

Introduction to Human Resource Management

Introduction to Human Resource Management (HRM)
Key concepts, functions, and strategic importance

1. What Is HRM?

Aspect	Description
Definition	The systematic approach to attracting, developing, motivating, and retaining employees to achieve organizational goals.
Scope	Covers the entire employee life cycle: recruitment ? onboarding ? development ? performance ? retention ? separation.
Goal	Align people strategy with business strategy, creating a competitive advantage through people.

2. Core HRM Functions

Function	Primary Activities	Typical Outputs
Strategic Planning	Workforce forecasting, talent gap analysis, HR metrics.	HR strategic plan, succession planning roadmap.
Recruitment & Selection	Job analysis, sourcing, screening, interviewing, hiring.	Job descriptions, candidate shortlists, offer letters.
Training & Development	Needs assessment, program design, delivery, evaluation.	Learning modules, skill matrices, development plans.
Performance Management	Goal setting, continuous feedback, appraisals, rewards.	Performance scores, improvement plans, bonus calculations.
Compensation & Benefits	Salary structures, incentive schemes, benefits administration.	Pay grades, bonus policies, benefits enrollment guides.
Employee Relations	Conflict resolution, grievance handling, labor law compliance.	Policies, disciplinary records, union agreements.
Health, Safety & Well-being	Workplace safety programs, wellness initiatives, ergonomics.	Safety manuals, wellness program reports.
HR Information Systems (HRIS)	Data collection, analytics, payroll processing, self-service portals.	HR dashboards, reports, automated workflows.

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3. The HRM Process Framework (Employee Life Cycle)

1. **Workforce Planning** – Identify future talent needs.
2. **Talent Acquisition** – Attract & select the right candidates.
3. **Onboarding** – Integrate new hires into culture & role.
4. **Development** – Provide learning, coaching, and career paths.
5. **Performance & Rewards** – Evaluate work, recognize contributions.
6. **Retention** – Engage, motivate, and address turnover risks.
7. **Separation** – Manage resignations, retirements, or terminations ethically.

(Each stage feeds data back into planning for continuous improvement.)

4. Strategic HRM vs. Administrative HRM

Dimension	Strategic HRM	Administrative HRM
Focus	Long-term alignment with business objectives. Day-to-day operational tasks.	
Time Horizon	3–5 years (or longer).	Daily/weekly.
Decision-Making	Senior leadership involvement; data-driven.	Routine, procedural.
Value Creation	Competitive advantage through people.	Cost control, compliance.

Modern organizations aim to blend both: strategic insight supported by efficient administration.

5. Key HR Metrics & Analytics

Metric	What It Measures	Why It Matters
Turnover Rate	% of employees leaving in a period.	Indicates retention health; cost of replacement.
Time-to-Fill	Days from job posting to hire.	Efficiency of recruitment process.
Cost-per-Hire	Total recruiting expense ÷ number of hires.	Budget control and ROI of sourcing channels.
Employee Engagement Score	Survey-based satisfaction index.	Predictor of productivity and turnover