Vol.2 Issue III (July 2017)

Pages 1-5

ROLE OF HR MANAGER IN PUBLIC AND PRIVATE BANKS SECTOR

Swati Aggarwal Assistant Professor in Commerce Aggarwal College Ballabgarh Email: <u>swatiaggarwal988@gmail.com</u>

Abstract:

Banking was a thriving industry in ancient India. Initially, the industrial houses pioneered banks with a view to generating funds for productive activities and at the same time offered considerable security, liquidity and fair returns to the depositors. In a way, banking continued to be a traditional industry till 1969. When major banks were taken over by the Government of India. With nationalization, banks ceased to be funding agencies only for industrial sector and became a vivacious instrument of social change more statistical data are available in support of the preposition that there is a phenomenal growth of banking industry.

Keywords: Banks, Private Sector Banks, Govt. Sector Banks

1.0 Introduction: HR managers have to perform several roles to discharge their duties and responsibilities. For instance, they have to act as recruiters, placement specialists, training and development specialists, employee welfare experts, employee benefits' specialists, compensation and job analysis specialists, labour relations experts and human resources information system specialists, apart from being good counsellors. For instance, Armstrong 13 points out that HR practitioner have to play the roles of business partners, strategists, interventionists, innovators, internal consultants, monitors and volunteers (proactive role). The successful performance of the diverse HR tasks would require a multi-disciplinary knowledge for the HR managers. It would be good for them to have a working knowledge in the fields of business administration, law, behavioural sciences, industrial psychology, sociology, political science, economics, statistics, engineering, finance and computers. Apart from these, they would require the following personal and job-related qualities and skills to become effective performers.

Human resource management understands that human capital can be considered the main source of competitive advantage. By considering a human as a human, giving him satisfaction, education, motivation, training and reward, human resource strategies intend to optimize human capital and take care of the relationship between the management of the firm and this type of capital, as this relationship can be ambiguous. To add further on this ambiguous relationship, we can emphasize that the organizational strategies are implemented by human capital in a big way, creating a powerful role in the implementation process of management strategies. Indeed, SHRM is integrated as a whole process into the management strategies implementation process and acts in the same way by pursuing the achievements of organizational aims. Following the Dyer and Holder (1988) definition, strategic HRM must have four main features, which are the: organizational level (decisions are formulated at the top), focus (business effectiveness focused), roles (the implementation directives are made by and depend on the managers) and framework (implementation of strategies involve a certain framework). All these characteristics go with the idea of vertical integration of the SHRM in management strategy. Different approaches in strategic human resource management

2.0 Functions of Human Resource Department:

An efficiently run human resources department can provide your organization with structure and the ability to meet business needs through managing your company's most valuable resources -- its employees. There are several HR disciplines, or areas, but HR practitioners in each discipline may perform more than one of the more than six essential functions. In small businesses without a dedicated HR department, it's possible to achieve the same level of International Journal of Information MovementVol.2 Issue III(July 2017)Website: www.ijim.inISSN: 2456-0553 (online)Pages 1-5

efficiency and workforce management through outsourcing HR functions or joining a professional employer organization.

2.1 Recruitment: The success of recruiters and employment specialists generally is measured by the number of positions they fill and the time it takes to fill those positions. Recruiters who work in-house -- as opposed to companies that provide recruiting and staffing services -- play a key role in developing the employer's workforce. They advertise job postings, source candidates, screen applicants, conduct preliminary interviews and coordinate hiring efforts with managers responsible for making the final selection of candidates.

2.2 Safety: Workplace safety is an important factor. Under the Occupational Safety and Health Act of 1970, employers have an obligation to provide a safe working environment for employees. One of the main functions of HR is to support workplace safety training and maintain federally mandated logs for workplace injury and fatality reporting. In addition, HR safety and risk specialists often work closely with HR benefits specialists to manage the company's workers compensation issues.

2.3 Employee Relations: In a unionized work environment, the employee and labor relations functions of HR may be combined and handled by one specialist or be entirely separate functions managed by two HR specialists with specific expertise in each area. Employee relations is the HR discipline concerned with strengthening the employer-employee relationship through measuring job satisfaction, employee engagement and resolving workplace conflict. Labor relations functions may include developing management response to union organizing campaigns, negotiating collective bargaining agreements and rendering interpretations of labor union contract issues

2.4 Compensation and Benefits: Like employee and labor relations, the compensation and benefits functions of HR often can be handled by one HR specialist with dual expertise. On the compensation side, the HR functions include setting compensation structures and evaluating competitive pay practices. A comp and benefits specialist also may negotiate group health coverage rates with insurers and coordinate activities with the retirement savings fund administrator. Payroll can be a component of the compensation and benefits section of HR; however, in many cases, employers outsource such administrative functions as payroll.

2.5 Compliance: Compliance with labor and employment laws is a critical HR function. Noncompliance can result in workplace complaints based on unfair employment practices, unsafe working conditions and general dissatisfaction with working conditions that can affect productivity and ultimately, profitability. HR staff must be aware of federal and state employment laws such as Title VII of the Civil Rights Act, the Fair Labor Standards Act, the National Labor Relations Act and many other rules and regulations.

