

UNIT-1

HUMAN RESOURCE MANAGEMENT

HUMAN: Stands For

- H – Hear
- U – Understand
- M – Moves
- A – Adjust
- N- Negotiates

Objectives

- After studying this unit, you will be able to:
- Understand the basic concepts of human resource management (HRM).
- Explain what human resource management is and how it relates to the management process.
- Provide an overview of functions of HRM.
- Describe how the major roles of HR management are being transformed.
- Explain the role of HRM in the present millennium.

INTRODUCTION

- Since mid 1980's Human Resource Management (HRM) has gained acceptance in both academic and commercial circle

WHAT IS HRM

MEANING OF HRM

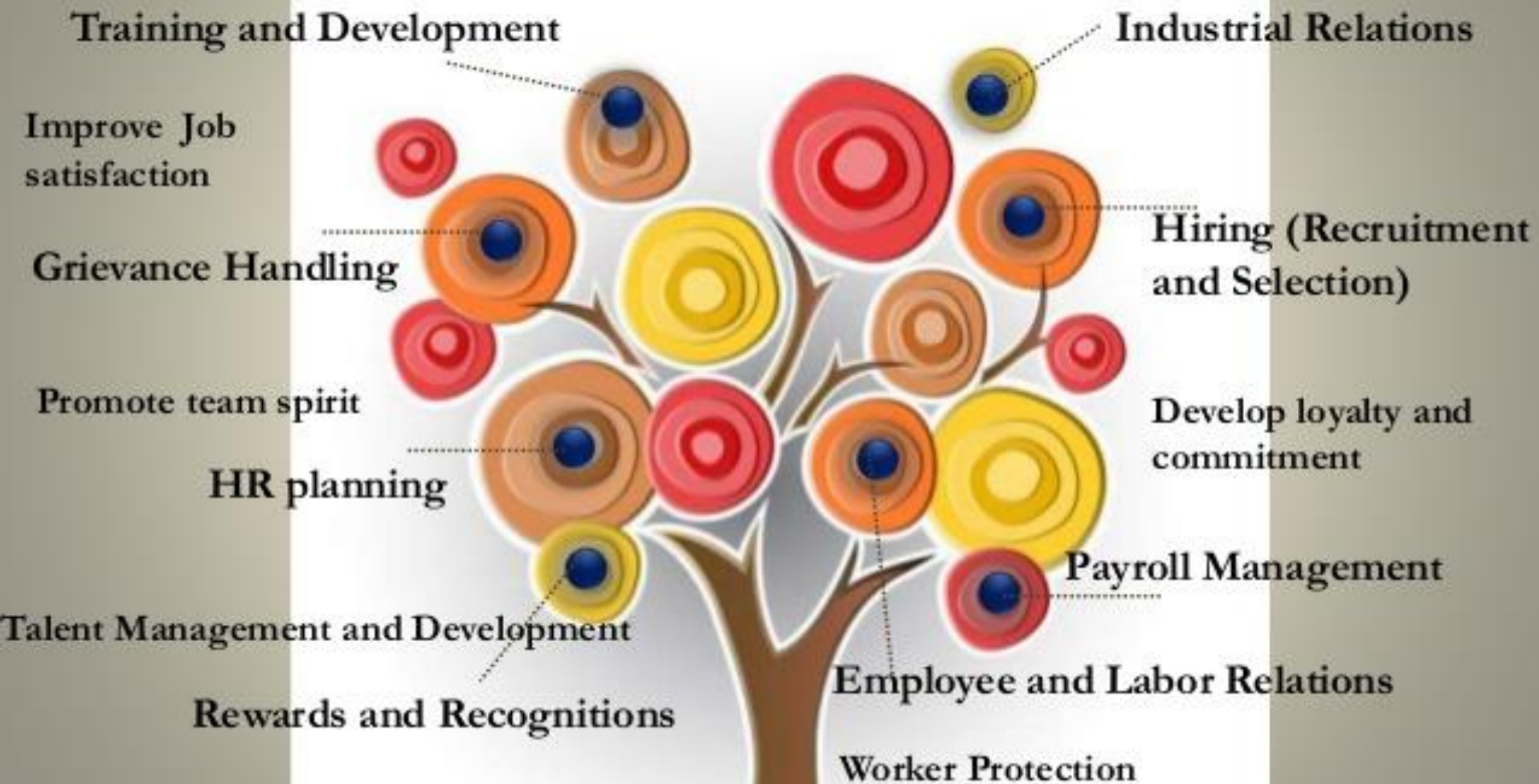
Human Resource Management in simple words stands for managing the employees of an organisation.

It is the process of putting right people to the right task thereby making maximum use of the employees' talent and abilities to achieve the desired goals and objective.

