

HUMAN RESOURCE MANAGEMENT

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Human resource management (HRM) is the strategic and coherent approach to the management of an organization's most valued assets - the people working there, who individually and collectively contributes to the achievement of the objectives of the business. The terms "human resource management" and "human resources" (HR) have largely replaced the term "personnel management" as a description of the processes involved in managing people in organizations. In simple sense, HRM means employing people, developing their resources, utilizing, maintaining and compensating their services in tune with the job and organizational requirement.

Its features include:

- Organizational management
- Personnel administration
- Manpower management
- Industrial management

But these traditional expressions are becoming less common for the theoretical discipline. Sometimes even employee and industrial relations are confusingly listed as synonyms, although these normally refer to the relationship between management and workers and the behavior of workers in companies.

The theoretical discipline is based primarily on the assumption that employees are individuals with varying goals and needs, and as such should not be thought of as basic business resources, such as trucks and filing cabinets. The field takes a positive view of workers, assuming that virtually all wish to contribute to the enterprise productively, and that the main obstacles to their endeavors are lack of knowledge, insufficient training, and failures of process.

HRM is seen by practitioners in the field as a more innovative view of workplace management than the traditional approach. Its techniques force the managers of an enterprise to express their goals with specificity so that they can be understood and undertaken by the workforce, and to provide the resources needed for them to successfully accomplish their assignments. As such, HRM techniques, when properly practiced, are expressive of the goals and operating practices of the enterprise overall. HRM is also seen by many to have a key role in risk reduction within organizations.

Synonyms such as personnel management are often used in a more restricted sense to describe activities that are necessary in the recruiting of a workforce, providing its members with payroll and benefits, and

administering their work-life needs. So if we move to actual definitions, Torrington and Hall (1987) define personnel management as being:

"a series of activities which: first enable working people and their employing organisations to agree about the objectives and nature of their working relationship and, secondly, ensures that the agreement is fulfilled".

While Miller (1987) suggests that HRM relates to:

".....those decisions and actions which concern the management of employees at all levels in the business and which are related to the implementation of strategies directed towards creating and sustaining competitive advantage"

The Human Resources Management (HRM) function includes a variety of activities, and key among them is deciding what staffing needs you have and whether to use independent contractors or hire employees to fill these needs, recruiting and training the best employees, ensuring they are high performers, dealing with performance issues, and ensuring your personnel and management practices conform to various regulations. Activities also include managing your approach to employee benefits and compensation, employee records and personnel policies. Usually small businesses (for-profit or nonprofit) have to carry out these activities themselves because they can't yet afford part- or full-time help. However, they should always ensure that employees have—and are aware of—personnel policies which conform to current regulations. These policies are often in the form of employee manuals, which all employees have.

Note that some people distinguish a difference between HRM (a major management activity) and HRD (Human Resource Development, a profession). Those people might include HRM in HRD, explaining that HRD includes the broader range of activities to develop personnel inside of organizations, including career development, training, organization development, etc.

There is a long-standing argument about where HR-related functions should be organized into large organizations, "should HR be in the Organization Development department or the other way around?"

The HRM function and HRD profession have undergone tremendous change over the past 20–30 years. Many years ago, large organizations looked to the "Personnel Department," mostly to manage the paperwork around hiring and paying people. More recently, organizations consider the "HR Department" as playing a major role in staffing, training and helping to manage people so that people and the organization are performing at maximum capability in a highly fulfilling manner.

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