

HUMAN RESOURCE MANAGEMENT

B.B.A. SECOND SEMESTER

(AS PER N.E.P SYLLABUS)

DR. CHANDRASHEKARA. K,

**M.Com, M.B.A, M.HRM, M.Phil, PGDIRPM, PGDCA,
Ph.D.**

Department of Commerce and Business Administration

Government First Grade College for Women

Balmatta, Mangalore- 575 001.



Edwise

Learn Wise

First Edition : June , 2022

Price : Rs.150/-

ISBN : " 978-93-93169-06-8 "

Publishers : EDWISE PUBLISHERS

Airport Road,
Kunjathbail
Mangalore - 575 015
Mob.: 7483113097

Printer : Sri Prema Sai Printers

Industrial Area
Yeyyadi, Mangalore.

Type Set : EDWISE DIGITALS

Mangalore - 575003



PREFACE

This Text-Book of **HUMAN RESOURCE MANAGEMENT** is specially prepared for **BBA (Second Semester)** Students as per **NEP syllabus**.

It is prepared in accordance with the latest syllabus of the University. The information is drawn from various text books, reference books, research articles and from authentic websites.

I do not claim any originality in the subject-matter of this book. I have drawn immense material from many standard books on this subject. Yet, this book is original in the exposition and presentation of the subject-matter. The subject-matter has been dealt with exhaustively and in very simple language.

I express my profound gratitude to the **Edwise Publishers, Mangalore**, for bringing out this book.

I shall consider my efforts amply rewarded if this book is found useful by the teachers and the students. Suggestions for improvement of this book will be gratefully accepted.

Mangalore

Dr. Chandrashekara. K

June 2022



SECOND SEMESTER BBA
HUMAN RESOURCE MANAGEMENT

MODULE NO. 1

INTRODUCTION TO HUMAN RESOURCE MANAGEMENT

Meaning and Definition of HRM – Features Objectives, Differences between Human Resource Management and Personnel Management, Importance, Functions and Process of HRM, Role of HR Manager, Trends influencing HR practices

MODULE NO. 2

HUMAN RESOURCE PLANNING, RECRUITMENT & SELECTION

Human Resource Planning: Meaning and Importance of Human Resource Planning, Process of HRP, HR Demand Forecasting- Meaning and Techniques (Meanings Only) and HR supply forecasting. Succession Planning – Meaning and Features, Job Analysis: Meaning and Uses of Job Analysis, Process of Job Analysis – Job Description, Job Specification, Job Enlargement, Job Rotation, Job Enrichment (Meanings Only).

Recruitment – Meaning, Methods of Recruitment, Factors affecting Recruitment, Sources of Recruitment.

Selection – Meaning, Steps in Selection Process, Psychometric tests for Selection, Barriers to effective Selection, Making Selection effective; Placement, Gamification – Meaning and Features.

MODULE NO. 3

INDUCTION, TRAINING AND COMPENSATION

Induction: Meaning, Objectives and Purpose of Induction, Problems faced during Induction, Induction Program Planning.

Training: Need for training, Benefits of training, Assessment of Training Needs and Methods of Training and Development; Kirkpatrick Model; Career Development.

Compensation: Direct and Indirect forms of Compensation (Meaning Only), Compensation Structure.

MODULE NO. 4

PERFORMANCE APPRAISAL, PROMOTION & TRANSFERS

Performance appraisal: Meaning and Definition, Objectives and Methods of Performance Appraisal – Uses and Limitations of Performance Appraisal, Process of Performance Appraisal. Promotion: Meaning and Definition of Promotion, Purpose of Promotion, Basis of Promotion. Transfer: Meaning of Transfer, Reasons for Transfer, Types of Transfer, Right Sizing of Work Force, Need for Right Sizing

MODULE NO. 5:

EMPLOYEE ENGAGEMENT & PSYCHOLOGICAL CONTRACT

Employee Engagement (EE): Meaning and Types of EE, Drivers of Engagement - Measurement of EE, Benefits of EE.

Psychological contract: Meaning and features.

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MODULE 1

INTRODUCTION TO

HUMAN RESOURCE MANAGEMENT

INTRODUCTION

Human Resource Management was originally known as personnel or people management. In the past, its role was quite limited within any company or organization, HRM is a formal way of managing people. It is a fundamental part of any organization and its management.

