

Sustainable Management Practice - Interdisciplinary Perspective

Chapter 1

Human Resource Management and Practices

Elenwo, Nchelem Worlu

Department of Management, Faculty of Business Studies

Ignatius Ajuru University of Education

Introduction

Nicolescu (2009) stated that Human Resource Management is among the fields where managerial practices and theoretical methodological research have been going through extensive developments during the last decades.

Again, to developed in competitive advantage and become successful in this background, companies must constantly come up with new ways to drive innovation in business processes, management practices and products and services. But even the best ideas for supporting sustainability will fall flat unless a company's workforce can put them into action.

Lacy, (2009) mention that the five levers: organizational change, leadership development, employee learning, performance management and employee engagement can help. These are key elements of human resource management practices and therefore remain key imperatives for achieving an organization's sustainability. But, most organization does not have plans for the development of their members of staff. Once those people are recruited, the companies do not orientate them, neither do they train them to acquire other modern skills or improve upon their talents and educational qualifications they came in with.

Arising from the above, several studies have adopted various measures to investigate the effect of human resource management and organizational survival but have provided mixed results.

The persistence of these problems in spite of the various policy measures adopted by various governments to strengthen the organizational survival and inconclusive debates regarding the actual effect of human resource management and organizational survival makes it imperative to empirically provide answers to some pertinent questions: Does human resource management help to meet the needs, the goals and objectives of the organizational survival? Has human resource management realize the factor that contributed to the growth in the organizational survival? Does human resources management pave way for organizational survival?

These questions and more beg for answers hence, the need for the present study. Thus, this study shall seek to find out how compensation, development, and performance appraisal will influence and enhance organizational survival.

Despite the application of technology in modern business management, human resources are still relevant and most adaptive resources of the organization. Therefore, public agencies should see it as a tool to use for their survival.

Concept of Human Resource Management

The strategic values of HRM stem from the fact that apart from other resources employed in the course of production (land, capital, technology, etc.) which are passive, human resources are endowed with discretionary decision-making power and thus have

Sustainable Management Practice - Interdisciplinary Perspective

competitive advantage over the other resources. This essential attribute of Human Resource assist the organization to make rightful decisions and respond effectively to the threats and opportunities within the environment of the organization.

Appropriate management of human resources played an important role in the development of employee commitment that helps in attaining organizational goals (Mohyin, 2012).

Human Resource Management practices can be significant source of employee's satisfaction that lead to lower absenteeism, reduce turnover and increase employee's loyalty to the organizations (Ijigu, 2015).

Bhagwatti, J. (2004) clearly states that the forces of global change are at work in organizations and are bound to significantly influence the future of the HRM profession. Personal management is that part of management concerned with people at work and their relationship within an enterprise. It aims is to bring together and develop into an effective organization men and women who make up an enterprises and having required for the well-being of the individual and of working group to enable them make their best contribution to its success.

Human Resource and Personal management in the sense of getting thing done through people is an essential part of every managers responsibilities find it advantages to establish specialist division to provide an expert services dedicated to ensuring that the human resources function is performed efficiently. That is, human resource management make a lot of difference in the output of the employees which linked to survival.

Human resource management is a discipline, a professional specialization that has developed in recent years as a broad spectrum, encompassing various field incorporated and synthesis with certain element of personnel management organizational behavior industrial and labour relationship etc.

According to Susan, (2005), Human resource management is the function within an organization that focuses on recruitment of, management of and providing direction for the people who work in the organization. Human Resource management can also be performed by line manager. Human resource management is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training.

The critical nature of human resources in an organization as a factor of success or failure of management is put by Renses Lickert (2005) as follows: All the activities of any enterprise are initiated and determines by persons who make up the institution, plant, offices, of all the task of management, managing the human component is the central and most important task because all else depend on how it is done.

Dressler, (2007). Human resource management refers to the policies and practices involved in carryout the human resources aspect of management position including human resource planning, job analysis, recruitment, selection, orientation, compensation, performance appraisal, training and development and labour relations.

Sustainable Management Practice - Interdisciplinary Perspective

According to Renuks Vembu (2010), Human resource is touted as the most important, influential and impactful asset of an organization. Onah designed human resource as consisting of men and women working for an organization irrespective of the post they occupy or holding in organization. Since the use of human resources and manpower are the same then, it indicates that human resources means having the right people possessing the right skills in place at right time.

