***Organizational Processes Involved in Human Resource Management***

***1. Motivation***

Motivation is a term that has been defined by various authors in varying manners. For instance, Buchanan and Huczynski (1997) defined said term as

“…the internal psychological process of initiating, energizing, directing and maintaining goal-directed behavior…”

On the other hand, the Industrial Society (1990) describes Motivation as

“…the difference between one individual putting in greater effort and energy into an activity than another…”

Motivation is one of the most important concepts in HRD. In most organizations, it is common to hear the refrain that a particular employee is not motivated and hence his or her performance has taken a backseat. This is the reason companies spend humungous amounts of money in arranging for training sessions and recreational events to motivate the employees. Motivation can be understood as the desire or drive that an individual has to get the work done. For instance, when faced with a task, it is the motivation to accomplish it that determines whether a particular individual would complete the task according to the requirements or not. Further, the absence of motivation leads to underperformance and loss of competitiveness resulting in loss of productive resources for the organization. It is for this reason that the HR managers stress on the employees having high levels of motivation to get the job done.

There are many theories of motivation and the ones being discussed here are the Herzberg’s hygiene theory, Maslow’s need hierarchy theory, and McGregor Theory X and Theory Y.

**1. Herzberg’s Hygiene theory**

It states that for employees to be motivated, certain conditions need to exist and the absence of these conditions or the hygiene factors demotivate the employees. The point that is being made in this theory is that the presence of hygiene factors is a precondition for performance and is not a determinant of performance. On the other hand, the absence of these factors actually demotivates the employee. Hence, the bottom line is that companies should have the basic conditions under which employees work fulfilled so that there is no drag on the performance.

**2. Maslow’s need hierarchy theory**

It postulates that individuals are motivated according to a hierarchy of needs which start from satiation of basic needs and then go on to need for recognition and finally, the need to actualize one’s vision and reach the highest stage of personality. The point that is being made in the theory is that individuals progress from one stage to the other depending on how well the needs at each stage are met. So, organizations have to ensure that employees’ needs are taken care of at each level so that by the time the employee reaches the top of the ladder, he or she is in a position to actualize them.

**3. McGregor’s theory of motivation**

This theory alludes to the carrot and stick approach that is favored by many managers. This theory states that employees can be motivated by a dual pronged strategy of rewarding them for good work and punishing them for bad work. The opposites of these reactions mean that employees have a strong incentive to do well as opposed to doing badly.

Motivation of employees is indeed important for the health of the companies. Only when employees are motivated sufficiently can they give their best. Typically, companies focus on compensation and perks and benefits as a strategy to motivate employees. However, as we have seen in this article, employees are motivated by factors other than pay and hence, the HRD function must take cognizance of this fact and proceed accordingly. This means that the need for job satisfaction and fulfillment have to be taken care of as well for the employees to reach their potential.

***2. Power and Authority***

Power and authority are separate but related concepts. A manager in an organization has authority if he or she has the right to direct the activities of others and expect them to respond with appropriate actions to attain organizational purposes. Authority most often comes from the duties and responsibilities delegated to a position holder in a bureaucratic structure. A company president can order a product design change, for instance, or a police officer has the authority to arrest an offender of the law.

Power is the possession of authority, control, or influence by which a person influences the actions of others, either by direct authority or by some other, more intangible means. A prime source of power is the possession of knowledge. A person with knowledge is oftentimes able to use that knowledge to directly or indirectly influence the actions of others. The authority of knowledge is often independent of levels or positions. Power can reinforce authority, and authority is one of the primary sources of power.

Both the functions and power of the office of human resources manager have expanded as small businesses continue to employ human resources methods as a component of their overall business strategies. The director of personnel or executive in charge of a company frequently attends the administrative management meetings where the company establishes its strategies and procedures. Inside the company, human resources directors hold power over both the revenue-producing and revenue-consuming departments, as well as having assorted implied authorities.

**Line Authority**

Line authority proceeds from top to bottom through the chain of command. Line authority grants a manager or executive a definite level of power concerning the performance of a specific business task. Human resources managers have line authority by virtue of their power over the HR department. They consult with human resources staffers on hiring decisions and dictate policies on acquiring new talent, creating benefits packages and crafting termination procedures.

**Staff Authority**

Staff authority gives some managers the power to offer advice or suggestions to those managers with line authority, which includes the right to propose new ideas in an attempt to make improvements in line operations. While managers with staff authority do not have the same direct power over subordinates as those with line authority, they can provide useful propositions. Human resources managers have staff authority in nearly every department, because they provide advice and proposals on hiring levels, budgets and qualifications for new employees.

