

A Survey on the Human Resource Management Perspectives as an Emerging Managerial Function

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Abstract: Human resource management can be defined as the process of acquiring, training, developing, motivating, and appraising a sufficient quantity of qualified employees to perform the activities necessary to accomplish organizational objectives; and developing specific activities and an overall organizational climate to generate maximum worker satisfaction and employee efficiency. While the owner-manager of a small organization is likely to assume complete responsibility for human resource management, larger organizations use company specialists called human resource managers to perform these activities in a systematic manner. The position is becoming increasingly important because of increased competition, government intrusion, emphasis on cost control, complex wage and benefit programs, and a changing work force. This article reviews the perspectives and the important considerations over the HR management and what HR managers should care about to achieve better Performance Measures.

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1. Introduction

A Human Resource Management System (HRMS) or Human Resource Information System (HRIS) refers to the systems and processes at the intersection between human resource management (HRM) and information technology. It merges HRM as a discipline and in particular its basic HR activities and processes with the information technology field, whereas the programming of data processing systems evolved into standardized routines and packages of enterprise resource planning (ERP) software. On the whole, these ERP systems have their origin on software that integrates information from different applications into one universal database. The linkage of its financial and human resource modules through one database is the most important distinction to the individually and proprietary developed predecessors, which makes this software application both rigid and flexible. (Paauwe, J., 2009)

Human resource managers, also known as personnel managers, assume primary responsibility for forecasting personnel needs and recruiting and aiding in selecting new employees. They also assist in training and evaluation, and administer compensation, employee benefits, and safety programs.

2. Human Resource Management (HRM)

Human resource management: the management of the people and the staff policies and practice that enable an organization to carry out its work. This affects staff from the moment an

individual contacts the organization in response to a job advertisement, to the time they leave the organization. Human resource management is about enabling staff to use their qualities in order to fulfill their role and contribute to the organization's mission and purpose. Good human resource management is essential if organizations want to attract and retain good staff. If people see that an organization values its staff, they are more likely to apply for a job with the organization and more likely to stay once they are recruited. Good human resource management means that an organization reduces risk to its staff and reputation. It can do this by considering issues such as employment law, child protection and health and safety. Good human resource management can also reduce costs for an organization. For example, good recruitment policies and processes mean that organizations can efficiently recruit people who will carry out their jobs effectively. (Odiorne, G. S. 1981) Good systems for performance management mean that organizations can ensure that they are getting the best from their staff. It should be noted that volunteers are an important resource for many organizations. Some sections of this book, such as salaries and employment contracts, are not relevant to volunteers. However, sections such as benefits, performance management and staff development are relevant to volunteers. Development organizations should consider carefully which policies and practices should also be used with volunteers. (Golding, N., 2010)

3. Human Resource and HR managers

Human resource managers are well positioned to play an instrumental role in helping their organization achieve its goals of becoming a socially and environmentally responsible firm – one which reduces its negative and enhances its positive impacts on society and the environment. Further, human resource (HR) professionals in organizations that perceive successful corporate social responsibility (CSR) as a key driver of their financial performance can be influential in realizing on that objective. While there is considerable guidance to firms who wish to be the best place to work and for firms who seek to manage their employee relationships in a socially responsible way, there is a dearth of information for the HR manager who sees the importance of embedding their firm's CSR values throughout the organization, who wish to assist the executive team in integrating CSR into the company's DNA. And as high profile corporate failures such as Enron make all too clear, organizations that pay lip-service to CSR while neglecting to foster a CSR culture run the risk of damaging their corporate reputation if not their demise. Indeed, HR's mandate to communicate and implement ideas, policies, and cultural and behavioral change in organizations makes it central to fulfilling an organization's objectives to "integrate CSR in all that we do." That said, it is important to understand that employee engagement is not simply the mandate of HR. Indeed people leadership rests with all departmental managers. HR can facilitate the development of processes and systems; however, employee engagement is ultimately a shared responsibility. (Walker, J. W, 1988) The more the HR practitioner can understand their leverage with respect to CSR, the greater their ability to pass these insights along to their business partners towards the organization's objectives in integrating CSR throughout their operations and business model.

As human resources influence many of the key systems and business processes underpinning effective delivery, it is well positioned to foster a CSR ethic and achieve a high performance CSR culture. Human resource management can play a significant role so that CSR can become "the way we do things around here". HR can be the key organizational partner to ensure that what the organization is saying publicly aligns with how people are treated within the organization. HR is in the enviable position of being able to provide the tools and framework for the executive team and CEO to embed CSR ethic and culture into the brand and the strategic framework of the organization. It is the only function that influences across the entire enterprise for the entire 'lifecycle' of the employees who work there – thus it has considerable influence if

handled correctly. HR is poised for this lead role as it is adept at working horizontally and vertically across and within the organization, so important for successful CSR delivery. Of course, for effective CSR deployment, it needs to become a Board and C-suite imperative first. Should such an organizational gap exist, the senior HR leader can champion, lead and help drive a CSR approach if necessary. In the coming years as CSR increasingly becomes part of the business agenda and the fabric of responsible corporations, it will become a natural agenda for the HR practitioner. The following is an overview of the key trends and business drivers for fostering this CSR-HR connection, followed by a proposed roadmap or pathway for human resource leaders seeking to make a substantial contribution to sustainability, CSR and their firm's business goals. A companion CSR-HR Checklist is available which summarizes the roadmap at a glance.

