
UNIT 10 PERSONNEL OFFICE: FUNCTIONS AND OPERATIONS

Structure

- 10.0 Objectives
- 10.1 Introduction
- 10.2 Characteristics and Objectives of Personnel Management
- 10.3 Functions and Operations of Personnel Management
- 10.4 Organisation of a Personnel Office
- 10.5 Personnel Manager's Role
- 10.6 Position of Personnel Department in the Organisation
- 10.7 Let Us Sum Up
- 10.8 Clues to Answers

10.0 OBJECTIVES

After reading this Unit you will be able to:

- explain the concept of personnel management,
- describe the key characteristics of personnel management,
- identify the objectives of personnel management,
- List the various functions of personnel management,
- learn how a personnel office is organised,
- understand the various roles of a personnel manager and the skills required to be a successful personnel manager, and
- appreciate the necessity of a personnel department in an organisation.

10. INTRODUCTION

An organisation is formed for the fulfilment of certain objectives like earning a desired rate of profit on investment, exploitation of certain natural resources, development of a given geographical area, or supplying to the public some essential goods or services. Machines, materials, money and natural resources etc. are the tools used to achieve the organisational goals. But these tools are **operated** by persons at different levels with different skills. Thus, a proper selection of personnel, their tactful handling and proper **management** is essential for the success of any organisation. In the case of hospitality and hotel management this is not just essential but is the key for success because of the very nature of the services product.

However, this is the most **difficult** of all the management tasks in an organisation. Some people also say that 'management' means 'managing men tactfully'. Yet many organisations hardly pay any attention in this area, though they always keep **complaining** about not getting the properly trained employees. This is equally true in the case of hospitality organisations.

One often comes into contact with the personnel department of an organisation handling selection, placement, training, discipline, grievance handling, wage administration, dismissal, etc. However, there are certain aspects of the work of a personnel department which may not be very obvious. In this Unit an attempt has been made to familiarise you with various issues related to personnel management.

10.2 CHARACTERISTICS AND OBJECTIVES OF PERSONNEL MANAGEMENT

Personnel Management is known by various names over different periods of time. These are Personnel Administration, Labour Management, Industrial Relations, Employee Relations, Manpower Management, etc. Irrespective of the size of the organisation these functions exist in every firm and hospitality establishment are no exception. The manager who performs this function is also, likewise, called by various names, like Personnel Manager, Employee Relations Manager, Industrial Relations Manager, Labour Relations Manager, Labour Officer, Labour Welfare Officer, Personnel Officer, Employee Relations Officer and Industrial Relations Officer.

The following are the basic facts and characteristics of Personnel Management can be summed up as:

- 1) **It is concerned with employees:** Personnel Management is concerned with employees both as individuals and also as a group. Personnel Management is a function or activity aiding and directing **employees** in maximising their personal contribution and satisfaction in employment, bringing them an equitable, just and humane treatment, and adequate security from employment.
- 2) **It covers all levels of personnel:** It refers not only to unskilled or semi-skilled or, what you may call 'blue collared' employees, like doorman, housekeeping attendants, waiters and drivers etc. but also the 'white collared' employees, like professional and technical workers, managers, officials, clerical workers, sales workers, concierge, etc.
- 3) **It is inherent in all organisations:** It is as useful and effective in government departments and non-profit organisations as in a business organisation. Moreover, it covers all types of functional areas of management such as production management, financial management, marketing management, etc.
- 4) **It is of a continuous nature:** Personnel management requires constant alertness and awareness of human relations and their importance in everyday operations.
- 5) **It attempts at getting the willing cooperation of the people for the attainment of the desired goals:** This is necessary because work cannot be effectively performed in isolation without the promotion and development of an **esprit de corps**.

