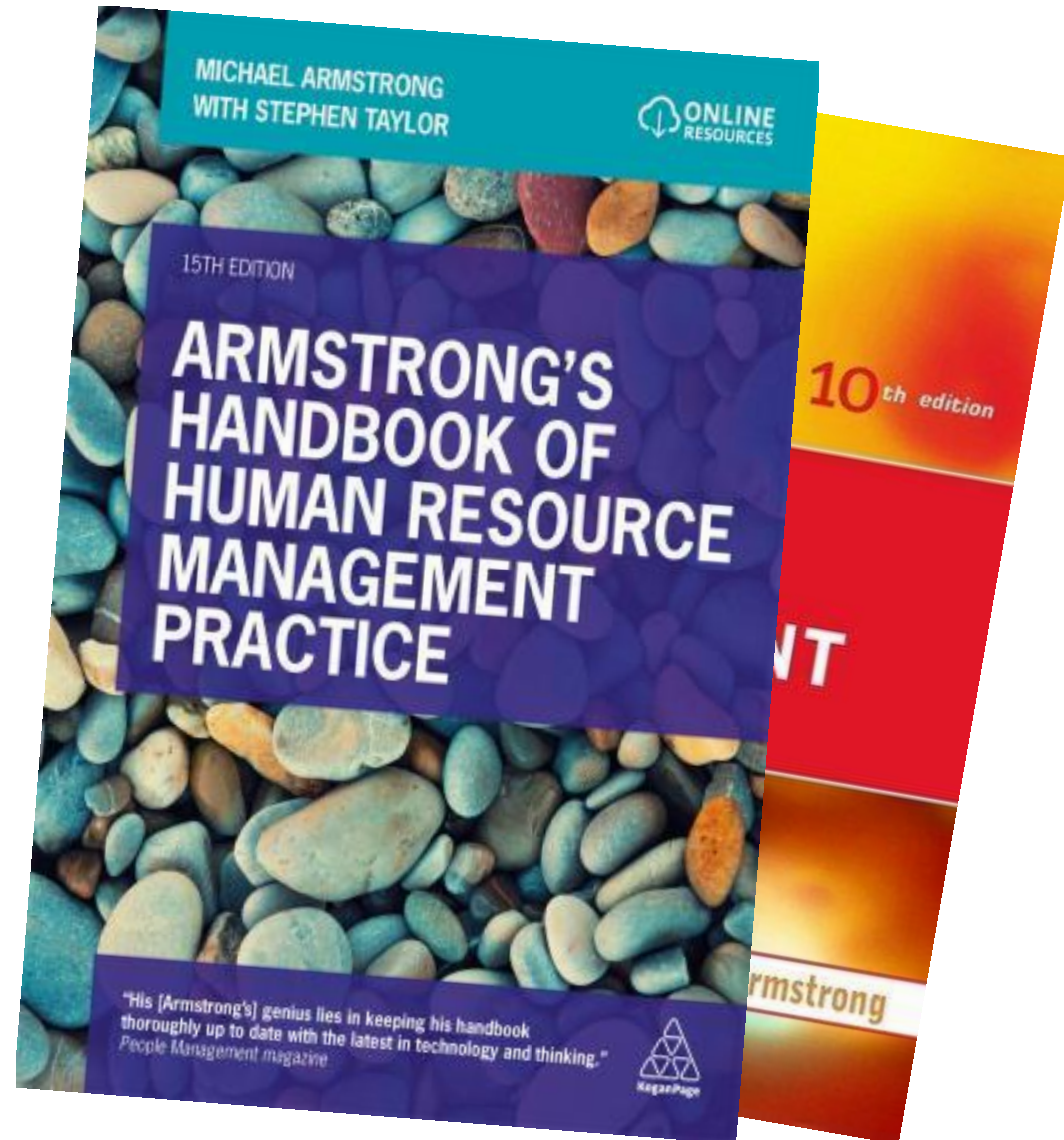


Human Resource Management

Syllabus review

- Course goals
- Requirements
- Scheduling
- Literature



What HRM is?

Introduction

Textbook Chapter 1.

The HRM model

What makes a model of a management system?

