

HumanResource Management (HRM) (Lecture 19)

Introduction

Human resource management (HRM) is a process of bringing people and organization together so that the goals of each are met. It tries to secure the best from people by winning their whole hearted cooperation. In short, it's defined as the art of procuring, developing and maintaining a competent workforce to achieve the goals of an organization in an effective and efficient manner.

What is HRM

Human resource management (HRM) is the function within an organization that focuses on recruitment, management and providing direction for the people who work in the organization. It deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training.

What is the importance of HRM in Food Service Management?

HRM is the heart of a food service organization as HRM is the biggest challenge faced by food service industry. HRM helps in selection and recruitment of individuals that are right for a given position in the hotels and restaurants. It helps the managers in measuring and monitoring staff performance. HRM assists employees and managers in adapting to organizational change. It provides a great working environment for employees and treats each other with respect and dignity. It assists managers in training, developing and appraising staff. 15% success of a food service organization lies in technical skills and 85% due to skills in human engineering. HRM can make a contribution to the organizations:

- Effectiveness
- Efficiency
- Productivity improvement

The goal of HRM is to maximize the productivity of an organization by optimizing the effectiveness of its employees while simultaneously improving the work life of employees as valuable resources. Consequently, HRM encompasses efforts to promote personal development, employee satisfaction and compliance with employment related laws.

What do HRM Managers do?

Human resource professionals create systems for managing employees that support an organization's overall strategy. To accomplish this they do:

- ✓ Analyze and design jobs
- ✓ Forecast supply and demand for workers
- ✓ Ensure legal compliance
- ✓ Implement affirmative action plans
- ✓ Recruit and select candidates to fill open positions
- ✓ Train and develop employees to meet current and future job demands
- ✓ Manage employee performance and career progress
- ✓ Develop basic pay structures
- ✓ Create incentive plans
- ✓ Assure employee safety and health
- ✓ Improve employee morale

HRM Functions

There are ten main functions of HRM

1. Manpower planning
2. Recruitment
3. Selection
4. Orientation and socialization
5. Training
6. Compensation management (Employee motivation)
7. Performance management (Employee evaluation)
8. Career planning
9. Provision of employee services (Safety & Health issues)
10. Bargaining with unions

1. Manpower Planning

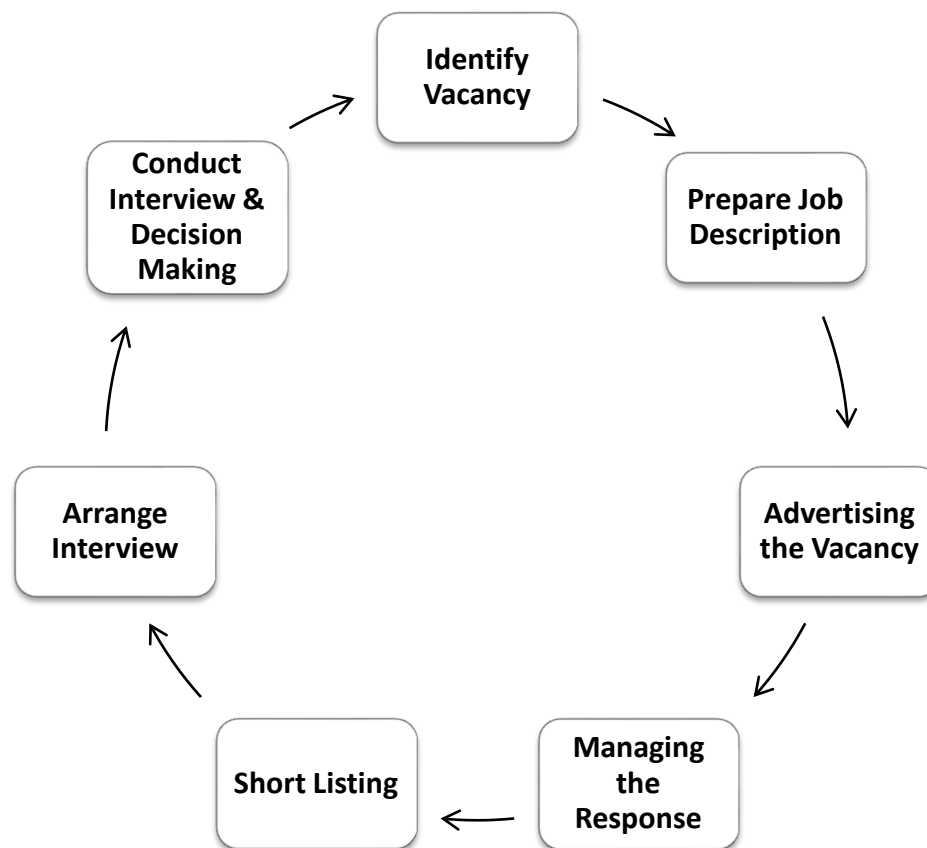
Manpower planning includes doing the planning of future and current situation. For example, how many employees are working? Or how many employees are required in the future? It is the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organization. It is a double-edged weapon. If used

properly, it leads to the maximum utilization of human resources, reduce excessive labor turnover and high absenteeism, improve productivity and aid in achieving the objectives of an organization.

