UNIT I HUMAN RESOURCE MANAGEMENT **9**

Concept and Challenges, HR Philosophy, Policies, Procedures and Practices.

UNIT II HUMAN RESOURCE SYSTEM DESIGN **9**

HR Profession, and HR Department, Line Management Responsibility in HRM, Measuring HR, Human resources accounting and audit; Human resource information system

UNIT III FUNCTIONAL AREAS OF HRM **9**

Recruitment and staffing, benefits, compensation, employee relations, HR compliance, organizational design, training and development, human resource information systems (H.R.I.S.) and payroll.

UNIT IV HUMAN RESOURCE PLANNING **9**

Demand Forecasting, Action Plans– Retention, Training, Redeployment & Staffing, Succession Planning

UNIT V STRATEGIC MANAGEMENT OF HUMAN RESOURCES **9**

SHRM, relationship between HR strategy and overall corporate strategy, HR as a Factor of Competitive Advantage, Managing Diversity in the Workplace

TOTAL: 45 PERIODS

OUTCOMES:

At the end of this course, the students will be able to:

CO1: Understand the object basic principles of Human Resource Management

CO2: Identify effective management of its human resources

CO3: familiarize the basic concepts, roles, functional areas and activities of HR

CO4: Demonstrate the knowledge of HR concepts to take appropriate business decisions

UNIT 1

HUMAN RESOURCES MANAGEMENT

Chapter Case

Changes, Changes

Jennifer, the owner and manager of a company with ten employees, has hired you to take over the HRM function so she can focus on other areas of her business. During your first two weeks, you find out that the company has been greatly affected by the up economy and is expected to experience overall revenue growth by 10 percent over the next three years, with some quarters seeing growth as high as 30 percent. However, five of the ten workers are expected to retire within three years. These workers have been with the organization since the beginning and provide a unique historical perspective of the company. The other five workers are of diverse ages.

In addition to these changes, Jennifer believes they may be able to save costs by allowing employees to telecommute one to two days per week. She has some concerns about productivity if she allows employees to work from home. Despite these concerns, Jennifer has even considered closing down the physical office and making her company a virtual organization, but she wonders how such a major change will affect the ability to communicate and worker motivation.

Jennifer shares with you her thoughts about the costs of health care on the organization. She has considered cutting benefits entirely and having her employees work for her on a contract basis, instead of being full-time employees. She isn't sure if this would be a good choice.

Jennifer schedules a meeting with you to discuss some of her thoughts. To prepare for the meeting, you perform research so you can impress your new boss with recommendations on the challenges presented.

1. Point out which changes are occurring in the business that affect HRM.
2. What are some considerations the company and HR should be aware of when making changes related to this case study?
3. What would the initial steps be to start planning for these changes?
4. What would your role be in implementing these changes? What would Jennifer's role be?

Activity based learning

1. In a group of two to three people, research possible career paths in HRM and prepare a PowerPoint presentation to discuss your findings.
2. Interview an HR manager and discuss his or her career path, skills, and daily tasks. Present your findings to your class.

INTRODUCTION

Human resources management (HRM) is the process of managing people within an organization. It encompasses all aspects of the employee lifecycle, from recruitment and selection to performance management and development. HRM also includes the administration of employee benefits and compensation, as well as the development of workplace policies and procedures.

The goal of HRM is to ensure that the organization has the right people in the right roles, and that these people are motivated and productive. HRM also plays a role in creating a positive workplace environment, where employees feel valued and respected.

There are many different functions that fall under the umbrella of HRM. Some of the most common include:

- Recruitment and selection: This involves finding and hiring the best candidates for open positions.
- Performance management: This involves setting performance goals, tracking progress, and providing feedback to employees.
- Training and development: This involves providing employees with the skills and knowledge they need to be successful in their roles.
- Compensation and benefits: This involves determining the salaries and benefits that employees will receive.
- Employee relations: This involves handling employee complaints and resolving workplace disputes.
- Workplace policies and procedures: This involves developing and enforcing policies and procedures that govern employee behavior.

HRM is a complex and challenging field, but it is also one of the most important. By effectively managing its human resources, an organization can improve its productivity, profitability, and overall performance.

Human Resource Management Definitions

Many great scholars had defined human resource management in different ways and with different words, but the core meaning of the human resource management deals with how to manage people or employees in the organisation.

Edwin Flippo

Human Resource Management as "planning, organizing, directing, controlling of procurement, development, compensation, integration , maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved."

