

The practice of
human resource
management is an
area of much
academic
discussion ...

[Business](#), [Management](#)



Human Resource Management (HRM) ' is about matching employment practices to an organization's strategy', according to Hendry (1999, p. 3). In Torrington, Hall and Taylor's (2008) opinion, its objectives are to ensure that organizations are well staffed and that those employees are well treated, motivated and committed to their work to provide best performance. Furthermore, it is characterised by Marchington and Wilkinson (2005) as the main aspect that distinguish successful companies with those less prosperous.

The most important part of HRM, to make it work effectively, is to use it strategically because as Storey, Wright and Ulrich indicate ' Strategic Human Resource Management is concerned with the constellation of policies and practices relating to the interaction between people and organizations designed to enable an organisation to achieve its purposes' (2009, p. 3). Therefore, it means that SHRM makes sure that there are good relationships between staff members and managers in order to meet organization's strategic goals.

This essay will argue that a HRM, if correctly applied, might be beneficial for companies. To provide the information about beneficial sides of the HRM, this piece of written work will be composed using various schools of thoughts: hard and soft models and literature sources. There are many various opinions stated by different authors about what Human Resource Management is and what it brings to an organization and, as Armstrong and Baron (2003, p. 3) argue, ' there is no such thing as a generally accepted

theory of HRM'. Consequently, some people might think it gives opportunities to companies, while to others it is seen as a threat.

Therefore, it could be argued that whether the HRM model works well in an organization depends upon the management of every single member of the workforce in all the differing activities that affect the company's performance. However, the main aims of an HRM model, as stated earlier, are to attract and manage employees effectively what affects in meeting a company's strategic goals. Armstrong (2006) suggested that it is upon its people that a company's erformance depends on. Therefore, it is essential that all employees know exactly what is expected from them, in order to make the business, or organization successful. Although there is no accepted definition of HRM, for the purpose of this paper, Cherrington's (1995) description will be accepted.

It says that: " Human resource management is responsible for how people are treated in organizations. It is responsible for bringing people into the organization, helping them perform their work, compensating them for their labours, and solving problems that arise"(p.). From this, we can conclude that HRM ensures that people are treated equally well in an organization to deliver the best service possible and that there are no problems affecting the company's performance.

This suggests that HRM is a good thing taking place within an organization.

According to Bratton and Gold (2001) HRM, ' regulate the employment relationship' (p. 14). Considering their opinion, it follows that HRM is

responsible for communication between employers and employees which, in consequence, might influence a company's, or an organization's appearance. Torrington, Hall and Taylor (2005) think that, ' the larger the organization, the more scope there is to employ people to specialise in particular areas of HRM' (p. 9). Therefore, in big companies, managers and their employees might focus more on one particular aspect to ensure that HRM works well and influence a business to achieve all its objectives. They also state that smaller organizations, ' do not need, or cannot afford, HR managers at all' (2005, p.

9). Considering their point of view, the position of those small businesses might be more difficult because of the lack of HRM professionals who manage everything. In this situation it could be worth to provide training to selected employees who might subsequently be used as a ' substitute' HR manager and to help a company achieve its goals. Another concept of HRM is the, ' flexible firm' model which was developed by Atkinson (1984). It states that, ' there is a growing trend for firms to seek various forms of structural and operational flexibility' (Armstrong, 2003, p. 284) in order to contract people that are more flexible ' by applying their skills across a wide range of tasks' (Marchington & Wilkinson, 2005, p. 4).

Perhaps surprisingly, Atkinson's ' flexible firm' model seems to lead us to a different understanding of what is good and beneficial for a company. His philosophy suggests it is better to have people that can do different kind of jobs rather than focus on one particular thing as Torrington, Hall and Taylor proposed. Moreover, many employers have started to introduce flexible

working to their companies, in order to 'enable their employees to achieve a better work- life balance' (Mullins, 2007, p. 620).

From this it can be concluded, that by adopting a 'flexible firm' model, companies can have employees who can both work professionally and manage their personal lives. There are three different kind of flexibility characterised: functional, numerical and financial. They all apply to different type of elasticity (Atkinson, 1984 in Armstrong, 2003). The first (Functional) is about staff members being able to undertake different activities and tasks within an organization which saves money by not having to employ more people dealing with single specific tasks. The second (Numerical) is about the possibility to increase or decrease employee numbers easily and about different types of contracts.

The third (Financial) applies to flexible wages (Atkinson, 1984 in Mullins, 2007). All of the above models and their short definitions provide information for employees to understand what is required from them and what is available to, and for, them. It gives scope for them to plan their personal lives, but also defines the rights of the company, in terms of conditions of employment. Therefore, the model is good for both employees and organizations. Hence the influences of having HRM, or not, can be different in every company depending on many factors and their capabilities.

Nevertheless it is more realistic to think that HRM allows companies to become more beneficial rather than ineffectual in meeting their goals by applying it strategically. It is Strategic Human Resource Management (SHRM)

that integrates decisions about employees with those concerning the results that a company, or organization, wishes to obtain. Armstrong and Baron(2002) have drawn attention to the fact that to use HRM in practice and make it beneficial, a firm requires, ' high levels of determination and competence at all levels of management, and a strong and effective HR function staffed by business-orientated people' (p. 16). For that reason, a company should ensure that employed people are well qualified for the job they have so they could provide an organization with skills they possess.

