

HUMAN RESOURCE MANAGEMENT

What is HRM?

- **Definition:**

- Human Resource Management (HRM) is the strategic approach to managing people in an organization to help the business gain a competitive advantage.

- **Key Functions:**

- Recruitment and Selection
- Training and Development
- Performance Management
- Compensation and Benefits
- Employee Relations

Objectives of HRM

- **Recruiting Talent:** Attracting and hiring the best talent.
- **Employee Development:** Enhancing employee skills and knowledge.
- **Performance Management:** Monitoring and improving employee performance.
- **Compensation Management:** Ensuring fair and competitive compensation.
- **Employee Relations:** Maintaining positive workplace relationships.

Importance of HRM

- **Strategic Role:** Aligns workforce with organizational goals.
- **Operational Efficiency:** Streamlines processes and improves productivity.
- **Employee Satisfaction:** Enhances job satisfaction and reduces turnover.
- **Compliance:** Ensures adherence to labor laws and regulations.

Key Functions of HRM

- **Recruitment and Selection:**

- Job analysis
- Sourcing candidates
- Interviewing and hiring

- **Training and Development:**

- Onboarding programs
- Professional development
- Career growth opportunities

- **Compensation and Benefits:**

- Salary structures
 - Health benefits
 - Incentives and rewards
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- **Employee Relations:**

- Conflict resolution
- Employee engagement
- Grievance handling

- **Performance Management:**

- Setting performance standards
- Regular performance reviews
- Providing feedback

Challenges in HRM

- **Recruitment Challenges:**
 - Finding skilled candidates
 - Competitive job market
- **Retention Issues:**
 - Managing employee turnover
 - Keeping employees motivated
- **Compliance:**
 - Navigating complex labor laws
 - Ensuring workplace safety and fairness

What is human capital?

- The term human capital refers to the economic value of a worker's experience and skills. Human capital includes assets like education, training, intelligence, skills, health, and other things employers value such as loyalty and punctuality.
- As such, it is an intangible asset or quality that isn't (and can't be) listed on a company's balance sheet. Human capital is perceived to increase productivity and thus profitability. The more investment a company makes in its employees, the chances of its productivity and success become higher.

Components of Human Capital

1. Education

- Formal schooling
- Certifications

2. Skills

- Technical skills
- Soft skills (e.g., communication, teamwork)

3. Experience

- Work experience
- Professional achievements

4. Health

- Physical health
- Mental well-being

The Value of Human Capital

Economic Impact:

- Productivity enhancement
- Innovation and growth
- Competitive advantage

Organizational Impact:

- Employee performance
- Organizational culture
- Employee retention

Investing in Human Capital

Strategies:

- Training and development programs
- Education subsidies
- Health and wellness programs
- Career development initiatives

Benefits:

- Improved employee skills and efficiency
- Enhanced job satisfaction
- Lower turnover rates

Measuring Human Capital

- Return on Investment (ROI) from training
- Employee performance indicators
- Skills assessments
- Employee engagement surveys

Challenges and Considerations

Challenges:

- Assessing ROI accurately
- Keeping skills up-to-date with industry changes
- Balancing cost and benefits

Considerations:

- Aligning human capital investments with organizational goals
- Addressing diversity and inclusion

Role of HR Manager

- Advisory role
- Counselling role
- Role of Change Agent
- The Conscience role
- Mediator's role
- Liaison's role
- Legal role
- Welfare role
- Controllers role
- Human relation role

Competencies of HR Manager

- Personal credibility
- Ability to manage change
- Delivery of human resource practices
- Understanding of business.
- Cultural steward
- Talent management

Introduction to HR Policies

- **Definition:** HR policies are guidelines that outline the company's approach to various aspects of employment and workplace behavior.
- **Purpose:** To ensure consistency, legal compliance, and a positive work environment.

Importance of HR Policies

- **Consistency:** Ensures fair treatment of all employees.
- **Compliance:** Helps in adhering to labor laws and regulations.
- **Conflict Resolution:** Provides a framework for addressing disputes and issues.
- **Employee Guidance:** Clarifies expectations and company standards

Key HR Policies Overview

- **Recruitment and Hiring**
- **Employment Classification**
- **Compensation and Benefits**
- **Workplace Conduct**
- **Leave Policies**
- **Health and Safety**
- **Performance Management**
- **Disciplinary Procedures**

HRM Vs HRD

HRM

- Managing all aspects of human resources within an organization
- Recruitment, compensation, benefits, employee relations, compliance
- Efficiently manage workforce, ensure legal compliance, optimize staffing
- Administrative and operational focus on managing HR functions
- Recruiting, payroll management, policy formulation, employee relations
- Ongoing, daily management of HR functions
- Ensures that employees are effectively managed and supported in their roles
- Turnover rates, employee satisfaction, compliance with regulations
- Ensures operational efficiency and compliance in HR processes

HRD

- Developing and improving employees' skills, knowledge, and capabilities
- Training, career development, performance management, organizational development
- Enhance employee skills, foster career growth, improve organizational effectiveness
- Developmental and strategic focus on employee growth and potential
- Training programs, leadership development, coaching, succession planning
- Long-term focus on employee growth and organizational development
- Helps employees grow and advance in their careers, improving job satisfaction and performance
- Training effectiveness, employee skill improvements, career progression
- Contributes to strategic organizational goals by enhancing employee capabilities and development

Emerging Challenges of Human Resource Management;

- **Managing Workforce Diversity:**
- **Meeting Aspirations of Employees:**
- **Empowerment of Employees:**
- **Management of Human Relations:**
- **Dynamic Personnel Policies and Programs:**
- **Building Responsive Organisation:**
- **Creating Dynamic Work-Culture:**
- **Building Core Competence and Creating Competitive Advantage:**
- **Outsourcing HRM Functions:**