Holton and Trolt (2005). Human resources is the set of individuals who make up the workforce of an organization. Human capital is sometimes used synonymously with human resources, although human capital refers to a more narrow view that is, the knowledge the individual embody can contribute to an organization. Other terms sometimes used include manpower, talent, labour or simply people. Meaning that, Human resource refers to the capabilities of human persons to perform task this means that those who are not capable of performing tasks will not be regarded as human resources.

Lazar (2001) stated that human resources ensure the right number of people and at the right time doing the right thing to ensure that goal of the organization are achieved. It is important to note that it's the individual that determines and chooses in what type of organization's human resources she wants to belong. This means that people are not forced to belong to the human resources for an organization rather it is a person's determination, zeal, expertise and ambition that make one belong to the work force of the organization.

Therefore human resources are the most important asset of an organization. It forms a greater and reasonable portion of organization's resources. Human resource is directly connected to the success of an organization and therefore must be planned, the process by which management attempts to provide for its human resources to accomplish its task is called manpower planning.

However, it is understood that the most valuable resources of any establishment are its employees, as they play a crucial role in accomplishment of the aims and objectives of a business. Therefore, the focus of human resource management is to deal with the manpower and all the decisions related to it that can have an impact on the organizational survival of Public agencies.

Human Resources Management Philosophy emerges wherever people are perceived not as a cost of doing business but as the only resources capsule of training inanimate factor of production into wealth, people provide sources of creative energy in any direction the organization dictated. It changes personal from the role of control oriented supply of labour to an overall human resources planning development and utilization agency. It integrates and coordinates people planning with strategy formulation and takes a practice view of human resources activity in any organization setting.

Karen Legge (2005) stated that human resource management introduces innovation such as strategic management and planning of human resources utilization and new orientation such as individualization of employee rewards but perceived the same function of both as being similar in terms of imperative of employee selection and development among others.

Finally, the notion of human resources management has become very topical in many organizations. This kind of development is symbolized by the change in terminology from

Sustainable Management Practice - Interdisciplinary Perspective

industrial relations to employee relations and from personnel management to human resources management.

HISTORY OF HUMAN RESOURCES MANAGEMENT

HRM has been a concept that was utilized ever since human beings started following an organized way of life. Some of the vital principles of HRM were used in prehistoric times. Like, mechanisms being developed for selecting tribal leaders. Knowledge was recorded and passed on to the next generation about safety, health, hunting, and gathering. 1000 B.C. to 2000 B.C. saw the development of more advanced HR functions.

The Chinese are known to be the first to use employee screening techniques, way back in 1115 B.C. And turns out it was not Donald Trump who started "the apprentice" system. They were the Greek and Babylonian civilizations, ages before the medieval times. Egwunyenga EJ 2000. Fredric Taylor father of scientific management movement is traceable to many scientific approaches. Fredric Taylor, with his theory of scientific management started the era of modern management in the late nineteenth and early twentieth centuries.

Taylor strongest positive legacy was the concept of breaking a complex task form into a number of small subtasks and optimizing the performance of the subtasks. One can see Taylor turning to 'science' as a solution to the inefficiency and injustice of the period, his idea of breaking a complex task into a sequences or simple subtask closely mirrors the interchangeable part idea.

Furthermore, the concepts by training the workers and developing a heavily cooperative rep-presented a significant improvement over the feudal human relations of the time. However, Taylorism was an extreme success. Application of his method yield significant improvement in productivity. At the long run his approached was under heavy criticism by workers, psychologist and management theorist. These are McGregor Theory Y and X termed management by the objectives and self-direction.

Between the 1960s and 1970s, the HRM movement gained further momentum due to the passing of several acts like the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974 (ERISA), and the Occupational Safety and Health Act of 1970.

Now, the HR department was the apple of the corporates' eyes because, the corporates placed a lot of importance on HR management to avoid plausible law suit. Budhwar and Debrah (2004) so by the end of the 1970s, HRM had taken over the world. Almost all big and medium scale industries had a department to manage their recruitment, employee relations, record-keeping, salaries and wages, etc.

Towards the 1980s, the importance of HR continued to intumesce for several reasons like increase in skilled labor, training, regulation compliance, dismissal, etc. In today's date, HR has the same importance as the other departments, in some corporates organization, it has more. With the constant increase in education, technology and frequent fluctuations in economic status and structures, Researcher believe, HR is the oldest, most mature and yet, the most efficient of all management styles. Organizations have many operational functions.

