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## 1.What is Human Resource Management?

HRM is the study of activities regarding people working in an organization. It is a managerial function that tries to match an organization's needs to the skills and abilities of its employees.

# **1.1.Definitions of HRM**

Human resources management (HRM) is a management function concerned with hiring, motivating and maintaining people in an organization. It focuses on people in organizations. Human resource management is designing management systems to ensure that human talent is used effectively and efficiently to accomplish organizational goals.

HRM is the personnel function which is concerned with procurement, development, compensation, integration and maintenance of the personnel of an organization for the purpose of contributing towards the accomplishments of the organization's objectives. Therefore, personnel management is the planning, organizing, directing, and controlling of the performance of those operative functions (Edward B. Philippo).

# 1.2.Nature of HRM

HRM is a management function that helps manager's to recruit, select, train and develop members for an organization. HRM is concerned with people's dimension in organizations.

The following constitute the core of HRM

**1. HRM Involves the Application of Management Functions and Principles.** The functions and principles are applied to acquiring, developing, maintaining and providing remuneration to employees in organization.

**2. Decision Relating to Employees must be Integrated.** Decisions on different aspects of employees must be consistent with other human resource (HR) decisions.

**3. Decisions Made Influence the Effectiveness of an Organization.** Effectiveness of an organization will result in betterment of services to customers in the form of high quality products supplied at reasonable costs.

**4. HRM Functions are not Confined to Business Establishments Only** but applicable to non business organizations such as education, health care, recreation and like.

HRM refers to a set of programmes, functions and activities designed and carried out in order to maximize both employee as well as organizational effectiveness.

#### 1.3.Objectives of HRM

The primary objective of HRM is to ensure the availability of competent and willing workforce to an organization. The specific objectives include the following:

**1)** Human capital : assisting the organization in obtaining the right number and types of employees to fulfill its strategic and operational goals.

2) Developing organizational climate: helping to create a climate in which employees are encouraged to develop and utilize their skills to the fullest and to employ the skills and abilities of the workforce efficiently.

**3)** Helping to maintain performance standards and increase productivity through effective job design; providing adequate orientation, training and development; providing performance-related feedback; and ensuring effective two-way communication.

4) Helping to establish and maintain a harmonious employer/employee relationship.

5) Helping to create and maintain a safe and healthy work environment.

**6)** Developing programs to meet the economic, psychological, and social needs of the employees and helping the organization to retain the productive employees.

7) Ensuring that the organization is in compliance with provincial/territorial and federal laws affecting the workplace (such as human rights, employment equity, occupational health and safety, employment standards, and labour relations legislation). To help the organization to reach its goals.

8) To provide organization with well-trained and well-motivated employees.

9) To increase the employees satisfaction and self-actualization.

10) To develop and maintain the quality of work life.

11) To communicate HR policies to all employees.

12) To help maintain ethical polices and behavior.

The above stated HRM objectives can be summarized under four specific objectives: societal, organizational, and functional and personnel.

**2.1 salary:** certain fixed amounts of money are paid to the employee in each period of payment perform a certain work, so that the sum of these fixed payments over a whole year reaches the amount of salary.

- There is no link between the salary paid and the number of working hours it takes to complete the work.

- The salary is paid monthly, i.e. paid on an ongoing basis.

- Constant and not related to the level of performance.

- Aims to bring competencies to the institution.

- Gives the right to retire while the wage if he is not a participant in the pension systems, he is not entitled to receive Retirement salary.

The term remuneration is often used by private sector companies and institutions in the Arab countries. AMA

The term salaries or salaries is widely used by public sector departments and institutions.

2.2 wage: is compensation paid to a worker based on the hours worked spent at work multiplied by

Hourly wage rate. It is spent daily or weekly. It is paid provisionally.

Its elements are the opposite of what was stated in the previous salary elements.

Despite the differences presented earlier, however, both concepts are used in tandem and denote the corresponding value

The distinction between them has become almost non-existent, and for our part we will use them in tandem without discrimination.

# 3 .The difference between incentives and rewards:

- Both are components of variable pay.

- The some differentiate between them and consider them synonymous in meaning. The truth is there is a difference between them.

Incentives are about encouraging specific future outcomes, while rewards are about rewarding actions that

done.

You give a reward for a good job, you give an incentive to do a good job, and the incentives are linked to the plan, so we say incentive plans, or with a larger business goal or goals, while reward is not necessarily associated with them.

# 4.Difference between direct and indirect wages:

Direct wages correlate with the cost of direct labor, refer to labor directly involved in the production process, namely the cost of all labor expended in converting raw materials into manufactured materials, this cost is manageable by production, wages paid for direct labor are called the cost of direct labor.

Indirect is a cost that has no relation to the unit of production, but is required to perform the services necessary for the operation productivity such as janitor salaries, paid leave, training, health insurance, retirement contributions, and hour's operation of machines. All are indirect benefits that the company does not directly benefit from.

#### 5.Difference between wage cuts, wage slowdown, wage and salary freezes, wage deferrals:

- Salary freeze: indicates that the company has taken measures related to the suspension of salary increases for a period of time to help the company avoid layoffs or hiring freezes.

- Wage reductions: salaries are often reduced to reduce layoffs while saving the company money during a difficult economic cycle, and the reduction may be temporary or permanent, and may come with reduced responsibilities or not.

-Wage slowdown: wage growth or slowdown is related to the economic and business cycles.

#### 6.The concept of wage survey:

The wage and Salary Survey is used to collect data about the wage and salary market for a large number of jobs on global, regional and local level. The objective of conducting a wage survey is to assess the effectiveness of current practices of wages' company, and the disclosure of gaps caused by the current policy followed. This allows the company to modify its compensatory policies serve its interests and enhance its presence in the market.

It is critical that today's organizations align their human resources to better meet strategic objectives. A failure to do so results in wasted time, energy, and resources. Organizations are more likely to achieve this alignment with their corporate objectives when they review their recruitment and selection processes for fit, communicate the mission and vision statements, use joint goal setting, design an appropriate reward system, empower the workforce, promote and develop from within, and use teams to achieve synergy. Human Resource Management is the management function that helps the managers to plan, recruit, select, train, develop, remunerate and maintain members for an organization. HRM has four objectives of societal, organizational, functional and personal development. An organization must have set policies; definite procedures and well defined principles relating to its personnel and these contribute to the effectiveness, continuity and stability of the organization.