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HRM Notes (IBPS SO)

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Human Resource Management : An introduction

Human Resource Management is the process of bringing people and organizations together so that the goals of each one are met. It is the art of procuring, developing and maintaining competent workforce to achieve the goals of an organization in an effective manner.

Features of HRM:-

1. Pervasive Force
2. Action Oriented
3. Future and development oriented
4. Integrating mechanism
5. Comprehensive function
6. Continuous function

Scope of HRM:- scope of HRM based on three aspects;

1. **Personnel aspect:-** This is concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training, and development, lay off and retrenchment, remuneration, incentives, productivity etc.
2. **Welfare Aspect:-** It deals with working conditions and amenities such as canteens, crèches, rest and launch rooms, housing, transport, medical, assistance, education, health, and safety etc.
3. **Industrial Aspect:-** This covers union management relations, joint consultation, collective bargaining, grievance and disciplinary procedures, settlement of disputes, etc.



HR Process:-

Each organization works towards the realization of one vision. The same is achieved by formulation of certain strategies and execution of the same, which is done by the HR department. At the base of this strategy formulation lie various processes and the effectiveness of the former lies in the meticulous design of these processes. But what exactly are and entails these processes? Let's read further and explore.

The following are the various HR processes:

1. Human resource planning (Recruitment, Selecting, Hiring, Training, Induction, Orientation, Evaluation, Promotion and Layoff).
2. Employee remuneration and Benefits Administration
3. Performance Management.
4. Employee Relations.

The efficient designing of these processes apart from other things depends upon the degree of correspondence of each of these. This means that each process is subservient to other. You start from Human resource Planning and there is a continual value addition at each step. To exemplify, the PMS (performance Management System) of an organization

like Infosys would differ from an organization like Walmart. Let's study each process separately.

Human Resource Planning: Generally, we consider Human Resource Planning as the process of people forecasting. Right but incomplete! It also involves the processes of Evaluation, Promotion and Layoff.

- **Recruitment:** It aims at attracting applicants that match a certain Job criteria.
- **Selection:** The next level of filtration. Aims at short listing candidates who are the nearest match in terms of qualifications, expertise and potential for a certain job.
- **Hiring:** Deciding upon the final candidate who gets the job.
- **Training and Development:** Those processes that work on an employee onboard for his skills and abilities upgradation.

Employee Remuneration and Benefits

Administration: The process involves deciding upon salaries and wages, Incentives, Fringe Benefits and Perquisites etc. Money is the prime motivator in any job and therefore the importance of this process. Performing employees seek raises, better salaries and bonuses.

Performance Management: It is meant to help the organization train, motivate and reward workers. It is also meant to ensure that the organizational goals are met with efficiency. The process not only includes the employees but can also be for a department, product, service or customer process; all towards enhancing or adding value to them.

Nowadays there is an automated performance management system (PMS) that carries all the information to help managers evaluate the performance of the employees and assess them accordingly on their training and development needs.

Employee Relations: Employee retention is a nuisance with organizations especially in industries that are hugely competitive in nature. Though there are myriad factors that motivate an individual to stick to or leave an organization, but certainly few are under our control.

Employee relations include Labor Law and Relations, Working Environment, Employee health and safety, Employee- Employee conflict management, Employee- Employee Conflict Management, Quality of Work Life, Workers Compensation, Employee Wellness and assistance programs, Counseling for occupational stress. All these are critical to employee retention apart from the money which is only a hygiene factor

Function of HR Manager:-

Until now, we have discussed how the HRM function in organizations works and the role of the function in organizational processes. We have also discussed the changing nature of the HRM function in recent years and how with the introduction of enterprise software, an entirely new dimension has been added to these functions. **This article discusses the typical functions of a HR manager and analyzes how he or she can make a positive contribution to the organization and add value to the process.** First, the HR manager has to juggle between hiring, training, appraisals, and payroll among other things. This means that a typical function of the HR manager would encompass the end to end management of the employee people lifecycle which means that the HR manager would have to take care of everything that is concerned with the people aspect right from the time the employee enters the organization till the time the employee quits or retires from the organization. Hence, the lifecycle of an employee's time in an organization has to be managed and this means that the HR manager is responsible for the hiring, training, appraisals, payroll, and exit interviews.

Entry to Exit: Managing the Employee Lifecycle

If we take each of these activities in turn, we find that hiring is done in conjunction with the line managers who put out their requirements periodically on the kind of recruits they want and the number of recruits they want. Once the request reaches the HR manager, he or she has to scour the market for potential recruits. Usually, the HR manager does not personally do this and outsources this function to a placement consultancy. The next step is the interview stage after the shortlists are done and this is an activity where the HR manager either delegates the task of assessing the potential recruits to the staffing team or does the job personally.

