



"ज्ञान, विज्ञान आणि सुसंस्कार यांसाठी शिक्षण प्रसार" - शिक्षणमहर्षी डॉ. बापूजी साळुंखे
Shri Swami Vivekanand Shikshan Sanstha, Kolhapur.

VIVEKANAND COLLEGE, KOLHAPUR

(An Empowered Autonomous Institute)

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Department of Management Studies



Course Name Human Resource Management

Course Code DSC37HRM11

Year & Semester MBA I Semester II

Unit No. 01

Unit Name Foundations of HRM

Faculty Name Mrs. S. N. Kore (MBA)



HUMAN RESOURCE MANAGEMENT

Michael J. Jucius defined human resource management as ,

"the field of management which has to do with planning, organizing, directing and controlling the functions of procuring, developing, maintaining and utilizing a labor force



OBJECTIVES OF HRM

- 1) **To create and utilize an able and motivated workforce** to accomplish the basic organizational goals.
- 2) **To establish and maintain sound organizational structure and desirable working relationships** among all the members of the organization.
- 3) **To create facilities and opportunities for individual or group development** so as to match it with the growth of the organisation.
- 4) **To attain an effective utilization of human resources** in the achievement of organisational goals.
- 5) To identify and satisfy individual and group **needs by providing adequate and equitable wages, incentives, employee benefits and social security and measures for challenging work, prestige, recognition, security, status, etc.**

- 7) **To maintain high employee morale** and sound human relations by sustaining and improving the various conditions and facilities.
- 8) To strengthen and appreciate the human assets continuously by **providing training and developmental programs.**
- 9) To provide fair, acceptable and efficient leadership.
- 10) **To provide facilities and conditions of work** and creation of favorable atmosphere for maintaining stability of employment.

NATURE OF HRM

1) Pervasive in Nature

2) Action Oriented

3) Individual as well as group Oriented

4) Future Oriented

5) Development Oriented

6) Continuous Function

7) Comprehensive Function

8) Auxiliary Service

1) Pervasive in Nature

- Human resource management, being an inherent part of an organisation, is pervasive in nature.
- It means that HRM is present in different functional areas of management, like finance, marketing, and production, in all commercial and non-commercial enterprises.
- Everyone in the organisation, from the top to the lowest level, must perform HRM functions regularly.

2) Action Oriented

- While human resource management does follow the rules and policies, its main focus is on action and results rather than rules.
- A human resource manager stresses the importance of providing effective solutions for employee problems, tensions, or controversies.

3) Individual as well as group Oriented

- It tries to help employees develop their potential fully. It encourages them to give their best to the organization.
- In other words, it is concerned with the development of human resources, i.e., knowledge, capability, skill, potentialities and attaining and achieving employee goals.

4) Future Oriented

- Effective HRM helps an organization meet its goals in the future by providing for competent and well-motivated employees.

5) Development Oriented

- HR managers use various tools to help employees understand their strengths and unleash their potential.
- Regular training programs can benefit employees by improving their skills.
- HRM is concerned with developing the potential of employees, so that they derive maximum satisfaction from their work and give their best efforts to the organization.

6) Continuous Function

- Human resource management is not a 'one-time' function. Rather, it is a never-ending process that must be performed continuously to achieve organisational objectives effectively.
- It involves a series of tasks, beginning with identifying the human resource requirement and continuing with recruitment, training, performance evaluation, and appraisal.

7) Comprehensive Function

- HRM is, to some extent, concerned with any organizational decision which has an impact on the workforce or the potential workforce.
- It is concerned with managing people at work.

8) Auxiliary Service

- HR departments exist to assist and advise the line or operating managers to do their personnel work more effectively.
- HR manager is a specialist advisor.
- HR managers do not manufacture or sell goods but they do contribute to the success and growth of an organization by advising the operating departments on personnel matters.

SCOPE OF HRM



1) Human Resource Planning

- The objective of HR Planning is to ensure that the organization has the right types of persons at the right time at the right place.
- HR Planning forecast demand and supplies and identify sources of selection. HR Planning develops strategies both long-term and short-term, to meet the man-power requirement.