HRD is one of the functions that are engaging with the tasks of an organization. In early 70s there was no division called as Human Resource Department or Division. By that time there was only a division called "Personnel" engaged with the labor related in the organization.

HUMAN RESOURCES MANAGEMENT IN PUBLIC AGENCIES

Human resource management is composed of the policies, practices and system that influence employee's behavior, attitude and performance (NOC, Hollen Beck, Gerbat and Wright, 2007).

Human resource practices (HRP) have been seen to impact such human resource (HR) outcomes of employee performance and retention which in turn influence organizational survival (Koys, 2001). HRM practices that consider application of motivation tools and techniques are one of those that play important role in this process/chain that starts in the HR offices and ends with the increased figures on the company's balance sheet and income statement (Sofija Karaskakovska, 2011).

Human resource management is the process of accomplishing organizational objectives by acquiring, retaining, terminating, developing and properly using the human resource in an organization (Donnelly, 1992:120).

OBJECTIVES AND USES OF HUMAN RESOURCE

Ubeku (2001), recognizes two main aims:

- (1) Human resource planning, they are to ensure the optimum use of the human resource currently employed.
- (2) To provide for the future manpower needs of the organization in terms of skills numbers and ages.

So in order to properly achieve the objectives of the organization and to fulfil its purpose there must be the right number of employees, with the requisite skills, in the right jobs, at the right time. Effective, human resource planning enable Federal Inland Revenue Service to identify the areas where shortage or excesses of manpower are likely to occur in the future. Armed with this information, Federal Inland Revenue Service can take step to deal with the situation before it becomes a crisis. Some of the major uses of Human resource planning are listed below.

- (i) To help determine recruitment levels thus avoiding expensive and unsatisfactory panic measure when one suddenly realized that he was short-staffed, or the frustration of losing business through lack of trained staff to handle it.
- (ii) To anticipate redundancies and if possible find ways of preventing them and their attendant human and financial cost.
- (iii) To monitor the ratio of manpower to other costs, in order to assist decision regarding the best use of financial resources.
- (iv) To provide a basis of training and development programmes geared to meet the needs of the business and related to company succession plans.
- (v) To identify future accommodation requirements in the form of working space, canteen or recreational facilities.

However, in organizations the two crucial elements of human resource planning are forecasting and the human resource audit. In human resource forecasting it is specifically techniques to predict and project future personnel needs of organizations. This helps them to maintain organization growth and development. While human resource audit, uses it as the analysis and appraisal of their organizational current human resources. This helps managers to determine the effectiveness of employees. In the various departments of these organizations. Human resource audit, in turn enables top management do plan for succession plan or replacement chart. The replacement chart shows the positions in the organization, current occupiers of those position, the possible future candidates for such positions and the richness or candidates/applicants to take up those position, when required.

ISSUES INFLUENCING HUMAN RESOURCE MANAGEMENT

In view of the large number of Science (S) and Technology (T) agencies, laboratories, etc. in the country and their charter, objectives and constitutions. It is recognized that one uniform management structure will not be suitable for all these agencies. It is necessary to ensure that all S and T agencies have real and meaningful autonomy, and should be characterized by pursuit of excellence and functioning of a scientific culture. There should be involvement of scientists at all levels in decision making processes as a scientific culture is characterized by a non-hierarchical approach.

Each institution should have clearly defined objectives and goals, having regard to its charter and such missions as may be assigned to it. It should be acknowledged that all research may not lead to generation of new know-how: even access to new knowledge should be considered adequate pay-off.

FACTORS THAT INFLUENCE THE HUMAN RESOURCE NEEDS

(i) The Environment

An understanding of the environment of a business agencies are very crucial because environment affects the operations of a business agencies both in input and output activities.

According to Churchman (1968), environment is a fixed constraint to an organization, for the organization cannot control it or do anything about it, but at the same time, the environment matters for the organization relative to the attainment of its objectives.

Therefore, agencies should use SWOT analysis to scan its environment it operate. And exchanges the resources it requires for productive activities from the environment and later markets its products back to the environment for its survival.

The human resources situation of an organization can be influenced by changes in the business environment, frequent changes in the government policy and demographics over times can affect revenue generation, and service delivery. A poor service/commitment can affect the consumption behaviour of the employees whereby revenue will drop, monthly target will automatically reduce. This situation notwithstanding, can affect the remuneration policy of the organization thereby leading to delays in the payment of salaries and finally people leaving the organization voluntarily or the organization can as well lay off its workers.

