



Carib.J.Sci.Tech

ORGANISATION STRUCTURE: CONTROL OF HRM

Abstract

Organizational Design refers to the process of aligning the structure of the organisation with its objectives, with the ultimate aim of improving the efficiency and effectiveness of the organisation. Organizational Design work can be triggered by the need to improve service delivery or specific business processes, or as a result of a new mandate. Organizational Design work includes more than designing a structure. It involves understanding the imperative for change and the environment, Understanding the business processes, workflows, roles and responsibilities, volumes of work, activity analysis and resources, Designing and testing new models or structures, Planning and managing the transition from the old structure to the new and Implementing and monitoring the change. Organizational Development may be seen as a planned, comprehensive and systematic process aimed at improving the overall effectiveness of the organisation. It involves intervening in the processes, structure and culture of the organisation. There is a strong emphasis on organizational behavior, human resource development and organizational change. Organizational design can be viewed as an organizational development intervention. Through this research paper we have reviewed the various relationships, structures, and designs of organization, which are counted as total control of human resource management (HRM).

Authors & Affiliation:

Dr. Abhishek Gupta, MBA, Ph.D, The Administrative-cum-Accounts Officer & Head of Office, Sardar Swaran Singh National Institute of Renewable Energy (Ministry of New & Renewable Energy, Govt. of India), Kapurthala (Punjab), India.

Correspondence To:

Dr. Abhishek Gupta

© 2014. The Authors. Published under **Caribbean Journal of Science and Technology**

ISSN 0799-3757

<http://caribjscitech.com/>

1. INTRODUCTION

The relationship with the managers in an organisation deal with one another is broadly classified into two categories line and staff. Line and staff are often used in ways that are loose and unclear. Attempts have been made in some organizations to dispense with them. Thus operating managers/departments are frequently substituted for line and auxiliary and service departments are used for staff. Line and staff are characterized by relationships but not by departments. The important category of relationships is line relationship. The relationship existing between two managers due to delegation of authority and responsibility and giving or receiving instructions or orders is called line relationship. Thus line relationship generally exists between superior and subordinate. Line refers to those positions of an organization which have responsibility, authority and are accountable for accomplishment of primary objectives. Managers identified as line are not subject to command by staff position. In case of disagreement between line and staff, line manager has the right to make final operating decisions. Line authority represents uninterrupted series of authority and responsibility delegation down the management hierarchy. In other words Board of Directors delegates authority to the managing director who in turn delegates a part of his authority to the general manager. The general manager in turn delegates authority to the managing director who in turn delegates a part of his authority to the general manager. The general manager in turn delegates part of his authority to different departmental heads and through them to the supervisors. However, the line managers are completely responsible and accountable for the results achieved by the employees of the respective departments and sections. This does mean that though the authority is delegated, responsibility for action taken by a subordinate still rests with the superior. The staff concept is probably as old as organization itself. It is virtually impossible to busy line managers to perform all their functions and concentrate on all activities including management of the people in their respective departments. This gives rise to securing advice and help from specialists. This creates staff relationships. The relationship between two managers is said to be a staff relation, when it is created due to giving and taking advice, guidance, information, help or assistance, counseling etc., In the process of attaining organizational goals. Thus staff managers analyze problems, collect information and develop alternative suggestions and help the line managers to make right decisions quickly. Staff control is monitoring and reporting, which brings the results of Information to the attention of the line managers for action by the line. Thus they reduce the work load of the line managers and allow them to concentrate on their operative Issues. Having discussed two concepts it would be appropriate to apply the line and staff relationships to the organization design.

2. ORGANISATION DESIGN, LINE AND STAFF RELATIONSHIPS

Organization can also be structured on the basis of line and staff. As discussed earlier line and staff are viewed as relationships but not by departments. Some functional managers have line relations with other managers whilst some other managers have staff relations with other managers in the organization. But those functional managers having staff relations may have line relations in relation to the subordinates in their departments. Thus organization structure is designed on the basis of line and staff relationship within departmental structure. It is often regarded that the personnel manager has staff relation with other managers in an organization. Now we discuss the line and staff relationship and personnel management in an organization. Personnel Management is a Line Responsibility. It is often said that "Personnel management is a line manager's responsibility but a staff function". As discussed earlier the responsibility of line managers is to attain effective goals of their respective departments by the proper management of materials, machine, money and men. Thus management of four Ms which includes management of personnel in their respective departments is the responsibility of line management. Since management is getting things done through and by the people, responsibility of management of these people rests with line managers. Attaining overall organizational goals is the responsibility of the general manager through proper management of personnel and with the help of the different heads of the departments. In turn, management of personnel in different departments is the responsibility of heads concerned. In the same way first level superiors are also responsible for managing the men of their respective sections in achieving their goals. Thus personnel management is a responsibility of all line managers. It is in this sense that every manager is a personnel manager.

