

## **COURSE: PRINCIPLES OF HUMAN RESOURCE MANAGEMENT**

### **LECTURE 2: SCOPE AND OBJECTIVES OF HUMAN RESOURCE MANAGEMENT**

**LECTURER: DR LUCY KARIMI KIRIMA**

#### **Lecture learning outcomes:**

**At the end of the lecture, you will be able to:**

- i. Discuss the scope of Human Resource Management
- ii. Examine the objectives of Human Resource Management

### **SCOPE AND OBJECTIVES OF HUMAN RESOURCE MANAGEMENT**

Human resource management is a management function that helps manager to recruit, select, train and develop organization members. In addition, a process of making the efficient and effective use of human resources so that the set goals are achieved. The management of people in organizations from a macro perspective, i.e. managing people in the form of a collective relationship between management and employees. This approach focuses on the objectives and outcomes of the HRM functions. It means that the HR function in contemporary organizations is concerned with the notions of people enabling, people development and a focus on making the “employment relationship” fulfilling for both the management and employees.

HRM is concerned with employees, both as individuals as well as a group, the aim being to get better results with their collaboration and active involvement in an organization’s activities, i.e it is a function or process or activity aiding and directing individuals in maximizing personal contribution.

Human Resource management is concerned with helping the employees to develop their potentialities and capacities to the maximum possible extent, so that they may derive great satisfaction from their job. The task takes into consideration four basic elements, namely, the capacities, interests, opportunities and personality of the employees.

Capacities- referring to those abilities or attainments, inherited or acquired, that a worker has, is capable of and must a certain degree at lease exercise in his work.

Interests- not only an individual’s desires and ambitions, but also his instinctive impulsive tendencies, vague yearnings, and ill-defined cravings that may or may not stir employee to fullest action in performing duties.

Opportunities- not only opportunities for advancement, but opportunities to exercise capacities and satisfy interests.

Personality- the sum total of a worker’s reaction to experiences and environment, personality is manifest by an individual’s reception by others. The workers ‘personality has great influence upon opportunities.

Since the employee is both a social and economic entity, possessing different characteristics in various work situations; there can be a perfect adjustment of the workers in work unit if the worker possesses the exact capacities required for the work. The work similarly affords the opportunity for exercising these capacities, and the worker's interests are generally satisfied in the performance of the job. However, a happy combination of the four elements are seldom achieved in actual practice; and a lack of balance forms one of the major causes of waste in production. The best or ideal personnel management, therefore, recognizes the individual differences involving these elements and tries to eliminate or reduce them .( Smt, Shyamala(Calicut University, Guru Jambheshwar University ,Hisar-125001,BHM-7027)

### **The scope of HRM**

The scope of HRM is wide. It is all major activities in the working life of a worker from the time of entry into an organization until the employee leaves the organization. ( Smt, Shyamala(Calicut University, Guru Jambheshwar University ,Hisar-125001,BHM-7027)

The scope of Human Resources Management extends to:

- All the decisions, strategies, factors, principles, operations, practices, functions, Activities and methods related to the management of people as employees in any type of organization.
- All the dimensions related to people in their employment relationships and all the dynamics that flow from it.

American Society for Training and Development (ASTD) conducted fairly an exhaustive study in this field and identified nine broad areas of activities of HRM.

**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. It prepares human resources inventory with a view to assess present and future needs, availability and possible shortages in human resource. Moreover, 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.

*Human Resources Planning* is the process of assessing the organisation's human resources needs in light of organizational goals and making plans to ensure that a competent, stable work force is employed. The planning process includes an analysis of skill levels among employees and in the external labour market, of current and expected job openings, of plans for expanding or reducing staff throughout the organisation, and of the external legal environment. The planning process, then, is, closely related to the staffing process and depends also on the overall strategic plans of the organisation.

The systems designed to control and direct the human resources planning process include such devices and computerised records of employees' skills and qualification, forecasts of the number of employees with certain skills who are likely to leave over the next year, analysis of the extent to which affirmative action goals have been met; and confidential organization charts showing possible candidates for promotion to various executive positions.

*Design of Organization and Job:* This is the task of laying down organization structure, authority, relationship and responsibilities. This also means definition of work contents for each position in the organization. This is done by: ‘job description’. Another important step is ‘Job specification’. Job specification identifies the attributes of persons who will be most suitable for each job which is defined by job description.

