

# Employees Retain in an Organization: A Strategic Approach of HR

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## ABSTRACT

Human resource manager is in charge of managing all parts of an organization's reforming both current and future employees. Human resource department additionally includes readiness of sets of responsibilities, recruitment and selection, introduction, training and development, settling wages and pay rates, posting and publishing accessible employments, and so forth. The human resource management assumes a noteworthy job in employee retention. Essentially, the point of HRM is to maximize the organizations efficiency by advancing the employees contribution. As of late, the job of HRM has enhanced impressively which require some essential updates in human resource structures and positions. The nonstop change in business conditions, organizational structures, and initiative has constrained human resource department to modify its points of view on it job and function. Globalization, liberalization and privatization of the business activities have made numerous open doors for employees and consequently employee retention has turned out to be major challenge before the management. Organizations presently look to decentralize, to incorporate their tasks, and developing cross-functional groups. Today, top management anticipates that HR should look past its traditional methodologies and to search for progressively integrated, decentralized steady function. This requires decentralizing the HR function and making it responsible to explicit line management. This builds the significance of HR department and saw it as an essential piece of the business process, like promoting, finance, and production departments. In any case, HR is mindful to have integrated functional relationship in all regions where particular expertise is required, for example, recruitment, selection, training, performance appraisal, compensation, and so forth. Human resources department is likewise in charge of exploring, recommending, and implementing employee retention strategies. Employee retention practices may incorporate promotion, incentives and rewards, training programs, enhanced workplace, enhanced predominant subordinate relationship, adaptable working hours, compensation increase, and so on.

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## 1. Introduction

Human resource management (HRM), also called personnel management, consists of all the activities undertaken by an enterprise to ensure the effective utilization of employees toward the attainment of individual, group, and organizational goals. An organization's HRM function focuses on the people side of management. It consists of practices that help the organization to deal effectively with its people during the various phases of the employment cycle, including pre-hire, staffing, and post-hire. The pre-hire phase involves planning practices. The organization must decide what types of job openings will exist in the upcoming period and determine the necessary qualifications for performing these jobs. During the hire phase, the organization selects its employees. Selection practices include recruiting applicants, assessing their qualifications, and ultimately selecting those who are deemed to be the most qualified.

In the post-hire phase, the organization develops HRM practices for effectively managing people once they have "come through the door." These practices are designed to maximize the performance and satisfaction levels of employees by providing them with the necessary knowledge and skills to perform their jobs and by creating conditions that will energize,

direct, and facilitate employees' efforts toward meeting the organization's objectives.

## 2. HRM Development And Implementation Responsibilities

While most firms have a human resources or personnel department that develops and implements HRM practices, responsibility lies with both HR professionals and line managers. The interplay between managers and HR professionals leads to effective HRM practices. For example, consider performance appraisals. The success of a firm's performance appraisal system depends on the ability of both parties to do their jobs correctly. HR professionals develop the system, while managers provide the actual performance evaluations.

The nature of these roles varies from company to company, depending primarily on the size of the organization. This discussion assumes a large company with a sizable HRM department. However, in smaller companies without large HRM departments, line managers must assume an even larger role in effective HRM practices.

HR professionals typically assume the following four areas of responsibility: establishing HRM policies and procedures, developing/choosing HRM methods, monitoring/evaluating HRM practices, and advising/assisting managers on HRM-

related matters. HR professionals typically decide (subject to upper-management approval) what procedures to follow when implementing an HRM practice. For example, HR professionals may decide that the selection process should include having all candidates (1) complete an application, (2) take an employment test, and then (3) be interviewed by an HR professional and line manager.

Usually the HR professionals develop or choose specific methods to implement a firm's HRM practices. For instance, in selection the HR professional may construct the application blank, develop a structured interview guide, or choose an employment test. HR professionals also must ensure that the firm's HRM practices are properly implemented. This responsibility involves both evaluating and monitoring. For example, HR professionals may evaluate the usefulness of employment tests, the success of training programs, and the cost effectiveness of HRM outcomes such as selection, turnover, and recruiting. They also may monitor records to ensure that performance appraisals have been properly completed.