The National Institute of Personal Management

(NIPM) of India has defined human resources – personal management as "that part of management which is concerned with people at work and with their relationship within an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up enterprise and having regard for the well – being of the individuals and of working groups, to enable them to make their best contribution to its success".

According to ***Decenzo and Robbins****,* "Human Resource Management is concerned with the people dimension" in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organsational objectives. This is true, regardless of the type of organization – government, business, education, health or social action".

Nature of HRM:

HRM is a management function that helps manager's to recruit, select, train and develop members for an organization. HRM is concerned with people's dimension in organizations. The following constitute the core of HRM

1. HRM Involves the Application of Management Functions and Principles. The functions and principles are applied to acquiring, developing, maintaining and providing remuneration to employees in organization.
2. Decision Relating to Employees must be Integrated. Decisions on different aspects of employees must be consistent with other human resource (HR) decisions.
3. Decisions Made Influence the Effectiveness of an Organization. Effectiveness of an organization will result in betterment of services to customers in the form of high quality products supplied at reasonable costs.
4. HRM Functions are not confined to Business Establishments Only but applicable to nonbusiness organizations such as education, health care, recreation and like. HRM refers to a set of programmes, functions and activities designed and carried out in order to maximize both employee as well as organizational effectiveness.

SCOPE OF HRM

The Scope of Human Resource management into the following aspects

1. The Personnel Aspect

This aspect of HRM is concerned with the manpower planning, recruitment, selection, placement, induction, transfer, promotion, demotion, termination, training & development, layoff & retrenchment, wage & salary administration, incentives, productivity etc.



2. The Welfare Aspect:-

The welfare aspect is concerned with working conditions & amenities such as canteens, crèches, rest rooms, lunch rooms, housing, transport, education, medical help, health & safety, washing facilities recreation & cultural activities etc.

3. The Industrial Aspect:-

This aspect is concerned with employees. It includes union management relations, joint consultation, negotiating collective bargaining, grievance handling, disciplinary actions, settlement of industrial disputes etc.

IMPORTANCE OF HRM

1. Importance for the Organisation:-

HRM is important for the organisation to the following:

- Good human resource practices help in attracting & retaining the best people in the organisation.
- In order to make use of latest technology the appointment of right type of persons is essential. The right people can be fitted into new jobs properly only if the management performs its HR function satisfactorily.
- Globalisation has increased the size of the organisation who employ thousands of employees in different countries. The performance of the company depends upon the qualities of the people employed. This has further increased the importance of HRM
- HR planning alerts the organisation to the types of people it will need in the short , medium & long run.

- HR development is essential for meeting the challenges of future. The importance of HRM has increased because of the shortage of really managerial talent in the country.

2. Importance for the employees

- HRM stress on the motivation of employees by providing them various financial & non-financial incentives.
- Right organisational climate is also stressed upon so that the employees can contribute their maximum to the achievement of the organisational objectives.
- Effective management of HR promotes team wok & team spirit among employees.
- It offers excellent growth opportunities to people who have the potential to rise.
- It also encourages people to work with diligence & commitment.

3. Importance for the society:-

Good HR efforts lead to productivity gains (ration of output to input) to the society, since it enables the managers to reduce costs, save scarce resources, enhance profits & offer better pay, benefits & working conditions to employees.

OBJECTIVES OF HRM

1) Societal Objectives :-

- To manage human resources in an ethical & socially responsible manner.
- To ensure compliance with legal & ethical standards.
- To minimise the negative impact of societal demands upon the organisation.

2) Organisational Objective:-

- HR department, like any other department in an organisation, should focus on achieving the goals of the organisation first. If it does not meet this purpose, the HR department cannot exist in the long run.
- HR department should recognise its role in bringing about organisational effectiveness.
- HRM is not an end in itself. It is only a means to assist the organisation with its primary objectives.

3) Functional Objectives:-

- To maintain the HRM departments contribution at a level appropriate to the organisation's needs. Resources are wasted when HRM is either more or less sophisticated to suit the organisation's demands.
- The department's level of service must be tailored to fit the organisation it serves.
- HRM should employ the skills & abilities of the workforce efficiently. It should aim at making the people's strength more productive & beneficial to the organisation.
- HRM should aim at providing the organisation with well trained & well motivated employees.

4) Personnel Objectives

- HRM should increase employees job satisfaction to the fullest extent.
- HRM should also meet the self actualisation needs of the employees. It should stimulate every employee to achieve his potential.
- HRM should assist the employees in achieving their personal goals, at least in so far as these goals enhance the individual's contribution to the organisation.
- HRM should develop & maintain a quality of work life. It makes employment in the organisation a desirable, personal & social situation. Organisational performance can never be improved without the quality of work life.
- The HRM should also communicate HR policies to all employees. It will help the HRM in tapping the ideas, opinions, feelings, & the views of the employees.