In most of the organizations, Boards of Directors delegate Operative/technical responsibilities to managing directors and through them to the general managers. Different functional managers are delegated with the technical responsibility by the general manager. Since all these line managers have to concentrate on discharging technical/operative responsibility and hence they may not find time to discharge their responsibilities of managing human resources. For example, the production manager has to concentrate on production activities and thus he may not find time to perform the various functions of personnel management relating to employees of his own department. In such a situation, the line managers require help or advice relating to personnel management of their respective departments. Since the top management believes that organizational ability depends on sound management of human resources. It provides specialized assistance to line managers through personnel managers. Thus the

personnel managers are created for the purpose of providing assistance, advice, information etc., to line managers in order to relieve them from the burden of management of personnel and to allow them to concentrate on their technical operations. Personnel managers perform the various functions of personnel management viz., employment, training, development, wage and salary administration, motivation, grievance redressal, workers participation in management, collective bargaining etc. Thus personnel managers perform certain staff functions relating to management of personnel like advising, assisting, guiding, suggesting, counseling and providing information to line managers. So personnel management is a staff function.

3. STAFF OF THE PERSONNEL DEPARTMENT

The personnel departments in relation to other departments and other managers have the different roles. One of the important functions of the personnel department is formulation of new personnel policy, alteration or modification of the existing personnel policies. The personnel manager has to initiate the modification or formulation of new policies. The personnel manager assists, advises and counsels the managing director regarding implications etc. in formation and modification of all major or crucial policies. He may be authorized by the managing director to formulate or modify the minor policies. The major activity of the personnel department/manager is advising, counseling, suggesting all other managers at all levels (Junior, Middle and Top) regarding problems, issues, clarifications concerning policies or people of their department sections. Advice should be based on thorough thinking, analysis, research regarding pros and cons, implications during and after execution, possible measures to be taken. Personnel department renders all secretarial and executive services and performs background work in all personnel activities regarding recruitment, receiving and scrutinizing applications, conducting tests, interviews, placement, Induction, training, compensation management and management of Industrial relations. Personnel department monitors performance and controls the line activities to the extent they are related to personnel Issues. It compares the actual performance of the line managers with the established personnel policies, procedures and programmes, Identifies and informs the deviations with possible alternative solutions to the line managers. It also provides the course of corrective action. It suggests to the managing director to modify the policies (If necessary) basing on the experiences in this regard.

4. APPLICATION AND STRUCTURES WITHIN AN ORGANISATION

The line relationship of delegated authority and responsibility from managing director to first level supervisors through general manager, heads of the departments as a straight line. The relationship between the general manager and Manager Personnel is also shown by a straight line as the General Manager also gives orders to staff specialists. Personnel Manager being a staff specialist provides advice and help to various heads of the departments and lower level managers in addition to general manager. The personnel manager attached to the divisional office/branch office or factory of a decentralised organisation is particularly a difficult one. The Personnel Manager at divisional/branch level is responsible to the local divisional/branch manager in a line sense and subordinate to the Manager Personnel at head office in a staff sense or functional sense. Personnel Manager at divisional/branch level has to help the divisional/branch manager in developing personnel programmes and in the management of personnel of the division/branch concerned. The deputy manager personnel at the divisional level may contact the manager-personnel at the head office to gain acceptance of the personnel programmes. In case of rift between divisional manager and deputy manager personnel, they may report their difficulties to their common superior who In turn consults higher management for correct decision. Similarly, the personnel officer at branch level may contact the deputy divisional manager personnel at divisional level to gain acceptance of the personnel programmes and to get clarifications about personnel issues. In case of rift between the branch manager and branch personnel officer, they may report their issues to their superior at divisional level. The branch personnel officer and branch manager may get the assistance from the personnel manager at the head office, solving the problems of crucial and strategic nature and of those which cannot be solved at branch/divisional level. In a matrix organization structure, employees have two superiors i.e., they are under dual authority. One chain of command is functional and the other chain of command is project team. Hence matrix structure is referred to as a multi command system (both vertical and horizontal dimension). Thus the team of employees of personnel department have two superiors i.e., Personnel manager (vertical dimension) and project manager (horizontal dimension). Both dimensions of structure are permanent with power held equally.

