Chapter 1


- Introduction
- Personnel Management: A Traditional Approach
- Human Resource Management
- Genesis of Human Resource Management
- Increasing Importance of HRM
- References
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Introduction:

Human is a major contributing factor for a country’s economy. Attainment of growth and development of any of the business organization requires optimum use of physical, commercial and human resources. One of the simplest definitions of management says, “Management is an art of getting things done through & with others.” Here the term ‘others’ denote people / people at work. Ideas and philosophy in management are highly situational and dynamic are the resources like trends in fashion and competitive environment; however a consistent theme has prevailed for over many decades that most successful organizations make optimal and effective use of their human resources.

Work motivation is the main aim of managing people, which ultimately will lead to efficacy, efficiency, effectiveness, productivity, and profitability. This function of managing people
was earlier termed as 'Personnel Management' considering Personnel Manager as guardian of the organization. In current times the activity is better known as 'Human Resource Management' after additions in the functions of concerned line and staff authority, in management hierarchy.

*Personnel Management: A Traditional Approach*

Personnel Management is basically concerned with employees 'on the job' and their interpersonal relations. A manager achieves results through the people and for the people. Hence, Human Resource has been rightly called PIVOT round which the entire world of productive activities revolves. In accordance with the statement every manager in the organization is personnel and his objectives, aspirations, interests, decisions, intelligence, creativity, innovation, loyalty, devotion, needs and zeal to work in the organization determine the ultimate success or failure of the concern. Motivating employees, cultivating managerial habits, development of internal drive, inspiration, and encouragement among human resource of the concern are the functions to be performed by personnel manager. Personnel management is that part of management which is concerned with the human constituents of an organization. It is a science
as well as an art that regulates and control employees. It is also known as Labour Management, Personnel Administration and Industrial Management.

A number of management thinkers have defined Personnel Management on the basis of its various features like: ¹

1. "It (Personnel Management) is that phase of management which deals with effective control and use of manpower as distinguished from other sources of power." -- Dale Yoder.

2. "Personnel Management is that part of managerial process which is primarily concerned with the human constituents of an organization." -- E. F. L. Breach

3. "Personnel function is concerned with procurement, development, compensation, integration and maintenance of the personnel of an organization for the purpose of contributing towards the accomplishment of major goals and objectives in the organization." -- Adwin B Flippo.

4. "Personnel Administration is the art of acquiring, developing and maintaining the competent work force in order to achieve and accomplish the organizational goals with maximum efficiency and economy." -- Society of Personnel Administration of America.
5. "Personnel Management is the part of management functions which is primarily concerned with human relationship in an organization. Its objective is the maintenance of relationship which enables all those engaged in undertaking to make maximum contribution to effective working of the organization." -- Indian Institute of Personnel Management.¹

*Personnel Management* can be defined as that part of management, which is responsible for advising on all matter relating to human being working under different circumstances and in particular performs certain administrative functions relating to employment, development and compensation of the personnel. It also deals with the provisions of working conditions and welfare measures to maintain a good working force in the organization.

A Personnel Manager performs many functions to manage efficiency and effectiveness of personnel like:

**Managerial functions:**

Managerial behavior and organizational climate exert a major influence on achievements of goals and human resource being important as well as crucial asset of every organization; managerial functions of personnel manager play vital role².
**Personnel Planning:** Personnel Planning is deciding in advance that how many and what type of people are required at what point of time and how they are to be motivated. This prime function of Personnel manager decides quantity, quality, time of presence and working techniques of personnel in the organization.

**Personnel Organizing:** Organizing is to manage certain personnel functions by designing the relationship structure of relationship among jobs, personnel and physical factors to contribute towards organizational objectives.

**Personnel Directing:** Function of Personnel Directing refers to instructing and guiding personnel department employees to get departmental functions performed efficiently i.e. to motivate and activate employees to follow guidance given by superiors for organizational welfare.

**Personnel Controlling:** Controlling function of personnel department is concerned with regulation of activities in accordance with the personnel plans formulated on the basis of fundamental goals and objectives of the organization.

**Operative Functions:**
Management is incomplete if operational efficiency is not implemented, so a personnel manager is suppose to perform
following operative functions for efficient organizational functionality.

