HUMAN RESOURCES MANAGEMENT finding and keeping the best employees

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HR Management Definitions by Authors

Edwin Flippo

"planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved."

The National Institute of Personal Management (NIPM) of India

"that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well – being of the individuals and of working groups, to enable them to make their best contribution to its success."

Decenzo and Robbins

"Human Resource Management is concerned with the people dimension" in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organizational objectives. This is true, regardless of the type of organization – government, business, education, health or social action."

Human resource management (HRM)

<u>Def:</u> the process of determining human resource needs and then *recruiting, selecting, developing, motivating, evaluating, compensating, and scheduling* employees to achieve organizational goals.



Why is HR management important?

- To maintain quality of work life
- To increase productivity and profit
- To produce employees who are easily adaptable to change
- To match demand and supply of human resource
- To sustain business in the market

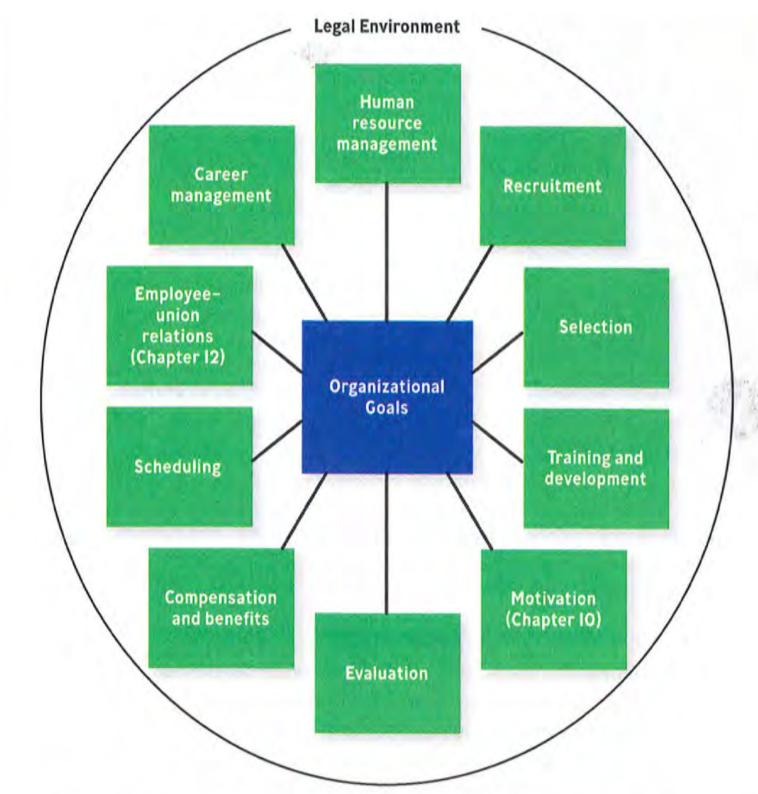


figure II.I

HUMAN RESOURCE MANAGEMENT

As this figure shows, human resource management is more than hiring and firing personnel. All activities are designed to achieve organizational goals within the laws that affect human resource management. (Note that human resource management includes motivation, as discussed in Chapter IO, and employee-union relations, as discussed in Chapter I2.)

Five steps in human resource planning

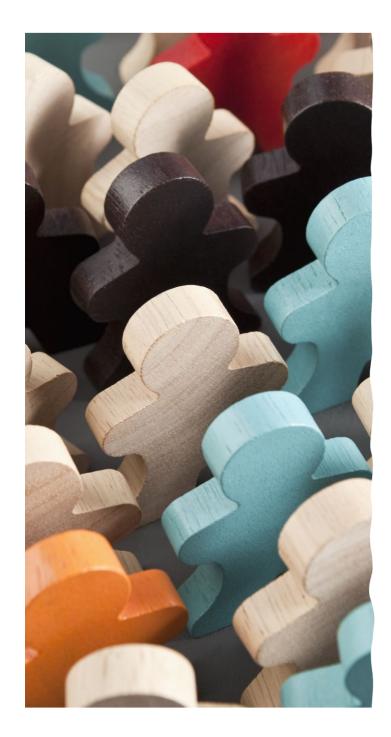
- 1.preparing a **human resource inventory** of the organization's employees
- 2.preparing a job analysis
- 3.assessing future demand
- 4.assessing future supply
- 5.establishing a **plan for recruiting, hiring, educating, appraising, compensating, and scheduling** employees





Companies use different methods to recruit new employees

- Recruitment The set of activities for obtaining the right number of qualified people at the right time.
- Human resource managers use both internal and external sources to recruit employees.



Selecting the best employees

- 1. Get a complete application from each candidate
- 2. Conduct interviews that matter
- 3. Give employment tests
- 4. Conduct background investigations
- 5. Physical Examination
- 6. Jod Offer
- 7. Employment Contract
- 8. Establish trial periods

TRAINING & DEVELOPING EMPLOYEES

- Employee orientation
- On-the-job-training
- Apprentice programs
- Off-the job training
- Online Training
- Vestibule training
- Job Simulation

An example of importance of training employees

"On a recent flight, the managing director of an international broking firm was sitting next to me. With two hours of uninterrupted time at our hands, I asked him how he handled losses in his business. "Recently, one of my employees made a calculation mistake and we lost \$250,000 at the click of a button," he said. "So, did you fire the guy?" I asked him. "Of course not!" he said, "I paid \$250,000 for his training. Why would I fire him? ""



How do managers evaluate performance?

