Human Resource Management in Public Sector

1. Introduction

Many people use the phrase "Human Resource Management (HRM)," "Human Resource Development (HRD)" and "Human Resources (HR)" interchangeably. Recently, the phrase "talent management" is being used to refer the activities to attract, develop and retain employees.

HR is a function in organizations designed to maximize employee performance in service of an employer's strategic objectives. HR is primarily concerned with the management of people within organizations, focusing on policies and on systems. HR departments and units in organizations typically undertake a number of activities, including employee benefits design, employee recruitment, training and development, performance appraisal, and rewarding (e.g., managing pay and benefit systems). According to R. Buettner, HRM covers the following core areas:

- Job design and analysis,
- Workforce planning,
- Recruitment and selection,
- Training and development,
- Performance management,
- Compensation (remuneration), and
- Legal issues.

Behind the production of every product or service there is human mind, effort and man hour (working hours). No product or service can be produced without help of human being. Human being is the fundamental resource for making or constructing anything. Today many experts claim that machine and technology are replacing human resource and minimizing their role or effort. But even machine and technology have been built by the human. Besides organizations or companies have been continuously in search for talented, skilled and qualified professionals to further develop latest machine and technology, which again have to be controlled or used by humans to bring out products or services.

The concept of HRM largely depends on the performance of people working in the organization. People considered as human resource when acquired such as knowledge, skill, attitude, experience and potential growth. Human resource is, people who are willing to contribute their skills, talents and attitudes in order to achieve organizational goals. It is concerned with the effective management of available human resources in the organization.

Altogether, HRM is the process of proper and maximum utilization of available limited skilled workforce. The core purpose of the HRM is to make efficient use of existing human resource in the organization. HRM is the process of

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recruitment, selection of employee, providing proper orientation and induction, providing proper training and the developing skills, assessment of employee (performance of appraisal), providing proper compensation and benefit, motivating, maintaining proper relations with staff or labor and with trade unions, maintaining employee’s safety, welfare and health by complying with laws of concerned country.

2. Importance of Human Resource Management

HRM helps in creating better rapport between the management and the subordinates. It helps subordinates to realize individual and organizational goals.

HRM is the backbone of every type of organization. The triumph of every organization depends upon the worth of persons it employs. HRM helps in spotting the exact individual for the precise job. Suitability for the job and quality of work go hand in hand in determining the quality of any workforce.

There is widespread unrest in organization these days. Strained employee-management relations, lack of confidence in each other and emergence of militancy in trade unions have become the order of the day. These factors have created a gap among subordinates and managements. Both sides are talking about exploitation by the other side. In the absence of cordiality in an organization, the performance of the workers or employees is adversely affected. HRM is required to create proper understanding among the workers or employees and the management. We can point out the reason of HRM as such:

a) Forecast future personnel needs: To avoid the situations of surplus or deficiency of manpower in future, it is important to plan our manpower in advance. For this purpose a proper forecasting of future business needs helps to ascertain our future manpower needs. From this angle, HR plays an important role to predict the right size of manpower in the organization.

b) Cope with change: HR enables an enterprise to cope with changes in competitive forces, markets, technology, products and government regulations. Such changes generate changes in job content, skills, demands and numbers of human resources required.

c) Creating highly talented personnel: Since jobs are becoming highly intellectual and incumbents getting vastly professionalized, HR helps prevent shortages of labor caused by attrition. Further, technology changes would further upgrade or degrade jobs and create manpower shortages. In these situations only accurate human resource planning can help to meet the resource requirements.

d) Protection of weaker sections: A well-conceived personnel planning would also help to protect the interests of the marginalized group, physically handicapped, children of socially oppressed and backward classes who enjoy a certain percentage of employments notwithstanding the constitutional provisions of equal opportunity for all.

e) International strategies: International expansion strategies largely depend upon effective HR. With growing trends towards global operations, the need for HR further becomes more important as the need to integrate HR more closely into the organization keeps growing. This is also because the process of meeting staffing needs from foreign countries grows in a complex manner.

f) Increasing investments in HR: Another importance is the investment that an organization makes in human capital. It is important that employees are used
effectively throughout their careers, because human assets can increase the organizational value tremendously as opposed to physical assets.

g) Resistance to change and move: The growing resistance towards change and move, self-evaluation, loyalty and dedication making it more difficult to assume that organization can move its employees everywhere. Here HR becomes very important and needs the resources to be planned carefully.

