# Making Human Resource Management Effective

INDIAN PERSPECTIVE

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Making Human Resource Management Effective : Indian Perspective

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# Why this book ?

Development and motivation of employees are those two HR functions which deserve to be handled effectively. This is because, every organization's efficiency depends on how well the employees working it perform their work.

Employees should, therefore, be developed appropriately through training and aligning their long term needs with the needs of organizations where they work. However, such development by itself cannot ensure that the employees will utilize their abilities and skills to the fullest possible extent. It is the motivation to work which may make them do so.

Motivation is an internal force which mobilizes an individual to act. In work organizations, the act of paramount importance is performance. By making certain valued rewards contingent on their performance, employees could be motivated to do well and these rewards which are otherwise capable of bringing satisfaction of associated needs. Also, jobs could be designed in such a way that employees holding them get opportunities to experience a greater sense of meaningfulness and growth satisfaction.

If the development and motivation functions are handled adequately, it would be possible to enhance the quality of work life of employees.

Four popular concepts related to the development and motivation functions of HRM, proposed by some western authors, have been thoroughly explored in this book with a view to ascertain how far they are relevant to the Indian work conditions. Apart from assessing their relevance on the basis of available empirical evidence, an attempt has also been made to suggest the best possible ways in which they can be applied in the Indian work conditions. An interesting aspect of such an endeavour has been the idea of making

them compatible with Indian culture. These concepts are : pre-training motivation, career anchors, reward expectancies, and job designs.

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# 1 Human Resource Management and Quality of Work Life

Effective leadership and management are an essential prerequisite for success of organizations. While management is the process of accomplishing organizational objectives by way of working with and through people, leadership calls for creating an impact on others in the desired direction. In view of this, Hersey, Blanchard and Johnson (2000) consider management as achieving organizational objectives through leadership. Obviously then, managers are expected to be well equipped with human skills.

Human skills enable managers to establish sound interpersonal relations with all those from whom they have to get the work done. This is necessary because an organization without people is nothing except costly equipment, huge capital and sophisticated technology. Who will operate all this, if there are no people around? Clearly, organizations have to depend on people, termed as human resources, for their efficient functioning. As such, 'people at work' is the most important concern of management.

Human resources provide a potential competitive edge to an organization, because it's efficiency depends on how well the employees working in it perform their work. Traditional factors such as big size, a unique image or dominant market share do not, as a matter of fact, contribute to organizational success as much as performance of employee does. As such, how employees are treated assumes a great deal of importance in the management of organizations. This is evident by the fact that most of the problems in organizations are human and social rather than physical, technical or economic.

If efficient employee performance takes precedence over other factors in emerging as a major determinant of organizational success, it is absolutely necessary to select right people for various positions in the organization. Employees should, therefore, be selected on the basis of their predicted likelihood of attaining success on the job. But, it does not mean that all of them would perform their jobs well immediately after they are placed in the positions for which they are selected. Most of them would require time to grow into their new jobs. This growth process gets streamlined through suitably designed organizational training which may be undertaken for this purpose. Employee training forms the core of development of human resources which is an important HR function.

Training, according to Goldstein (1991), is a process that involves "the systematic acquisition of attitudes, concepts, knowledge, roles or skill that result in improved performance at work." Training could be imparted formally or informally. In the formal training, technical and HR experts in the organization offer inputs to the employees. Alternatively, employees could be deputed to training programmes conducted by professional bodies or institutions. Apart from this, informal training can also be arranged for employees. Such training takes place at work and relevant inputs are provided by supervisors or peers.

Whether formal or informal, training offered to employees should help them in acquiring those skills and knowledge which are necessary for efficient performance. Moreover, with the advent of computers, changes are taking place in the human requirements of work. The major technological innovations in production such as computer-aided manufacturing and computer-aided design, call for fluency in computer based operations on the part of manufacturing employees. As a result, employees are required to undergo training in these aspects so that adequate performance can be ensured. Without such performance, it would be difficult to maintain the overall quality of goods or services up to the mark.

Training of executives and managers involves inputs which are supposed to help participants acquire conceptual and human skills. Traditionally, the term 'development' is used for skill–

enhancing process meant for the managerial-level personnel. Training, on the other hand, is a term that was applied to skill-enhancement of employees at the lower job levels. Now-a-days such distinction has become almost redundant, because skill-enhancement is considered to be necessary for employees at all organizational levels.

One more aspect of the 'development' function of HR is career development. A great deal of emphasis is being laid on this aspect these days. The idea behind implementing the concept of career development is that, it is not enough to prepare employees for performing their jobs efficiently through training. Adequate provisions are also to be made to facilitate the fulfillment of various needs of employees such as responsibility, advancement and challenging work as they become more experienced and matured during the course of their job tenure. Thus, HR policies amounting to aligning the long-term needs of employees with the organizational needs must be initiated and implemented to ensure that employees can build up their career without looking for such opportunities elsewhere.

Although preparing employees to do their work well is possible through proper training, it cannot be taken for granted that they would be using their abilities, skills and knowledge to the fullest possible extent. It is the 'motivation to work' on their part, which can ensure this. Hence, the motivation function assumes unique importance in the management of human resources.

