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# TRACING THE ORIGINS OF HUMAN RESOURCE MANAGEMENT AND IMPORTANCE IN WORKPLACE

## **INTRODUCTION:**

Human resource management (HRM or HR) is the strategic and coherent technique for the effective and balanced management of people in a company or organization such that they help their business gain a competitive perk. It is designed to maximize employee performance in service of an employer's strategic objectives. Human resource management is primarily concerned with the management of people within organizations as supporting the belief of people were crucial to the success of an organization, the thought that well-being of employees led to perfect work; without healthy workers, the organization would not survive.

# **DEFINTION OF HRM BY VARIOUS SCHOLARS**

It was observed that the concept of HRM has been defined by every appropriately qualified author or authors who wrote recognized textbooks. It should be specifically mentioned here that I have no intention of doing a critical examination of the definitions. By giving due respect to all the authors, only the descriptive approach was applied (neither critical nor prescriptive)in the research of the genesis of human resource management it is important to

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024 note the key factors; that being the different definitions of this particular topic so as to ascertain the different view points of Scholars educated in the field of management

**According to Flippo**, HRM is "planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources to the end that individual, organizational and societal objectives are accomplished".

**Robbins and Decenzo define** "HRM is a process of acquiring, retaining, developing, terminating and properly using the human resources in an organization".

<u>Dessler defines</u> "HRM as a process of acquiring, training, appraising, and compensating employees, and attending to their labor relations, health and safety, and fairness concerns".

<u>Mathis and Jackson define</u> "HRM deals with the design of formal systems in an organization to ensure the effective and efficient use of human talents to accomplish organizational goals".

**John Storey**, states that "HRM is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an integrated array of cultural, structural and personal techniques".

<u>Human Resource Management definition by Pigors and Myers</u> "It is basically a method of developing potentialities of employees so that they feel maximum satisfaction of their work and give their best efforts to the organization".

**HRM Definition by M. J. Jucious:** "The field of HRM involves planning, organization, directing and controlling functions of procuring, developing, maintaining and utilizing a labor force."

HRM Definition by Ricky W. Griffin: "Human Resource Management is the set of organizational activities directed at attracting, developing and maintaining an effective workforce."

<u>Human Resource Management definition by Dale Yoder</u>: "HRM is the provision of leadership and direction of people in their working or employment relationship."

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024 **HRM definition by Milkovich & Boudreau:** "Human Resource Management is a series of decisions that affect the relationship between employee and employer: it affects many

constituencies and is intended to influences the effectiveness of employee and employer.

**Definition by Graham** 

"The purpose of HRM is to ensure that the employees of an organization are used in such a

way that the employer obtains the greatest possible benefit from their abilities and the

employees obtain both material and psychological rewards from their work" 1

HRM definition by Buchanan and Huczynski HRM is a managerial perspective which

argues the need to establish an integrated series of personnel policies to support organizational

strategy".

From the above definitions we can assume that HRM is the practice of recruiting, hiring,

deploying, and managing an organization's employees. Human resource management uses the

incumbent skilled staff and also makes excellent use of existing staff in the organization by

managing them properly.

THE GENESIS

In the early twentieth century<sup>2</sup>, the concept of controlling human resources was referred to as

"personnel management." This phase was primarily concerned with administrative activities

such as recordkeeping, payroll, and labor law compliance. The emphasis was on transactional

activity rather than strategic engagement.

The First World War accelerated change in the development of labor force operation. Women

were signed in large figures to fill the gaps left by men going to fight. This meant reaching

agreement with trade unions( frequently after bitter controversies) about 'dilution' -

accepting unskilled women into tradesmen's jobs and changing manning situations. During

the 1920s, jobs with the titles of 'Labour Manager' or 'Employment Manager' were

introduced to the engineering assiduity and other diligence where there were large

manufactories. The part involved handling absence, reclamation, redundancy and queries over

incremental additional raises

. Employers ' coalitions, particularly in engineering and shipbuilding, negotiated public pay

<sup>1</sup> Definitions of Human Resource Management (HRM) by different authors | Monitoring and Evaluation studies

 $(no\ date).\ http://mnestudies.com/human-resource/definitions-human-resource-management.$ 

<sup>2</sup> Chimoga, I. (2014) 'THE EVOLUTION OF HUMAN RESOURCE MANAGEMENT Introduction,' *Rusangu-university* [Preprint].

