

## Human Resource Management

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# Definition

- The utilisation of individuals to achieve organisational objectives (Mondy & Mondy, 2014).
- The formal structure within an organisation responsible for all the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people (Human Resource Management)



# Evolution of HRM

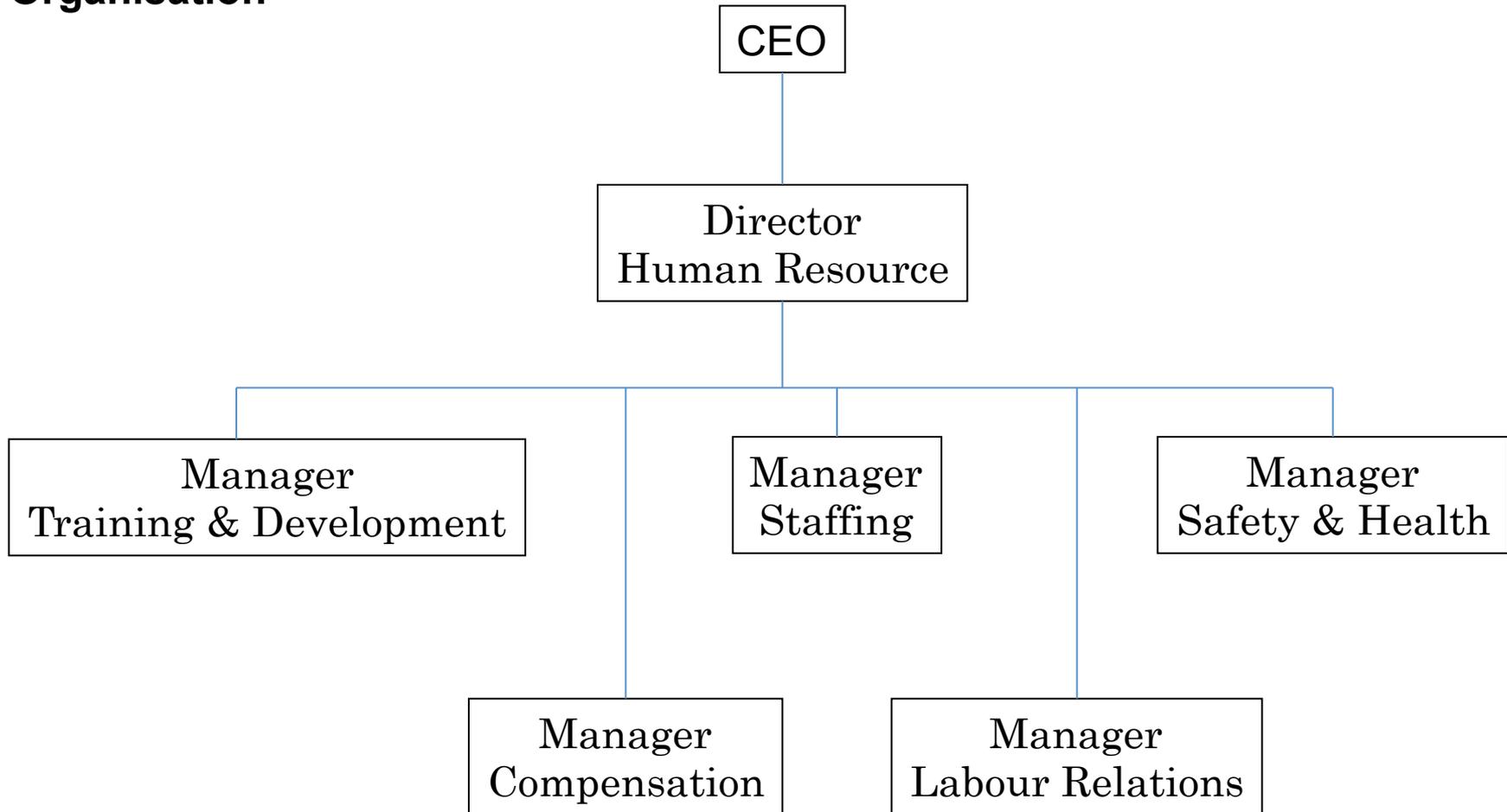
Human resource management has evolved over the past 30-plus year.