Evolution of HRM

HRM has evolved from the Personnel Management (which was the earstwhile management system to manage employees). Going back to the roots of evolution of personnel management the contributions of Psychologists and management experts such as Elton Mayo, F.W. Taylor and Robert Owen play a significant role.

Elton Mayo was the founder of the human relations movement in the 1920s. In the famous Hawthorne study, he measured the relationship between productivity and the work environment. He emphasized the influence of human relations on worker productivity.

Similarly, Robert Owen is considered to be the creator and initiator of reforms introduced for workers. He introduced the principle of "8 hours work per day" . Owen recognised the importance of improving working conditions in the workplace and its impact on worker productivity and efficiency.

Also worth mentioning is the contribution of Frederick W. Taylor. Taylor has developed a differentiated compensation system that rewards employees with higher performance levels , that are still used in the company. He promoted Scientific Management through fours principles:

- Evaluate a task by dissecting its components;
- Select employees that had appropriate skills for a task;
- Provide workers with inventives and training to do a task; and

- Use science to plan how workers perform their jobs.

Human Resources Approach: However, at some stage in early 60s the "pet milk principle", (advocating that happy workers are productive workers or happy cows provide extra milk) of human relationists have been largely rejected. Recognising the truth that workers are unique in their personal wayhaving individual needs. Every employee is a unique and surprisingly individual wishes. It was considered that each worker is a completely unique and highly complex character with exceptional desires and values. What motivates one worker won't encourage any other and being satisfied or feeling appropriate may additionally have very little effect on the productiveness of positive personnel. Slowly however steadily, the trend closer to treating employees as resources or assets emerged. The contribution of behavioural science to management practice consists primarily of producing new insights in place of new strategies. It has advanced and extended right into a useful way of thinking, about the position Introduction to Human Resource Management 10 of the supervisor, the nature of businesses and the behaviour of an individual inside an business enterprise.Let us look into these trends more closely by examing the transformation of personnel management to HRM from one stage to another by understanding its differences and stages of development.

Stages of Development of HRM:

Modern concept of HRM has developed through the following stages (Gupta, 1997).

a) The Commodity Concept: Before industrial revolution, the guild system was the beginning of personnel management. Guild was a closely knit group concerned with selecting, training, rewarding and maintaining workers. Labour began to be considered a commodity to be bought and sold.

b) The Factor of Production Concept: Employees were considered a factor of production just like land, materials, machinery. Taylor's scientific management stressed proper selection and training of employees so as to maximise productivity.

c) The Paternalistic Concept: Employees organised together on the basis of their common interest and formed trade unions to improve. Also employers began to provide schemes to workers. Employers assured a fatherly and protective attitude towards their employees.

d) The Humanitarian Concept: It is based on the belief that employees had certain inalienable rights as human beings and it is the duty of the employer to protect. Rather social and psychological satisfaction was equally important. in human

problems of work place. This is also known as Hawthorne Experiments of Douglas McGregor also generated considerable interest human relations concept.

e) The Behavioural Human Resource Concept: It aimed at analysing and understanding human behaviour in organisation. Motivation, group dynamics, organisational climate, organisational conflict etc. became popular under this concept. Employees began to be considered as valuable assets of an organisation. Efforts were made to integrate employee with the organisation so that organisational goals and employees aspirations could be achieved simultaneously. Focus shifted towards management practices like two way communication, management by objectives, role of informal groups, quality circles etc.

f) The Emerging Concept: Now employers are considered as partners in industry. They are given share in company's stock membership. Slowly and steadily, HRM is emerging as a discipline.

Evolution of Human Resource Management in India!

In Western countries Human Resource Management (HRM) had its primitive beginning in 1930s. Not much thought was given on this subject in particular and no written records or document existed on this subject even as a philosophy in the Western ancient literature.

The philosophy of managing human being, as a concept was found developed in ancient literatures in general in Indian philosophy in particular.

In the ancient times, the labourers were looked down upon. It was considered menial to work for a livelihood. But gradually the factory system came into existence and later industrialisation followed by urbanisation.

This led to a greater emphasis on' labour management'. Earlier it was known as 'Personnel Management', then 'Human Resource Management' and in recent times as ' Human Resource Development'.