3. HR Nature and Characteristics

a) Human focus: HRM is concerned with the effective management of people possessing energy and capabilities. It is individual oriented. It is specially focused on the human oriented approach. The detailed investigation of human resource in organization is made.

b) Pervasive: HRM is a pervasive function of management. It is performed in all levels of management. The responsibility of human resource cannot be delegated to others. HRM is practically implemented in the organization at various levels.

c) Continuous: HRM is a continuous function of management. In other words, it is not a one-time process. It will continue till the organization exists. It is continuously monitored at every step of organizational existence.

d) Dynamic: HRM is not a static concept but a dynamic function. It is also affected by internal environment like human resource policies, goals of the organization, structures etc.

e) System: HRM is a system of input, processing and output. It utilizes the input, process it and also provide output. Therefore, HRM is the combination of input, processing and output, which is considered as a system.


To look at HRM more specifically, it has four basic functions: (i) staffing, (ii) training and development, (iii) motivation, and (iv) maintenance. Staffing is the recruitment and selection of potential employees, done through interviewing, applications, networking, etc. Training and development is the next step in a continuous process of training and developing competent and adapted employees. Motivation is a key to keeping employees highly productive. This function can include employee benefits, performance appraisals and rewards. The last function or maintenance involves keeping the employees' commitment and loyalty to the organization.

HR can include a broad spectrum of specialties within organizations. Some examples of specialties include recruiting, payroll, policy, safety, training and development, and performance management. In other words, HR is responsible to develop programs that will attract, select, develop, and retain the talent needed to meet the organizational mission. Profit is a result of employees. Success is a result of employees. Goal-achievement is the result of employees. Thus, they are the means to an end. Strategic HRM ties the relationship between organizational success and contribution of employees through several processes of recruiting, selecting, training, appraising, retaining, and rewarding the most central form of intangible assets of an organization.

HR are the key to effective functioning of the civil service, as it helps improve delivery of services and public goods in the country. Now, the Nepali civil service role has changed, and bureaucrats are no longer masters but have

3 http://lcweb2.loc.gov/frd/cs/nptoc.html. (accessed on 15 February 2016)
learned to become servants of the people. The government has a policy of providing training to all civil service employees. To these end Personnel Training Academy has been established. In order to boost motivation and morale of civil service employees, the government has established a well equipped Civil Service Hospital in Kathmandu. Similarly the government has initiated to build residential apartments for the civil service employees in different parts of the country. Likewise, the government has initiated to establish School for the children of civil service employees. The government has a policy of providing experience of different geographical parts of the country to its employees through transfer.

Civil service relates the Central Personnel Agency (CPA) matters and mechanism to operate Civil Service Acts, Rules, Procedures and management of Civil Service and close linkage with the Public Service Commission (PSC) of Nepal. Some government policy regarding human resource in civil services are departure from class system to level system, CPA in real sense, protection of civil service personnel, and welfare mechanism in civil service.

The functioning of the Nepali civil service is far from being rational or impersonal, and is strongly influenced by political, social, economic and cultural conditions. Although Nepal’s civil service is not overstuffed, it suffers from poor incentives, fragmented decision-making, lack of adequate delegation of authority, large numbers at the lower levels, and inflexible working practices. Civil Service has been reasonably praised for its general recruitment system which PSC has adopted merit based, competitive and fair approach. At the same time, it has been criticized for its promotion and transfer system which is not always merit based and transparent due to various reasons including political interference and patronage. Output of HR quality of work life, productivity and readiness to change has not been achieved. We need talented people with expertise in areas ranging from policy development to statistical analysis to human resources and more.

Nepal Civil Service is poorly paid and pay is not based on performances. This is one of the factors for de-motivating civil servants. The full utilization of their capacity has not been utilized as civil servants, especially manpower, seek outside job for their survival which hampers their performance in the organization. Overall performance of civil service in Nepal is poor in spite of highly qualified and competent officials in the government. The public service delivery is criticized as inefficient and ineffective and weak project management capacity as well.

5. Challenges

In today’s world, organization and the job of human resource officer is getting more difficult. Different factors directly affect HRM. Therefore any changes in the environment have challenges for HRM. Some of the challenges of HRM are as follows:-

(a) Paradigm shift in HR role- The first and foremost challenge has been to prove that HR department can add value and contribute significantly towards attainment of the organisation’s goals and objectives. Similarly, HR managers now need to change gear to seek a strategic role in their organisations, and not be content with their transactional roles. Such a paradigm shift would be possible and easier in organisations led by executives who have a sound understanding of the importance of HRM in the true sense.