DEFINITION OF HRM

Edwin Flippo defined 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.”

Role of Human Resource Manager



Therefore, HRM is about developing and managing harmonious relationships at workplace and striking a balance between organizational goals and individual goals.

HRM Objectives & Functions

Societal objectives

1. Legal Compliance
2. Benefits
3. Union-management relations

Organizational Objectives

1. Human Resource Planning
2. Employee Relation
3. Selection
4. Training & Development
5. Appraisal

Functional Objectives

1. Appraisal
2. Placement
3. Assessment

Personal Objective

1. Training & Development
2. Appraisal
3. Placement
4. Compensation
5. Assessment

FUNCTIONS

Major functions of human resource management are

**MANAGERIAL
FUNCTION**

**OPERATIVE
FUNCTION**

ADVISORY FUNCTION

HR Planning

- Human Resource (HR) Planning
 - The process of analyzing and identifying the need for and availability of human resources so that the organization can meet its objectives.
- **So Human resource planning** is a process by which an organization ensures that



UNIT-1

**Topic: Human Resource
Structure And Strategies**

Learning Outcomes

- Understand the concept of strategic management
- Complete administrative duties accurately, systematically and within required timeframes
- Comprehend the process of strategic management
- Understand the concept of strategic human resource management

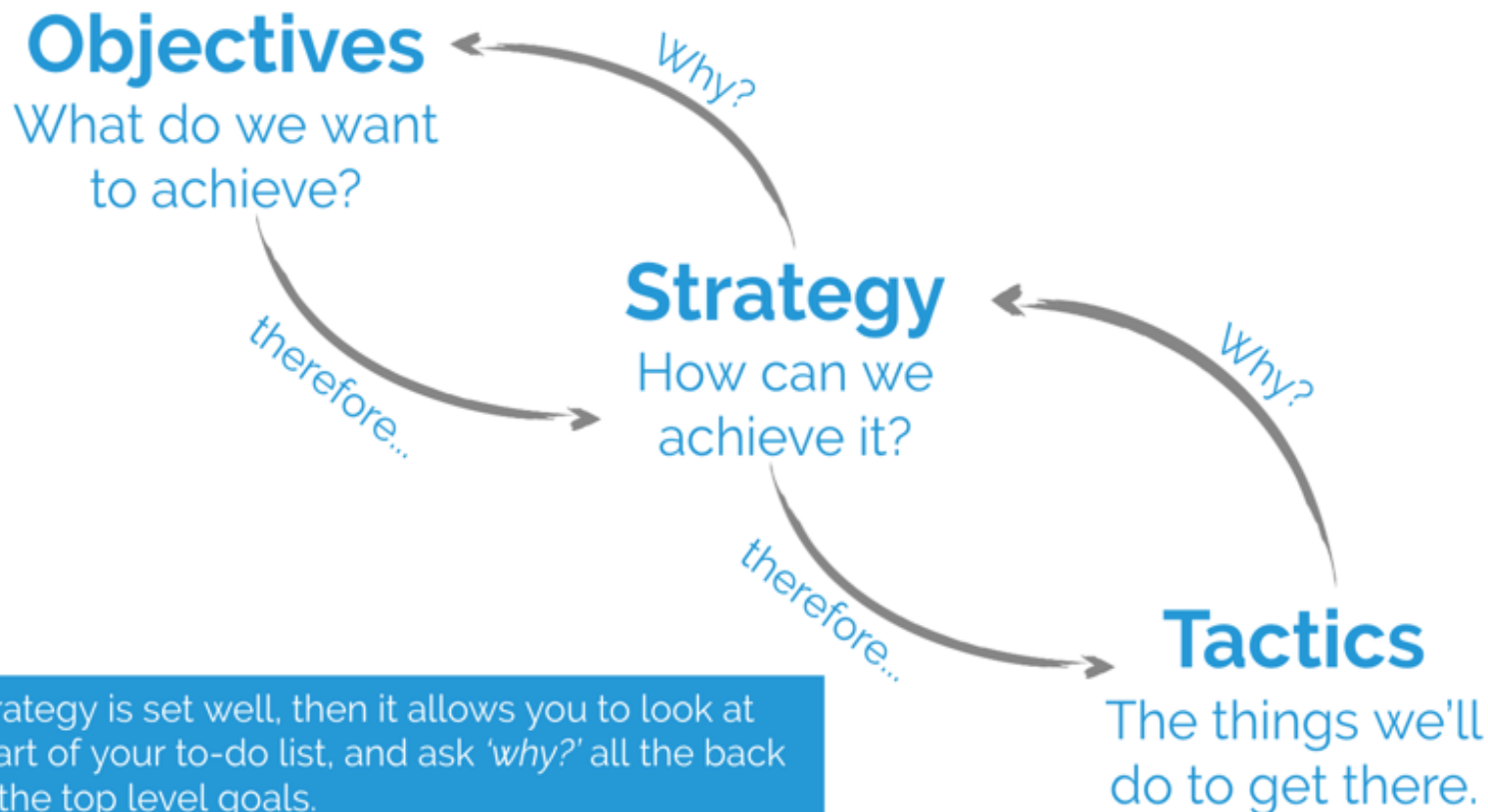
Introduction

- A Human Resource strategy is a business' general arrangement for dealing with its human resources to adjust it to its business exercises. The Human Resource technique sets the course for every one of the critical spaces of HR, including employing, execution evaluation, improvement, and remuneration.



What is a Strategy?

What is 'Strategy'?

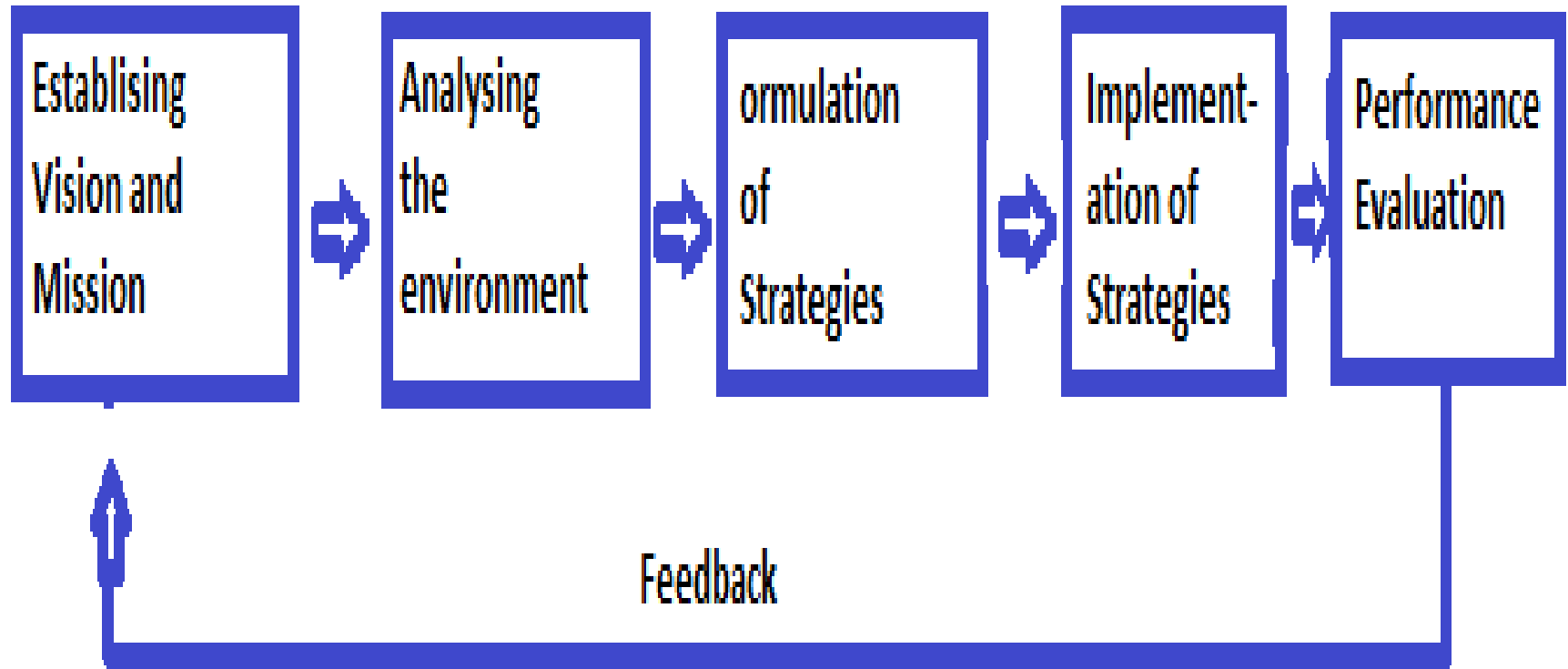


If a strategy is set well, then it allows you to look at any part of your to-do list, and ask 'why?' all the back up to the top level goals.