In 'Personnel Management', the employees were treated as mere labourers who required constant supervision. The human element was not given due importance. Later Elton Mayo's "Hawathorne Experiments' gave rise to "Human Resource Management'. Here the 'Human element' was emphasized.

The workers were treated not merely as "cogs in the machine" but as human beings, as individuals and as a social being. In HRM, the main aim was to encourage and motivate the employees to identify their capabilities and use them efficiently.

But the buzz word today is 'Human Resource Development'. Unlike HRM, here the main objective is not just identifying an individual employee's existing potentials but also those capabilities innate in him. HRD aims at bringing out the hidden potentials of an employee and help him develop as an individual.

The evolution of HRM in India can be shown briefly in the following Table.

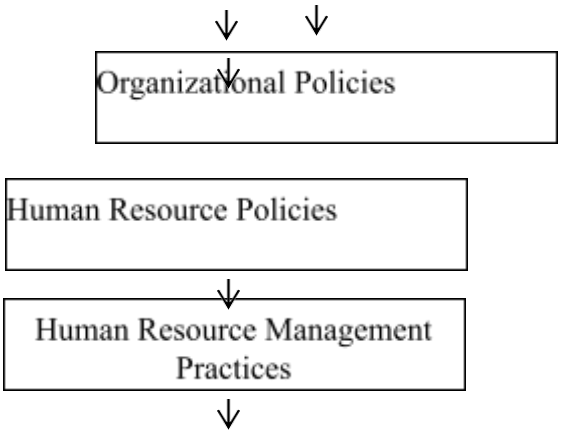
Table: Evolution of HRM in India:

Period	**Development Status**	**Outlook**	**Emphasis**	**Status**
1920s to1930s	Beginning	Pragmatism of capitalists	Statutory welfare paternalism	Clerical
1940s to1960s	Struggling for recognition	Technical legalistic	Introduction of Techniques	Administrative
1970s	Achieving	Professional	Regulatory conforming imposition of	Managerial
1980s	Sophistication promising	Legalistic impersonal	Standards on other function	Managerial
1990s		Philosophical	Human values, productivity through people	Executive

ORGANIZATIONAL PHILOSOPHY AND VISION

The starting point for HRM is to define philosophical orientation which helps in defining visionary long – term concepts of organization its mission, policies as shown in figure 1.





Organizational Philosophy and Vision

The Key terms in this linkage that require our attention are philosophy, Vision, mission, and policies which may be arranged in a hierarchy, and which ultimately determine various organizational practice including HRM practices.

HR PHILOSOPHY

HR Philosophy, also known as Human Resources Philosophy, refers to the set of guiding principles and beliefs that an organization adopts to manage its human capital effectively. It lays the foundation for HR practices, policies, and strategies that align with the company's mission, values, and overall business objectives. A well-defined HR philosophy helps create a positive work environment, enhances employee engagement, and fosters a culture of trust, collaboration, and growth.

Key Components of HR Philosophy:

1. **Employee-Centric Approach:** At the core of HR philosophy lies a focus on the well-being, development, and empowerment of employees. It recognizes that employees are the most valuable asset of an organization and aims to create an environment where they can thrive both professionally and personally.
2. **Diversity and Inclusion:** A progressive HR philosophy embraces diversity and inclusion, valuing the unique perspectives and contributions of individuals from different backgrounds, cultures, genders, and abilities. It ensures that the workplace is equitable, free from discrimination, and promotes equal opportunities for all.
3. **Performance and Meritocracy:** A performance-driven HR philosophy emphasizes the importance of recognizing and rewarding employees based on their

contributions, skills, and achievements. It encourages a meritocratic culture where promotions and career growth are tied to performance.
4. **Learning and Development:** Continuous learning and skill development are integral to a strong HR philosophy. It fosters a culture of learning, offering employees opportunities to acquire new skills, stay relevant in their roles, and grow within the organization.
5. **Open Communication:** Transparent and open communication is essential for a successful HR philosophy. It encourages honest feedback, fosters trust between employees and management, and helps address concerns promptly.
6. **Work-Life Balance:** A supportive HR philosophy acknowledges the importance of work-life balance and promotes policies and practices that enable employees to maintain a healthy equilibrium between work and personal life.
7. **Adaptability and Agility:** In a dynamic business environment, an HR philosophy that embraces adaptability and agility is crucial. It allows the organization to respond effectively to changing market conditions and evolving employee needs.
8. **Ethical and Responsible Practices:** Upholding ethical standards and responsible business practices is a fundamental aspect of HR philosophy. It ensures that the organization operates with integrity and respects the rights of its employees and stakeholders.