5. PERSONNEL DEPARTMENT IN THE ORGANISATION AS SPECIALIST

The personnel department has staff relationship with other department/managers in the total organization. The personnel department is responsible for advising management from Managing Director to the lowest line supervisor on all areas relating to the personnel management and industrial relations. Personnel department also performs various functions of employment, training and development. It represents management in many of the relationships that effect the organisation as a whole. It is also responsible for representing various workers problems to management. Personnel department generally acts in an advisory

capacity; it provides information, offers suggestions, counsels and assists all the line managers in the organisation and is not responsible for the end results. The personnel manager must exercise control very tactfully in order to win the confidence and cooperation of all line managers. He has to persuade the line managers to work with staff specialists and not against them. In certain situations (when line managers lack skill or knowledge in dealing with employee problems) experienced personnel managers assume line responsibility for personnel matters. But it may be resented by the managers who ought to seek staff assistance in meeting their personnel responsibilities. Personnel managers should earn the reputation and confidence of line managers of being a source of help rather than a source of threat to line managers. Staff assistance is likely to be effective when it is wanted rather than when imposed. Nevertheless it is still true that effective personnel executives advise on policies help managers in implementing their programmes. As other managers the manager-personnel is also a line manager in relation to subordinates within the personnel department. Personnel manager is responsible for the success or failure of his department in contributing to the organisational goals. In most of the organisations the personnel manager is responsible for supervising the activities of his subordinates like employment manager, wage and salary manager, manager for training and development, manager-industrial relations etc. He is also responsible for the operations of personnel manager at divisional and branch levels.

As the chief of the personnel department the personnel manager has to get effective results with the cooperation of all the employees working in the department. The success of the personnel department should be measured in terms of its contributions to the personnel programmes like helping line managers in recruitment, screening and referring suitable candidates for employment, securing cooperation of line managers in formulating personnel policies, Providing infrastructure and various facilities for training and development, Providing general information regarding the job and organisation in induction and training programmes, Maintaining adequate employee records to assist the line managers in making decisions affecting the employees, Working with line managers in preparing employee appraisal techniques, helping the line managers in developing their behavioral sensitiveness, consulting and advising in formulating the equitable wage policy and employee benefits, participating in grievance procedure and collective bargaining, Preparing employees to accept the change like change in technology, change in organizational structure, Acting as change agent for the organisational development by contributing to employees' effectiveness, Evaluating the employee contribution to organisation in relation to staff and cost incurred with the help of human resource accounting techniques and Counseling and consulting on various employee problems in order to maintain sound industrial relations. The success of the personnel department can be gauged by the degree of dependence of line managers on personnel department, which in turn depends greatly on the qualifications and qualities of toe personnel manager.

6. QUALIFICATIONS AND QUALITIES OF PERSONNEL MANAGER

The functions of personnel management vary from organisation to organisation both in nature and degree. So, the qualifications required of a personnel manager differ from organisation to organisation depending on its nature, size, location etc. The personnel manager, as in case of any other manager, must have initiative, resourcefulness, depth of perception, maturity in judgement and analytical ability. Freedom from bias would enable the personnel manager to take an objective view of both of management and workers. He must thus have intellectual Integrity. Moreover, the personnel manager should be thorough with labour laws. An understanding of human behaviour is essential to the personnel manager. The personnel manager must be familiar with human needs, wants, hopes and desires, values, aspirations etc. The Personnel Manager should also possess other personal attributes like:



Further, the personnel manager is expected to have leadership qualities; deep faith in human values, empathy with human problems, foreseeing future needs of employees, organisation, government, trade unions, society etc. Previous experience is undoubtedly an advantage provided the experience was in an appropriate environment and in the same area. Training in psychological aspects, labour legislations and more specifically in personnel management and general is an additional benefit. Experience in an enterprise in some other executive capacity can also help towards an appreciation of the general management

problems and a practical approach in meeting personnel problems. Finally, professional attitude is more necessary particularly in Indian context. The personnel managers' job, as in the case of other managers is getting professionalised. He should have patience and understanding, ability to listen before offering advice. As mentioned earlier he should have the knowledge of various disciplines like technology, engineering, management, sociology, psychology, philosophy, human physiology, economics, commerce and law. He must be able to couple social justice with a warm personal interest in people which must be secured by an uncommon degree of common sense.