4. Purpose

The function of Human Resources departments is generally administrative and common to all organizations. Organizations may have formalized selection, evaluation, and payroll processes. Efficient and effective management of "Human Capital" progressed to an increasingly imperative and complex process. The HR function consists of tracking existing employee data which traditionally includes personal histories, skills, capabilities, accomplishments and salary. To reduce the manual workload of these administrative activities, organizations began to electronically automate many of these processes by introducing specialized Human Resource Management Systems. HR executives rely on internal or external IT professionals to develop and maintain an integrated HRMS. Before the client-server architecture evolved in the late 1980s, many HR automation processes were relegated to mainframe computers that could handle large amounts of data transactions. In consequence of the high capital investment necessary to buy or program proprietary software, these internally-developed HRMS were limited to organizations that possessed a large amount of capital.

5. Human Resource Concerns in the 1990s

Two issues will continue to grow in importance during this final decade of the twentieth century: encouraging employees to remain on the job rather than retiring early and corporate responses to the needs of two-career couples.

6. Encouraging Late Retirement

Less than two decades ago, concerns about age discrimination in employment led to the passage

of laws ending mandatory employment for most workers. Today, many firms use financial incentives to encourage voluntary retirement by workers nearing the traditional retirement age. The worker buyout plans grew out of the recession of the early 1980s as firms attempted to reduce their payroll expenses, while avoiding morale-stunting layoffs. A financial package including a cash bonus, continuation of such employee benefits as insurance coverage, and higher-than normal monthly retirement benefits (to cover the gap between retirement and the onset of social security payments) prompted thousands of employees at such companies as Monsanto and Eastman Kodak to retire early. Worker buyouts reduced company payrolls by eliminating the typically above average wages and salaries of older, more experienced workers. Also, they contributed to the morale of remaining workers who saw tangible evidence of management's attempts to maintain job security by resorting to a buyout rather than a layoff. Finally, unclogging job and promotion opportunities improved the upward mobility of younger employees. (Armstrong, Michael, 2006) The programs were extremely successful: only 32 percent of workers age 55 and older hold jobs today, compared with 45 percent in 1930. And the median retirement age for men keeps sinking—to about 62 today, from 65 in 1963. As the ranks of younger employees thin, and shortages of workers and skills increase, astute companies are bending over backward to keep older employees. By the end of the century, only 39 percent of the work force will be under age 35, compared with 49 percent now. The number of people age 50 to 65 will increase at more than twice the rate of the overall population. Firms such as Corning Glass Works are beginning to create so-called platinum handcuffs in the form of shorter hours, company-paid vacation trips, and bonus plans that reward employees for staying on past a certain age or period of service.

By redesigning the job of store clerk to eliminate heavy lifting, Builders Emporium, a chain of 121 home improvement centers, was able to attract older workers as store clerks. Today, 15 percent of these 5,000 jobs are performed by employees age 55 or older. In general, the older staff knows the merchandise better and has more experience in dealing with people.

7. Two-Career Couples

By the year 2000, 62 of every 100 women will hold jobs outside the home. Already, 73 percent of all mothers with school-age children are employed. Two career households have specific job-related needs that must be addressed by employers. These issues frequently arise when a manager, professional

staff member, or highly skilled employee is hired from another geographic area. Relocation services for the spouse are often required to attract the new employee. For example, IBM reimburses spouses for up to \$500 in job-search expenses. Other firms aid by providing employment leads and financial assistance until the spouse locates a job in the new city. Flexible work arrangements may be important for two-career couples, especially those with children. Child-care facilities and parental leave programs for both mothers and fathers may be determinants in retaining highly qualified employees. (Pierce, M., and Madden, K., 1999) For example, Colgate-Palmolive's 12-week unpaid leave program allows salaried women or men to take time off for birth, adoption, family illness, or elderly care. Shoe manufacturer Stride Rite Corporation became the first large corporation to provide intergenerational day care in 1989 when it opened its elder-care facility.

8. The HR management module

The HR management module is a component covering many other HR aspects from application to retirement. The system records basic demographic and address data, selection, training and development, capabilities and skills management, compensation planning records and other related activities. Leading edge systems provide the ability to "read" applications and enter relevant data to applicable database fields, notify employers and provide position management and position control. Human resource management function involves the recruitment, placement, evaluation, compensation and development of the employees of an organization. Initially, businesses used computer based information systems to:

- produce pay checks and payroll reports;
- maintain personnel records;
- Pursue [Talent Management](#).