- Human resource work had titles such as welfare secretary and employment clerk. Their duties were restrictive and often dealt only with items such as wages, minor medical problems, recreation, and housing.
- Was commonly called as personnel.
- Traditionally, positioned near the bottom of the organisation hierarchy.
- Today, HR tasks are often performed differently than they were even a decade ago.

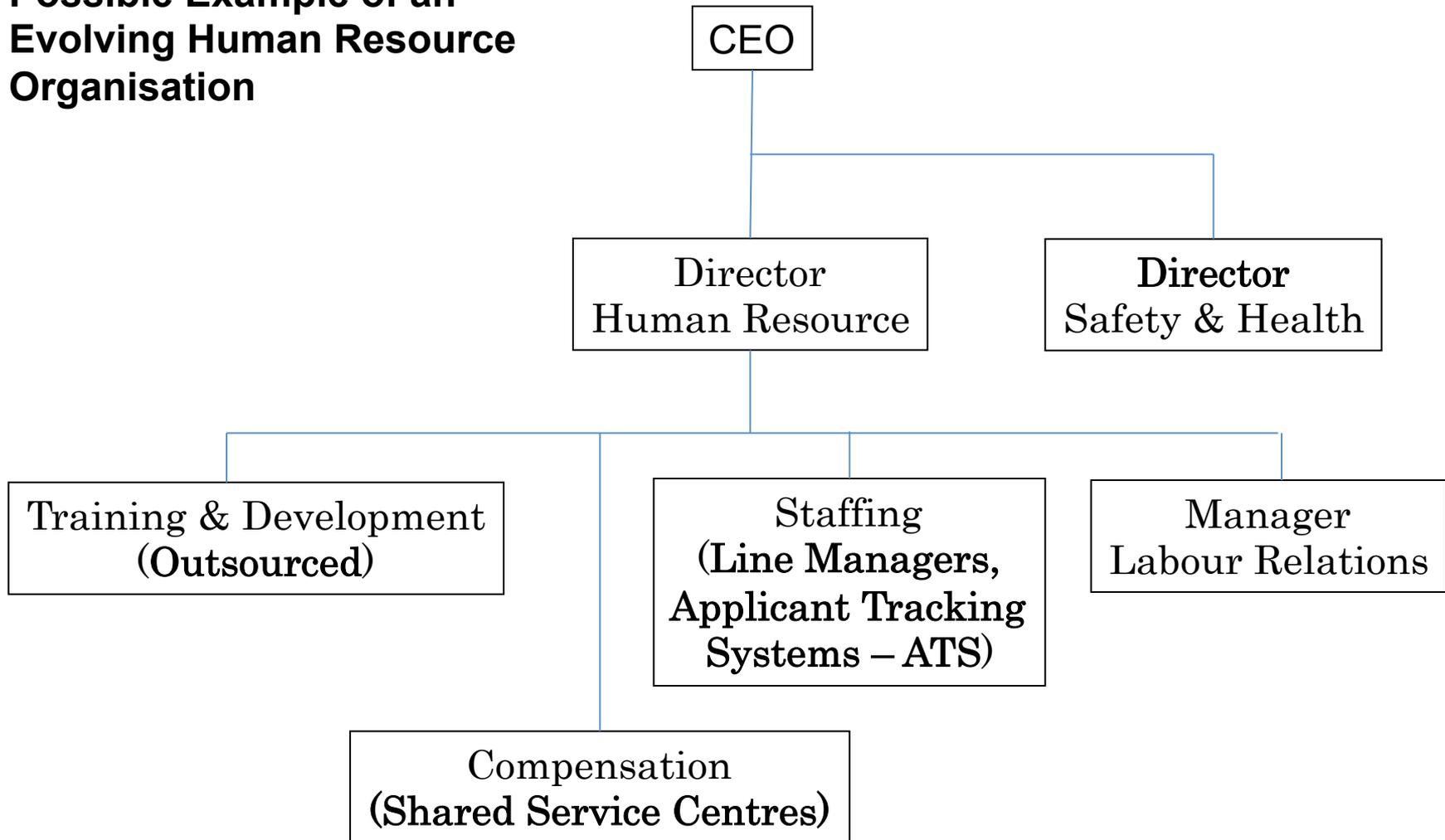


- More and more companies use alternative means to accomplish HR tasks – therefore, the role of the traditional HR manager has changed.
- HR is now involved more in strategic HR, focusing more on the bottom line of the organisation and leaving the more administrative tasks to technology or others.