7. HRM IN INDIAN CONTEXT

The personnel manager should possess various skills listed above; the Indian personnel managers do not possess at least some of the important qualities discussed above. This is mostly due to the absence of proper human resource planning at the macro level. The cream of the country's human resources is attracted to the field of medicine, engineering and technology, finance (banking, Life Insurance) and computer applications. Only the left-overs join the profession of personnel management just with an intention to get a job. This resulted in the absence of professional attitude, aptitude, interest, intelligence, knowledge, skills etc., among today's personnel managers. As such this function in organisations and profession in general receives inadequate attention among line managers, top management and the planners. The entrance of less qualitative human resources into the profession of personnel management has resulted in ineffectiveness of personnel function. Further, other managers view the personnel manager as a second rate citizen in the organisation and as an unwanted group in the organisation. This type of attitude of various managers towards personnel manager results in conflicts between personnel and other managers.

8. ENVIRONMENTAL SCANNING AND COMPLEXITIES INVOLVED IN HRM

Personnel manager can't perform his job in a vacuum as a number of environmental factors affect the HRM. In fact, these factors influence the organisation through human resources. The term environment of human resources management has reference to the totality of all factors which influence both the organisation and HRM sub-system. The environment furnishes the macro context and the organisation is the micro unit. The external environment consists of those factors which affect an organisation's human resources from outside the organisation. Important among them are economic, social, political, Governmental and legal, technological, manpower in the country, tradition and culture, customers, other organisations and their trade unions. Each of these external factors separately or in combination can influence the HRM function of any organisation. Further, changes in these factors make the personnel manager's job a challenging one. The internal environment also affects the job of a personnel manager. The internal environmental factors include organisation objectives, policies, organisational structure, the functional areas of the organisation with which the personnel manager works continuously like finance, marketing and production. Impact of internal environmental factors is profound as they frequently and closely interact with HRM function in an organisation. For instance, the objectives of HRM are formulated based on the organisational objectives. Jobs are designed and analyzed based on the organisational structure. The personnel manager works closely with other functional (line) managers in solving their personnel problems through counseling, advising, providing information etc. The levels of wage and salary, various allowance incentive compensation etc., are heavily influenced by the level of finance and success of marketing functions. Most of the personnel problems are linked with the production function of an organisation. Thus the internal environment of an organisation influences heavily the HRM.

9. CONCLUSION

The influence of external environment on HRM is equally important, though the severity is comparatively less. People are essentially self-managing. In other words while other resources are managed by people, personnel are managed by themselves. People themselves decide about the nature, time and place of their employment. And people react to the changing conditions and to the techniques of management unlike money, material and machine. Further in the present day industries, where the principles of democracy influence and management of labour, the relationship between employers and employees is conceived of as a 'partnership in a constructive endeavour to promote the satisfaction of the economic needs of the community in the best possible manner'. But, the change in the external environment of an enterprise has a profound impact on the personnel. These changes include technological obsolescence, cultural and social changes, changes in the policies of the Government, politics and the like. With the result, the work-environment changes affect their productivity level. It is often said these peculiarities and changes complicated the task of personnel management. Numbers of impressive changes have taken place in the level, aspiration, values and position requirement of human resources. These are due to changes in technological innovations, more formal education, demand of the Government, trends in the employee roles, changes in the values of workforce, demands of employers, changes in structure of employment etc.

Reference

1. "About CIPD". Chartered Institute of Personnel and Development. 2011.
2. "About SHRM". Society for Human Resource Management. 2011.
3. "Catbert shows tougher side to human resources". Personnel Today. August 30, 2007.
4. "HR consultant". CNN Money. Retrieved 23 December 2011.
5. "Human Resources Manager". CNN Money. 2009
6. "Human Resources, Training, and Labor Relations Managers and Specialists". U.S. Bureau of Labor Statistics. 2011.
7. Jonathan E. DeGraff (21 February 2010). "The Changing Environment of Professional HR Associations". Cornell HR Review.
8. O'Brien, Michael (October 8, 2009). "HR's Take on the Office". Human Resource Executive Online. Archived from
9. Towers, David. "Human Resource Management essays".
10. Ulrich, Dave (1996). Human Resource Champions. The next agenda for adding value and delivering results. Boston, Mass.: Harvard Business School Press. ISBN 0-87584-719-6. OCLC 34704904.
11. Wright, Patrick. "The 2011 CHRO Challenge: Building Organizational, Functional, and Personal Talent". Cornell Center for Advanced Human Resource Studies (CAHRS).