*Job and work design* specifies the tasks to be performed by individuals and groups within the Organisation, and establishes the rules, schedules and working conditions under which people perform those tasks. Through careful design, or circumstance, or both, events converge to create jobs to which people are assigned and the conditions surrounding these jobs. Some of the systems used to help manage the process of job design include techniques such as time-and-motion study and work simplification, which aims at making jobs easy to learn and workers more efficient. Other job design systems, such as job enrichment, involve techniques to restructure jobs to make them more interesting and challenging. Periodic discussions within a work team about the allocation of tasks can be considered a job design system.

*Job Analysis:* Job analysis, an outgrowth of job design, is the process of investigating the tasks and behaviour associated with a particular job. Various systems used in job analysis include observations of workers as they perform their jobs, interviews and questionnaires. Typically the information obtained from job analysis is used to write job descriptions and to establish what is required of the person who will perform each job. In turn, job descriptions are useful in the staffing process, especially in recruiting, hiring, and training new employees.

*Selection and Staffing:* This is the process of recruitment and selection of staff. This involves matching people and their expectations with which the job specifications and career path available within the organization. An Organisation needs people for its present and future vacancies. Recruitment is the process of exploring the sources of suitable people and taking effective measure for obtaining them. It is designed to attract as many candidates as possible from inside and outside the organisation so that an objective selection of the most talented persons can be done.

Having identified the candidates eligible for the posts, the management should proceed with the selection of right candidates and their placement. Selection is the process of testing the ability, skill and aptitude of the candidates. It is done to find out those candidates who are best suited to the specific jobs. Placement is the process of assigning a job to an accepted individual for which is best suited. Selection and placement may or may not occur simultaneously. When candidate are chosen for specific jobs, selection and placement go together, but when a large number of candidates are selected for avoid of jobs, placement is generally done only by importing training.

*Training and Development:* This involves an organized attempt to find out training needs of individuals to meet the knowledge and skill which is needed not only to perform current job but also to fulfill the future needs of the organization.

Although the two terms are generally put together, they are not identical in meaning.

Training is a learning process that seeks to bring about a permanent improvement in the ability and behaviour of employees by enabling them to learn new skill, knowledge, attitude and behaviour so that they can become better performers. It is mostly intended for operating

employees. Development is a much broader concept than training. It is basically an educational process which is directed to increase the conceptual ability of employees to understand and apply knowledge in terms of cause and effect relationship, in the organizational situation. It is generally intended for managerial, people training and development programmes are essential for enhancing the quality and potential of human resources for improving the standards of performance and productivity of an organisation.

*Compensation and Benefits:* This is the area of wages and salaries administration where wages and compensations are fixed scientifically to meet fairness and equity criteria. In addition, labour welfare measures are involved which include benefits and services. A fair compensation system for rewarding the employees is the most important prerequisite to attracting and maintaining the employees. Compensation in a narrow sense refers to the wages and salaries which are paid to the employees in return for their services. But its meaning is often extended to include all kinds of payments and benefits offered to the employees in lieu of their services. However, the amount of money paid to an employee is the most important form benefit. In addition, to fair monetary compensation, employees should be provided compensation as it enables the receiver to satisfy most of his or her needs. The crucial point about monetary compensation is that it should be fair from the point of view of both the employer and the employee. Although a 'fair compensation' is difficult to define, it should be taken to mean the amount that is adequate for the demands and requirements of the job.

The benefits are provided mostly in the form of paid holidays and vacations, pensions and retirement benefits, accident and life insurance benefits, etc. Services that are generally offered to the employees include social and recreational activities, medical and transport facilities, housing, credit cooperatives, discounts in purchases and cafeteria. These benefits provided to all the members of an organization regardless of their performance. As such they are intended mainly for the maintenance of employees. Research studies indicate that although employees prefer money to anything else, they strongly desire to take a part of their compensation in the form of benefits and services. In most of the cases an employee's decision to stay with or leave the organization will be influenced by the number of benefits and services provided. Therefore, an organization should be to offer as many advantages as possible to its employees.

*Welfare aspect:* Each employee is unique in character, personality, expectation and temperament. By and large each one of them faces problems everyday. Some are personal some are official. In their case he or she remains worried. Such worries must be removed to make him or her more productive and happy.

*Orientation:* After an employee has been selected and placed at a specific job, the next logical step is to introduce him to the culture of the organisation, through socialization. It is a process of transmitting the key values, norms, policies and objectives of the company to the employees with a view to shaping their attitudes, thought and behaviour and assimilating them into the dominant culture of the company. It enables a new employee to understand the organisation better and makes him or her feel at home at his work environment. This is extremely important to his motivation and performance in the organisation.