In large organizations like Fidelity and Microsoft, there are dedicated teams for each of these activities and this is something we would be discussing in detail in subsequent articles. After the interview stage is over, the important task of fixing the salary and benefits of the successful candidates has to be done. This is usually the time when the HR manager plays a critical role as he or she has to determine the fit between the role and the candidate and decide on the quantum of salary and benefits that is appropriate to the role and after examining the budgets for the same.

The Appraisal Process and the Exit Interviews

After these activities, the HR manager is also involved in conducting the last stage of appraisals or evaluating the appraisals. In recent years, the trend is more towards the latter where the HR manager in charge of the business unit evaluates the appraisals instead of participating in the process directly. This is done in a manner to determine the quantum of pay hike or bonuses keeping in mind the same principles that were discussed in the hiring activity. What this means is that the HR manager has to work closely with the line managers to get this done.

In many organizations, employees can take their grievances to the HR managers in case they are not satisfied with their pay hikes or the quantum of benefits. They can also complain against their managers in a confidential and private manner. The last activity that the HR manager is involved in is conducting the exit interviews when employees leave the organizations. This is usually done on the last day of the employee's stay in the organization and this process consist of a free and frank discussion on what the employee feels about the organization and why he or she is leaving the organization. The exit interviews offer valuable sources of insights into organizational behavior as the employees can vent their feelings on what works and what does not work in organizations.

Job Analysis, Job Description and Job Sapecification

Job Analysis:

In simple terms, job analysis may be understood as a process of collecting information about a job. The process of job analysis results in two sets of data:

- i) Job description and
- ii) Job specification.

These data are recorded separately for references.

Let us summarise the concept of Job Analysis:

A few definitions on job analysis are quoted below

1. Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job. The immediate products of this analysis are job descriptions and job specifications.
2. Job analysis is a systematic exploration of the activities within a job. It is a basic technical

procedure, one that is used to define the duties, responsibilities and accountabilities of a job.

3. A job is a collection of tasks that can be performed by a single employee to contribute to the production of some products or service provided by the organization. Each job has certain ability recruitments (as well as certain rewards) associated with it. Job analysis is the process used to identify these requirements.

Specifically, job analysis involves the following steps:

1. Collecting and recording job information
2. Checking the job information for accuracy.
3. Writing job description based on the information
4. Using the information to determine the skills, abilities and knowledge that are required on the job.
5. Updating the information from time to time.

Job Analysis, A process of obtaining all pertaining job facts is classified into two i.e. **Job Description and Job specification**

Job Description is an important document, which is basically descriptive in nature and contains a statement of job Analysis. It provides both organizational information's (like location in structure, authority etc) and functional information (what the work is).

It gives information about the scope of job activities, major responsibilities and positioning of the job in the organization. This information gives the worker, analyst, and supervisor with a clear idea of what the worker must do to meet the demand of the job.

Who can better describe the characteristics of good job description?

Earnest Dale has developed the following hints for writing a good job description: –

- 1) The job description should indicate the scope and nature of the work including all-important relationships.
- 2) The job description should be clear regarding the work of the position, duties etc.
- 3) More specific words should be selected to show:-
 - a) The kind of work
 - b) The degree of complexity
 - c) The degree of skill required
 - d) The extent to which problems are standardized
 - e) The extent of worker's responsibility for each phase of the work

So we can conclude by saying that Job description provide the information about the type of job and not jobholders.

USES OF JOB DESCRIPTION: –

Now we will see why job description is necessary in an organization,

There are several uses of job description, like

- Preliminary drafts can be used as a basis for productive group discussion, particularly if the process starts at the executive level.
- It helps in the development of job specification.
- It acts as a too during the orientation of new employees, to learn duties & responsibilities. It can act as a basic document used in developing performance standards.

Contents of Job Description :

Following are the main content of a job description it usually consist of following details or data.,

Job Description: A statement containing items such as

- Job title / Job identification / organization position
- Location
- Job summary
- Duties
- Machines, tools and equipment
- Materials and forms used
- Supervision given or received
- Working conditions
- Hazards

Job identification or Organization Position: –

This includes the job title, alternative title, department, division and plant and code number of the job. The job title identifies and designates the job properly. The department, division etc., indicate the name of the department where it is situated and the location give the name of the place.

Job Summary: – This serves two important purposes. First is it gives additional identification information when a job title is not adequate; and secondly it gives a summary about that particular job.

Job duties and responsibilities: – This gives a total listing of duties together with some indication of the frequency of occurrence or percentage of time devoted to each major duty. These two are regarded as the “Heart of the Job”.

