

# Human Resource Management



**Financial  
Resources**



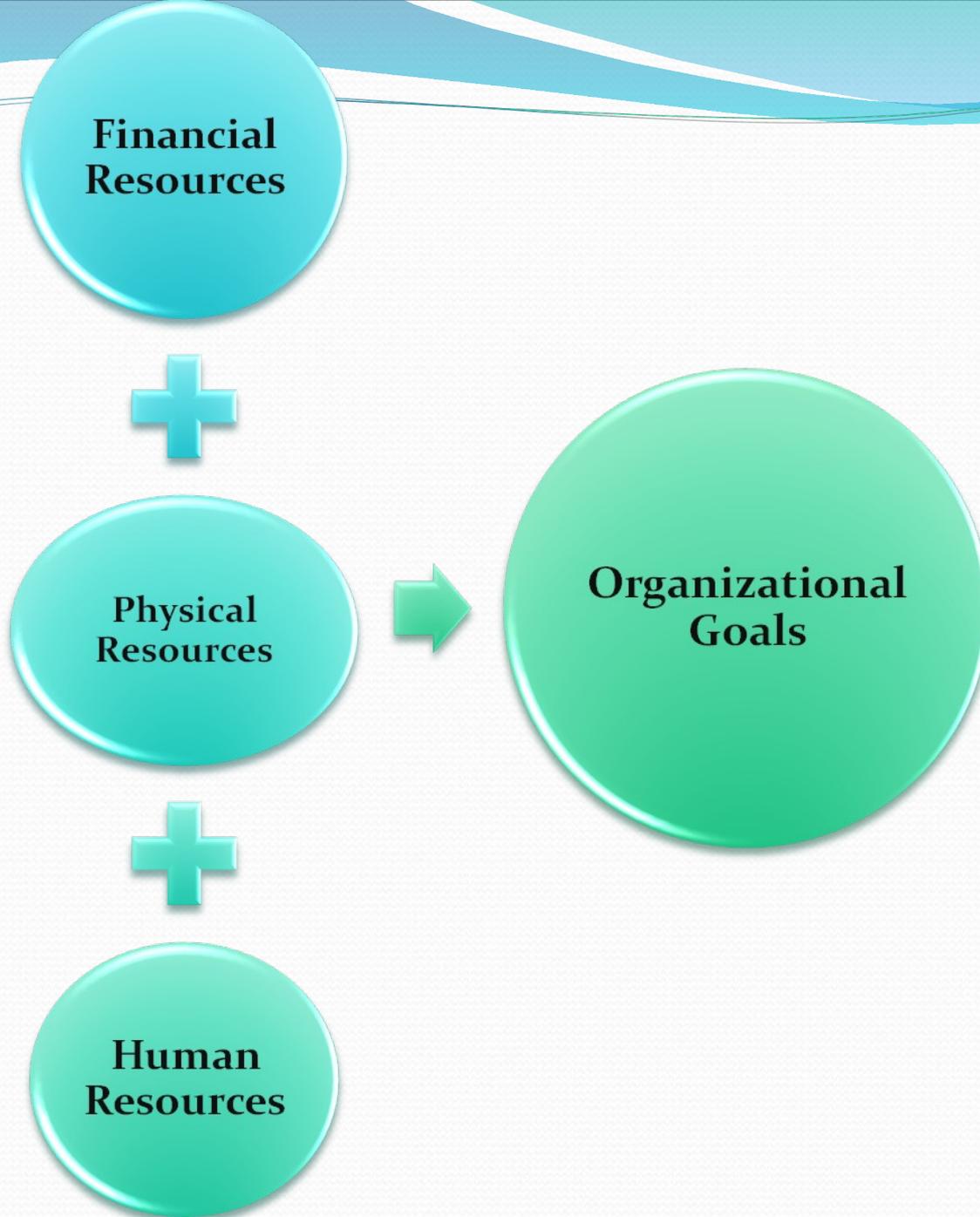
**Physical  
Resources**



**Organizational  
Goals**



**Human  
Resources**



# WHAT IS HR?????

- **Human resources** is the **set of individuals** who make up the **workforce** of an **organization, business sector** or an **economy**.
- Other terms sometimes used include "manpower", "talent", "labor" or simply "people".



# What is HRM?

- The process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness concerns.
- A management function that helps managers recruit, select, train and develop members for an organization.
- HRM may be defined as a set of policies, practices and programmes designed to maximize both personal and organizational goals.

- "I believe the real difference between success and failure in a corporation can be very often traced to the question of how well the organization brings out the great energies and talents of its people."

Thomas J. Watson, Jr.



- And I'd say one of the great lessons I've learned over the past couple of decades, from a management perspective, is that really when you come down to it, it really is all about people and all about leadership.