(ii) The Present Workforce

The present workforce within public agencies can change due to positive result from the business environment which could lead to increase in the business activities, such as revenue generation, service delivery, etc. This may result in hiring of more employees and adjusting the remuneration policy in the organization.

(iii) Technology

Technology, according to the views of Perrow (1965), is a technique or complex of techniques employed to alter materials (human or non-human, mental or physical) in an anticipated manner. Changes in the core-technology of an organization over times can result to more employment or lay off of workers. This is the case when an organization either changes from labour intensive method of production to capital-intensive method (i.e. excessive use of machines in production) or the reverse. It is then necessary for organization to study their own technology in order to predict future changes and the effect they will have on human resources needs.

(iv) Change in Strategy

There is a high level of uncertainty in the operative activities of business organization. This is because the business environment, technology and people have continued to change due to limited resources available.

Management of Public agencies, therefore should focus their attention on strategy formulation and implementation as a means of reducing the level of uncertainty.

The relevance of strategy for an organization is that it helps it formulate its long term objectives and goals which provide guidance and direction to an organization's productive action. HRM is used in a global context which contains ; (a) specific human resource practices such as recruitment, selection, and appraisal; (b) formal human resource policies, which direct and partially constrain the development of specific practices; and (c) overarching human resource philosophies, which specify the values that inform an organization's policies and practices (Gilley et.al. 2002).

Strategy is thus, an integrated plan through which a business organization achieves its objective. Every business organization has a strategy either consciously or unconsciously formulated.

A change in either corporate or growth strategies or both in an organization can automatically affect the human resources needs and likewise the organizational structure, thereby requiring more employees or lay off of the existing workers.

CONCLUSIONS

This research has provided an overview and a discussion of human resource management (HRM) practices of public agencies in Rivers State. It focused primarily on perception of directors and supervisors on HRM practices, policies and programmes and the impact of such HRM practices on organisational survival. The purpose was to critically evaluate the extent to which established HRM practices impact on the survival of public agencies in Rivers State.

REFERENCES

Arthur, J.B (1994) Effects of Human Resource Systems on Manufacturing Performance and Turnover. *Academy of Management Journal*, 37, 670-687.

Sustainable Management Practice - Interdisciplinary Perspective

- Bagherian, R., Bahaman, A.S., Asnarulkhadi, A.S. & Shamsuddin, A. (2009) Social Exchange Approach to People's Participations in Watershed Management Programs in Iran. *European Journal of Scientific Research*, 34(3):428-411.
- Curtis, B, William E.H and Sally, M (1995) Overview of the people capability maturity model Software Engineering Institute: Carnegie Mellon University.
- Davis, K. and Nestrom, J. W. (1985). Human behaviour at work: Organizational behaviour (7th Edition). McGraw Hill: New York.
- Delaney, J.T and Huselid, M.A (1996) The Impact of Human Resource Management Practices on Perceptions of Organizational Performance. *Academy of Management Journal*, 39 (4), 802-835.
- McFadzean, E. A., Loughlin, O' and Shaw, E. (2005). Corporate entrepreneurship and innovation part 1: The missing link. *European Journal of Innovation Management*, 8(3), 350-352.
- Meyer, J.P., Smith, C.A. (2000). HRM practices and organizational commitment: Test of a mediation model. *Canadian Journal of Administrative Sciences/Revue canadienne des sciences de l'administration*, 17(4), 319-331.
- Miles, R. E., Snow. C. C., Meyer. A. D. and Coleman, H. J. (1978). Organizational strategy, structure and process. *Academy of management review*, 1(2), 45-61.
- Orton, J. D. and Weick, K. E. (1990). Loosely coupled systems: A reconceptualization. *Academy of Management Review* 15(2), 203-223.
- Paullay, I., Alliger, G. and Stone-Romero, E. (1994). Construct validation of two instruments designed to measure job involvement and work centrality. *Journal of Applied Psychology*, 79(1), 24-48.
- Ramsey, R., Lassk, F.G., & Marshall, G.W. (1995). A critical evaluation of a measure of job involvement: The use of the Lodahl and Kejner(1965) scale with salespeople. *Journal of Personal Selling & Sales Management*, 15 (3): 65-74.