

21. IMPERATIVE ROLE OF HUMAN RESOURCE MANAGEMENT IN ORGANIZATIONAL ACTIVITIES

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ABSTRACT

Human Resource Management is the strategic approach to the effective management of people in a company or Organization such that they help their business gain a competitive advantage. The overall purpose of Human Resource is to ensure that the organizational is able to achieve success through people. It practices on organizational performance. The job of HRM is the job of all such departments to ensure that the business gets the most out of its employees. The Human Resources Management needs to provide a high return on the business investment in its people and deals with not just management issues but also human as well. It has widely spread over different channels receiving an application, selection, placement, Training and development, promotional activities, performance appraisal, job definition, compensation, reward and employee participation. In this paper we discuss the reasons for organizations to have a HRM strategy as well as the business drivers that make the strategy imperative for Organizational achievement. HRM becomes a valuable tool for management to ensure the organizational success. In today's world the human resource management plays

a very vital role in the daily life. On the one hand the soft and hard human resource management influence on the business and let them develop rapidly for organizational growth and success. Key words: Human Resource Management, Organization, Business Strategy, Organizational Success.

INTRODUCTION

Human Resource Management is an Operation in companies designed to maximize the employees' performance in order to meet the employee's strategic goals and objectives. More precisely, HRM focuses on management of people within companies emphasizing on policies and systems. HRM includes conducting job analysis , planning personnel needs, Recruiting the right people for the job, orienting and training , managing wages and salaries, providing benefits and incentives evaluating performance, resolving disputes and communicating at all levels.

An Organization is bound to suffer from serious problems because of no proper setup of HRM. For this reason. Today, companies must put a lot of effort and energy in to setting up a strong and effective HRM. It is one of the greatest asset of any organization that ensures that the achievement of

the company's goal and objectives. "The Whole is more than the sum of its parts" Aristotle words. This is similarly right when it comes to having all managers fully understanding the organization documented Business plans and ensuring the arrangements of management thinking. The aim of HRM is to ensure that the organization is able to achieve success through people. As Ulrich and Lake have remarked "Human Resource Management system can be the source of Organizational capabilities that allows the organization to capitalize the new Opportunities".

MEANING

Before we define HRM, it seems pertinent to first define the term 'human resource'. In common parlance, human resources means the people. However, different management experts have defined human resources differently.

DEFINITION

Michael J. Jucius has defined human resources as "a whole consisting of inter-related, inter-dependent and interacting physiological, psychological, sociological and ethical components." According to Flippo "personnel management, or say, human resource management is the planning, organizing, directing and controlling of the procurement development compensation integration, for intenance, and separation of human resources to the end that individual, organization and social objectives are accomplished".

OBJECTIVE OF THE STUDY

1. To study the need of Human Resource management
2. To Identify the Function of Human Resource management
3. To evaluate the History of Human Resource Management
4. To examine the importance of Human Resource Management

RESEARCH METHODOLOGY

The study mainly relies on secondary data. The sources of data include Books, Magazines, Research Articles, News Papers, Conference Proceedings, and Research Journals etc.

Review of Literature: Review of literature identified nine essential HRM practice namely; recruitment and selection, training and development, performance appraisal, career planning, Job definition, compensation and reward and employee participation. Recruitment and selection primarily aims at attracting maximum number of highly talented application and selecting the best to achieve competitiveness.

Training and development generate tangible outcome (improved productivity, Quality of products and services, and resources optimization), and intangible results in terms of enhanced self esteem, high morale, and satisfaction of employees due to acquisition of additional knowledge, skills and abilities. Kun(2000) stressed that companies should invest heavily in training the workforce for implementation of customer focused strategy. Blair and Sisakhti (2007) found that expenditure on training and development yield enormous benefits. Researchers have concluded that investment in training yields strategic advantage to the organizations (Bitner a Zeithmal, 2001)

Performance appraisal is based on demonstrated achievement of performance objectives established pertaining to a specified job within a given time period (Arthur, 1994; Fey et al., 2000). This process plays a vital role in influencing the perception of employees about self and about their contribution towards Organizational goals. The system should be based on fairness, Objectivity, inclusiveness, ethicality, standardization, and widely communicated. Regular Monitoring of the performance and constant feedback about performance is essential to get

the desired results.