**Steve Case**



# Some eminent personalities...



**Dr. Udai  
Pareek**



**Dr. T V Rao**

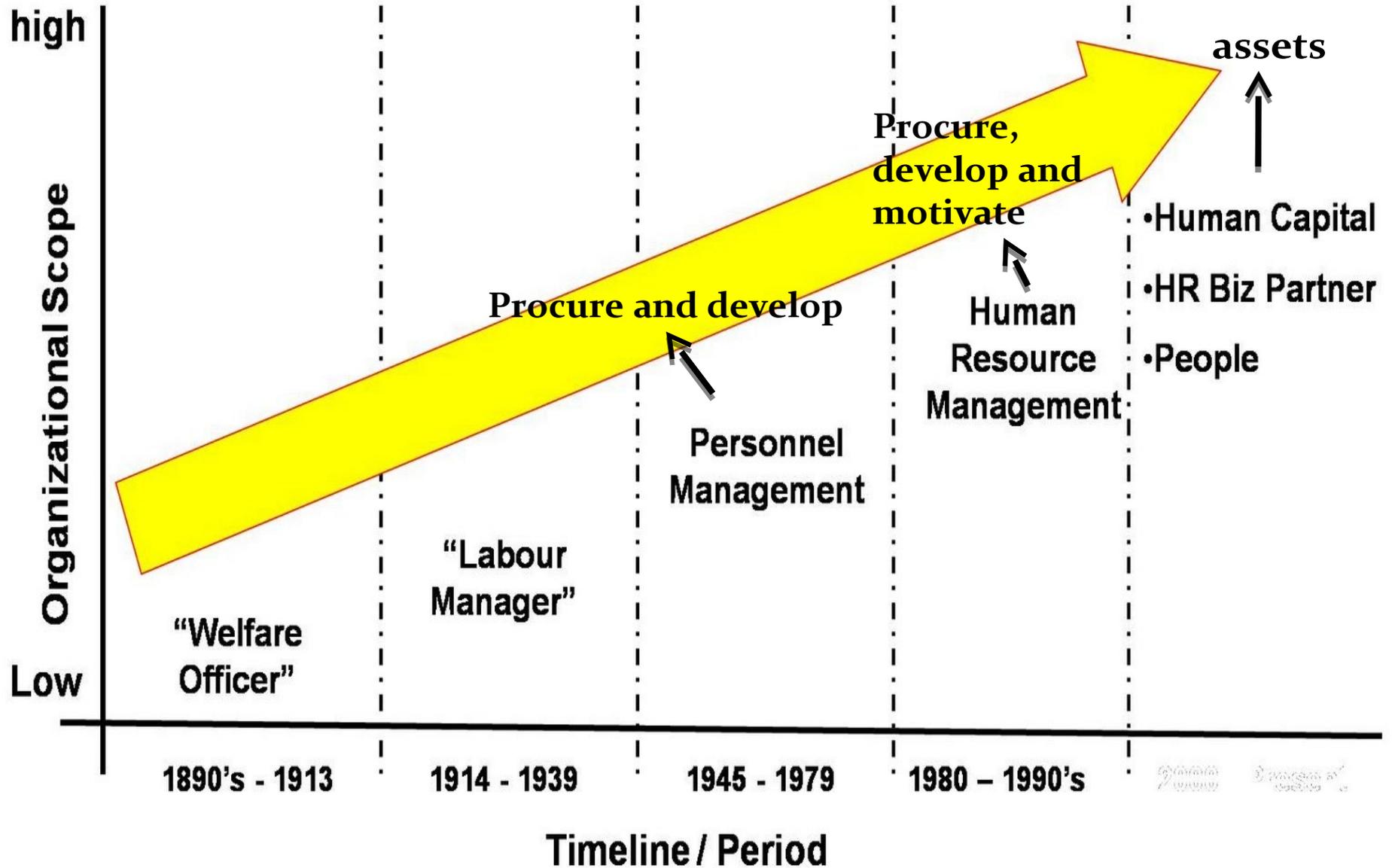


**Frederick  
Winslow Taylor**



**King  
Hammurabi**

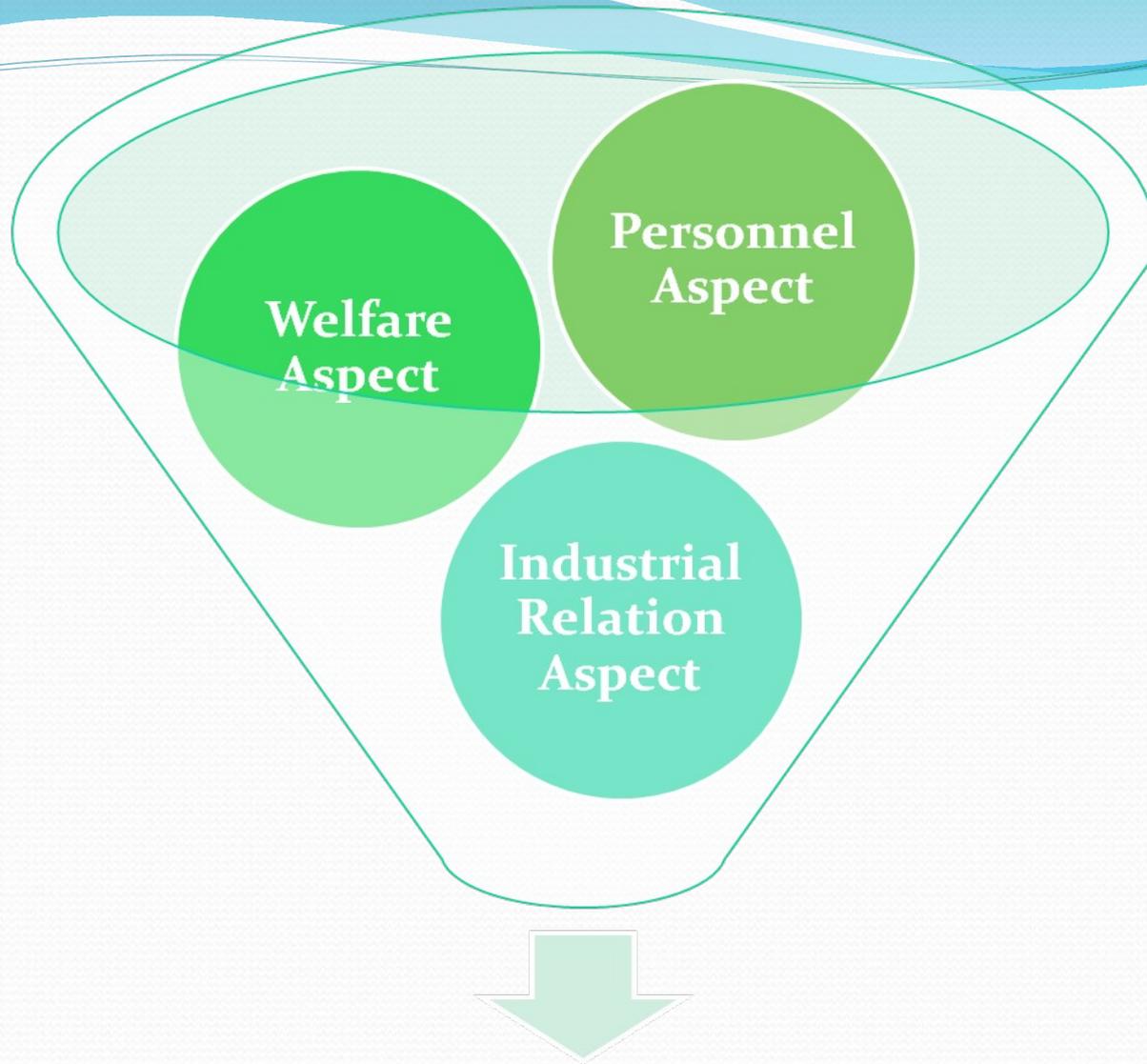
# Evolution of HRM ...