Relation to other jobs: – This gives the particular person to locate job in the organization by indicating the job immediately below or above in the job hierarchy.

Supervision: – This will give an idea the number of person to be supervised along with their job titles and the extent of supervision.

Machine: – These will also gives information about the tool, machines and equipment to be used.

Working Conditions: – It gives us information about the environment in which a jobholder must work.

Hazards: – It gives us the nature of risks of life and limb, their possibilities of occurrence etc.

Job Specification:

Job Specification translates the job description into terms of the human qualifications, which are required for performance of a job. They are intended to serve as a guide in hiring and job evaluation.

Job specification is a **written statement of qualifications, traits, physical and mental characteristics** that an individual must possess to perform the job duties and discharge responsibilities effectively.

In this, job specification usually developed with the co-operation of personnel department and various supervisors in the whole organization.

Job Specification Information: –

The first step in the programme of job specification is to prepare a list of all jobs in the company and where they are located. The second step is to secure and write up information about each of the jobs in a company. Usually, this information about each of the jobs in a company. Usually this information includes:

1. Physical specifications: – Physical specifications include the physical qualifications or physical capacities that vary from job to job. Physical qualifications or capacities
2. Include physical features like height, weight, chest, vision, hearing, ability to lift weight, ability to carry weight, health, age, capacity to use or operate machines, tools, equipment etc.
3. Mental specifications: – Mental specifications include ability to perform, arithmetical calculations, to interpret data, information blue prints, to read electrical circuits, ability to plan, reading abilities, scientific abilities, judgment, ability to concentrate, ability to handle variable factors, general intelligence, memory etc.
4. Emotional and social specifications: – Emotional and social specifications are more important for the post of managers, supervisors, foremen etc. These include emotional stability, flexibility, social adaptability in human relationships, personal appearance including dress, posture etc.
5. Behavioral Specifications: – Behavioral specifications play an important role in selecting the candidates for higher-level jobs in the organizational hierarchy. This specification seeks to describe the acts of managers rather than the traits that cause the acts. These specifications include judgments, research, creativity, teaching ability, maturity trial of conciliation, self-reliance, dominance etc.

Employee Specification: –

Job specifications information must be converted into employee specification information in order to know what kind of person is needed to fill a job. Employee specification is a like a brand name which spells that

the candidate with a particular employee specification generally possess the qualities specified under job specification.

Employee specification is useful to find out the suitability of particular class of candidates to a particular job. Thus, employee specification is useful to find out prospective employees (target group) whereas job specification is useful to select the right candidate for a job.

Uses of job specification: –

Uses of this job specification;

- Physical characteristics, which include health, strength, age range, body size, weight, vision, poise etc.
- Psychological characteristics or special aptitudes:- This include such qualities as manual dexterity, mechanical aptitude, ingenuity, judgment etc.
- Personal characteristics or fruits of temperament – such as personal appearance, good and pleasing manners, emotional stability, aggressiveness or submissiveness.
- Responsibilities: – Which include supervision of others, responsibility for production, process and equipment, responsibility for the safety of others and responsibility for preventing monetary loss.
- Other features of a demographic nature: Which are age, sex, education, experience and language ability.
- Job specifications are mostly based on the educated guesses of supervisors and personnel managers. They give their opinion as to who do they think should be considered for a job in terms of education, intelligence, training etc.

- Job specifications may also be based on statistical analysis. This is done to determine the relationship between

1. Some characteristics or traits.
2. Some performance as rated by the supervisor

Industrial Relations and Labour Laws:

Nature of Industrial Relations:-

Industrial relations is always a mixture of cooperation and conflict. However much cooperation may be sought as an organizational objective some conflict will always remain. There are at least three reasons for this

- 1. Both the groups (labor and management) develop different orientation and perceptions of their interest. They also develop generally negative images about each other.
- 2. There are no mutually accepted yardsticks or norms to tell to the two groups how far they should go in the pursuit of their objectives in the absence of norms both groups claim complete rationality for their demand.
- 3. There is no neutral field for the groups to meet on. This means that whenever the two groups meet each other for negotiation they bring with them some carry over from the past besides their inherent distrust and suspicion for each other.

Aspects of Industrial Relations

Industrial relation is concerned with the relationship between management and workers and the role of regulatory mechanism

in resolving any industrial dispute. Specifically **industrial relation** covers the following areas.

- 1. Collective bargaining.
- 2. Role of management, unions and government.
- 3. Trade union and labor legislation.
- 4. Industrial relations training (employers 'organization).

Scope of industrial realtions:-

Industrial relations between employee and employer in their day to day work. Hence, it is continuous relationship.