Motivation can be regarded as an internal force which incites an individual to act. In a work setting, the act of paramount importance is performance. It is, therefore, desirable to adopt appropriate policies and procedures to motivate employees to perform well by way of mobilizing them to utilize their potentials fully by putting forth greater efforts on the job.

While eliciting strong effort from the employees, it is necessary to remember that they expect certain rewards to occur as an outcome of effort and the consequent performance. Rewards are valued to them, because the reward attainment leads to the fulfillment of associated needs. This, in the ultimate analysis, creates a sense of satisfaction among the employees. Seeking satisfaction is the major individual goal for every employee, which cannot be sidetracked while motivating

them to do well. Because of this, strengthening the 'performance-reward' connection is a sign of sound HR policy. Moreover, the jobs should be designed in such a way that they provide opportunities to the employees to experience a sense of meaningfulness in whatever they are required to do, that too, on their own. Such jobs are likely to provide outcomes like general satisfaction, growth satisfaction and internal work motivation.

'Training and development' as well as 'motivation and incentives' are indeed two major functions of HRM which deserve to be handled effectively. Since they tend to exert impact directly on quality of work life (QWL), a salient human resource output, the policies and procedures concerning these two functions have their own significance in the enhancement of sense of QWL.

### *Quality of work Life : A Salient HR Output*

Quality of work life is a multifaceted concept which is concerned with the favourableness or unfavourableness of the total job environment for employees (Newstrom and Davis, 1995) . They would experience a high sense of QWL, if jobs and working conditions are perceived to be excellent by them. Such an excellent work environment is, in fact necessary for the maintenance of economic health of the organization. According to Newstrom and Davis(1995), a typical QWL programme includes certain key elements, among others, such as equitable reward system, satisfying careers, job security and concern for employees.

Decenzo and Robbins(1988) are of the view that high QWL will be experienced by the employees if they believe that the work they are performing is significant and meaningful and not just trivial. The HR policies and procedures should provide opportunities to employees to use various skills, which they tend to acquire as they become more experienced and matured on the job. In addition, there should be policies to provide opportunities to employees to schedule their work and decide how to solve work related problems so that they can feel individually responsible for the outcome of their work performance. Thus, the suggestion is to create a kind of work environment which makes employees perceive their jobs less routine and more rewarding.

Elaborating on how the sense of subjectively experienced QWL could be enhanced among employees, Stein (1983) has suggested that certain outcomes such as autonomy, recognition, belongingness, progress and development and external rewards must be made attainable to them through implementing relevant theories and concepts.

'Autonomy' involves freedom to schedule one's work and making decisions pertaining to matters related to it such as determining procedures to be used or solving other work related problems. Such freedom makes an employee feel personally responsible for the outcomes of performance and experience thereby psychological satisfaction.

'Recognition' is concerned with the extent to which an employee's contribution to the organization is taken note of and appreciated. This brings 'ego' satisfaction to the employee and prompts him to keep on performing well continually for winning such appreciation.

If employees get proper respect as human beings, they could be led to believe that the organization needs them as much as they need it. They may, therefore, consider themselves to be an inseparable part of the organization. Striving for the maintenance of organizational efficiency at high level would be perceived by them as their common goal. Such a sense of 'belonging' tends to get reflected in the extent to which organizational values are assimilated by the employees.

'Progress and development' is concerned with the extent to which employees experience a sense of 'personal growth' on the job. Such a sense depends on the opportunities for using potentialities and continuously learning new things in the job situation. The policy to provide such opportunities indicates that jobs held by employees can bring them internal rewards, if performed well. Since the attainment of internal rewards depends on how well employees perform their jobs, those who strive to attain them are regarded as intrinsically motivated.

'External Rewards', though not directly attainable through the performance of job itself, have their own significance in work setting.

Salary, job security, and benefits are the common examples of external rewards. However, matters like promotion, rank and status are also seen as belonging to this category. Equitable external rewards can prevent dissatisfaction and ensure that there is no let up in the efforts of employees.

Overall, the two major functions of HR, viz. development and motivation of human resources tend to exert their influence on quality of work life, which is considered to be a major HR output. Appropriate policy measures related to these functions should, therefore, be employed to ensure that employees experience high quality of work life in the job situation.

### *The Role of Culture*

HR policy measures such as autonomy, recognition, progress and development, belonging and external rewards, have their roots in those theories which are mostly developed by American behavioral scientists, particularly industrial and organizational psychologists. In fact, the body of knowledge known as human resource management as well as organizational behavior, has been developed by Americans, using American subjects working in American organizations. As such, not all theories and practices based on American findings can be considered as universally applicable and therefore, relevant to managing Indian employees. This is because Indian national culture tends to differ along certain value dimensions from that, which prevails in the United States and other affluent Western countries.

While 'individualism' is valued more in the United States, 'collectivism' forms the core of Indian culture. As such, organizations in the West strive hard to maintain efficiency which alone, it is believed, can ensure their survival. Their social responsibilities involve certain obligations such as equal opportunity in employment and quality of life subjectively experienced by the employees. The collectivist culture of India, on the other hand, makes people retain their identity with their age-old groups at the work place also and maintain thereby 'relationship' even at the cost of not-so-good performance. Thus, maintenance of congenial relationship is a must, if one expects the employees to do their assigned work. Otherwise,