Implementation of HR Philosophy:

Developing and implementing an HR philosophy involves collaboration between HR professionals, top management, and other stakeholders. The following steps can help bring the HR philosophy to life:

1. **Defining Core Values:** Identify the core values that the organization wishes to promote and align its HR practices accordingly. Ensure that these values are communicated clearly to all employees.
2. **Integrating with Business Strategy:** Integrate the HR philosophy with the overall business strategy to ensure that HR initiatives contribute to achieving organizational goals.
3. **Employee Engagement:** Involve employees in the process of shaping the HR philosophy, seeking their feedback, and understanding their needs and expectations.
4. **Training and Development:** Provide HR professionals and managers with the necessary training to implement the HR philosophy effectively.
5. **Communication and Feedback:** Regularly communicate the HR philosophy to all employees and encourage feedback to assess its impact and make improvements.

A well-crafted HR philosophy serves as a compass, guiding an organization in its journey to build a thriving and engaged workforce. By aligning HR practices with the company's values and objectives, organizations can foster a culture of inclusivity,

performance, and continuous improvement, creating a competitive advantage and ensuring long-term success in a rapidly changing business landscape.

Example:

The human resource philosophy of ITC company is based on the seven cardinal beliefs

1. Self-Managing Resource

We believe that the human being is a fundamentally different and unique resource in that he/she is simultaneously a source, a resource and the end of all economic and social activity. He is the means as well the purpose. He is capable, willing and in the normal course of evolution, developing.

2. Potential

We believe in the inherent potential of people. There are different kinds and degrees of potential which can be developed and utilized in the context of task challenges, responsibility and commitment.

3. Limitations

We believe that any apparent limitations in people are the results of a variety of circumstances and factors, and can be overcome with support, awareness and correction following which, the potential has a chance to flower again.

4. Quality of Work Life

We believe that ITC as a business institution can provide a high quality of work life for all its members .Through opportunities for a meaningful carrier, Job satisfaction and professional. Through this, ITC members will contribute to quality of life in the interface with society

5. Meritocraci

We believe that people accept meritocracy as a just and equitable system and contribute best under conditions of open opportunities and challengers and different rewards commensurate with performance.

6. Membership

We believe that people can blend harmoniously the components in there membership of ITC. Namely, leadership, fellowship, and peer ship.

7. Actualisation

We believe that the design, implementation, and update of human resource management systems, enhancement of skills and creation of an enabling climate will facilitate the self- actualization of us as individuals and of

ITC as a valued business institution.

HR policies

ACCORDING TO KOTLER

"Polices define how the company will deal with stakeholders. Employees, Customers, suppliers, distributors, and other important group employees act consistently on important issues"

OBJECTIVES

A policy in any area has two objectives: general objectives and specific objectives.

- the statement of general objectives should express organizational approach towards the particular area or function, that is human resources underlying their importance and role in achieving organizational objectives on a long-term basis.
- The specific objectives are related to the specific activities of that area, that is recruitment, development, appraisal, human resource mobility, incentive systems, industrial relations, etc,

Various HR policies must be seen in this context and should aim at:

1. To enable the organization to have adequate, competent, and trained personnel at all levels;
2. To provide such conditions of employment that enable the personnel to develop a sincere sense of unity with the organization and to carry out their duties in the most willing and effective manner;
3. To provide and create a sense of responsibilities on the part of those who directly deal with human resources to adopt a humanistic approach with a guaranteed protection of the fundamental rights of the employees and their dignity;
4. To develop conditions for mutual trust and cooperation between those who manage and those who are managed at all levels of the organization; and
5. To establish conditions for developing personnel and utilization of their full potential for their own benefits as well as for the benefits of the organization.

Overall HR policy

The overall HR policy defines how the organization fulfils its social responsibilities to its employees and sets out its attitudes towards them. It is an expression of its values or beliefs about how people should be treated.