HR professionals also consult with management on an array of HRM-related topics. They may assist by providing managers with formal training programs on topics like selection and the law, how to conduct an employment interview, how to appraise employee job performance, or how to effectively discipline employees. HR professionals also provide assistance by giving line managers advice about specific HRM-related concerns, such as how to deal with problem employees.

Line managers direct employees' day-to-day tasks. From an HRM perspective, line managers are mainly responsible for implementing HRM practices and providing HR professionals with necessary input for developing effective practices. Managers carry out many procedures and methods devised by HR professionals. For instance, line managers:

- Interview job applicants
- Provide orientation, coaching, and on-the-job training
- Provide and communicate job performance ratings
- Recommend salary increases
- Carry out disciplinary procedures
- Investigate accidents
- Settle grievance issues

The development of HRM procedures and methods often requires input from line managers. For example, when conducting a job analysis, HR professionals often seek job information from managers and ask managers to review the final written product. Additionally, when HR professionals determine an organization's training needs, managers often suggest what types of training are needed and who, in particular, needs the training.

### 3. Pre-Hiring, Hiring, And Post-Hiring

#### Pre-Hire Phase

The major HRM activities in the pre-hire phase are human resource planning and job analysis. These activities form the cornerstone upon which other HRM practices are built. Human resource planning helps managers to anticipate and meet changing needs related to the acquisition, deployment, and utilization of employees. The organization first maps out an overall plan called a strategic plan. Then, through demand and supply forecasting it estimates the number and types of

employees needed to successfully carry out its overall plan. Such information enables a firm to plan its recruitment, selection, and training strategies. For example, assume that a firm's HR plan estimates that 15 additional engineers will be needed during the next year. The firm typically hires recent engineering graduates to fill such positions. Because these majors are in high demand, the firm decides to begin its campus recruiting early in the academic year, before other companies can "snatch away" the best candidates.

#### Hiring Phase

The hiring phase of human resource management is also called staffing. Staffing involves policies and procedures used by organizations to recruit and select employees. Organizations use recruitment to locate and attract job applicants for particular positions. They may recruit candidates internally (i.e., recruit current employees seeking to advance or change jobs) or externally. The aim of recruitment practices is to identify a suitable pool of applicants quickly, cost-efficiently, and legally. Selection involves assessing and choosing among job candidates. To be effective, selection processes must be both legal and technically sound, accurately matching people's skills with available positions.

#### Post-Hiring Phase

Training and development are planned learning experiences that teach workers how to effectively perform their current or future jobs. Training focuses on present jobs, while development prepares employees for possible future jobs. Training and development practices are designed to improve organizational performance by enhancing the knowledge and skill levels of employees. A firm must first determine its training needs and then select/develop training programs to meet these needs. It also must take steps to ensure that workers apply what they have learned on the job. Through the performance appraisal process, organizations measure the adequacy of their employees' job performances and communicate these evaluations to them. One aim of appraisal systems is to motivate employees to continue appropriate behaviors and correct inappropriate ones. Management also may use performance appraisals as tools for making HRM-related decisions, such as promotions, demotions, discharges, and pay raises. Compensation entails pay and benefits. Pay refers to the wage or salary employees earn, while benefits are a form of compensation provided to employees in addition to their pay, such as health insurance or employee discounts. The aim of compensation practices is to help the organization establish and maintain a competent and loyal workforce at an affordable cost.

### 4. Contemporary Issues

HRM departments within organizations, just as the organizations themselves, do not exist in a vacuum. Events outside of work environments have far-reaching effects on HRM practices. The following paragraphs describe some of these events and indicate how they influence HRM practices.

As mentioned previously, the enactment of federal, state, and local laws regulating workplace behavior has changed nearly all HRM practices. Consider, for instance, the impact of anti-discrimination laws on firms' hiring practices. Prior to the passage of these laws, many firms hired people based on

reasons that were not job-related. Today, such practices could result in charges of discrimination. To protect themselves from such charges, employers must conduct their selection practices to satisfy objective standards established by legislation and fine-tuned by the courts. This means they should carefully determine needed job qualifications and choose selection methods that accurately measure those qualifications.