Performance appraisal that contributes towards superior performance by workforce Compensation includes all forms of monetary returns and allied services provided to employees (Milkovich and Newman, 1999). A Comprehensive Compensation mix augmented by an effective system of disbursement plays an effective role in attracting the best candidates, shaping employees, behaviour and performance outcome, and facilitates retention of talents. Application of Competencies enhances performance and improves effectiveness.

NEED FOR HUMAN RESOURCE MANAGEMENT

Human Resource Management is needed to achieve the following objectives.

- To provide, create, utilize and motivate employees to accomplish organizational goals.
- To create opportunities, to provide facilitates, necessary motivation to individuals and group for their growth with the growth of the organization by training and development, compensation etc.
- To employ the skills and ability of the workforce efficiently, i.e., to utilize human resources effectively.
- Assists employees in attaining individual and organizational goals. This approach has been gaining attention of management professionals.
- To create a sense and feeling of belonging team-spirit and encourage suggestions from employees.
- To help maintain in ethical policies and behaviour inside and outside the organization.
- To maintain high moral and good human relation within the organization
- To secure integration of individual and groups in securing organizational effectiveness
- To manage change to the mutual advantage of individuals, groups , the organization effectiveness

- To ensure that, there is no threat of unemployment, inequalities, adopting a policy recognizing merit and employee contribution, and condition for stability of employment.

- To increase to the fullest the employee's job satisfaction and self-actualization; it tries to prompt and stimulate every employee to realize his potential.

An Organization cannot build a good team of working professionals without good Human resources. The key functions of the Human resources Management (HRM) team include recruiting people, training them, performance appraisals, Motivating employees as well as workplace communication, workplace safety, and much more.

THE BENEFICIAL EFFECTS OF THESE FUNCTIONS ARE DISCUSSED HERE

Recruitment and Training: This is one of the major responsibilities of the human resource team. The effective human resource management involve maintaining and improving all aspects of a company's practices that affect its employee from the day of his recruitment to the day that he leaves the company.

Hiring: HRM must devise the most efficient and cost effective means of advertising and recruit for vacant positions in the company. Human Resource management teams must devised and implement the selection procedures undertaken to choose the most suitable candidates.

Firing: The Human Resource Manager must ensure consistency of procedure regarding dismissed. Not only must he abide by the government regulation regarding the right to appeal and to compensation, he must also follow correct procedure to protect the company prosecution for unfair dismissed.

Review: The Human Resource Management team will devise and oversee a

comprehensive review programme applicable to all members of staff. This process will provide a platform both for management to assess the performance of the employee and for the employee to raise questions and concern that she may have. The review process may result in extra training, a salary or bonus review or occasionally for disciplinary procedure.

Welfare: The Human Resource Manager is responsible for ensuring this time general well being during their time with the company. They must keep staff members up to date on current health and safety procedure and to ensure that the benefit payment is processed and policies concerning them are kept current.

Legal: It is the responsibility of H R department to remain aware of every change in employment law and adjust the policies of the company accordingly. A therefore, working knowledge of employment law is essential running out of a human resource department.

Maintaining work Atmosphere: This is a vital aspect of HRM because the performance of an individual in an organization is largely driven by the work Atmosphere or work culture

that prevails at the workplace. A good working condition is one of the benefits that the employees can expect from an efficient human resource team. A friendly atmosphere gives the staff member's job satisfaction as well.

Managing Disputes: In an Organization there are several issues on which disputes may arise between the employees and the employers. You can say conflicts are almost inevitable. In such scenario, it is the human resource department which acts as a consultant and the mediator to sort out those issues in an effective manner. Then they come up with suitable solutions to sort them out. In other words, they take timely action and prevent things from going out of hands.

Developing Public Relations: To Establish a good public relations, the responsibility lies with the HRM to a great extent. They organize business meetings, seminar and various official gatherings on behalf of the company in order to build up relationship with other business sector. Here, HR department plays an active role in Preparing the business and marketing plans for the organization growth.