**Employment:** Appointment of right kind and right number of personnel for achievement of objectives. Employment of personnel is a procedure consisting of following steps:

**Recruitment:** Recruitment is advertising for new employees and liaising with employment agencies as per requirement.

**Selection:** Determining the best candidate from those applied during recruitment by arranging test, discussions, interview and reference checking.

**Promotion:** Running similar selection procedure to determine progression within the organization.

**Negotiation:** Negotiation refers to playing a minor or major role in pay negotiation, determination & administration after reviewing basic factors like basic needs, job requirements, legal provisions regarding minimum wages, paying capacity of organization, competitors' wage level etc. by the help of various techniques like job evaluation, performance evaluation etc.

**Integration:** Achieving a reasonable reconciliation of interests of personnel and organization and providing an efficient system of two-way communication of personnel programs and policies
to avoid industrial disputes & to maintain industrial harmony, handling disputes, grievances and industrial actions.

**Development:** Grading structure as a basis for pay or development, coordinating or delivering programs to fit people for the roles required by the organization and devising programs to increase skills and efficiency of personnel.

**Welfare:** Providing or liaising with specialists in a staff care or counseling role for people with personnel or domestic problems affecting their work i.e. welfare services related to physical or social well being of employees like group insurance, counseling, workshops, recreational facilities etc.

**Working Conditions:** Providing good working conditions to maintain efficiency, consistency and sustainability in employees' working and organizational profitability. It includes measures to be taken for health, safety, welfare and ensuring high morale of employees to maintain their interest continuously in work.

**Personnel Administration:** Record keeping and monitoring of legislative requirements related to equal opportunities, pensions and taxes etc.

So personnel management concept was related to growth and development of employees working in an organization but main
assumption was that employees are intermediary commodities like other resources that are to be utilized for attainment of final material product. Due to this assumption personnel were lacking innovation, dynamism and creativity.

Liberalization, Privatization and Globalization (LPG) in corporate world created a need of sustained growth of business and for that employees are required to develop within themselves a changed scenario that resulted into a new concept: Human Resource Management.

*Human Resource Management*

All the activities of any enterprise are initiated and determined by human resource. Human resource is the real source of creation for institutions, luxurious offices, modern and advanced plants and machineries, automated equipments etc. All of these commercial factors will remain unproductive unless human efforts and potential is used in right direction.

Human resource is defined as total human capital as well as potential that are possessed by an organization. It is one of the most worthy assets of an organization and work as a key to success. Uncertainties and risk is managed to a high degree if organizational policies are closely interlinked and coordinated
with human resource. However, corporate culture, organizational climate and managerial behavior add to achievement of excellence.

Main function of Human resource management is to study, explore and develop means and ways for effective utilization of human being in addition to optimum use of caliber and competence for achievement of organizational and social goals. This concept is related with integration of all organizational members to make their working effective for all common purposes. It involves getting organizational move in right direction as per preset goals/targets, providing effective ways to motivate and lead, obtaining and developing right personnel, compensating them in most suitable way and involving them in main stream of working in an utmost productive way.

Human Resource Management is a relatively modern label for the range of themes and practices involved in managing people that can be defined in number of ways.

"Human Resource Management is that part of management process which is specifically concerned with the people employed in an organization. Its purpose is to establish and maintain sound relations at all levels of the organization and to secure effective use of personnel by ensuring such conditions of
employment as well as to attain for these personnel, social satisfaction which they tend naturally to seek within their working environment.” --- Inst. of Personnel Management, U.K.

“Human Resource Management can be described as a function of management process related with manpower planning, its assessment, empowerment, job enrichment, maintenance of parity and justice between all the partners of the business i.e. organizational members.”

“Human Resource Management is the art of acquiring, developing and maintaining a complete work force in such a manner as to accomplish with maximum efficiency and economy for the functions and objectives of the organization”

Thomas G Pate

“Human Resource Management is concerned with human and social implications of change in internal organization and methods of working and of economic and social changes in the country”.

