

A THEORITICAL REVIEW ON HRM PRACTICES

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ABSTRACT

Human Resource Management is a practice of bringing people and organizations together so that the goals of each are met. It is the part of the management practices which is concerned with the management of human resources in an organization. It tries to secure the best from people by winning their whole hearted co –operation it may be defined as the art of procuring, developing and maintaining competent work force to achieve the goals of an organization in an effective and efficient manner.

Key word: - Human Resource Management; People and Organizations

INTRODUCTION

Human Resource Management refers to the policies, practices, and systems that influence employee's behavior, attitudes and performance. Many companies refer to HRM as involving "People practices". There are several important HRM practices. The strategy underlying these practices needs to be considered to minimize their influence on company performance. HRM practices include analyzing and designing work, determining human resource needs (HR planning) attracting potential employees (recruiting), choosing employees (Selection), teaching employees how to perform their jobs and preparing them for the future (training and development), rewarding employees (compensation) evaluating their performance (performance management) and creating a positive work environment (employees relations). Effective HRM practices support business goals and objectives.

That is, effective HRM practices are strategic. Effective HRM enhances company's performance by contributing to employee and customer satisfaction, innovation, productivity, and development of a favorable, reputation in the firm's community.

Human resource is of paramount importance for the success of any organization. It is a source of strength and aid. Human resources are the wealth of an organization which can help it in achieving its goals. Human resource management is concerned with the human beings in an organization. It reflects a new outlook which views organization's manpower as its resources and assets. Human resource is the total knowledge, abilities, skills, talents and aptitudes of an organization's workforce. The values, ethics, beliefs of the individuals working in an organization also form a part of human resource. The resourcefulness of various categories of people and other people available to the organization can be treated as human resources. In the present complex environment, no business or organization can exist and grow without appropriate human resources. So human resource has become the focus of attention of every progressive organization.

OBJECTIVES

1. To establish as maintain and organization structure as desirable working relationship among all the member of the organization.
2. To secure the integration of individual or groups within the organization by co-ordination of the individual is group goals which of the organization.
3. To strengthen and appreciate the human assets continuously by providing training and developments.
4. To identify and satisfy individual as group needs by providing adequate as equitable wages, incentives, employee benefits and social security and measure for challenging work prestige recognition, security, status.
5. To create facilitate as opportunities for individual or group development so as to match it with the growth of the try.
6. To attain an effective utilization of human resource in the achievements of organization goals.

VARIOUS HUMAN RESOURCE MANAGEMENT PRACTICES

1. Human Resource Information System (HRIS)

The use of information technology in HR started four decades ago. In the sixties, HR information systems were in place and payroll administration was computerized as well. The seventies introduced the use of more powerful database. In the eighties, integration of disparate HR applications like time and attendance linked to payroll systems was seen. The rise in popularity of the PCs in the nineties increased the popularity and number of organizations using information technology in the HR functions as the cost of computerization dropped dramatically.

The increase in the use of information technology can be seen as not only driven by the need to automate HR processes and services, but will actually be influenced by a realization that improved delivery of HR services can become a competitive advantage of the enterprise.

2. Human Resource Planning (HRP)

Human resource planning or manpower planning is essentially the process of getting the right number of qualified people into the right job at the right time. It is a system of matching the supply of people (existing employees and those to be hired or searched for with openings the organization expects over a given time frame.

Meggison (1977) “Human resource planning is an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual needs and goals of organizational members”.

3. Job Analysis and Design

Manpower planning is concerned with determination of quantitative and qualitative requirements of manpower for the organization. Determination of manpower requirement is one of the most important problems in manpower planning. The quantitative aspect deals with determining the total number of people required to do the work. The kind or quality of people required to do the work comes under the qualitative aspect. Detailed knowledge of the nature and requirements of jobs to be filled is essential for determining the kind of personnel required. Such knowledge can be obtained through the process of job analysis.

Job analysis is a detailed and systematic study of jobs to know the nature and characteristics of the people to be employed on various jobs. It involves collection of necessary facts

regarding jobs and their analysis. Some of the definitions of job analysis are given here under to understand the meaning of the term more clearly. **Flippo (1980)** “Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job.”

Job design is a process which integrates work content (tasks, functions, and relationship), the reward (intrinsic and extrinsic) and the qualifications required (skills, knowledge, abilities) for each job in a way that meets the needs of the employees and the organizations.