# Nature of HRM

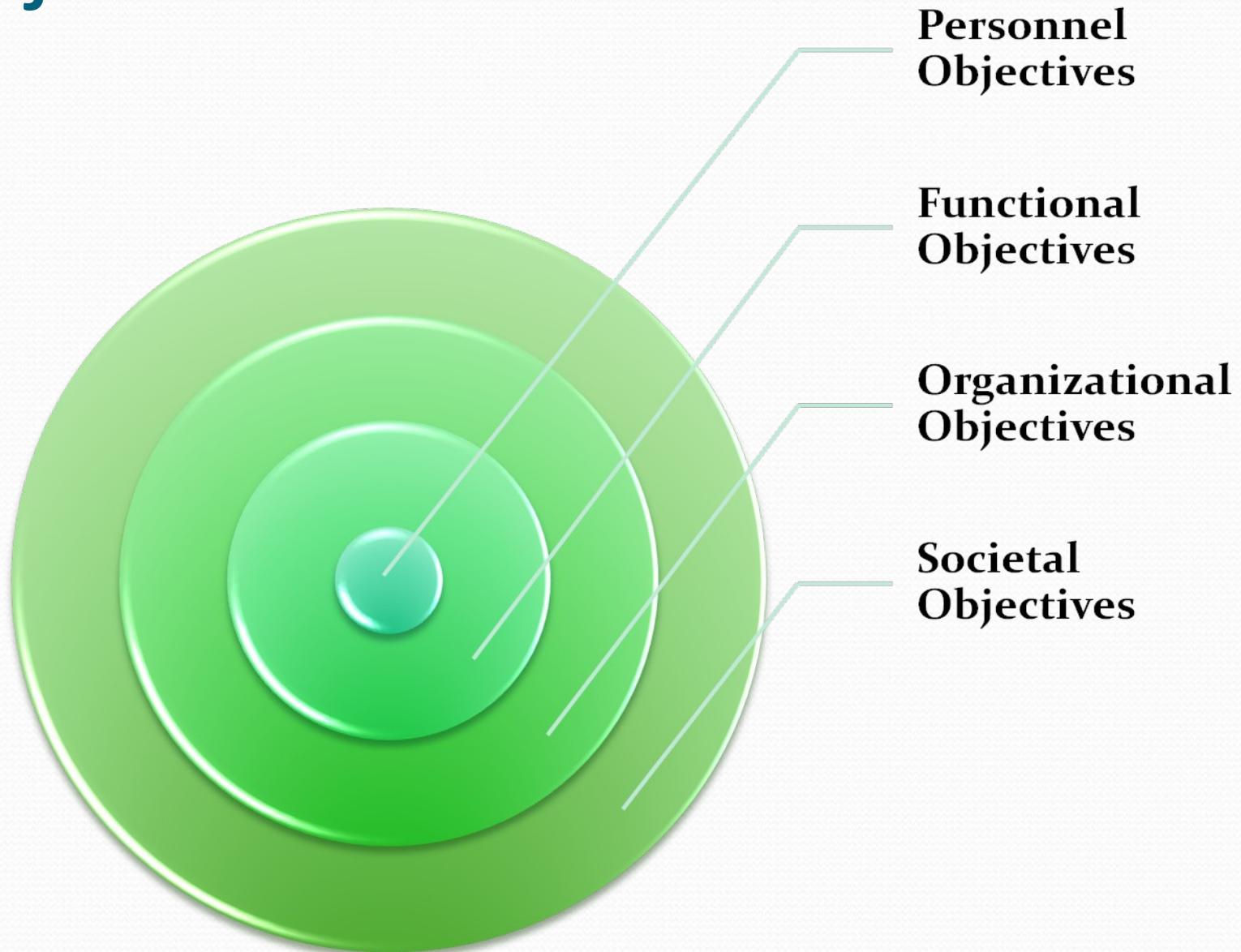
- Integral part of process of management.
- Comprehensive Function
- Pervasive Function
- People Oriented
- Based on human relations
- Continuous process
- Science as well as art
- Recent origin
- Interdisciplinary
- Basic to all functional areas.