 $https://www.academia.edu/6814032/THE\_EVOLUTION\_OF\_HUMAN\_RESOURCE\_MANAGEMENT\_Introduction$ 

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rates with the unions, but there were original and quarter variations and there was a steering compass for controversies.

During the 1930s, the frugality was beginning to pick up. Big pots in these newer sectors saw value in perfecting hand benefits as a way of recruiting, retaining and motivating workers. But old industries like fabrics, mining and shipbuilding were hit by the worldwide recession. These sectors didn't borrow new ways, seeing no need to do so because they had no difficulty in retaining labour.

The Second World War brought about weal and labor force work on a full-time base at all establishments producing war accourrements. The Ministry of Labour and National Service claimed on it, just as the Government had claimed on weal workers in munitions manufactories in the former conflict. The Government saw specialist labor force operation as part of the drive for lesser effectiveness. As a result, the number of people in the labor force function grew.

# TRANSITION TO HUMAN RESOURCE MANAGEMENT

As businesses started recognizing the significance of their workforce in achieving organizational goals, the field transitioned into Human Resource Management (HRM) in the mid-20th century. This shift marked a broader perspective on employee management. HRM began encompassing not only administrative tasks but also aspects like employee motivation, training, and development

The 1960s and 1970s saw a notable development in employment. Simultaneously, theories pertaining to motivation and organizational behavior from the social sciences informed the development of personnel practices. The use of selection testing increased, and management training was extended. Specializations began to emerge in the 1970s, when concerns like incentive and resources were handled separately.

Around the mid-80s, the term 'Human Resource Management' arrived from the USA. The term 'Human Resources' is an interesting one in contrast to Personnel Management<sup>1</sup> it seemed to

<sup>&</sup>lt;sup>1</sup> Polc, L. Brief History of Human Resources Management. https://hrmhandbook.com/hrt/history/.

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024 suggest that employees were an asset or resource-like machines, changing the way employees were perceived but at the same time HR also appeared to emphasise employee commitment

and motivation.

## LATE 20<sup>TH</sup> CENTURY'S MORDERN MANAGEMENT

Towards the end of the 20th century, HRM had a major metamorphosis and became known as an organizational strategic partner. The understanding that workers are essential resources adding to a business's competitive edge was the driving force behind this change. Aligning human resources with corporate objectives, proactive tactics have become the focus of modern HRM, moving away from reactive approaches.

## **TYPES OF HRM models**

selecting the correct model of human resource management for an organisation is certainly a daunting task, we shall study the various models that were created in the field of researching an optimal way of human resource management.

# Harvard Model<sup>2</sup>

Michael Beer and Richard Walton developed the Harvard model. In their book titled 'Managing Human Assets' published in 1984, they wanted to show the influence of the environment on HR practices

## The Standard Causal Model of HRM

The Standard Causal Model of HRM is derived from many similar models published throughout the 90s and early 2000s. According to this model, HR will only be effective if its strategy is aligned with the business strategy.

<sup>2</sup> Thakur, S. (2023) 'HRM Models- Definition, Types with Advantages and Disadvantages,' *101HRM.Com*, 25 April. https://101hrm.com/hrm-models/.

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024

#### The Guest Model

The Guest model was developed in the late 1980s and 1990s by David Guest, a professor at King's Business School in the United Kingdom. The model positions the strategic role of HR and differentiates strategic HRM from traditional personnel management activities.

It was one of the first models to incorporate both the "hard" and "soft" perspectives of HRM. The model also positioned the impact of HRM on business performance and acknowledged the vital role that organizational behavior plays in achieving performance outcomes.

# The Warwick Model:

This model emphasizes the importance of the employment relationship in HRM. The model identifies three key areas: the beliefs and assumptions of management, the strategic choices made by management, and the implementation of those choice

## SKILLS OF HUMAN RESOURCE MANAGERS

it is imperative to research upon the skills of a good human resource management's officer as they are the crux to ensuring a successful business empire.