- Social, economic, and technological events also strongly influence HRM practices. These events include:
- An expanding cultural diversity at the work-place
- The emergence of work and family issues
- The growing use of part-time and temporary employees
- An increased emphasis on quality and team-work
- The occurrence of mergers and takeovers
- The occurrence of downsizing and layoffs
- The rapid advancement of technology
- An emphasis on continuous quality improvement
- A high rate of workforce illiteracy

These events influence HRM practices in numerous ways. For example:

- Some firms are attempting to accommodate the needs of families by offering benefit options like maternity leave, child care, flextime, and job sharing.
- Some firms are attempting to accommodate the needs of older workers through skill upgrading and training designed to facilitate the acceptance of new techniques.
- Some firms are educating their employees in basic reading, writing, and mathematical skills so that they can keep up with rapidly advancing technologies.

Unions often influence a firm's HRM practices. Unionized companies must adhere to written contracts negotiated between each company and its union. Union contracts regulate many HRM practices, such as discipline, promotion, grievance procedures, and overtime allocations. HRM practices in non-unionized companies may be influenced by the threat of unions. For example, some companies have made their HRM practices more equitable (i.e., they treat their employees more

fairly) simply to minimize the likelihood that employees would seek union representation.

### 5. Employment

Someone wishing to enter the HRM field may choose one of two routes: generalist or specialist. Entry-level HRM generalist positions are most often found in small or mid-sized organizations that employ few HR professionals or two people who must perform all functions. Because of their many responsibilities, HRM generalists have neither time nor resources to conduct in-depth studies or projects. They usually hire outside consultants who specialize in these kinds of services. For example, consultants might help the organization to revamp its compensation system, validate its selection practices, or analyze its training needs.

In larger organizations, each HR professional's area tends to be more focused, zeroing in on particular HRM tasks. Individuals holding these positions are called HRM specialists. Exhibits 1a and 1b describe some traditional and newer HRM specialty areas.

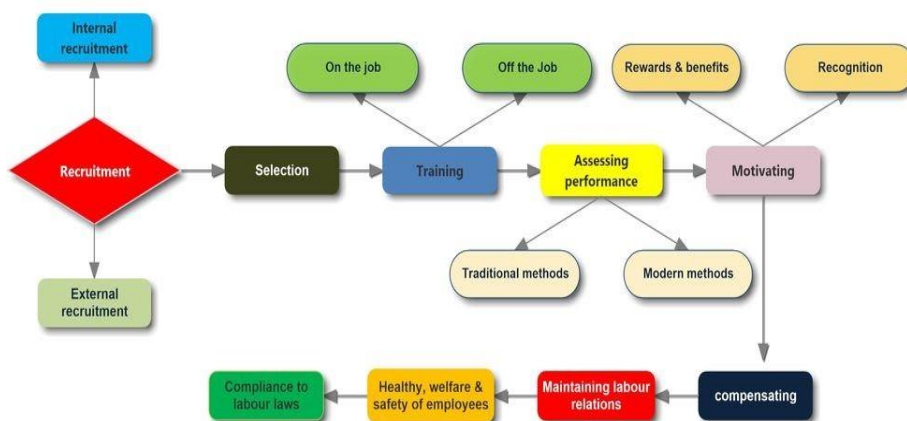
In most professions a direct path leads to entering the field. For instance, someone aspiring to be a lawyer, physician, accountant, or psychologist enrolls in appropriate educational programs and enters the field upon receiving a degree or license. HRM is atypical in this regard; people may enter the profession in a variety of ways. For instance, most of today's HR professionals enter the field through self-directed career changes. Approximately one-third of these individuals entered HRM by transferring from another part of the company; the remainder entered from other fields such as education, social services, accounting, sales, and administrative secretarial positions.

### 6. Human Resource Management

Human Resource Management is the process of recruiting, selecting, inducting employees, providing orientation, imparting training and development, appraising the performance of employees, deciding compensation and providing benefits, motivating employees, maintaining proper relations with employees and their trade unions, ensuring employees safety, welfare and health measures in compliance with labour laws of the land.

