance. Training has an impressive record of influencing performance. It scores higher than appraisal and feedback and just below goal setting in its effect on productivity.

# The ADDIE Five-Step Training Process

- Creating a training program involves more than contracting with an online training vendor and requiring your employees to take the course. The employer should use a rational training process. The gold standard here is still the basic **analysis-design-develop-implement-evaluate (ADDIE)** training process model that training experts have used for years. As an example, one training vendor describes its training process as follows:
  - *Analyze* the training need.
  - *Design* the overall training program.
  - *Develop* the course (actually assembling/creating the training materials).
  - *Implement* training, by actually training the targeted employee group using methods such as on-the-job or online training.
  - *Evaluate* the course's effectiveness.

# Conducting the Training Needs **Analysis**

- STRATEGIC TRAINING NEEDS ANALYSIS (Strategic goals usually mean the firm will have to fill new jobs.)
- CURRENT TRAINING NEEDS ANALYSIS (Managers use *task analysis* to identify new employees training needs, and *performance analysis* to identify current employees training needs.)
- TASK ANALYSIS: ANALYZING NEW EMPLOYEES TRAINING NEEDS (**Task analysis** is a detailed study of the job to determine what specific skills like Java (in the case of a Web developer) or interviewing (in the case of a supervisor) the job requires. For task analysis, job descriptions and job specifications are essential.)
- TALENT MANAGEMENT: USING PROFILES AND COMPETENCY MODELS (Talent management is the goal-oriented and integrated process of planning for, recruiting, selecting, developing, and compensating employees.)
- PERFORMANCE ANALYSIS: ANALYZING CURRENT EMPLOYEES TRAINING NEEDS

# Checking performance analysis

- The first step in performance analysis is usually to compare the person's actual performance to what it should be. Doing so helps to confirm that there is a performance deficiency, and (hopefully) helps the manager to identify its cause.

Examples of performance deficiencies might be:

- *I expect each salesperson to make 10 new contracts per week, but John averages only six.*
- *Other plants our size average no more than two serious accidents per month; we're averaging five.*

# Identification of performance

- There are several ways to identify how a current employee is doing. These include reviewing:
  - \* Performance appraisals
  - \* Job-related performance data (including productivity, absenteeism and tardiness, grievances, waste, late deliveries, product quality, downtime, repairs, equipment utilization, and customer complaints)
  - \* Observations by supervisors or other specialists
  - \* Interviews with the employee or his or her supervisor
  - \* Tests of things like job knowledge, skills, and attendance
  - \* Attitude surveys
  - \* Individual employee daily diaries
  - \* Assessment center results
  - \* Special performance gap analytical software, such as from Saba Software, Inc.