

an adjunct to the body but is inherent in the whole body and intimately associated with its every movement. Similarly, human resource management is not an extraneous element to the organisation structure. Rather it lies embedded in the structure, is inherent in its functioning and an integral part of the process of management itself. Human resource management cannot be separated from the basic management function.

**15. Integral Part of Management Process.** HRM is an essential element of the process of management.

### 1.3 IMPORTANCE OF HRM

**1. Significance for an Enterprise.** Human resource management can help an enterprise in achieving its goals more efficiently and effectively in the following ways :

- (a) Attracting and retaining the required talent through effective human resource planning, recruitment, selection, placement, orientation, compensation and promotion policies.
- (b) Developing the necessary skills and right attitudes among the employees through training, development, performance appraisal, etc.
- (c) Securing willing cooperation of employees through motivation, participations, grievance handling, etc.
- (d) Utilising effectively the available human resources.
- (e) Ensuring that the enterprise will have in future a team of competent and dedicated employees.

**2. Professional Significance.** Effective management of human resource helps to prove the quality of work life. It permits m work among employees by providing a lthy working environment. It contributes to fessional growth in the following ways :

- (a) Providing maximum opportunities for personal development of each employee.

- (b) Maintaining healthy relationships among individuals, and different work groups.
- (c) Allocating work properly.

**3. Social Significance.** Sound human resource management has a great significance for the society. It helps to enhance the dignity of labour in the following ways :

- (a) Providing suitable employment that provides social and psychological satisfaction to people.
- (b) Maintaining a balance between the jobs available and the jobseekers in terms of numbers, qualifications, needs and aptitudes.
- (c) Eliminating waste of human resources through conservation of physical and mental health.

**4. National Significance.** Human resource management plays a vital role in the development of a nation. The effective exploitation and utilisation of a nation's natural, physical and financial resources require an efficient and committed manpower. The level of development in a country depends primarily on the skills, attitudes and values of its human resources. Nations are underdeveloped because their people are underdeveloped. Effective management of human resources helps to speed up the process of economic growth which, in turn, leads to higher standards of living and fuller employment.

Human resource management is the central subsystem of an organisation as can be seen from Fig. 1.1.

As the central subsystem, HRM interacts closely and continuously with all other subsystems of an organisation. The quality of people in all subsystems depends largely upon the policies, programmes and practices of the HRM subsystem. The quality of human resources determines in turn the success of the organisation.

On the basis of the definitions given above, the following *features* of human resource management can be identified :

**1. Comprehensive Function.** Human resource management is concerned with managing people at work. It covers all types of people at all levels in the organisation. It applies to workers, supervisors, officers, managers and other types of personnel.

**2. People-oriented.** Human resource management is concerned with employees as individuals as well as groups. It is the process of achieving the best fit between individuals, jobs, organisations and the environment. It is

Human resources of an organisation are the aggregate of knowledge, skills, aptitudes of people working in it. The management of these resources is called human resource management.

## 1.1 MEANING AND DEFINITION OF HUMAN RESOURCE MANAGEMENT

Human Resource Management (HRM) is that part of management which is concerned with people at work and with their relationships within the organisation. It seeks to bring together men and women who make up an enterprise, enabling each to make his/her best contribution to its success both as an individual and as a member of a working group.