(b) Making the switch-over to strategic HRM- Strategic human resources management is not only a fairly new idea in the field of HRM. The linking of human resources with strategic goals and objectives in order
to improve business performance—keeps in mind the organisation's larger strategies while recruiting, selecting, training and rewarding employees. Instead of focusing on internal human resource issues, the focus is on addressing and solving problems that effects people management programs in the long run.

(c) **Managing dominant work values**—Managing human resources is akin to managing individuals, each of whom has a different value system and preference. It would be a big mistake if staffers are considered and treated as commodities. It is reality that every organisation has employees with different dominant work values, which must not be overlooked.

Keeping the above reality in mind, we need to prepare strategies to retain employees and enhance their productivity. We should be aware of this reality and prepare HR strategies accordingly to retain and motivate employees.

In this course, many people are beginning to use the phrase "Talent Management" to refer to the activities of attracting, developing and retaining employees. Getting the Best Employees, Paying Employees (and Providing Benefits), Training and Developing Employees, Ensuring Compliance to Regulations, Ensuring Fair, Safe and Equitable Work Environments, Sustaining High-Performing Employees.

(d) **Globalization**—Globalization is the process by which, transactions of business organizations have been globalized across the world. Globalization provides platform for selling goods and services from one country to another. Only those organizations can survive from these processes which are able to employ and retain qualified people. The challenges for human resource department are to review current HR policies in order to meet globalization.

(e) **Increasing concern for security and employment**—Security and employment are also the major concerns for HRM. The increasing worldwide terrorism is a major challenge not only for nation but also for the organization all over the world. Therefore, the internal security problem and external challenges are the major threats for any country.

(f) **Work force diversity**—The success of organization depends on how much it can respond to the situation of workforce diversity, workforce from different countries with different values, cultures, languages, education, training background representing different races and religions participating in work place. The role and responsibility of HRM is to handle diversity related problems.

(g) **Decentralized work sites**—With the increasing use of information technology, work places are decentralized. Due to the use of computers, e-mails and internet network, today's employees are not required to sit in the office from 9 AM to 5 PM, instead they can work at home and report to the office with the help of computer linkage. However, challenges are there for HR department to monitor and evaluate the performance of workforce. Human resource department has to ensure the quality of work in decentralized work sites.

(h) **Employees involvement**—The need for employees' involvement at work place is increasing to make them able to contribute to a given job. Similarly, when the organization is larger in size, it is difficult for lower level management to work without responsibility and resources.
To enhance employees’ contribution, it is essential to delegate authority. The challenges for HR officer are to make the people engaged and use their maximum efforts. To make the employees involved in the best motivating factors will be to provide opportunities to work in challenging job.

6. Suggestions

The current HRM system is rigid, cumbersome, slow, costly and process-driven. It does not support modern values-based, results-oriented, decision making, nor does it reflect modern workplace values and practices. It must be changed to make better. Significant improvements can and must be made if Nepalis are to receive good value in the services they pay for with their tax.

It is necessary to have a change-friendly and change-oriented bureaucracy, reinforced by an increased managerial capacity of the bureaucracy to execute reform measures. It is important to consider the capacity of the administrative mechanism, resources availability; institutional arrangements to manage, coordinate and implement the reform process prior to recommending reform measures. This is a fact rarely considered by the past reform studies. In the entire civil service, need-based and goal-oriented programs are essential in the sub-systems of HRD and motivation of employees. Hence, public sector organization needs:

a) More effective collaboration with each other and with the voluntary and private sectors, to prevent overlapping and duplicated services and to be more cost-effective;

b) To identify more efficient ways of working and foster innovation;

c) To identify potential costs savings by means of greater use of shared services and outsourcing;

d) A more effective focus on meeting the changing needs of the public through enhanced front-line autonomy;

e) To negotiate new/local terms and conditions of employment; and,

f) To manage and communicate change effectively, involving employees through effective consultation to ensure employee.

Reference

Civil Service Act, 2049
Civil Service Rules, 2050

https://en.wikipedia.org/wiki/Human_resource_management
http://lcweb2.loc.gov/frd/cs/nptoc.html.