*Union-Labour Relations:* Healthy Industrial and Labour relations are very important for enhancing peace and productivity in an organization. This is one of the areas of HRM. HRM works to maintain co-ordinal relation with the union members to avoid strikes or lockouts to ensure smooth functioning of the organisation. It also covers - joint consultation, collective bargaining, grievance and disciplinary procedures, and dispute settlement.

*Collective Bargaining:* The collective bargaining process refers to those events that establish a formal agreement between workers and management regarding such matters such as wages and employee benefits, hours of work, working conditions and. Grievance procedures. The process includes both the negotiation and administration of the labour-management contract.

*Personnel Research and Information System:* Knowledge on behavioral science and industrial psychology throws better insight into the workers expectations, aspirations and behavior. Advancement of technology of product and production methods have created working environment which are much different from the past. Globalization of economy has increased competition many fold. Science of ergonomics gives better ideas of doing a work more conveniently by an employee. Thus, continuous research in HR areas is an unavoidable requirement. It must also take special care for improving exchange of information through effective communication systems on a continuous basis especially on moral and motivation. HRM is a broad concept; personnel management (PM) and Human resource development (HRD) are the parts of HRM.

*Performance appraisal and review:* It is a process of ascertaining how effectively an employee is performing his job. The object of the appraisal is to determine the present state of efficiency of an employee in order to establish the actual need for training and motivation. It also serves to indicate the areas of weakness in employee performance so that measures for skill improvement and prayer motivation may be taken to remedy the situation.

Although performance appraisal is central to training and development programmes, it provides valuable information to the entire spectrum of HRM. It can offer important feedback information on the effectiveness of recruitment, selection, motivation and compensation systems. Hence appraisal methods should be most carefully chosen and designed to meet the multiple requirements of HRM.

*Accommodation:* The accommodation process refers to the extent to which management listens and responds to or accommodates the needs, wants, and complaints (or grievances) of organization members. People working in organizations expect to be treated fairly; moreover, they feel they have the right to be heard and to be respected as individuals. Morale is severely affected when there is a sense of unfair treatment or when workers perceive that, management does not care about their feelings, complaints, and suggestions. Systems for managing the accommodation process include questionnaires, suggestion boxes, an “open door” philosophy and formal grievance procedures. The effectiveness with which the accommodation process is managed varies within organizations and depends on a number of factors, such as prevailing leadership style and management philosophy.

*Safety and Health Care Programmes:* Safety and health care programmes are essential to the maintenance of employees. Industrial safety implies that the working conditions in or around the factory or mines should be free from the danger of accidents and health hazards. An accident is a tragic incident which has human, social and economic dimensions. It results in tremendous

mental and physical sufferings for the injured apart from the loss of earnings. The organizations suffer enormous financial loss in terms of compensation payable to the injured, damaged equipment and loss of production.

Hence, every precaution should be taken to protect the employees from the damage of accidents. In addition to adequate safety measures, training and education programme should be organized to create safety consciousness among the people. The setting up of a separate safety department can go a long way in eliminating or reducing the hazards of accidents.

Apart from accidents, workers in an industrial organization are often exposed to certain health hazards and occupational diseases. Proper steps like provision for cleanliness, safe disposal of waste and effluents, proper ventilation and lighting should be taken to protect the health of the employees. Moreover, efficient medical service and recreational activities can greatly contribute to the physical and mental well-being of the employees.

Human Resource Management has to follow certain health and safety regulations for the benefit of employees. It deals with working conditions, and amenities like - canteens, crèches, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.

*Organizational Development:* This is an important aspect whereby “Synergetic effect” is generated in an organization i.e. healthy interpersonal and inter-group relationship within the organization. The integrated approach which is followed for the simultaneous development of people and organization is called organization development (OD). It may be defined as a comprehensive programme of building a climate of improved decision making adaptability and higher performance in an organization the introduction of planned changes. It is, in fact a long-term process of deliberately changing the organization by training and developing managerial people so as to make it more dynamic and effective in meeting the challenge of competition, adaptation and growth. OD programmes are mainly characterized by planned approach to change, emphasis on group rather than individual, participation in external change agents, use of intervention strategy and action research. It includes such complex process as grid training, survey feedback, team building and transactional analysis.