- Definitions
- Assumptions
- Elements
- Connections between the elements
- Aims

Definition of HRM

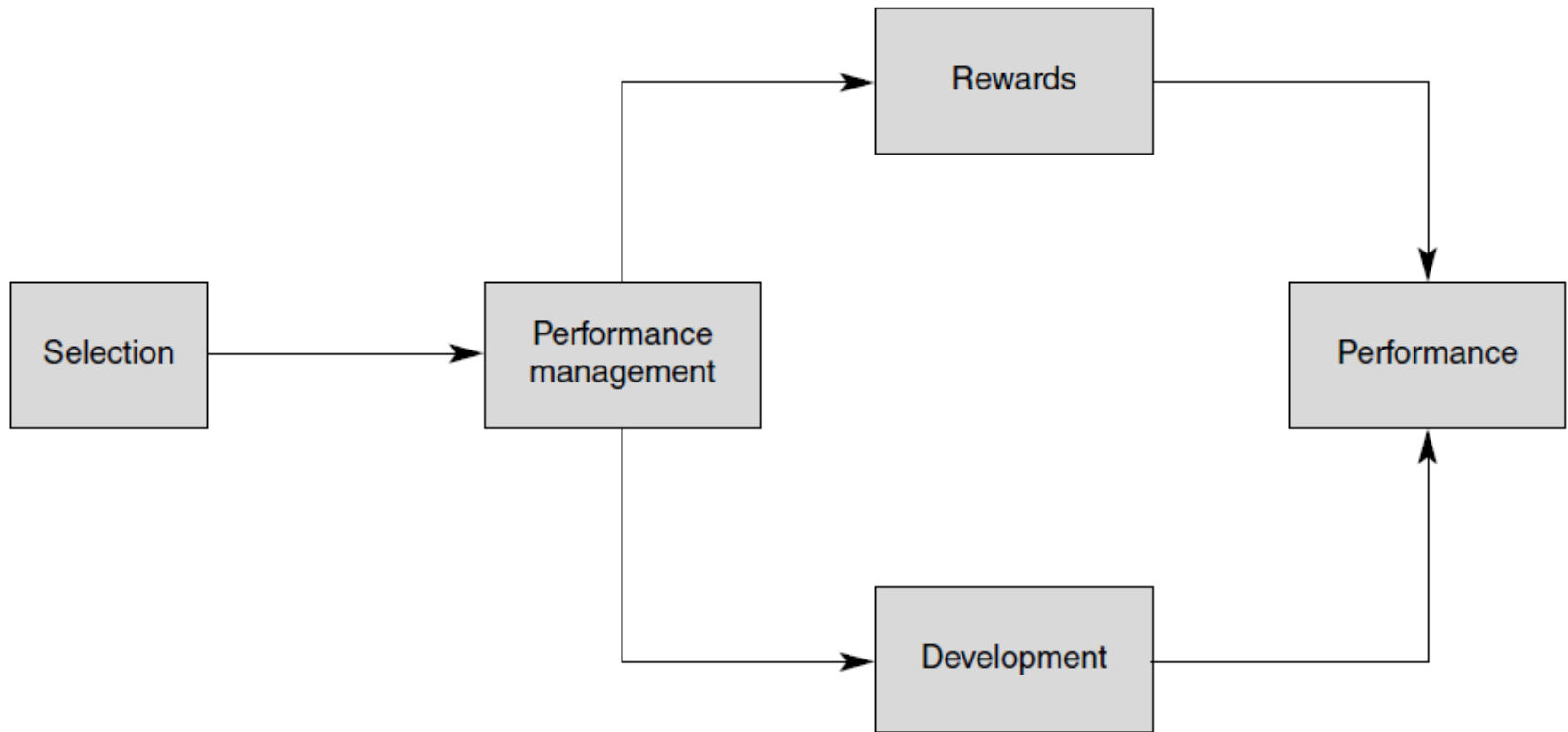
- Strategic and coherent **approach** to the management of an organization's **most valued asset** – the people working there who individually *and* collectively contribute to the achievement of its objectives.

Historical models of HRM

- **The Michigan School Model:**
 - **Congruency with organizational strategy (matching model)**
- **The Harvard School Model (Harvard framework)**
 - **Integrated parts towards a strategic vision and with a central philosophy**

