

Why Study HRM?

- Taking a look at people is a rewarding experience
- People possess skills, abilities and aptitudes that offer competitive advantage to any firm
- No computer can substitute human brain, no machines can run without human intervention & no organization can exist if it cannot serve people's needs.
- HRM is a study about the people in the organization-how they are hired, trained, compensated, motivated & maintained.

Scope of Human Resource Management

- The scope of HRM is wide and far-reaching.
- An understanding of HRM is important to anyone who is employed in an organisation.
- HR issues become important wherever there is a group of workers. Staffing is performed by all the managers as a managerial function, either directly or indirectly through HR department.
- All managers are, in this way, HR managers, since they get involved in HR activities such as selecting, training, inducting, compensating and motivating the employees along with industrial relations activities.
- Scope of HRM can be classified under the following heads:
 - HRM in personnel management
 - HRM in employee welfare
 - HRM in industrial relations



HRM: Scope

1. Personnel aspect-concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training and development, layoff and retrenchment, remuneration, incentives, productivity etc.
2. Welfare aspect-It deals with working conditions and amenities such as canteens, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.
3. Industrial relations aspect-This covers union-management relations, joint consultation, collective bargaining, grievance and disciplinary procedures, settlement of disputes, etc.

Scope of Human Resource Management

HRM in Personnel Management

- This is typically direct manpower management that involves manpower planning, hiring (recruitment and selection), training and development, induction and orientation, transfer, promotion, compensation, layoff and retrenchment and employee productivity.

HRM in Employee Welfare

- This particular aspect of HRM deals with working conditions and amenities at the workplace.
- This includes a wide array of responsibilities and services such as safety services, health services, welfare funds, social security and medical services.
- It is about determining employees' real needs and fulfilling them with active participation of both the management and the employees.

HRM in Industrial Relations

- Industrial relations is the art and science of understanding the employment (union-management) relations, joint consultations, disciplinary procedures, solving problems with mutual efforts, understanding human behaviour and maintaining work relations, collective bargaining and settlement of disputes.
- The main aim is to safeguard the interest of employees by securing the highest level of understanding to the extent that does not leave a negative impact on the organisation.