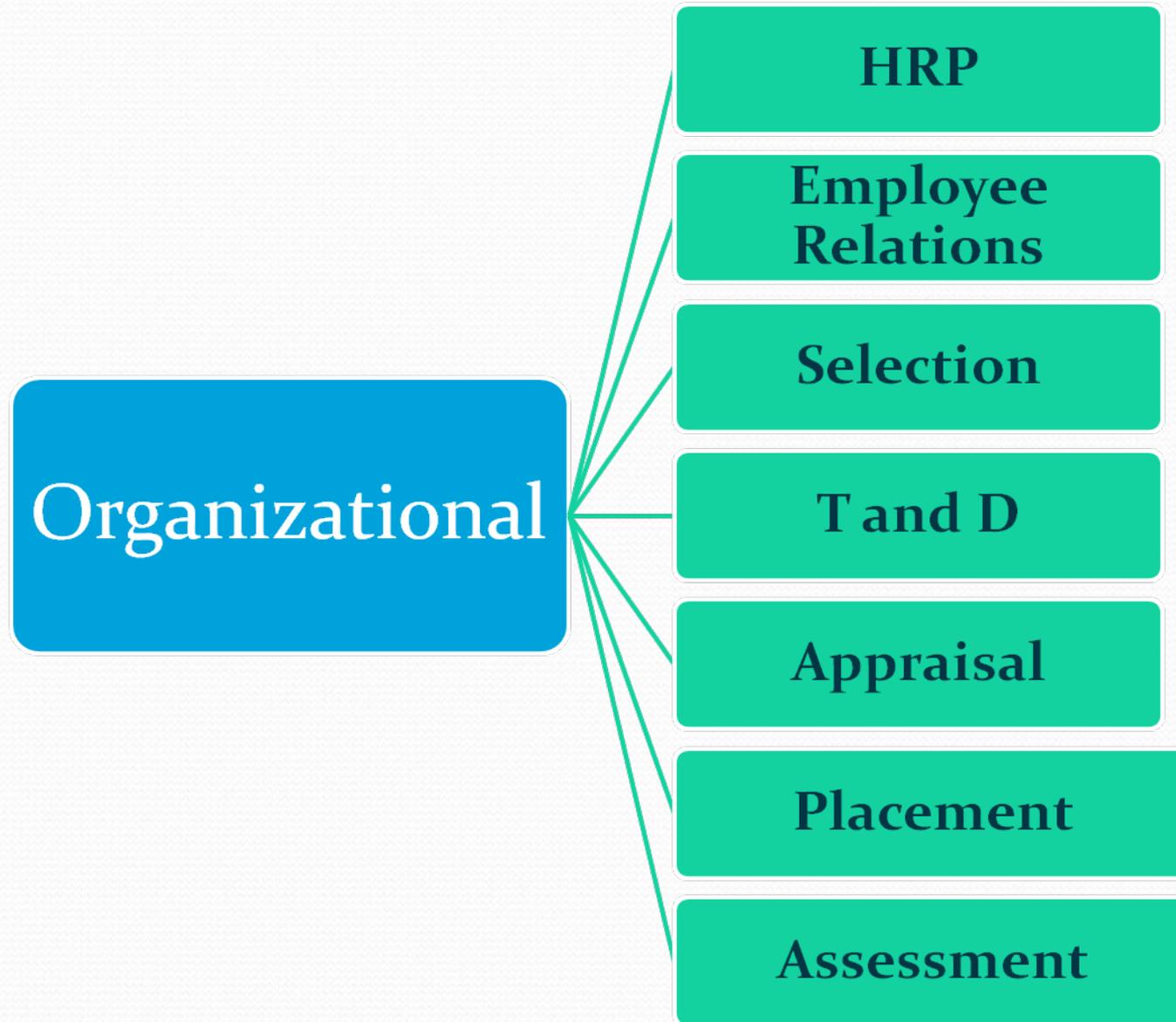


**Scope of HRM**

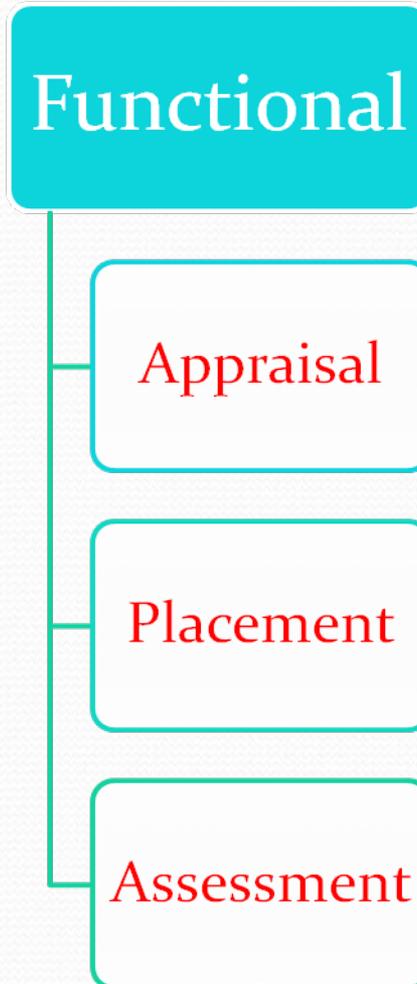
# Objectives of HRM



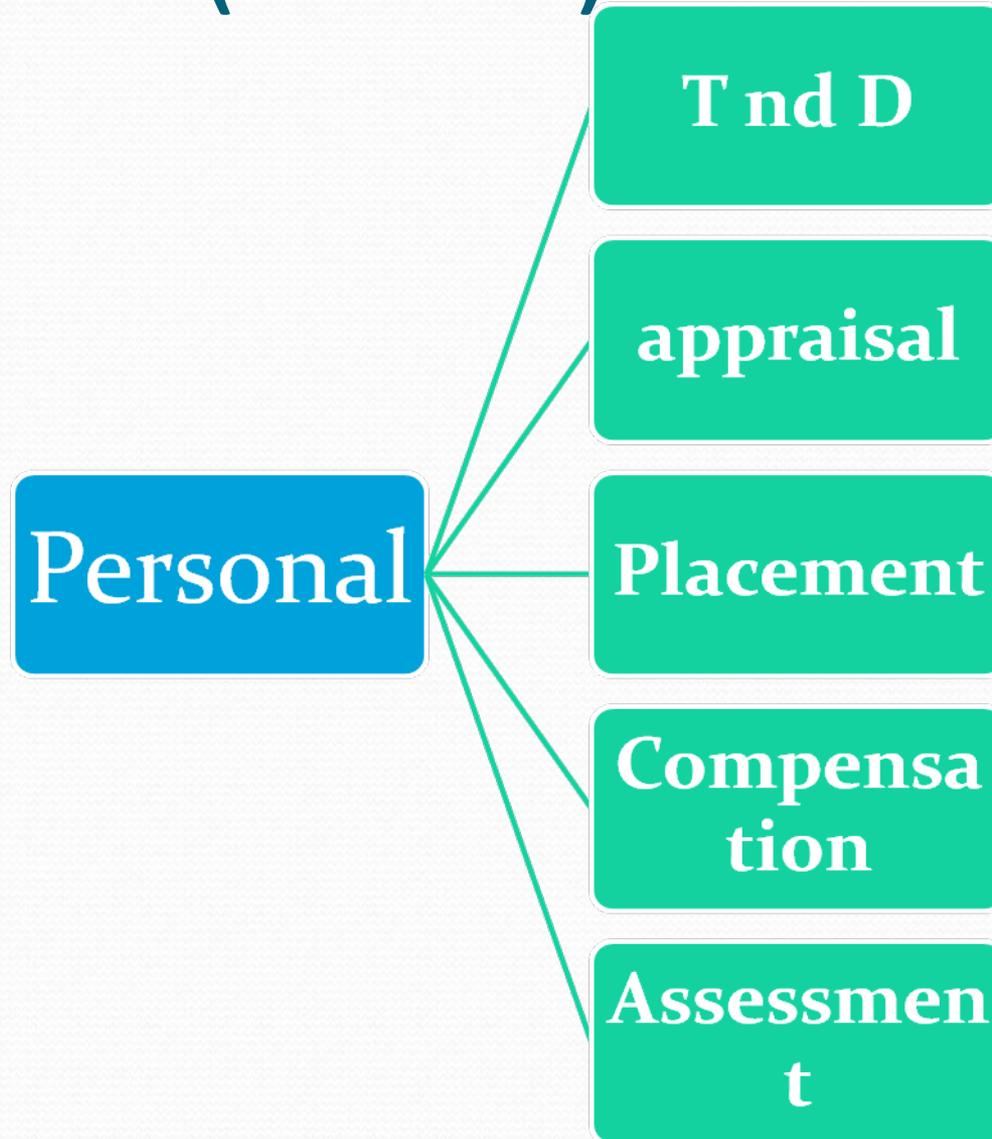
# Functions

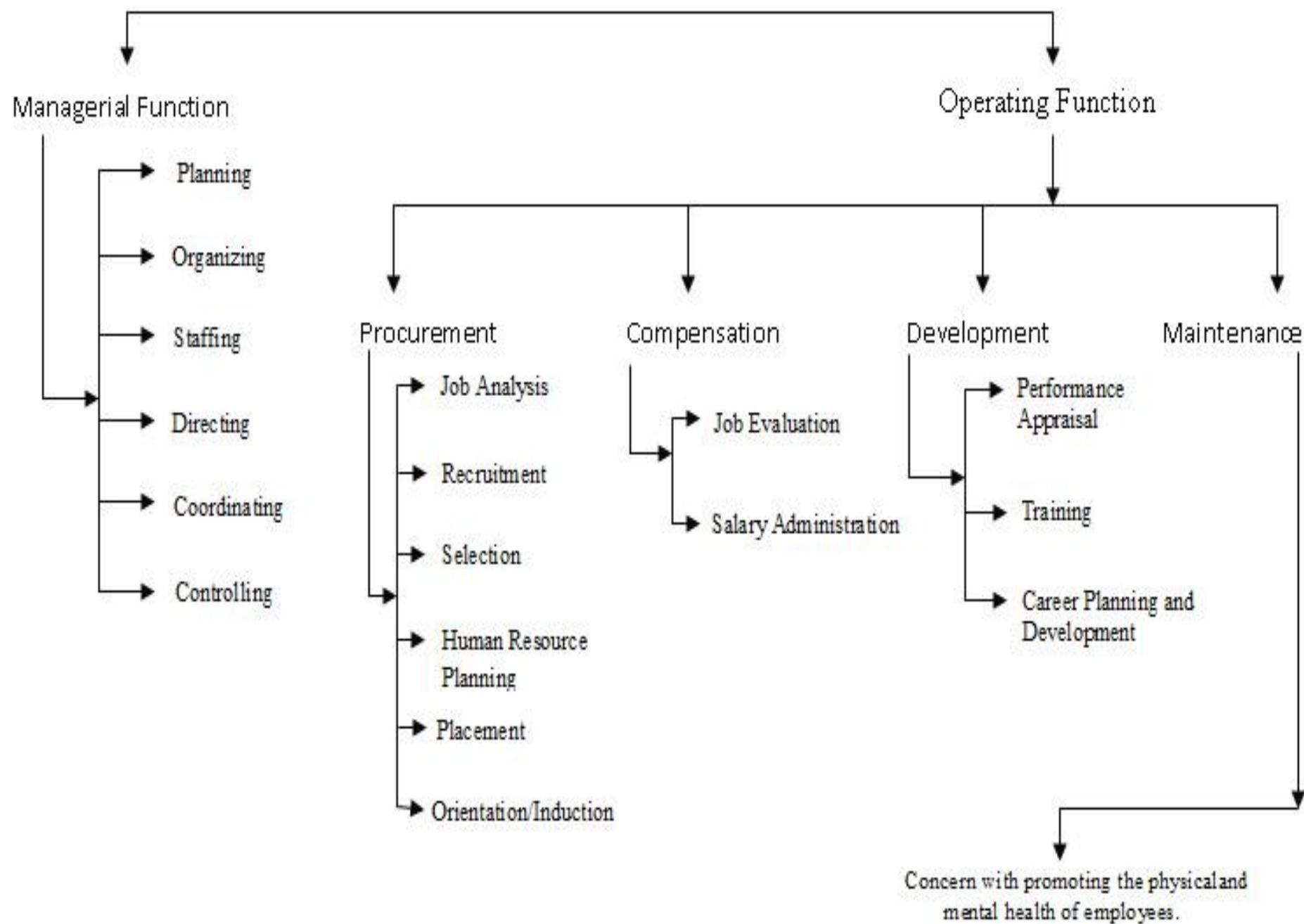


# Functions



# Functions (cntd...)





Managerial Function

Operating Function

- Planning
- Organizing
- Staffing
- Directing
- Coordinating
- Controlling

Procurement

Compensation

Development

Maintenance

- Job Analysis
- Recruitment
- Selection
- Human Resource Planning
- Placement
- Orientation/Induction

- Job Evaluation
- Salary Administration

- Performance Appraisal
- Training
