



# UNIT-12

## Human Resource Management

### Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Explore the Techniques of Manpower Planning
- ✓ Explain the Induction and Training Process in HRM

## Unit 12

# Human Resource Management

## Introduction

In the past, the function of human resource management was the responsibility of the project management department, which had been entrusted with overseeing matters pertaining to employees in the construction industry. In recent times, however, the construction industry, which happens to be one of the largest industries in the world, has adopted changes in line with current trends to establish a unique department dedicated to human resource management.

In this unit, we will turn our attention to the purpose and importance of having an effective human resource management in the construction industry.

## Human Resource Management

### The Concept

Human resource management involves managing all issues relating to manpower to bring out the very best performance in employees in order to maximise productivity and promote the growth of the company. The human resource team of an organisation is tasked with the responsibility of managing the human resources of the organisation, making it possible for managers to focus their attention on their key areas of specialisation.

### Growth

Due to the complex nature of human beings, it is not possible to predict how they will react to situations, but they can be managed in a professional manner to bring out the best in them. Humans express all manner of emotions, fears, wants, needs, etc. Many academic and experimental works on human psychology have been undertaken by renowned psychologists and academics such as Abraham Maslow, McGregor and Elton Mayo and co-workers, exploring the influence of social dynamics on productivity. Since their revolutionary works, human resource management has become the cornerstone of successful mobilisation of the workforces of many companies across the globe to attain high productivity.

### Roles and Functions

- a) Employees' Information System
- b) Recruitment and selection
- c) Orientation and induction of employees
- d) Training and development
- e) Time office and establishment functions

- f) Employees' welfare
- g) Industrial relations
- h) Maintenance of discipline

## Manpower Planning for Construction Companies

This involves implementing policies, procedures and practices to deploy the right number of suitable people "in the right job at the right time."

### Objectives of Manpower Planning

- a) To ensure optimum utilisation of available human resources
- b) To enable human resource base to be highly developed by providing training in knowledge and skills
- c) To ensure better performance and productivity

### Objectives of Manpower Planning at Construction Sites

- a. To determine the direct level of recruitment in each category of employees in order to plan the intake of new employees at the site
- b. To determine training needs and develop training policies
- c. To determine the channels of promotion as a means of providing avenues for growth and development of employees
- d. To determine transfer policies by determining the right use of manpower, placement and development of the right skills

### Techniques of Manpower Planning

Planning usually begins only after the project has been commissioned. Two approaches may be considered: planning recruitment before starting the project or planning recruitment when the project is in progress.

### Line and Staff Functions

Line functions are departments of an organisation, such as the finance, materials, operations or marketing departments, who must report to high-level management on all aspects of their day-to-day functions. The human resource department has the responsibility for dealing with staff functions. They provide advice to line managers on all aspects of employees' relationship with the company and put in place measures to improve workers' productivity.

### Recruitment

Recruitment is the process of inviting applications from potential candidates during the process of filling job vacancies. Steps involved in recruiting candidates are as follows:

- i. Listing functions
- ii. Producing detailed job descriptions
- iii. Job specifications: qualifications, experience, personality
- iv. Job evaluation

The planning section determines the number of vacancies and also prepares a waiting list for future vacancies.

### Sources of Recruitment

#### Internal Sources of Recruitment

- a. Within the department where the vacancy exists
- b. Originating from other departments within the company

#### External Sources of Recruitment

- a. At the gate of the site
- b. Through unsolicited applications
- c. Through references from employees, unions, directors and business associates
- d. Through former employees or under legal obligation
- e. Campus interviews
- f. Trade associations
- g. Recruiting agencies and management consultants

### Selection

This involves retaining suitably qualified candidates and discarding others who did not make the mark.

#### Stages of Selection

- i. Dispatching application forms
- ii. Screening applications to select potential candidates who meet the criteria
- iii. Conducting selection tests on job knowledge, job skills, job potential and job interest

### Placement

Placement immediately follows the recruitment of suitable candidates. Once recruitment has been done, the candidates are assessed in terms of skills, knowledge and capacity to enable the recruitment team to find the right place and role for each candidate. This is done to “optimise” the candidates to perform well in their given roles.

## Induction and Training

Induction involves introducing the new recruits to the work environment and colleagues. Depending on the policies of a particular company, induction can take diverse forms but the ultimate goal is to ensure the new employee 'hits the ground running' in his/her new work environment.

Training, however, involves providing 'knowledge and skills and behavioural inputs' to improve the employees' performance at work and ultimately make the company profitable. The employee is provided with more information on how to function more efficiently and effectively in his or her role, and how the interrelationship between roles affects the overall performance of the company.

