

## **HRM Strategy**

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### **Abstract**

This paper aims to summarize the main aspects of ethical issues in human resource management. The development of an ethical perspective of HRM that is both employees centered and as such distinct from critical perspectives of HRM has progressed in recent year. Human Resource Management deals with manpower planning and development related activities in an organization. In HRM process including planning, remuneration, performance management and employee relations. Every corporation is established with the objective of profit maximization. They have to earn profit within the legal framework which is issued by company act 1956 and some of the regulation are made and implemented by Government beyond this business is required to perform its functions ethically. It is important to perform in a ethical manner for long term growth and survival. The employees may also have personal objectives but these need to be integrated into the objectives of the organization. The senior managers, line managers look to the HR function for more consultative services such as development, performance and employee relations. The kind of market system affects business and HR ethics, the latter thus becomes negotiable. HRM philosophy is to develop people as per their aspirations and individual goals and motivate them to help in achieving organizational goals. The HRM Strategy refers to the relationship between human resource and strategic objectives that is the long term goals of the organization.

**Keywords:-**HRM, Ethical, Organization, development and strategy

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### **Introduction**

The HRM Strategy refers to the relationship between human resource and strategic objectives that is the long term goals of the organization. Human resources are the wealth of an organization which can help it in achieving its goals. It means that management can get and use the skill, knowledge, ability etc. through the development of skills, tapping and utilizing them again and again. HR professionals need to know

their organizations business thoroughly not only in terms of people but also in terms of economic, financial and environmental forces affecting it.

Human Resource Management deals with manpower planning and development related activities in an organization. It is that branch of management where ethics matter, since it concerns human issues specially those of compensation, development, industrial relations, and health and safety issues.

**Human Resource Management:** - is the planning, organizing, directing and controlling of the procurement, development, compensation, maintenance and reproduction of human resources to the end that individual, organizational objectives are accomplished. Human Resource Management employee relations and personnel management used in the popular as well as by industry experts. Strategic Human Resource Management is the practice of aligning business strategy with that of HR practices to achieve the strategic goals of the organization. The aim of strategic Human Resource Management is to ensure that HR strategy is not a means but an end in itself as far as business objectives are concerned. The idea behind strategic human resource management is that companies must fit their HR strategy within the framework of overall Business objectives and ensure that there is relationship between the HR practice and the strategic objectives of the organization.

### **OBJECTIVES-**

The following are the objectives of this study:

- 1.Evolution of human resource management strategy.
- 2.To analysis the performance of human resource management in organization.

### **METHODOLOGY-**

The present paper is based on the ethical issues in human resource management strategy. The paper is theoretical in nature. For the purpose of the study, some literature relating to ethical issues in human resource management strategy has been studied various research papers, newspaper, articles and website have been consulted.

**HUMAN RESOURCE MANAGEMENT PROCESS:-** Each organization works towards the realization of a vision. The following are the various HR processes:-

1. Human Resource Planning (Recruitment, Selection, Training and Promotion)
2. Employee remuneration and benefits administration
3. Performance Management
4. Employee Relations.

**Human resource planning** is a process of determining and assuring that the organization will have an adequate number of qualified persons available at the proper time, performing jobs which meet the needs of the enterprise and which provide satisfaction for the individuals involved.

**Employee Remuneration:** The process involves deciding upon salaries and wages, incentives ,fringe benefits etc. Performing employees seek raises, better salaries and bonuses.

