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HRM & ME

Human Resources Management

Introduction

Meaning & Definition Of Human Resources

What is human Resources ?

" The total knowledge, skills, creative abilities ,talents & aptitudes of an organization workforce as well as the value, attitudes & beliefs of the individuals involved".

Management has been defined by Mark Parker Follet as "an Art of getting things done through people".

Definitions

1. Human resources management is concerned with employees both as individual & as a group in attaining goals. It Is also concerned with behaviour, emotional & social aspects of personnel.

Objectives of Human resources Management

The following are the objectives of human resources management are

- To creates, Utilize and Able to motivate work force to accomplish the basic organization goals.
- To attain an effective utilization of human resources in the achievement of organization goals.
- To Strengthen & appreciate the human assets continuously by providing, training & development programmed.
- To provide an opportunity for expression & voice in management
- To provide fair, acceptable & efficient leadership
- To maintain high employee morale & sound human relations by sustaining & improving the various condition & facilities.
- To provide facilities & creation of work force which conditions of work of favorable atmosphere for maintaining the stability of employment.

Functions of Human Resource Management

Managerial Functions

- Planning
- Organizing
- Directing
- Controlling

Operative Functions

- Employment
- HRD
- Compensation
- Human relations
- Effectiveness of Hrm

What Is Knowledge?

Data

A Record of a Change of State

Information

Data organized with a purpose. A message

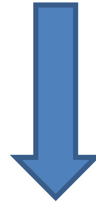
Knowledge

Literally…

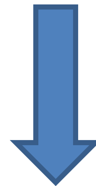
what people know

Knowledge conversion

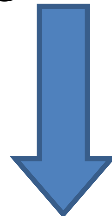
Developing new knowledge



Securing New & Existing knowledge



Distributing Knowledge



Combining Available Knowledge

Managerial Economics

Managerial Economics

A close interrelationship between management and economics had led to the development of managerial economics. Economic analysis is required for various concepts such as demand, profit, cost, and competition. In this way, managerial economics is considered as economics applied to "problems of choice" or alternatives and allocation of scarce resources by the firms.

Economics is the study of men, as they live, move and think in the ordinary business of life.

Managerial Economics is essentially applied economics in the field of business management. It is the economics of business or managerial decisions. It pertains to all economics aspects of managerial decision making.

Micro Economics and Macro Economics Relationship with Managerial Economics

- **Macroeconomics** deals with the performance, structure, and behavior of an economy as a whole. Managerial economics applies microeconomic theories and techniques to management decisions. It is more limited in scope as compared to microeconomics. Macroeconomists study aggregate indicators such as GDP, unemployment rates to understand the functions of the whole economy.
- **Microeconomics** and managerial economics both encourage the use of quantitative methods to analyze economic data. Businesses have finite human and financial resources; managerial economic principles can aid management decisions in allocating these resources efficiently.

Firm

Meaning: A firm is a business unit which undertakes production activities.

A firm converts inputs into outputs.

Definition: According to the traditional view a firm is the organization of individual or group of individuals form to achieve common economic activities.

According to modern view a firm is defined as a company which is owned by shareholders and manage by company officers.

