

Nature and scope of HRM

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1. HRM involves management functions like planning, organizing, directing and controlling.
2. It involves procurement, development, maintenance and management of human resource.
3. It helps to achieve individual, organizational and social objectives.
4. HRM is a mighty disciplinary subject. It includes the study of management psychology communication, economics and sociology.
5. It involves team spirit and team work.

The scope of HRM refers to all the activities that come under the banner of HRM. The activities are as follows

1. **Human resources planning:** - Human resource planning is a process by which the company to identify the number of jobs vacant, whether the company has excess staff or shortage of staff and to deal with this excess or shortage.
2. **Job analysis design:** - Another important area of HRM is job analysis. Job analysis gives a detailed explanation about each and every job in the company. Based on this job analysis the company prepares advertisements.
3. **Recruitment and selection:** - Based on information collected from job analysis the company prepares advertisements and publishes them in the news papers. A number of applications are received after the advertisement is published, interviews are conducted and the right employee is selected thus recruitment and selection are yet another important areas of HRM.
4. **Orientation and induction:** - Once the employees have been selected an induction or orientation program is conducted. The employees are informed about the background of the company. They are told about the organizational culture and values and work ethics and introduce to the other employees.
5. **Training and development:** - Every employee goes under training program which helps him to put up a better performance on the job. Training program is also conducted for existing staff that have a lot of experience. This is called refresher training. Training and development is one area were the company spends a huge amount.

6. **Performance appraisal:** - Once the employee has put in around 1 year of service, performance appraisal is conducted i.e. the HR department checks the performance of the employee. Based on these appraisal future promotions, incentives, increments in salary are decided.
7. **Compensation planning and remuneration:** - There are various rules regarding compensation and other benefits. It is the job of the HR department to look into remuneration and compensation planning.
8. **Motivation, welfare, health and safety:** - Motivation becomes important to sustain the number of employees in the company. It is the job of the HR department to look into the different methods of motivation. Apart from this certain health and safety regulations have to be followed for the benefits of the employees.
9. **Industrial relations:** - Another important area of HRM is maintaining co-ordinal relations with the union members. This will help the organization to prevent strikes lockouts and ensure smooth working in the company.