The objectives of Personnel Management are given below:

- 1) To achieve an **effective utilisation of human resources** for the achievement of organisation goals.
- 2) To **establish and maintain an adequate organisational structure and a desirable working relationship** among all the members of an organisation by dividing the organisational tasks into functions, positions, jobs and by defining the responsibility, accountability, authority for each job and its relation with other jobs/personnel in the organisation.
- 3) To **secure the integration of the individuals and groups** with the organisation by reconciling individual/group goals with those of an organisation in such a manner that the employees feel a sense of involvement, commitment and loyalty towards it. In its absence employees will face frictions, personal jealousies and rivalries.
- 4) To **generate maximum development of individuals/groups** within an organisation by providing opportunities for advancement to employees through training and on the job education or by offering transfers or by providing retraining facilities.
- 5) To **recognise and satisfy individual needs** and group goals by offering an adequate and equitable remuneration, economic and social security in the form of monetary compensation, and protection against such hazards of life as illness, old age, disability, death, unemployment etc. With adequate compensation and security, employees work willingly and cooperate to achieve an organisation's goals.

- 6) **To maintain high morale and better human relations** inside an organisation by sustaining and improving the conditions so that employees may stick to their jobs for a longer period.

Considering these objectives, you will perhaps agree that the objectives are in the best interests of all those to whom management is responsible i.e. owners of enterprise, the community, the consumers of its goods and services, and members of the organisation itself, including groups who may belong to unions.

For enabling the **Personnel** Manager to fulfil these objectives the top management has to create some conditions as the prerequisites. These are described below:

- 1) Existence of capable people in the organisation **picked** up on the basis of their merits and not on other considerations.
- 2) Plans for effective utilisation of efforts and potentialities of individuals and groups for appreciation of work well done and for future advancement and training.
- 3) Considering employees as co-workers rather than as subordinates.
- 4) A proper division of tasks of an organisation in accordance with a sound plan into functions and positions, each indicating a clear-cut authority, responsibility and duties as also relationship of one position with another. In the absence of such a division, chaotic conditions will prevail and no work will be done properly or even done at **all**.
- 5) The formulation of objectives must be formulated in consultation with senior persons in the organisation and common understanding among managers at all levels of the objectives. If the senior staff or personnel are not involved in the formulation of objectives they may not feel any real responsibility for achieving these. If managers at any level do not understand the objectives, they will not know why they are doing a given work, what is expected of them and as a result may not even do it properly.
- 6) The presence of clearly defined and comprehensive objectives and proper communication to **all** concerned. If objectives to all concerned are not clear and if people, who are expected to work for achieving these, do not know about these, they cannot be expected to achieve them.

10.3 FUNCTIONS AND OPERATIONS OF PERSONNEL MANAGEMENT

Personnel functions are generally divided into two categories, i.e. Managerial and Operational. In fact, these are two levels at which each function is to be performed. Each function is part of a management plan and has to be given practical shape at the operational level. This will be clear from **Chart-1** which shows various functions classified under the broad **functions** of management, viz., Planning, Organising, Staffing, Motivating and Controlling. It also gives objectives in relation to each, what may be called managerial function. Under each objective are given operations performed for achieving the objective concerned.

chart-1: Functions of Personnel Management

(A) PLANNING MANPOWER REQUIREMENT

Function:	Anticipating Vacancies
Objective:	To anticipate and provide for future openings.
Operations:	<ol style="list-style-type: none"> 1 Anticipating deaths, dismissals, retirements, and resignations 2 Anticipating future promotions 3 Anticipating future transfers 4 Estimating future vacancies from the above causes 5 Estimating additional future positions

- Function: Recruitment
- Objective: To seek and attract qualified applicants to fill vacancies
- Operations:
- 1 Preparing job analysis
 - 2 Preparing job specifications
 - 3 Analysing the sources of potential employees
 - 4 Attracting potential employees

(B) ORGANISING THE MANPOWER RESOURCES

- Function: Organisational Planning
- Objective: To determine the organisational structure and manpower needed to effectively meet the company objectives.
- Operations:
- 1 Analysing organisational structure
 - 2 Forecasting manpower requirements
 - 3 Recommending organisational changes
 - 4 Analysing key position requirements

- Function: Selection
- Objective: To analyse applicants' qualifications for determining their suitability
- Operations:
- 1 Preparing questionnaires
 - 2 Weeding out undesirables through analysis or questionnaires
 - 3 Interviewing the applicants
 - 4 Testing the applicants psychologically, where necessary
 - 5 Investigating their references
 - 6 Arranging medical examination, if necessary
 - 7 Evaluating the applicants and making the final selection

