

Introduction to Human Resource Management

MAS 263



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HUMAN RESOURCE MANAGEMENT



HRM endorses the view that people are a *key resource*; that it is important to *involve them* in key activities and communicate well with them, to encourage their *commitment and engagement* with the organisation and adopt a *strategic approach* to the acquisition, management and motivation of employees. **HRM Defined**

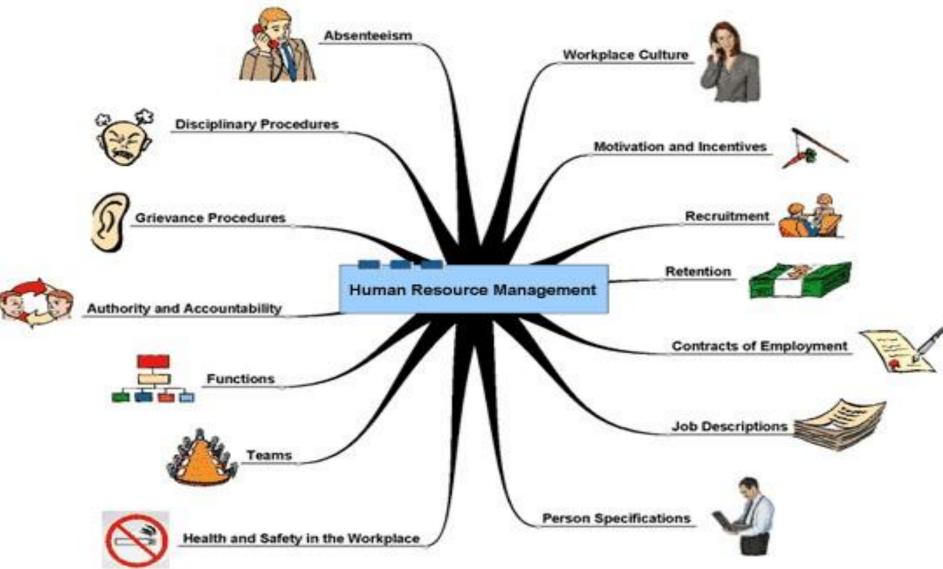
- The effective management of people at work is Human Resource Management (HRM)
- Human resource management (HRM) is a strategic, integrated and coherent approach to the employment,

development and well-being of the people working in organizations (Armstrong, 2009).

- Human resource management involves all **management decisions and actions** that affect the nature of the relationship between the organization and its employees – its human resources. (Beer et al, 1984)
- HRM comprises a **set of policies** designed to maximize organizational integration, employee commitment, flexibility and quality of work. (Guest, 1987)



HRM in Pictorial Form





HRM Functions/Activities





Human Resource Planning

- Deciding on the human resources the organisation needs
- Recruitment and Selection / Staffing

Staffing is the process of planning, acquiring, deploying, and retaining employees that enables the organisation to meet its talent needs and to execute its business strategy.

Brings in the talents responsible for executing the organisational strategy – Organisation's people are central to its development of a competitive advantage



• Training and Development (T & D)

- Training and development focuses on developing employees capabilities.
- T&D improve performance by remedying deficiencies and nurture the human resource with the future in mind
- T & D is responsible for career planning, organisational development and legal compliance



Performance Management

- ➢ It involves aligning employees goals and behaviors with organizational goals and strategies.
- Specific goals/ targets and feedback are given to employees
- Compensation is tied to performance management rating (objective)

• Rewards and Benefits

What employees receive in exchange for their contributions towards the attainment of organisational goals Importance:

- Motivation
- Performance
- Retention



•Total rewards refers to the sum of all rewards that employees receive in exchange for their time, efforts and performance

FINANCIAL OTABIL



Three Types of Total Rewards_ Phillips and Gully (2013)

1. Direct financial compensation

- Salaries
- Wages
- Commission
- Bonuses
- 2. Indirect financial compensation
- Free meals
- Health insurance
- Paid vacation
- Free transportation
- 3. Non Financial Compensation
- Intrinsic rewards e.g physical environment
- Psychological environment (feeling appreciated etc)



Employee-Management Relations

The relations between employees and the capital owners of the organisation.

Importance:

- improve communication
- problem solving and
- performance



• Health and Safety

Includes:

- _ Wellness
- _ Fire safety
- Injury management
- Disaster preparedness
- _ Industrial hygiene

Personnel Records

- > HR department centrally keeps the personnel records.
- Human Resource Information System (HRIS)



- A human resource information system is an integrated and increasingly automated system for maintaining a database regarding the employees in an organization.
- For example, a properly developed human resource information system should have details on every employee regarding date of hire, job history within the organization, education, performance ratings, compensation history, training and development profile, and various special skills and abilities that each employee possesses.
- HRIS is an organized method of providing information about *human resource, their functions, and external factors*



Current issues in HRM

- Flexibility and diversity
- Information technology
- Human capital
- Added value
- Knowledge workers



Distinctive features of HRM

- Alignment of corporate strategy and HR strategy.
- Key role of line managers.
- Seeks commitment of employees rather than compliance
- Harmonise interests of stakeholders into 'common interest – profitability'
- Integration, coherency and consistency with respect to a set of HR policies



- Competitive advantage through people (BSC, Hard and Soft HRM)
- **Distinctive features of HRM (Contd)**
- Unitarist and Pluralist approaches to managementemployee relations
- HR policies are supportive of organisational culture
- HR techniques (e.g. rewards, training) support a performance-oriented culture
- Managers are more powerful, unions are less powerful
- Participative management; open communication
- Competencies; multi-skilling



- Flexibility: tasks, structure, employment contracts
- Management of change
- Accepts job insecurity; lack of traditional career paths
 HRM and Organizational Performance
- HRM policies and practices add value to organizations and influence organizational performance by either improving efficiency or contributing to revenue growth. Becker and Gerhart(1996)
- Effective HRM system increases:

-Organization's ability to meet its goals



- -Enhance the organization's ability to grow
- -Increases employees engagement, effort and performance





CAREERS IN HRM







Careers in HRM

- Director of HRM
- HR Specialist / HR Generalist
- HR Consultant or HR Business Partner
- Recruitment specialist
- Compensation Analyst
- Employee benefits manager
- Work-life manager
- Training and Development specialist
- Human Resource Generalist