- Career Planning and Development

Concern with promoting the physical and mental health of employees.

# Policies, Principles and Procedures

- Policy : A plan of action.. A statement of action committing management to a general course of action.
- Principle: fundamental truth established by research, investigation and analysis....guide the managers in formulating policies, programs and procedures.
- Procedures: a method for carrying out a policy....



# Importance of HRM

- Importance for organization
- Importance for employees
- Importance for society.

# Limitations of HRM

**Recent origin**

**Lack of Top Management Support**

**Improper Implementation**

**Inadequate Development Programmes.**

**Inadequate Information.**

# Systems approach to HRM

- An enterprise cannot work in isolation.
- Has to adjust its working to suit the environment.
- **Subsystems:** Departments that are created in an organization to carry out its business effectively.
- Each subsystem has a number of further subsystems.

# Important Subsystems

- **HR system**
- **Production System**
- **Finance System**
- **Marketing System**
- **Research and development System**

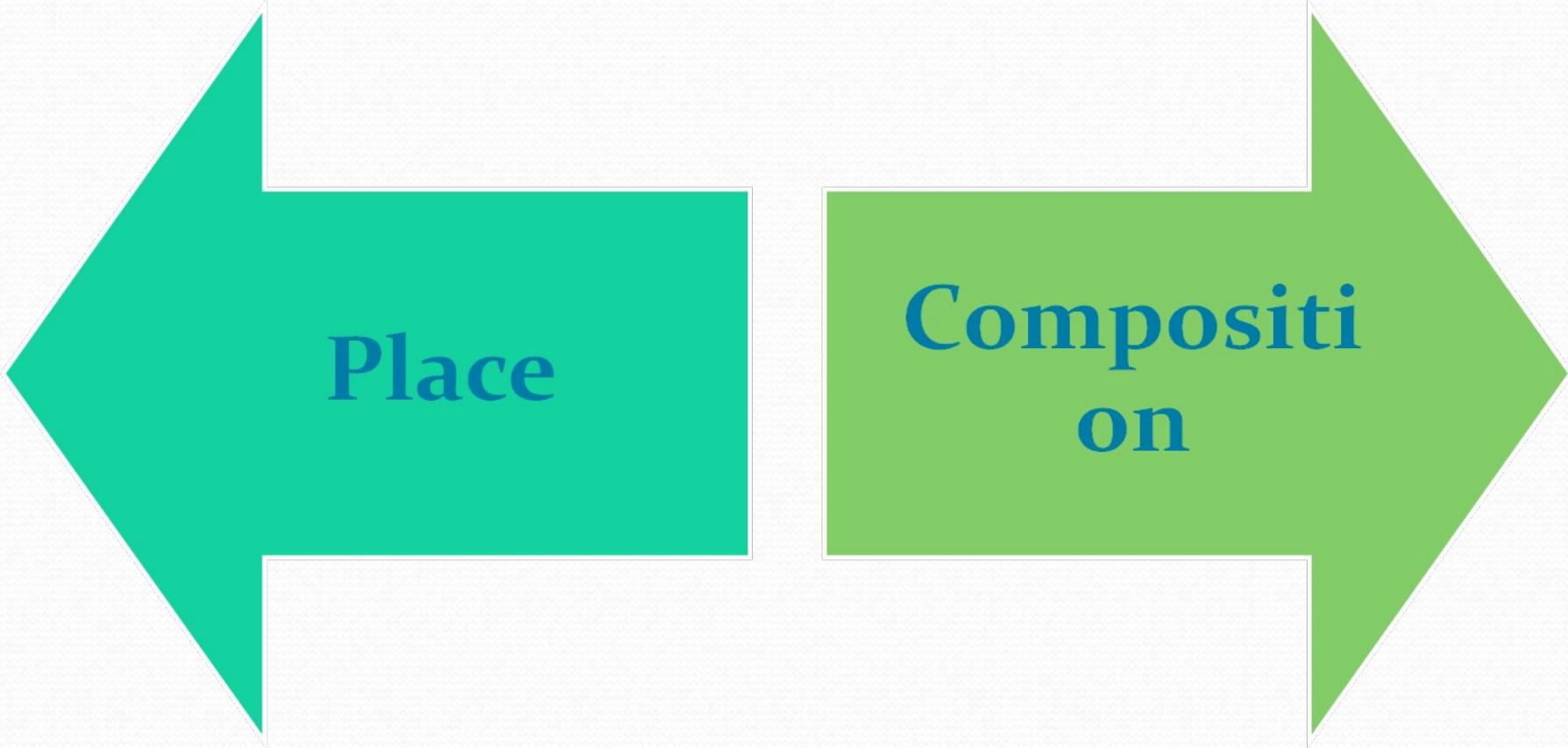
# Human Resource Management System

- Transforms inputs to outputs.