Strategic Management

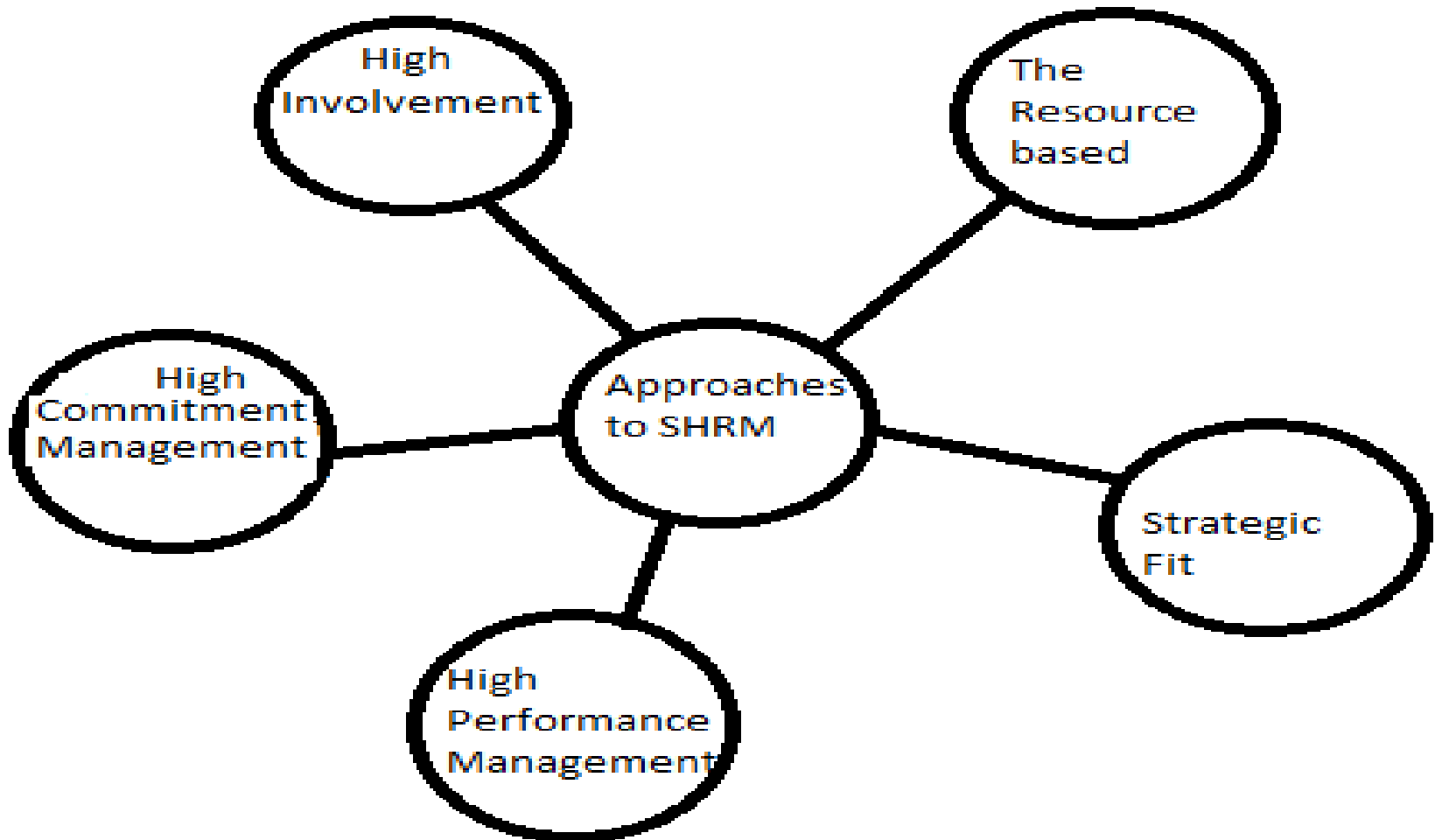
- Set of managerial decisions and actions that determines the long run performance of a business.

