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TOPIC-PERSONNEL
MANAGEMENT VS
HUMAN RESOURC
MANAGEMENT
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Presented
by-Pushpanjali singh
Guest faculty,
Department of
management,
MMHA&PU, Patna.

PERSONNEL FUNCTION vs HRM

Over the years, the personnel function has changed a lot. It was, more or less, a clerical job. Personnel people had a limited role to play in organizations. They were expected to maintain records of people working in a company. When required, they had to appraise performance, offer legal advice, put out fires and serve as policemen overseeing work from close quarters. Personnel department was regarded as a 'cost centre'. (A cost centre is a division or department within the organisation that brings no revenue or profit—it only costs money for the organization to run this function). Now there is a complete reversal of roles. Modern HR people wear many hats. They slip into diverse roles such as change agent, integrator, trainer, educator, developer, counselor, coach, mentor and a problem solver. They participate in the decision making process at the highest level. They exchange notes with functional heads, project teams and mingle with the rank and file. They are treated with respect and dignity. Far from being a cost centre, the HR department is being viewed as a valuable investment, a kind of an irreplaceable, outstanding asset with great promise and potential to yield concrete results for years to come. Let us capture the differences between traditional HR and modern HR thus:

TABLE 1.2 Traditional HR Vs. Modern HR

Personnel Management: Traditional Roles	Human Resource Management: Modern Roles
<ol style="list-style-type: none"> 1. Welfare administrator 2. Policeman 3. Appraiser 4. Advisor 5. Legal consultant 6. Fire fighting 7. Mediator 	<ol style="list-style-type: none"> 1. Change agent 2. Integrator with team building skills 3. Trainer, Educator, Developer 4. Employee champion 5. Counsellor, mentor, coach 6. Problem solver and innovator 7. Strategic partner
Traditional Personnel Practice	Modern HR practice
<ol style="list-style-type: none"> 1. Administrative role 2. Reactive, painfully slow and fragmented initiatives 3. Separate and isolated from company mission 4. Production focus, emphasis and orientation 5. Functional organisation 6. Individuals encouraged, singled out for praise, recognition and rewards 7. Bureaucratic rules, regulations, procedures ; tight division of labour and specialisation 8. People as expenses; HR is a cost centre 9. Results at the cost of people 	<ol style="list-style-type: none"> 1. Strategic, key, important role 2. Proactive, fast, rapid and integrated initiatives 3. Key part of organisational mission 4. Service orientation and customer focus 5. Process based organisation 6. Cross functional teams; team work and ability to get along with people is most important 7. Organic, flexible; willing to go that extra mile in order to deliver results and succeed 8. People as key investments/prized possessions and most important assets: HR is a valuable investment 9. Results with and through people;