- Function: Classification of Employees
- Objective: To assign officially each employee to an appropriate position clearly **defined** regarding its responsibilities.
- Operations:
- 1 Preparing the job descriptions
 - 2 Assigning of proper title to each position
 - 3 Reviewing periodically the correctness of job descriptions

(C) STAFFING

- Function: Induction
- Objective: To ensure that new recruits are provided with appropriate training and information to enable them to perform their duties effectively.
- Operations:
- 1 Orienting new employees into their jobs
 - 2 Ascertaining training requirements of such employees to make them more competent for their jobs
 - 3 Providing facilities for their future education and development

- Function: Transfer and Promotion
- Objective: To provide for increasing the utilisation of the employee's capabilities
- Operations:
- 1 Continuously analysing job descriptions
 - 2 Evaluating employee qualifications
 - 3 Determining training requirements
 - 4 Promotion according to employee's development

- Function: Manpower Development
- Objective: To provide for the individual employee's development
- Operations:
- 1 Developing performance standards
 - 2 Appraising **performance**
 - 3 Planning individual development programmes

- Function: Training
- Objective: To arrange programmes as required for developing existing personnel
- Operations:
- 1 Planning and preparing training programmes
 - 2 Providing training staff and faculty resources
 - 3 Conducting the training programmes
 - 4 Evaluating the training results

(D) **MOTIVATING**

- Function: Rate Determination
- Objective: To set rupee values on job positions that are fair and equitable when compared with the other positions in the company as well as what prevails outside.
- Operations:
- 1 Analysing jobs and giving job descriptions
 - 2 Evaluating such jobs
 - 3 Developing wage scales

- Function: Recreation
- Objective: To provide facilities for employee's enjoyment of the job and make the company more attractive and satisfying as a work place.
- Operations:
- 1 Conducting social activities
 - 2 Conducting recreational activities
 - 3 Providing recreational facilities for employees

- Function: Communications
- Objective: To provide the needed exchange of information throughout the organisation.
- Operations:
- 1 Developing channels and media for information presentation to employees
 - 2 Introducing and administering suggestion scheme
 - 3 Conducting opinion surveys
 - 4 Developing grievance **redressal** procedures

- Function: Collective Bargaining
- Objective: To build up rapport with officially recognised and legally established employee organisations in the best interests of both the company and its employees.
- Operations:
- 1 **Negotiating** agreements
 - 2 Interpreting and administering such agreements

- Function: Employee Discipline
- Objective: To develop effective work regulations and harmonious working relationships.
- Operations:
- 1 Establishing rules for conduct
 - 2 **Administering** disciplinary measures, where necessary

- Function: Performance Evaluation
- Objective: To appraise objectively each employee's **performance** in relation to the duties and responsibilities assigned.
- Operations:
- 1 Developing performance evaluation
 - 2 Conducting **performance** evaluation interviews
 - 3 Analysing performance evaluation results

- Function: Employee Counselling
- Objective: To help employees solve **their** personal problems.
- Operations:
- 1 Selecting and training counsellors
 - 2 Arranging counselling interviews
 - 3 Assessing extent of help **actually** rendered

- Function: Safety
- Objective: To develop **facilities** and procedures for prevention of on-the-job accidents.

- Operations:
- 1 Establishing safety rules
 - 2 Investigating accidents
 - 3 Conducting safety inspections
 - 4 Preventing or eliminating hazards

Function: **Medical Services**

Objective: To prevent diseases and physical ailments as well as care for diseases, ailments, and injuries sustained by employees on the job.

- Operations:
- 1 Developing and administering prevention programmes
 - 2 Examining employees and job applicants
 - 3 Providing medical treatment
 - 4 Educating in health matters

Function: **Protection and Security**

Objective: To provide precautionary measures for safeguarding the company and its property from theft, fire, etc.

- Operations:
- 1 Developing and administering security regulations
 - 2 Organising fire fighting services
 - 3 Providing guard or watchman service

Function: **Personnel Research**

Objective: To develop improved employee attitudes and conditions of work

- Operations:
- 1 Analysing personnel problems
 - 2 Recommending improved practices

The chart above gives us one way of classifying the functions of Personnel Management. Different experts of Personnel Management, and Institutions like the Indian Institute of Personnel Management, have classified these functions differently.