Process of Strategic Management



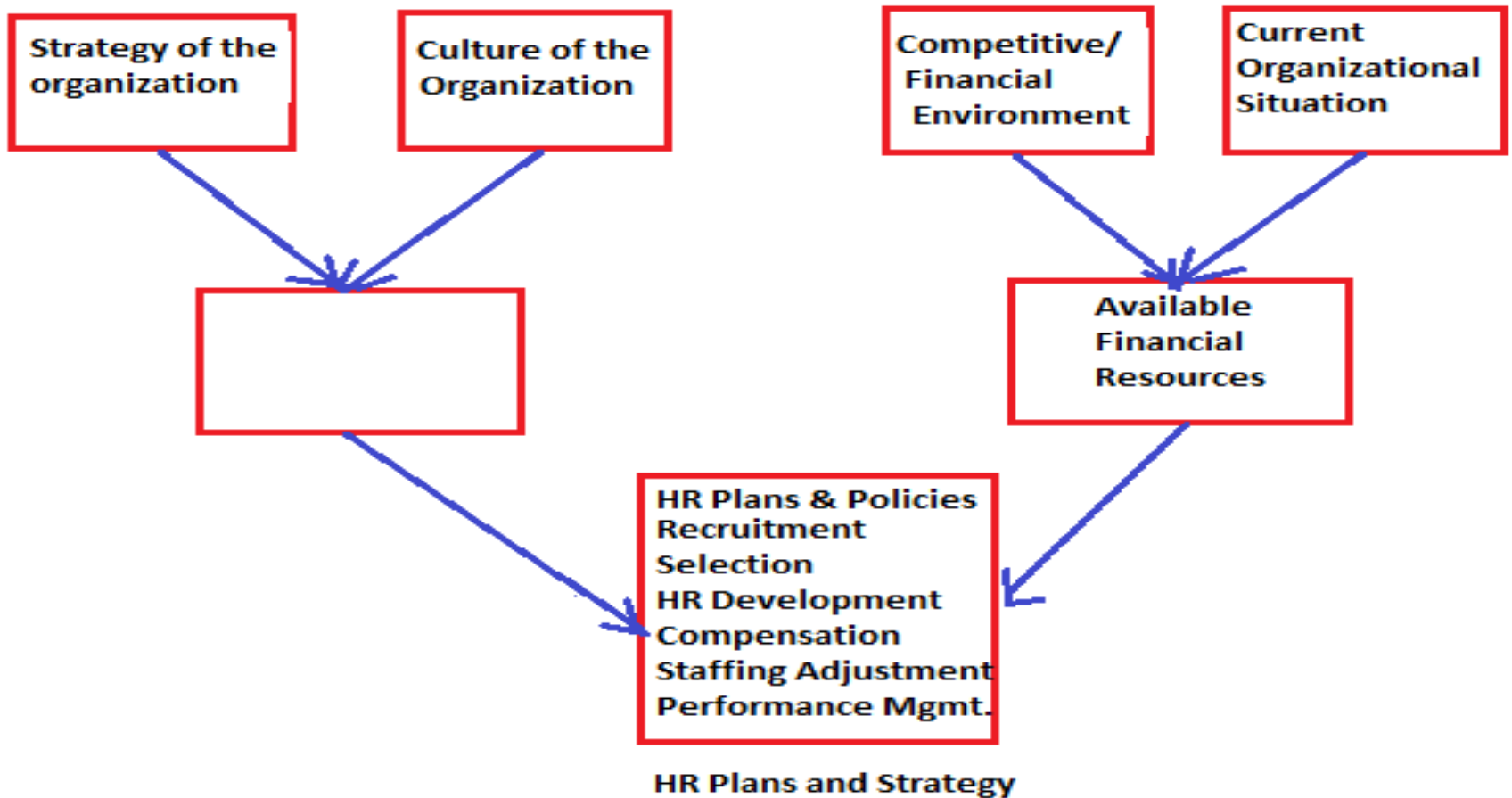
Strategic Management Process

Approaches to Strategic Human Resource Management



APPROACHES TO SHRM

Linkage between HR Plans and Strategies



HRM Structure

- Five elements create an **organizational structure**: job design, departmentation, delegation, span of control and chain of command.
- These elements comprise an **organizational chart** and create the **organizational structure** itself.
"Departmentation" refers to the way an **organization structures** its jobs to coordinate work.

Unit-1

Topic: Human Resource Structure



ON TIME AWARD!

Awarded to

BPM-11

Well done for arriving at school on time this week!

Signed

Suz

Learning Outcome:

- After completing this module the students will be able to:
- Understand the meaning of organisation structure.
- Having the knowledge of different types of organisation structures.
- Understand the line and staff aspects of HRM.
- Knowing the place of HR in the total organizational setup.

Introduction

- **Human Resource Management (HRM)** is the term used to describe formal systems devised for the **management** of people within an **organization**.
- The responsibilities of a **human resource** manager fall into three major areas: staffing, employee compensation and benefits, and defining/designing work.

Who Does Human Resources Report To?

Types of organisation structures

- Line organization structure



Advantages

- Tends to simplify and clarify authority, responsibility and accountability relationships
- Promotes faster decision making.
- Simple to understand.

