

## 10. Elements of Personnel Management

**1. Personnel management** can be defined as obtaining, using and maintaining a satisfied workforce. It is a significant part of management concerned with employees at work and with their relationship within the organization. According to Flippo, “Personnel management is the planning, organizing, compensation, integration and maintenance of people for the purpose of contributing to organizational, individual and societal goals.” According to Brech, “Personnel Management is that part which is primarily concerned with human resource of organization.”

### Nature of Personnel Management

Personnel management includes the function of employment, development and compensation- These functions are performed primarily by the personnel management in consultation with other departments. Personnel management is an extension to general management. It is concerned with promoting and stimulating competent work force to make their fullest contribution to the concern.

Personnel management exists to advice and assists the line managers in personnel matters. Therefore, personnel department is a staff department of an organization. Personnel management lays emphasize on action rather than making lengthy schedules, plans, and work methods. The problems and grievances of people at work can be solved more effectively through rationale personnel policies. It is based on human orientation. It tries to help the workers to develop their potential fully to the concern. It also motivates the employees through its effective incentive plans so that the employees provide fullest co-operation. Personnel management deals with human resources of a concern. In context to human resources, it manages both individual as well as blue- collar workers.

### Role of Personnel Manager

Personnel manager is the head of personnel department. He performs both managerial and operative functions of management. Personnel manager **provides assistance** to top management- The top management are the people who decide and frame the primary policies of the concern. All kinds of policies related to personnel or workforce can be framed out effectively by the personnel manager. His role can be summarized as:

- **Planning** – this involves formulating the future course of action. Planning includes determining in advance the personnel programs and changes required that would contribute to the achievement of organizational goals.

- Organizing – it involves establishing an intentional structure of roles for people in an organization. Structural considerations such as the chain of command, division of labor, and assignment of responsibility are party of the organizing function. The organizing function establishes relationships among employees so that they can contribute collectively towards the attainment of an organization's goals.
- Staffing – This is the process of obtaining and maintaining capable and competent personnel in various positions at all levels. It broadly encompasses manpower planning, recruitment, placement, induction and orientation, transfer, career progression, promotion and separation.
- Directing – it involves directing all the available resources towards the common organizational goals. Thus, direction is a vital management function, which ensures maximum employee contribution and also helps in establishing sound industrial and human relations. It also involves coordination between different departments.
- He advises the line manager as a staff specialist- Personnel manager acts like a staff advisor and assists the line managers in dealing with various personnel matters.
- As a counselor,- As a counselor, personnel manager attends problems and grievances of employees and guides them. He tries to solve them in best of his capacity.
- Personnel manager acts as a mediator- He is a linking pin between management and workers.
- He acts as a spokesman- Since he is in direct contact with the employees, he is required to act as representative of organization in committees appointed by government. He represents company in training programs.

## 2. Following are the elements of Personnel Management:

**Organization-** Organization is said to be the framework of many activities taking place in view of goals available in a concern. An organization can be called as a physical framework of various interrelated activities. Right from manpower planning to employees' maintenance, all activities take place within this framework. The nature of the organization is dependent upon its goal-profit-making.

Clubs, hospitals, schools, etc. their goal is service. The objective of consultancy is providing sound advice. Therefore, it is organizational structure on which the achievement of goals of an enterprise depends upon.

In personnel management, a manager has to therefore understand the importance of organizational structure.

**Job-** The second element, i.e., jobs tells us the activities to be performed in the organization. It is said that the goals of an enterprise can be achieved only through the functional department in it. Therefore, seeing the size of organization today, the nature of activities is changing. In addition to the three primary departments, personnel and research department are new additions. Various types of jobs available are:

- Physical jobs
- Creative jobs
- Proficiency jobs
- Intellectual jobs
- Consultancy jobs
- Technical jobs

**3. People-** The last and foremost element in personnel management is people. In a organizational structure, where the main aim is to achieve the goals, the presence of manpower becomes vital. Therefore, in order to achieve departmental goals, different kinds of people with different skills are appointed. People form the most important element of the organization without them structure is meaningless. It helps to achieve the goals of the enterprise.

**People**

- help in manning the functional areas.
- help in achieving the functional departmental goals.
- people make a concern operational.
- people give life to a physical organization.

The different types of people which are generally required in a concern are:

- Physically fit people
- Creative people
- Intellectuals
- Technical people
- Proficient and skilled people

In personnel management, a personnel manager has to understand the relationship of the three elements and their importance in organization. He has to understand basically three relationships:-

Relationship between organization and job

Relationship between job and people

Relationship between people and organization

Relationship between organization and job helps making a job effective and significant. Relationship between job and people makes the job itself important. Relationship between people and organization gives due importance to organizational structure and the role of people in it.

#### **4. Personnel Records**

Vital to Personnel Management are its records of employees. Personnel Records are records pertaining to employees of an organization. These records are accumulated, factual and comprehensive information related to concern records and detained. All information with effect to Personnel Management in the organization is kept in a systematic order. Such records are helpful to a manager in various decision-making areas.

Personnel records are maintained for formulating and reviewing personnel policies and procedures. Complete details about all employees are maintained in personnel records, such as, name, date of birth, marital status, academic qualifications, professional qualifications, previous employment details, etc.

#### **Types of Personnel Records**

1. Records of employment contain applicants past records, list sources, employee's progress, medical reports, etc.
2. Wages and salaries records contain pay roll records, methods of wages and salaries, leave records, turnover records and other benefit records.
3. Training and development contains appraisal reports, transfer cases, training schedule, training methods.
4. Health and safety records include sickness reports, safety provisions, medical history, insurance reports, etc.

5. Service Records are the essential records containing bio-data, residential and family information, academic qualifications, marital status, past address and employment records.

### **Purposes of Personnel Records**

According to the critics of personnel records, this system is called as wastage of time and money. Dale Yoder, an economist of Michigan University, USA has justified the significance of personnel records after making an in-depth study.

1. It helps to supply crucial information to managers regarding the employees.
2. To keep an update record of leaves, lockouts, transfers, turnover, etc. of the employees.
3. It helps the managers in framing various training and development programs on the basis of present scenario.
4. It helps the government organizations to gather data in respect to rate of turnover, rate of absenteeism and other personnel matters.
5. It helps the managers to make salary revisions, allowances and other benefits related to salaries.
6. It also helps the researchers to carry in- depth study with respect to industrial relations and goodwill of the firm in the market.

Therefore, personnel records are really vital for an organization and are not a wasteful exercise.