Conducting thorough research on the characteristics of a competent human resource management officer is essential in maintaining a thriving business

integrity-. A crucial aspect of HR leadership is displaying integrity. This means consistently upholding honesty and ethical standards in all interactions with employees, employers, and other stakeholders. Additionally, an HR director must possess the ability to maintain confidentiality and discretion. It is also imperative for them to effectively communicate sensitive perspectives that serve the best interests of the organization. As an HR director, it is your duty to uphold ethics in the management field and ensure that your company follows all relevant regulations. It can be difficult to achieve a balance but a necessary evil to maintain a successful business.

Then are some skills that are needed to have as an exemplary HR director to ensure that the company is operating morally they must be imbued in all the applicable laws and regulations. It includes employment law ,anti-discrimination law, data protection law, etc. they need to

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024 know what the company's scores are and make sure that they're being met. They need to have strong communication chops. It's important to communicate with workers about their rights and liabilities optimally

Leadership an HR director must be adept at handling unexpected circumstances, such as when a policy has unanticipated effects. It is crucial for them to remain composed and organized, with a keen eye for detail, especially when it comes to managing records and procedures. time management - In addition to their organizational skills, time management is also essential for an HR director. They must be able to effectively prioritize and adhere to a schedule, completing tasks reasonably and meeting deadlines. With a calm and collected attitude, they can effectively navigate through chaos and maintain control over their emotions, making informed decisions. An HR director's time management skills must be top-tier, as they are often bouncing through multiple responsibilities and must prioritize their workload. Ultimately, they must possess the ability to effectively manage their time to achieve optimal end results.

A focused HR director is not only organized, but also highly productive in their role. They possess the ability to maximize their time and make the most of each day. In order to be successful, it is crucial for an HR director to have a solid sense of self-discipline and the ability to ward off potential distractions. This requires a strong character and the determination to make right decisions, even when faced with tough challenges, so they can confidently advocate for their beliefs and pursue their goals.

. empathy- According to the Harvard Business Review, one of the most critical skills for an HR director to possess is empathy. Empathy allows HR directors to fully consider and understand all aspects of any issue and effectively address the needs and concerns of their employees. It is also a crucial skill in conflict resolution, as taking the time to empathize with both sides leads to solutions that satisfy all parties involved. Additionally, when employees feel that their employer truly understands and values their needs, they are more likely to trust and admire their HR director. Ultimately, empathy plays a crucial role in building strong connections between HR directors and employees, which is essential for creating a positive work environment. It has been noticed that those who feel empathy from their HR director are more likely to feel engaged and motivated at work.

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024

**Decisional ability** A good HR director can make opinions snappily and confidently. They should weigh all options precisely before deciding, but once they've decided, they should stick to their decision and see it through. A good HR director is flexible and adaptable to change.

They should be suitable to acclimate their plans and strategies according to the company's ever-changing requirements.

**Creativity** - The HR director is responsible for the Creative department, which is responsible for developing and enforcing creative strategy across all channels. The department includes Creative Directors, Art Directors, Copywriters, . The HR director leads and manages a platoon of largely creative individuals. HR directors have to manage the budget and timelines for systems. They've to suppose to think outside the box and develop new and innovative ideas.

# **IMPORTANCE OF HRM**

Human resource management (HRM) plays a crucial role in organizations as it has a plethora of functions that guarantee employees are effectively managed and their contributions align with the overall objectives and goals of the company. HRM is essential for nuturing a positive work environment, attracting and retaining talented individuals seeking employment enhancing company productivity, and ultimately, achieving long-term success for the company.

One significant importance of HRM is its role in attracting and recruiting qualified employees. Recruitment<sup>3</sup> is the dynamic process of linking those who are in search of employment with those organisations that need employees. HR professionals are responsible for defining job requirements, conducting interviews, and assessing candidates to find the best fit for organizational needs. This process ensures that organizations have a qualified workforce that can contribute to the achievement of business objectives. By attracting and selecting the right people, HRM helps organizations gain a competitive edge in the market.