**Implied Authority**

Implied authority pertains to unofficial power the small-business owners grant to an individual without the benefit of formal titles or a specified slot in the organizational chart. Since human resources managers have prominent roles in recruiting new talent, establishing promotion policies and assessing benefits packages for the entire company, they often have a significant amount of implied authority. Human resources managers also typically assume implied authority to act in the company's best interests in nearly all personnel issues, without the need to run every decision by the owners.

 **Labor Regulations**

A large part of human resources managers' implied authority comes from their role in evaluating and studying labor laws. These managers advise department managers on state and federal employment regulations, such as those involving worker safety and employee discrimination. If one department manager fails to comply with these rules, the entire company could face severe legal issues, including fines, suspension of business licenses and lawsuits from employees. Human resources managers exercise their authority to educate managers and minimize the probability of such incidents.

***3. Leadership***

Leadership is important in shaping the culture of an organization. Leadership can be defined as following:

“Leaders are people who do the right thing; managers are people who do things right.”

– Professor Warren G. Bennis

“Leadership is the art of getting someone else to do something you want done because he wants to do it.”

– Dwight D. Eisenhower

The word "leadership" can bring to mind a variety of images. For example:

* A political leader, pursuing a passionate, personal cause.
* An explorer, cutting a path through the jungle for the rest of his group to follow.
* An executive, developing her company's strategy to beat the competition.

Leaders help themselves and others to do the right things. They set direction, build an inspiring vision, and create something new. Leadership is about mapping out where you need to go to "win" as a team or an organization; and it is dynamic, exciting, and inspiring.

Yet, while leaders set the direction, they must also use management skills to guide their people to the right destination, in a smooth and efficient way.

**Leadership: A Working Definition**

According to the idea of transformational leadership, an effective leader is a person who does the following:

1. Creates an inspiring vision of the future.
2. Motivates and inspires people to engage with that vision.
3. Manages delivery of the vision.
4. Coaches and builds a team, so that it is more effective at achieving the vision.

Leadership brings together the skills needed to do these things. Below each element is discussed in more detail.

**1. Creating an Inspiring Vision of the Future**

In business, a vision is a realistic, convincing and attractive depiction of where you want to be in the future. Vision provides direction, sets priorities, and provides a marker, so that you can tell that you've achieved what you wanted to achieve.

To create a vision, leaders focus on an organization's strengths by using tools such as Porter's Five Forces , PEST Analysis , USP Analysis , Core Competence Analysis and SWOT Analysis to analyze their current situation. They think about how their industry is likely to evolve, and how their competitors are likely to behave. They look at how they can innovate successfully , and shape their businesses and their strategies to succeed in future marketplaces. And they test their visions with appropriate market research, and by assessing key risks using techniques such as Scenario Analysis .

Therefore, leadership is proactive – problem solving, looking ahead, and not being satisfied with things as they are.

Once they have developed their visions, leaders must make them compelling and convincing. A compelling vision is one that people can see, feel, understand, and embrace. Effective leaders provide a rich picture of what the future will look like when their visions have been realized. They tell inspiring stories , and explain their visions in ways that everyone can relate to.

Here, leadership combines the analytical side of vision creation with the passion of shared values, creating something really meaningful to the people being led.

**2. Motivating and Inspiring People**

A compelling vision provides the foundation for leadership. But it's leaders' ability to motivate and inspire people that helps them deliver that vision.

For example, when you start a new project, you will probably have lots of enthusiasm for it, so it's often easy to win support for the project at the beginning. However, it can be difficult to find ways to keep your vision inspiring after the initial enthusiasm fades, especially if the team or organization needs to make significant changes in the way that they do things. Leaders recognize this, and they work hard throughout the project to connect their vision with people's individual needs, goals, and aspirations.

One of the key ways they do this is through Expectancy Theory. Effective leaders link together two different expectations:

* The expectation that hard work leads to good results.
* The expectation that good results lead to attractive rewards or incentives.

This motivates people to work hard to achieve success, because they expect to enjoy rewards – both intrinsic and extrinsic – as a result.

Other approaches include restating the vision in terms of the benefits it will bring to the team's customers, and taking frequent opportunities to communicate the vision in an attractive and engaging way.

What's particularly helpful here is where leaders have expert power . People admire and believe in these leaders because they are expert in what they do. They have credibility, and they've earned the right to ask people to listen to them and follow them. This makes it much easier for these leaders to motivate and inspire the people they lead.

Leaders can also motivate and influence people through their natural charisma and appeal, and through other sources of power, such as the power to pay bonuses or assign tasks to people. However, good leaders don't rely too much on these types of power to motivate and inspire others.