### **Human Resource Management: Objectives**

The primary objective of HRM is to ensure the availability of competent and willing workforce for an organization. Beyond this, there are other objectives as outlined below. ( Human Resource and Personnel Management, Text & Cases, by Aswathappa K., Tata Me Graw-Hill Publishing Company Ltd., P.8.)

#### *Personal Objectives:*

To assist employees in achieving their personal goals, that enhance the individual’s contribution to the organization. Personal objectives of employees must be maintained, retained and motivated.

#### *Functional Objectives:*

To maintain the contribution of department at an appropriate level, organization should fulfill the needs. Resources are wasted when HRM is either more or less sophisticated to suit the organizations demands.

*Organizational Objectives:* it recognizes the role of HRM in bringing about organizational effectiveness. It makes sure that HRM is not a standalone department, but rather a means to assist the organization with its primary objectives. The HR department exists to serve the rest of the organization.

*Societal Objectives:* seek to ensure that the organization becomes socially responsible to the needs and challenges of the society while minimizing the negative impact of such demands upon the organization. The failure of the organizations to use their resources for the society's benefit in ethical ways may lead to restriction.

**More so :**

- To help the organization reach its goals.
- To ensure effective utilization and maximum development of human resources.
- To ensure respect for human beings.
- To identify and satisfy the needs of individuals.
- To ensure reconciliation of individual goals with those of the organization.
- To achieve and maintain high morale among employees.
- To provide the organization with well-trained and well-motivated employees.
- To increase to the fullest the employee's job satisfaction and self-actualization.
- To develop and maintain a quality of work life.
- To be ethically and socially responsive to the needs of society.
- To develop overall personality of each employee in its multidimensional aspect.
- To enhance employee's capabilities to perform the present job.
- To equip the employees with precision and clarity in transactions of business.
- To inculcate the sense of team spirit, team work and inter-team collaboration.
- Accomplish the basic organizational goals by creating and utilizing an able and motivated workforce.
- To establish and maintain organizational structure and desirable working relationships among all the members of the organization.
- Develop co-ordination among individual and group within organization to secure the integration of organization.
- To create facilities and opportunities for individual or group development so as to match it with the growth of the organization.
- To attain an effective utilization of human resources in the achievement of organizational goals.
- 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.
- To maintain high employees morale and human relations by sustaining and improving the various conditions and facilities.
- To strengthen and appreciate the human assets continuously by providing training and development programs.

- To consider and contribute to the minimization of socio-economic evils such as unemployment, under employment, inequalities in the distribution of income and wealth and to improve the welfare of the society by providing employment opportunities
- To provide an opportunity for expression and voice management.
- To provide fair, acceptable and efficient leadership.
- To provide facilities and conditions of work and creation of favorable atmosphere for maintaining stability of employment.
- Establish and maintain sound organizational structure

In addition, the objective of HRM is to ensure the availability of competent and willing workforce to an organization. This include the following:

1. Human capital: assisting the organization in obtaining the right number and types of employees to fulfill its strategic and operational goals
2. Developing organizational climate: helping to create a climate in which employees are encouraged to develop and utilize their skills to the fullest and to employ the skills and abilities of the workforce efficiently
3. Helping to maintain performance standards and increase productivity through effective job design; providing adequate orientation, training and development; providing performance-related feedback; and ensuring effective two-way communication.
4. Helping to establish and maintain a harmonious employer/employee relationship
5. Helping to create and maintain a safe and healthy work environment
6. Developing programs to meet the economic, psychological, and social needs of the employees and helping the organization to retain the productive employees
7. To help the organization to attain its goals effectively and efficiently by providing competent and motivated employees.
8. To help maintain ethical policies and behavior inside and outside the organization.

## References

Handbook of HR Management practice,Armstrong M,Kogan,London,10<sup>th</sup> Edition, 2008

Human Resource Contemporary Perspective,Beard Well Ian &Hlen,Prentice Hall London ,2008

Human Resource Management,Legge karen,Palgrave Macmillan London,1995

Managing Human Resources, Molaner C,London,Routledge,1994

Human Resource Mangemngent,Chandra,M,Chadalawada Engineering College,2018-2019

Introduction to HRM,Stredwick,J,British Cataloguing in Publication Data,2005

Human Resource Management,Guru Jambheshwar University,Hisar-125001

Human Resource Management,Smt.Shyamala etl,Calicut University,Computer Section,SDE,2014