Values expressed in overall HR policy

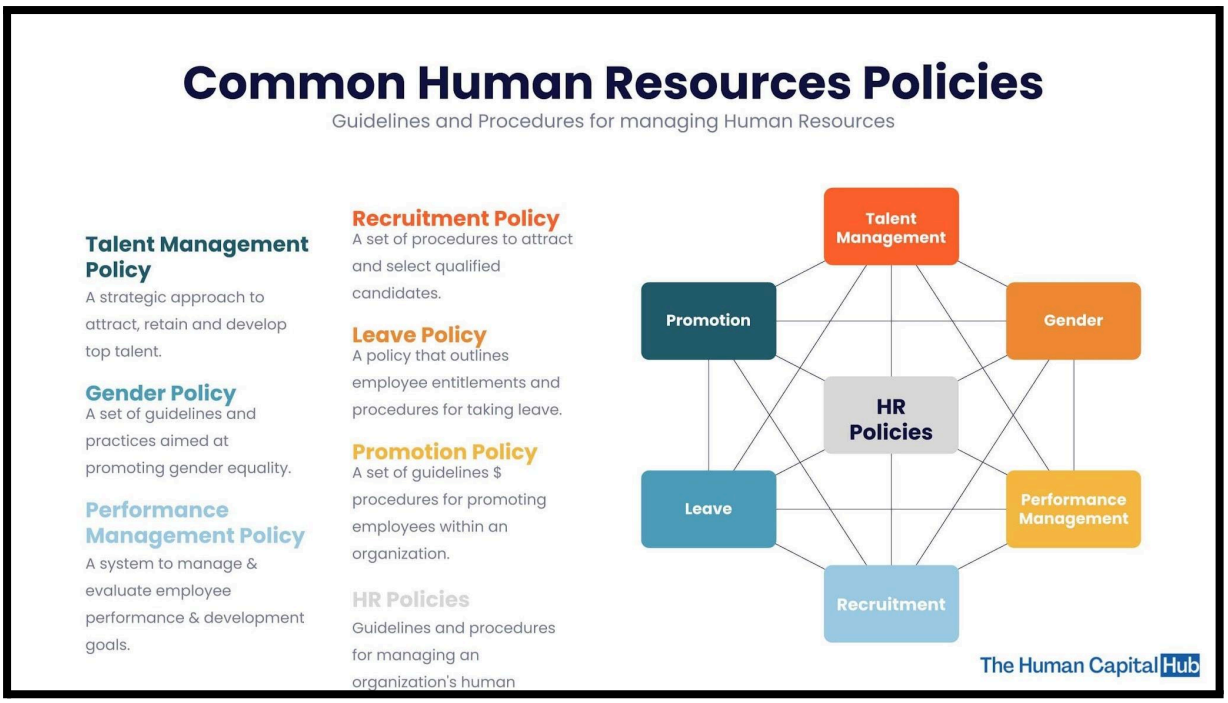
- Equity – treating employees fairly and justly by adopting an 'even-handed' approach. This includes protecting individuals from any unfair decisions made by their managers, providing equal opportunities for employment and promo- tion, and operating an equitable payment system.
- Consideration – taking account of individual circumstances when making deci- sions that affect the prospects, security or self-respect of employees.
- Organizational learning – a belief in the need to promote the learning and devel- opment of all the members of the organization by providing the processes and support required.
- Performance through people – the importance attached to developing a per- formance culture and to continuous improvement; the significance of perform- ance management as a means of defining and agreeing mutual expectations; the provision of fair feedback to people on how well they are performing.
- Quality of working life – consciously and continually aiming to improve the quality of working life. This involves increasing the sense of satisfaction people obtain from their work by, so far as possible, reducing monotony, increasing variety, autonomy and responsibility, avoiding placing people under too much stress and providing for an acceptable balance between work and life outside work.
- Working conditions – providing healthy, safe and, so far as practicable, pleasant working conditions.

Specific HR policies

The most common areas in which specific HR policies exist are age and employment, AIDS, bullying, discipline, e-mails and the internet, employee development, employee relations, employee voice, employment, equal opportunity, grievances, health and safety, managing diversity, promotion,

redundancy, reward, sexual harassment, substance abuse and work–life balance.

1.Car Lease Policy
2. Employment Contracts
3. Code of Conduct
4. Employee Wages
5. Menstrual Leave Policy
6. Gratuity Policy
7. Employee Provident Fund
8. Leave Policy
9. Sexual Harassment in The Workplace Policy
10. Maternity and Paternity Leave Policy
11. Termination of Employment Policy
12. Adaptive Work Culture Policy
13. Communications Policy
14. Nondiscrimination Policy
15. Dress Code Policy
16. Probation and Confirmation Policy
17. Work from Home Policy
18. Grievance Policy
19. Awards and Recognition Policy
20. Travel Policy
21. Performance Management and Appraisal
22. Hiring Policy



HR Policy in India

HR policy in India define the process through which employers and employees can work together to achieve the company's goal.