“Human Resource Management is concerned with development and application of policies and practice governing recruitment, selection, placement & termination, training, education, promotion, terms of employment, methods and standards of remuneration, working conditions & employees services, formal
and informal communication & consultation at all levels, negotiation and application of agreement on wages & working conditions, procedure for avoidance & settlement of disputes.” - Indian Institute of Personnel Management

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

In view of above listed definitions it can be emphasized that fundamental concepts of Human Resource Management could be; concept of development of people to their full potentials, to facilitate group working of people, towards definite and predetermined ends and performing profit cum growth oriented functions, through quantitative training and development activities. So in real terms today Human Resource Manager is the real guardian of the organization, where as, Personnel manager is the legal man involved in dispute solving and ensuring welfare of the employees of the organization. It is pertinent to mention that both these executives can play each
other's role but it is also true that Human resource manager faces more problems in performing the functions of Personnel manager.

**Functions of Human Resource Management**

Human Resource Management is a strategic approach to the acquisition, motivation, development and management of organization's human capital. HRM is a proactive approach that is always recognizing the needs of organization and its members and fulfilling it. Functions of Human Resource Management are dynamic in nature and are based on three *basic elements*:

- The people, who work in the organization; their skills & capacities; their attitude towards organization.
- The management style prevailing in the organization i.e. aggressive, authoritarian, democratic or laissez faire.
- The organizational climate or work atmosphere i.e. degree of interpersonal cooperation, conflict resolution methods, degree of trustworthiness of workers, prevalent organizational policies etc.

A Human Resource Manager usually performs following functions:
**Traditional Functions:**

**Human Resource Planning:** To define organizational requirement for every kind of human resource in terms of quantity, expertise, fitness etc.

**Human Resource Organization:** Organizing the human resource as required be the concern, designing of jobs, setting up effective communication and implementing motivational techniques.

**Human Resource Welfare:** Devising programs for welfare of employees in monetary and non-monetary terms by the ways of incentive plans, health measures, safety measures, performance management and reward management plans for well being of employees etc.

**Human Resource Development:** Incorporating career management and reward management plans to maintain continuous interest of employees in the organization. Providing consultancy and counseling to employees regarding their personal as well as work place problems.

**Maintenance of Human Resource Relationships:** Dealing with individual as well as collective problems of workers as member of trade union or staff association to eliminate industrial disputes and to maintain industrial harmony.
**Compensation Management:** Performing negotiator's role about settlement of fair remuneration and other compensations for employees to enable their faith in organization and to ensure cordial implementation of plans.

**Advanced functions:**

**Empowerment of employees:** Playing caretaker role for employees by informing them about right opportunities, suggesting them in advancement of skill, educating them properly about their organizational rights and duties.

**Team Leadership:** Providing motivational, trustworthy and influencing leadership to employees so that both organizational and individual goals along with economic and mental growth of employees can be obtained.

**Customer Responsiveness:** Employees are internal and first customer of the organization and it is the duty of HR manager to satisfy them and to obtain continuous feedback from them so that stability can be maintained and maximum benefits can be availed from expertise of employees at different levels.

**Corporate Culture Maintenance:** Maintaining a cordial and hormonal culture in the organization and to work as suggestive machinery for both managerial and employees so that common objectives can be attained efficiently and interest of all
concerned parties can also be taken care of, by the present and potential HR Managers.

*Genesis of Human Resource Management:*

When labor was treated as a commodity, Robert Owen (U.K.) paid attention to welfare of employees of the organization. He established a school for workers' children and initiated employees' sickness benefit scheme as a result, employees were boosted and benefited him with heavy profits. As far as the term Personnel Management is concerned; it originated in USA and was the result of scientific management principles as F W Taylor's scientific management movement laid great stress on scientific selection and systematic training and development of individual worker. H L Gantt, a close associate of Taylor, further developed the concept by foreseeing the need of willing cooperation of workers through incentive plans and by developing the industrial habits among the employees. Apart them F Gilbreth, Lillian Gilbreth also contributed by suggesting worker's behavior patterns, fatigue and monotony elimination techniques etc. But most important breakthrough was human relations movement and establishment of school of behavioral sciences. It paved the way for use of disciplines like
sociology, psychology, and industrial psychology etc. with a view to understand employees and organizational behavior and influencing them through a motivational technique. World wide great depression of 1929 was another contributing factor towards growth of human resource management theory that inculcated the inevitable proposition that managing human resource is as important as managing production, material, distribution or finance. It was actually in USA where systematic research studies and experiments were conducted and human resource management concept was developed. The genesis of HRM can be judged by the statement that, “Nothing will move in an organization unless HR comes into action”. This has precisely let to the genesis of Human Resource Management that is a natural result of interaction between men and machine.

