

Human relations management style research paper sample

[Business](#), [Company](#)



A study conducted in 2008 by KPMG, indicated that financial incentives comprise the most important aspect of employee motivation (31%), while soliciting employee opinion and recognition contributed upwards of 14% and 21% respectively. These results are an important pointer to the importance of human relations management style. With the emergence of efficient transport and communication technologies, the services industry has quickly gained significance over traditional businesses. In addition, technological transfer has contributed to the faster rate of normalization of production technologies across different companies. Effectively, the only sustainable source of competitive advantages in the modern organizations, which cannot be easily replicated by competitors, derives from its human resources. However, creation of competitive advantages and organizational competencies, long-term investment in the firm's human capital is critical, in which strategic human resources management, seeks to strike a balance between the organization's goals and the needs of its human capital.

In this respect, strategic human resources is greatly helped by the human relations management style, which places the organization's human capital at the center of the decision-making process. This management approach emphasizes human capital, as against the actual services that the employees offer, which effectively helps in the development of the employee as against the insistence of results. Organizations across the world have largely moved towards stringent performance appraisal programs, coupled with compensation systems, which are based on the same systems. These systems effectively create an adversarial and competitive system in which only a few employees prevail, while the rest struggle, to the detriment of the

organization as a whole. In this regard, human relations managerial systems are helpful in shifting the focus towards development of human resources.

This shift is important, but even more significant is the fact that it also deals with more than the physical work aspects, but also the social aspects of the work environment. In this respect, human relations management transcends the age-old workflow designs and ergonomics, which improve efficiency, but ignore the fact that performance and work in the modern organization is heavily influenced by multiple social and emotional factors.

These include employee motivation, knowledge management, teamwork and spirit as well as loyalty to the organization. These factors can never be fully realized through compensation, performance appraisal and conventional strategies that seek to promote them. Instead, the existence of an emotional rapport between the employees, management and other stakeholders, coupled with the existence of a social environment within the organization is critical to success. Human relations management style lays emphasis on knowledge management, teamwork, team building and corporate responsiveness to the needs of the employees, which heavily complements the existent management practices, effectively boosting performance.

Employee development through education and training, job tenure, good compensation, coupled with the expansion of the space to communicate, share knowledge and experiences in turn opens up opportunities for creativity and effective knowledge management. These will result in competitive advantages for the organization, crucial in an increasingly competitive business world.

Popkin Software Systems is a New York-based software development firm,

which has adopted multiple aspects of the human relations management style. The company's human resources comprises of highly skilled software engineers and specialists, who collaborate on varied projects within the organization. The firm has a horizontal organizational structure, in which the general direction of the firm is determined by the employees and above all, all the software developers, computer specialists and managers have an equal say on the direction to be adopted in individual projects as well as the overall company. This has contributed to the growth in the sense of belonging to the company, coupled with a sense of responsibility for the overall performance of the entire firm. While it remains difficult to specifically assess the contribution of this management style to the performance of the organization, Popkin Software systems has risen in profitability and other performance indicators, including the number of regular clients (average of 961 a year), long-term contracts, eleven years after the adoption of these practices. With just 95 employees, the company has revenues reaching over \$41 million, with key clients including IBM, U. S. Air Force and Lockheed Martin.

Tri County Home Health Agency

A health agency has critical functions that must be undertaken in order to make the organization viable, and thus the medical staff, including doctors and nurses would not be affected, unless there is a reduction in the demand for the agency's services. However, I will call a meeting with different employee groups to explain to them the difficult financial problems facing the agency, and the strategic options available to us. Subsequently, since

employees must be at the center of decision-making in this model, I will appoint a team from different employee groups to work with the management on the viable ways of reducing the workforce. Since the employees' emotions and feelings must take priority in this case, the alternative of (i) taking pay cuts across the workforce in order to avoid layoffs (ii) reduced working hours for employees in return for reduced pay and (iii) voluntary exit by employees will be examined closely. Naturally, administrative and support tasks would be targeted, but the highest paid employees would also be targeted since their exit would free up considerable resources to allow the company to survive the financial problems.

Once the decision has been reached by the team; employees, who must be involved at every stage of the decision-making process in order to avoid the shock will be informed of the decisions to be adopted. In addition, I will discuss the options with all the employees leaving Tri County Home Health Agency, in order to determine the effect of the severance on them, their families and career, with the intention of sparing those that would be worst affected. In addition, Tri County Home Health Agency will adequately compensate leaving employees, coupled with the possibility of assisting them secure alternative employment elsewhere. In addition, the psychological effect of the leaving employees on the survivors must be countered through counseling and emotional support, facilitated by the provision of effective communication and sharing platforms. There are no easy choices in this case, but involvement and employee-centric policies are critical.

Birdi, K., Patterson, M., Clegg, C., Robinson, A., Stride, C., Wall, T., et al.

(2008). THE IMPACT OF HUMAN RESOURCE AND OPERATIONAL

MANAGEMENT PRACTICES ON COMPANY PRODUCTIVITY: A LONGITUDINAL

STUDY. PERSONNEL PSYCHOLOGY , 61, 467–501.

Bloomberg Businessweek. (2012). Company Overview of Popkin Software & Systems Inc. <http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=4634954>:

Bloomberg.

Bloomberg.

Crowder, D. (n. d.). Human Relations Theory: Organizational Development for Healthcare .

Taylor, S. (2007). Creating social capital in MNCs: the International Human Resource Challenge. Human Resource Management Journal, Vol 17, no 4 , 336–354.

Torrington, D., Hall, L., & Taylor, S. (2005). Human Resource Management. Harlow: Financial Times.