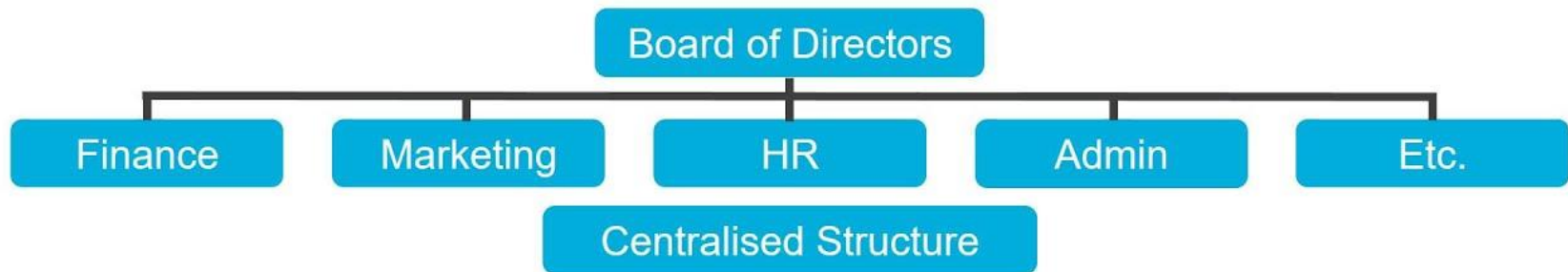
Disadvantages

- Specialists are not given importance in planning.
- Key persons are overloaded with jobs and tasks.

Functional Organizational Structure



Functional Structure



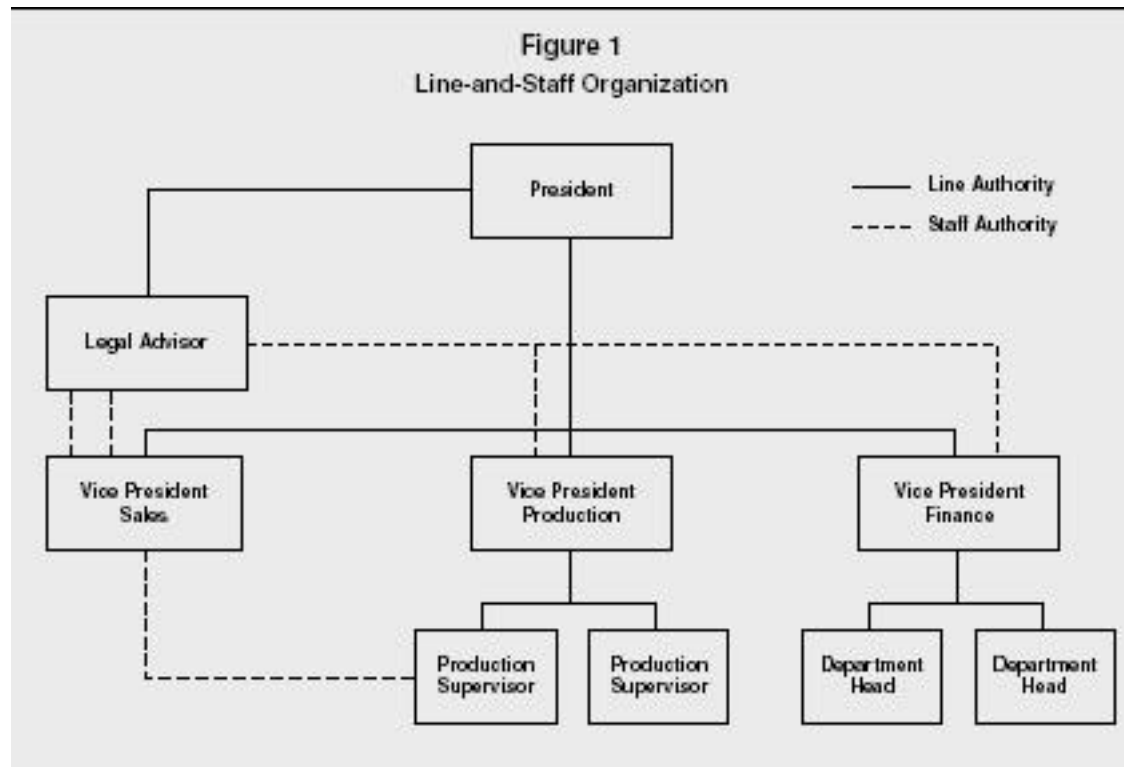
Advantages

- **Experience**
- Specialist Staff
- Standardisation
- Greater Communication
- Economies of Scale
- Efficiency

Disadvantages

- Lack of Variety & Job Enrichment
- Limits Flair & Ingenuity
- Greater Bureaucracy & Form Filling
- Compromise on Functional Requirements