Once talented individuals are recruited, HRM is responsible for their onboarding and training. Effective orientation programs help new employees understand the organization's culture,

<sup>&</sup>lt;sup>3</sup> Belyh, A. and Belyh, A. (2019) 'Functions of management – planning, organizing, staffing and more | Cleverism,' *Cleverism*, 24 September. https://www.cleverism.com/functions-of-management-planningorganizing-staffing/.

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024 policies, and values which enables employees to develop the necessary skills and knowledge to perform their roles effectively. HRM furthers learning and development opportunities, like

workshops, seminars, and leadership programs, to enhance employee capabilities and keep them occupied. By the way of continuous learning and skill development, employees can contribute more effectively to the organization's success due to the increased skillset they have now culminated owing to the work done by the HRM.

The importance of HRM also forwards to employee relations within the firm and to the firm, HR professionals play a critical role in creating a positive work environment that promotes open communication, collaboration, and employee satisfaction. It has been rightly stated that man is a social animal and tends to seek relations in the respective areas. By developing and implementing fair policies, procedures, and practices, HRM ensures that employees are treated equitably and in compliance with employment laws. Effective HR practices help build trust and lay a foundation of belonging in the company.

HRM is crucial in performance management<sup>4</sup>. HR professionals work closely with managers and employees to set performance objectives, provide regular feedback, and conduct performance appraisals. By establishing clear performance standards and evaluating performance fairly, HRM helps in finding areas for improvement and acknowledging outstanding performance. by facilitating the reward and recognition programs that motivate employees, fostering loyalty and commitment to the organization.

In addition to managing day-to-day employee activities, HRM is responsible for strategic human resource planning. HR professionals collaborate with organizational leaders to align HR strategies with business objectives. This involves forecasting future workforce needs, finding skill gaps, and making plans to hire, develop, and retain talent that is essential for longterm growth and sustainability. Strategic HR planning makes sure that the organization has the right people with the right skills at the right time, quick to respond to market changes and seize the day!

significant importance of HRM is its role in managing employee compensation and benefits. HR professionals oversee the development of competitive compensation packages, including

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<sup>&</sup>lt;sup>4</sup> HigherStudy.org (2022) *Importance of Human Resource management (HRM)*.

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024 salary structures, performance incentives, concessions and perks programs. By ensuring that compensation is fair and aligned with legal standards, HRM helps attract and retain high-

quality employees for the company. Effective compensation management enhances employee morale, promotes job satisfaction, and improves retainment in turn contributing to organizational success.

HRM also plays a vital social role in promoting diversity and inclusion in the workplace. By implementing inclusive policies and practices, HR professionals create an environment that values and respects individual differences. Diversity of perspectives and experiences leads to innovation of new solutions, out of the box thinking and problem-solving. HRM fosters diverse and inclusive work environments by promoting equal opportunities, respect of value systems, implementing diversity training programs, and addressing bias and unfairness in the workplace. Organizations that embrace diversity gain a competitive advantage, as they can tap into a broader talent pool and serve diverse customer segments

Human resource management also deals with conflicts. Managing conflicts among employees, between employees and their supervisors, or across departments or teams is a key aspect of the tasks performed by HR. HR specialists are in charge of resolving conflicts through mediation, promoting communication, and implementing initiatives to prevent or reduce future conflicts. They may also create conflict resolution policies and processes, train managers and employees in conflict resolution techniques<sup>5</sup> and offer advice on legal and ethical elements concerned in conflict resolution.

# Conclusion

I conclude my research paper with the necessary sources provided for an effective tracing the origination of the edifice human resource management, the transition of the personnel management to human resource management and their importance in every organisation. By studying the timelines of HRM, to the array of skills required in HRM and the importance of

<sup>&</sup>lt;sup>5</sup> Doyle, A. (2020) 'Conflict Management: Definition, skills, and Examples,' *The Balance*, 17 September. https://www.thebalancemoney.com/conflict-management-skills-2059687.

THE INDIAN JOURNAL FOR RESEARCH IN LAW AND MANAGEMENT, VOL. 1, ISSUE 4, JANUARY- 2024
HRM in the workplace, I believe my findings have been informative as a first year student
enrolled in the BBALLB Honors programme