

DEVELOPMENT OF HUMAN RESOURCES AND MANAGEMENT

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Abstract:

Human resources are an organization's greatest assets because without them, everyday business functions could not be completed. Human resources and the potential they possess are key drivers for an organization's success. Human resource personnel provide information about the organization's policies, procedures and benefits. Human resource development includes training an individual after he/she is first hired, providing opportunities to learn new skills, distributing resources that are beneficial for the employee's tasks, and any other developmental activities. The idea of human capital (Resource) is people whose assets are of value and can be enhanced through investment. At most of the organizations, the largest share of operating costs is devoted to managing and developing its Human Resource. Enhancing the value of employees is a win-win goal for employers and employees alike.

KEYWORDS:

Management , potential , organization's , Human Resources .

INTRODUCTION

Human resources are an organization's greatest assets because without them, everyday business functions such as managing cash flow, making business transactions, communicating through all forms of media, and dealing with customers could not be completed. Human resources and the potential they possess are key drivers for an organization's success. With globalization and technological advances, today's organizations are continuously changing. Thus, organizational change impacts not only the business but also its employees. In order to maximize organizational effectiveness, human potentials, individuals' capabilities, time, and talents must be managed and developed. Hence, the practice of human resource management (HRM) and human resource development (HRD) works to ensure that employees are able to meet the organization's goals. The role of human resources is to address hiring, performance and staffing requirements. Each of these involves a level of knowledge, skills and abilities that are provided through education. Human resource personnel provide information about the organization's policies, procedures and benefits.

HUMAN RESOURCE MANAGEMENT (HRM):

The term HRM has been understood as the only word to represent and explain the management and development of human resources from the point of recruitment to compensation and rewards through to career management and development to the point of retirement. Hence, it is pertinent to examine the terms that evolved around the management and development of human resources in organizations. Human resource management, also called personnel management, consists of all the activities undertaken by an institute to ensure the effective utilization of employees toward the attainment of individual, group,

Please cite this Article as :SANDEEP NAMDEO AHER , DEVELOPMENT OF HUMAN RESOURCES AND MANAGEMENT : Tactful Management Research Journal (Nov ; 2013)

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and organizational goals. An organization's HRM function focuses on the people side of management. It consists of practices that help the organization to deal effectively with its people during the various phases of the employment cycle, including pre-hire, staffing, and post-hire. The pre-hire phase involves planning practices. The organization must decide what types of job openings will exist in the upcoming period and determine the necessary qualifications for performing these jobs. During the hire phase, the organization selects its employees. Selection practices include recruiting applicants, assessing their qualifications, and ultimately selecting those who are deemed to be the most qualified.

HUMAN RESOURCE DEVELOPMENT (HRD)

Human Resource Development (HRD) is the framework for helping employees develop their personal and organizational skills, knowledge, and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance, and organization development. Organizations have many opportunities for human resources or employee development, both within and outside of the workplace. Human Resource Development can be formal such as in classroom training, a college course, or an organizational planned change effort. Or, Human Resource Development can be informal as in employee coaching by a manager. Healthy organizations believe in Human Resource Development and cover all of these bases. Human resource development includes training an individual after he/she is first hired, providing opportunities to learn new skills, distributing resources that are beneficial for the employee's tasks, and any other developmental activities.

HUMAN CAPITAL MANAGEMENT AND DEVELOPMENT:

The present and current scenario has seen the use of human capital management (HCM) and human capital development (HCD) by scholars and practitioners alike. Simply stated, human capital means people. Is that not similar as human resources, workers or employees in organizations? The phrase 'people or human resources are our greatest asset' are often heard. The term 'human capital' originated in 1954 from economic theories when the notion of capital investments was discussed not only in material capital but also on human capital. Subsequently, Jacob Mincer discussed on investing in human capital and personal income distribution in 1958 and followed by Becker's book entitled Human Capital, published in 1964, which became a standard of reference for many years. However, the term 'human capital' was rarely used in organizations and by professional practitioners due to its negative undertones and its association with economics. Nevertheless, the term 'human capital' emerged again and used popularly to describe human resources in organization since 2003.

The idea of human capital is people whose assets are of value and can be enhanced through investment. Indeed, there have been many definitions given to describe the concept of 'human capital' but it is argued that there is nothing new or different beyond the repertoire of knowledge, competency, attitude and behavior embedded in an individual. Hence, human capital management can be defined as the process of acquiring, developing, deploying and the retention of the collective knowledge, skills and abilities of an organization's employees by implementing processes and systems that match employee talent to the organization's overall business goals. Whilst, human capital development is the process of developing and retaining the existing knowledge, skills, abilities and competencies of employees.

There are, however, two key principles that are central to the human capital idea. First, people are assets whose value can be enhanced through investment. As with any investment, the goal is to maximize value while managing risk. As the value of people increases, so does the performance capacity of the organization, and therefore its value to clients and other stakeholders. Second, an organization's human capital policies must be aligned to support the organization's shared vision that is, the mission, vision for the future, core values, goals and objectives, and strategies by which the organization has defined its direction and its expectations for itself and its people. All human capital policies and practices should be designed, implemented, and assessed by the standard of how well they help the organization pursue its shared vision.

At most of the organizations, the largest share of operating costs is devoted to managing and developing its workforce. For this reason, employees traditionally have been viewed through the budgetary lens, and therefore they have often been seen as costs to be cut rather than as assets to be valued. However, high performance organizations in both the private and public sectors recognize that an organization's people largely determine its capacity to perform. These organizations understand that the value of the organization is dependent on the value of its people. Enhancing the value of employees is a win-win goal for employers and employees alike. The more an organization recognizes the intrinsic value of each employee; the more it recognizes that this value can be enhanced with nurturing and investment; the more it recognizes

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that employees vary in their talents and motivations, and that a variety of incentive strategies and working arrangements can be created to enhance each employee's contributions to organizational performance, the more likely the organization will be to appreciate the variety of employee needs and circumstances and to act in ways that will make sense in both business and human terms.

CONCLUSIONS:

Human resources are an organization's greatest assets because without them, everyday business functions could not be completed. Human resources and the potential they possess are key drivers for an organization's success. Human resource personnel provide information about the organization's policies, procedures and benefits. Human resource development includes training an individual after he/she is first hired, providing opportunities to learn new skills, distributing resources that are beneficial for the employee's tasks, and any other developmental activities. The idea of human capital (Resource) is people whose assets are of value and can be enhanced through investment. At most of the organizations, the largest share of operating costs is devoted to managing and developing its Human Resource. Enhancing the value of employees is a win-win goal for employers and employees alike.

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