

Human resources management applied to british gas



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Introduction

British gas is one of major energy provider in UK. It is a major part of Centrica group. This organization provides energy and different services for the consumers throughout Britain. British gas provide electricity and gas for its customers and also offer gas heating appliances throughout country.

Centrica as a multinational company provides most of its services in North America, Europe and later fed its business to UK as British gas. They provide services like drain cleaning services includes blocking, drain inspection surveys, repairs and installation of pipelines regarding gas operations.

Centrica placed its organization as British gas in 1995 at Windsor, United Kingdom. In recent decades the energy market in UK has become dynamic. As they provide vast services throughout nation British gas employee's high skilled staff more than 9, 000 to provide services of heating and gas appliances for their customers. British gas always desire to provide good genuine services and generate hassle free appliances, electrics, drains and plumbing. For achieving the above mentioned strategies goals British gas must able to build up a perfect planning of human resources (HR).

Human resource management (HRM) is effective management of resources in an organization. HRM examines the quality of work and make resources to be more productive and satisfied. HRM guides the managers of the organization for the effective utilization of services and resources for the organization. In general HRM is included with very vast activities such as, Employment opportunity.

Analysis of job.

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Planning human resources in organization.

Compensation and evaluation.

Relations with employees.

Safety, wellness and health.

HRM activities play an important role in survival of organization. Manager of the organization must be able to identify that human resource management deserves concentration as it is a significant factor in strategic decisions and also to guide future operations. Moreover HRM is the crucial element of the organization functioning. The main objectives of HRM are listed below,

Helping organization to provide its goals.

Employing skilled labor.

Explaining HRM policies to employees.

Providing job satisfaction and maintaining the quality of work. (Ivancevich, 2007)

Successful managing of organization involves in maintaining, acquiring and development of available resources within the organization. These resources in organization include materials, equipment, land, technology and lastly more important is staff. Organizations like British gas should be able to hire good skilled employees for achieving the goals of the organization. HRM is the commerce occupation that focuses the people to view towards the organization. It is responsible for the delivering the right plan and ensuring

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the trust in customers. Centrica earned a huge income as parent corporations for British gas for long time. British gas obtains most of its income from the customer base like residential citizens across the country. Customers always deem of high level services with keen prices. If British gas fails to provide these standards to customer the organization is likely to be in losses. For the satisfaction of the customers British gas engineers must be skilled in making the required standards to customers. With the help of engineers British Gas Corporation can ensure the company fame and retains better income. The director of British Gas Corporation must have ability of controlling different functional activities in organization. The three main functional activities involves in success of British gas organization are,

Training

Due to vast increment of business by British gas it requires more workforces for meeting the customers demand. This is one of the major functional units of British Gas Corporation which leads them to success. British gas was succeeded in establishing the British gas academy in the year 2002 with the motive to facilitate extra training for 5, 000 employees which is recruited in to workforce. British gas offers various training routes for their employers so as to obtain the effective results. Most of its training programs are very much effective and involves in intensive apprenticeship program. In this process trainees are expected to qualify within 10-14 months with fully aided technology. It also offers relevant training in skills and qualification. British gas provides training for all its technical engineers and ensures them with all the latest trend technologies. This activity in organization focuses more on technical skills and knowledge. Training activity also focus on communication

skills as their clients are in regular contact with customers so it is must to have good skills in communication. British gas also provide online learning pattern for its employees and also support cultural awareness for the growth of organization.

Workforce planning

This is another important activity in the functioning of British Gas Corporation. This sector relates with the company future and current needs. Work force planning involves in recruitment process and also managing the training strategy to ensure the organization with skilled staff. Manager of the British gas must perform the events to predict the future access of gas in UK market. This strategy helps the company to decide the number of additional engineers required for the company. Manager of British gas must estimate forecasts regarding demand of engineers in future. The work force requirement in British gas is driven by two methods. Firstly contract agreement with customers for ensuring services and second method is direct accessing by customer through one-off assistance if they have any problem while using services. In present days demand for both of these methods are rapidly increasing rapidly and this leads to rapid hiring more staff for the company. There also arise many problems that influence workforce planning. British gas must have upgraded engineering skills, safety and health issues are most important in gas industries. They must consider the regulation of EU as health and safety regulations change frequently. Qualified engineers can hold their place in industry until they retire from service. They are valued according to their experience and work skills more over British gas also pick suitable staff for promoting for higher roles. Manger of British gas

must plan, organize and co-ordinate with engineers of different teams. With this instance company must attract a wide range of people for recruitment into organization.