**3. Managing Delivery of the Vision**

This is the area of leadership that relates to management. Leaders must ensure that the work needed to deliver the vision is properly managed – either by themselves, or by a dedicated manager or team of managers to whom the leader delegates this responsibility – and they need to ensure that their vision is delivered successfully.

To do this, team members need performance goals that are linked to the team's overall vision.

Leaders also need to make sure they manage change effectively. This helps to ensure that the changes needed to deliver the vision are implemented smoothly and thoroughly, with the support and backing of the people affected.

**4. Coaching and Building a Team to Achieve the Vision**

Individual and team development are important activities carried out by transformational leaders. To develop a team, leaders must first understand team dynamics. Several well-established and popular models describe this, such as Belbin's Team Roles approach, and Bruce Tuckman's Forming, Storming, Norming, and Performing theory .

A leader will then ensure that team members have the necessary skills and abilities to do their job and achieve the vision. They do this by giving and receiving feedback regularly, and by training and coaching people to improve individual and team performance.

Leadership also includes looking for leadership potential in others. By developing leadership skills within your team, you create an environment where you can continue success in the long term. And that's a true measure of great leadership.

**Types of Leadership:**

**1. Laissez-Faire**

A laissez-faire leader lacks direct supervision of employees and fails to provide regular feedback to those under his supervision. Highly experienced and trained employees requiring little supervision fall under the laissez-faire leadership style. However, not all employees possess those characteristics. This leadership style hinders the production of employees needing supervision. The laissez-faire style produces no leadership or supervision efforts from managers, which can lead to poor production, lack of control and increasing costs.

**2. Autocratic**

The autocratic leadership style allows managers to make decisions alone without the input of others. Managers possess total authority and impose their will on employees. No one challenges the decisions of autocratic leaders. Countries such as Cuba and North Korea operate under the autocratic leadership style. This leadership style benefits employees who require close supervision. Creative employees who thrive in group functions detest this leadership style.

**3. Participative or Democratic**

Often called the democratic leadership style, participative leadership values the input of team members and peers, but the responsibility of making the final decision rests with the participative leader. Participative leadership boosts employee morale because employees make contributions to the decision-making process. It causes them to feel as if their opinions matter. When a company needs to make changes within the organization, the participative leadership style helps employees accept changes easily because they play a role in the process. This style meets challenges when companies need to make a decision in a short period.

**4. Transactional**

Managers using the transactional leadership style receive certain tasks to perform and provide rewards or punishments to team members based on performance results. Managers and team members set predetermined goals together, and employees agree to follow the direction and leadership of the manager to accomplish those goals. The manager possesses power to review results and train or correct employees when team members fail to meet goals. Employees receive rewards, such as bonuses, when they accomplish goals.

**5. Transformational**

The transformational leadership style depends on high levels of communication from management to meet goals. Leaders motivate employees and enhance productivity and efficiency through communication and high visibility. This style of leadership requires the involvement of management to meet goals. Leaders focus on the big picture within an organization and delegate smaller tasks to the team to accomplish goals.

***4. Communication***

Communication in companies is key to having a successful organization. Those companies who communicate well with their employees end up with more loyal and motivated workers. Those that don’t communicate well, though, see increased turnover, absenteeism, dissatisfied customers, higher product defect rates, lack of focus on business objectives, and lack of innovation. Proper communication can result in a sense of belonging and self-worth, leading to less turnover and absenteeism.

**Types of Communication**

Four main types of communications occur within a company:

1. Upward Communication
2. Downward Communication
3. Diagonal Communication
4. Horizontal Communication.

Each type of communication can serve a different purpose in human resources, and many messages may be sent in a variety of ways.

**Upward communication** is when the lower levels of an organization communicate with the upper levels of an organization. Some examples might be an employee satisfaction survey using online survey tools such as SurveyMonkey. These kinds of tools can be used to determine the changes that should occur in a company. Often times human resource departments may develop a survey such as this to find out how satisfied the employees are with things such as benefits. Then the organization can make changes based on the satisfaction level of the employees. Employees might also engage in upward communication in a given work situation. They might tell their manager their plate is full and they can’t take on any new projects. This is considered upward communication, too.

**Downward communication** is the opposite of upward communication, in that the communication occurs from the upper levels of an organization down to the lower levels of the organization. A manager explaining how to do a task to an employee would be considered downward communication. Development of training programs to communicate safety in the organization might be another example. A change in a pay or bonus structure would be communicated using the downward approach as well.

**Diagonal communication** approach occurs when interdepartmental communication occurs with people at different levels of the organization. When the human resources assistant speaks with the marketing manager about the hiring of a new employee in marketing, this would be considered diagonal communication.