The main responsibilities of the personnel department include hiring, evaluating, training, and compensation of employees. The human resources department deals with any issues facing the staff in their working capacity within an organization. HR is concerned with specific work practices and how they affect the organization's performance.

Today, Human Resources Management deals with anything related to managing people within a company or organization. This means decisions, strategies, principles, operations, practices, functions, activities, and the methods used to manage employees. The type of relationships people have in their places of employment and anything that affects those relationships in a positive or negative way. Ensuring that employees are satisfied with the conditions of their employment. This leads to better services and production of goods and helps the company's success.

Organisations are made up of people and function through people, An organisation is a human grouping in which work is done for the accomplishment of some specific goals or missions. Without people organisations cannot exist. The

resources of men, money, materials and machinery are collected, coordinated and utilised through people. Therefore, people are the most significant resource of any organisation. Human resources are also regarded as human factor, human asset and human capital.

According to **Leon C Megginson**, the term human resources can be thought as, 'the total knowledge, skills, creative abilities, talents and aptitudes of an organisation's workforce, as well as the value, attitudes and beliefs of the individuals involved.'

Meaning of HRM

Human Resource Management (HRM) is the process of acquiring, training, appraising and compensating employees and of attending to their labour relations, health and safety and fairness concern.

HRM is the process of recruiting, selecting employees, providing proper orientation and induction, imparting proper training and developing skills.

In other words, HRM is the practice of recruiting, hiring, deploying and managing an organisation's employees.

HRM may be defined as a set of policies, practices and programmes designed to maximise both personal and organisational goals. It is the process of binding people and organisations together so that the objectives of each are achieved.

In simple sense, human resource management means employing people, developing their resources, utilising, maintaining and compensating their services in tune with the job and organisational requirements.

Human Resource Management (HRM) is an operation in companies designed to maximize employee performance in order to meet the employer's strategic goals and objectives. More precisely, HRM focuses on management of people within companies, emphasizing on policies and systems.

Definition of HRM:

According to **Flippo**, human resource management is “the planning, organising, directing and controlling of the procurement, development, compensation, integration, maintenance and reproduction of human resources to the end that individual, organisational and societal objectives are accomplished.”

According to **George R. Terry**, “Human Resource Management is concerned with the obtaining and maintaining of a satisfactory and satisfied work force.”

According to **Armstrong**, Human Resource Management can be defined as “a strategic approach to acquiring, developing, managing, motivating and gaining the commitment of the organisation's key resource the people who work in and for it.”

Human Resource Management can be defined as managing (planning, organising, directing and controlling) the functions of employing, developing and compensating human resources resulting in the creation and development of human relations with a view to contribute proportionately to the organisational, individual and social needs.

French Wendell defines it as, “Human resource management is the recruitment, development, utilisation, compensation, and motivation of human resources by the organisation”.

According to the **Institute of Personnel Management (United Kingdom)**, “Human resource management is an integral but distinctive part of management concerned with people at work and their relationships within the enterprise”.

C.H. Northcott defines “Human Resource is an extension of general management, that of promoting and stimulating every employee to make his fullest contribution to purpose of the business”.

Thus, human resource management is that branch/part of management which is mainly concerned with fostering (developing) cordial and healthy human relationships within an organisation. It implies employing people, developing their resources, utilising, maintaining and compensating their services in tune with the job and organisational requirements. It seeks to ensure the mental and material welfare of the employees so that they can work efficiently and satisfactorily in the process of attaining their individual as well as organisational goals. It refers to a set of programmes, functions, and activities designed and carried out with a view to maximising both employee and organisational effectiveness.

FEATURES/CHARACTERISTICS OF HRM

The various features of HRM are:

1. **Comprehensive function:** HRM is concerned with managing all types of people at all levels in the organisation. It applies to workers, supervisors, officers, managers and other types of personnel.
 2. **People oriented:** HRM is concerned with employees as individuals as well as groups. It is the process of bringing people and organisations together so that the goals of each are met.
 3. **Action oriented:** HRM focuses on action rather than on record keeping or procedures.
 4. **Individual oriented:** Under HRM every employee is considered as individual so as to provide services and programmes to facilitate employee satisfaction and growth.
 5. **Development oriented:** HRM is concerned with developing potential of employees so that they get maximum satisfaction from the work and give their best efforts to the organisation.
 6. **Pervasive function:** HRM prevails in all organisations and
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