

Importance of Human Resource Management (HRM)

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The management of all industrial enterprises endeavour to utilize resources comprising of raw-materials, man-power, machinery, adopt modern manufacturing techniques, manage all activities efficiently to achieve optimum results, market the products at competitive prices and ensure a fair margin of return on the investment. Thus, they ensure success of their companies and survival in business. Man-power is an important resource and needs to be managed scientifically and efficiently.

Dr. Farooq-E-Azam Cheema, chief consultant of 'Strategic HR Promotion, Karachi' Visited Textile Institute of Pakistan on 12th August, 2009, delivered an interesting and informative lecture on Human Resource Management (HRM) which is briefly reported as follows:-

1. Status of HRM in Pakistan

Uptil the year 2000 traditional and conventional approach formed the basis of HRM in Pakistan as reported below:-

a. Clarks of works approach

The clerks of works approach was mainly concerned with routine personal file keeping, dealings with Trade Unions and maintenance of Industrial Relations.

b. Personnel management approach

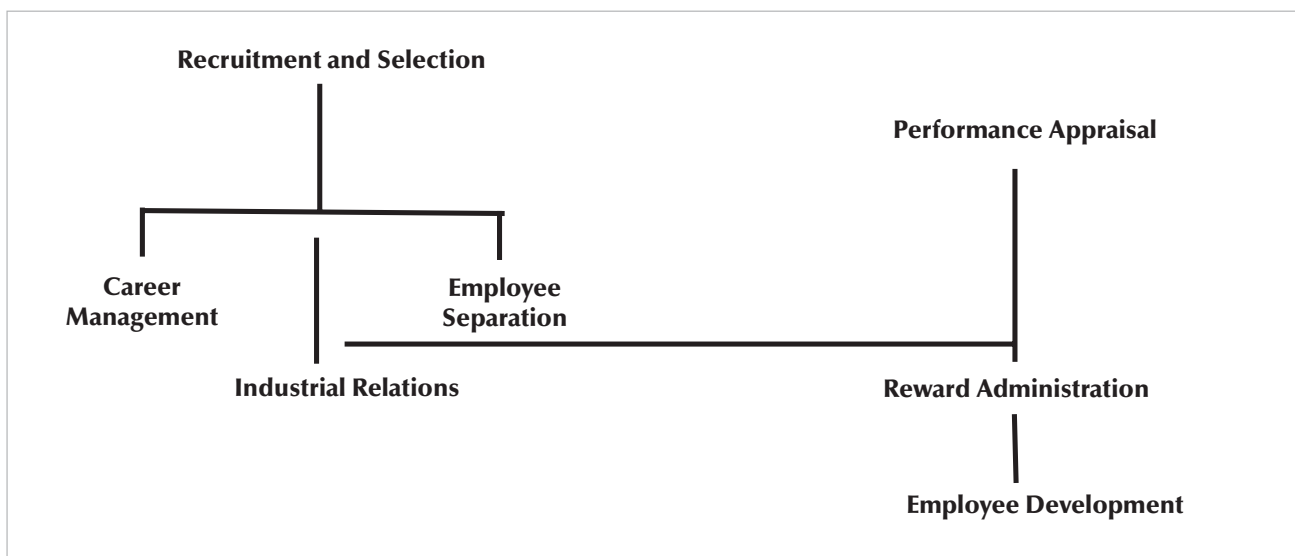
The Personnel Management Approach was mainly concerned with negotiations between Employer and Trade Unions.

2. HR policy and procedure manual

After the year 2000 the HRM approach has changed significantly. It is now based on, "Maintenance of HR Policy and Procedure Manual." Main concerns of this approach are listed below:

- ❖ Job descriptions.
- ❖ Person specification.
- ❖ Demand for work force.
- ❖ HR planning.

The aforesaid approach is illustrated as a chart given as under:



3. HRM inadequately practiced

Dr. Cheema discussed the causes of inadequately practiced HRM in our local environments in general as follows:-

- ❖ Lack of commitment to HRM among owners and senior managements.
- ❖ Top managements do not believe that HRM System is really required for the purposes it claims to achieve, i.e., attracting quality employees, developing them for future and retaining them with the organisation.
- ❖ HRM system is not required because our's is Employer's Market.
- ❖ Almost all HRM functions wield a lot of power within them.
- ❖ Formulating the binding policies means ceding the vital powers to HRM professionals which is not acceptable to the top managements especially the owners and managers.

Some of the other reasons are listed below:

- ❖ Pakistani employer prefers to deal with employees on one to one basis.
- ❖ In the short run HRM practices incur cost without any tangible monetary return. This is usually unacceptable to Employers seeking quick return on investment.
- ❖ HRM is a staff function with only an indirect role in productivity and this compromises its first hand imperativeness.
- ❖ Non – abidance of Labour Laws.
- ❖ Lack of expertise and proven knowledge on the part of HRM practitioner.
- ❖ In general HRM practitioners are unable to convince the Employers regarding long term benefits of the formal HRM practices for the business
- ❖ They are unable to prepare and implement a credible HRM System within their organisations. The end result is that HRM functions are assigned to the Line Managers, are practiced informally and lose their identity.

At the end of the Lecture Dr. Cheema answered questions raised by some of the faculty members of the TIP. Mr. Umair Saeed, Academic Coordinator of TIP thanked Dr. Cheema for sparing his time and delivering an interesting lecture on HRM Systems. ♦