# POLI 457 Human Resource Development and Management

Session 2 – Introduction to Human Resource Development and Management 2

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## Session Overview

This session highlights the goals of human resource management and outsourcing in human resource management. both her central areas in human resource management and I do expect that you can identify with them.

### Session Outline

- Topic One: Goals of Human Resource Management
- Topic Two: Outsourcing in Human Resource Management

# Reading materials

- Denhardt, R.B. &. Denhardt, J.V., 2009. *Public Administration: An Action Orientation* (6<sup>th</sup> Edition). Thomson Wadsworth: USA.
- DeNisi, A. S. & Griffin, R. W., 2008. *Human Resource Management* (3<sup>rd</sup> Edition). Houghton Mifflin Company: USA:
- Greer, C., 1995. *Strategy and human resources*. Prentice Hall: Englewood Cliffs, N.J.
- Mosher, F., 1982. The GAO: The Quest for Accountability in American Government. Westview Press: Boulder, Colorado

# Goals of Human Resource Management

• It's exciting to welcome you to another session. We will look at the goals or objectives of human resource management and development. By goals or objectives, the section especially is interested in why human resource departments of organizations have come up with objectives that guide their day-to-day activities. What is important here is that the goals help organizations to get to where they want to get to. As individuals we ought to have some goals that will regulate our lives so that we cannot be carried away by just anything we see or hear. The same applies to organizations, whether public or private. We will end the session with outsourcing in human resource management

 There are many goals of human resource management. Thus, some organizations can have as many as ten objectives while others may have less than that. DeNisi and Griffin (2008) have explained four goals that have shaped the activities of a number of organizations. Indeed these four have become part and parcel of almost all registered organizations around the globe. By a registered organization, we mean organizations that are recognized by the laws of the country where the organizations are located. In Ghana, apart from the many public organizations (such as Ghana Broadcasting Corporation, Commission on Human Rights and Administrative Justice, and etc that are recognized by the laws of the country), private/business organizations like Barclays Bank, Standard Chartered Bank, Coca Cola, Guinness, and several others are registered and as such recognized by the laws of Ghana.

 The first goal of human resource management we will like to discuss is that human resource management ensures that their organizations are competitive in their countries. As a human resource manager or director, by competiveness, you are expected to help the organization adopt policies that will ensure that the organization rub shoulders with other organizations that provide the same or similar services as your organization. More importantly, your organization must perform better than other organizations. For instance, as the human resource director of the GES, it is your responsibility to ensure that the GES schools as well as teachers perform better than those schools and teachers in the private sector. Similarly, at the University of Ghana, those responsible for faculty recruiting should put policies in place so that Legon can compete effectively with other tertiary institutions. To be competitive, organizations must employ the right people (through the adoption of the merit principle) for the jobs available in their departments. Without such a practice, organizations, both public and private, run the risk of employing people who will not be able to make the organization competitive. At times, this explains why some organizations are more successful than others. Any organization that does not desire to be competitive is not worth being called an organization.

• Another important goal of human resource management is promoting quality products in an effort to meet the expectations of consumers and the general public. According to DeNisi and Griffin (2008:16) "quality is the total set of features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs." This is a central concern of organizations around the world. Related to the first goal, if you really want to be competitive the onus lies on your organization to ensure that products from the organization meet certain standards. For example, the University of Ghana and other public universities in the country must ensure that the students that graduate are of a higher quality. The absence of this will mean these institutions will lose students to the promising and mushrooming private universities. Generally, people and employers should be able to say that the products/students from Legon are diligent and can think critically and conceptually.

 A third goal of human resource management is that they comply with social and legal obligations. The Zain touching lives and MTN foundation are examples of some of the social obligations of organizations. Basically, for social obligations, organization provide free services, such as building schools for deprived communities, providing free medical care for vulnerable people, providing good drinking water, and etc. At times too some organizations undertake cleaning exercises and educate society on the importance of cleanliness. And for legal obligations, organizations are to abide by laws, such as the payment of taxes on their profits, social security taxes, safety at the workplace, avoiding discrimination, and other government regulations.