10.4 ORGANISATION OF A PERSONNEL OFFICE

The first step in the organisation of a personnel office is to list all the activities that are performed keeping in view not only the present requirements of the organisation but also the future requirements. These future requirements shall be well assessed and based on authentic sources of information.

It may be noticed that not all the personnel functions are equally important to all organisations at all times. Their relative importance would differ from each other depending upon various factors. Some of these factors are the size, the nature, its social, economic, cultural, political and legal environment, the mental **make-up** of personnel officers, and the overall philosophy of business. These factors not only vary from organisation to organisation but also from country to country.

The less important of these factors may be suitably combined with the closely related important ones. The activities should then be grouped function-wise and put under the concerned functions. A group of related functions should be put under a particular Section and the various Sections under the Personnel Manager. Depending upon the number of Sections and functions, the Personnel Manager can have one or more Deputy Managers or Assistant Managers. Much will depend upon the size of the organisation, the **management** philosophy and management appreciation of personnel functions. Personnel Manager can also **depute** some persons to advise him or her.

You will notice here that for some functions the Personnel **Manager** is helped by the Deputy Personnel Manager but for others by an Assistant Personnel Manager or an Officer. This depends on the relative amount of work in or importance of a function. In a smaller organisation the Organisation Chart is simpler, as given in Figure II.

Organisational Chart of Personnel Department

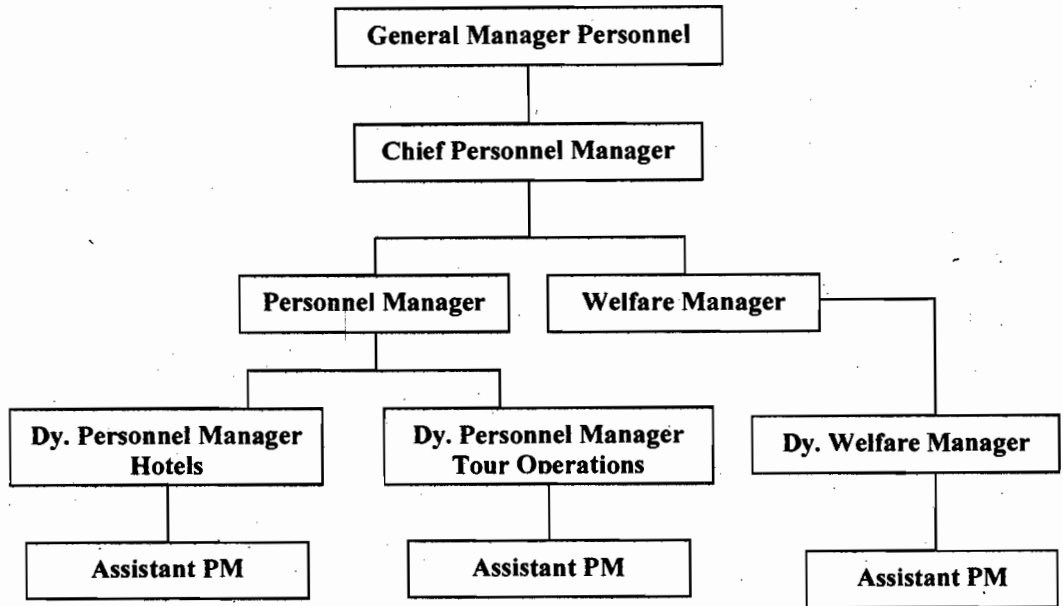


Figure I: Large Organisation

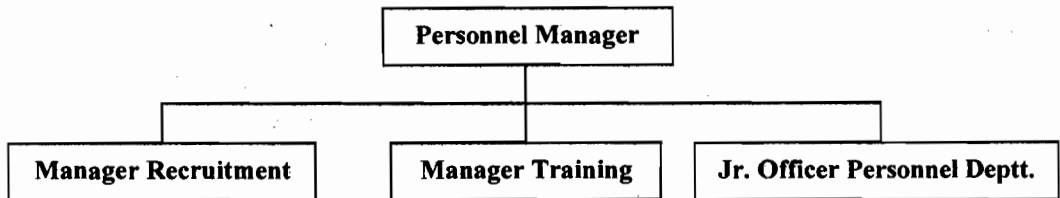


Figure II: Small Organisation

10.5 PERSONNEL MANAGER'S ROLE

A personnel manager plays a variety of roles in accordance with the need of the situation. These are given below:

The Conscience Role : Under this role the personnel manager reminds the management of their moral and ethical obligations towards employees.