2. Recruitment

Recruitment is a process of identifying and hiring best qualified candidate (from within or outside of an organization) for a job vacancy, in a more timely and cost effective manner. The process begins when applications are brought in and ends when the same is finished. The result is a pool of applicants from where the appropriate candidate can be selected.

Recruitment Cycle



Sources of Recruitment

a. Internal Source

- ❖ Transfer
- ❖ Promotion
- ❖ Upgrading
- ❖ Retired employees

- ❖ Employee reference

b. External Source

- ❖ Advertisement (print media and mass media)
- ❖ Educational institutions
- ❖ Placement agencies/outsourcing
- ❖ Job portals (job.com, rozee.com etc)
- ❖ Labor contractors

3. Selection

Selection involves predicting which applicants will be successful if hired. For example, in hiring for a sales position, the selection process should predict which applicants will generate a high volume of sales. Selection processes vary from organization to organization. It involves the series of steps by which the candidates are screened for choosing the most suitable persons for vacant posts.

- a) Screen/Short listing
- b) Initial interview
- c) Presentations
- d) Medical test
- e) Personality test
- f) Final interview
- g) Conditional job
- h) Permanent job

4. Orientation and Socialization

Orientation is the introduction given to a person starting a new job about his or her job and organization. There are two types of orientation. Work unit orientation familiarizes the employee with the goals of the work unit, clarifies how his or her job contributes to the unit's goals and includes an introduction to his or her new co-workers. Organization orientation informs the new employee about the company's goals, history, philosophy, procedures and rules. It should also include relevant HRM policies and maybe even a tour of the facilities. Socialization helps to adopt the culture of an organization.

5. Training

Training is a process of learning a sequence of a program's behavior. It is an act of increasing the knowledge and skills of an employee, for performing a particular job. Training is done for 2-3 months. Newly recruited employees require training so as to perform their task effectively. Instruction, coaching, guidance helps them to handle the job completely, without any wastage. The two types of training are general (includes communication skills, computer skills, customer service, personal growth etc.) and specific (includes work skills, customer education, cultural awareness, managing change etc.) This training can be provided using traditional training methods (on the job, job rotation, monitoring and coaching, classroom lectures etc.) Technology based training methods include:

- ❖ CD-ROM/DVD/videotapes-Employees listen to or watch selected media that convey information or demonstrate certain techniques.
- ❖ Videoconferencing-Employees listen to or participate as information is conveyed or techniques demonstrated.
- ❖ E-learning-Internet based learning where employees participate in multimedia simulations or other interactive modules.

6. Compensation Management

Compensation is the remuneration received by an employee in return for their contribution to the organization. It is an organized practice that involves balancing the work-employee relation by providing monetary and non-monetary benefits to employees. Compensation is an integral part of human resource management which helps in motivating the employees and improving effectiveness. Organizational compensation can include many different types of rewards & benefits such as base wages and salaries, wage and salary add-ons, incentive payments and other benefits and services. Compensation is of two types i.e. Monetary and non-monetary compensation. Monetary compensation is in terms of money. It may be fixed or variable. Non-monetary compensation includes house facility, medical facility, car facility etc.

7. Performance Management

Manager establishes performance standards that are used to evaluate the employee performance. Different performance appraisal methods are used in hotels and restaurants depending upon the purpose and type of employee being evaluated. MBO (Management-By-Objectives) is mostly used method that lets an HRM manager know about the performance of

his/her employee. In this method, the objectives are developed and communicated to the employees. Performance is measured and compared with the defined objectives and again told to the employees. The action is taken then in the form of motivating and rewarding the good performer while stopping the increments for not performing well.

8. Career Planning

Planning a prosperous and an achievable career is the vital goal to be set by an organization. Putting the materials and human resources in an assembled way to make your career forward is the key to success. When you have planned your career and targeted your destiny you are half done with it.

9. Provision of Employee Services

Focus on the health and safety issues regarding workplace and environment. Provide them with a safe, motivated and inspiring environment.

10. Bargaining with Unions

Communication among the workers should be strong in a way that supervisor conveys the wants or needs of them to the top management. If some unions exist there let you assure them as small vibrant, motivated teams.