2) Job Analysis

- Job analysis involves identifying what is required to do a particular job.
- This includes identifying and outlining the skills needed to do that job, the nature of the job, and what other responsibilities will come with that job.

3) Procurement (Recruitment & Selection)

- After the job analysis is done and the job requirements are made, the process of recruitment starts. The hiring experts first [post a job](#) online to attract quality candidates.
- Once there is a certain number of candidates, the selection is made based on the qualifications and skill sets.

4) Orientation / Induction

- Once the candidate is selected, an induction or orientation session is conducted.
- This includes introducing them to the company's work culture and the team they will be working with.

5) Training and Development

- Once the new employee joins, training sessions are conducted to train them according to the needs of the company.
- Existing employees can also be made part of these training sessions from time to time.

6) Performance Appraisal

- After the candidate has spent a certain time on the job, a performance appraisal is conducted to evaluate their performance.
- Based on these appraisals, salaries are updated and further training sessions are conducted.

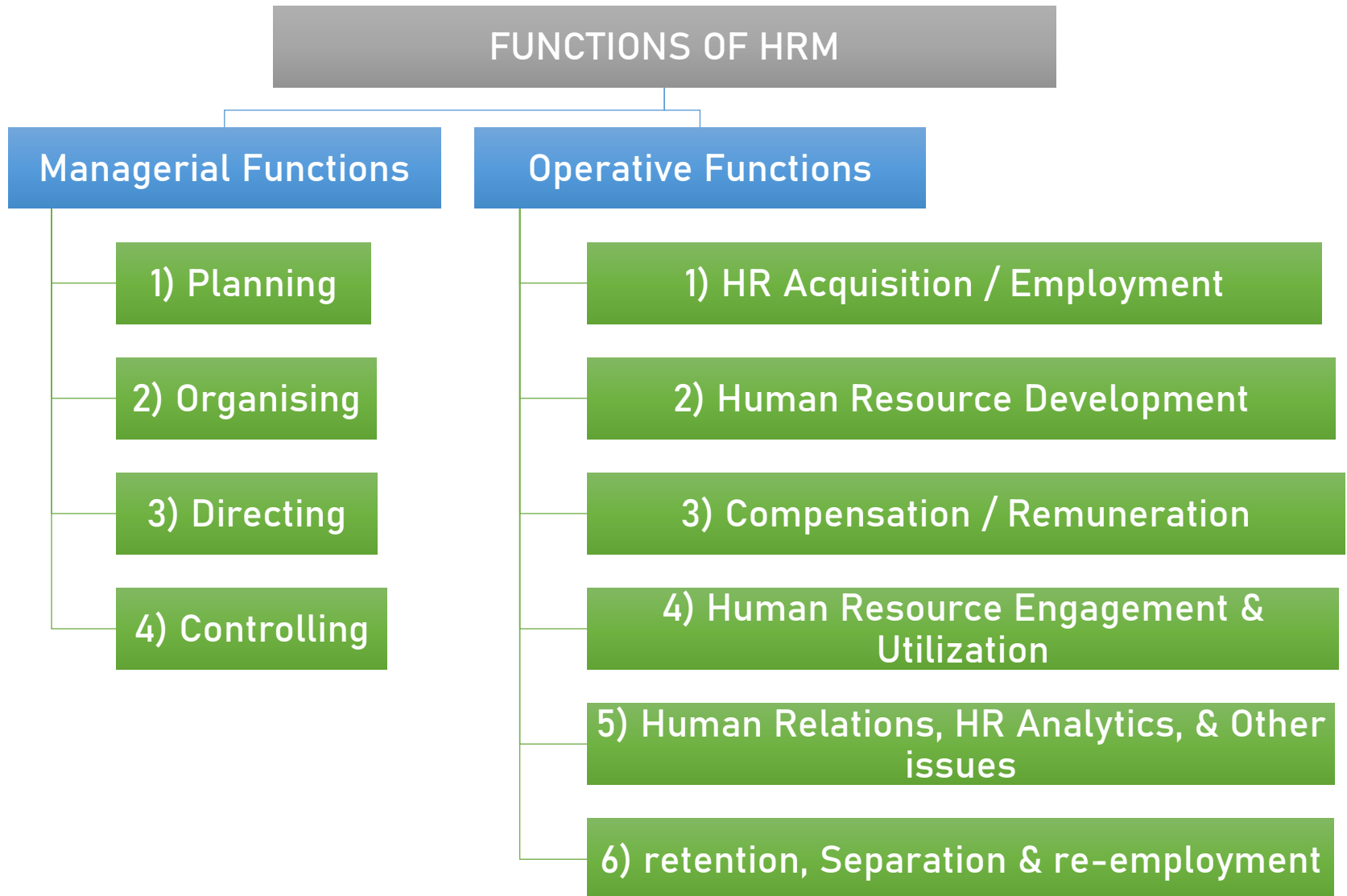
7) Compensation or Rewards

- Compensation or Rewards helps in boosting employee morale and promoting a positive work environment.
- The employees who perform well are rewarded with incentives and other benefits.

8) Industrial Relation

- Healthy Industrial and Labour relations are very important for enhancing peace and productivity in an organization

FUNCTIONS OF HRM



Operative Functions

1) HR Acquisition / Employment

- Human Resource Planning
- Job design & Job analysis
- Recruitment
- Selection
- Placement
- Induction and orientation

2) Human Resource Development

- Performance management
- Training
- Management development
- Career planning and development
- Organisation Development

3) Compensation / Remuneration

- Job Evaluation
- Wage and salary Administration
- Incentives
- Bonus
- Social Security measures
- Fringe benefits

4) Human Resource Engagement & Utilization

- Motivation
- Leadership
- Communication
- Participation, Empowerment & Quality circles

5) Human Relations, HR Analytics, & Other issues

- Industrial Relations
- Unions and associations
- Grievance and discipline
