

Chapter 9

Fundamentals of Human Resource Management

I. Choose the Correct Answer

Question 1.

Human resource is a _____ asset.

- (a) Tangible
- (b) Intangible
- (c) Fixed
- (d) Current

Answer:

- (b) Intangible

Question 2.

Human Resource management is both _____ and _____

- (a) Science and art
- (b) Theory and practice
- (c) History and Geography
- (d) None of the above

Answer:

- (a) Science and art

Question 3.

Planning is a _____ function

- (a) selective
- (b) pervasive
- (c) both (a) and (b)
- (d) none of the above

Answer:

- (b) pervasive

Question 4.

Human resource management determines the _____ relationship.

- (a) internal, external
- (b) employer, employee
- (c) owner, servant
- (d) principle, agent

Answer:

- (b) employer, employee

Question 5.

Labour turnover is the rate at which employees ____ the organisation.

- (a) enter
- (b) leave
- (c) salary
- (d) none of the above

Answer:

- (b) leave

II. Very Short Answer Questions

Question 1.

Give the meaning of Human Resource.

Answer:

In an organisation, the human resource are the employees who are inevitable for the survival and success of the enterprise.

Question 2.

What is Human Resource Management ?

Answer:

Human Resource Management is a function of management concerned with hiring, motivating and maintaining people in an organisation. It focuses on people in an organisation.

Question 3.

State two features of HRM.

Answer:

Features of Human Resource Management.

Universally relevant: Human Resource Management has universal relevance.

Goal oriented: The accomplishment of organisational goals is made possible through best utilisation of human resource in an organisation.

Question 4.

Mention two characteristics of Human Resource.

Answer:

The unique, peculiar and distinctive features of human resources are as under:

1. Human resource is the only factor of production that lives.
2. Human resource created all other resources.

Question 5.

List the functions of HRM.

Answer:

The functions of human resource management may be classified as under: I Managerial function – Planning, Organising, Directing, Controlling.
II Operative function – Procurement, Development, Compensation, Retention, Integration, Maintenance.

III. Short Answer Questions

Question 1.

Define the term Human Resource Management.

Answer:

According to Dale Yoder, Human Resource Management is “the effective process of planning . and directing the application, development and utilisation of human resources in employment”.

Question 2.

What are the features of Human resources ?

Answer:

1. Human resource exhibits innovation and creativity.
2. Human resource alone can think, act, analyse and interpret.
3. Human resources are emotional beings.
4. Human resources can be motivated either financially or non-financially.
5. The behaviour of human resources are unpredictable.
6. Over years human resources gains value and appreciates.
7. Human resources are movable.
8. Human resource can work as a team.

Question 3.

Give two points of differences between HR and HRM.

Answer:

Human Resource (HR):

1. To obtain personal and organisational objectives, human resource is needed.
2. Human resource are the individuals who acquired the required skills, talents and knowledge to run the organisation.

Human Resource Management (HRM):

1. Human resource management is a function of management relating to hiring, motivating people in an organisation.
2. Human resource management relies on experiments and observations to handle manpower.

Question 4.

What is the importance of Human resource?

Answer:

The vital resource namely human resource is significant because of the following reasons:

1. It is only through human resource all other resources are effectively used.
2. The sustainable growth of an organisation depends on the important resource human resource.
3. Industrial relations depend on human resource.
4. Human relations is possible only through human resource.
5. Human resource manages all other factors of production.

Question 5.

State the functions of Human Resource Management.

Answer:

The functions of human resource management may be classified as under: I Managerial function – Planning, Organising, Directing, Controlling.

II Operative function – Procurement, Development, Compensation, Retention, Integration, Maintenance.

1. Planning: Planning is deciding in advance what to do, how to do and who is to do it. It bridges the gap between where we are and where we want to go.
2. Organising: It includes division of work among employees by assigning each employee their duties, delegation of authority as required.
3. Procurement: Acquisition deals with job analysis, human resource planning, recruitment, selection, placement, transfer and promotion.
4. Development: Development includes performance appraisal, training, executive development, career planning and development, organisational development.
5. Compensation: It deals with job evaluation, wage and salary administration, incentives, bonus, fringe benefits and social security schemes.

IV. Long Answer Questions

Question 1.

Explain the unique features of Human Resource.

The unique, peculiar features of human resources are given below.

Answer:

1. Human resource created all other resources.
2. Human resources can be motivated either financially or non-financially.
3. Human resources are movable.
4. Human resource alone can think, act, analyze and interpret.
5. Human resource exhibits innovation and creativity.
6. Human resource can work as a team.

7. Over years human resources gains value and appreciates

Question 2.

Describe the significance of Human Resource Management.

Answer:

The role of human resource management is the process of acquiring, training, appraising, and compensating employees. The significance of human resource management is given below:

1. To identify manpower needs: Determination of manpower needs in an organisation is very important as it is a form of investment.
2. To ensure the correct requirement of manpower: At any time the organisation should not suffer from shortage or surplus manpower which is made possible through human resource management
3. To select right man for right job: Human resource management ensures the right talent to select the right employee for the right job.
4. To update the skill and knowledge: Human resource management enables employees to remain up-to-date through training and development programmes.
5. To appraise the performance of employees: Periodical appraisal of performance of employees through human resource management activities boosts up good performers and motivates slow performers..

Question 3.

Elaborate on the Managerial functions of Human Resource Management.

Answer:

Managerial Functions of Human Resource Management:

1. Planning: Planning is deciding in advance what to do, how to do and who is to do it.
2. Organising: It includes division of work among employees by assigning each employee their duties, delegation of authority required.
3. Directing: It involves issue of orders and instructions along with guidance and motivation to get the best employees.
4. Controlling: The control process includes fixing of standards, measuring actual performance, comparing actual with standard laid down, measuring deviations and taking corrective actions

Question 4.

Differentiate HR from HRM.

Answer:

Human Resource (HR):

1. Meaning: Human resource, i.e., the employees create other sources.
2. Human resource exhibits innovation and creativity.
3. Human resource alone can think, act and analyse.
4. Human resources are movable.
5. Human resource can work as team.

Human Resource Management (HRM):

1. Managing the human resource is known as human resource management.
2. Human resource management has universal relevance.
3. The accomplishment of organisational goal is made possible through human resource in an organisation.
4. Human resource management is intangible function.
5. Human resource management focuses on the development of manpower through training and development programmes.

Question 5.

Discuss the Operating functions of HRM.

Answer:

Operating functions of HRM:

1. Procurement: Acquisition deals with job analysis, human resource planning, recruitment, selection, placement and promotion.
2. Development: It includes performance appraisal, training, executive development, and organisational development.
3. Compensation: It deals with job evaluation, wage and salary administration, incentives, bonus schemes.
4. Retention: This is made possible through health and safety, social security, job satisfaction and quality of work life.
5. Maintenance: This encourages employees to work with job satisfaction, reducing labour turnover, for human resource.