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Personnel Management to Human Resource Management (HRM) How does HRM function?

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Abstract

Companies are an important part of the world economy in terms of both trade and employment. Organizational performance is closely related to the performance of human resource management within the company. Employee knowledge and experience is one source of competitive advantage, but it also requires proper HR management policies. Therefore, managers strive to provide the best

practice. Especially in terms of paying attention to human resources and striving to make humans as members who contribute effectively to the development plan within the organization which is the responsibility of those working in the field of human resource management (HRM). The study discusses personnel management to HRM and how HRM functions

Keywords: Personnel, Human Resource Management (HRM), Function

1. Introduction

Human resource management (HRM) was used around the last ten to fifteen years. Previously, this field used the term "personnel administration" because there were changes in social and economic activities that indicated the welfare of the industry. Personnel administration pays close attention to the technical aspects of recruiting, evaluating and training and compensating employees. This section focuses on employment practices appropriate to organizational performance.

The factors of globalization, deregulation and rapid technological changes create a substantial increase and pressure on business organizations. Therefore, it is necessary to provide a response to develop HRM. This pressure encourages companies to carry out strategic planning to increase their organizational effectiveness. The HRM function focuses on the management side of people. These practices are what build organizations to deal with people effectively in the pre-recruitment, staffing, and post-recruitment phases. During the recruitment phase the organization selects employees that match their qualifications.

2. Historical Background in Personnel Management and HRM

HRM has changed its name several times throughout history. The name change was mainly due to changes in social and economic activities throughout history. It was during this time that trade unions were formed. By 1913, the number of industrial welfare workers had grown so that a conference organized by Seebohm Rowntree was held. The Workers' Association was formed which was later changed to the Chartered Institute of Personnel and Development. It is believed that the first personnel management department started at the National Cash Register Co. Their creation was a reaction to harsh industrial conditions, coupled with the pressure arising from the extension of property rights, the influence of trade unions and the labor movement, and the employers' campaign, Quaker often said, for the so-called "industrial improvement". As the role grows,

The First World War accelerated changes in personnel management development, with women being recruited in large numbers to fill gaps left by men going to war, which in turn meant reaching agreement with trade unions on "dilution" - accepting untrained women into craftsman jobs and changing the level of work. Employers' federations, particularly in engineering and shipbuilding, negotiate national wage rates with trade unions, but there are local and district differences and there is ample room for dispute. During the 1930s, with the economy starting to pick up, big firms in these new sectors saw deep value increasing employee benefits as a way of recruiting, retaining and motivating workers.

Around 1945, labor management and welfare work were combined under the broad term "personnel management". Experience of war has shown that output and efficiency can be affected by employment policies. The role of the personnel function in wartime was to a large extent to enforce the rules demanded by large-scale state-regulated production, and thus the image of a developing and bureaucratic profession. Donovan assesses the shortcomings associated with management failure because it gives sufficient priority to personnel management.

In the 1960s and 1970s, employment began to thrive. Selection testing is becoming more widely used, and management training is being expanded. In the mid-1980s, the term "human resource management" came from the US. The HR profession today encompasses quite a number of specialist disciplines, including diversity, rewards, resources, employee relations, organizational development and design and learning and development.

3. Discussion

3.1 Personnel Management

Personnel management is a business administration function that exists to provide the personnel needed for the purposes of organizational activities and to manage employee-owner relations. Personnel management is in charge of acquiring, using and retaining employees. The results of providing justice between employees and achieving efficiency in the management of staffing activities will make the organization successful. Personnel management is still often referred to as "human resource management" which the term still refers to all HR responsibilities and services. The main problem of HRM with the personnel management view is that it ignores the strategic components of the HRM role. This should include responsibility for training and organizational development. On the other hand, this does not include personnel management nor is it a performance management system approach to developing employees and their careers.

3.2 HRM

HRM is a response to external socio-economic factors outside the direct control of the HR practitioner or senior manager. HRM recognizes employees as a resource worth investing in, and tends to focus on high-commitment / high-involvement human resource practices. HRM also "identifies employees as costs to be minimized, and tends to focus on 'engineering flexibility' and limited investment in learning and development". HRM in the English speaking world is considered as all activities related to work management relations in companies.

Therefore, HRM is a process of recruitment, selecting employees, providing proper orientation and induction, providing proper training and skills development, appraising employees, providing appropriate compensation and benefits, motivating, maintaining good relations with the workforce and with trade unions. , maintain the safety, welfare and health of employees by complying with labor laws of concern to the state or country. HRM is a function in an organization that focuses on recruiting, managing, and directing people who work within the organization.

3.3 HRM Functions

HRM is about balancing the people and organizational processes to best achieve the goals and strategies of the organization, as well as the goals and needs of the workforce.

3.3.1 Learning and Development (L&D)

An organizational strategy that articulates the capabilities, skills, or workforce competencies needed to ensure a successful and sustainable organization and that defines ways to develop these capabilities to support organizational effectiveness. Organizational L & D is very important and strategic. It is not only a matter of extensive training in task skills, but also a whole new way of thinking about work and how to work and relate to one another. Individuals at all levels must be able to think and work "beyond expectations." They must be able to do so without prior experience, clear guidelines, or close supervision. Training and development.

The HRM department is responsible for providing on-the-job training as well as refresher for all newly hired and existing employees. This is one of the most important functions and lack of training opportunities only increases frustration levels among employees. Thus, the training system should be simplified at all locations to make communication convenient. Measurement and monitoring is another important aspect of training to encourage the application of new employee skills. Training and development is an HRM function that deals with organizational activities that aim to improve individual and group performance in organizational settings. It has been known by several names, including "human resource development (HR development)" and "L&D".