Working hours

The working hour policies must be made according to the labour laws of India and must state the working hours and timing policy of the company. It should include the working hours, additional hours of work, lateness of work, and overtime benefits. According to the new labour code, the daily working hours are restricted to 12 hours and 48 hours a week. This also opens a door for 4 day working week for the Indian employees. Across all industries, the overtime working hours have been increased from 50 hours to 125 hours.

Code of conduct

The code of conduct comprises the company's work regulations and rules that every employee should abide by. This helps to promote and maintain a healthy working environment for workers. This HR policy for a private limited company in India informs the workers about the policies of behaviour and how to maintain discipline. Code of conduct includes equal rights policy, technology usage policy, conflict of interest, media policy, clothing codes, and working environment policy. This also contains information about the process to report a breach of the code of conduct.

Leave policy

Every company in India should have a good leave policy to provide a clear picture of the leaves an employee is entitled to. Company HR policy of leaves should describe the paid leaves and unpaid leaves (as applicable). Paid leaves comprise sick leaves, casual leaves, national and public holidays, as well as maternity and paternity leaves. According to the law, a pregnant working woman is entitled to 26 weeks of paid leaves and 12 weeks of unpaid leaves. HR policy for a private limited company in India should include unpaid leave and explicit guidelines for pay cuts for late arrivals and half days. Employees in India are entitled to paid holidays per week.

Interpersonal relationships

Company HR policy in India should highlight the rules of interpersonal relationships. These HR policies should explain the rules of business interaction between employers and employees. These policies must define the roles of the employees in different posts. This is important to hold someone in a supervisory position accountable for the way they affect other employees. It determines the ability of a person to affect other employees during and after office hours.

Wage management and appraisal

One of the key areas of employee management is payroll. Employee pay is covered under government acts. Thus, a company's payroll should adhere to the wage law and offer competitive compensation to the employees. Also, the company's HR policy should focus on performance management and appraisal. This should set up a fair process of appraisal cycle for every employee. This policy should enable employees to discuss their performance and necessary training, counseling, and verbal, and written warnings.

Flexible work culture policy

Companies across the world have seen a dramatic shift in work culture during the pandemic. Most companies were compelled to adopt the work-from-home culture. Today, employees are looking for more flexibility to choose their work location or workplace. Thus, a flexible work culture HR policy in India is needed to look after the well-being of the employees. This policy should frame proper rules and structures to manage remote workers. This will create guidelines for employees to follow while working from different locations.

Employment contract

In India, it is a must for employers to file proper documentation for the employees going to work in the company. As per the employment law, it is essential to file proper documentation. A proper contract help to navigate through the complex employment framework. This employment contract must contain information about the time of probation and the probation assessment procedures. It should inform the

employees about the rules that are in place for them to become eligible as permanent employees. This contract should also explain the employment termination rules and conditions. This HR policy in India will assist HR in either terminating an employee or processing a resignation.

Sexual Harassment Policy

The Indian government has laid strict laws to protect women against sexual harassment in the workplace. Every company having more than 10 workers must set up an internal complaints committee. According to The Sexual Harassment Act, 2013, a company HR policy must have a sound sexual harassment policy to address and resolve the complaints from women employees. Also, a grievance redressal system should be in place to resolve complaints of job harassment, employee discourse, or other issues faced by an employee. Thus the HR policy in India should establish a Grievance Redressal Committee.

Employee provident fund

HR policy for a private limited company in India must abide by the Employees provident fund Act, 1947. Every employer is responsible to set a provident fund account for each employee. This fund provides income security to the employees. It provides many benefits to the employees like housing, medical care, education, and retirement pension. All Indian employers having more than 10 employees are liable to pay provident funds to the employees. Also, a company HR policy provides gratuity to the employees who have worked for 5 years in a row. According to the Payment of Gratuity Act, 1972, companies are required to pay gratuities to eligible employees.

Intellectual property

Employees have access to the company's confidential information. Non-disclosure of this confidential information is an essential HR policy for a private limited company in India. Most companies mention in the employee contract if they want the employee to sign a non-disclosure agreement. If the employee signs the non-disclosure agreement then they should abide by it and should not pass the confidential information to anyone. Breaching the NDA can have serious implications on the employees.

India's employment framework is complex. Thus, a strong company HR policy lays the foundation for any company in India. Employees are the most important asset of a company and thus regulations for managing them are of utmost importance. A sound HR policy not only provides a sensible working environment but also provides ample opportunity for growth and development. HR policy helps you to avoid errors and bad decision-making. Employee retention, enhanced loyalty, improved employee engagement, and productivity are the rewards of a good HR policy. A good HR policy

is the amalgamation of the company's objectives and work ethics, with employee welfare. It empowers the employees, managers, supervisors and leaders to make a decision with confidence to achieve the goals of the company

HR Procedures and HR Practices:

Human Resources (HR) is a critical function within any organization, responsible for managing the most valuable asset: the employees. For MBA students aspiring to pursue a career in HR management, understanding the key HR procedures and practices is essential. This comprehensive guide provides an overview of HR procedures and practices, equipping MBA students with the knowledge and skills necessary to excel in the field.

