

Human resource management

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Human resource management (**HRM** or simply **HR**) is the [management](#) of [human resources](#). It is a function in organizations designed to maximize [employee performance](#) in service of an employer's strategic objectives.^[1] HR is primarily concerned with the management of people within organizations, focusing on [policies](#) and on [systems](#).^[2] HR departments and units in organizations typically undertake a number of activities, including [employee benefits](#) design, [employee recruitment](#), "[training and development](#)", [performance appraisal](#), and rewarding (e.g., managing pay and benefit systems).^[3] HR also concerns itself with organizational change and [industrial relations](#), that is, the balancing of organizational practices with requirements arising from collective bargaining and from governmental laws.^[4]

HR is a product of the [human relations movement](#) of the early 20th century, when researchers began documenting ways of creating [business value](#) through the [strategic management](#) of the workforce. The function was initially dominated by transactional work, such as [payroll](#) and [benefits](#) administration, but due to [globalization](#), company consolidation, technological advances, and further research, HR as of 2015 focuses on strategic initiatives like [mergers and acquisitions](#), [talent management](#), [succession planning](#), [industrial](#) and [labor relations](#), and [diversity](#) and [inclusion](#).

Human Resources is a business field focused on maximizing employee productivity. Human Resources professionals manage the human capital of an organization and focus on implementing policies and processes. They can be specialists focusing in on recruiting, training, employee relations or benefits. Recruiting specialists are in charge of finding and hiring top talent. Training and development professionals ensure that employees are trained and have continuous development. This is done through training programs, performance evaluations and reward programs. Employee relations deals with concerns of employees when policies are broken, such as harassment or discrimination. Someone in benefits develops compensation structures, family leave programs, discounts and other benefits that employees can get. On the other side of the field are Human Resources Generalists or Business Partners. These human resources professionals could work in all areas or be labor relations representatives working with unionized employees.

In [startup companies](#), trained professionals may perform HR duties. In larger companies, an entire functional group is typically dedicated to the discipline, with staff specializing in various HR tasks and functional leadership engaging in strategic decision-making across the [business](#). To train practitioners for the profession, institutions of higher education, professional associations, and companies themselves have established programs of study dedicated explicitly to the duties of the function. Academic and practitioner organizations likewise seek to engage and further the field of HR, as evidenced by several field-specific publications. HR is also a field of research study that is popular within the fields of management and [industrial/organizational psychology](#), with research articles appearing in a number of academic journals, including those mentioned later in this article.

Businesses are moving globally and forming more diverse teams. It is the role of human resources to make sure that these teams can function and people are able to communicate cross culturally and across borders. Due to changes in business, current topics in human resources are diversity and inclusion as well as using technology to advance [employee engagement](#). In the current global work environment, most companies focus on lowering [employee turnover](#) and on retaining the talent and knowledge held by their workforce.^[*citation needed*] New hiring not only entails a high cost but also increases the risk of a newcomer not being able to replace the person who worked in a position before. HR departments strive to offer benefits that will appeal to workers, thus reducing the risk of losing corporate knowledge.

Human resource management core functions

According to Mondy, human resource management has six core functions which are:^[5]

- Staffing
- Human resource development
- Compensation and benefits
- Safety and health
- Employee and labor relations

Human resources management activities

A Human Resources Manager has several functions in an [organization](#):

- Determine needs of the staff.
- Determine to use temporary staff or hire employees to fill these needs.
- Recruit and train the best employees.
- Supervise the work.
- Harmonize relationship between company and workers.
- Manage employee relations, unions and collective bargaining.
- Prepare employee records and personal policies.
- Ensure high performance.
- Manage employee payroll, benefits and compensation.
- Ensure equal opportunities.
- Deal with discrimination.
- Deal with performance issues.
- Ensure that human resources practices conform to various regulations.
- Push the employee's motivation.
- Focus on individual who possess energy and capabilities to ensure the job done through people to achieve results.
- Managers need to develop their [interpersonal skills](#) to be effective. Organizations behavior focuses on how to improve factors that make organizations more effective.
- Focus on individual who possess energy and capabilities to ensure the job done through people to achieve results.

History

Antecedent theoretical developments

The Human Resources field evolved first in 18th century Europe from a simple idea by Robert Owen and Charles Babbage during the industrial revolution. These men knew that people were crucial to the success of an organization. They expressed that the wellbeing of employees led to perfect work. Without healthy workers, the organization would not survive.^[6] HR later emerged as a specific field in the early 20th century, influenced by Frederick Winslow Taylor (1856-1915). Taylor explored what he termed "scientific management" others later referred to "Taylorism", striving to improve economic efficiency in manufacturing jobs. He eventually keyed in on one of the principal inputs into the manufacturing process—labor—sparking inquiry into workforce productivity.^[7]

Meanwhile, in England [C S Myers](#), inspired by unexpected problems among soldiers which had alarmed generals and politicians in the First World War, set up a National Institute of Industrial Psychology,^[8] setting seeds for the [human relations movement](#), which on both sides of the Atlantic built on the research of [Elton Mayo](#) and others to document through the [Hawthorne studies](#) (1924-

1932) and others how stimuli, unrelated to financial compensation and working conditions, could yield more productive workers.⁹¹ Work by [Abraham Maslow](#) (1908-1970), [Kurt Lewin](#) (1890-1947), [Max Weber](#) (1864-1920), [Frederick Herzberg](#) (1923-2000), and [David McClelland](#) (1917-1998), forming the basis for studies in industrial and organizational psychology, [organizational behavior](#) and [organizational theory](#), was interpreted in such a way as to further claims of legitimacy for an applied discipline.