Milestones in the History of HRM	
1890-1910	Frederick Taylor develops his ideas on scientific management. Taylor advocates scientific management. Taylor advocates scientific selection of workers based on Qualifications and also argues for incentive-based compensation system to motivate employees.
1910-1930	Many companies establish departments devoted to maintaining the welfare of workers. The discipline of industrial psychology begins to develop industrial psychology along with the advent of world war I leads to advancement in employment testing and selection.
1930-1945	The Interpretation of the Hawthorne studies begins to have an impact on Management thought and practice. Greater emphasis is placed on the social and informal aspects of the workplace affecting worker productivity. Increasing the job satisfaction of workers is cited as a means to increase their productivity.
1945-1965	In the U S a tremendous surge in Union Membership between 1935 and 1950 leads to greater emphasis on collective bargaining and labour relations within personnel management. Compensation and benefits administration also increases in importance as unions negotiate paid vacations, paid holidays, and insurance coverage.

Milestones in the History of HRM	
1965-1985	The civil Rights movement in the U S reaches its apex with passage of the civil rights act of 1964. The Personnel Function is dramatically affected by Title VII of the Civil Right Act, which prohibits discrimination on the basis of race, color, sex, religion, and national origin. In the years following the passage of the CRA equal employment opportunity and affirmative action become key human resource management responsibility.
1985- Present	Three Trends dramatically impact HRM. The first is the Increasing diversity of the labour force, in terms of age, gender, race, and ethnicity. HRM concerns evolve from EEO and affirmative action to "managing diversity". A second trend is globalization of business and the accompanying technological revolution. These factors have lead to dramatic changes in transportation, communication, and labour markets. The third trend, which is related to the first two, is the focus on HRM as a "Strategic" function, HRM concerns and concepts must be integrated in to the overall strategic planning of the firm. In order to cope with rapid change, intense competition and pressure for increased efficiency.

SIGNIFICANCE OF HRM

The Significance of HRM can be discussed under the following headings:

Organization Significance: HRM is a vital importance to the individual organization as a means for achieving their objectives. It contributes to the achievement of organization objectives in the following ways:

- Good human resource practice can help in attracting and retaining the best people in the organization.
- Developing the necessary skill and right attitudes among the employees through training, development, performance appraisal etc.
- Securing willing cooperation of employees through motivation, participation, grievance handling etc.
- Effective Utilization of available human resources.
- Ensuring that enterprise will have in future a team of competent and dedicated employees.

Social Significance: Social significance of HRM lies in the need satisfaction of personnel in the organization. Since these personnel are drawn from the society, their effectiveness contributes to the welfare of the society. Society as a whole is the major beneficiary of good human resource practice.

- Employment opportunities multiply
 - Eliminating waste of human Resource through conversation of physical and mental health.
 - Scare talents are put to best use companies that pay and treat people well always race ahead of others and deliver excellent results.
- Professional Significance: Professional significance of HRM lies in developing people and providing healthy environment for effective utilization of their capabilities. This can be done by:
- Developing people on the continuous basis to meet challenge of their job.
 - Promoting team work and team spirit among employees
 - Offering excellent growth opportunities to people who have the potential to rise.
 - Providing environment and incentives for developing and utilizing creativity.

WHY IS HUMAN RESOURCE DEPARTMENT IMPORTANT?

The Question of whether a company needs a Human Resource (HR) department is not a simple one to answer. If we ask the question to a

variety of entrepreneurs, CEO and HR professional and we are likely to get a variety of answers. For Instance, many experts will tell us that the number of employees in a company is the determining factor. A lot of companies with total employees under 20 assume that they don't need an HR department. But size isn't the only issue to think about. Other considerations include:

- The scope of HR services needed
- Whether requirement are limited transactional services
- Are strategic Services mandatory
- Will the department operate as a cost or profit centre

In reality, HR functions must be conducted for every company no matter how small or large. So properly framed, the question to ask is: "What is the most effective way that HR services can be delivered by a company?" is it better to have an in-house HR department during the job or is it better to partner with outside HR experts, using the variety of vendors or even to a single source? For eg., many organizations find that its more convenient, and more cost effective, to outsource transactional services such as payroll, Tax and benefits administration, while partnering with a strategic H R partner to deliver high value consultation.

CONCLUSION

The practice of HRM must be viewed through the prism of overall strategic goals for the organization instead of a standalone shade that takes a unit based or micro approach. The idea here is to adopt a holistic perspective towards HRM that ensures that there are no gradual strategies and the HRM policy enmeshes itself fully with those of the organizational goals. For instance, if the training needs of the employees are simply met with pre functionary trainings on omnibus topics, the firm stands to lose not only from the time that the employees spend in training

but also a loss of direction. Hence the organization that takes its HRM policies seriously will ensure that training is based on focused and topical methods.

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