3.3.2 Recruitment and Selection

Recruitment is the process of getting the right people, at the right place, at the right time. This is important for organizational performance. Recruitment is an important activity, not only for the HR team but also for line managers who are increasingly involved in the selection process. All those involved in recruitment activities must be equipped with the appropriate knowledge and skills. There are several things essential to this assignment, such as developing job descriptions, advertising job posts, screening applicants, conducting interviews, making offers, and negotiating salaries and benefits. Companies that value their people make major investments in recruiting and staffing services.

3.3.3 Professional Development

The operational HR department enables and encourages a workforce with opportunities for growth, leadership training and education, which in turn contribute to the success of the company. By sponsoring career advancement seminars, training, corporate social responsibility, and trade shows will make employees feel important and cared for by the team and the business.

3.3.4 Performance Appraisal

Performance appraisal (or performance review) is a process for every employee and those who care about their performance. It is used to assess current performance and focus on future goals, opportunities, and required resources (CIPD, 2014). Performance appraisal is a review and discussion of employee performance on the assigned duties and responsibilities. The assessment is based on the results obtained by the employee in his work, not on the personality characteristics of the employee. This process also referred to as performance review, performance evaluation, development (career) discussion, or employee appraisal is a method by which an employee's job performance is documented and evaluated.

3.3.5 Benefits and Compensation

The corporation is more likely to be successful, if it adapts to new ways of providing benefits to the workforce. Non-traditional benefits that can attract and retain workers are:

1. Flexible working hours or days
2. Extension of vacation time
3. Paternity or child care leave
4. Health / dental insurance
5. Corporate gym membership discount
6. Continue education / skills development
7. Rewards & recognition programs
8. Health care insurance
9. Life insurance
10. Disability insurance

11. Pension
12. Death insurance and accidental deductions
13. Leave transfer program
14. School fee assistance plans
15. Training opportunities
16. Corporate gym membership discount
17. Continue education / skills development
18. Rewards & recognition programs
19. Health care insurance
20. Life insurance
21. Disability insurance
22. Pension
23. Death insurance and accidental deductions
24. Leave transfer program;
25. School fee assistance plans
26. Training opportunities

3.3.6 Ensuring Legal Compliance

HRM maintains compliance with labor laws, taxes, which are an important part of maintaining the survival of the organization. HR must be aware of all laws and mandated policies regarding employment practices, working conditions, tax benefits, mandatory working hours, overtime, rest periods, minimum wages and discrimination policies as non-compliance can affect productivity and ultimately also affect company profitability.

3.3.7 Equality and Diversity

Equality, Equality is ensuring that individuals or groups of individuals are treated fairly and equally and not unpleasantly, specifically for their needs, including the areas of race, gender, disability, religion or belief, sexual orientation and age. **Difference**, Diversity aims to recognize, respect and value people's differences to contribute to and realize their full potential by promoting an inclusive culture for all staff.

Promote equality and diversity

The best ways to promote equality and diversity are as follows:

1. Treat all staff fairly;
2. Creating an inclusive culture for all employees;
3. Ensuring equal access to opportunities to enable employees to fully participate in the learning process;
4. Allows all staff to develop to their full potential;
5. Equip staff with skills to challenge inequality and discrimination in their work / learning environment;
6. Ensure that learning materials do not discriminate against any individual or group;
7. Ensure that policies, procedures and processes do not discriminate against anyone.

3.3.8 HR Strategy

Strategic HR is the strategic management of human resources that is aligned with the intended future direction of the organization. It deals with long-term human issues and macro issues regarding the structure, quality, culture, values, commitment and resources that suit future needs. In this case, information is needed about HR strategies, HR capabilities, alignment of HR functions with business strategies, and HR contributions to business performance (CIPD, 2014). The globalization of business over the past two decades has changed the business landscape. Most companies have expanded their operations overseas, and even domestic businesses face stiff competition from abroad. HR strategies need to be affiliated with the vision, mission and goals of the organization. In developing an HR strategy, The company

must analyze the characteristics of its industry, determine its competitive advantage, and identify the main processes of individuals within the company. Therefore, different strategies are needed for all groups of people in the organization according to their skills, knowledge and accountability.

4. Conclusion

This study is based on a comprehensive review of the related literature and a thorough examination of HRM studies. It introduces careful thinking, analysis, and research in a conscientious attempt to explore HRM. The authors hope this research will open up new dimensions for other researchers to carry out more research in the field to crystallize other related problems, which can contribute to knowledge and improvement of HRM practices in the world. In the context of HRM, organizations are increasingly being encouraged to adopt various practices which, in his opinion, will increase their competitiveness in the global market area. Therefore, there is a need for change initiatives within the organization. So far, although there is clear acceptance among practitioners and academics that evaluation is an essential step in any continuous improvement process, in reality very often little has been done to assess the impact and success rate of each initiative before the organization moves into the future. HRM now anticipates the added value of strategic employee applications and that employee programs impact the business in a measurable way. Hence, the new role of HRM involves multiple functions, strategic direction and measurement to determine value. HRM now anticipates the added value of strategic employee applications and that employee programs impact the business in a measurable way. Hence, the new role of HRM involves multiple functions, strategic direction and measurement to determine value. HRM now anticipates the added value of strategic employee applications and that employee programs impact the business in a measurable way. Hence, the new role of HRM involves multiple functions, strategic direction and measurement to determine value.

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