In India, a combination of non-scientific recruitment techniques and increased labor unrest resulted in strikes, lockouts and high degree of grievances. Such conditions initiated some interest of entrepreneurs and concerned parties in personnel administration but it was joined by government interventions and coercion. Submission of report of Royal Commission on labor setup in 1929 initiated a new approach of considering
human as an asset which was further approved by Government by implementing various legal measures like Factories Act, Industrial Disputes Act, Minimum Wages Act etc. some entrepreneurs like Tata, Calico, British India Corporation etc. appointed welfare officers and shown a good deal of interest in promoting employees welfare.

In 1941 the Government of India initiated the Tripartite Labor Conference with a view to promote uniform labor legislation, Industrial dispute settlement machinery and consultancy on industrial matters. Since 1991, Indian entrepreneurs have grown their interest in Human Resource Management and now separated departments are being promoted for sustained industrial growth.

*Increasing Importance of HRM*

Continuous changes are occurring in business environment that are requiring human resource management to play even more crucial role in current organizational trends. These trends include work force diversity, technological trends, globalization, changes in nature of job and work. Now a Human Resource Manager is not just manager but he is to be an excellent
planner as well as smooth implementing machinery. If we look back to our industrial development, we can visualize that the first phase (wave) has been that of agricultural revolution; the second has been industrial revolution and the third has been Information Technology revolution (current one). HR has been involved in all the phases.

Work force diversity refers to composition of personnel, which is changing continuously as women, minors; professionals are giving flood to work force. Changing composition is directing everybody to prove himself as different and more suitable for a particular job. Increased diversity is placing tremendous demand for Human Resource Management functions along with certain challenges regarding stress management, health care administration and promotional options management. More stable and lasting solutions can be made available by the expert human resource manager, which is increasing the importance of human resource management.

Technological trends and developments are contributing factors in shifting employment form one occupation to another that results in increase in productivity. Such trends increases the importance of human resource management as it can stabilizes employees by devising technological advancement programs
within the organization to cope with external factors, ultimately for manpower development.

Job redesigning, organization redesigning, restructured incentive and compensation plans are some of the tools of HRM that enables an organization to work in a competitive environment.

Globalization refers to tendency of firms to extend their business anywhere in world in order to maximize the benefits. Even human resource is getting globalize as transnational companies are free to switch resources and production from one country to another to attain maximum benefits of greater skills availability and lower employees costs. But the benefits of globalization are unevenly distributed between and within the nations due to which social problems are emerging like reduction in job security, erosion of wage rates etc. To meet all such challenges human resource plays an active role with the help of various techniques and tools, to help consolidate the development of organization and its employees. Therefore, it can be stated with certainty that HR is a force to reckon with for ensuring globalization at large on long-term basis for sustained growth and development of the economy.
Changes in nature of job and work have become a common phenomenon due to technological and global trends. Recent trend is more towards service jobs and knowledge management and a challenge for organization is there to faster intellectual human capital which is to be managed in a different way than those of traditional era. Human relations movement is quite helpful in developing enlightened society through harmonious employer employee relationship, leading to overall good or cordial industrial relations. Today Trade Union Relationship has been given a shade and color of Human Relations Development at large.

Actually genesis and development of Human Resource Management concept has evolved a new direction for Human Resource manager. Now HR manager is responsible for maintaining coordination between various levels of organizational structure, which tends to head off in different directions. The concept also provide objective lines to H R Manager like: To gain commitment and cooperation of all members in his work group; to get the group into action to achieve agreed objectives and to make best use of skills, energies and talents of all members for attainment of desired Human Resource Behavior for ultimate fulfillment of vision and
mission of the organization. And technique to get all these lines is through confidence building and establishment of independence between various levels of operators with a mutual dependence as well.
References:

3. Thomas J Cartin, Organizational Behaviour, P. 53.