4. Recruiting

The primary task of human resource management is to choose the right kind of person for the right job. This is because the ability of an organization is determined to a great extent by the ability of its workforce. The old belief that capital was fundamental to the progress of the organization does not hold good any longer as employers around the world have begun to believe that smart workforce is the key to the success of an organization. In fact, it is with people that quality performance begins and ends. However, the major challenge of HR managers lies not in choosing the right people but in locating and reaching out to these people and motivating them to offer themselves as prospective job aspirants. **Flippo (1984)** “Recruitment is the process of searching for prospective employees and stimulating them to apply for jobs in the organization”

5. Selection

Selection is the process of picking individuals (out of the pool of job candidates) with requisite qualifications and competence to fill job in the organization.

A formal definition of selection is that “it is process of differentiating between applicants in order to identify (and hire) those with a greater likelihood of success in a job”.

Selection is the process of examining the application with regard to their suitability for the given job or jobs, and choosing the best from the suitable candidates and rejecting the others. Thus, selection is negative in its application in as much as it seeks to eliminate as many unqualified applicants as possible in order to identify the right candidates.

Steven P. Robbins and Mary Coulter (2002) “Selection is the process of screening job applications to ensure that the most appropriate candidates are hired”.

6. Compensation

The literal meaning of compensation is to counter balance. In the case of human resource management, compensation is referred to as money and other benefits received by an

employee for providing services to this employer. Money and benefits received may be in different forms base compensation in money form and various benefits, which may be associated with employee's service to the employer like provided fund, gratuity and insurance scheme and any other payment which the employee receives or benefits he enjoys in lieu of such payment. **Cascio (2012)** "Compensation includes direct cash payments, indirect payments in the form of employee benefits, and incentives to motivate employee to strive for higher levels or productivity.

7. Training and Executive Development

Training is the important subsystem of human resources development. Training is a specialized function and is one of the fundamental operative functions of human resources management. Training is a short-term process utilizing a systematic and organized procedure by which non-managerial personnel acquire technical knowledge and skills for a definite purpose. It refers to instruction is technical and mechanical operations like operation of some machine. It is designed primarily for non-managers, it is for a short duration and this is for a specific job related purpose. **Beach (1970)** "Training is the organized procedure by which people learn knowledge and for skill for a definite purpose".

Executive development consists of all the activities by which executives learn to improve their behavior and performance. It is designed to improve the effectiveness of manager's in their present jobs and to prepare them for higher jobs in future.

Executive development is a systematic process of learning and growth by which managerial personnel gain and apply skills, knowledge, attitudes and insights to manage the work in their organizations effectively and efficiently.

Jucius (1973) "Executive development is the program by which executive capacities to achieve desired objectives are increased".

8. Performance Appraisal

Performance appraisal is a method of evaluating the behavior of employees in the work spot, normally including both the quantitative and qualitative aspects of job performance. Performance here refers to the degree of accomplishment of the tasks that make up an individual's job. It indicates how well an individual is fulfilling the job demands. Often the term is confused with effort, which means energy expended, and used in a wrong sense. Performance is always measured in terms of results. A student, for example, may exert a

great deal of effort while preparing for the examination but may manage to get a poor grade. In this case the effort expended is high but performance is low.

Mondy et al (2011) "Performance appraisal is a system of review and evaluation of an individual's or team's performance".

9. Employee Engagement

Employee engagement is the thus the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. Thus employee engagement is a barometer that determines the association of a person with the organization.

HR practitioners believe that the engagement challenge has a lot to do with how employee feels about the about work experience and how he or she is treated in the organization. It has a lot to do with emotions which are fundamentally related to drive bottom line successes in a company. There will always be people who never give their best efforts no matter how hard HR and line managers try to engage them. "But for the most part employees want to commit to companies because doing so satisfies a powerful and a basic need in connect with an contribute to something significant.