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## HRM Process



Human Resource Management involves management functions like planning, organizing, directing and controlling

- It involves procurement, development, maintenance of human resource
- It helps to achieve individual, organizational and social objectives
- Human Resource Management is a multidisciplinary subject. It includes the study of management, psychology, communication, economics and sociology.
- It involves team spirit and team work.
- It is a continuous process.

Human resource management as a department in an organisation handles all aspects of employees and has various functions like human resource planning, Conducting Job analysis, recruitment and conducting job interviews, selection

of human resources, Orienting , training, compensating, Providing benefits and incentives, appraising, retaining, Career planning, Quality of Work Life, Employee Discipline, black out Sexual Harassments, human resource auditing, maintenance of industrial relationship, looking after welfare of employees and safety issues , communicating with all employees at all levels and maintaining awareness of and compliance with local, state and federal labor laws. The historical rule of thumb for Human Resource staffing requirements is one full-time professional Human Resource person should be hired for every 100 employees. The actual ratio for a business can vary depending upon factors such as the degree of HR centralization, the geographic distribution of the employees served, the sophistication level of the employees, and the relative complexity of the organization.

## 7. Evolution of Human resource management



Human resource management is evolved from the Personnel management which was erstwhile management system which used to manage employees. To know evolution of personnel management one needs to see the history of centuries of research by great psychologists on human behaviour and their response at particular situations. One among them was Elton Mayo who was a psychologist from the Australia, did many experiments on human behaviour at different situations in 1924. He strongly believed in work life balance for improving productivity of workers and did emphasis on human relations influence the productivity of workers and finally he has been regarded as father of Human resources management.

Going back to roots of evolution Personnel management, Robert Owen was regarded as creator and originator for introducing reforms for workers in his own Lanark cotton mills. He created a principle of 8 hours day work, 8 hours rest and 8 hours sleep. Owen identified the importance of better working conditions at workplace and its impact on the productivity and efficiency of the workers. Owen after implementation of better working conditions at workplace, he observed change in the productivity of his workers as their efficiency increased. He in those olden days implemented many social and welfare practices for his workers and saw his workers got happy, motivated and worked better. Therefore he

was referred as father of Personnel management. It's believed that the first personnel management department (later evolved as Human resource management) began at the National Cash Register Co. in the early 1900s, according to a Human Resource Magazine article. After several strikes and employee lockouts, NCR leader John H. Patterson organized a personnel department to handle grievances, discharges, and safety, as well as training for supervisors on new laws and practices.

## 8. Conclusion

Employee retention alludes to the policies and practices companies use to stop their competent and profitable employees from leaving their occupations. How skilled employees can be retained is one of the major problems that companies are facing in the competitive market. Hardly any years back, companies acknowledged the "spinning entryway arrangement" to do their business, which is utilized to rapidly fill empty positions with different candidates who are prepared to perform. These days, companies are spending considerable time, endeavors, and cash to prepare the employees to develop or change over them into the important employees. To make an effective organization, managers should utilize numerous alternatives to retain their employees, and in the meantime they likewise need to secure employees trust and

loyalty so they will be less willing to leave the organization. Magnificent, faithful, experienced, knowledgeable, skilled, trained, and dedicated employees must be retained in light of the fact that they are required to run the organization. They have appropriate information about the association and its products and are trained to handle clients proficiently and are likewise ready to solve problems of new employees of the association. At the point when these employees leave they remove all the association information with them like current tasks, association policies and strategies, and so on. Developing internationalization of organization has its impact on worker retention and representative retention is presently rising as the most troublesome challenge before the

management. Numerous analysts have appeared effective associations will be just those which will modify their organizational conduct as indicated by the prerequisite of current workplace where sustainability and achievement thoroughly rely on modernization, creativity, innovation, and flexibility. Truth is told, the dynamics of the workplace will reflect a diverse workforce which included representatives whose inspirations, perception, personality, convictions, and values contrast fundamentally from the past and from one another moreover. The attrition rate has expanded essentially and representative retention has turned into a major challenge for management.

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