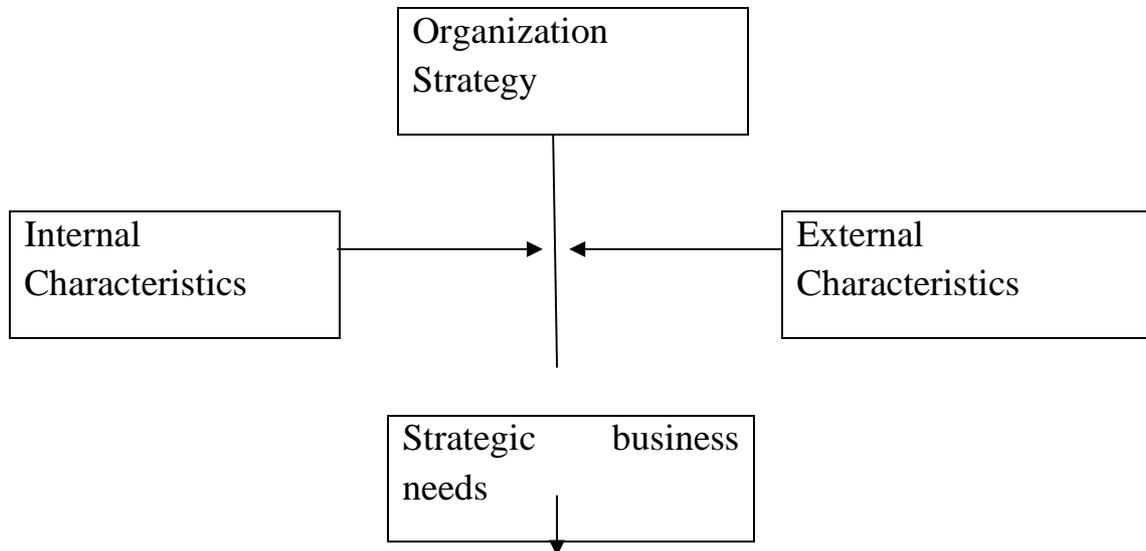
**Performance Management:** A performance management is where the employees are rewarded for their contribution towards the organization. The employees are very clear about the expectations from his job and organization is benefited as it can eliminate the job.

**Employee Relations:** This aspect is very important in every organization. Employee relations are include working environment, employee health, quality of work life etc.

### **EVOLUTION-**

The evaluate the role of **human resource management** in the strategic process. The function of recruitment and training programs in HRM, the concept of strategic fit and how human resource management can lead to a competitive advantage. The manner in which an organization personnel are managed has a tangible influence on the productivity of the employees, which ultimately acts upon the firm's bottom line. The new economy industries like IT and the service sector, organizations all over the world realized that human resources must be viewed as a source of competitive advantage as opposed to treating the same way in access to technology or capital is concerned. HRM is being viewed as something that promotes the business objectives of the firms and not merely another factor in the way the firm is managed.

### 5-P Model of strategy HRM



#### **Strategic Human Resource Management Activities**

Human Resource Philosophy-Expresses how to treat and value people

Human Resources Policies-Guidelines for action on people related business and HR programs

Human Resources Programs-Help to address and change major people related business issues

Human Resources Practices-Motivates needed role behaviour

Human Resources Processes-Defines how these activities are carried out.

#### **OBJECTIVES OF HRM STRATEGY-**

The objective of HRM is to ensure the interests of the organization and its employees. The employees may also have personal objectives but these need to be integrated into the objectives of the organization. The objectives of HRM strategy may be classified as follows:-

##### **1. HRM as a strategic partner, managing strategic human resources**

- Empower clients to better manage human resource issues and employee relations.



- Implementing the human resource strategy in order to address issues relating to collaboration, staff recruitment, equal opportunity and reward and motivation, HR forecasting and planning and staff performance and review.

## **2. HRM as an organizational effectiveness**

- It should aim to serve the interests of the organization.
- It should focus on achieving goals of the organization.
- It should work to bring organizational effectiveness.

## **3. HRM as an employee effectiveness**

- Provide relevant and meaningful employee and leadership training.
- Communicate to engage and inform.
- Effect employee engagement with appropriate and meaningful rewards and initiatives.

## **ETHICS AND MARKET SYSTEM:-**

The kind of market system affects business and HR ethics, the latter thus becomes negotiable. In occupation where the market conditions do not favor the employees it is necessary to have government and labor union interventions in order to control the possible exploitation. Globalization has brought about the concept of globalizing labor, trade unions have started to decline. Thought there can be no single opinion on ethics in HR that is convincing. HR ethics should take care of things like discrimination, compensation, union and labor laws, health and safety of the employees etc.