10. Human Resource Audit

Auditing has been a routine exercise in the area of finance, especially because it is a statutory obligation. However, in case of Human Resource, there is no legal binding to adopt auditing. Some of the companies nevertheless prefer to have HR audits. An audit is a review and verification of completed transactions to see whether they represent a true state of affairs of the business or not. Thus, an audit is an examination and verification of accounts and records. A personal audit is a systematic and comprehensive analysis of all activities and results of personnel program. It assures a complete review, at regular intervals, of the effectiveness and utility of the various personnel functions and activities, policies and procedures. **Yoder (1972)** "Personnel audit is an investigative analytical, comparative process. It not only listens but looks for and discovers answers it undertakes a systematic search. It investigates formally and in depth, as contrasted with day to day informal impressions"

11. Employees Health and Safety

Working conditions have attracted a great deal of attention of managements of business and other organizations in the recent years. There are two basic reasons for this. Firstly, the growth of trade union movement has compelled the managements to provide better working conditions to the employees. Secondly, enlightened managements realize the significance of better working facilities to the employees for achieving greater productivity and efficiency in the organization. An employee spends about 8 hours at the place of work during any working day. He must be provided with such type's of facilities which will maintain his health and keep him interested in his work. Therefore, in order to avoid the ill. Effects of bad environment, the management should ensure good working conditions to the workers.

12. Human Resource Records and Research

Maintaining control over the operations of the organization is an important function of every manager. It is the duty of HR manager to evaluate periodically how effectively the human resources are being utilized. HR records and research are the main tools used by the managers for exercising controls. The managers must know about the general health of the organizations they lead. An important function of every manager is to maintain control over operations. Human Resource managers have to evaluate periodically how the human resources in the organization are being utilized. For this purpose he has to appraise critically all the personnel policies, practices and programmers to know their effectiveness. Human resource audit and research are two tools used by the human resource managers.

Fig: 1

Job Analysis& Design
HR Planning
Recruiting
Selection
Training and Executive Development
Compensation
Performance appraisal
Employee engagement
Employee Health, Safety and Welfare
HRIS
Human Resource Audit

Human Resource Records and Research

Company performance

Human Resource Management Practices

SCOPE OF THE STUDY

The study on HRM Practices is very vast because it covers all major activities in the working life of a worker from the time an individual enters in to an organization until he or she leaves comes under the preview of HRM. Setting general and specific management policy for organizational relationships and establishing and maintaining a suitable organization for leadership and cooperation. Collective bargaining, contract negotiation, contract administration and grievance handling. Staffing the organization, findings, getting and holding the prescribed types and number of workers. Aiding in the self-development of employees at all levels providing Company Performance development and growth as well as for acquiring requisite skill and experience. Developing and maintaining motivation for workers by providing management in the organization.

REVIEW OF LITERATURE

Many researchers on HRM practices have been conducted from time to time and researchers have identified different practices by different names. As quoted in (Kok Jan deet al., 2003), researchers variously refer to certain sets of HRM practices influenced by the HRM profession as “best practice, “Or “high-performance” (Huselid, 1995), “formal” (Aldrich and Langton, 1997; de Kok and Uhlener, 2001; Heneman and Berkley,1999), “sophisticated” (Golhar and Deshpande, 1997; Hornsby and Kuratko, 1990; Goss et al., 1994; Wagner, 1998) or as “professional” (Gnan and Songini, 2003; Matlay, 1999). Pfeffer (1994; 1998), argued the most appropriate term is “Best HRM Practices”.

But according to Chandler and McEvoy (2000) , one of the lingering questions in HRM research is whether or not theirs a single set of policies or practices that represents a ‘universally superior approach’ to managing people . Theories on best practices or high commitment theories suggest that universally, certain HRM practices, either separately or in

combination are associated with improved organizational performance. Researchers have also found that those well-paid, well-motivated workers, working in an atmosphere of mutuality and trust, generate higher productivity gains and lower unit costs.

(Boxall, 1996; Lowe and Oliver, 1991; Pfeffer, 1994). Several attempts have been made from time to time by different researchers to identify the type of HRM practices indifferent sectors. Initially Pfeffer (1994) identified 16 practices which denote best practice.

Saxena and Tiwari (2009) examined the HRM Practices implemented by leading IT Companies such as TATA, Infosys and Wipro in India. They developed the 3Cter Framework of HRM practices and identified Training and Development, Employer-Employee Relations, Recognition through Rewards, Culture building, Career Development, Compensation and Benefits as important HRM Practices.

CONCLUSION

Human Resources Management Practices are the set of organizational processes which seek to establish and maintain the employment relationship. Most treatments of human resource management have tended to be normative and generally have sought to identify ways in which human resource management can be conducted in order that the results would be a more effective organization and / or greater employee satisfaction. Human resource management practices and programs vary widely from one organization to the other.

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