Recruitment

This is one of the most important activities of British gas organization and it is part of workforce planning strategy. Manger should implement diversity and inclusion plans and seek new recruits in to organization. This is one of important task for HR department of British Gas Corporation to plan and construct its inclusive workforce. It also enables the diversity of customer's base by hiring the employees from different regions and nationalities so that it can be easy to communicate with the local customers. Recruiting more women engineers in company can able attract most of women customers. More over British gas academy won award for encouragement of women in science engineering workforce and all its associate trades. British gas corporation also prestigious award for inspiring the workforce of the future by implementing the program named opportunity now. Recruiting right level engineers is important task for British gas. Recruitment activity of British gas aims to maintain the competitive position of the company in market. Most of the domestic gas customers demand high standard services. British gas must assure that they posse's high level staff with top quality training. Great effort must be made by the manger for fulfilling the organization future needs and develop the organization from its competitors.(2010)

HRM models are the essential for British gas for mainly three reasons, firstly with the help of these models macro perspective of HRM can be set up in organization. Secondly diversity and unity models serve as input draft for <https://assignbuster.com/human-resources-management-applied-to-british-gas/>

organization. Thirdly these models offer answers for most of difficulties in performance of organization HR function. There are about 30 models in HR strategy practice each one indicate a particular element and philosophy. The two important models that is helpful for British Gas Corporation are briefed below,

Baldrige model of HRM

Malcolm Baldrige model is awarded with quality for organization with recognition of its quality standards. These models are very much helpful for maintaining the quality standards of the organization. 1000 points is awarded under badrige award in different dimensions of managing quality. Other practices like involvement, empowerment and development have its influence on other dimensions like leadership, quality and customers focus. This Baldrige model not only helps British gas organization for strengthening of quality but also for shaping the organization in HR function. In this model manager needs to develop the HR function with new vision for their customer's services with 100% satisfaction. Baldrige model derives five models in HR practices they are,

HR planning

HR training and education

HR reorganization and performance

HR involvement

HR morale and well being.

Each one of the above mentioned practices are subdivided in to number of categories regarding their background. Detailed quality model of HRM activities with efforts of quality are listed in table.

Baldrige model helps the organization for focusing on global standards and services. Managers of HR must be aware of the global standards and mechanisms of Baldrige in order to pick right practices. Lack of awareness regarding baldrige HRM model led to failures in quality of organization.

Harvard model of HRM

Harvard model of HRM depends of vision, mission, objectives and goals of organization. HR practices and policies is the subject that is influenced by internal and external environment. This model is proposed by Michael beer, Walton, mills, and Bert Spector with the title Managing Human Assets in 1984. This model is also known as soft model or multiple stakeholders' model. This practice has two significant considerations.

Situation factor

This factor is influenced by internal and external environment which includes

Labor conditions in market.

Social values.

Business strategies.

Technology.

Management philosophies.

Market environment.

Stakeholder's interest

This sector is influenced by short HRM policies theory are

Management employees.

Union.

Government agencies.

British gas must also consider this model as very important for their organization. This model categorize HRM policies and practices further as,

HR flows.

Reward system.

Employee influence.

Work systems.

FIG: Harvard model of HRM (source < http://www.cipd.co.uk/NR/rdonlyres/EC61C33E-1D26-4C2C-B4CC-04C480E6802C/0/9781843981473_sc.pdf>)

This model helps the manager of British gas in plotting organizations HR strategy. It also offers three important sights for practice. First is policies of HRM must be defined in view of external factors and stakeholders. Second is policies of HRM and practices must set goals to employees and third is obtaining results from the employees by implementing the above practices.

