

Lecture 9 Human Resource Management in the Organization

1. Concept of Human Resources

Human resources refer to the collective individuals who possess physical and intellectual capacities for work and can be encouraged and motivated to enhance their performance effectiveness. These are individuals who are both capable and willing to perform work, with both willingness and ability being essential and complementary for achieving organizational tasks and objectives.

The **human resources function** is defined as:

"The function responsible for the optimal utilization of human resources within the organization to achieve its objectives."

This function encompasses activities related to identifying the organization's human resource needs, providing them, selecting and hiring employees, developing and motivating them, evaluating performance, compensating staff, and scheduling their activities to achieve organizational goals.

2. Human Resource Management

Human resource management (HRM) involves managing the workforce by:

- Planning to determine the appropriate workforce size,
- Attracting a sufficient number of applicants,
- Selecting the most suitable candidates for available positions,
- Designing appropriate performance tests to predict expected performance,
- Hiring competent staff, developing them, evaluating actual performance,
- Providing appropriate compensation to motivate and retain employees,
- Ensuring cooperative labor relations.

HRM activities are governed by administrative functions—planning, organizing, directing, and controlling human resources—contributing to the achievement of both strategic organizational goals and employee objectives with maximum efficiency and effectiveness.

3. Tasks and Functions of Human Resource Management

HRM encompasses several key functions:

3.1 Job Analysis (Job Description and Specification)

This involves identifying the duties, tasks, and responsibilities of organizational roles, as well as the qualifications and conditions required for potential incumbents (e.g., education, skills, personality traits).

3.2 Human Resource Planning

Estimating current and future human resource needs in terms of quantity and quality, based on the results of job analysis and job specifications.

3.3 Recruitment, Selection, and Hiring

Organizations attract candidates from the labor market to fill vacant positions, select the most suitable applicants using criteria derived from job analysis, and assign them to appropriate roles. New hires are then trained to enable effective job performance from the start.

3.4 Training and Development

This function includes two complementary activities aimed at transforming human resources into a highly competent and productive workforce to meet organizational strategic objectives.

3.5 Performance Evaluation and Monitoring

This function ensures discipline, compliance, and high performance standards within the organization through rules such as:

- Attendance and punctuality,
- Obedience to supervisors,
- Respect for working hours,
- Respect for colleagues.

Organizations often implement progressive disciplinary measures, ranging from verbal warnings to termination, depending on the violation.

3.6 Compensation

HRM designs systems to provide incentives and rewards, including:

- **Direct financial compensation:** Salary and wage structures determined by HR based on specific criteria.
- **Direct performance-based bonuses:** Rewards for high-performing employees based on evaluations.
- **Fringe benefits:** Non-monetary incentives such as health insurance, social care, and cultural or recreational activities.

3.7 Employee Safety and Wellbeing

This includes two sub-functions:

- **Safety:** Designing technical and administrative programs to protect employees from occupational accidents.
- **Health:** Implementing medical and environmental programs to prevent work-related illnesses.

3.8 Human Relations

This includes:

- **Employee integration:** Programs to facilitate participation in production, decision-making, social care, humane treatment, and conflict resolution, fostering loyalty and organizational commitment.

- **Labor relations:** Previously referred to as industrial relations, representing the organization's engagement with unions through HRM.

3.9 Career Management

Career management refers to the professional development an employee undergoes, whether within a single position, multiple roles, a single specialization, or across various domains. Effective career management aligns organizational needs in terms of skills and capacities with individual aspirations and ambitions. It encompasses activities to monitor and guide professional paths within or outside the organization, enhancing skills while considering employee readiness and qualifications.