The Michigan School Model

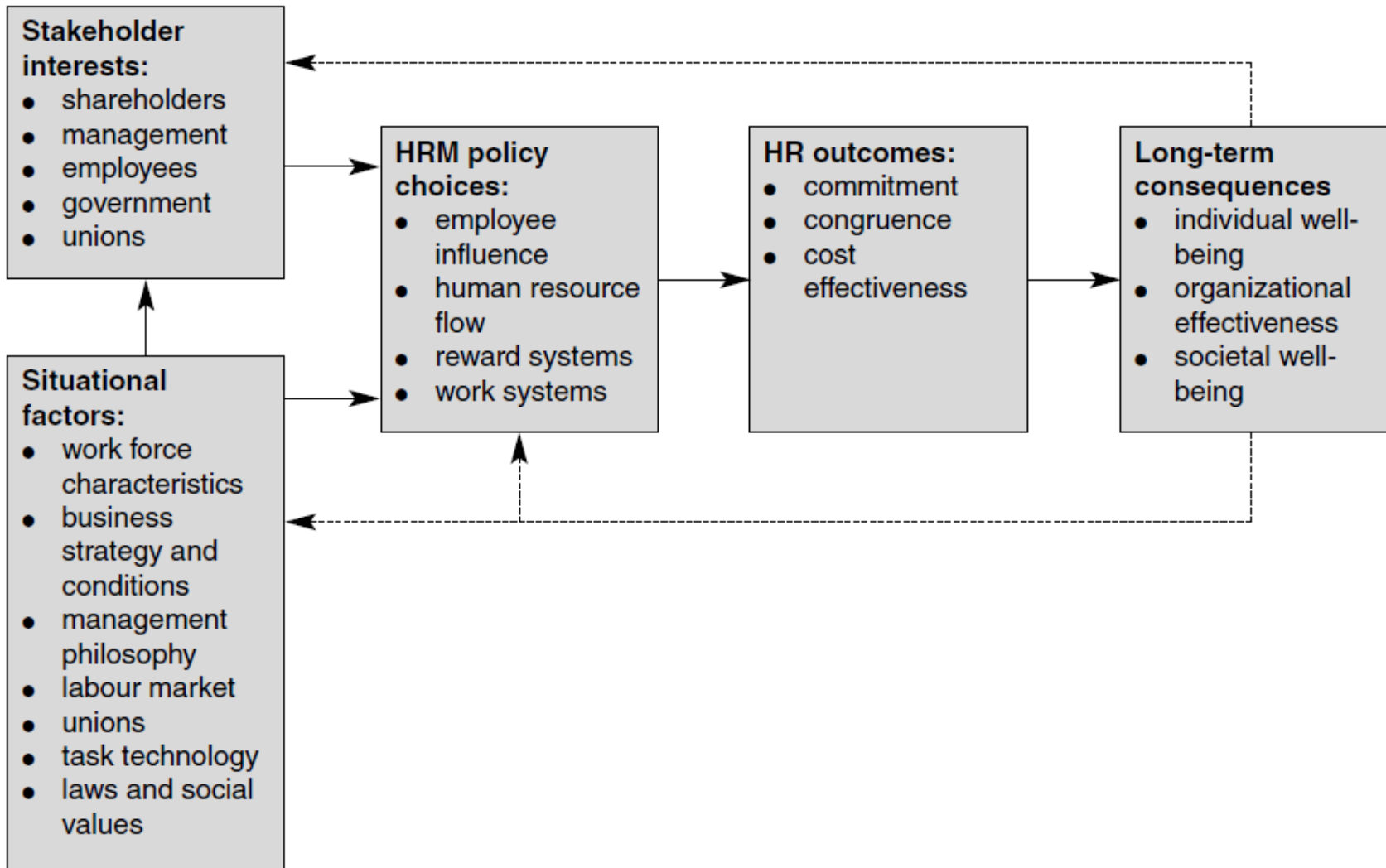
The human resource cycle



Elements of human resource cycle

- 1. Selection:** matching available human resources to jobs
- 2. Appraisal:** performance management
- 3. Rewards:** focus on organizational performance
(most under-utilized and mishandled tool)
 - short-term and long-term
- 4. Development** – developing high quality employees