1. Recruitment and Selection:

The recruitment and selection process is the foundation of HR management. HR professionals are involved in attracting, identifying, and hiring the right talent for the organization. This process includes:

- Job Analysis: Conducting a thorough analysis of job roles, responsibilities, and qualifications to develop accurate job descriptions and job specifications.
- Sourcing Candidates: Utilizing various channels such as job portals, social media, employee referrals, and campus recruitment to find potential candidates.
- Screening and Interviewing: Reviewing applications, conducting initial screening, and arranging interviews to assess candidates' suitability for the job.
- Assessment and Evaluation: Using various tools like aptitude tests, personality assessments, and case studies to evaluate candidates' skills and fit with the organizational culture.
- Offer and Onboarding: Extending job offers to successful candidates and ensuring a smooth onboarding process to integrate new hires into the organization.

2. Employee Training and Development:

HR professionals play a crucial role in fostering continuous learning and development within the organization. Employee training and development practices include:

- Training Needs Analysis: Identifying skill gaps and training needs through performance appraisals, feedback, and assessments.
- Designing Training Programs: Developing training modules and workshops to address specific learning requirements.

- Implementation: Conducting training sessions, workshops, and e-learning programs to enhance employee skills and competencies.
- Evaluating Training Effectiveness: Assessing the impact of training initiatives on employee performance and the organization's overall goals.

3. Performance Management:

Performance management aims to align individual and team goals with organizational objectives. HR procedures related to performance management include:

- Goal Setting: Collaborating with employees and managers to set SMART (Specific, Measurable, Achievable, Relevant, and Time-bound) goals.
- Regular Feedback: Encouraging continuous feedback and coaching to support employee growth and development.
- Performance Appraisals: Conducting formal performance reviews to evaluate employees' achievements and provide constructive feedback.
- Performance Improvement Plans: Addressing performance issues and developing improvement plans to help employees meet expectations.

4. Employee Engagement and Motivation:

Employee engagement and motivation are essential for productivity and job satisfaction. HR practices to enhance engagement include:

- Employee Surveys: Conducting engagement surveys to assess employee satisfaction, identify concerns, and gather feedback.
- Recognition and Rewards: Implementing recognition programs to acknowledge and reward exceptional employee contributions.
- Employee Well-being: Promoting work-life balance and well-being through wellness initiatives and support programs.

5. Compensation and Benefits:

HR procedures related to compensation and benefits aim to ensure fair and competitive remuneration for employees. This includes:

- Salary Benchmarking: Conducting market research to determine competitive salary ranges for different job roles.
- Salary Negotiation: Collaborating with hiring managers and candidates to negotiate compensation packages.

- Benefits Administration: Managing employee benefits, such as health insurance, retirement plans, and leave policies.

6. Employee Relations:

HR professionals play a vital role in fostering positive employee relations within the organization. HR procedures in this area include:

- Conflict Resolution: Addressing employee grievances and conflicts to maintain a harmonious work environment.
- Employee Communication: Facilitating transparent and open communication channels between management and employees.
- Employee Feedback Mechanisms: Establishing mechanisms for employees to provide feedback, suggestions, and concerns.

7. Legal Compliance:

HR procedures also involve ensuring compliance with labor laws and regulations. HR professionals must be aware of relevant legal requirements and work towards adherence.

8. Talent Management and Succession Planning:

Talent management focuses on identifying and developing high-potential employees to assume leadership roles in the future. HR practices in this area include:

- Succession Planning: Identifying and grooming employees with leadership potential for future roles.
- Career Development: Providing career development opportunities and growth paths to retain top talent.

HR procedures and practices form the backbone of effective HR management, and they have a profound impact on an organization's success. For MBA students aspiring to pursue careers in HR, understanding these fundamental aspects is crucial. By mastering recruitment and selection, employee training and development, performance management, employee engagement, compensation, and benefits, employee relations, legal compliance, talent management, and succession planning, MBA students can become valuable HR professionals capable of driving positive change within organizations. Equipped with this knowledge, they can build successful HR careers and contribute to creating a motivated, engaged, and productive workforce.