The Counsellor Role: Under this role he or she encourages the employees to meet him or her frequently for consultation and discussion of their mental, physical and career problems, and at times even their family problems.

The Mediator Role: Under this role, one tries to settle disputes between labour and management as also those between an individual and a group. Here one is not only a peace-maker but also serves as a liaison person and a communicating link.

The Spokesperson Role: Under this role he or she works as a spokesperson for or as a representative of his or her organisation. This one is able to do as one deals intimately with many key organisational activities and functions and has a better over-all picture of ones company's operations.

The Problem Solver's Role: He or she is a problem solver in respect of issues involving human resource management and over-all long-range organisational planning.

The Change-agent Role: He or she serves as a change-agent in respect of introduction and the implementation of major institutional changes.

10.6 POSITION OF PERSONNEL DEPARTMENT IN THE ORGANISATION

It is true that production and Marketing Departments of a concern are the ones where the main activities of a business organisation are concentrated because they produce and market things and services in which the organisation deals. The Finance Department helps these Departments by providing the required finance at the required time. However, the role of Personnel Department cannot be ignored because the Personnel Department helps by providing the required type of people with required training, required attitudes and the required fabric of interrelationships. **The Departments that provide the supportive services are called 'staff' departments, while production and marketing departments are called the 'Line' departments. 'Line' functions are those which have direct responsibility for accomplishing the objectives of the organisation. 'Staff' functions are elements of the organisation that help the line functions to work most effectively in accomplishing the primary objective of the enterprise.**

The Personnel Department has 'staff' relationship with other departments. It acts in an advisory capacity. The staff people should not behave as if they were experts and they only knew what was best for the line people. Such an overbearing attitude cannot induce cooperation or acceptance. If an attitude of patience is adopted and the right atmosphere created the line manager will look forward to assistance, help and advice from the personnel manager and his or her department.

Many small firms ignore the roles of personnel department or carry them in an unprofessional manner. The service industry like hospitality segment cannot afford to have a casual attitude in this regard. Large proportion of employees of this segment comes in direct contact with guests and a dissatisfied or untrained employee will not be able to serve the guests to his/her satisfaction.

Check Your Progress

- 1) What do you understand by Personnel Management?
.....
.....
.....
.....
- 2) Discuss the objectives of Personnel Management.
.....
.....
.....
.....
- 3) Discuss the roles of Personnel Manager.
.....
.....
.....
.....
- 4) How does a Personnel Department organises man-power resources?
.....
.....
.....
.....

10.7 LET US SUM UP

This Unit has attempted to explain what personnel management is, what its scope is and what its characteristics are. It has helped you to understand the various objectives of Personnel Management and the prerequisites for fulfilment of the objectives. It has given you a detailed idea of the functions and operations of personnel management. It has helped you to know the process of organisation of a personnel office. You have come to know the various roles that a personnel manager has to play and what qualities are required for becoming a successful personnel manager. Lastly, it must have helped you to understand the position of personnel management in the organisation.

10.8 CLUES TO ANSWERS

Check Your Progress

- 1) The characteristics of Personnel Management have been discussed in Sec.10.2.
- 2) Mention the six objectives mentioned in Sec.10.2.
- 3) Counsellor, spokesperson, change agent, etc. See Sec.10.5.
- 4) Base your answer on point B of Chart-10.

We suggest the following activities to be undertaken by you:

- 1) Meet the Personnel Manager of any tourism firm and discuss the nature of his/her work.
- 2) Visit a travel agency/hotel to understand the job specifications there.
- 3) If you are working, evaluate the role of your organisation's personnel department.