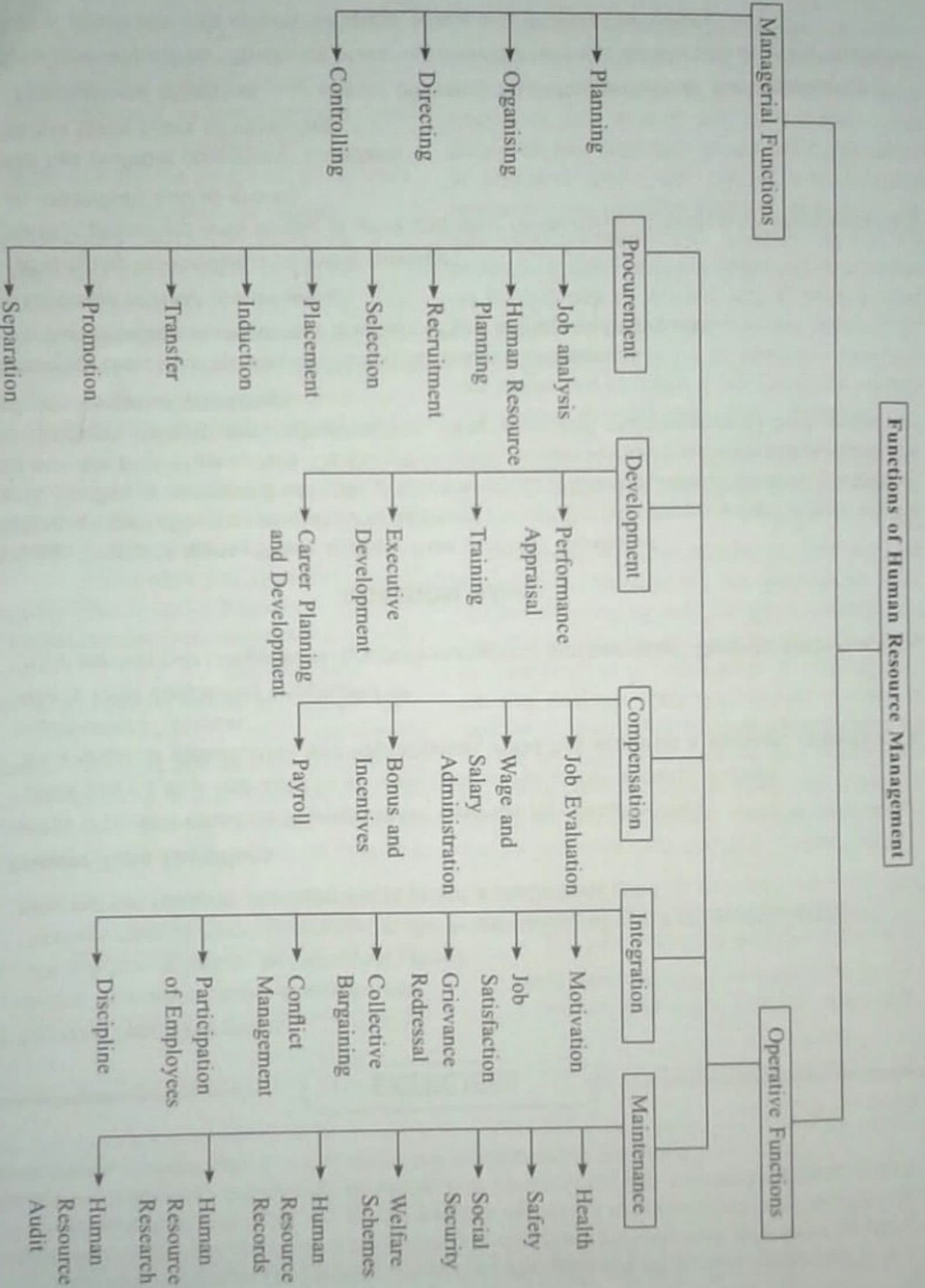
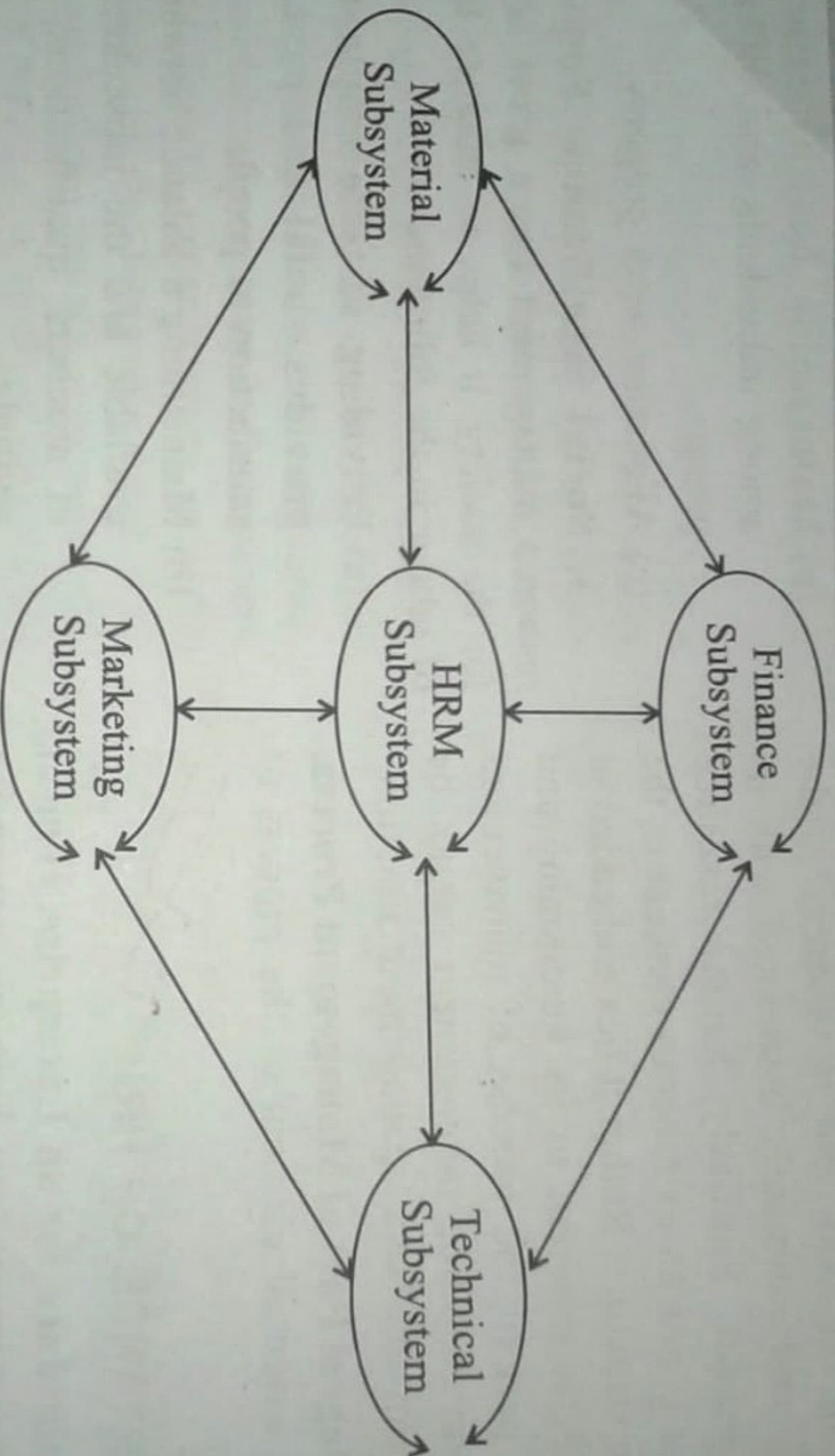


Fig. 1.2 : Functions of Human Resource Management



**Fig. 1.1 : HRM as Central Subsystem in an Organisation**