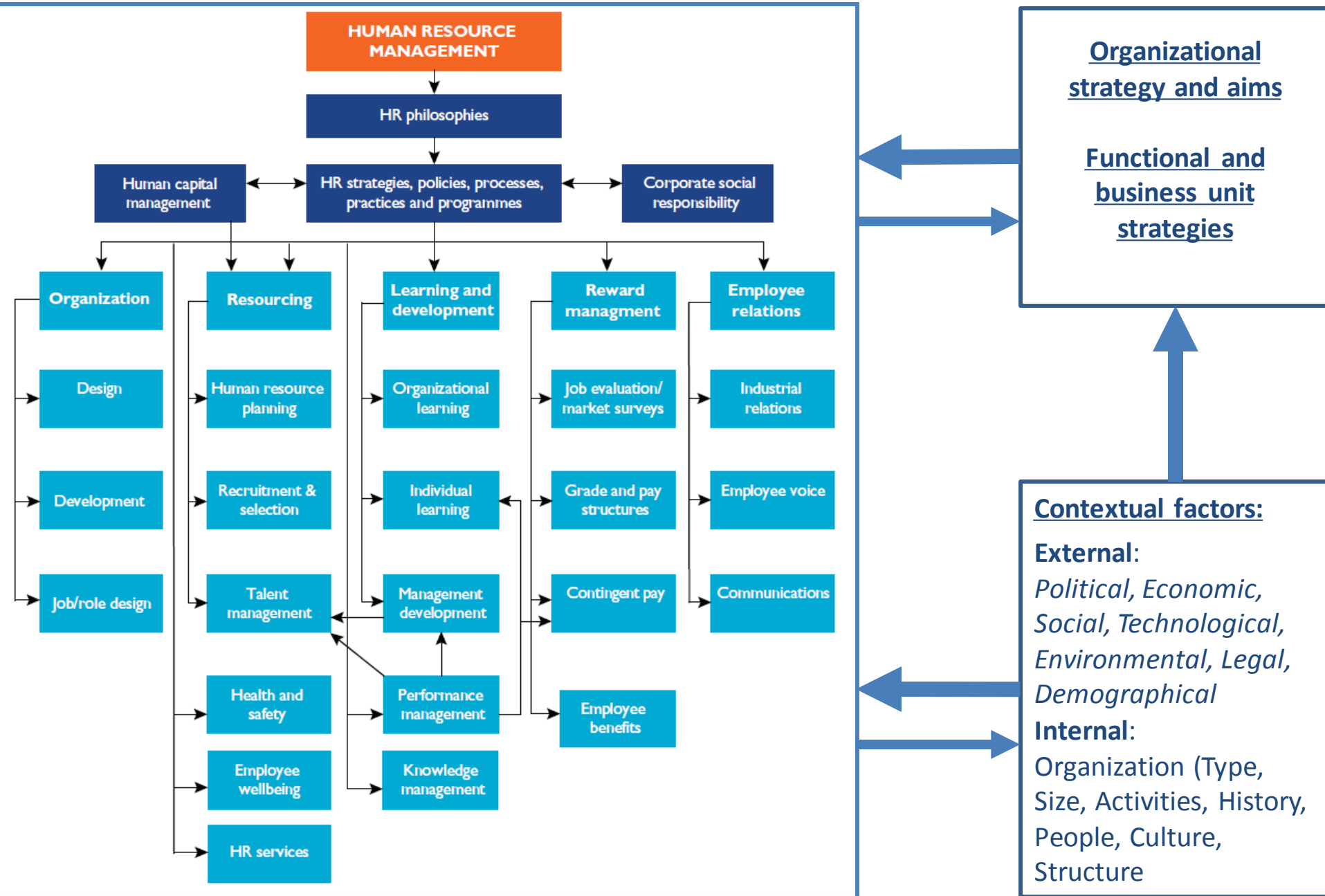
The Harvard Framework



Characteristics of HRM in the Harvard framework

- 1) line managers accept more responsibility for ensuring the alignment of competitive strategy and personnel policy
- 2) personnel has the mission of setting policies that govern how personnel activities are developed and implemented in ways that make them more mutually reinforcing

An up-to-date model (by Armstrong)



Aims of HRM 1.

The objectives of HRM

- To ensure that the organization is able to achieve success through people.
- To increase organizational effectiveness and capability.
- To be concerned with the rights and needs of people in organizations through the exercise of social responsibility.

The policy goals of HRM

- strategic integration;
- high commitment;
- high quality;
- flexibility.

Aims of HRM 2.

1. **Organizational effectiveness** (HRM makes a significant impact on firm performance)
2. **Human capital management** (HC is the prime asset – the aim is to develop the inherent capacities of people)
3. **Knowledge management** (support the development of firm-specific knowledge)
4. **Reward management** (enhance motivation, job engagement)
5. **Employee relations** (harmonious relationship between partners)
6. **Meeting diverse needs** (stakeholders, workforce)
7. **Bridging the gap between rhetoric and reality** (HRM is to bridge the gap – and to ensure that aspirations are translated to effective action)

Human resource management system (the 5P model)

1. HR philosophies (values and guiding principles adopted in managing people)
2. HR programmes & strategies (defining the direction) & (which enable strategies, policies, practices to be implemented)
3. HR policies (how values, principles should be applied)
4. HR processes (formal procedures and methods
→ put HR plans into effect)
5. HR practices (informal approaches used)

HRM concepts

People Management

The policies and practice which govern how people are managed and developed in organizations