2.6 Training and Development: Employers must provide employees with the tools necessary for their success which, in many cases, means giving new employees extensive orientation training to help them transition into a new organizational culture. Many HR departments also provide leadership training and professional development. Leadership training may be required of newly hired and promoted supervisors and managers on topics such as performance management and how to handle employee relations matters at the department level. Professional development opportunities are for employees looking for promotional opportunities or employees who want to achieve personal goals such as finishing a college degree. Programs such as tuition assistance and tuition reimbursement programs often are within the purview of the HR training and development area.

2.7 Knowledge: Knowledge helps one gain respect. The HR manager must be an expert in his own field to gain the confidence and respect of his subordinates. He must have a comprehensive knowledge of concepts, principles and theories relating to HRM and other related fields. But, mere possession of this knowledge is inadequate; the HR manager must have practical exposure to these concepts and principles in real-life situations.

2.8 Intelligence: Intelligence means the mental ability to properly understand the nature of the problem existing in a situation or event which may require a solution. The HR manager should be able to understand the situation quickly and to act decisively before it becomes unmanageable. He should also be able to properly examine the situation to distinguish the real problems from the ones that are merely made to appear important.

International Journal of Information MovementVol.2 Issue III(July 2017)Website: www.ijim.inISSN: 2456-0553 (online)Pages 1-5

2.9 Communication Skills: The role of any manager is to get work done through others. An HR manager is no exception to this. He must have good communication skills to share his ideas effectively with the employees and to persuade them to work towards the organizational goals successfully. Thus, it is essential for the HR manager to have good communication skills to achieve better cooperation and unity. It is also desirable for him to have a functional knowledge of the languages of the employees to effectively communicate with them.

Objectivity and Fairness: The HR profession is unique. The HR manager has to serve the interest of both then management and the employees. Hence, he should observe strict impartiality and honesty in all his transactions. He is required to act only on the basis of relevant facts and information. Moreover, he has a moral responsibility to protect the rights and privileges of the relatively weak workforce.

3.0 Leadership and Motivational Qualities: To lead is to influence. The HR manager should possess the ability to influence the employees towards the achievement of goals and targets. He should also be a good motivator He must have the necessary skills to constantly motivate the employees to strive for better performance.

3.1 Emotional Maturity: It is often difficult to predict the responses of human beings. They usually behave differently in different situations. Hence, it is essential for the HR manager to have emotional maturity and tolerance in dealing with the employees. He must show parental care in attending to their needs. He should not have any ill-feelings towards any employee on the basis of his past behaviour. He should always be rational and not emotional in his approach.

3.2 Empathy: Empathy pertains to looking at events or situations from the others' point of view. The HR manager should learn to view the issues affecting the employees from their perspective too. He should not only rely on his formal authority in dealing with the employees' grievances but use his informal relationship as well in settling them. He should honour others' opinions, sentiments, rights, beliefs and values. In addition to these qualities, the HR manager should have a good character, personality, physical strength, and stamina for effectively discharging his duties. Having seen the notable qualities of the HR managers, we shall now discuss the differences in their duties and responsibilities as line authorities and staff advisors.

4.0 Staff Authority of HRM:

Staffing, which is one of the managerial functions, is generally performed by all managers. This is because the managers are normally involved in the process of acquiring, training and assessing the employees of their own department. In fact, line managers handle all aspects of HR activities in small organizations, while in large organizations, the top management normally establishes an exclusive HR department to develop and manage HR programmes and policies. The line managers in these firms seek the advice of the HR department in handling labour related matters. Gary Dessler classified the line managers' responsibilities for effective HRM under the following general headings:

- Placing the right person on the right job
- Starting new employees on the organization (orientation)
- Training the employees for jobs that are new to them
- Improving the job performance of each person
- Gaining creative cooperation and developing smooth working relationships
- Interpreting the policies and procedures of the company
- Controlling labour costs
- Developing the abilities of each person
- Creating and maintaining the department morale
- Protecting the employees' health and physical condition

When an organization has separate functional HR departments, the HR managers have to perform the task of line managers for their own department and act as staff advisors for line managers of other departments. We shall first see the meaning of the important terms concerned with line versus staff authority before discussing the role of HR managers in these capacities.

Authority term refers to the right to influence the activities of the subordinates or take decisions concerning them and to issue instructions or orders pertaining to their work.

Vol.2 Issue III (July 2017) International Journal of Information Movement Website: www.ijim.in ISSN: 2456-0553 (online)

Pages 1-5

Line Manager Line managers are those who are empowered to direct the work of the people assigned to them. Further, line managers are directly responsible for accomplishing the departmental goals and corporate objectives. Examples of line managers are production manager, purchase manager and sales manager.

Staff Advisor Staff advisors are those who play an important role in advising and assisting the line managers in accomplishing the basic goals. Theoretically, the suggestions given by the staff advisor to the line managers may or may not be accepted by the latter.