Line and Staff Organization Structure



Line and Staff Organization Structure

Advantages

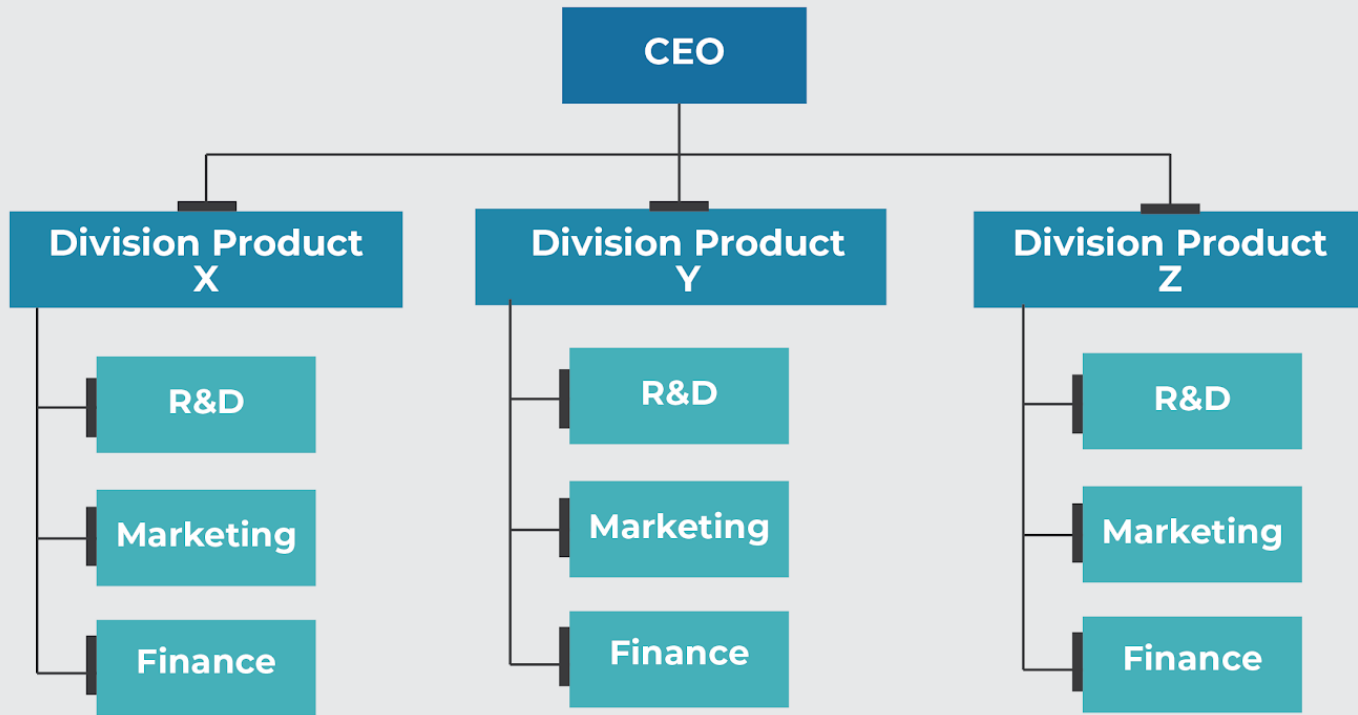
- Line and staff organization is more suitable in large enterprises.
- Line and staff structure allows higher flexibility and specialization.

Disadvantages

- It allows higher flexibility and specialization it may create conflict between line and staff personnel.
- Staff people may dislike their lack of authority and this may cause line and staff conflict.