## **PHASES FOR HRM STRATEGY:-**

Strategic human resource management is the process of identifying the organization's strategic goals and the use of these goals as the basis for personnel practices and procedures. Human Resource strategy and corporate strategy need to be integrated so that strategic harmony is developed between HRM and the business plan. Certain human resource strategies, particularly the accurate projection of human capital needs, and employees selection and development will lead to superior workforce performance. The expertise of each employee is regarded as a living asset such that

there is now much greater interest in the contribution of HRM to overall strategic planning. Since HRM deals with issues regarding people it also has an ethical role to play. HRM management will probably be influenced by the need for fairness and justice. HRM is contribute to the overall strategic planning within the organization any ethical issues related to the personnel and the industry will be influential. Success within an organization can be determined by establishing an external fit between organizational resources and environmental influences and by developing an internal fit between the strategy. The SHRM team should have an external and an internal focus. The external focus refers to their association with the corporate strategy group and other leadership departments and internally they are in the best position to analyze employee attitudes and capabilities. The development of a strategic fit has important for the HR function.

- **FIRST PHASE:-** Training and Development is another area of HRM that can contribute to the corporate strategy. To keep up with the changing HR requirements training is needed to ensure that the skills and knowledge of the employees is at the required level. The external and internal environment influence strategic change such the static set of employee skills will often be inadequate. Training and Development differ on two counts: contents and level of employees for which these are directed. Training programmes required for managerial personnel are different. The word ‘training’ is used to develop workers while ‘development’ is used for the improvement of managerial personnel. HR practices should be designed to positively support the organization strategic planning of cost leadership and training and development in what should be powerful combination of internal and external fit.
- **SECOND PHASE:-** Effective communication is essential for HRM to have a constructive to the overall strategy and to allow the accomplishment of the strategic objectives. HR management should be integrated with other strategies, problems are going to be encountered. If each strategic business unit in an organization develops their own HRM policy independently of other HRM policies it may be difficult to focus HR strategies on the needs of the firm. If the business strategy has not been clearly defined and understood or there is an absence of business strategies then it would be difficult to develop a



complementary HRM strategy. The strategy formulation process is complex as a broad range of environmental factors influences the formation of strategy.

### **ISSUES:-**

- **Cash and Compensation Plans**

There are ethical issues pertaining to the salaries, executive perquisites and the annual incentive plans etc. The HR manager is often under pressure to raise the band of base salaries. There is increased pressure upon the HR function to pay out more incentives to the top management and the justification for the same is put as the need to retain the latter. Further ethical issues crop in HR when long term compensation and incentive plans are designed in consultation with the CEO or an external consultant. While deciding upon the payout there is pressure on favouring the interests of the top management in comparison to that of other employees and stakeholders.

- **Employment Issues**

Human resource practitioners face bigger dilemmas in employee hiring. One dilemma stems from the pressure of hiring someone who has been recommended by a friend, someone from your family or a top executive. Yet another dilemma arises when you have already hired someone and he/she is later found to have presented fake documents. Two cases may arise and both are critical. In the first case the person has been trained and the position is critical. In the second case the person has been highly appreciated for his work during his short stint or he/she has a unique blend of skills with the right kind of attitude. Both the situations are sufficiently dilemmatic to leave even a seasoned HR campaigner in a fix.

- **Privacy Issues**

Any person working with any organization is an individual and has a personal side to his existence which he demands should be respected and not intruded. The employee wants the organization to protect his/her personal life. This personal life may encompass things like his religious, political and social beliefs etc. However certain situations may arise that mandate snooping behaviors' on the part of the employer. For example, mail scanning is one of the activities used to track the activities of an employee who is believed to be engaged in activities that are not in the larger benefit of the organization. HR that pertain to health and safety, restructuring and layoffs and employee responsibilities. There is still a debate going on whether such activities are ethically permitted or not. Layoffs, HR that pertain to health and safety, restructuring and layoffs and employee responsibilities. There is still a debate going on whether such activities are ethically permitted or not. Layoffs, for

example, are no more considered as unethical as they were thought of in the past. example, are no more considered as unethical as they were thought of in the past.

### **SCOPE OF HRM:-**

**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, employee productivity. The overall objective here is to ascertain individual growth, development and effectiveness which indirectly contribute to organizational development.

**HRM in Employee Welfare:** This particular aspect of HRM deals with working conditions and amenities at workplace. This includes a wide array of responsibilities and services such as safety services, health services, welfare funds, social security and medical services. It also covers appointment of safety officers, making the environment worth working, eliminating workplace hazards, support by top management, job safety, safeguarding machinery, cleanliness, proper ventilation and lighting, sanitation, medical care, sickness benefits, employment injury benefits, personal injury benefits, maternity benefits, unemployment benefits and family benefits.