9. Human Resource Management as an Emerging Managerial Function

A hundred years ago, companies hired workers by posting a notice outside their gate, stating that a certain number of workers would be hired and the day of hiring. The notice might have listed skills, such as welding or carpentry; or it might simply have listed the number of workers needed. On hiring day people would appear at the front gate—a small number in prosperous times, large crowds during periods of unemployment—and the workers would be selected. The choices were often arbitrary; the company might hire the first four in line or the four people who looked the strongest or the healthiest. Workers operated under a precise set of strict rules. (Fleishman, E. A., & Quaintance, M. K., 1984)

10. Two Perspectives on Human Resource Management

Human resource management can be viewed in two ways. In a narrow sense, it refers to the functions and operations of a single department in a firm: the human resource or personnel department. Most firms with 200 or more employees establish a separate department with the responsibility and authority for selecting and training personnel. In a broader sense, human resource management involves the entire organization. Even though a special staff department exists, general management is also involved in training and developing workers, evaluating their performance, and motivating them to perform as efficiently as possible.

The core responsibilities of human resource management are the following:

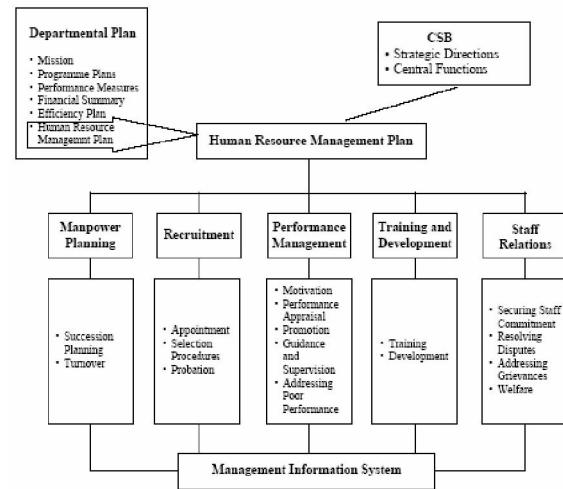
- Human resource planning
- Recruitment and selection
- Training/management development
- Performance appraisal
- Compensation and employee benefits.

Trained personnel from the human resource department are typically involved in carrying out each of these responsibilities. However, the responsibilities are typically shared with line managers, ranging from the company president (who is involved in overall planning) to first-line supervisors (who may be involved in preliminary interviews with applicants and in employee training). By accomplishing these critical tasks, the human resource management department achieves its overall objectives of (1) providing qualified, well-trained employees; (2) maximizing employee effectiveness in the organization; and (3) satisfying individual employee needs through monetary compensation, employee benefits, advancement opportunities, and job satisfaction. (Burack, E. H., 1988)

11. Departmental human resource management plans

Departmental human resource management plans are used to link together the overall policies of the Civil Service Branch, the mission, objectives and values of the department, and any specific Human Resource Management activities being undertaken at line management level. The plans thereby provide clear policies and guidelines for staff and managers. (Hay Group, 1988)

Table 1: Departmental Human Resource Management Plans



12. Human resource management at organizational level

There are many aspects of human resource management. Some organizations may feel overwhelmed and unsure about where to start making improvements. This is particularly the case for organizations that do not have a team or department specifically responsible for human resource management. (Hennecke, M., 1984)

Where there is no specific team, it is worth considering giving someone responsibility for aspects of human resource management as part of their entire role. There are many benefits of having a member of staff with ownership of human resource management. For example:

The organization can be kept up-to-date on legal issues.

A coordinated approach can be taken with regard to strategy, policy and practice. This helps to ensure that the organization has a fair and consistent way of treating its staff.

Staff have access to good advice on issues relating to staff.

Salaries are fair and consistent.

Good policy and practice can be put in place.

Job descriptions can be kept up-to-date. Staff and line managers then know what to expect and performance can be measured successfully.

Recruitment procedures can be thorough and enable the best people to be recruited.

Staff briefing and induction is planned and well organized.

As the organization shows it thinks human resource management is important, staff feel valued and encouraged to stay with the organization. Some organizations may be large enough to establish their own team that is responsible for human resource management. In this case, it is important to gain permission from the leadership of the organization first, including the Chief Executive Officer and the board. It may be necessary to inform them of the benefits of human resource management in order for them to understand its importance. It is worth noting that some donors will provide funding for activities related to human resource management.

13. Conclusion

Human resource managers are well positioned to play an instrumental role in helping their organization achieve its goals of becoming a socially and environmentally responsible firm – one which reduces its negative and enhances its positive impacts on society and the environment.

Herein, effective monitoring depends on having the right performance measures in place.

Human Resource Management performance measures should therefore relate to all aspects of Human Resource Management. However, management information will not always be statistically quantifiable and measurable data, but it should be as objective as possible and based on observable quantifiable measures wherever possible.

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