# Traditional Human Resource Organisation



## Possible Example of an Evolving Human Resource Organisation



# HR Functions

1. Staffing
2. Human Resource Development
3. Compensation
4. Safety and Health
5. Employee and Labour Relation





Mondy & Mondy (2014)

Contemporary and Forward Looking



# Staffing

- Is the process through which an organisation ensures that it **always has the proper number of employees with the appropriate skills in the right jobs, at the right time**, to achieve organisational objectives.
- Involves:
  - i. Job Analysis
  - ii. Human Resource Planning
  - iii. Recruitment and Selection

# HR Development

- Is a major HRM function.
- Consisting of:
  - i. Training
  - ii. Development
  - iii. Organisation Development
  - iv. Career Planning
  - v. Career Development
  - vi. Performance Management
  - vii. Performance Appraisal

# Compensation

- Includes the total of all rewards provided employees in return for their services. The rewards may be one or a combination of the following:
  - Direct Financial Compensation
    - Pay that a person receives in the form of wages, salaries, commissions, and bonuses.
  - Indirect Financial Compensation (Benefits):
    - All financial rewards that are not included in direct compensation, such as paid vacations, sick leave, holidays, and medical insurance.
  - Nonfinancial Compensation
    - Satisfaction that a person receives from the job itself or from the psychological and/or physical environment in which the person works.



# Safety and Health

- The aspect of safety and health of the job are important because employees who work in a safe environment and enjoy good health are more likely to be productive and yield long-term benefits to the organisation.
  - **Safety** involves protecting employees from injuries caused by work-related accidents.
  - **Health** refers to the employees' freedom from physical or emotional illness.



# Employee and Labour Relations

- Businesses are required by law to recognise a union and bargain with it in good faith if the firm's employees want the union to represent them.
- In the past, this relationship was an accepted way of life for many employers, but most firms today would rather have a union-free environment.
- When a labour union represents a firm's employees, the human resource activity is often referred to as **Industrial Relations**, which handles the job of collective bargaining.
- **Internal Employee Relations** comprise the human resource management activities associated with the movement of employees within the organisation such as promotions, demotion, termination, and resignation.



# HR Technology

- The development of technology has created new roles for HR but also places additional pressures on them to keep abreast of the technology.
- HR needs to learn and embrace the ever-changing technology. Those who do not support the emerging technology will be left behind in this rapidly changing HR environment.
- E.g.: Human Resource Information System (HRIS)

# Who Performs the HRM Tasks?

- Professional Employer Organisations (PEO) (Employee Leasing)
  - Is a company that leases employees to other businesses.
  - PEO permits business owners to focus on their core business while the PEO handles HR activities.
  - Advantage to worker – workers frequently have greater opportunity for job mobility.
  - Disadvantage to client – erosion of employee loyalty because workers receive pay and benefits from the leasing company.



- Line Manager

- Individuals directly involved in accomplishing the primary purpose of the organisation.
- Managers are being assisted by manager self-service, the use of software, and the corporate network to automate paper-based human resource process that require a manager's approval, recordkeeping or input, and processes that support the manager's job. Everything from recruitment, selection, and performance appraisal to employee development has been automated to assist line managers in performing traditional HR tasks.

# HR Designations

- HR Executives
  - A top-level manager who reports directly to a corporation's chief executive officer or to the head of a major division.
- HR Generalists
  - A person who may be an executive and performs task in a variety of HR-related areas.
- HR Specialists
  - An individual who may be a human resource executive, a human resource manager, or nonmanager, and who is typically concerned with only one of the five functional areas of human resource management.

# Professionalisation of HRM

## 1. Human Resource Management specialisation

- Society for Human Resource Management (SHRM)

## 2. Training and Development specialisation

- Association for Talent Development (ATD) (previously known as American Society for Training and Development – ASTD)



# Thank You



# References

## Main Reference

- Mondy, R. W. & Mondy, J. B. (2014). Human Resource Management, 13<sup>th</sup> Ed. England: Pearson Education Limited.

## Secondary

- Human Resource Management. Retrieved on 11 June 2014 from [http://www.shrm.org/hrresources/hrglossary\\_published/h.asp](http://www.shrm.org/hrresources/hrglossary_published/h.asp)