Graphically

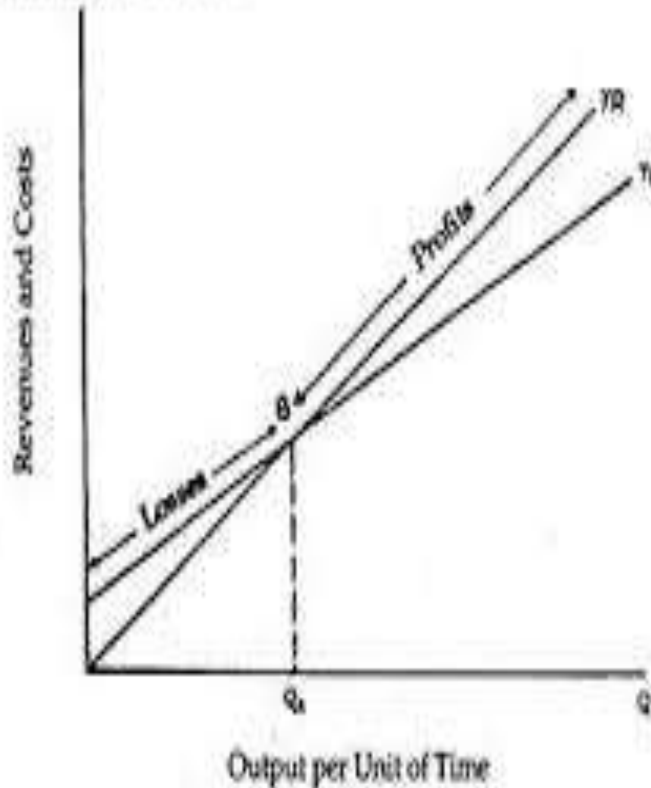
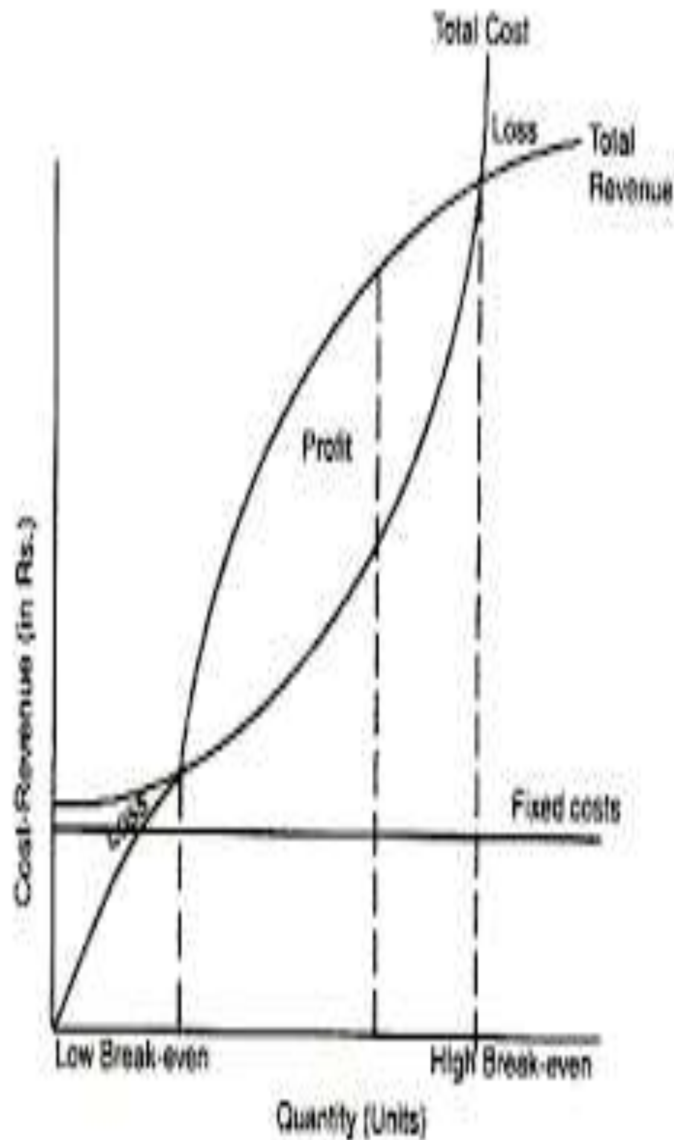


Fig 21.2 Linear Breakeven Chart

1. Linear Break Even Analysis

- These linear approach to profit contribution has been criticized because of the assumptions that both price and AVC are constant. The price assumptions non-unrealistic for many firms as they are able to sell all they can produce at the going prices. However other firms specifically those where sales are large relative to the size of the market, may have to reproduces prices to sell more output.

Graphically



2. Non - Linear Break Even Analysis

- Non- linear total revenue and total cost functions are is conventional in the sense that at first cost increases but less than in proportion to output and then increase more than in proportion to output. There are two breakeven points as Q_1 , Q_2 and Q_3
- Note that the vertical distance between the TR and TC function is maximized at output level rate Q.