- Conflicts and Collective bargaining
- HR Accounting, audit, research and Information
- Ethical and Contemporary issues

6) retention, Separation & re-employment

- Retention Management
- Separations
- Re-employment

DIFFERENCE BETWEEN PERSONNEL MANAGEMENT & HRM

Dimension	Personnel management	Human Resource management
1) Meaning	An aspect of management that is concerned with employees at work and their relationships within the company.	An essential branch of management that deals with making the optimum usage of organizational human resources to achieve organizational goals.
2) Definition	The aspect of management that is concerned with the work force and their relationship with the entity is known as Personnel Management.	The branch of management that focuses on the most effective use of the manpower of an entity, to achieve the organizational goals is known as Human Resource Management.

Dimension	Personnel management	Human Resource management
3) Objectives	Managing people at work	Working for the growth & development of the workforce
4) Strategic nature	Short Term	Long Term
5) Job Design	Based on Division of labor	Based on Team Work
6) Flow of Communication	Indirect / Restricted	Direct / Open
7) Basis of Pay	Job Evaluation	Performance Evaluation
8) Management Actions	Procedure	Business needs
9) Decision making	Is done by only top level management	Participative & Decentralised decision making

Dimension	Personnel management	Human Resource management
10) Focus of benefit	Organizational Benefit	Mutual Benefit (Both Organisational & Employee)
11) Major Functions	Employee hiring, remuneration, training	Recruitment & staffing, Equal employment opportunity, HR development, Remuneration, Employee relations, Continues growth,

HUMAN RESOURCE PLANNING



HUMAN RESOURCE PLANNING

- E.W. Vetter viewed human resource planning as

"a process by which an organisation should move from its current manpower position to its desired manpower position. Through planning, management strives to have the right number and right kind of people at the right places at the right time, doing things which result in both the organisation and the individual receiving maximum long-run benefit"

- .According to Leon C. Megginson, human resource planning is

"an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organisational objectives and satisfy the individual needs and goals of organisational members"