**Horizontal communication** occurs when people of the same level in an organization, for example, a marketing manager and a human resource manager, communicate usually to coordinate work between departments. An accounting manager might share information with a production manager so the production manager knows how much budget they have left.

Within all the communication methods we discussed, there are a variety of approaches. Of course, the most obvious is the informal communication that occurs. An e-mail may be sent or a phone call made. Meetings are another way to communicate information. Companies can also use more formal means to communicate. A blog would be an example. Many companies use blogs to communicate information such as financial numbers, changes to policy, and other “state of the business” information. This type of information is often downward communication. However, blogs are not just for upper management anymore. Companies are using microblogs more and more to ensure that people in various departments stay connected with each other, especially when tasks tend to be very interdependent.

Companies also use social networking sites to keep in touch, such as Twitter and Facebook. For example, Alcatel-Lucent, a 77,000-employee telecommunications company in Europe, found that using social media keeps a large number of employees connected and tends to be a low or no-cost method of communicating. Rather than sending e-mail to their employees telling them to expect updates via these methods, the news is spread via word of mouth as most of the employees blog or use Facebook or other social media to communicate. In fact, Alcatel-Lucent has over eight hundred groups in its system, ranging from business related to ones social in nature. Use of this type of technology can result in upward, downward, horizontal, and diagonal communication all at once.

Companies also use intranets to communicate information to their employees. An intranet is an internal website, meaning that others generally cannot log in and see information there. The intranet may include information on pay and vacation time as well as recent happenings, awards, and achievements.

**Communication Styles**

In addition to the communication that occurs within organizations, each of us has our own individual communication style. Many organizations give tests that may indicate their candidate’s preferred style, providing information on the best job fit.

Our communication styles can determine how well we communicate with others, how well we are understood, and even how well we get along with others. As you can imagine, our personality types and our communication styles are very similar. Keep in mind, though, that no one person is “always” one style. We can change our style depending on the situation. The more we can understand our own dominant communication style and pinpoint the styles of others, the better we can communicate. The styles are expresser, driver, relater, and analytical. Let’s discuss each of these styles next.

**Expresser Style**

People with an expresser communication style tend to get excited. They like challenges and rely heavily on hunches and feelings. Depending on the type of business, this can be a downfall as sometimes hard data should be used for decision-making purposes. These people are easily recognized because they don’t like too many facts or boring explanations and tend to be antsy if they feel their time is being wasted with too many facts.

**Driver Style:**

People with a driver style like to have their own way and tend to be decisive. They have strong viewpoints, which they are not afraid to share with others. They like to take charge in their jobs but also in the way they communicate. Drivers usually get right to the point and not waste time with small talk.

**Relater Style:**

People with a relater style like positive attention and want to be regarded warmly. They want others to care about them and treat them well. Because relaters value friendships, a good way to communicate well with them is to create a communication environment where they can feel close to others.

**Analytical Communication Style:**

People with an analytical communication style will ask a lot of questions and behave methodically. They don’t like to be pressured to make a decision and prefer to be structured. They are easily recognized by the high number of questions they ask.

***5. Conflict Management***

Conflict situations are an important aspect of the workplace. A conflict is a situation when the interests, needs, goals or values of involved parties interfere with one another. A conflict is a common phenomenon in the workplace. Different stakeholders may have different priorities; conflicts may involve team members, departments, projects, organization and client, boss and subordinate, organization needs vs. personal needs. Often, a conflict is a result of perception. Is conflict a bad thing? Not necessarily. Often, a conflict presents opportunities for improvement. Therefore, it is important to understand (and apply) various conflict resolution techniques.

**Forcing**

Also known as *competing*. An individual firmly pursues his or her own concerns despite the resistance of the other person. This may involve pushing one viewpoint at the expense of another or maintaining firm resistance to another person’s actions.

Examples of when *forcing* may be appropriate

* In certain situations when all other, less forceful methods, don’t work or are ineffective
* When you need to stand up for your own rights, resist aggression and pressure
* When a quick resolution is required and using force is justified (e.g. in a life-threatening situation, to stop an aggression)
* As a last resort to resolve a long-lasting conflict

Advantages:

* May provide a quick resolution to a conflict
* Increases self-esteem and draws respect when firm resistance or actions were a response to an aggression or hostility

Drawbacks:

* May negatively affect your relationship with the opponent in the long run
* May cause the opponent to react in the same way, even if the opponent did not intend to be forceful originally
* Cannot take advantage of the strong sides of the other side’s position
* Taking this approach may require a lot of energy and be exhausting to some individuals

**Win-Win (Collaborating)**

Also known as *problem confronting* or *problem solving*, Collaboration involves an attempt to work with the other person to find a win-win solution to the problem in hand - the one that most satisfies the concerns of both parties. The win-win approach sees conflict resolution as an opportunity to come to a mutually beneficial result. It includes identifying the underlying concerns of the opponents and finding an alternative which meets each party's concerns.