## Purpose of Training

- i. It builds a culture conducive to a good work environment
- ii. It ensures job security
- iii. It motivates staff to perform well

## Types of Training Programmes

- a) Apprentice Training
- b) Executive Training /Management Trainee Programmes
- c) Induction Training Programmes
- d) Technical Training Programmes
- e) Management Development Programmes
- f) Internal Management Development Programmes
- g) External Management Development Programmes

## Methods of Training

- a) Lecture Method
- b) Role Play Method
- c) Case Study Method
- d) On-the-job Training
- e) Job Rotation Method
- f) Management Games Methods

## Time Office and Establishment Functions

Time watching involves keeping details of all attendances and general movement of employees with respect to their roles. The company provides clocks and attendance cards for checking-in and checking-out of the work premises. The time office also keeps records of late arrivals or early departures that have not been authorised, shift timetables, salaries and incentives, as well as the number of leaves and holidays taken.

Construction companies require workers to report to their supervisors for attendance records to be marked and activities for the day assigned to the team. The computerised system for marking down daily attendance is now becoming common on many sites. This has the advantage of performing analysis 'on-the-fly' and producing attendance statements more quickly to help in decision-making.

### Establishment Functions

This department keeps and maintains personnel records of all employees by opening a personnel file for each employee.

Documents contained in the personnel file include:

- Application for the job
- Copy of offer of appointment and appointment letter
- Report of the medical check-up and report of verification of antecedents
- Joining report for duty and posting order
- Nomination form under Pension, ESI/Workmen Compensation Act and settlement of entitlements
- Report on probation and confirmation letter
- Annual performance appraisal reports
- Letters of commendation, appreciation, warning, disciplinary action, etc.
- Copy of resignation letter/discharge/superannuation/retirement
- Details of settlement of dues and contact address

### Influencing Factors

- a. Demand and supply of manpower
- b. Comparative wages paid by competitor companies
- c. Cost of living
- d. Job requirements or job specification
- e. Productivity of manpower
- f. Bargaining power of trade unions
- g. Government policies relating to wages and salaries
- h. Reputation of the company
- i. Incentive offered
- j. Individual employee's ability

### Components of Salary

Salary usually comprises the basic salary which is determined by the role of the employee in the company. There are other incentives such as performance bonuses or allowances to compensate for

expenses incurred while performing extra functions for the company or as compensation for relocating to take up a role with the company.

## Discipline

Discipline is a set of rules prescribed by the organisation for everyone to follow without exception. Managers are expected to set good examples for their subordinates in order to retain their respect. This means coming to work on time and being responsible when dealing with colleagues at work.

## Separation

This is when an employee leaves an organisation for various reasons including the following:

### i. Voluntary Separation

- a) **Resignation:** People resign for family reasons or because they have found alternative employment.
- b) **Voluntary Retirement on Medical Grounds:** A doctor may recommend that an employee retire for medical reasons such as disability or illness.
- c) **Voluntary Retirement Schemes:** This is a special scheme designed for the construction industry. The scheme has been put in place to deal with the large number of employees who work on construction sites, mainly to reduce the size of the labour force. The scheme pays employees who want to retire much earlier than their stipulated retirement date. It pays much higher than other benefits such as pensions and provident funds.

### ii. Involuntary Separation

- a) **Based on Probation Period:** Poor performance by an employee may raise a red flag to the supervisor who duly informs the employee that he must improve in areas identified as showing underperformance.
- b) **Termination based on Disciplinary Action:** The employer may terminate the contract of an employee who has been found guilty of engaging in misconduct.
- c) **Compulsory Retirement:** This may be effected based on:
  - **Medical Grounds**

An employer may consult with a medical board to terminate the services of an employee who has been on a long medical leave.
  - **Punishment on the Basis of Disciplinary Action**

A proven allegation of misconduct can lead to the employee being relieved of his/her duties.

- **Loss of Confidence**

When the employee is found to have violated the code of discipline through some misconduct on numerous occasions or he/she has been involved in dubious activities, the manager may sack him/her due to lack of confidence in his/her attitude.

- **Poor Performance**

Unsatisfactory performance by an employee may force the employer to retire him if he is between the ages of 50 and 55 years, according to the terms and conditions stipulated in the contract.

### Further Reading:

- ✓ *HR Rising: From Ownership to Leadership, (2020), By Steve Browne*
- ✓ *Strategic Compensation: A Human Resource Management Approach (8<sup>th</sup> Edition), (2014), By Joseph J. Martocchio*
- ✓ *Management Rewired: Why Feedback Doesn't Work and Other Surprising Lessons From the Latest Brain Science, (2010), Charles S. Jacobs*