Human Resources Management

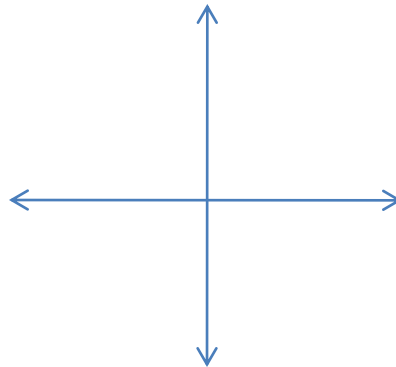
The strategic and coherent approach to the management the most of organization's most valued assets – the people working there who individually and collectively contribute to the achievements of its objectives

Human Capital Management

An approach to obtaining, analyzing and reporting on data which informs the direction of value adding people management strategic investment and operational decisions at corporate level and at the level of front line management

Personnel Management

Personnel mmanagement is concerned with obtaing, organizing and motivating human resources required by enterprise



HRM and Personnel Management differences

HRM:

- places more emphasis on strategic fit and integration,
- is based on a management and business oriented philosophy,
- places more emphasis on mutuality,
- is more holistic,
- specialists are more like business partners than administrators,
- treats people as assets and not only costs.

Hard and Soft HRM

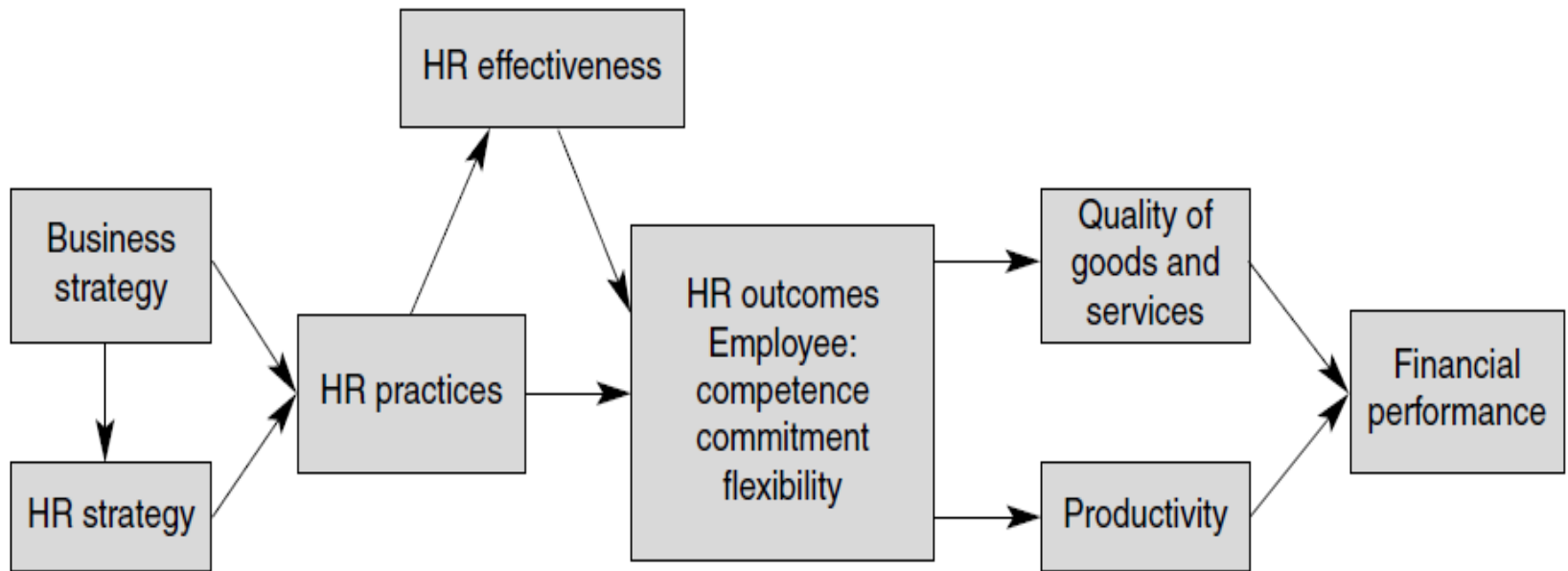
Hard (instrumental) HRM approach:

- employees are viewed as a passive factor of production, an expense
- employees can be easily replaced and seen as disposable.
- Strategic, quantitative aspects of managing HRM as an economic factor

Soft (humanistic) HRM approach:

- stresses active employee participation
- gains employee commitment, adaptability and contribution of their competences to achievement of organizational goals
- employees are valued as assets
- emphasizing communication, motivation and leadership

The link between HRM and firm performance



Questions

- Define HRM
- What elements does a general HRM model have?
- What are the core HRM functions?
- What are the main differences between Personnel management and HRM?
- What are the main differences between hard and soft concepts of HRM?
- Give a brief description of the two historical HRM concepts we

THANK YOU FOR YOUR ATTENTION