**HRM in Industrial Relations:** Since it is a highly sensitive area, it needs careful interactions with labor or employee unions, addressing their grievances and settling the disputes effectively in order to maintain peace and harmony in the organization. It is the art and science of understanding the employment (union-management) relations, joint consultation, disciplinary procedures, solving problems with mutual efforts, understanding human behavior and maintaining work relations, collective bargaining and settlement of disputes.

### **Principles**

#### **Equity in an organization**

Equity is an ethical and legal principle underlying the regulation of all social relations in the spirit of justice, equality and justice, cooperation and mutual respect. Equity is a behavior based on rigorous compliance with mutual rights and duties, on equally



meeting the interests, rights and liabilities of each of us. On the organizational level, equity has to do with perceptions that people have about how they are treated compared to others. Being treated with equity is to be treated fairly and impartially compared with a group of people or other relevant person.

### **Moral rights of employees**

#### **The Rights to work**

As one of the fundamental human rights, the right to work is the concept that people have a human right to work, or engage in productive employment and may not be prevented from doing so. It refers to the individual right to work at any job without being forced to join or pay money. The right to work derives on one hand from the right to life, because work provides the foundation necessary for subsistence and on the other hand, from the right to respect as the ability to create goods and means through labor is a major source of self-respect for each individual. An Organization has a responsibility to create economic conditions to protect the right of every citizen to work and provide to all individuals equal conditions for the exercise of this right without any discrimination.

#### **The right to an equitable wage**

Equal pay for equal work is the ethical principle that individual doing the same work should receive the same remuneration. Under the conditions of market economy, private firms make a wage pay system according to the ratio between supply and demand of human resources in the workforce. Some companies try to reduce the gap between the wages of employees by introducing a reward system based on performance. For such a system to become motivating for high performance a very clear link is needed between reward and performance level. Performance evaluation is one of the most important issues of ethics in human resources. . Some ethical dimensions of performance evaluation are: information obtained by the evaluators in the evaluation should be used strictly for purposes of the assessment and involve a degree of privacy and evaluating persons should not be in a conflict of interest when performing their duties.

### **Other Moral right of employees**

#### **Right to humane working condition**

In which the psychosomatic health and integrity of employees is not endangered, is one of the ethical issues concerning the status of employees. In the case of occupations



involving considerable risk taking, the ethical principle of fully aware consent must be respected. This involves informing the employees about the dangers they run by accepting the job. The organization will conduct business in a manner that provides responsibly for the protection of health and the environment. Thus organization has responsible for providing the safety working conditions to their employees.

### **Workplace discrimination**

Discrimination means any distinction, exclusion, restriction or preference made based on race, nationality, ethnicity, religion, social class, belief, sexual orientation, age, disability, non-contagious chronic disease, HIV infection or belonging to a disadvantaged category which results in the impairment of equality of opportunity and treatment. The following areas are highlights when discrimination may occur.

- Recruitment and employment** –the imposing of condition such as age or gender for employment.
- Compensation-** such as giving woman lowers salaries than men even though there is similar use knowledge and professional skills.
- Professional training** –the imposition of condition for access to such programs.

### **Moral Harassment at the workplace**

Harassment covers a wide range of behaviors of an offensive nature. It is commonly understood as behavior intended to disturb or upset. Harassment is a form of discrimination manifested through an unwanted conduct, which has affected the human dignity of the person and which creates a hostile and offensive environment. Moral harassment may also involve verbal and physical aggression. Moral harassment at work is an important issue for workforce. Moral harassment should be considered an abuse, unethical, and therefore unacceptable in the work environment.

### **Conclusion**

Business ethics are principles rules and standards which are applicable in all organization. Ethical issues are business law that applicable to rights, relation and conduct of persons engaged in commerce and trade. In economic world, the various issues but every company adopts different-different issues. We are studied ethical issues in human resource in this research paper. Human resources management is a business function that concerned with managing relation between groups of people in their capacity as employers, employees and managers. The ethics related to human



resource is considering the special role in the generation of an ethical and moral climate in organization. If ethical issues are not adopted by concern the effect on production, supply and demand and companies' reputation in the market. Thus all ethical issues are followed by all companies.

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