4.1 The Role of the HR Manager as a Line Authority:

The HR managers apply their line authority within the HR departments. In other words, the HR managers direct the activities of the people in their own department towards the accomplishment of specified goals. These managers cannot exert line authority outside their department.

4.2 The Role of the HR Manager as a Staff Advisor:

In their capacity as staff advisors, the HR managers counsel the line managers on matters concerning labour issues in their respective departments. They assist line authorities in hiring, training, appraising, awarding, counselling and terminating the employees. Whenever industrial relations are affected by disputes, grievances and indiscipline, HR managers are called in to play an important role in handling those grievances and in harmonizing the labour relations. HR managers assist in HR-strategy design and execution by helping the top management take a closer look at the personnel aspects of the organizational activities. The HR department is also responsible for various incentive schemes and benefit programmes. Further, the HR managers educate the line managers about the right ways to treat the employees, including listening to their problems and understanding them, settling their grievances, and making them feel important in the organization.

4.3 The Future Role of HRM:

HRM has been expanding in its area of activities ever since the days when management began to include welfare and personnel departments in the organizational structure. Today, the responsibilities of the HR department have grown to be broader and increasingly pragmatic. Moreover, the advent of economic reforms in the form of globalization, liberalization and privatization in our country has changed the very profile of organizations. Today, HR managers have to think beyond traditional activities like personnel planning, welfare measures, and industrial relations. The HR managers of tomorrow need to be familiar with the operational aspects of the organizations such as strategic planning, competitive pressures, return on investment, and cost of production, to name a few, besides their own field. In brief, they must be prepared to function from the higher levels of the management in close coordination with the top management in designing and implementing the HR plans and strategies. We shall now discuss the future role and challenges of HR managers.

4.4 Change in the Nature of Work in Present Scenario:

Technological developments are changing the very nature of work. Due to technological advancements, even traditional jobs have become technologically challenging. These changes require the employment of more educated and more skilled workers in these jobs. Further, the service sector, which is fast emerging as the major provider of employment in our country, requires the use of knowledge workers. For HR managers, these developments indicate an increasing importance of human capital and knowledge workers. These new breeds of better-informed employees will expect unconventional and world-class HR practices and systems. HR managers must have plans and strategies to meet the changing expectations of these new-generation employees. They should also be prepared to handle the emerging work culture, which keeps employees more focused on their individual career prospects. Similarly, due to rapid social transformation, an enhanced access to education and increased labour mobility, the workforce profile of the country has changed dramatically and organizations now represent several heterogeneous groups. For instance, the proportion of women, religious minorities, physically challenged and socially backward people in the workforce has increased dramatically. This is a direct challenge for the HR managers as they now have to deal with culturally and racially diverse work groups. Many firms are now compelled to initiate new gender-specific and target-based HR policies to serve the interests of

different sections of the employees.

5.0 References:

- 1. Bondarouk T. V and Rue H.J.M, (2008) "HRM systems for successful information technology implementation: evidence from three case studies", European Management Journal ,26, 153-165
- 2. Carl F.Fey (2000), "The Effect of Human Resource Management Practices on MNC Subsidiary Performance in Russia", SSE/EFI Working Paper Series in Business Administration No. 2000:6

International Journal of Information MovementVol.2 Issue III(July 2017)Website: www.ijim.inISSN: 2456-0553 (online)Pages1-5

- 3. Chand M.and Katou A.(2007) "The Impact of HRM practices on organizational performance in the Indian hotel Industry", Employee Relations, Vol.29, No.6, pp 576-594.
- 4. Chew Janet & Chan Christopher C.A (2008), "Human resource practices, organizational commitment an intention to stay", International Journal of Manpower, Vol.29, No.6, pp.503-522.
- 5. Dangwal, R.C., and ReetuKapoor (2010), "Financial Performance of Nationalised Banks ",*NICE Journal of Business*, Vol. 5, No. 2, pp. 67-79
- 6. De, Bikram (2003), "Ownership Effects on Bank Performance: A Panel Study of Indian Banks", *Paper* presented at the Fifth Annual Conference on Money and Finance in the Indian Economy, Indira Gandhi Institute of Development
- 7. Gnan, L., L. Songini, 2003, 'The Professionalization of Family Firms: The Role of Agency Cost Control Mechanisms' FBN Proceedings 2003, pp.141-172.
- 8. Guest, D. (1997) 'Human resource management and performance: a review and research agenda' *International Journal of Human Resource Management*, Vol. 8, No. 3, pp.263-276
- 9. http://:www. http://smallbusiness.chron.com dt. 25/06/2017
- 10. Jha, D.K., and D.S. Sarangi (2011), "Performance of New Generation Banks in India: A Comparative Study", *International Journal of Research in commerce and Management*, Vol. 2, No. 1, pp. 85-89
- 11. Kane, B. and Palmer, I.(1995), "Strategic HRM or Managing Employment Relationship?", International Journal of Manpower, Vol.16, No.5, pp.6-21.
- 12. Kaynak, T., Adal, Z. and Ataay, I. (1998), "Human resource Management, Istanbul: Donence Baisn ve Yajin Hizmetleri, Turkey