Divisional Organization Structure

Divisional Organization



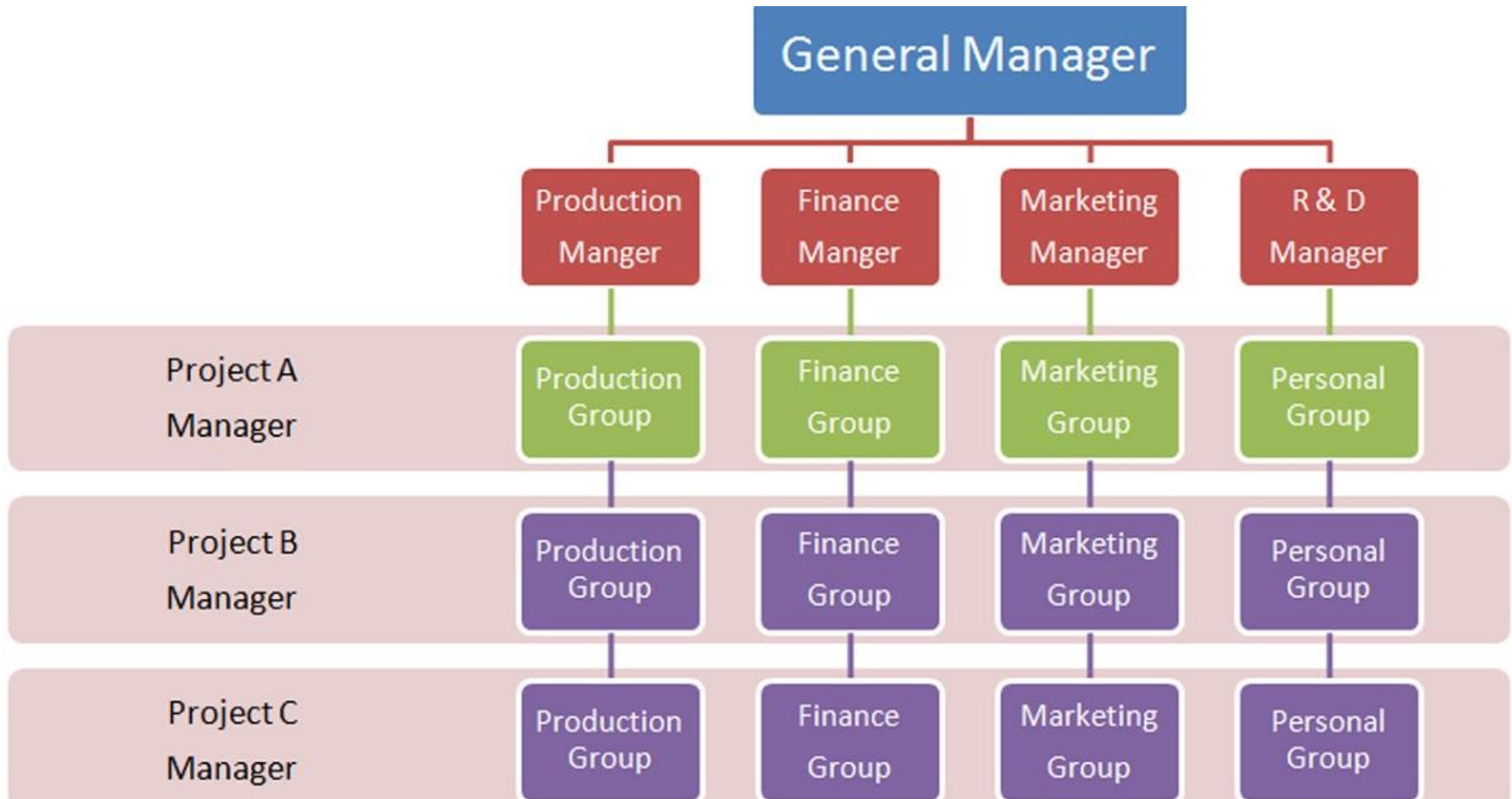
- **Advantages**

- Key interdependencies and resources within the division are coordinated towards an overall outcome.

- **Disadvantages**

- Too much duplication of resources, skills, and expertise as each division has its own function.

Matrix organization structure



Advantages and Disadvantages of the Matrix Approach

Advantages

- ❑ **Efficient utilization of scarce, expensive specialists**
- ❑ **Flexibility that allows new projects to start quickly**
- ❑ **Development of cross-functional skills by employees**
- ❑ **Increased employee involvement in management decisions affecting project or product assignments**

Disadvantages

- ❑ **Employee frustration and confusion as a result of the dual chain of command**
- ❑ **Conflict between product and functional managers over deadlines and priorities**
- ❑ **Too much time spent in meetings to coordinate decisions**

Books to refer

- **“Human Resource Management”**: by *Gary Dessler*
- **“Strategic human resource planning and management”**: by rothwell & kazanas
- **“Human resource management”**: by karen legge
- **“Human Resource Development”** by Jon M Werner and Randy L DeSimone

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HR Structure in Organisation
Cont.....

Factors influencing the choice of structure

- Strategy and Structure
- Size of Organization
- Advanced Technology
- Environmental impact
- Formal and informal organisation
- Staff Aspects
- Relationship

Questions comes.....

- **How Many People Should Work in Your HR Department?**

HR TO STAFF RATIO

$$\text{HR to Staff Ratio} = \frac{\text{Number of Employees}}{\text{Human Resources Team Members}}$$

How to Find the HR to Staff Ratio

- **HR to Staff Ratio** = Employees / Human Resources Team Members.

HR Department Benchmarks and Analysis, 2017

- For almost 40 years, Bloomberg BNA has published an annual report on the state of the human resources function.



Further Reading

- Armstrong, Michael. *A Handbook of Human Resource Management Practice*. Kogan Page Limited, 1999.
- Burstiner, Irving. *The Small Business Handbook*. Prentice Hall, 1988.
- Green, Paul C. *Building Robust Competencies: Linking Human Resource Systems to Organizational Strategies*. Jossey-Bass, 1999.