OBJECTIVES OF HRP

- 1) To recruit and retain the human resource of required quantity and quality,
- 2) To foresee the employee turnover and make the arrangements for minimizing turnover and filling up of consequent vacancies.
- 3) To meet the needs of the programmes of expansion, diversification, etc.;
- 4) To foresee the impact of technology on work, existing employees and future human resource requirements;
- 5) To improve the standards, skill, knowledge, ability, discipline, etc.;
- 6) To assess the surplus or shortage of human resources and take measures accordingly,
- 7) To minimize imbalances caused due to non-availability of human resources of right kind, right number in the right time and at the right place;
- 8) To make the best use of its human resources; and
- 9) To estimate the cost of human resources.

PROCESS OF HRP

1) Analysing the Organisational Plan

2) Forecast the demand for human resources

3) Forecast Human Resource Supply

4) Estimating Manpower gaps

5) Action Plan

1) Analysing the Organisational Plans

- Human Resource planning is a part of overall plan of a business organisation. Plans relating to technology, production, marketing, finance, expansion and diversification give an idea about the volume of future work activity.
- It consists of the following substages:
 - i) Objectives and strategic plans of the company are analysed.
 - ii) Plans concerning technological, finance, production are analysed
 - iii) Future plans, goals, and objectives of the company are also taken into account.

2) Forecast the demand for human resources

- HR demand forecasting is the process of estimating the quantity and quality of people required to meet the future needs of the organisation.
- The basis for forecasting must be based on the annual budget and long-term corporate plan and translated into activity levels for each function and department.

3) HR Supply Forecasting

- HR supply forecasting measures that number of people likely to be available from within and outside an organization, after movements and promotions, wastage and changes in work hours, and other conditions of work.
- The supply analysis covers:
 1. Internal sources of supply, and
 2. External sources of supply.

4) Identification of Human Resource Gap

- Human resource gap is the difference between human resources required at a particular point of time and the human resources being available at that particular time.
- This gap can be identified on the basis of forecasts for human resources. Based on the analysis of this gap, action plans must be developed to overcome this gap.

5) Action Plans

- Various action plans are devised to bridge the human resource gap.
 - If there is surplus of human resources either because of improper HRP in the past or because of change of organisational plan,, action plans may be devised to reduce their size through layoff, voluntary retirement etc.
 - If there is shortage of human resources, action plans may be devised to recruit additional personnel.
- i. **Recruitment plan:** will indicates the number and type of people required and when they are needed.
 - ii. **Redeployment:** will indicates the programmes for transferring or retaining existing employees for new job.
 - iii. **Training plan:** will indicate the number of trainees or apprentices required and the programme for recruiting them or retraining: new course to be developed or changes to be effected in existing courses.