- HR system interacts closely with all other subsystems.
- Quality of people in all subsystems depends upon policies of HRM System

# Organizational Design



**Place**

**Compositi  
on**



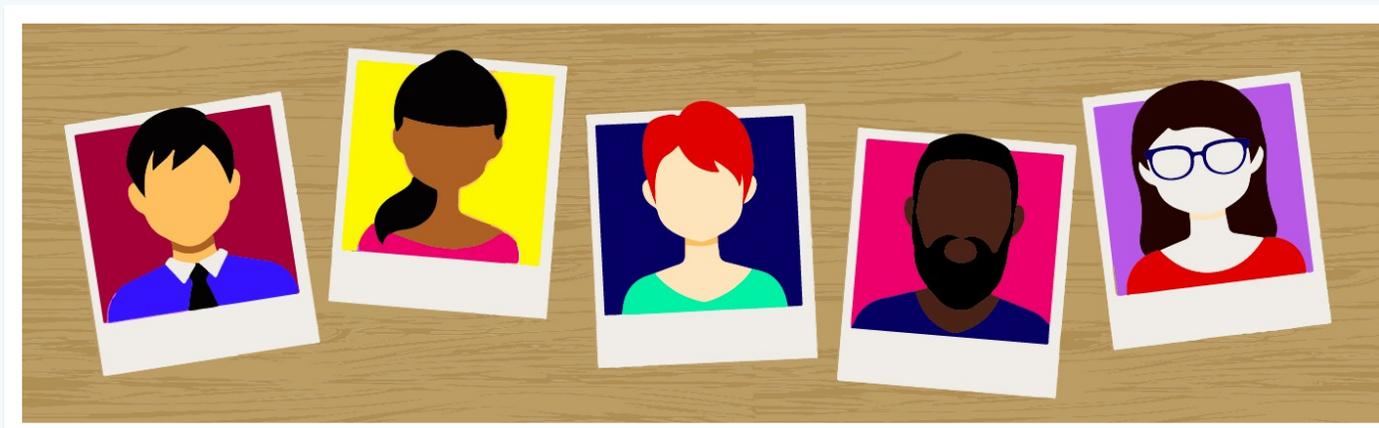
# Human Resources Management

Recruitment and Selection

# The Recruitment Process

# Understanding The Recruitment Process

- Recruitment requires a clear understanding of what makes the company unique as well as the type of employee it wants to attract
  - **Factors contributing to workers'/job seekers' perception of long-term potential:** transparency about pay, information about growth opportunities, internal promotion track record, positive employee reviews
  - **Factors most likely to prompt an application:** attractive benefits, convenient commute, relatively high salary
  - **Factors most likely to prompt candidate to abort recruitment process:** layoff announcement, negative interactions with recruiter or negative employee reviews, leadership or employee scandals



# The Recruitment Process, continued

- Female respondents were more likely to cite CEO misbehavior as a reason to exit recruitment and to rate poor customer service and negative employee reviews as detracting factors
- Optimize the Candidate Experience through aspects of the job application process contributing to a positive experience: clear and regular communication, clear expectations, and feedback regarding rejection
- Greatest causes of frustration during the interview process: lack of information about pay and benefits, interview schedule changes, untimely responses, and lack of information about job responsibilities
- Recruiting occurs after human resource planning and before selection
- To be effective, the recruiter should have a complete job description that includes job specifications, essential functions, and an ability to speak to other details
- Planning points to consider include evaluating your employer brand, identifying candidate sources, evaluating related technologies and cultivating passive candidates

# Employer Branding

- A positive employer brand is important because it affects an organization's ability to attract and retain talent and has financial and productivity implications
- A nationally representative survey of full-time professionals found that candidate choices are increasingly based on employer brand
- The contributing factors to a bad reputation: lack of job security, dysfunctional teams, and poor leadership
- The contributing factors to a good reputation: stability, career growth opportunity, ability to work with a high-performing team
- Researchers determined that the minimum premium required to convince a candidate to take a job with a bad reputation was 10%
- Almost half of respondents indicated they would not consider taking a job with a company exhibiting the three negative factors

# Employer Branding, continued

- It is important to have a good brand as an employer and to build your brand
  - **Step 1.** Evaluate your brand: Conduct surveys to determine what prospective employees think of your brand and the company as a place to work
  - **Step 2.** Identify/Clarify your employer proposition: Know what inspires your employees to drive through the gate every day to allow accurate brand communication
  - **Step 3.** Connect with your audience: Send the right message to the right people through the right medium
  - **Step 4.** Recruit & support brand ambassadors: Provide employees with engaging, shareable content and encourage them to share and amplify their efforts
- Organizations need to create a workplace where people want to work every day
- Disengaged employees are estimated to cost US companies \$450 - \$550 billion annually in lost productivity

# Writing a Job Advertisement

- To advertise for a job, it is important to understand what the job entails and is often done with the help of an I/O psychologist
- Job analysis through a task-oriented approach lists the details of tasks to be performed for the job
- A worker-oriented approach describes the characteristics required of the worker to successfully perform the job (KSAs) and is also called job specification
- Observation, surveys, and interviews are used to obtain information required for both types of job analysis
- Research suggests that the accuracy and reliability of job analysis depends on the nature of the descriptions and the source for the job analysis
- O\*Net is a database that can be used to identify KSAs for different positions

