

Scope of Personnel Management

The change in attitude of employees and management, and the Industrial development contributed to a great extent in widening the Scope of personnel management.

The following are the important areas covered under the personnel management.

1. Employment of personnel

This area covers with the procurement of employees.

2. Development

This function is related with increasing efficiency and skill of employees.

3. Setting up of promotion strategy and policy

The personnel management formulates the suitable promotion policy. Under this, the promotion viz; Seniority, merit or both is determined.

4. Job analysis and Job description

Job analysis is a detailed and systematic study of jobs.

Job description classifies the job into various subjobs and analyse the nature of each subjob

5. Merit Rating

After placing a person in a job, his performance should be evaluated

6. Job Evaluation

The relative worth of the job is determined in job evaluation

7. Compensation

The wages of the employees are to be determined. Monetary & ~~monetary~~ non-monetary forms of compensation may be introduced in an enterprise.

8. Welfare

Welfare activities such as education, recreation, sanitary conditions etc of employees are another area of personnel management.

9. Personal Records

It includes collection and maintenance of complete bio-data of each and every employee.

10. Labour management relations

Realistic, positive and clear cut philosophy of labour management relations is to be established.

HRM and Competitive Advantage

Competitive advantage can best be achieved by seeking improvement in the management of the people. That means it can be achieved by better utilization of human resources.

People or employees offer competitive advantage to the organization in the following forms

1. People offer skills, capabilities, systems, practices, speed, language, bonding and behaviours to the organization which help to execute organizations strategy successfully.

2. HR Plans are aligned to business plans. Hence HR Managers are becoming Strategic Partners. HR being a Strategic Partner providing sustainable competitive advantage to the organizations.

3. Innovation is the other important element of competitive advantage.

4. Human resource management function seeks to convert an adverse situation into an opportunity.

5. Hiring and training better people than the competitor can become an immeasurable competitive advantage for a company.

Traditional vs Strategic HRM

Traditional Human Resource Management

1. It focuses on employee relations, to Partnership with internal and external groups.
2. Transformation in nature, in that it helps to people and the organisation to adopt, learn and act quickly.
3. Is proactive and considers various time frames in a flexible manner.

Strategic Human Resource Management

1. It realises that people can make or break an organisation because all decisions regarding finance, marketing, operations or technology are made by an organisation's people.
2. It compels people at all levels to focus more on strategic issues rather than operational issues.
3. It believes that there is no best way to

Traditional Us Strategic Human Resource Management

Human resource management has been traditionally defined as the set of philosophical processes and procedures a firm uses for the following four basic tasks.

1. Managing the entry & exit process

The HR function has normally been responsible for recruiting people the organization would need in the future. HR Managers have also been involved in the exit or separation process. This is normally done by retirement or by having the employee fired.

2. Managing the growth & development process

There are traditional HR tasks such as Orientation or Socialization, training & development, and performance appraisal. Processes are also designed so that employees understand the overall scope and direction of the organization.

3. Managing the reward and recognition process

Rewards come through the administration of compensation and benefits, and recognition comes

in the form of promotion, Job assignments and rotation. However, the process of rewards and recognition includes the counter measures of demotions and disciplinary action. Performance appraisal is also a critical input into the reward & recognition system.

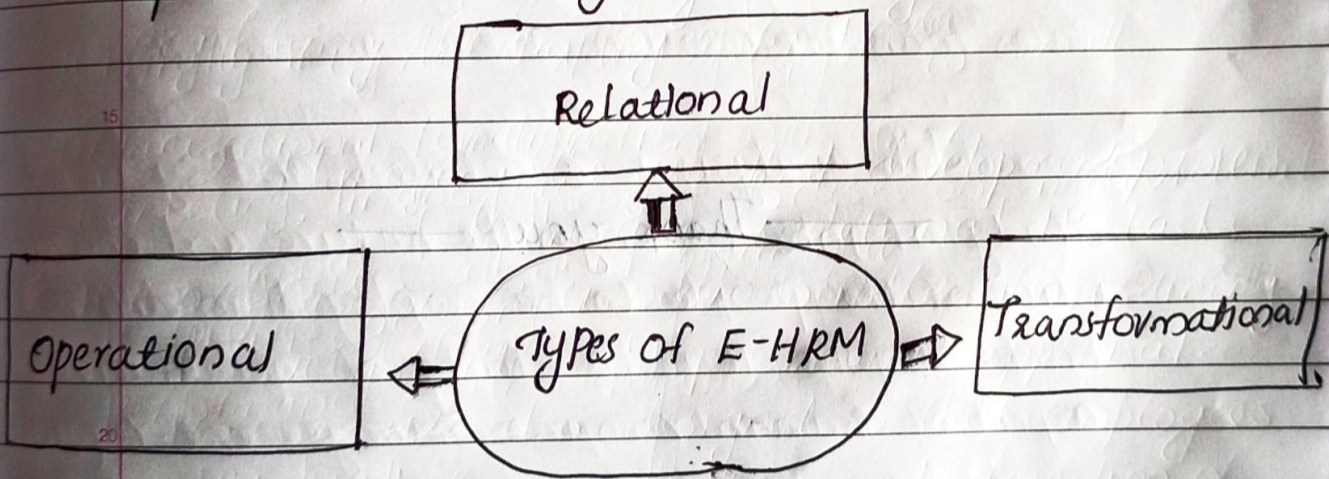
4. Managing the overall organization climate

In the highly competitive and rapidly changing business environment of today, it is necessary to foster a climate that challenges employees to better levels of performance.

E-HRM

E-HRM is the integration of all HR systems and activities using the web based technologies. Simply, when HR uses the internet or related technologies to support their activities, procedures, processes, then it becomes an E-HRM.

Through E-HRM, the HR Manager can get all the data compiled at one place and can make the analysis and decisions on the personnel effectively.



There are three kinds of e-HRM

1. Operational E-HRM : It is concerned with the operational functions of HR such as payroll, employee personal data, etc.
2. Relational E-HRM : It is concerned with the supporting business processes viz, Training, recruitment, selection etc
3. Transformational E-HRM : It is concerned with the HR strategies and its activities such as knowledge management, Strategic Orientation

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