- 1.establish performance standards
- 2.communicate those standards
- 3.compare performance to standards
- 4.discuss results
- 5.take corrective action when needed
- 6.use results for decisions about promotions, compensation,
 - additional training, or firing



Summarize the objectives of employee's compensation programs

Job evaluation:

Analyzing and assessing various jobs systematically to ascertain their relative worth in an organization.

<u>Performance evaluation, performance appraisal of employees:</u>

Human Resource Managers can adopt various methods for assessing the performance of the employees So as to take decisions with regards to compensating and rewarding employees, training of employees if performance is poor and it would take corrective actions on employees whose performance is poor.

<u>Wages or salary administration:</u>

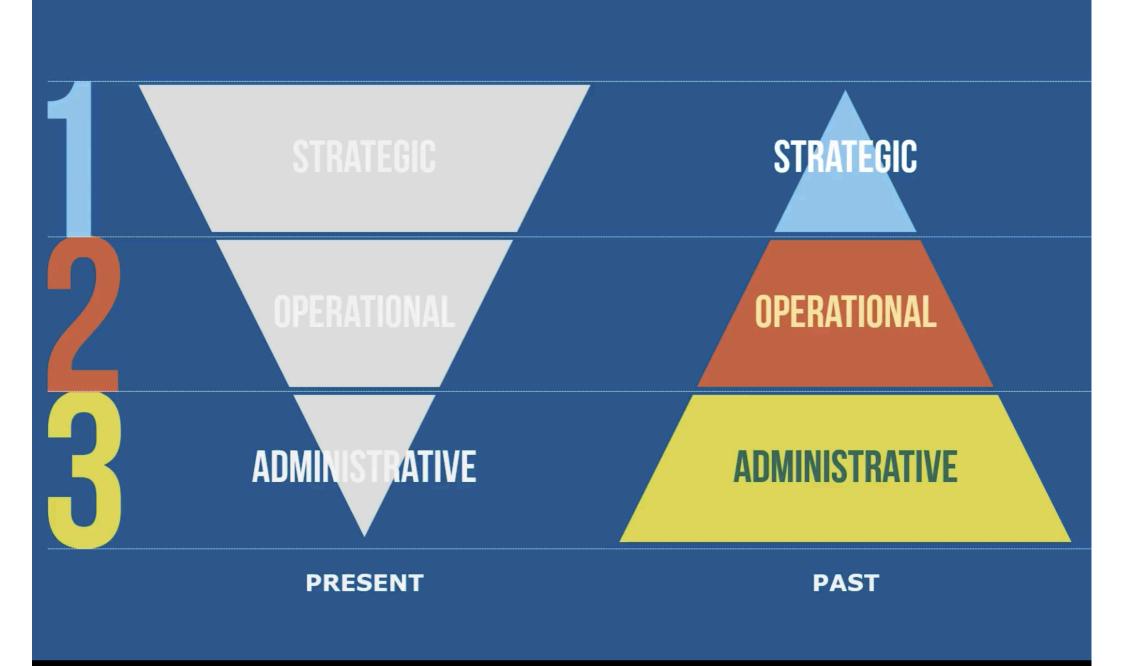
As prescribed by the labor laws, Wages for workers or salary for employees is the basic and primary thing for which employee's work for an organization. Its administration of salaries by HR managers is very crucial function as financial implications and legal compliance is involved.

• Employee rewards, perks and benefits :

Payments according to the employment and labor laws. Employee benefits are categorized into statutory or mandatory and voluntary benefits.

What are the main tasks of HR?









STRATEGY AND PLANNING:

Identifies and manages current and future needs to achieve organizational goals. Activities:

- Analysis
- Planning
- Effectiveness
- Metrics
- Technology

TALENT MANAGEMENT:

Integrated processes to attract, motivate, and retain productive, engaged employees. Activities:

- Recruitment
- Interviewing
- Selecting
- Hiring

TOTAL REWARDS:

Financial and non-financial tools used to attract, motivate and retain employees. Activities:

- Compensation
- Benefits
- Recognition
- Work-Life

SAFETY AND HEALTH:

Ensuring the safety, health and welfare of people at work. Activities:

- Employee safety
- Security
- Work Comp

Challenges in HR

Challenging and opportunities in human resource area

Many challenging and opportunities arise from changing demographics:

- more women
- minorities
- immigrants
- older workers in the workforce
- Shortage of trained workers
- abundance of unskilled workers



- skilled workers in declining industries requiring retraining
- Changing employee work attitudes
- complex laws and regulations

GENDER



DIVERSITY



AGE



SKILLS

TECHNOLOGY

COSTS