# Writing a Job Advertisement, continued

- Employment branding can be defined through corporate culture clarification, understanding the market position, setting performance expectations, and helping candidates determine if they would be a good fit
- In order to make a job advertisement compelling, you must make an emotional connection with the candidate:
  - Write a compelling headline
  - Craft a compelling hook
  - Write with a specific person in mind
  - Pitch the position with emotion and key facts
  - Tell the company's story
  - Sell the area
  - Summarize, selling the package
  - Call to action
  - Have someone from the target audience read it and comment

# Recruitment Sources

# Candidate Sourcing

- **Sourcing** is the process of identifying, pre-screening and cultivating qualified candidates in order to meet current and anticipated future job openings
- **Internal candidates** requires training and development but allows you to pull known talent and build loyalty among existing employees
- Tapping into social media is essential with the use of specific social media platforms different depending on age, gender, and educational attainment
- Employee referrals are essential but be aware that:
  - the employee might mistakenly assume job performance competence based on friendship
  - may lead to nepotism or hiring individuals who are related to employees
  - employee referrals may reinforce the status quo

# Candidate Sourcing, continued

- Face-to-face methods serve to build the employer brand as well as the candidate pool
- LinkedIn groups that are relevant and following thought leaders or groups on Twitter can be beneficial for finding high-potential candidates
- Candidates can also be identified through niche sites that specialize in a specific industry



# Technology and Recruiting

- **Automate job board processes** by leveraging available automation tools
- **Build a talent pool** by developing an internal database of qualified candidates to reduce third-party recruiter dependence and allowing HR personnel to build relationships with a pre-qualified talent pool
- **Socialize the search** to connect with and engage candidates
- Recruiting software can assist with the evaluation and selection process by collecting applicant information and allowing for filtering, grading, and matching candidate skills against job requirements
- Recruiting tools can help organize and disseminate information across multiple channels and job boards and reduce the time it takes to arrive at a short-list of qualified applicants
- Incorporating robotics, AI, and cognitive computing are increasing automation

# Avoiding Discrimination

# Avoiding Discrimination in Recruiting

- HR personnel should evaluate their advertising and use of employee recruiting, screening, testing, and selection techniques to avoid intentional discrimination but also practices that have an “adverse impact”
- The EEOC states that it is illegal for an employer to publish a job advertisement showing a preference for or discouraging someone from applying because of race, color, religion, sex, national origin, age, disability, or genetic information
- It is illegal for an employer to engage in recruiting practices that have a discriminatory impact
- Civil Rights Act of 1964 Title VII: permits employment tests unless they are designed, intended, or used to discriminate and applies to employers and employees
- Title VII prohibits “disparate treatment” and “disparate impact” discrimination

# Avoiding Discrimination in Recruiting, continued

- Compliance with Title I of the **Americans with Disabilities Act (ADA)** should be reviewed to determine whether potential discrimination is present
- Any disparate impact must be job-related and consistent with business necessity
- Tests should be selected and administered in a manner that accurately reflects job-related aptitude or skills and not an impairment
- Employers are required to make reasonable accommodations for known physical or mental limitations of an otherwise qualified candidate unless it imposes an undue hardship
- **ADEA** prohibits both disparate treatment (intentional) and disparate impact discrimination based on age, such as requiring applicants older than 50 take agility or cognitive tests

# Selection Process

# The Selection Process

- The selection process involves moving candidates through the recruiting process and identifying the best candidates for the job
- Screening and assessment techniques are used to eliminate candidates not meeting stated minimum requirements or who aren't a good fit
- Face-to-face interviews should be highly qualified and ideally a promising fit from a cultural standpoint
  - **Evaluation by Association:** using the posting location as an initial screen
  - **Application:** review of the cover letter, resume, and application and may include review of the candidates business or social networking profiles
  - **Assessment:** a preliminary assessment of skills
  - **Screening Interview:** an initial telephone interview to assess the candidate's objective and motivate, relevant education, and experience
  - **External Verification:** of educational qualifications and reference check
- Automated candidate screening can reduce time to hire, increase candidate quality and experience

# Avoiding Bias in Selection

- The EEOC's Uniform Guidelines on Employee Selection Procedures governs the employee selection procedure consistent with applicable legal standards and validation standards
- The guidelines apply to most private and public employers and all selection procedures
- The guidelines do not have bearing on recruiting procedures or practices
- Employers should administer tests and other selection procedures without discrimination
- Employers should ensure that employment screening procedures are properly validated



# Avoiding Bias in Selection, continued

- Keep abreast of changes in job requirements and update test specifications or selection procedures accordingly
- When reviewing a final slate of candidates, it's important to be aware of the potential for perception errors and unconscious bias
- Interviewers make decisions about candidates rapidly but also tend to overrate ability to evaluate others
- A common mistake is judging candidates based on a first impression or "likeability" and interviewer bias or unconscious bias
- Studies have conclusively shown that bias impacts almost every variation of human identity
- Unconscious bias can also be a factor in the pre-screening process
- Two approaches to reduce bias include awareness and designing approaches that help us make decisions more consciously

# Interview Approaches

- Traditional interview approaches include one-on-one, panel, and series, with the most common interview approach being one-on-one
- Panel interviews are a standard practice in academia and business, with a committee composed of several interviewers meeting with the candidate at the same time
- Series interviews evaluate the candidate one-on-one with multiple interviewers
- Regardless of the format, those involved in the interview process should be trained in effective interviewing techniques and what questions are prohibited
- To avoid litigation and have the best results, interview questions should be relevant to the position, consistent across candidates, and focus on the job duties, relevant skills and qualifications, and related success factors