- 1. Development of industrial democracy.
- 2. Maximizing social welfare.
- 3. Creating a mutual affection, respect and regard.
- 4. Making a mutual link between the management and the workers.
- 5. Stimulating production as well as industrial and economic development.

Meaning and Definition of Trade Unions:-

Trade unions are a major component of the modern **industrial relations** system through **trade unions** occupies a unique position, yet their role is variously interpreted and understood by different groups in the society.

According to webs-a **trade union** is a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives.

According to Lester- a **trade union** is an association of employees designed primarily to maintain or improve the condition of employment of its members.

Nature of Trade Unions:-

According to the trade union act, 1947, a **trade union** means any combination whether temporary or permanent formed.

1. Primarily for the purpose of regulating the relation between.

- a. workmen and employers or
- b. between workmen and workmen, or
- c. c. between employers and employers objectives/ goals of trade union

2. Representation-**trade unions** represent individual workers when they have a problem at work. If an employee feels he is being unfairly treated he can ask the union representative to help sort out the difficulty with the manager or employer. Unions also offer their members legal representation.

3. Negotiation- negotiation is where union representatives discuss with the management issues which affect people working in an organization.

4. Member services—during the last few years, **trade unions** have increased the range of services they offer their members.

- a. Education and training.
- b. Legal assistance.
- c. Financial discount.
- d. welfare benefits.

Types of Trade Unions:

- 1. **Reformist unions**- Reformist unions aim at preservation of the capitalist economy and the maintenance of competitive production based industrial relations.
- 2. **Business unions**- This type of unions is built around congenial employee-employer cooperation business unions primarily

protect the workers interest by participating in collective bargaining with the employer.

- 3. **Friendly or uplift unions**- These unions aspire to elevate the moral intellectual and social life of workers. These unions concentrate on health education insurance and benefits.
- 4. **Political unions**- The unions gain power through political action these unions resort to political action to protect the workers interest.

Meaning and Definition of Grievance:-

Grievance can be defined as any discontent or dissatisfaction with any aspects of the organization.

According to prof. Jucius- **grievance** is any discontent or dissatisfaction whether expressed or not whether valid or not arising out of anything connected with the company that an employee thinks believe or even feels is unfair unjust or inequitable.

According to Keith Davis.-**grievance** is any real or imagined feeling of personal injustice which an employee has concerning his employment relationship.

According to beach- **grievance** is any dissatisfaction or feeling of injustices in connection with one's employment situation that is brought to the notice of the management.

According to dale Yoder- **grievance** is a written complaint filed by an employee and claiming unfair contract.

Characteristics of Employee Grievances :

- » a grievance may be written or verbal.
- » a grievance may be voiced or unvoiced.
- » a grievance refers to any form of discontent or dissatisfaction with an aspect of the organization.

Causes/sources of Employee Grievance :

1. **Grievance** resulting from working conditions
 - a) Tight production standards.
 - b) Poor relationship with the supervisor.
 - c) Bad physical conditions of work places.
2. **Grievance** resulting from management policy
 - a) Overtime
 - b) Leave
 - c) Transfer
3. **Grievance** resulting from alleged violation of
 - a) Past practice
 - b) Company rules
 - c) Central or state laws.

Meaning and Definition of Industrial Disputes

An **industrial dispute** refers to any disagreement in industrial relations which may be in the form of a strike and or other form of industrial action between employers and employee.

According to the **industrial dispute** act, 1947, industrial dispute mean any dispute or difference between employers and employees or between employers or workmen, organization or

between workmen and workmen which is connected with the employment or non-employment or with the condition of labor of any person.

Nature and scope of Industrial disputes :

- 1 Industrial conflict is a human conflict it is just one aspect of the general conflict inherent in the capitalist society based upon the pursuit of self interest in the economic life by every individual and the group to which he belongs.
- 2. The coming together of workers motivated by their urge of obtaining the highest possible wages and the owners of capital motivated by profit maximization is the basic cause of industrial conflict in the capitalist economic system.
- 3. Conflict is like the conflict between any buyer and seller. The seller seeks to sell his commodity at the highest possible price that he can extract and the buyer seeks to pay the lowest possible price.

Forms of Industrial disputes :

- 1. Strikes—strikes are a spontaneous and concerned withdrawal of labor from production temporarily in order to demonstrate mass reaction to injustice.
- 2. Gherao—gherao is a weapon which was introduced in west Bengal in 1967 during the united front regime. The movement reemerged in 1969 and has now been extended from the industrial area to other fields in India.
- 3. Lockout—lockout is the counter part of strike. If the weapon available to the employer to close down the factory till the

workers agree to resume work on the conditions laid down by the employer.

- 4. Layoff—a lay-off is a temporary separation of the employee from his or her employer at the instance of the latter without any prejudice to the former.