 The final goal we want to talk about is the promotion of individual growth and development. With this objective, organizations ensure that they have programs in place to help their workers increase their skills, knowledge and abilities. This is why organizations give study leaves to their workers to pursue higher education in Ghana and abroad. In the same way, some organizations do help their workers to overcome health problems like stress and depression. They can also organize keep fit/exercise programs for their workers to make them healthy and make their organizations competitive. From a broader perspective, organizations envision that their employees will not stay at one place forever but rather move from the lower ranks to the top ranks.

# Sample questions

•	How can Ghana Broadcasting Corporation be more competitive?
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•	What are some of the social and legal obligations of public organizations?

# Topic Two: Outsourcing in Human Resource Management

 In human resource management outsourcing is known by several names. Notable ones are privatization and contracting out. As indicated earlier, with outsourcing or privatization organizations prefer other companies or organizations to undertake certain types of services for them. For instance, with outsourcing, instead of using its own security officials, the University of Ghana will employ the services of a private security company to do the job. In the same way, the Ministry of Energy will employ the services of a private company to clean the ministry instead employing full time workers to do the cleaning. There are many advantages and disadvantage of outsourcing in human resource management. We will talk about three of the advantages and three disadvantages. We expect you to think about other advantages and disadvantages.

- The first advantage of outsourcing is that it allows organizations to focus on their core mission. This allows organizations to assign responsibilities that are not central to them to other companies. For instance, an organization whose central missions are research and teaching can engage the services of another organization to carry out cleaning and other minor activities.
- Secondly, outsourcing enables both public and private organizations to benefit from the expertise of other organizations. Organizations can look elsewhere for the expertise they do not have in their organizations. Some organizations may have people with certain qualifications which maybe lacking by other organizations. Under such circumstances it makes sense for organizations to use the expertise of other organizations. Outside firms can handle payroll, insurance and other benefits (Babcock 2005) programs for an organization better than the actual organization.

 Thirdly, it allows organizations to avoid employing full-time workers. Once you employ full-time workers, you do not only have to pay salaries. You will also contribute to the workers social security and other pension programs, as well as health insurance and other benefits. This makes it very expensive to employ full-time workers. Because outsourcing is available, many organizations prefer to use outside firms to perform certain jobs for them, especially when they will not need full-time workers to do that. In Ghana, we often say there are many people who are working for the government but they do not really do anything. In an instance like this outsourcing becomes appropriate.

 However, outsourcing is not without disadvantages. The first is that there will be fewer entry level jobs in an organization that is committed to outsourcing. Because organizations prefer to give certain jobs to outside organizations, people, especially fresh graduates who want to work in these organizations may not get the chance to do so. Thus, if you want to start your career, say, with an engineering or public relations firm that has outsourced the area you can be employed to another company, this can serve as a source of frustration to many people. This is what is happening in many rich countries. Some of the jobs in these countries have been outsourced to organizations in the Peoples Republic of China, India and elsewhere.

 Moreover, employees in organizations that are the destinations of outsourced jobs are cheated and exploited by their employers. When the services they perform are labor-intensive (this is a job that requires more laborers than capital or technology) such as cleaning or security duties, the individuals who do the actual work are not paid livable wages. This is mainly, but not exclusively, why those who work for private security firms and cleaning companies complain about salaries and the general conditions of service.  Finally, outsourcing may also make current employees not committed to the organization. Once current employees get to know or recognize that their organizations like to outsource certain jobs, some of them may feel like their jobs can also be outsourced in the future. This will cause them to hunt for other jobs because they do not know when their jobs will be outsourced. This will affect their overall commitment to the organization. And because they cannot predict what will happen in the future, they will try to look for jobs that will guarantee their security. Only few workers are less concerned about their job security. This means for the majority who are concerned about their job security, they will make the effort to look elsewhere for that security

#### Conclusion

• The session has presented the goals of human resource management and the outsourcing in human resource management. I believe you see outsourcing in several organizations in Ghana.

## Sample questions

- Describe any four benefits of outsourcing in human resource management.
- What is the meaning of outsourcing in human resource management?

# Further Readings

- Denhardt, R.B. &. Denhardt, J.V., 2009. *Public Administration: An Action Orientation* (6<sup>th</sup> Edition). Thomson Wadsworth: USA.
- DeNisi, A. S. & Griffin, R. W., 2008. *Human Resource Management* (3<sup>rd</sup> Edition). Houghton Mifflin Company: USA:
- Greer, C., 1995. *Strategy and human resources*. Prentice Hall: Englewood Cliffs, N.J.
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