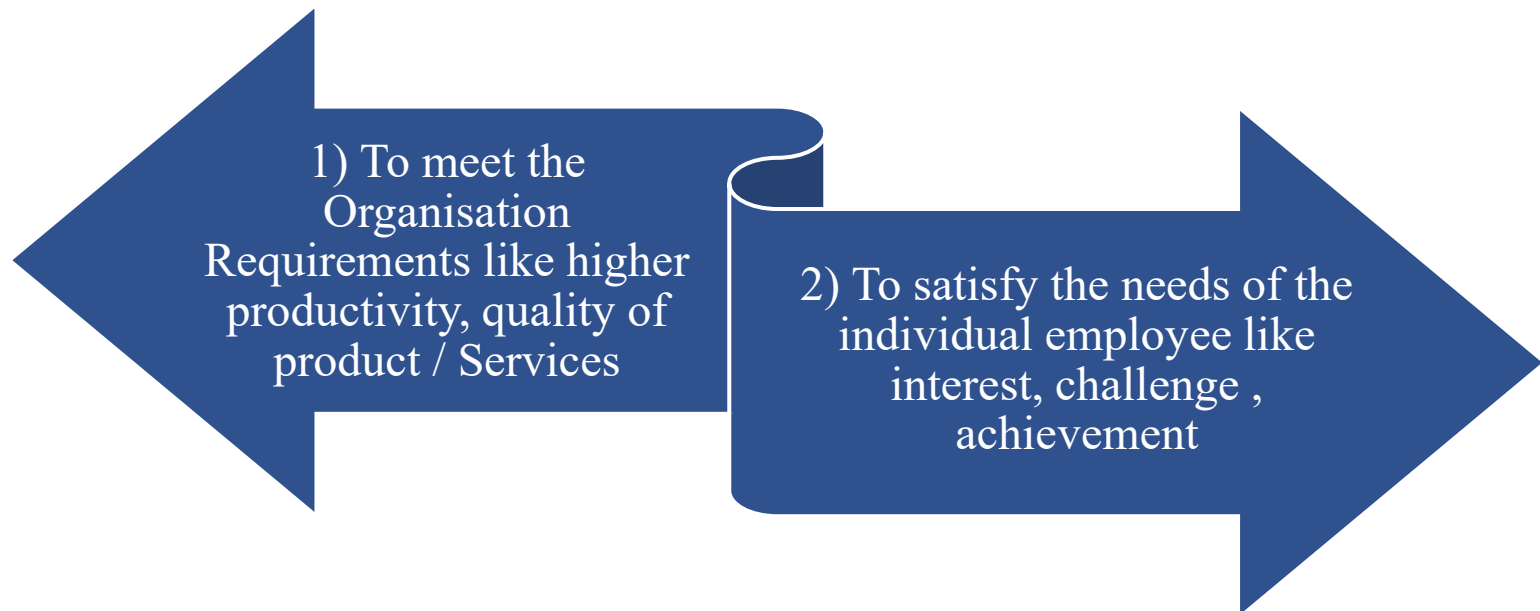


JOB DESIGN

JOB DESIGN

Job design is defined as process of organizing and planning