Armstrong and Baron(2002) also point out that ' the impact made by the HR function will be largely dependent on the quality of HR professionals and their ability to do things right' (p. xvii). It suggests that it is all about managers, their competence, skills and understanding of what the job is all about as it is essential part to make the HRM beneficial what affects in achieving company's aims and objectives. There have been several different variants identified, in seeking to define HRM. The first distinction was made by Storey (1989) between a soft version of HRM which is also known as The Harvard Model and hard one, called Michigan (Armstrong & Baron, 2003). They both have impacts on roles and responsibilities of both management and their staff within a company.

According to Guest (1987) and Storey (1992) the main aims of soft HRM are to enhance the commitment of employees to their work and their flexibility which affects their quality of the work that is done (Guest and Storey, in Beardwell et al, 2007). On the other hand, hard HRM ' describes the emphasis on strategy where human resources are deployed to achieve

business goals in the same way as any other resource' (Guest, 1987 and Storey, 1992, in Beardwell et al, 2007, p.). It can therefore be considered that the soft model focuses more on the individual needs of employees and the importance of their development which can lead to a participation in developing an organization's strategy. Alternatively, hard HRM pays more attention to making profit and achieving companies' goals by managing staff in a way to match with an organization's strategy. Schein (1987) argues that it involves the fulfilment of both individual and organizational needs' (in Mabey et al, p. 71) to make everything works perfect. Therefore, according to his point of view, we could conclude that companies should embrace aspects of both soft and hard models, in order to become beneficial.

These two approaches might work well and lead to effectiveness in both completely different and the same kind of businesses. Furthermore, they do concentrate and rely on dissimilar things within an organization to provide the best service possible. It could be considered that public companies might more often use soft model as they do not look for profit but customers' satisfaction. On the other hand, private businesses are mostly affected by hard model as the reason for their existence is profit that they make for their shareholders. This vision is supported by Truss (1999) who states that ' even if the rhetoric of HRM is soft, the reality is often hard, with the interests of the organization prevailing over those of the individual' (Armstrong and Baron, 2003, p.

6). From this we can conclude that it is essential that companies use both hard and soft models strategically in order to become beneficial. There are

many different kinds of HRM approaches so companies need to use them strategically to work effectively. Schuler (1992) defined strategically applied HRM as ' all those activities affecting the behaviour of individuals in their efforts to formulate and implement the strategic needs of the business' (in Armstrong and Baron, 2003, p.

41). It suggests that Strategic Human Resource Management (SHRM) is all about making connection between individual needs of employees with company's objectives towards improving organization's overall performance and achieving the goals that were set out in its mission statements. This can lead to previous researches which showed that it is very important how people are treated within a company. It is them who an organization's achievement depends on as, without them, there is no one who can do the work. Notwithstanding, there are many aspects making HRM effective and as Mabey, Salaman and Storey (1999) highlight, ' training has always been a favoured human resource response to individual and organizational performance issues, and is an essential, arguably a central, tool of SHRM' (p.

). This statement also acts in accordance with earlier observations which argued that both employers and employees need to know what is expected from them to make their work valuable. It also accords to the thesis of the soft model which was mentioned earlier. Therefore, everyone should be properly trained so would not make any mistakes in order to become useful part of a team. Another component which might bring opportunities to a business was suggested by McGregor. It was called ' Theory X- Theory Y' (1960) and stated ' that the way managers treat employees will affect how

much of their talent, effort, and motivation can be harnessed for the organization' (Hendry, 1999, p.

4) which agrees with the previous comments about HRM. This indicates that it is important that managers know exactly how their staff should be treated when engaged in their work what could affect in their performance, in order to make organization succeed. This essay has argued that HRM is beneficial for an organization and presented researches in general have suggested that it is a positive thing taking place within a company. It has been stated that there are many different approaches adopted in organizations depending on specific influencing factors. Although, there is no one single accepted definition of HRM, many authors have stated that the most important aspect is the treatment of the employees as it is them who a companies' existence depend on. Moreover, the relationship between them and employers is also essential part of HRM. Another conclusion that has been drawn by some authors is the fact that companies might be affected by such factors as size and type of business.

It was stated that bigger organizations have opportunities to have more people what allow them to be focused on particular thing. Whereas, those smaller ones cannot employ enough people so they need to be challenged to do different tasks. Atkinson introduced a 'flexible firm' model which is beneficial for both employees and companies if correctly applied.

Some authors argue that having team members who know how to do different things are good assets to an organization. Others indicate that it is

better when both employers and employees always have the same single role to focus on to help meet strategic goals of a company. Another approach introduced in this essay was Storey's Soft and Hard models. The first focuses more on employees' needs while the second on the made profit. Moreover, it was suggested that the soft model is more applicable in public companies and the hard one in private organizations.

The benefits, or otherwise, of the ' Theory X- Theory Y' was introduced. In an attempt to illustrate that all of the approaches can be applied strategically, as applicable, to make an organization succeed. One of the most significant to emerge from this study is that HRM contributes to an organizations' effectiveness by both reducing the impact of risk and adding value which are associated with employing and training people in a proper way. All of the findings lead to the fact that he most positive part of HRM is its strategic alignment that makes a connection between the needs of individual team members with those of an organization as needs and goals of every employee and company are different.

Many authors also have mentioned the fact that well trained managers and employees are important, if not essential, part of every business as it is them who the existence of a company depends on. Therefore, it is definitely all staff members, including managers that are major factors in making organizational Human Resource Management beneficial and workable.