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This model is useful for British gas and it is based mostly on stakeholders concerns which help to reach the goals of organization.(Srinivas R. Kandula, 2003)

Human resource planning is the process which maps the consequences in business strategy in an organization. This planning in British gas reflects skills and competency ability with its competitors. For implementing resourcing strategy British gas must able to organize the process more logically. These decisions are used as fundamentals for British gas organization. Role of human resource planning and development is major in present days for effective functioning of an organization. For making effective human resource planning the manager must be aware of following points,

Cost in recruitment

Morale consequences

Opportunities in outplacement

Hiring of skilled staff.

Time constraints.

Management requirement.

Availability of suitable persons.

Management of HR planning is a crucial task for the managers of British Gas Corporation. The main purpose of HR planning for British gas is to provide

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the right quantity of man power to the organization. HR planning involves in two steps they are,

HR demand forecasting.

HR supply forecasting.

Demand forecasting techniques is based on long and short term factors such as changes in economy, market trends, technological trends, global trends, organizational strategic plans and production schedules. There exists number of techniques in organization of British gas for forecasting the HR demand some of them are listed below,

Predictor variables

This technique is a statistical tool and is based on employment levels, future requirement can be forecasted..

Zero base technique

With the help of this planning technique manager can easily determine the future requirement in employment. In this planning every event is started with zero. It enables the manager to predict the man power requirement for each operation.

Bottom up technique

This is widely used common planning technique in British gas organizations. In this process each manager in HR recruitment process is responsible for the forecast of organizational level in market.

Simulation technique

This is one of the experimentation techniques of British gas. In this planning a real time situation is plotted and the forecasted the assessment by manipulating the different manpower.

Following factors must be considered by the manager of British for effective HR planning strategy.

Turnover rate of employee.

Absenteeism rate.

Inventory current skills.

Separations.

Productivity levels.

A highly significant HR planning not only ensures the availability of man power but also helps in reducing the man power costs and optimization of human talent. Manager of British gas must acquire skills in particular implementing functions. HR planning is an efficient tool for organization to prove value of HR function in British gas organization.(Srinivas R. Kandula, 2003)

The quantitative HR planning is important for the manger of British Gas Corporation. It is one of resource of organization. They do not observe its worth in annoying the forecasted events and takeovers rather planning benefit the organization for future assumptions. Most of the organizations

must develop knowledge in planning and efficient usage of resources in their business with a motive of satisfying the customer needs. Some of the planning and development methods are listed as,

Determination of count of employees in new areas

If British gas organization maintains huge workforce which may also leads to misjudgment due to overstretched in staff functioning. In this method planning the HR manager must aware of following questions that may arise in the plan preparation..

How the interrelation between work, productivity and technical development can be understand from the customers.

What type of techniques are used in workforce requirement?

How flexible arrangements are made.

Staff required.

Retaining of high quality skilled staff

This planning methods is about retention in recent years, this enables the manager of the British gas to realize the pattern of resignation, monitoring the resignation extent, discovering the reasons for it, cost to organization and comparing losses without this planning data manager is not aware of quality staff and this will also expensive for the organization through separation, recruitment and induction.

Managing downsizing program

This planning tool helps the manager aware about the painless cut in workforce while protecting long-term future of the organization. This planning is made regarding the following questions.

Sorting of employees.

Pros and cons of different segments.

Nature of down run.

Retraining utility and transfers.

Recruitment levels.

This planning analysis helps manager for preparation of various methods of reduction with in time. HR planning can be applicable where their required a responsive change, time demanding, flexibility in supply. If decisions are taken while ignoring the HR planning then arise a huge loss for the British organization.(Reilly P, 1996)

The above mentioned methods are very much useful for the managers in the British gas corporation for effective functioning. HR planning is must for every organization so as to reach the customer needs in daily life. Most of the organization expansion, technological change is backed up with human resources. It suggests the plan for modification when additional resources are not available to meet the customers need. Sometimes if the organization is well built with machinery and money but there are no manpower at this instance HR planning offsets the changes to maximum extent. HR planning

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helps for anticipating of salary and facilitating budget for HR. it also helps in planning physical facilities and working conditions in organization. HRM provides and facilitates the controlling all the operations and functions of human resources. This thesis on HRM helps the manager of British Gas Corporation to understand the various key concepts involved in human resources of organization and also helpful for the future excavations over the topic of HR.