the duties and Responsibilities of a job.

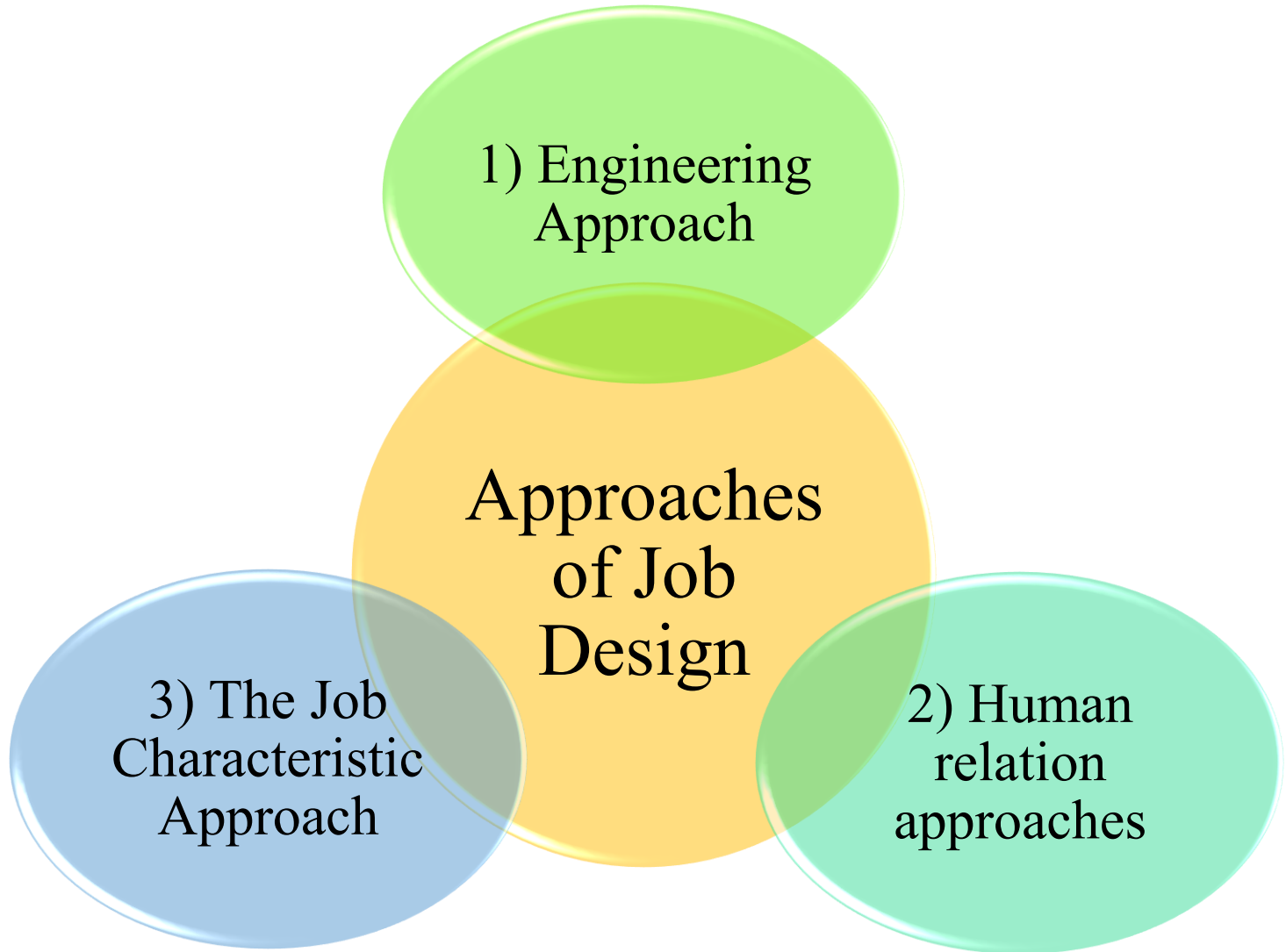
❖ Two Important Goals of Job Design:



PURPOSE OF JOB DESIGN

- 1) Increase employee Engagement & Job satisfaction
- 2) Enhanced the Productivity and Performance
- 3) Clear Roles and Responsibilities
- 4) Utilization of Employee skill and Strength
- 5) Opportunities of Employee Development and Growth
- 6) Promotion of employee well being and safety
- 7) Improve organizational effectiveness
- 8) Enhance customer satisfaction

APPROACHES OF JOB DESIGN



1) Engineering Approach

- Proposed by F.W.Taylor in 1911
- Work should be scientifically studied
- Work should be arranged so that workers can be efficient
- Employees selected for work should be matched with the demands of the job.
- According to this approach the work or task of each employee is planned by the management a day in advance. The instructions for the same are sent to each employee describing the tasks to be undertaken in detail. The details include things like what, how and when of the task along with the time deadlines..
- This approach was considered quite **Rational and Appealing**

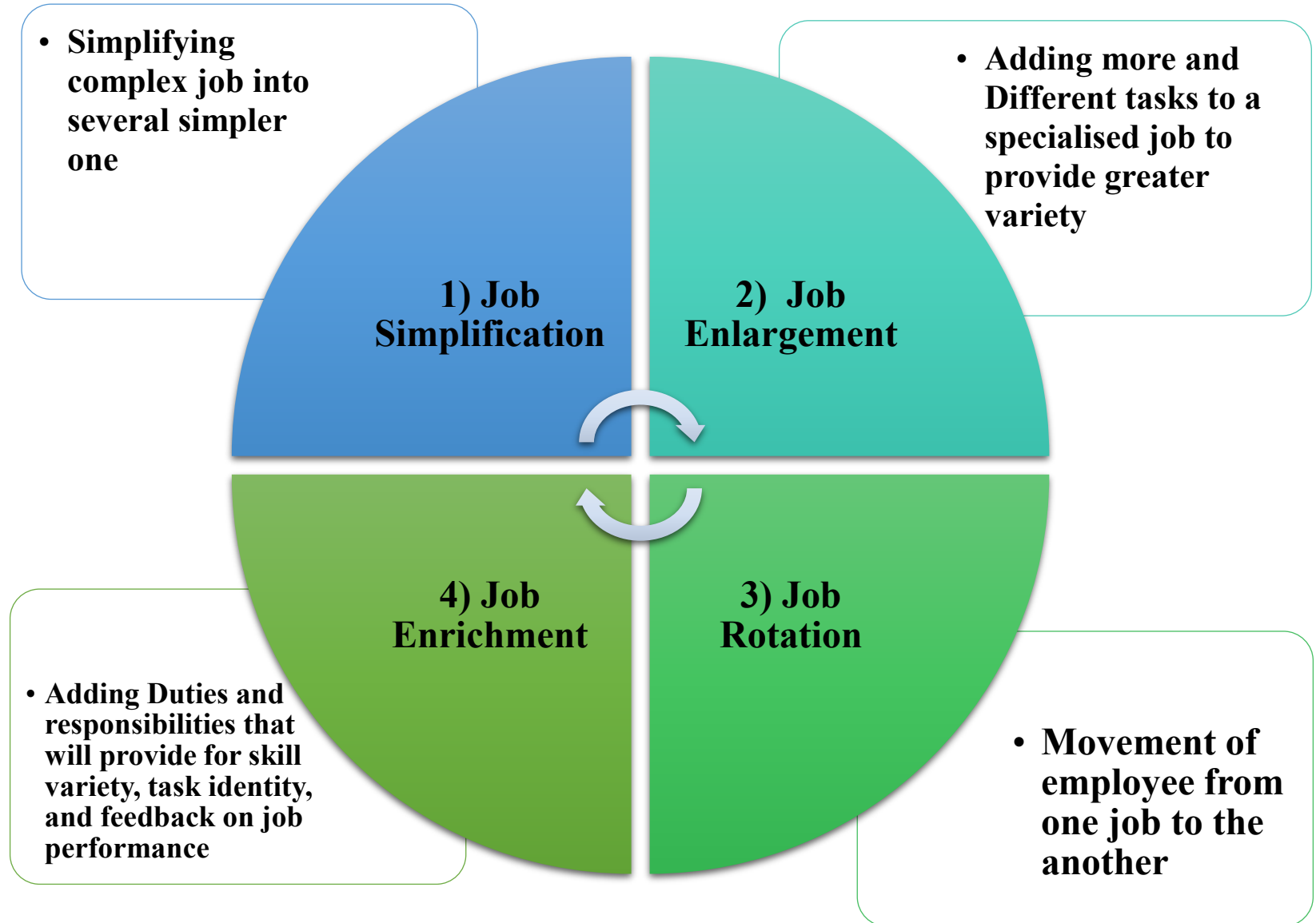
2) Human Relation approaches

- The human relation approach recognized the need to design jobs which are interesting and rewarding.
- The human approach of job design laid emphasis on designing a job around the people or employees and not around the organizational processes.
- Human approach consider employee needs and conveniences.
- According to Herzberg, there are two types of factors
 - 1) **Motivators** like Achievement, recognition, work itself , Responsibilities, growth etc
 - 2) **Hygienic factors** like working conditions, Organisational Policies, Interpersonal Relation, Pay and job Security

3) The Job Characteristic Approach

- This approach is given by **Hackman and Oldham.**
- According to this approach, there is direct Relationship between Job satisfaction and Rewards.
- They said that Employees would perform their best and Committed when rewarded appropriately for their work.
- **According to this approach, any job can be described in terms of five core job dimensions:**
 - 1) Skill variety
 - 2) Task identity
 - 3) Task significance
 - 4) Autonomy
 - 5) Feedback

TECHNIQUES / METHODS FOR DESIGNING JOB



Job Design

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graph TD; JD[Job Design] --> JR[Job Rotation]; JD --> JS[Job Simplification]; JD --> JE[Job Enlargement]; JD --> JEn[Job Enrichment];
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Job Rotation

Shifting
employees
from
one job
to another

Job Simplification

Breaking-down
a job into
various
easier tasks

Job Enlargement

Expansion of
a job in the
same level

Job Enrichment

Expansion of a job
in the higher level