

HUMAN RESOURCE MANAGEMENT

MBA 106-HRM, MBA 1ST SEMESTER

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INTRODUCTION TO HRM

- Human Resource Management (HRM) is an operation in companies designed to maximize employee performance in order to meet the employer's strategic goals and objectives. More precisely, HRM focuses on management of people within companies, emphasizing on policies and systems.
- In short, HRM is the process of recruiting, selecting employees, providing proper orientation and induction, imparting proper training and developing skills.

CONT'D.

- HRM also includes employee assessment like performance appraisal, facilitating proper compensation and benefits, encouragement, maintaining proper relations with labor and with trade unions, and taking care of employee safety, welfare and health by complying with labor laws of the state or country concerned.

MEANING OF HRM

- **Human:** refers to the skilled workforce in an organization.
- **Resource:** refers to limited availability or scarce.
- **Management:** refers how to optimize and make best use of such limited or scarce resource so as to meet the organization goals and objectives.

Therefore, human resource management is meant for proper utilisation of available skilled workforce and also to make efficient use of existing human resource in the organisation.

DEFINITION OF HRM BY AUTHORS

- **Edwin Flippo** defines- Human Resource Management 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.
- According to **Decenzo and Robbins**, “Human Resource Management is concerned with the people dimension” in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organsational objectives. This is true, regardless of the type of organization – government, business, education, health or social action.

IMPORTANCE OF HRM

1. Objective :-HRM helps a company to achieve its objective from time to time by creating a positive attitude among workers. Reducing wastage and making maximum use of resources etc.

2. Facilitates professional growth :-Due to proper HR policies employees are trained well and this makes them ready for future promotions. Their talent can be utilized not only in the company in which they are currently working but also in other companies which the employees may join in the future.

CONT'D.

3. Better relations between union and management :-Healthy HRM practices can help the organization to maintain co-ordinal relationship with the unions. Union members start realizing that the company is also interested in the workers and will not go against them therefore chances of going on strike are greatly reduced.

4. Helps an individual to work in a team/group :-Effective HR practices teach individuals team work and adjustment. The individuals are now very comfortable while working in team thus team work improves.

CONT'D

5. Better relations between union and management :- Healthy HRM practices can help the organization to maintain co-ordinal relationship with the unions. Union members start realizing that the company is also interested in the workers and will not go against them therefore chances of going on strike are greatly reduced.

6. Helps an individual to work in a team/group :- Effective HR practices teach individuals team work and adjustment. The individuals are now very comfortable while working in team thus team work improves.

7. Improves the economy :

Effective HR practices lead to higher profits and better performance by companies due to this the company achieves a chance to enter into new business and start new ventures thus industrial development increases and the economy improves.