Examples of when *collaborating* may be appropriate:

* When consensus and commitment of other parties is important
* In a collaborative environment
* When it is required to address the interests of multiple stakeholders
* When a high level of trust is present
* When a long-term relationship is important
* When you need to work through hard feelings, animosity, etc
* When you don't want to have full responsibility

Advantages:

* Leads to solving the actual problem
* Leads to a win-win outcome
* Reinforces mutual trust and respect
* Builds a foundation for effective collaboration in the future
* Shared responsibility of the outcome
* You earn the reputation of a good negotiator
* For parties involved, the outcome of the conflict resolution is less stressful (however, the process of finding and establishing a win-win solution may be very involed – see the caveats below)

Drawbacks:

* Requires a commitment from all parties to look for a mutually acceptable solution
* May require more effort and more time than some other methods. A win-win solution may not be evident
* For the same reason, collaborating may not be practical when timing is crucial and a quick solution or fast response is required
* Once one or more parties lose their trust in an opponent, the relationship falls back to other methods of conflict resolution. Therefore, all involved parties must continue collaborative efforts to maintain a collaborative relationship

**Compromising**

*Compromising* looks for an expedient and mutually acceptable solution which partially satisfies both parties.

Examples of when *compromise* may be appropriate:

* When the goals are moderately important and not worth the use of more assertive or more involving approaches, such as forcing or collaborating
* To reach temporary settlement on complex issues
* To reach expedient solutions on important issues
* As a first step when the involved parties do not know each other well or haven’t yet developed a high level of mutual trust
* When collaboration or forcing do not work

Possible advantages of *compromise*:

* Faster issue resolution. Compromising may be more practical when time is a factor
* Can provide a temporary solution while still looking for a win-win solution
* Lowers the levels of tension and stress resulting from the conflict

Drawbacks:

* May result in a situation when both parties are not satisfied with the outcome (a lose-lose situation)
* Does not contribute to building trust in the long run
* May require close monitoring and control to ensure the agreements are met

**Withdrawing**

Also known as *avoiding*. This is when a person does not pursue her/his own concerns or those of the opponent. He/she does not address the conflict, sidesteps, postpones or simply withdraws.

Examples of when *withdrawing* may be appropriate:

* When the issue is trivial and not worth the effort
* When more important issues are pressing, and you don't have time to deal with it
* In situations where postponing the response is beneficial to you, for example -
	+ When it is not the right time or place to confront the issue
	+ When you need time to think and collect information before you act (e.g. if you are unprepared or taken by surprise)
* When you see no chance of getting your concerns met or you would have to put forth unreasonable efforts
* When you would have to deal with ostility
* When you are unable to handle the conflict (e.g. if you are too emotionally involved or others can handle it better)

Advantages:

* When the opponent is forcing / attempts aggression, you may choose to withdraw and postpone your response until you are in a more favourable circumstance for you to push back
* Withdrawing is a low stress approach when the conflict is short
* Gives the ability/time to focus on more important or more urgent issues instead
* Gives you time to better prepare and collect information before you act

Drawbacks

* May lead to weakening or losing your position; not acting may be interpreted as an agreement. Using withdrawing strategies without negatively affecting your own position requires certain skill and experience
* When multiple parties are involved, withdrawing may negatively affect your relationship with a party that expects your action

**Smoothing**

Also known as *accommodating*, Smoothing is accommodating the concerns of other people first of all, rather than one's own concerns.

Examples of when *smoothing* may be appropriate:

* When it is important to provide a temporary relief from the conflict or buy time until you are in a better position to respond/push back
* When the issue is not as important to you as it is to the other person
* When you accept that you are wrong
* When you have no choice or when continued competition would be detrimental

Advantages:

* In some cases smoothing will help to protect more important interests while giving up on some less important ones
* Gives an opportunity to reassess the situation from a different angle

Drawbacks

* There is a risk to be abused, i.e. the opponent may constantly try to take advantage of your tendency toward smoothing/accommodating. Therefore it is important to keep the right balance and this requires some skill.
* May negatively affect your confidence in your ability to respond to an aggressive opponent
* It makes it more difficult to transition to a win-win solution in the future
* Some of your supporters may not like your smoothing response and be turned off